IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 26-02-2026

CORAM

THE HON'BLE MR.JUSTICE P. DHANABAL

CS No. 363 of 2020

Shri. R.Ashwin
Rep. by R.Chitra, POA, Agent of Shri.R.Ashwin,
No.2, Ramakrishnapuram 1st Street,
West Mambalam, Chennai-33

..Plaintiff(s)

Vs

Smt. Kavitha Ravanan
Flat No.A-2, Crescendo Apts. No.26, Desika Road,
Mylapore, Chennai-4

..Defendant(s)

Prayer: Plaint filed under Order VII Rule 1 of CPC read with Order IV Rule 1 of O.S.Rules (a) To direct the Defendant to pay the Plaintiff the sum of Rs.1,35,67,123/- together with subsequent interest at 12% per annum from the date of Plaint till the date of realization. (b) Awarding costs of the suit

For Plaintiff(s): Mr.T.Ravichandran

For Defendant(s): Mr.D.Saikumaran

JUDGMENT

This Civil Suit has been filed by the plaintiff for the reliefs of recovery of money to the tune of Rs.1,35,67,123/- with interest at the rate of 12% per annum and for costs.

2. The brief averments of the plaint are as follows:-

2.1. The defendant's husband, viz., Ravanan, who is running a real estate business, under the name and style of VOX Group of Companies, had approached the plaintiff and mentioned that the defendant is the absolute and exclusive owner of the lands in Survey Nos.50/2A-1B, 54/1A (Part), 54/1B (part), 56/2 (part) and 54/2, all together an extent of 42.5 cents in the above said S.F.Nos situated at Kovilambakkam Village, Sholinganallur Taluk, Kanchipuram District. Both the plaintiff and the defendant agreed and entered into an agreement in respect of the sale of properties for a sale consideration of Rs.10.5 Crores and the plaintiff transferred a sum of Rs.1 Crore to the defendant through RTGS on 30.06.2017 and on the same day, viz., on 30.06.2017, sale agreement was sent by the plaintiff for signature**.** When the plaintiff intended to have the original documents, the defendant's husband insisted that if 60% of the sale consideration is paid, then, he would settle the money due to the Hero

Fincorp and take out the original documents. The plaintiff also expressed his willingness to pay the said sum to the Hero Fincorp directly by him, but the defendant and her husband did not agreed for that. Thereafter, the defendant and her husband did not sign the sale agreement that was sent on 30.06.2017.

2.2. The plaintiff requested the defendant to refund the advance immediately and the defendant's husband stated that the property is being developed by Sobha Developers and he is having entitlement in the plots developed by the Sobha Developers and ensured that two flats will be allotted to her in the Sobha Winchester, which belongs to his share and an E-mail was also sent by the office of the defendant's husband on 26.09.2018, in this regard. Pursuant to the same, an allotment letter for Units A141 and B142 were issued. The plaintiff has been requesting the defendant and her husband to register the said two flats, which was promised by them, instead of returning the advance paid by the plaintiff to the defendant. The defendant and her husband have been postponing the same for various reasons. Therefore, the plaintiff, on 15.06.2020, addressed an E-mail to the defendant's husband and also sent many WhatsApp messages, but no reply has been received from the defendant and her husband, therefore, the plaintiff filed the suit for recovery of money.

3. The brief averments of the Written Statement are as follows:-

3.1. The defendant denied the averments made in the plaint. In fact, the defendant is the owner of the properties mentioned in the plaint and it was the plaintiff, who approached the defendant's husband and expressed his willingness to purchase the property and thereafter, entered into an agreement dated 30.06.2017 with the defendant for sale consideration of Rs.10.50 Crores to purchase the property and the plaintiff miserably failed to act as per the agreement dated 30.06.2017. The sale agreement dated 30.06.2017 was executed between the plaintiff and the defendant with a clause mentioning that there is a liability on the property with Hero Fincorp and the plaintiff after accepting terms and conditions of the agreement had paid an advance amount of Rs.1 Crore to the defendant and promised to pay the balance sale consideration as per the agreement, but the plaintiff miserably failed to handover the signed agreement to the defendant and also failed to pay the balance sale consideration, which proves the malafide intention of the plaintiff since the very inception of the agreement of sale.

