

IN THE SUPREME COURT OF INDIA CIVIL APPELLATE JURISDICTION

### <u>CIVIL APPEAL No(s). 6543 OF 2025</u> ARISING OUT OF SLP (C) No(s). 10893 OF 2021

MURUGANANDAM

...APPELLANT(S)

VERSUS

#### MUNIYANDI (DIED) THROUGH LRS.

...RESPONDENT(S)

#### <u>O R D E R</u>

1. Leave granted.

2. This appeal is against the order passed by the High Court of Judicature at Madras in CRP.PD. No. 2828 of 2015 dated 26.02.2021, whereby the High Court dismissed the Civil Revision Petition filed against the order passed by the Trial Court on 21.04.2015 dismissing the interlocutory application filed by the appellant seeking permission to place on record a document dated 01.01.2000.

3. Short facts leading to the filing of this appeal are as follows. It is the case of the appellant that on the basis of an agreement of sale dated 01.01.2000, the respondent agreed to sell his property upon receiving part consideration of Rs. 5000/- and also put the appellant in possession of the property. Subsequently, i.e. on 01.09.2002, it is alleged by the appellant that the parties have agreed that the property should be sold at the rate of Rs. 550 per cent and in furtherance of the said transaction the appellant also paid a sum of Rs. 10,000/- and is said to have paid balance consideration from time to time. However, as the respondent was not taking any steps for executing the sale deed, he was compelled to institute a suit<sup>1</sup> for specific performance of the agreement and also for a permanent injunction.

4. Pending disposal of the suit, the appellant filed an interlocutory application<sup>2</sup> under Order 7, Rule 14 (3) read with Section 151 of the Code of Civil Procedure, 1908<sup>3</sup>, for bringing on record and marking the document dated 01.01.2000. In the said application, the appellant averred that for genuine reasons he was unable to produce the said document, which got mixed up with other documents. He averred that a photocopy of the said document was anyway enclosed with the plaint and therefore the respondent/defendant will not in any way be prejudiced if the

 $<sup>^1</sup>$  O.S. No. 78 of 2012 before the District Munsiff Court, Madurantakam (hereinafter referred to as 'Trial Court').

 $<sup>^{2}</sup>$  I.A. No. 1397 of 2014.

<sup>&</sup>lt;sup>3</sup> Hereinafter referred to as 'CPC'.

prayer in the interlocutory application is allowed and the original of the said document is received and marked.

5. Learned Trial Court by order dated 21.04.2015 dismissed the said application holding that the reasons for not producing the original is not convincing and also that the said document was unstamped and unregistered and as such barred under Section 35 of the Indian Stamp Act, 1989, and that Section 17 of the Registration Act, 1908.

6. The appellant filed a Civil Revision Petition before the High Court and by the order impugned before us the High Court held that the document was unstamped and unregistered and cannot be brought on record.

7. Though notice was issued on 30.07.2021 and the case was adjourned from time to time, the respondents have not entered appearance. By order dated 22.03.2022 this Court recorded that service upon respondent no. 4 is deemed to have been completed in terms of order dated 29.11.2021. However, the case was further adjourned from time to time for almost two years and we have now decided to dispose of this appeal.

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8. Learned counsel for the appellant submitted that the courts below have disregarded the proviso to Section 49 of the Registration Act which allows tendering of documents that endorses an oral agreement of sale. In support of his contention, he relied on the decision of this Court in **S. Kaladevi v. V.R. Somasundaram**<sup>4</sup>. He also submitted that reliance on Section 17(1A) of the Registration Act was not correct in as much as the document was executed on 01.01.2000.

9. Having considered the matter in detail, we are of the opinion that the prayer of the appellant in the interlocutory application falls under proviso to Section 49 of the Registration Act which provides that an unregistered document affecting immovable property may be received as evidence of a contract in a suit for specific performance. The proviso also enables the said document to be received in evidence of a collateral transaction. Section 49 reads as follows:

"49. Effect of non-registration of documents required to be registered.—No document required by section 17 [or by any provision of the Transfer of Property Act, 1882, to be registered shall— (a) affect any immovable property comprised therein, or

(b) confer any power to adopt, or

(c) be received as evidence of any transaction affecting such property or conferring such power, unless it has been registered:

<sup>4 (2010) 5</sup> SCC 401.

<u>Provided that an unregistered document affecting immovable</u> property and required by this Act or the Transfer of Property Act, 1882, to be registered may be received as evidence of a contract in a suit for specific performance under Chapter II of the Specific Relief Act, 1877 or as evidence of any collateral transaction not required to be effected by registered instrument."

10. In *Kaladevi* (supra), this Court has held that an unregistered document may be received as evidence of a contract in a suit seeking specific performance. The relevant portion from the decision is as follows:

"12. The main provision in Section 49 provides that any document which is required to be registered, if not registered, shall not affect any immovable property comprised therein nor such document shall be received as evidence of any transaction affecting such property. The proviso, however, would show that an unregistered document affecting immovable property and required by the 1908 Act or the Transfer of Property Act, 1882 to be registered may be received as an evidence to the contract in a suit for specific performance or as evidence of any collateral transaction not required to be effected by registered instrument. By virtue of the proviso, therefore, an unregistered sale deed of an immovable property of the value of Rs 100 and more could be admitted in evidence as evidence of a contract in a suit for specific performance of the contract. Such an unregistered sale deed can also be admitted in evidence as an evidence of any collateral transaction not required to be effected by registered document. When an unregistered sale deed is tendered in evidence, not as evidence of a completed sale, but as proof of an oral agreement of sale, the deed can be received in evidence making an endorsement that it is received only as evidence of an oral agreement of sale under the proviso to Section 49 of 1908 Act."

(emphasis supplied)

11. It is also evident from the plaint that the document dated 01.01.2000 is referred to and in fact a photocopy of the said document is filed along with the plaint. It is the case of the

appellant that the document sought to be brought on record is intended only to be used as a proof of the oral agreement of sale and that it is permitted under Section 49 of the Registration Act. Under these facts and circumstances, we are of the opinion that the appellant can be permitted to introduce the said document dated 01.01.2000. We make it clear that we have not expressed any opinion on the contents of the document and it is also open for the respondent/defendant to raise and contest the relevancy and validity of the document as are permissible in law and it is for the Trial Court to consider the submissions and pass appropriate judgment/order as it considers appropriate.

12. In view of the above, we allow the appeal and set aside the judgment and order passed by the High Court in CRP.PD. No. 2828 of 2015 and direct that the I.A. No. 1397 of 2014 in OS No. 78 of 2012 for marking document dated 01.01.2000 is allowed.

13. No order as to costs.

# [PAMIDIGHANTAM SRI NARASIMHA]

## .....J. [JOYMALYA BAGCHI]

NEW DELHI; MAY 08, 2025