

**RSA-68-2023 (O&M)****-1-****IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH****130****RSA-68-2023 (O&M)****Date of decision: 08.07.2026****Vikram Singh****....Appellant****Vs.****Satvir****....Respondents****CORAM : HON'BLE MR. JUSTICE HARSH BUNGER****Present: Mr. B.S. Tewatia, Advocate
for the appellant.*************HARSH BUNGER J. (Oral)**

1. For convenience, the parties herein are being addressed as per their status in the original suit.
2. Present regular second appeal has been filed by plaintiff-Vikram Singh challenging the judgment and decree dated 27.05.2022 passed by learned District Judge, Faridabad, whereby he has allowed the appeal filed by respondent/defendant (Satvir) and the judgment and decree dated 01.04.2021 passed by the learned Civil Judge (Junior Division), Faridabad has been set aside, and the suit for recovery of Rs.1,75,000/- filed by the plaintiff, has been dismissed.
3. Briefly, the plaintiff filed a suit for recovery of Rs.1,75,000/- against the defendant (Satvir) on the plea that he was the registered owner of

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vehicle (Maruti Alto 800) bearing registration No. HR-29AJ-3721. It was averred that the plaintiff had sold the said vehicle to the defendant in the month of April 2017 for a sum of Rs.1,85,000/-, out of which Rs.10,000/- is stated to have been paid in cash and balance amount of Rs.1,75,000/- was paid vide a postdated cheque bearing No.547438 dated 10.09.2017.

3.1 It was further averred that upon receipt of the aforesaid cheque, all the documents of the vehicle were handed over by the plaintiff to the defendant. It is the pleaded case of the plaintiff that when he presented the aforesaid cheque to the bank, the same was returned on account of “insufficiency of funds” and despite the plaintiff intimating the said fact of dishonouring of cheque to the defendant, the defendant did not pay the due amount.

4. The plaintiff is stated to have served a legal notice dated 07.06.2018 upon the defendant to repay the dues; however, since the defendant did not pay the dues of the plaintiff, accordingly he filed the suit for recovery.

5. Upon notice, defendant appeared in the aforesaid suit and contested the same by filing his written statement. It was the stand of the defendant that at the time of purchasing the vehicle, a part payment of Rs.20,000/- was made in cash and qua the remaining amount of Rs.1,55,000/- a blank cheque was given as a security to the plaintiff. It is case of the defendant that subsequently the plaintiff executed an affidavit in the name of the defendants as regards the receipt of the entire amount of Rs.1,55,000/- in cash and that the said amount was paid to the plaintiff in

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presence of the witnesses namely Dil Sukh and Bir Singh. It was categorically stated by the defendant that when the defendant asked plaintiff to return his cheque, then the plaintiff took a plea that the cheque has been misplaced. The other averments made in the plaint were also denied by the defendants and prayer for dismissal of the suit was made.

6. From the pleading of the parties, following issues were framed by the learned Trial Court:-

- “1. Whether the plaintiff is entitled to the decree for recovery of amount of Rs. 1,75,000/- along with future interest @ 18% per annum from the date of the institution of the suit till realization? OPP*
- 2. Whether the suit of the plaintiff is not maintainable in the present form? OPD*
- 3. Whether the plaintiff has no cause of action and locus standi to file the present suit? OPD*
- 4. Whether the plaintiff has not come with clean hands and has concealed the true and material facts from the court?OPP*
- 5. Relief.”*

7. The parties led their respective evidence (oral as well as documentary) on the aforesaid issues.

8 The learned Trial Court vide judgment and decree dated 01.04.2021 partly decreed the suit of the plaintiff for a sum of Rs.1,75,000/- along with interest @ 6% per annum from the date of institution of the suit till its realization. It was further directed that the said amount be paid within a period of three months.

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9. Feeling aggrieved against the learned Trial Court judgment and decree dated 01.04.2021, the defendant preferred an appeal before the learned District Judge, Faridabad, which has been allowed vide impugned judgment and decree dated 27.05.2022, whereby the learned Trial Court judgment and decree has been set aside and the suit filed by the plaintiff has been dismissed.

10. In view of the aforementioned circumstances, present regular second appeal has been filed by the plaintiff.

11. I have heard the learned counsel for the appellant/plaintiff and perused the paperbook with his able assistance.

12. The learned First Appellate Court while allowing the appeal of the defendant by setting aside the judgment and decree dated 01.04.2021 passed by learned Trial Court and dismissing the suit of the plaintiff, returned the following findings:-

“12. Stand of plaintiff is that he had sold his car to the defendant for a sum of 1,85,000/- in the month of April 2017. Defendant had paid a sum of 10,000/- in cash and had issued a post-dated cheque dated 10.09.2017 Ex.P1 in the sum of 1,75,000/- to pay the balance amount. However, on presentation, the cheque was dishonoured due to insufficient funds vide bank memo Ex.P2. Thereafter, he served notice upon the defendant but he kept on delaying the payment and he gave an evasive reply and refused to pay the amount. Plaintiff during cross-examination has stated that the deal was finalized in April 2017 and he had signed the documents relating to transfer of the car in his name and as such, plaintiff has not disputed the fact that the documents were executed by him for transfer of the