3.2. In the agreement itself, it was stated that the original documents will be handed over to the plaintiff on clearing the liabilities of Hero Fincorp and the defendant's husband also informed about the mortgage to the plaintiff prior to the payment of advance amount of Rs.1 Crore and in fact, it was stated by the defendant's husband that their only intention for selling the property in favour of the plaintiff is, to clear the liability of the property with Hero Fincorp. The plaintiff only after accepting to discharge the mortgage of the property from Hero Fincorp, paid the advance amount of Rs.1 Crore to the defendant. The defendant faced huge loss by believing the words of the plaintiff, who miserably failed to act as per the negotiation and agreement to purchase the property and to pay the balance consideration, which leads to the auction of the defendant's property to the tune of Rs.6.5 Crores as against the market value of Rs.10.5 Crores, causing huge loss.

3.3. After internal audit, it was decided that the loss caused by the plaintiff should be recovered from him because the defendant's property is auctioned for a lesser price, it is highly unfair on the part of the plaintiff to give false promise to the defendant to purchase the property by paying advance amount of Rs.1 Crore and thereafter, miserably failed to pay the balance of sale consideration, therefore, the plaintiff is not entitled to any reliefs and the counter claim has to be filed against the plaintiff and the suit is liable to be dismissed.

4. Based on the above said pleadings, and hearing both sides this Court, on 19.11.2024, has framed the following issues:-

'(i) whether the defendant agreed to sell two plots to the plaintiff in lieu of Rs.1 Crore transferred to the defendant for the purpose of discharging the mortgage?

(ii) Whether the conduct of the plaintiff had caused loss to the defendant by not paying the balance consideration towards the plots agreed to be sold?

(iii) Whether the plaintiff is entitled for recovery of Rs.1,35,67,123/- with interest at the rate of 12% per annum?

(iv) Is the sum of Rs.1 Crore paid by the plaintiff is liable to be forfeited?

(v) What other reliefs the parties are entitled to?'

In order to prove the case on the side of the plaintiff, Mrs.R.Chitra, Power of Attorney of the plaintiff was examined as P.W.1 and marked Exhibits Ex.P.1 to Ex.P.8 and on the side of the defendant, Mrs.Kavitha Ravanan, the defendant was examined D.W.1 and no documents have been marked.

5. The learned counsel appearing for the plaintiff would submit that the plaintiff has filed the suit for recovery of money to the tune of Rs.1,35,67,123/- with interest at the rate of 12% per annum. The defendant's husband Ravanan, runs a real estate business and she approached the plaintiff for sale of certain extent of land in Kovilambakkam and the plaintiff also agreed to purchase the property for a sum of Rs.10.5 Crores and paid a sum of Rs.1 Crore towards advance. In order to prove the same, Ex.P.2, viz., Original Pass Book Entry has been marked and sale agreement dated 30.06.2017 has been marked as Ex.P.3. After payment of Rs.1 Crore, when the plaintiff wanted to see the original documents, the husband of the defendant wanted 60% of the sale consideration to settle the due for the Hero Fincorp and the plaintiff was not comfortable with that, accordingly, transaction did not materialise. Therefore, the plaintiff was not interested to purchase the property and the same was communicated to the defendant. Thereafter, the defendant entered into development agreement with Sobha Developers and assured to give two flats and to that effect, they also sent an e-mail dated 26.09.2018 through Ex.P.4, viz., Email of allotment of Flats. Further, Unit Nos.B-142 and A-141 were issued, through Exhibits P.5 and P.6.

However, the defendant and her husband did not fulfil their promise and thereafter, the plaintiff issued an email dated 15.06.2020 through Ex.P.7 and thereafter, he also sent WhatsApp messages, but there was no response from the defendant, thereby the plaintiff filed the suit. In order to prove the case of the plaintiff, he was examined as P.W.1 and also marked exhibits Ex.P.1 to Ex.P.8. The plaintiff's side had clearly established his case and the defendant also admitted the receipt of advance amount, thereby the defendant is liable to pay the suit amount and the suit is liable to be decreed.

