

# DECREE IN ORIGINAL SUIT IN THE COURT OF THE III SENIOR CIVIL JUDGE, CITY CIVIL COURT, AT SECUNDERABAD.

## DATED THIS THE 5th DAY OF NOVEMBER, 2019

PRESENT: SRI D. Durga Prasad,
III SENIOR CIVIL JUDGE

OS. NO. 194 OF 2012

#### Between:

M/s Paramount Builders, a partnership firm, Rep by its managing Partner, Sri Soham Modi, S/o: Sri Satish Modi, Aged 42 yrs, at 5-4-187/3 and 4, Soham Mansion, M.G.Road, Secunderabad.

AND

...PLAINTIFF

A.Shanker Reddy S/o. A Satti Reddy, Aged 45 years, R/o. Flat NO.102, Block 1C, Paramount Residency, Nagaram, Keesara Mandal, R.R.District.

Also at A.Shanker Reddy, S/o. A Satti Reddy, Village: Appaiipet (Post and Village) Nalgonda District, Pin 508002.

...DEFENDANT

#### CLAIM:

The suit is filed by the Plaintiffs under Section 26 and Order 7 Rule 1 of CPC for recovery of Money, directing the defendant, to pay a sum of Rs. 4,41,661/-, together with subsequent interest at the rate of 9% per annum from the date of realization and for cost.

#### VALUATION:

The suit is valued at Rs. 4,41,661/- on which a Court fee of Rs. 6,926/- is paid under section 20 of APCF and SV Act.

## CAUSE OF ACTION:

The cause of action for the suit on 08-12-2006 when the plaintiff entered into an Agreement of sale with defendant, on 30-08-2007 when the sale deed and agreement of construction were executed and on 29-09-2011 when the defendant entered into a loan agreement to pay the EMIs.

PLAINT PRESENTED ON: 30-03-2012 PLAINT NUMBERED ON: 02-04-2012

This suit coming before me for final hearing in the presence of Sri.C.Bala Gopal, Advocate for the plaintiff, and Sri L.Srinivas Patel, advocate for defendant and the matter having been heard and stood over for consideration today, this Court this doth order and Decree:-

#### DECREE

That suit is decreed with costs for Rs. 4,41,661/- only against defendant with interest @9% per annum from date of filing suit to till the date of realization.

The defendant is directed to pay a sum of Rs. 7,028/- to the plaintiff towards costs.

Given under my hand and seal of this Court on this the 5th day of November, 2019.

III SENIOR CIVIL JUDGE, CITY CIVIL COURT, SECUNDERABAD.

MEMO OF COST FOR PLAINTIFF FOR DEFENDANT Cost memo not filed 1. Stamp on Plaint Rs. 6,926-00 Rs. 2. Stamp of Vakalat Rs. 2-00 Rs. 2-00 3. Advocate Fee Rs. Rs. 4. Services Process Rs. 100-00 TOTAL 7,028-00 2-00

> III SENIOR CIVIL JUDGE CITY CIVIL COURT SECUNDERABAD

That the parties are directed to take return of the documents since the documents will be destroyed after three years from the date of disposal.

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V SUPERINTENDENT

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CHIEF JUNGE: C.C.C. SEC'BAD
PHOTO COPY SECTION
PCA.NO. 2943[202]
Presented on 27/7/2021
C.F. Called on 3/08/202]
Charges Deposited on 06/08/s 30
Receipt No.
Made Ready on 10/08/2021
Copy Delivered on 6

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## IN THE COURT OF THE III SENIOR CIVIL JUDGE COURT. CITY CIVIL COURT, SECUNDERABAD.

Present: Sri.D.Durga Prasad.

III Senior Civil Judge,

Dated: This the 5th day of November 2019.

## OS.NO. 194 OF 2012.

## Between:

M/s Paramount Builders, a partnership firm Represented by its Managing Partners, Sri Soham Modi S/o: Sri Satish Modi, Aged 42 years, @ 5-4-187/3& 4, Soham Mansion, M.G.Road, Secunderbad.

...Plaintiff.

#### AND

A.Shanker Reddy S/o; A.Satti Reddy Aged about 45 yrs, R/o, Flat No.102, Block I C, Paramount Residency Nagaram, Keesara Mandal, R.R.District.

Also at:

A.Shanker Reddy S/o: A.Satti Reddy Village, Appajipet (Post & Village), Nalgonda Dist Pin-508002.

...Defendant.

