



IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH
201

CR-9538-2025 (O&M)
Date of decision: 30.04.2026

Shekhar & Others

...Petitioner(s)

Vs.

Rajesh & Another

...Respondent(s)

CORAM: HON'BLE MS. JUSTICE NIDHI GUPTA

Present:- Mr. Partap Singh, Advocate
Mr. M.S. Kathuriya, Advocate
for the petitioners.

NIDHI GUPTA, J.

Present Revision Petition has been filed by the plaintiffs laying challenge to the order dated 23.09.2025 (Annexure P8) passed by learned Additional Civil Judge (Senior Division), Karnal, whereby application filed by the respondents/defendants under Order 7 Rule 11(d) read with Section 151 CPC seeking rejection of plaint on ground of non-payment of requisite Court fee, has been allowed.

2. Brief facts of the case in chronological order are as under:-

13.05.2024: The plaintiffs had filed present Civil Suit dated 13.05.2024 (Annexure P2) seeking declaration that the Agreement to Sell dated 11.10.2023 was illegal null and void; with consequential relief of permanent injunction against the respondents/defendants.



18.05.2024: Vide order dated 18.05.2024 (Annexure P3), parties to the Suit were directed to maintain status quo qua existing state of affairs of the suit property till next date of hearing.

18.05.2024: On 18.05.2024 itself, the respondents/defendants had filed an application (Annexure P6) under Order 7 Rule 11 read with Section 151 CPC seeking rejection of the plaint on the ground of non-payment of ad valorem Court fee.

21.01.2025: The plaintiffs had filed reply dated 21.01.2025 (Annexure P7) to the above-said application.

23.09.2025: Vide impugned order dated 23.09.2025 (Annexure P8), the application of the respondents has been allowed.

3. It is inter alia submitted by learned counsel for the petitioners that the learned Civil Judge has passed the impugned order in a mechanical manner without appreciating that by way of the instant Suit, the petitioner was not seeking cancellation of any Deed. The petitioner was only seeking cancellation of the alleged Agreement to Sell on the ground that signatures of the petitioners had been taken on blank papers and therefore, the said document is void ab initio and not merely voidable. It is contended that therefore, for a void document, the Suit for declaration with fixed Court fee is maintainable and ad valorem Court fee is not required.

4. Learned counsel for the petitioners further submits that the learned Civil Judge has wrongly applied the judgment of Hon'ble Supreme



Court in **Suhrid Singh @ Sardool Singh v. Randhir Singh (SC) : Law Finder Doc ID # 209047**. The petitioners have clearly stated that their signatures were taken on blank papers and that the Agreements are void from the very beginning. In such cases, the law requires only a declaration and not cancellation with ad valorem Court fee. The learned Civil Judge ignored this distinction, which makes its finding on Court fee unsustainable. Moreover, the petitioners are admittedly in possession of the suit property as also recorded in the interim order dated 18.05.2024 (Annexure P3). It is contended that Section 7(iv)(c) of the Court Fees Act applies where declaration is coupled with consequential relief such as possession or cancellation of a valid instrument. In the present case, both of the aforesaid factors do not apply since petitioners are already in possession and are only seeking to protect their possession and declare the forged papers as void. Therefore, the fixed Court fee is sufficient.

5. The learned trial Court ignored the fact that no registered Sale Deed exists. The challenge is to an unregistered Agreement to Sell. The valuation of a Suit challenging an Agreement to Sell, which does not itself convey title, cannot be equated to the valuation of a Suit challenging a registered Sale Seed for the purpose of Court fees. An Agreement to Sell does not itself convey title and cancellation of such an unregistered document does not attract the Court fee principles applicable to cancellation of a registered Sale Deed.



6. Ld. Counsel argues that the trial Court ignored the basic rule laid down by the Hon'ble Supreme Court on how Order VII Rule 11 must be applied. The Supreme Court in **T. Arivandandam v. T.V. Satyapal (1977 AIR 2421)** held:

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"If on a meaningful-not formal-reading of the plaint it is manifestly vexatious and meritless, in the sense of not disclosing a clear right to sue, he should exercise his power under Order VII Rule 11."

