

2026:PHHC:064479



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

RSA-2548-1999

Reserved on : 16.02.2026

Pronounced on : 29.04.2026

SUNDER LAL SHARMA (SINCE DECEASED) THROUGH LRS

....Appellant

Versus

HAR NARAIN (SINCE DECEASED) THROUGH LRS AND ORS

...Respondents

CORAM: HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Mr. Amit Jain, Senior Advocate with
Ms. Aeshna Jain, Advocate
for the appellant.

Ms. Pratibha Yadav, Advocate
for the respondents.

PARMOD GOYAL, J. (ORAL)

Present regular second appeal has been preferred by appellant/plaintiff being aggrieved by judgment and decree dated 04.05.1999, passed by learned Additional District Judge, Narnaul, vide which first appeal preferred by respondents/defendants No.1 and 2 was accepted and judgment and decree dated 08.10.1994, passed in favour of appellant/plaintiff by learned Senior Sub Judge, Narnaul whereby suit of appellant/plaintiff for dissolution of partnership and rendition of accounts was allowed, was dismissed.

2. Appellant/plaintiff in his suit for dissolution of partnership and rendition of accounts had claimed that he is owner in possession of suit property to the extent of 1/4th share out of khasra No.245 situated within

revenue estate of Village Alamsahar, Tikoda, Tehsil Narnaul, District Mahendergarh whereby he had raised boundary wall and has constructed two shops. It was asserted that appellant/plaintiff and respondents/defendants No.1 and 2 started doing business of saw machine and removing puncture on Vaisakha Sudi 2 Samvat 2028 by way of executing partnership deed. It was agreed that both appellant/plaintiff and respondents/defendants No.1 and 2 shall bear equal expenses and appellant/plaintiff had duly contributed Rs.6,000/- towards his half share. That respondents/defendants No.1 and 2 shall look after the business and maintain the accounts. Accordingly, appellant/plaintiff and respondents/defendants No.1 and 2 were entitled to profit. It was also agreed that appellant/plaintiff can remove respondents/defendants No.1 and 2 from partnership, however, respondents/defendants No.1 and 2 had joined defendant No.3 as a partner two years back without the consent of appellant/plaintiff and it is respondent/defendant No.3 who is looking after the business of saw machine etc. That 15 days prior to filing of suit, appellant/plaintiff had served a notice upon respondents/defendants No.1 and 2 for dissolution of partnership and accordingly sought rendition of accounts by way of the present suit.

3. Respondents/defendants No.1 and 2 vide their written statement asserted that they have no nexus with khasra No.245 and as such they are ignorant with regard to construction of any shop or boundary wall as alleged by appellant/plaintiff. It was asserted that appellant/plaintiff was co-sharer in khasra No.214 situated on the bank of road leading to Nizampur Village. That on Sawan Sudi 5 Samwat 2022 appellant/plaintiff had borrowed Rs.1,100/- from respondents/defendants No.1 and 2 and executed a writing in their favour since appellant/plaintiff had not returned the said account.

Ultimately, appellant/plaintiff orally sold away the suit property measuring 1 kanal out of khasra No.214 and possession was delivered to respondents/defendants No.1 and 2 about 18 years ago and since then respondents/defendants No.1 and 2 are owners in possession of the suit property. It was asserted that respondents/defendants No.1 and 2 had constructed boundary wall, tin shed and then installed flour machine and saw machine in the suit property bearing khasra No.214. It was asserted that respondents/defendants have also taken loan of Rs.4,500/- in February 1978 from Haryana Khadi Board for installation of drill machine, welding machine etc. That in June 1978 on account of fire respondents/defendants No.1 and 2 had suffered a loss of Rs.8,000/- and accordingly, respondents/defendants No.1 and 2 made an application to the authorities. It is also stated that respondents/defendants No.1 and 2 had let out flour machine and saw machine to respondent/defendant No.3, Om Parkash on monthly rent of Rs.50/- and in 1985 respondent/defendant No.3 had purchased the said saw mill and flour mill. That in one shop respondent/defendant No.2 Harphool is doing business being owner in possession. That no construction was ever raised by appellant/plaintiff and there is no partnership with regard to suit property between appellant/plaintiff and respondents/defendants No.1 and 2 as alleged and accordingly, dismissal of suit was prayed for.