6. The learned counsel appearing for the defendant would submit that the plaintiff and the defendant entered into an agreement on 30.06.2017 and the terms and conditions were mentioned in the agreement, the original agreement was withheld by the plaintiff, after getting signatures from the defendant, the sale consideration was fixed at Rs.8.5 Crores and Rs.1 Crore was already paid by the plaintiff and remaining 7.5 Crores was directed to be paid within 30 days. Further, without sufficient fund to complete the transaction, the plaintiff was not ready and willing to perform his part of contract. Due to delay on the side of the plaintiff, the said property was auctioned under SARFAESI proceedings initiated by Hero Fincorp and the property was auctioned for lesser price and the

defendant sustained loss of Rs.3 Crores. The defendant already informed the plaintiff about the existing loan with Hero Fincorp and the plaintiff also admitted the same, but he failed to pay the balance amount and thereby the defendant sustained huge loss, due to the deliberate delay and non payment by the plaintiff, the proceedings under SARFAESI Act was initiated by Hero Fincorp and ultimately property was sold through auction for a lesser sale price and thereby the defendant sustained a loss and therefore, the plaintiff is not entitled to any reliefs and the suit is liable to be dismissed.

7. Heard the learned counsel appearing for the plaintiff and the learned counsel appearing for the defendant and perused the entire documents placed on record. Further, written arguments have been filed by the plaintiff and the defendant, in the written arguments of the denfendants the sale price was mentioned as Rs.8.5 Crores, whereas in the plaint and in the written statement, they admitted the sale price was fixed at Rs.10.5 crores, however, the dispute is in respect of the advance amount of Rs. 1 crore paid by the plaintiff.

8. In this case, the plaintiff filed the suit for recovery of money based on the advance amount paid by the plaintiff and the defendant also admitted the

receipt of advance money. Since the defendant admitted the receipt of advance money, she is liable to pay the advance money. However, according to the defendant, the plaintiff failed to pay the entire money and thereby the property was auctioned by Hero Fincorp where the property was mortgaged and the plaintiff was also very well aware about the mortgage of the property with Hero Fincorp, but failed to pay the remaining amount of sale consideration as agreed by him, thereby the defendant sustained huge loss and the property was sold for Rs.6.5 crores, when the property is worth about Rs.10.5 crores, therefore, the plaintiff is not entitled to any relief.

9. As far as the First Issue framed by this Court, viz., '*(i) whether the defendant agreed to sell two plots to the plaintiff in lieu of Rs.1 Crore transferred to the defendant for the purpose of discharging the mortgage?'* is concerned, the suit is filed for the relief of recovery of money based on the sale advance paid by the plaintiff to the defendant and not for the specific performance of contract to execute sale deeds in respect of the two flats. The first issue is in respect of sale of two flats in lieu of the advance amount paid to the defendant for the purpose of discharging the mortgage. Further, the defendant's husband also issued an email dated 26.09.2018 in respect of

allotment of letters for the units A.141 and B.142 and there is no any agreement between the parties in respect of the allotment of the above said units and also there is no any reference as about the sale price and other particulars and therefore, the adjustment of Rs.1 Crore for the purchase of two flats is immaterial. Since the suit is not filed for the relief of specific performance in respect of the two flats, the above said issue in respect of the sale of two flats, would not arise at all.

10. As far as the Second Issue, viz., *'(ii) Whether the conduct of the plaintiff had caused loss to the defendant by not paying the balance consideration towards the plots agreed to be sold?'* is concerned, the plaintiff has filed the suit for recovery of money based on the agreement of sale. According to the plaintiff, he paid a sum of Rs.1 Crore to the defendant by RTGS for purchase of the property and the defendant also admitted the receipt of advance amount, but according to the defendant, she sustained huge loss due to the non-performing of contract by the plaintiff. According to the plaintiff, on the date of agreement itself, the plaintiff conveyed the defendant and her husband that he was not comfortable to deal with the huge money transaction and wanted to pay the money directly to Hero Fincorp and take out the original

documents and thereby he has not signed in the original agreement. Both the parties have not produced the original documents to that effect.

