

**IN THE COURT OF THE ADDITIONAL DISTRICT JUDGE
AT CHENGALPATTU**

**Present: Thiru.A.Saravanakumar.,B.A.B.L.,
Additional District Judge,
Chengalpattu.**

Thursday, the 16th day of April 2026

I.A.No.4/2024

in

O.S.No.243/2024

CNR.No: TNCG01-001918-2024

1.Ambika

2.Pankajammal @ Pankajavalli ...Petitioners/1st and 2nd defendants

-Vs.-

1.Mani ...1st Respondent/Plaintiff

2.G.Chandrasekar

3.Mrs.Kavitha ... 2nd and 3rd Respondents /Defendants 3&4

This Petition coming before this court on 9.4.2026 for final hearing in the presence of Mr.V.Vasudevan, counsel for the Petitioners/ 1st and 2nd defendants and M/s.K.Varadharajan, S.Sarma, N.Gayathri and B.Vignesh, Counsel for the 1st Respondent/Plaintiff and M/s.R.Sugumar, Velmurugan and Jahir Hussain, Counsel for 2nd and 3rd respondents/ 3rd and 4th defendants and upon perusing the written arguments on behalf of the respondent/plaintiff upon hearing the arguments of both sides and perusing the material records and having stood over for consideration till this day,

this Court delivered the following:-

ORDER

This petition is filed under Order 7 Rule 11 (a) & (d) and Sec 151 of CPC to reject the plaint.

2. The Petition averments in brief as follows:-

(i) The petitioner is the 1st defendant in the original suit and filing this affidavit on behalf of 2nd defendant also. The petitioners are the absolute owners of the suit property, purchased through a registered sale deed dated 18.06.1997 under document No.1506/1997 from Kathija bivi. The petitioners have been in continuous possession and enjoyment of the property since purchase. In June 2006, the 3rd defendant approached them for a joint venture to develop the property into a housing layout.

(ii) The 3rd defendant is Realtor and he came through one Jayapal of Alikuppam Village, Cheyyur Taluk. After negotiation the 3rd defendant agreed to pay Rs. 75,00,000/- as their share amount for suit properties and it is also agreed that the above said amount would be made proportionately as plots were sold. The project would be completed within 6 months from 10.05.2006. In order to develop the suit property into housing plot the 3rd defendant require the original title deeds to produce before the Government authorities and also requested us to execute the registered General Power of Attorney deed to obtain the layout approval.

(iii) In pursuance of the above said agreement petitioners executed a registered General Power of Attorney on 10.05.2006 under Doc No.

375/2006 in favour of the 3rd & 4th defendants and handed over original title deeds. Therefore the petitioners have given the original title deeds to the 3rd and 4th defendants. The 3rd defendant paid ₹9,00,000 as security to show good faith.

(iv) The 3rd & 4th defendants failed to develop the property within the agreed time. The petitioners orally cancelled the Power of Attorney and requested return of original documents. The 3rd & 4th defendants claimed the original documents were misplaced and failed to return them despite repeated requests. The petitioners continue to possess and cultivate the property like groundnut, watermelon, etc., Since the petitioners have cultivated the suit property till this date the petitioners are under the impression that 3rd and 4th defendants have dropped the project of developing the suit property into housing layout.

(v) In July 2021, the plaintiff attempted to interfere with the suit property. The petitioners prevented his attempt and upon enquiry, that the 3rd and 4th defendants had executed an unregistered sale agreement in favour of the plaintiff and immediately cancelled the Power of Attorney by a registered cancellation deed dated 20.07.2021 vide Doc No. 3162/2021, SRO Thirukazhukundram. Since, the Power of Attorney was given only for developing the property into a housing layout. they were never authorized to sell the entire property to anyone, including the plaintiff. Therefore, the agreement is not binding and they acted fraudulently to grab the property. The plaintiff and defendants 3 & 4 are

closely connected in business, indicating collusion. The plaint document Doc No.3 itself allegedly shows collusion between the plaintiff and Defendants 3 & 4.

(vi) The Power of Attorney was executed only for a commercial transaction, hence the present suit is not maintainable. Without prejudice to their defense on the genuineness of the sale agreement, the petitioners state that: Even the alleged agreement between the plaintiff and 3rd and 4th defendants is a commercial transaction. The plaintiff himself has admitted this in Para No. 13 of the plaint. Since it is a commercial transaction, the plaintiff ought to have filed the suit before the Commercial Court under the relevant law, not a civil court.

