

**III ADDITIONAL DISTRICT AND SESSIONS COURT,
TIRUVALLUR AT POONAMALLEE.**

Present: **Thiru. C.VIJAYAKUMAR, B.A., B.L.,**
III Additional District and Sessions Judge

Monday, the 7th day of September 2026

O.S.No.64/2022
(CNR No. TNTR09-000129-2022)

Mrs. K. Gurulakshmi,
W/o. M. Krishnaswamy,
No.6, PC, 3/2, TNHB, Avadi,
Chennai – 600 054.

..Plaintiff

-Vs-

Mr. P. Kathiresan, S/o. A. Purusothaman,
Plot No.8997, LIG – II Type,
Ambattur Phase I and II, Ayapakkam,
Chennai – 600 077.

..Defendant

This suit came up before this Court for final hearing on 01.09.2026, in the presence of M/s. M.K. Murali learned counsels for the Plaintiff, M/s. R.R. Venkatesh learned counsels for the defendant and upon hearing the both sides and on perusal of oral and documentary evidence, written statement having stood over for consideration till this day, this court delivered the following:

J U D G M E N T

The suit was filed by the plaintiff for a) Specific Performance of the agreement dated 27.02.2018 directing the Defendant to execute and register sale deed in favour of the

plaintiff in respect of the suit property; **b)** Alternatively, if for any reasons, direction to the defendant to pay a sum of Rs.62,15,050/- together with interest a 12% per annum from the date of plaint till the date of realization; and **c)** cost for the suit.

2) The averments made in the plaint are briefly as follows:-

The plaintiff stated that the defendant, who was the absolute owner of the suit property, owed her outstanding dues for supermarket provisions purchased on credit, alongside an unpaid housing mortgage loan. To settle these financial obligations, the parties entered into a sale agreement on February 27, 2018, fixing the property's total sale consideration at Rs. 48,00,000/-. The defendant's accumulated grocery debt of Rs. 33,64,000/- was adjusted as an advance payment, and the plaintiff paid an additional Rs. 8,91,136/- via cheque to discharge the defendant's mortgage, leaving a final outstanding balance of Rs. 5,84,564/- due at registration. Despite the plaintiff's continuous willingness to finalize the contract and her subsequent legal notice issued on February 7, 2021—which the defendant left unclaimed—the defendant failed to execute and register the sale deed. Consequently, the plaintiff filed the present suit within the legally permitted limitation period, seeking specific performance of the sale agreement or, alternatively, a recovery decree for Rs. 62,15,050/- with 12% interest per annum. Hence, the suit.

3) The averments made in the written statement filed by the defendant are briefly as follows:-

The defendant denied all the plaintiff's allegations, stating that the suit lacked a legitimate cause of action and deserved a dismissal. He contended that the alleged sale agreement was entirely forged and fabricated by the plaintiff and her husband behind his back to unlawfully usurp his hard-earned property. The defendant categorically rejected the claim of owing Rs. 33,64,000/- for supermarket provisions, explaining that his household could never have accumulated such an absurd credit balance. Instead, he clarified the transaction as a pure financial transaction: he had merely approached the plaintiff to secure an emergency hand loan of Rs. 8,91,136/- at a 6% interest rate to discharge an existing housing mortgage. Upon receiving the loan via cheque, he handed over his property's original title deeds as security and signed blank papers in good faith. According to the defendant, the plaintiff later grew greedy, demanded an extortionate 24% interest rate, and subsequently fabricated the entire story of a property sale when he refused to pay. Furthermore, he denied ever receiving any prior legal notice. Consequently, the defendant stated he was filing an application to verify the forgery through forensic signature authentication, expressed his willingness to return the actual borrowed sum of Rs. 8,91,136/- with the agreed interest, and requested the court to direct the plaintiff to return his original title documents.

4) Upon perusal of the Complaint and the written statement this Court framed the following issues :

- 1) Is the sale agreement dated 27.02.2018 true and genuine ?
- 2) Whether the plaintiff is ready and willing to perform her part of the contract ?
- 3) Whether the plaintiff is entitled to the specific performance of the agreement dated 27.02.2018, as prayed for ?
- 4) Whether the plaintiff is entitled to the alternative relief of a direction to the defendant to pay a sum of Rs.62,15,050 with interest, as prayed for ?
- 5) To what other relief(s) is the plaintiff entitled ?

5) Evidence :

To establish the case of the Plaintiff, husband of the Plaintiff was examined as PW1 and five documents were marked as Ex.A-1 to Ex.A-5 on 11.09.2025. And, this case was posted for cross examination of PW1.

6) On 13.03.2026, the learned counsel for the defendant filed a memo stated that, the defendant shows inclination to settle the matter amicably and prayed to sent this matter to mediation. Contentions of the both side heard and this Court ordered to refer this matter to Mediation. After that matter was settled as a result of the Mediation, Settlement agreement was sent to this Court, along with the joint compromise memo of both parties.