car in favour of defendant. Defendant has examined DW3 Bhagat, Registration Clerk, SDM Office, Ballabgarh, who produced the entire file relating to transfer of ownership of the car in favour of defendant and tendered its photo copy Ex. DW3/1 (colly page No.1 to 21). He also tendered the affidavits of the plaintiff and defendant as Ex.DW2/3 and Ex.DW3/3. He further stated that file was submitted in their office for transfer of ownership on 11.05.2017. It is pertinent to mention that the deal with finalized between the parties for sale of car in Aprill 2017 and application was moved for transfer of ownership in favour of defendant on 11.05.2017. The affidavit furnished by plaintiff shows that it has been specifically mentioned in clause (2) that he has received the full and final consideration amount of the said vehicle from the purchaser and nothing is due. It is a matter of common knowledge that no prudent man will sign the transfer documents without receiving the sale consideration. The deal was finalized in April 2017 and the vehicle was got transferred on 11.05.2017 and in such a situation, the version of defendant that he had paid the entire sale consideration in cash to the plaintiff is believable and has to be accepted, particularly because plaintiff himself executed affidavit Ex.DW3/2 acknowledging the receipt of the entire sale consideration. The finding of learned trial Court that it appears to be a standard format of affidavit and in such cases, the party signing the affidavit has a little choice available with it, is erroneous. No person will execute a document in such unambiguous terms unless and until the payment is made to him. Moreover, the time gap between the date of finalization of deal and the date when vehicle was transferred also gives rise to the inference that defendant had paid the amount but plaintiff did not return the security cheque and has lateron, misused the same. It is also



pertinent to mention that plaintiff in para No.1 of the plaint has specifically pleaded that defendant had issued one post-dated cheque to him for 1,75,000/-. However, during cross-examination, plaintiff has admitted that the date in the cheque was filled up by him and not by defendant. No doubt, plaintiff could have mentioned the date himself but once he has taken a specific plea that a post-dated cheque was issued by defendant, he would not have left the column of date to be blank. This circumstance also supports the version of defendant that the cheque in question was given only as a security. However, learned trial Court has not appreciated the facts of the case and evidence on file in the correct perspective while coming to the conclusion that defendant is liable to pay the cheque amount to the plaintiff. The finding on issue No.1 is thus erroneous and same is not sustainable and is accordingly reversed.”

13. A bare perusal of the above-extracted findings returned by the learned First Appellate Court would show that the plaintiff sold his car to defendant for a sum of Rs.1,85,000/- in the month of April 2017. Defendant is stated to have paid Rs.10,000/- in cash and had issued a postdated cheque dated 10.09.2017 (Exhibit P-1) in the sum of Rs.1,75,000/- for the balance amount. The said cheque is stated to have been dishonoured.

14. It has come on record that the deal regarding the sale of car by the plaintiff to the defendant was finalised in April 2017 and the plaintiff had clearly admitted that he had signed the documents relating to the transfer of ownership of the car in favour of the defendant. On the other hand, the defendant had examined DW3-Bhagat, Registration Clerk, SDM Officer, Ballabgarh, who produced the entire file relating to transfer of ownership of

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car in favour of the defendant and tendered its photocopy (Exhibit DW3/1) along with the affidavits of the plaintiff as well as defendant (Exhibit DW2/3 and Exhibit DW3/3). The aforesaid file pertaining to transfer of ownership of vehicle was submitted in the concerned office on 11.05.2017. In the affidavit furnished by the plaintiff, it was clearly stated therein that he had received the full and final consideration amount for the vehicle and nothing was due.

14.1 Going by the above evidence, the learned First Appellate Court has held that in light of the affidavit Exhibit DW3/2 executed by the plaintiff himself acknowledging the receipt of the entire sale consideration, it has to be accepted that the defendant had paid the entire sale consideration in cash. It has further been observed by the learned First Appellate Court that no person will execute a document unless and until the payment is made to him. It has also come in the cross-examination of the plaintiff, that the date in the cheque was filled by the plaintiff himself and not by the defendant.

15. During the course of hearing of this appeal, a specific query was raised to the learned counsel for the appellant as to whether any complaint under Section 138 of the Negotiable Instruments Act, 1881, was filed by the plaintiff on account of dishonouring of cheque. In response to the same, learned counsel for the appellant fairly stated that no such complaint under Section 138 of the Negotiable Instruments Act, 1881 was filed by the plaintiff.

16. It is indeed strange that the deal regarding sale of car was entered in the month of April 2017, when according to the plaintiff, he

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received Rs.10,000/- in cash along with a postdated cheque dated 10.09.2017 (Exhibit P-1) for a sum of Rs.1,75,000/- i.e. a gap of about 5 months, although the documents regarding transfer of ownership of vehicle were concededly submitted with the concerned office in May 2017. It is also not forthcoming as to why the plaintiff remained silent for about more than one year from the date of deal regarding sale of vehicle till the filing of recovery suit i.e. on 13.07.2018. In my considered view, no prudent person would execute the affidavit indicating receipt of full and final consideration amount without actually receiving the said amount. It is also intriguing to note that the plaintiff did not take any immediate steps after the dishonouring of cheque and filed a suit for recovery after a period of more than one year from the date of cause of action having been arisen in his favour.

17. In the attending circumstances, I see no reason to differ from the view/findings of the learned First Appellate Court. No question of law, much less substantial question of law arises for adjudication in this regular second appeal. Resultantly, the present regular second appeal is ***dismissed*** being devoid of any merit.

18. All the pending application(s), if any, shall also stand closed.

(HARSH BUNGER)
JUDGE

08.07.2026
Ankit

Whether speaking/reasoned:
Whether reportable:

Yes/No
Yes/No