(vii) At the time of executing the Power of Attorney, Defendants 3 & 4 obtained signatures from 1st and 2nd defendants. Taking advantage of the illiteracy of 1st and 2nd defendants, the 3rd and 4th defendants manipulated documents and created them as a sale receipt. The petitioners deny receiving ₹36,00,000 as claimed in the plaint. Therefore, the alleged documents and agreement do not bind the petitioners. Even as per the plaint, the agreement expired on 05.09.2021, hence the plaintiff has no cause of action. Hence the petition.

3.The averments in the counter filed by 1st a Respondent adopted by 2nd and 3rd respondents in brief as follows:-

(i) The petition is not maintainable in law and on facts. All the allegations contained in the affidavit is specifically denied.

(ii) The defendants deny that there was any agreement whereby the 3rd defendant agreed to pay ₹75,00,000/- as the share amount to defendants 1 and 2 or that such amount was to be paid proportionately upon sale of plots, or that the project was to be completed within six months from 10.05.2006. They further deny that the original title deeds were handed over for obtaining layout approval, that any sum of ₹9,00,000/- was paid as security, or that the Power of Attorney was executed under the terms alleged. The claims regarding failure to develop the property, oral cancellation of the Power of Attorney, request for return of documents, alleged misplacement of documents, and continued possession and cultivation of the property by the petitioners are all specifically denied.

(iii) The defendants also deny the allegations relating to the incident in July 2021, including the alleged interference by the plaintiff, the existence of any created unregistered agreement, cancellation of the Power of Attorney, and the claim that the agreement is not binding. Allegations that Defendants 3 and 4 had no authority to sell the property, as well as accusations of fraud, collusion, and business relationship between the plaintiff and defendants 3 and 4, are also denied.

(iv) The suit is based on a sale agreement and therefore falls within the jurisdiction of the Civil Court and not the Commercial Court, and that the issue of maintainability can only be decided after a full trial and not at a preliminary stage. The grounds raised for rejection of the plaint are neither

just nor sufficient, and the application is vexatious and intended only to delay the proceedings. Hence, the application is devoid of merits and liable to be dismissed, and all other allegations are hereby specifically denied.

4. The point for consideration:-

Upon the perusal of the petition, counter and other materials this court has framed the following point for consideration:

“Whether the petition is to be allowed or not”

5. Answer to the point:

The petitioners are the 1st and 2nd defendants in the original suit. The 1st respondent is the plaintiff therein. The 2nd and 3rd respondents are the 3rd and 4th defendants therein. The original suit was filed for the specific performance of a sale agreement dated 5.3.2021 and also for the recovery of advance amount. Pending the suit, the present application filed under Order 7 Rule 11 CPC for rejection of plaint.

6. The petitioners submitted that the 1st respondent filed the original suit on the strength of a sale agreement. The sale agreement was entered between the 1st respondent and petitioners for commercial transaction. The 1st respondent in the plaint has specifically admitted that the transaction is of commercial in nature. While so, the suit ought have been filed before commercial court under the Commercial Court Act. Moreover, it is further submitted that the petitioners have executed a power of attorney deed in favour of the 3rd and 4th respondents, only for the purpose of commercial transaction. At the time of registration of power of attorney the 3rd

defendant had obtained some signatures of the petitioners and taking advantage of the same a sale receipt was manipulated. The petitioners never received Rs. 36,00,000/- as alleged in the plaint. As per the plaint averments the said agreements expired on 5.9.2022. Therefore, the petitioners submitted that the 1st respondent has no cause of action to file the suit and the suit is also barred by limitation.

7. Moreover the learned counsel for the petitioners has also relied upon the following judgments so as to canvass the averments raised in the petition. **1. M/s Patil Automation Private Limited ..Vs.. Rakheja Engineers Private Limited on 17 August, 2022. 2. Techmates Marketing Services ..Vs.. ION Exchange India Ltd., 2025 (1) CTC 246. 3. K.Varathan, Proprietor, Cinetekk ..Vs.. Prakash Babu Nakundhi Reddy 2023 (1) CTC 201.**

8. In answer to the said contentions, the 1st respondent filed the counter wherein it is inter alia contended that the suit is based on a sale agreement. Only a civil court has jurisdiction to try the same and the commercial court may not have jurisdiction to entertain the same. Moreover, the maintainability of the suit can be decided only after full trial and not as a preliminary issue. Therefore, the reason alleged in the affidavit is not proper to reject the plaint. The 2nd and 3rd respondents adopted the counter of R1.