This suit is coming on this day before me for final hearing in the presence of Sri C.Balagopal, learned Advocate for the plaintiff and Sri L.Srinivas Patel, Learned Advocate for Defendant and the matter having stood over till this day for consideration, this court delivered the following:

## JUDGMENT

This suit is filed Under Section 26 of CPC praying this court for recovery of amount of Rs.4,41,661/-

## CASE OF THE PLAINTIFF:-

The Plaintiff is builder carrying on construction of Independent Houses or complexes and the Defendant was an employee of Modi Properties and Investment Private Limited, a sister concern of the Plaintiff Firm. The defendant has purchased a Flat bearing No. 102 in Block I C, in the project developed by the Plaintiff Firm under the name and style of "Paramount Residency" at Nagaram Village, Ranga Reddy District by booking the Flat bearing No.1127 from the plaintiff. The plaintiff and the

Defendant had entered into an Agreement of Sale dated 08.12.2006, a Sale Deed was executed by the Plaintiff in favour of the Defendant which was registered as document No.10698 of 2007 at SRO Shameerpet, R.R. District. Further an Agreement of construction was also entered upon the same date for the completion of the flat and which was registered as document No. 10699 of 2007 at SRO Shameerpet, R.R.District.

- 2. The Defendant had a total liability of Rs. 12,85,000/- which included the sale consideration registration charges, VAT. Service Tax, interest on delayed payments and charges for additions and alterations. The Defendant has paid an amount of Rs. 8,15,000/- towards the cost of the flat and he was due on amount of Rs. 4,70,000/-.
- 3. The Defendant requested the Plaintiff firm to extend the loan for the balance of Rs. 4,70,000/- and he undertook to repay by way of equated monthly installments of Rs. 9,756/- per month and the installments were to be recovered from his monthly salary cheque. Accordingly, the Plaintiff firm and Defendant entered into an Loan Agreement on 29.09.2011 in which the repayment of the loan was to be for a period of 60 months commencing from 01.10.2011 to 01.09.2016. The Defendant had paid the EMIs for a period of 5 months i.e., upto February 2012 totally amounting to Rs. 48,780/- (including principle and interest ) leaving a balance of Rs. 4,41,661/- and later the Defendant left the services of the Plaintiff's group company without any notice and leaving the above amount unpaid. Hence, this suit.

## CASE OF THE DEFENDANT:-

4. Defendant admitted the averments of the plaint but denied that he left the Services of Modi Properties and Investment Pvt. Ltd, the Plaintiff's group Company without any notice and leaving the above amount unpaid. He submits that the Plaintiff removed the Defendant from his services in the month of February, 2012 without any valid reason nor has given any removal order to the Defendant till this Date and stated that the Plaintiff has not settled the account of the Defendant in respect of Salary, Provident Fund, Gratuity and all other allowances which the Defendant is legally entitled to receive as per the Company rules though the defendant requested

the Plaintiff several times for settlement of his account. More over the Plaintiff dismissed the services of the Defendant illegally without conducting any enquiry or the Plaintiff company has not initiated any disciplinary proceedings against the Defendant. The Defendant submits that if the Plaintiff settles the account of the Defendant, he is ready to clear the dues payable by him to the Plaintiff Company in respect of the above said Flat.

- 5. The Defendant stated that he has already paid 80% of the sale consideration ie., Rs. 8,15,000-00 out of the total sale consideration of RS. 12,85,000-00 to the Plaintiff Company and as on the date of Agreement Dt. 29-09-2011 the Defendant is due only an amount of Rs. 4,70,000/- and out of the said amount, the Plaintiff has deducted a sum of Rs. 48,780-00 from the salary of the Defendant, as such the Defendant is payable only a sum of Rs. 4,21,220-00 to the Plaintiff Company. More over the Loan Agreement Dt.29-09-2016, as such in view of the above said reasons and circumstances; the suit filed by the plaintiff is not maintainable either in law or on facts, and liable to be dismissed.
- 6. ISSUES SETTLED FOR TRIAL: Basing on the pleadings above, my learned predecessor settled the following issues for trial:-
- 1. Whether the defendant is liable to pay the outstanding amount of Rs 4,41,661/- along with the interest @ 9% per annum to the plaintiff from the date of suit till date of realizasation?
- 2. To What Relief?

## PROCEEDINGS AT THE STAGE OF TRIAL :-

- 7. During trial, the plaintiff himself is examined as Pw1 and he produced Ex.A1 to A6. On other hand defendant did not examine himself or any one on his behalf. No documents are marked on behalf of the defendant.
- 8. Heard Plaintiff arguments and defendant failed to adduce arguments as such the arguments are recorded nil.

## 9. ISSUE NO.1

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Before going into merits on discussion regarding issue No. 1, let us go through the oral and documentary evidence adduced by plaintiff in this case. The oral evidence of Pw1 is reiteration of plaint contents as such the averments of chief evidence of Pw1 filed by way of affidavit need not be reproduced here in again.