4. Following issues were framed from the pleadings of parties :-

- i) Whether there is any partnership business of the parties carried on in khasra No.245, if so, to what effect ? OPP
- i-A) Whether the parties are carrying on their partnership business in khasra No.214 which has been wrongly recorded as khasra

No.245 as alleged ? OPP

- ii) Whether defendants No.1 and 2 have become owners of the suit property by adverse possession ? OPD
- iii) Whether plaintiff is estopped from bringing the present suit by his act and conduct ? OPD
- iv) Whether suit for dissolution of partnership is not maintainable ? OPD
- v) Whether defendants are entitled for compensatory costs ? OPD
- v-A) Whether the suit property was purchased by the defendants from the plaintiff for a consideration of Rs.1100/- as alleged in para No.2 of the written statement ? OPD
- v-B) Whether defendant No.2 is in possession of the said property as tenant under the plaintiff as alleged ? OPD
- vi) Relief.

5. The simple case of appellant/plaintiff is that he had entered into partnership with respondents/defendants No.1 and 2 in the shop constructed by him in khasra No.245. On the other hand, respondents/defendants No.1 and 2 have taken a stand that no partnership ever existed between them, and in fact, they had orally purchased the property which is part of khasra No.214 owned by appellant/plaintiff on account of failure of appellant/plaintiff to repay Rs.1,100/- to respondents/defendants No.1 and 2 which appellant/plaintiff had taken. Subsequently, appellant/plaintiff corrected himself and had asserted that partnership business was in khasra No.214 and not in khasra No.245.

6. Appellant/plaintiff in order to prove existence of partnership has placed reliance upon Ex.P1, an entry in Bahi made on Second Samvat 2028

wherein it was claimed that parties have entered into partnership over khasra No.245 and had agreed to contribute Rs.6,000/-, Rs.3,000/- and Rs.3,000/- by appellant/plaintiff, respondent/defendant No.1 and respondents/defendant No.2 respectively. It is on the basis of this entry and oral assertions made by appellant/plaintiff-Sunder Lal who himself appeared as PW1 and Shri Narain appeared as PW3 that appellant/plaintiff and respondents/defendants No.1 and 2 were running partnership firm. Appellant/plaintiff has claimed dissolution of partnership and rendition of accounts.

7. From the pleadings of parties as well as from nature of suit i.e. suit for dissolution of partnership and rendition of accounts, it is clearly made out that the present dispute is not regarding ownership/possession of the suit property over khasra No.214 or khasra No.245. In order to succeed in the present case it was incumbent upon appellant/plaintiff to show that partnership existed between the parties, however, except for Bahi entries Ex.P1, no evidence has been led by appellant/plaintiff to establish partnership between the parties. On the other hand, respondents/defendants No.1 and 2 have clearly stated that no partnership ever was entered with appellant/plaintiff and accordingly, they have further led evidence to show that electricity connection in the suit property bearing khasra No.214 was only taken in 1972 in the name of respondent/defendant No.1. In 1976 aara machine and atta chakki was installed after raising construction of tin shed and due registration with industry department in this regard was taken in the name of respondent/defendant No.1.