9. This court has considered the submissions of the respective sides. As stated above the present petition is filed under Order 7 Rule 11 CPC.

The plaint will be rejected under Order 7 Rule 11 CPC in the following cases; (i) Where the plaint does not disclose a cause of action. (ii) Where the relief claimed is undervalued. (iii) Where the plaint is insufficiently stamped. (iv) Where the plaint is barred by law. (v) where the plaint is not duplicated, (vi) Where plaint is non compliance with statutory provisions.

10. Having regard to the provision of Order 7 Rule 11, once the averments stated in the present application is considered the main attack of the petitioners upon the plaint is the suit is barred by law and it does not disclose cause of action. As per the petitioners case, though the transaction is based upon the sale agreement dated 5.3.2021, it is nothing but a commercial transaction and the commercial court alone will have jurisdiction to try the suit. This court has scrupulously considered the sale agreement dated 5.3.2021. A perusal of the said document would go to show that a main intention behind the execution the sale agreement is to purchase of the property, not to use it for any commercial purpose. Moreover, the 1st respondent in his plaint at para 4 has clearly averred that the suit property is an agricultural property and the time limit fixed in the sale agreement is only a formal. Therefore, it is clear that the nature of suit schedule property is an agricultural property. In this context, the **Hon'ble High Court of Madras in the case of Pratish D also called Pratish Vedhapuddi Vs Prema Finance 2024 (5) CTC 792** has held that a private lending between individuals not within this scope of commercial Act and the Commercial Court Act applies to transactions involving commercial or

business links. The Commercial Court Act is transaction centric and not person centric. Moreover, it is further pertinent to see that the suit schedule property is an agricultural land and it is not involved or used for any commercial purpose. However, as pointed out by the petitioners, the 1st respondent at para 13 of the plaint has stated that since the transaction is arising out of commercial transactions and the defendants have benefited with the amount of plaintiff, the rate of interest of claimed is reasonable taking into consideration of prevailing rate of interest charged by a nationalized banks. Relying these portions of plaint, the 1st and 2nd respondents submitted that the 1st respondent himself admitted that the transaction is of commercial nature and therefore the suit is not maintainable. Such a contention cannot be countenanced. It is the well established principle of law that while considering an application under Order 7 Rule 11 the averments stated in the plaint are alone relevant. A careful perusal of the plaint averments would go to show that it speaks about the fact that the 1st respondent entered into the sale agreement with the petitioners and they are ready and willing to perform their part of contract and the petitioners are not ready and willing to perform their part. Therefore, the 1st respondent claimed the relief of specific performance and alternatively for recovery of amount. Neither in the plaint nor in the sale agreement it is stated that the purpose of transaction is commercial in nature. Only at the time of claiming interest the 1st respondent has mentioned that he is entitled to interest existing at the market fixed by the

nationalized bank. Merely because the interest is claimed on the basis of commercial transaction this court cannot held that the suit shall lie only before the commercial court and this court has no jurisdiction to try the case. Moreover, the sale agreement is dated 5.3.2021. As per the terms of sale agreement the time fixed for performance is 6 months. The 6 months time would expire on 5.9.2021. The suit is filed on 23.4.2024. therefore the suit is filed well within the period of limitation. For claiming advance amount the limitation period prescribed is 12 years. Viewing from any angle the plaintiff has limitation to file the suit.

11. In the backdrops of above discussion, this court has come to a categorically findings that the plaint has disclosed cause of action and the suit is filed withing the period of limitation. It is further concluded that the suit is not barred under the provisions of Commercial Court Act, while so this court is inclined to dismiss the application.

In the result, the petition is dismissed. No cost.

Dictated to the Shorthand writer and typed by her and corrected and pronounced by me in open Court, this the 16th day of April 2026.

Additional District & Sessions Judge
Chengalpattu.

Both sides Exhibits and Witnesses: Nil

Additional District & Sessions Judge
Chengalpattu.

Draft/Fair Order
I.A.No.4/2024 in
O.S.No.243/2024
Dated:16.04.2026
ADJ/CPT