Xx”

7. In the present case, the plaint clearly mentions denial of execution and fraud, which gives a valid right to sue, yet the learned trial Court applied Order VII Rule 11 mechanically without carrying out the meaningful reading required by the Hon'ble Supreme Court. It is accordingly prayed that the present petition be allowed and the impugned order be set aside.

8. Per contra, learned counsel for the respondents/defendants vehemently opposes the submissions advanced on behalf of the petitioners and submits that vide the impugned Agreement, the plaintiffs had agreed to sell the suit land measuring about 8 acres to the respondents/defendants at the rate of Rs.1,22,00,000/- per acre. An earnest amount of Rs.1,39,00,000/- has been paid to the plaintiffs. It is contended that therefore, the plaintiffs are required to pay ad valorem Court fee on the earnest money of Rs.1,39,00,000/- sought to be recovered by them. Thus, the impugned order suffers from no error and deserves to be dismissed. In support, learned counsel for the



respondents has relied upon judgment of this Court in **Mehnga Singh v. Narinder Kaur, (Punjab And Haryana) : Law Finder Doc ID # 2713131.**

9. No other argument is made on behalf of the parties. I have heard learned counsel and perused the case file in great detail. I find merit in the submissions advanced on behalf of the petitioners/plaintiffs.

10. Perusal of case file shows that plaintiffs had filed the instant CS-1134-2024 dated 13.05.2024 (Annexure P2) seeking the following declaration:-

"It is, therefore, prayed that a decree for declaration to the effect that the alleged agreement to sell dated 11.10.2023 and Majid agreement dated 29.10.2023 may please be declared as illegal, null and void, Ab- initio, ineffective, inoperative, arbitrary and not binding upon the rights of plaintiffs as the alleged agreement to sell / Majid agreement are the act of fraud played by the defendants in connivance with each other. Further a decree for permanent Injunction. thereby restraining the defendants to enter into any agreement to sell, sell, mortgage, alienate, lease out, transfer or create any charge over the suit property in any manner and further restrained the defendants to dispossess / interfere into the peaceful and continuous possession of plaintiffs over the suit property, as fully detailed in para no.1 of the plaint above, may kindly be passed in favour of the plaintiff and against the defendants with costs, in the interest of justice."

11. As per Section 7(iv)(c) of the Court Fees Act, court fees is payable as follows: -



“7. Computation of fees payable in certain suits: The amount of fee payable under this Act in the suits next hereinafter mentioned shall be computed as follows:

(iv) in suits - xxxx (c) for a declaratory decree and consequential relief.- to obtain a declaratory decree or order, where consequential relief is prayed, xxxxx according to the amount at which the relief sought is valued in the plaint or memorandum of appeal.

In all such suits the plaintiff shall state the amount at which he values the relief sought:

Provided that minimum court-fee in each shall be thirteen rupees.

Provided further that in suits coming under sub-clause (c), in cases where the relief sought is with reference to any property such valuation shall not be less than the value of the property calculated in the manner provided for by clause (v) of this section.”

The second proviso to section 7(iv) of the Act will apply in this case and the valuation shall not be less than the value of the property calculated in the manner provided for by clause (v) of the said section. Clause (v) provides that where the relief is in regard to agricultural lands, court fee should be reckoned with reference to the revenue payable under clauses (a) to (a) thereof; and where the relief is in regard to the houses, court fee shall be on the market value of the houses, under clause (e) thereof.”

12. A perusal of the above provision clearly shows that Court fee is payable in a declaratory Suit where consequential relief of possession is also prayed for. In the present case, it is undisputed that possession is with the petitioners. This fact is also established from the interim order dated



18.05.2024 (Annexure P3) whereby the parties were directed to maintain status quo regarding the suit property. Accordingly, Court fee was not payable.

