



IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

RSA-23-2008 (O&M)
Reserved on: 07.05.2025
Date of decision: 12.05.2025

MAN SINGH AND ANOTHER

..Appellants

Versus

ARUN JAIN AND ANOTHER

..Respondents

CORAM: HON'BLE MR. JUSTICE ANIL KSHETARPAL

Present: Mr. Baldev Raj Mahajan, Sr. Advocate
with Mr. Rajesh K. Sheoran, Advocate
Ms. Nikita Goel, Advocate
Ms. Harita Dhanda, Advocate
for the appellants.

Mr. Akshay Bhan, Sr. Advocate
with Mr. Santosh Sharma, Advocate
Mr. Varun Sandhu, Advocate
for respondents.

ANIL KSHETARPAL, J.

I. Brief facts:-

1. The defendants assail the correctness of the First Appellate Court's judgment, which in turn has reversed that of the trial Court.
2. The plaintiff (respondent No.1-Arun Jain) filed a suit for specific performance of the agreement to sell with respect to plot No.1879, Sector 46, Urban Estate, Gurugram, claiming that defendant No.1 entered into an agreement to sell in his favour on 24.03.1996 on receipt of Rs.1,74,624/-. A final payment receipt was also alleged to have been executed by defendant No.1. However, defendant No.1 transferred the plot in favour of his son to frustrate the agreement. The defendants while



contesting the suit claimed that plaintiff is a chartered accountant and defendant asked the plaintiff to bring his allotment letter from the office of Haryana Urban Development Authority (in short 'HUDA') now known as Haryana State Vikas Parishad (in short 'HSVP') and thereafter, obtained the defendant's signatures on blank stamp papers and the revenue stamp affixed on the papers. It was alleged that the plaintiff has fabricated the agreement to sell on those blank stamp papers.

3. The trial Court dismissed the suit mainly on the ground that agreement to sell was executed earlier, whereas, the allotment letter in favour of defendant No.1 was issued subsequently. However, the First Appellate Court decreed the suit filed by the plaintiff.

II. Arguments addressed:-

4. This Bench has heard the learned counsel for the parties at length and with their able assistance perused the paperbook along with the requisitioned record.

5. Learned Senior counsel for the appellants has made the following submissions:-

I. On the date when the agreement to sell was allegedly executed, there was no allotment in favour of defendant-appellant.

II. The suit was filed after a period of more than 3 years, hence, it was filed beyond the prescribed period of limitation.

III. As per the agreement to sell, the total price is Rs.1,74,624/-, whereas, the allotment price of the plot was Rs.2,46,240/-.



-3-

IV. The stamp papers for execution of the agreement to sell were purchased on 24.02.1996, whereas, the agreement to sell were executed on 24.03.1996.

V. While referring to the statement of Sh. Arun Jain at page 157 of the trial Court record, learned Senior counsel submitted that there was no reason to execute the agreement to sell at Gurugram because the plaintiff and the defendant resided in Bhiwani.

VI. The plaintiff filed an application to the 'HUDA' on 17.04.1996 with a request not to transfer the plot in favour of anybody along with an affidavit.

VII. The First Appellate Court has directed specific performance of agreement to sell on payment of Rs.4,36,808/-, which is not prayed for by the plaintiff.

6. Per contra, learned Senior counsel for respondents has submitted that the agreement to sell was scribed on a printed proforma. While referring to the agreement to sell and receipt, he submits that defendant No.1 signed on each page of the agreement to sell apart from signing on the final payment receipt on which a revenue stamp of Re.1/- was affixed. He further submitted that defendant No.1 has repeatedly changed his stand. Sh. P.V.S. Chauhan, while appearing as witness has also admitted execution of the agreement to sell.