- 10. The admitted facts of the case are that the Plaintiff is builder carrying on construction of Independent Houses or complexes and the Defendant was an employee of Modi Properties and Investment Private Limited, a sister concern of the Plaintiff Firm. The defendant has purchased a Flat bearing No. 102 in Block I C, in the project developed by the Plaintiff Firm under the name and style of "Paramount Residency" at Nagaram Village, Ranga Reddy District by booking the Flat bearing No.1127 from the plaintiff vide Ex.A1 Booking form copy. The plaintiff and the Defendant had entered into an Agreement of Sale dated 08.12.2006, a Sale Deed was executed by the Plaintiff in favour of the Defendant which was registered as document No.10698 of 2007 at SRO Shameerpet, R.R. District vide Ex.A2 certified copy of sale deed. Further an Agreement of construction was also entered upon the same date for the completion of the flat and which was registered as document No. 10699 of 2007 at SRO Shameerpet, R.R.District. The Defendant had a total liability of Rs. 12,85,000/- which included the sale consideration registration charges, VAT, Service Tax, interest on delayed payments and charges for additions and alterations. The Defendant has paid an amount of Rs. 8,15,000/- towards the cost of the flat and he was due on amount of Rs. 4,70,000/-.
- 11. The Defendant requested the Plaintiff firm to extend the loan for the balance of Rs. 4,70,000/- and he undertook to repay by way of equated monthly installments of Rs. 9,756/- per month and the installments were to be recovered from his monthly salary cheque. Accordingly, the Plaintiff firm and Defendant entered into an Loan Agreement on 29.09.2011 vide Ex.A3 in which the repayment of the loan was to be for a period of 60 months commencing from 01.10.2011 to



01.09.2016. The Defendant had paid the EMIs for a period of 5 months i.e., upto February 2012 totally amounting to Rs. 48,780/- vide Ex.A4 (including principle and interest ) leaving a balance of Rs. 4,41,661/- and later the Defendant left the services of the Plaintiff's group company without any notice and leaving the above amount unpaid.

12. It is the contention of the defendant that he was removed from the services where as the plaintiff who was authorized vide Ex.A6 claimed that Defendant left the services of the Plaintiff's group company without any notice and leaving the above amount unpaid. The plaintiff also relied on statement of account vide Ex.A5 for the due amount to be paid and the loan transaction. Except the vague contention of the defendant, Defendant neither examined himself in the court nor cross examined Pw1. Having been filed elaborated written statements, denying the claim of the plaintiff, defendant did not choose to cross examine the plaintiff or adduce either oral or documentary evidence to prove his defense. Therefore, the said attitude of the defendant itself is sufficient to hold that the claim of the plaintiff is genuine and that the defense which is sought to be projected in their written statements is formal. It this context, it is worth mention to note that mere filing of pleadings would not be sufficient in a case. The pleadings, at the most, would help the court, to identify the area of controversy and to frame the issue. Once the issues framed, the respective parties have to adduce evidence in support of or in opposition to the issues. Even where the defendant is confident of the weakness of the plaintiff's case, the defendant has to enter the witness box, at least to speak to the contents of the written statement. Failure in this regard is bound to entail in serious consequence. Above all, the evidence of the plaintiff as P.w.1 itself is sufficient to believe the case of the plaintiff, so far as due amount to be paid as the loan agreement is not disputed and as defendant failed to place any evidence to establish that he repaid the amount.

- 13. From the above discussion, I opine that the plaintiff is entitled to a decree for recovery of amounts and Issues No.1 is answered in favour of the plaintiff and against the defendant.
- 14. <u>ISSUE NO: 2:</u> Plaintiff claimed interest @9% per annum. Considering the merits of the case, the court allows only 9% interest as reasonable interest.
- 15. IN THE RESULT, this suit is decreed with costs for Rs.4,41,661/- only against defendant with interest @9% per annum from the date of filing suit to till date of realization.

Dictated to the Typist on computer, corrected and pronounced by me in the open Court on this the day of  $5^{th}$  day of November 2019.

III SENIOR CIVIL JUDGE, CITY CIVIL COURT, SECUNDERABAD.

## APPENDIX OF EVIDENCE WITNESSES EXAMINED

## ON BEHALF OF THE PLAINTIFF:

PW1: CH Venkata Ramana Reddy

ON BEHALF OF THE DEFENDANT: - NONE -

#### EXHIBITS MARKED

## ON BEHALF OF THE PLAINTIFF:

Ex.A1 is the Booking form copy

Ex.A2 is the certified copy of sale deed

Ex.A3 is the Loan agreement

Ex.A4 is the Reciepts

Ex.A5 is the statement of account

Ex.A6 is the Authorizasation letter

ON BEHALF OF THE DEFENDANT: - NII, -

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PCA No. 29 (13 | 202)

Presented on 27/7/2021

Charges Deposited on Qb/ 8.Rs. 38.J

Receipt No.....

Made Ready on (0/08/20) Copy Delivered on (0/8/20)

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