

Case Name: Devendra Singh vs Great Home Developers Pvt. Ltd

Court: Allahabad High Court

Year 2026

Appellant/Plaintiff: Devendra Singh

Respondent/Defendant: Great Home Developers Pvt.Ltd

Facts of the Case

Appellant Devendra Singh was the owner of 1/3rd portion of land measuring 3.34 hectares of Khasra nos. 175, 160, 109, 194, 196, 197, 198, 199 and 797, situated at village Hasanpur Lodha, Tehsil Dhaulana, District Hapur. He had sold out his 1/3rd portion to Great Home Developers Pvt.Ltd through a registered sale deed dated 10th December 2008 which was registered at Book No. 1 Volume 5739 page 108/201 number 11567 before Sub-Registrar, Hapur, and the name of the respondent/defendant was also mutated in the revenue records. Later on appellant/Plaintiff filed a suit for cancellation of sale deed stating that the entire sale consideration amount has not been paid & the cheques of amount ₹ 3,71,04,750 have been dishonored the sale deed should be declared null and void.

Legal Issues Involved

1. Whether the registered sale deed can be cancelled under section 54 of the Transfer of Property act, 1882 if the consideration amount has not been paid.
2. Whether the appellant/plaintiff executed the sale deed on his own will with good and sound mind.

Legal Provisions Involved

1. Section 54 of the Transfer of the Property Act, 1882
2. Section 91 of the Indian Evidence Act, 1872

Argument by Parties

Appellant/Plaintiff Arguments:

At the time of registration of said sale deed, the respondent/defendant has paid three cheques of Opus Buildtech Pvt. Ltd Company. They were honored.

Check Number	Dated	Amount
2335	1/9/2010	70 lacs
2336	20/9/2010	70 lacs
2337	10/9/2010	70 lacs

In the said registered sale deed, the receiving of Rs. 3, 76,000/ has been wrongly mentioned. In lieu of said cheque amount, a cheque of same amount vide cheque no. 21330 dated 20.7.2010 of Bank of India, Noida was given which was signed by Vaibhav Agrawal son of Sri Kailash Chandra. Hence, defendant/respondent has given the aforesaid four cheque of sale consideration. The sale deed was registered and executed on this assurance that after payment of entire sale consideration, the possession would be delivered and the

defendant/respondent will get right of ownership and till then, possession over the land in question would remain continue with the appellant/plaintiff. The plaintiff/appellant did not raise objection of execution of sale deed on government rate.

Thereafter defendant/respondent further gave three more cheques signed by Vaibhav Agarwal which were also dishonored

Check Number	Dated	Amount
1880	01/08/2011	70 lacs
1881	02/08/2011	70 lacs
1881	03/08/2011	70 lacs

The defendant further issued the following check which were also dishonored

Check Number	Dated	Amount
21329	10/02/2009	40 lacs
21328	02/09/2010	62,28,750 lacs
8786	10/02/2011	40 lacs

Amount Received by the plaintiff/Appellant

Check/DD Number	Dated	Amount
2887	21/01/2011	5 lacs
	25/02/2011	10 lacs
	21/04/2011	10 lacs
	4/5/2011	10 lacs
		1,78,20,000
Total		2,13,20,000

Out of 5, 84, 24,750 only 2, 13, 20,000 was paid. The balance amount of 3, 71, 04,750 stil remains outstanding till date. The defendant did not pay agreed sale consideration to the plaintiff/appellant. The mutation in the name of defendant/respondent has also taken place on 12/01/2009. The defendant/respondent had threatened on 1.12.2010 to take possession and refused to pay balance sale consideration, hence, the present suit was filed.

Defendant/Respondent Argument

The defendant/respondent had denied all the paragraph of plaint. According to the defendant here was no agreed amount between plaintiff and defendant for purchase of said property at the rate of Rs. 44,25,000/ per Bigha. There was no total sale consideration was ever agreed as Rs. 5, 84, 24,750/-. According to the defendant agreement took place between the plaintiff and the defendant for sale and purchase of said property @ Rs. 800/ per sq. meter i.e. total sale consideration of Rs. 2, 13, 76,000/-. The defendant also denied that there was any agreement between plaintiff and defendant that plaintiff would deliver possession of said property after registered sale deed and payment in next 20 months. Whereas, correct fact is that the sale consideration has been agreed between plaintiff and the defendant on the basis of cash and cheques. The

physical possession has already been delivered by the plaintiff to the defendant on the same day when the registered sale deed was executed.

Judgment

In the present matter, the sale deed is a registered document; hence its correctness is its presumption. The mutation has also been made in favour of respondent/defendant and for next two and half year, the plaintiff/appellant even did not raise any objection either before any competent authority. The mutation is also in the name of respondent/defendant and the plaintiff has also admitted in his cross-examination that mutation of said land in the name of respondent/defendant is even in his knowledge and he had not raised any objection because there was no dispute at that time. In the said sale deed, terms and condition had been duly agreed between the appellant/plaintiff and the respondent/defendant. It has been specifically mentioned in the said sale deed that at the time of registration and execution of sale deed, the possession had also been delivered by the plaintiff/appellant to the defendant/respondent on the spot. In the last paragraph of said sale deed, it is duly agreed that three cheque of Rs. 70 lacs each has been received by the appellant/plaintiff as sale consideration drawn at Bank of India, Noida and amount of Rs. 3,76,000/ has been received by him in cash and by these means, he has received entire sale consideration and now, no amount has been left and nothing would be considered in future. Hence, in view thereof, it is clear that regarding said sale deed, the entire sale consideration has been paid by the purchaser to the plaintiff/appellant. If there is any dispute of money, the appellant/plaintiff is having right to file appropriate civil proceedings for recovery of money. The present sale deed could not be declared as void in view of Section 54 of the Transfer of Property Act, 1882.

Ratio Decidendi

The core ratio decidendi establishes that under section 54 of the Transfer of Property Act, 1882 cannot be cancelled on the basis of partly or unpaid sale consideration.

Appropriate Legal Remedy

If the sale consideration has not been paid or has been partly paid then instead of cancellation of sale deed the correct legal course of action would be to file a civil suit for recovery of money.

Statutes/Provisions Involved

Section 54 of the Transfer of Property Act,1882

Section 91 of the Indian Evidence Act,1872

Section 138 Negotiable Instruments Act,1938

Order 7 Rule 11,Civil Procedure Code,1908

Precedents Relied On

1. Dahiben Vs Arvindbhai Kalyanji Bhanusali(Gajra)(2020) 7 SCC 366
2. Vidyadhar Vs Manikrao AIR 1999 SC 1441
3. Raziya Begum & Ors Vs Nafisa Begum(2026) INSC 814
4. Ishwar Das Jain Vs Sohan Lal ALR 2000(39) 756
5. Raghavamma Vs Chenchamma AIR 1964 SC 136

6. Laxmi Narain & Ors Vs Hubraja ALR 1989(15) 800
7. Smt.Prabhavati Devi Vs. Smt.Champa Devi RD 2012(117) 341
8. Guru Nath Manohar Pavaskar & Ors Vs Nagesh Siddapa Navalgund & Ors 2008 RD(104) 243
9. Maria Margarida & Ors Vs Erasmo Jack 2012 ALR(92) 251
10. Bhobhal Vs Shah Nath 2012 RD(115) 759