III. Analysis and Discussion:-

7. This Court has considered the submissions of learned senior counsel for the parties.

8. In fact, defendant has repeatedly changed his stand in the



following manner:-

- i. While filing the written statement, defendant No.1 asserted as under:-

“The defendant had asked the plaintiff to bring his allotment letter from the office of the defendant No.3/H.U.D.A. Gurgaon and to sign on behalf of the defendant No.1. The plaintiff obtained the signatures of the defendant No.1 on some blank papers and stamp papers. The defendant No.1 is good faith and having good and cordial relations to each other had signed those blank papers and also affixed signature on a blank paper having affixed revenue receipt. The plaintiff had assured him that he would bring the allotment letter positively. And afterwards he had told the defendant No.1 that the blank stamp papers & papers on which the signatures of the plaintiff were obtained has been submit in the H.U.D.A. office/defendant No.3 at Gurgaon and they had asked him that the allotment letter would be sent through post on the address of the defendant No.1. But on filing of the fake and frivolous suit by the plaintiff, the defendants No.1 & 2 only then came to know that the plaintiff has played a big fraud with the defendant No.1 by misutilisation of those blank stamp paper and blank paper of affixing revenue stamp on which the signatures of the plaintiff were obtained by preparing those forged documents by way of fraud, misrepresentation of fact.”



ii. When Sh. Raj Kumar, clerk of 'HUDA' now known as 'HSVP' appeared as PW-1, he stated that defendant No.1 submitted an application on 17.04.1996 disclosing that he prepared a file for submitting application for permission to transfer plot No.1879, Sector 46, measuring 8 marlas, in favour of his son but on 26.03.1996, the transfer papers along with signed blank stamp papers went missing from his cycle. It was also requested that if on the basis of aforesaid stamp papers, someone applies for transferring the plot, he should be given its intimation.

iii. DW-6 Sh. Man Singh (appellant) in his deposition stated that Sh. Arun Jain told him that stamp papers are missing, hence, on his behalf he had submitted an application in 'HUDA' disclosing that he himself has lost the documents.

Thus, the defendant No.1 is not a reliable person.

9. With respect to submission No.I, it may be noted that the agreement to sell is with respect to plot No.1879, Sector 46, Gurugram. In other words, the parties knew that the aforesaid plot has been allotted to defendant No.1. Moreover, as per Section 13 of the Specific Relief Act, 1963, the defendant is required to honour the agreement after becoming owner of the property.

10. With respect to submission No.II, it may be noted that as per Article 54 of the Schedule attached to the Limitation Act, 1963, the time to file the suit will begin to run from the date fixed in the agreement to sell and



if no date is fixed, then, from the date the party has noticed that the seller has refused to honour the agreement.

11. In the present case, there was no specific date or time for performance of the agreement to sell, hence, second part of Article 54 would be applicable. Consequently, the limitation for filing the suit would not begin to run from the date of the agreement to sell.

12. With respect to submission No.III, it may be noted that agreement to sell has been scribed on a printed proforma with blanks filled at appropriate places with hand. From reading of para 1 of the agreement to sell, it is evident that Rs.1,74,624/- was the amount of earnest money. It was the responsibility of the plaintiff to pay the remaining installments to 'HSVP'. As per the allotment letter, 25% of the price was payable within 30 days from the date of allotment, whereas, remaining payment could be made either in lump sum or in six equated annual installments. Hence, the argument lacks substance.

13. Similarly, the purchase of stamp paper on 24.02.1996 would not be sufficient to doubt the execution of the agreement to sell particularly when defendant No.1 is not only Ex-serviceman but he is working in a bank for the last 20 years. He is also a graduate. Hence, it could not be said that he was not aware of the consequences of signing blank stamp papers with affixed revenue stamp.

14. Similarly, submission No.V also lacks substance because the plot was located in Gurugram, hence, the parties decided to entered into agreement at Gurugram. It was not unusual.

15. With regard to submission No.VI, it may be noted that undoubtedly, the plaintiff submitted an application on 19.04.1996,



requesting 'HUDA' officials not to transfer the plot in favour of any other person except him, however, that would not be sufficient to doubt the correctness of the agreement.

16. The last submission of learned Senior counsel for the appellant also lacks substance because a conditional decree for specific performance of the agreement to sell subject to payment of Rs.4,36,808/- has been passed by the First Appellate Court. This amount was deposited with 'HSVP' by defendant No.2 towards the price of the plot.

IV. Decision:-

17. Keeping in view the aforesaid discussion, finding no merit, the appeal is dismissed.

18. All the pending miscellaneous applications, if any, are also disposed of.

12th May, 2025

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**(ANIL KSHETARPAL)
JUDGE**

*Whether speaking/reasoned
Whether reportable*

*: Yes/No
: Yes/No*