8. Though appellant/plaintiff has examined PW4-hand writing expert to prove signatures of respondents/defendants No.1 and 2 over the same, however, I find that Bahi entry Ex.P1 is not sufficient to conclude

existence of partnership between the parties. It is worth noticing that in the said entry the khasra number mentioned therein is 245 and not 214 which is being claimed by respondents/defendants No.1 and 2. There is no evidence on record to show that any partnership firm ever came into existence between the appellant/plaintiff and respondents/defendants No.1 and 2 in pursuance to Bahi entry Ex.P1. As per Ex.P1 partnership was to function in khasra No.245 and aara machine existed, however, from evidence led by respondents/defendants No.1 and 2 and as noticed by learned First Appellate Court, respondents/defendants No.1 and 2 have successfully proved that aara machine was installed subsequent then date of Ex.P1. Date in Ex.P1 on conversion comes to 1971-72 of Gregorian Calendar. Whereas workshop of respondent/defendant No.1 was registered with DIC, Narnaul vide registration No.MHG/Wooden items/33 dated 26.06.1976. Further existence of aara machine has come in revenue record only in the year 1985-86 which was registered in the name of respondent/defendant No.1. From the evidence led by respondents/defendants, it is therefore, clearly made out that alleged assertions made in Ex.P1 are not correct and stands rebutted.

9. It is worth noticing that even as per the case of appellant/plaintiff, partnership had continued for about 16-17 years. Appellant/plaintiff claimed that the partnership was entered in 1971 vide Ex.P1 and it was only two years prior to filing of suit, dispute arose between the parties. Appellant/plaintiff had also claimed that the profits of partnership was duly shared upto 1984. Therefore, from the pleaded case of appellant/plaintiff it is clearly made out that partnership between the parties had worked from 1971 to 1984 in a proper manner and its dissolution was sought only in 1987 after 16 years of its alleged existence. However, not a

single document was produced on record which may point out any transaction between appellant/plaintiff and respondents/defendants No.1 and 2 as regards to sharing of profits, running of business and even registration of partnership with any department/authority. No such evidence was either pleaded or proved by appellant/plaintiff. Therefore, contents of Ex.P1 have been successfully rebutted by respondents/defendants No.1 and 2 and also mentioned property where partnership was constituted to be khasra No.245 instead of 214 which actually is in possession of respondents/defendants No.1 and 2. Therefore, it is clearly made out from evidence of parties led before learned Court of first instance that appellant/plaintiff has failed to prove existence of partnership. In view of the factual position of this case as arising from evidence led by parties, the conclusion of learned First Appellate Court that no partnership existed is plausible and correct appreciation of evidence.

10. Learned counsel for appellant/plaintiff has relied upon the following judgments :-

1. **Lakhwinder Singh Vs. Bimla Devi & Ors.**, RSA-1797-2013 decided on 15.02.2016;
2. **Basant Kaur (dead) through her LRs & Ors. Vs. Bhag Singh & Ors.**, 2011 (3) RCR (Civil) 543;
3. **Pt. Shamboo Nath Tikoo & Ors. Vs. S. Gian Singh & Ors.**, 1995 (Sup3) SCC 266;
4. **Neelam Gupta & Ors. Vs. Rajendra Kumar Gupta & Anr.**, 2024 SCC Online SC 2824.

11. None of the aforesaid judgments are of any help to the case of appellant/plaintiff. On appreciation of evidence, appellant/plaintiff has failed

to prove existence of partnership with respondents/defendants No.1 and 2 and in a suit seeking dissolution of partnership and rendition of accounts existence of partnership is a basic requisite to be proved. In view of the dispute between the parties, issue of adverse possession or sale in the present case are totally immaterial.

12. In the present case, issue is not of declaration or possession with regard to ownership of the suit property. Real issue in the present case is as to whether any partnership existed and if any partnership existed, whether the same is liable to dissolution and whether respondents/defendants No.1 and 2 are liable to rendition of accounts. In view of above discussion, appellant/plaintiff has clearly failed to prove existence of partnership. Accordingly, the impugned judgment passed by learned First Appellate Court cannot be faulted with. Present appeal is without any merit, hence is dismissed. Pending application(s), if any, is/are disposed of accordingly.

29.04.2026
chiranjeev

(PARMOD GOYAL)
JUDGE

Whether Speaking/Reasoned	:	Yes/No
Whether Reportable	:	Yes/No