10.1. Moreover, the defendant has not produced any documents to show the loss caused to her and there are no records produced by the defendant in respect of the sale of the properties sold through auction by Hero Fincorp. As per Ex.P5 to P7 they revealed that two flats were alloted to the defendant and an E-mail was also send by the defendants husband to the plaintiff, thereby the defendant had knowledge about the plaintiff's position that_ he was not ready to purchase the property. Even as per Ex.A3 the agreement was not signed by the both the parties only signed by the vendor and the agreement was incomplete. Even assuming that the property was sold, mere agreement between the parties, shall no way have any direct impact on the sale of the property and there is no any registered agreement between the parties and without any documents, the contention of the defendant that they sustained loss due to the plaintiff’s conduct is not acceptable and the defendant failed to prove the actual loss incurred by her, therefore, the defendant failed to prove her contention, thus the issue is answered.

11. In respect of Issues (iii) and (iv), viz*., '(iii) Whether the plaintiff is entitled for recovery of Rs.1,35,67,123/- with interest at the rate of 12% per annum? and (iv) Is the sum of Rs.1 Crore paid by the plaintiff is liable to be forfeited?* are concerned, the plaintiff sought for the relief of recovery of money based on the advance money paid by him and both sides have not filed any documents except the sale agreement dated 30.06.2017, however, the defendant himself admitted the receipt of advance money. According to the defendant, the plaintiff did not pay the balance of sale consideration within time, thereby her property was sold by Hero Fincorp through auction under SARFAESI proceedings, thereby she sustained loss, therefore, the defendant is not liable to pay the return of advance money. Admittedly, the defendant has not filed any counter claim and even in the written statement, she stated about the counter claim and averred that she has to file counter claim, but thereafter, she has not filed any counter claim, without any counter, the contention of the defendant that she sustained huge loss due to the plaintiff cannot be accepted. Further this court in the previous issues decided that the defendant failed to prove the actual. loss casued to her. Therefore, the contention of the defendant that the plaintiff is not entitled to advance money, cannot be accepted. From the above evidence

of plaintiff and as per admission made by the defendant, the plaintiff has proved her claim, thereby the plaintiff is entitled to recovery of money.

11.1. The defendant admitted receipt of Rs.1 crore and there is no contract between the parties in respect of the interest, however, the plaintiff claims interest at the rate of 12% per annum, in the absence of any contract between the parties, it is appropriate to award nominal interest at the rate of 9% per annum. Accordingly, the plaintiff is entitled to relief of recovery of money for a sum of Rs.1 Crore with interest at the rate of 9% per annum from the date of payment of money, i.e, 30.06.2017 till the date of realisation of the amount.

12. As far as issue No.V Is concerned this court in the previous issues decided that the plaintiff has proved her claim and the defendant failed to prove her defence and thereby the plaintiff is entitiled for decree for the suit amount with 9% interest from the date of payment of advance amount i.e. 30-06-2017 till the realisation of the money.

In view of the above said discussions and the answers to the issues, the suit is decreed with costs. Accordingly, the suit is decreed and the defendant is directed to pay the plaintiff a sum of Rs.1 Crore with interest at the rate of 9% per annum from 30.06.2017 till the date of realisation of the amount.

26-02-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
ssd

Witness marked on the side of the plaintiff:
P.W.1 – Mrs.R.Chitra

Witness marked on the side of the defendant
D.W.1 – Mrs.Kavitha Ravanan

List of Plaintiff side Documents:

Exhibit No.	Date	Description of Documents.
Ex.P.1	01.08.2008	Original Power of Attorney
Ex.P.2	30.06.2017	Original Pass book entry
Ex.P.3	30.06.2017	Original Agreement of sale deed
Ex.P.4	26.09.2018	Copy of Email of allotment of flats
Ex.P.5	23.01.2020	Original allotment letter from Sobha
Ex.P.6	23.01.2020	Original allotment letter from Sobha
Ex.P.7	-	Copy of Email sent on 15th and 16th June, 2020

Ex.P.8	-	Certificate under Section 65-B of the Indian Evidence act, 1872

List of Defendant' side Documents:

Nil

26.02.2026

P.DHANABAL, J.

ssd

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