7) In support of the compromise, the Plaintiff was examined as CW.1 on behalf of the defendant was examined as CW.2 on 01.09.2026 and stated that both parties have entered into an agreement. Under the terms of this settlement, the defendant has agreed to pay a total sum of Rs. 35,00,000/- (Rupees Thirty-Five Lakhs only) to the plaintiff as a full and final settlement on or before 31.08.2026. In consideration of this payment, that the plaintiff contended that, no further actions will be pursued under sale agreement dated 27.02.2018, and the plaintiff agrees to withdraw the pending suit. Furthermore, upon the final delivery of the settlement amount of Rs.35,00,000/- via a Demand Draft (DD) before this Court, the plaintiff agreed to return the original title deed dated 01.03.2004 back to the defendant. The settlement transaction was finalized as both parties concluded their mutual discussions, with the plaintiff acknowledging that she has received a Demand Draft (DD) for Rs. 35,00,000/- issued by City Union Bank, Ayapakkam branch, presented directly before this Court. Consequently, the plaintiff stated that she has no objection to returning the original sale deed, which is currently filed in the Court court, back to the defendant. Finally, the parties are seeking suitable orders based on the settlement before the Mediation and the Plaintiff prayed to return the Court fees.

8) The Rule 26 of the Tamilnadu Mediation Rules reads as follows:

Rule 26. Court to order of decree

(1) On receipt of the agreement between the parties and the letter of the mediator's the Court shall, after due intimation to the parties, record the settlement, if it is not collusive.

(2) The Court shall then pass an order or decree in accordance with the settlement so recorded, if the settlement disposes of all the issues in the legal proceeding.

Hence the mediation agreement entered between the parties in the present case to be proceeded under the above rule. And also the Rule 7(3) of the **Tamil Nadu (Case Flow Management In Subordinate Courts) Rules, 2007** reads as follows.

Rule 7 (3) When the dispute is referred for Mediation and the Mediator submits the terms of settlement entered into between the parties, which is reduced into writing in accordance with the Rules, the Court shall pass a judgment in terms of the settlement and in accordance with Order XXIII Rule 3, C.P.C., if the terms of settlement are lawful.

9) Hence this Court has to follow the above rules to dispose this suit. The suit was settled before the Mediation centre and a memorandum of understanding was filed by the plaintiff and the defendant. The Mediation Agreement was sent by the Mediator to this Court.

10) In this circumstance, as per Rule 7(3) of the **Tamil Nadu (Case Flow Management In Subordinate Courts) Rules, 2007** this Court has to pass a Judgment in terms of the settlement and in accordance with Order XXIII Rule 3, C.P.C., if the terms of settlement are lawful. The following Judgment of the Hon'ble High Court of Madras observed that after the receipt of the Mediation agreement the court concerned shall pass a decree in accordance with the said compromise decree as enumerated under Order XXIII Rule 3 of CPC. **Indian Kanoon -**

<http://indiankanoon.org/doc/1630004/> V.S.Subramaniam @ Senthil vs S.Punitha on 29

January, 2008

So under Order XXIII Rule 3 only if Court is satisfied that a lawful compromise or agreement has been entered into between the parties in Mediation, after recording the same, shall pass a decree in accordance with the said compromise or agreement.

11) Upon considering the Settlement Agreement submitted by the mediator and the statements given by the parties before this Court, this Court is satisfied that the suit has been fully settled through a lawful agreement in writing, signed by the parties. Hence this Court recorded the Mediation settlement agreement and passed the following order in accordance with so far as it relates to the parties to the suit. The Mediation Settlement agreement shall form part and parcel of the mediation report.

12) In the result the suit claim is settled in terms of the Settlement agreement and the Memorandum of Understanding filed before the Mediator. The Memorandum of Understanding is the part and parcel of this order and,

1) As per Section 69A of the Tamil Nadu Court Fees and Suit Valuation Act and the Judgment of the Hon'ble Supreme Court in 2021 SCC On Line SC 109 (The High Court of Judicature at Madras Rep. by its Registrar General vs. M.C. Subramaniam & Ors), the Plaintiff is entitled to a refund of the full court fee.

2) The as per the terms of the Memoradum of compromise, settelment agreement and the deposition of parties, the Agreement of Sale dated 27.02.2018 stands mutually cancelled, and no further claims or actions shall be pursued by either party under the said agreement.

3) The office is directed to return the original Title Deed dated 01.03.2004 Ex.A.2, back to the Defendant upon obtaining proper acknowledgment.

4) Ordered to prepare the decree within 15 days under Order 20 Rule 6A CPC, reflecting the orders of this Court.

Dictated to the steno-typist directly, typed by him in computer, corrected and pronounced by me in Open Court, this the 7th day of September 2026.

**III Additional District and Sessions Judge,
Thiruvallur at Poonamallee.**

Plaintiff side Witnesses:

P.W.1: Krishnasamy (Husband of Plaintiff)

Plaintiff side Exhibits :

Ex.A-1 :	Original Sale Agreement dated 27.02.2018 entered into between the Plaintiff and the Defendant.
Ex.A-2 :	Original Registered Sale Deed dated 01.03.2004 through which the Defendant purchased the suit schedule property.
Ex.A-3 :	Office copy of the Lawyer's Notice dated 07.02.2021.
Ex.A-4 :	Returned unserved postal cover showing that the Defendant did not receive the lawyer's notice.
Ex.A-5 :	Encumbrance Certificate (EC) pertaining to the suit property.

Defendant side Witnesses and Exhibits : NIL

Court side Witnesses:

C.W.1: Gurulakshmi (Plaintiff)

C.W.2: Kathiresan (Defendant)

Court side Exhibits : NIL

**III Additional District and Sessions Judge,
Thiruvallur at Poonamallee.**