13. Now coming to the next aspect of the matter, in the impugned order, the learned trial Court has held that the petitioners are liable to pay Court fee for the following reasons: -

*"6. The legal position on this issue is no longer res integra. The Hon'ble Supreme Court of India in **Suhrid Singh @ Sardool Singh vs Randhir Singh & Ors. (AIR 2010 SC 2807)** has laid down a clear and succinct principle, which is directly applicable to the case at hand. The Court held:*

"where the executant of a deed wants it to be annulled, he has to seek cancellation of the deed. But if a non-executant seeks annulment of a deed, he has to seek a declaration that the deed is invalid, or non est, or illegal or that it is not binding on him. If 'A'; the executant of the deed, seeks cancellation of the deed, he has to pay ad-valorem court fee on the consideration stated in the sale deed."

XXX XXX XXX

8. The scheme of the Court Fees Act, 1870 is clear. A plaintiff seeking to cancel an instrument of which he is an executant must pay ad valorem court fee on the value of the subject matter of the suit, as per Article 1 of Schedule I of the Act. The plaintiffs have paid only a fixed court fee under Article 17(iii) of Schedule II, which is applicable only to a declaratory suit where no consequential relief is prayed for, or where the plaintiff is a non-executant."



14. Thus, the petitioners have been held to be liable to pay court fee as they are seeking cancellation of Deed of which they are executants. However, the said reasoning of the trial court is palpably wrong as in the present case petitioners are only seeking cancellation of an 'Agreement to Sell' and not of a 'Sale Deed' or any other 'Deed' or registered document. The learned trial court has failed to make this distinction. Moreover, the entire case of the petitioners is that they are totally denying having executed the impugned Agreement to Sell. The petitioners have categorically alleged fraud; the correctness of which shall be established or not upon trial. However, in the interregnum, the learned Civil Judge has failed to appreciate that a person who denies execution cannot be treated as an executant for the purpose of Court fee. Accordingly, the learned Civil Judge has wrongly applied the judgment in case of **Suhrid Singh (supra)**.

15. In the circumstances, reliance of the respondents upon the judgment in **Mehnga (supra)** is misplaced as in the said case, executant was challenging the Sale Deed on ground of fraud; whereas in the present case, the alleged executant is seeking cancellation of Agreement to Sell. Reliance is placed upon judgment of this Court in **Balwan Singh v. Premo Devi, (Punjab and Haryana) : Law Finder Doc ID # 898519**, wherein it is held that:-

"Court Fees Act, 1870 Section 7(iv)(c) Cancellation of agreement to sell - Ad valorem court fee - Suit for cancellation of sale deed executed by plaintiff on ground of fraud - Suit not to be convert to



suit with one for declaration with consequential relief of possession - Ad Valorem court fees not attracted.

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7. Learned trial Court, while dismissing the application filed by the petitioner under Order 7, Rule 11 CPC, has observed as under :-

"Admittedly, an agreement to sell can not be said to be "Instrument securing property" or it does not assure vesting right of the title in the transferee and extinction of transferor's interest.

*Thus, agreement to sell can not be treated at par with the sale deed. The reliance is placed by counsel for the defendant No. 1, in the judgment **Suhrid Singh @ Sardool Singh v. Randhir Singh & others**, is distinguishable in the facts and circumstances of the present case because relief in those cases is for declaration for cancellation of sale deed, but in this present case, it is related to the agreement to sell. Thus, the plaintiff need not to affix Ad-valorem Court fees over seeking relief of cancellation of agreement to sell. Thus, this application u/o 7 rule 11 CPC is hereby dismissed."*

16.

In view of the above, present Revision Petition stands **allowed**.
17.

Pending application(s) if any also stand(s) disposed of.

30.04.2026
Sunena

(Nidhi Gupta)
Judge

Whether speaking/reasoned:	Yes/No
Whether reportable:	Yes/No