



**117 IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

**RSA No.63 of 2018 (O&M)
Date of decision : 20.11.2025**

PALWINDER SINGH

....Appellant

Versus

BHAGWANT SINGH

...Respondent

CORAM: HON'BLE MR. JUSTICE PANKAJ JAIN

**Present : Mr. Amit Arora, Advocate
for the appellant.**

PANKAJ JAIN, J. (ORAL)

CM-74-C-2018

This is an application filed under Section 5 of Limitation Act seeking condonation of delay of 31 days in filing the instant appeal.

For the reasons recorded in the application, this Court is satisfied that the applicant/appellant has made out a sufficient cause for condonation of delay.

Consequently, the present application is allowed. The delay of 31 days in filing the instant appeal is hereby condoned.

RSA No.63 of 2018 (O&M)

Plaintiff is in second appeal aggrieved of the judgment and decree passed by the Courts below.

2. For convenience, the parties hereinafter are referred to as by



their original position before the Court of First Instance, i.e., the appellant as plaintiff and the respondent as defendant.

3. Plaintiff filed suit seeking recovery of Rs.5,00,000/- as principal amount and Rs.60,000/- as interest for the period commencing from 12.07.2012 till 04.07.2013 and further sought interest *pendente lite* and future.

3.1. As per the case of the plaintiff, defendant executed a promissory note, dated 12.07.2012 for a sum of Rs.5,00,000/- and in support of the pronote, the defendant entered into an agreement raising a loan of Rs.5,00,000/- thereby creating an obligation that in case of non-payment of promised amount, the plaintiff shall be at liberty to recover the amount along with interest as claimed from the defendant.

4. Suit was contested by the defendant. Execution of the promissory note in favour of the plaintiff in lieu of agreement dated 12.07.2012, was admitted. Defendant produced agreement, Exhibit D1 along with endorsement, Exhibit D3 regarding cancellation and claimed that obligation already stands discharged.

5. Both the Courts below have concurrently found that plaintiff in his cross-examination admitted that as per pronote, the amount was taken in lieu of agreement and the agreement has come on record from the possession of defendant and has been tendered in evidence as Exhibit D1 which proves the stand of the defendant of having paid back the earnest money.

6. Counsel for the appellant while assailing the findings recorded



by the Courts below, has tried to raise an argument that endorsement, Exhibit D3, vide which the instrument stands cancelled, does not bear the signatures of the plaintiff.

7. Having heard counsel for the appellant and after carefully perusing the record of the case, this Court finds that even if the plea raised by counsel for the appellant is admitted for the sake of arguments and it is held that the endorsement, Exhibit D3, is not binding and cannot be read against the plaintiff, yet he is not in position to deny that as per the covenant contained in the promissory note, the amount was taken in lieu of the agreement. Once the agreement has come from the possession of the defendant, the presumption in law is that defendant has discharged his obligation. Plaintiff was required to rebut the said presumption. No evidence was led by the plaintiff to rebut the same. The presumption remained un rebutted.

7.1. In the considered opinion of this Court, the present case squarely falls within the parameters of Illustration (i) appended to Section 114 of the Indian Evidence Act, 1872, which reads as under:

“114. Court may presume existence of certain facts. - xxxx

Illustrations

(a) xxx

xxx

(i) that when a document creating an obligation is in the hands of the obligor, the obligation has been discharged.”



8. In view of above, finding no merit in the present appeal, the same is ordered to be dismissed.
9. A copy of this order be kept on the file of other connected case.

November 20, 2025		(Pankaj Jain)
Dpr		Judge
Whether speaking/reasoned	:	Yes/No
Whether reportable	:	Yes/No