2026 INSC 1005

**Non-Reportable**

**IN THE SUPREME COURT OF INDIA**
**CIVIL APPELLATE JURISDICTION**

**Civil Appeal No.12945 of 2026**
**(Arising out of SLP (C) No. 27465/2016)**

**Sobaran Singh (Dead)**
**Through Lrs. ...Appellant(s)**

**Versus**

**Gordhan Singh (Dead) Thr. Lrs. ...Respondent (s)**

**O R D E R**

Leave granted.

**2.** The suit for specific performance based on a registered agreement to sell dated 16.06.1975, was decreed by the Trial Court. In First Appeal, the decree stood reversed and the advance amounts were directed to be returned with interest. The High Court in Second Appeal, while upholding the findings of the Trial Court, enhanced the refund of the advance money; which was Rs.5,000/- to Rs.15,00,000/- with interest, purportedly to maintain equity.

**3.** We heard Sri Ashwani Kumar Singh, learned Senior Counsel for the appellant and Sri Jetendra Singh, learned Counsel for the respondents.



**4.** The suit property was about 5 *bighas* at a distance of 3 kms from Agra and that too, agricultural land. The plaintiff, who is the appellant herein, had agreed to purchase the same for a total consideration of Rs.20,000/- and an advance of Rs.5,000/- was paid. The defendant, who is the respondent herein, contended that the transaction was a mere loan transaction, the agreement for sale was a mere security and that on re-payment of loan with interest, the agreement was agreed to be cancelled. There was a contention taken that the agreement of sale was not read to the defendant before execution, which however, the Trial Court found, was not pleaded in the Written Statement.

**5.** The Trial Court found that the agreement is proved by the plaintiff-PW1 as also by PW2 and PW3, who were the attesting witnesses. PW3 was a person to whom the defendant had sold 2 *bighas* land, out of the total 7 *bighas* that the defendant owned. The balance 5 *bighas* was the suit scheduled property.

**6.** PW1 had lands adjoining the suit lands and his intention was to purchase the plot, so as to annex it to the adjacent properties and increase his total holding. PW3, in fact, specifically spoke of the defendant having agreed to sell the property, since he was in need of money and also because the defendants were not cultivating the same by themselves and had been letting out the land for cultivation. A further contention taken on sanction having not been obtained for reason of the land coming within the Urban Agglomeration i.e., within 5 kms of the Agra Municipal limits, was also rejected, finding that the Urban Land (Ceiling and Regulation) Act, 1976, does not include an agricultural land. The Trial Court found the discretionary relief to be perfectly in order under Section 20 of the Specific Relief Act, 1963, and directed the execution of the sale deed on payment of the balance sale consideration.

**7.** The judgment was passed on 28.02.1979, based on which, through Court, the plaintiff obtained sale of the property on 07.06.1979. The plaintiff is said to be in possession of the land from the year 1979**.**

**8.** The First Appellate Court merely found that there was nothing produced to indicate the readiness and willingness of the plaintiff and reversed the judgment of the Trial Court. The High Court in Second Appeal clearly found that the Trial Court was correct in having found in favour of the plaintiff and against the defendant who had made a cooked-up defense to frustrate the sale agreement. Despite the Trial Court's findings having been upheld, the High Court attempted to settle equities by directing payment of Rs.15,00,000/- by the defendant to the plaintiff as interest, far in excess of the Rs.5,000/- given in advance. The Trial Court also relied on the decision in *Pratap Lakshman Muchandi and Others v. Shamlal Uddavadas Wadhwa and Others*[1].

**9.** In the cited decision, considering the long lapse of time, the agreement having been executed in the year 1982, the sale of the property was allowed by enhancing the balance consideration of Rs.1,10,000/- with an additional Rs.5,00,000/-. In the present case also, there was an offer and a counteroffer made by the plaintiff and the defendant respectively, which were not acceptable to either of the parties. Obviously, the appellant-plaintiff did not want to give up the land which he was in continued possession from the year 1979, resulting in an offer of Rs.5,00,000/- per *bigha*. The plaintiff's offer was Rs.5,00,000/- refund, which is the value placed on the property four decades later. Though the litigation was pending, the sale agreement

1 (2008) 12 SCC 67

of the year 1975, which had a period of two years, had come to fruition, with the sale executed by the Court in 1979. Equity, hence, has to be applied in favour of the plaintiff who parted with Rs.20,000/- more than four decades and a half back, and obtained the ownership and possession of the property.

**10.** We are, hence, of the opinion that the decisions of the First Appellate Court and the High Court are to be reversed and that of the Trial Court restored. We do so allowing the appeal and restoring the order of the Trial Court. The plaintiff's possession at this juncture cannot be interfered with. The defendant has deposited a sum of Rs.15,00,000/- after the High Court judgment has come, which will be refunded to the defendant itself with any interest accrued thereon, within a period of one month.

**11.** The appeal stands allowed.

**12.** Pending application(s), if any, shall stand rejected.

**....................................... J.**
**(J. B. PARDIWALA)**

**...................................... J.**
**(K. VINOD CHANDRAN)**

**NEW DELHI;**
**SEPTEMBER 15, 2026.**