

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

RSA-1538-2026

Date of decision: 23.04.2026

Harpal Singh

...Appellant

Versus

Om Parkash and another

...Respondents

CORAM: HON'BLE MR. JUSTICE DEEPAK GUPTA

Present: Mr. Rajesh Gaur, Advocate for the appellant.

DEEPAK GUPTA, J. (ORAL)

The plaintiffs–appellants have filed the present Regular Second Appeal assailing the judgment & decree dated 10.02.2026 passed by the learned Additional District Judge, Yamuna Nagar, whereby the appeal preferred against the judgment & decree dated 16.11.2017 passed by the learned Civil Judge (Junior Division), Yamuna Nagar, came to be dismissed. By virtue of the said concurrent findings, the suit filed by the plaintiffs for recovery of ₹6,80,000/- on the basis of an alleged agreement to sell stands dismissed.

2. The case of the plaintiffs, as set up before the Courts below, was that the defendant had entered into an agreement to sell dated 25.02.2011 in respect of land measuring 302 Kanals 03 Marlas at the rate of ₹4,25,000/- per acre and had received a sum of ₹5,00,000/- as earnest money. The target date for execution of the sale deed was fixed as 05.05.2012. It was pleaded that the plaintiffs were always ready and willing to perform their part of the contract, but the defendant failed to honour the agreement and, therefore, they became entitled to recover the earnest money along with interest.



3. The defendant contested the suit by denying the very execution of the agreement and alleging that his signatures had been obtained on blank papers and misused.

4. The trial Court, upon appreciation of the evidence, dismissed the suit. In appeal, the learned First Appellate Court re-appraised the entire material on record and, while holding that execution of the agreement to sell stood proved, nonetheless affirmed dismissal of the suit by returning a categorical finding that the plaintiffs failed to establish their readiness and willingness to perform their part of the contract and that, in terms of the agreement, the earnest money stood forfeited.

5. Assailing the above judgments, learned counsel for the appellants has argued that once the execution of the agreement to sell stood proved by the First Appellate Court, the plaintiffs were entitled to a decree for recovery of the earnest money and the Courts below erred in denying the same. It has been contended that the findings regarding readiness and willingness are erroneous and contrary to the evidence on record.

6. Having heard learned counsel for the appellants and having perused the record, this Court finds no merit in the present appeal.

7. At the outset, it is necessary to note that the jurisdiction of this Court under Section 100 of the Code of Civil Procedure is confined to adjudication of substantial questions of law. It is not open to this Court to re-appreciate evidence or to substitute its own conclusions for those concurrently or even independently recorded by the Courts below, unless such findings are shown to be perverse, based on misreading of evidence, or suffering from patent illegality.

8. In the present case, the learned First Appellate Court has, in



fact, granted partial benefit to the plaintiffs by reversing the finding of the trial Court on the aspect of execution of the agreement to sell. However, the grant of relief does not follow merely from proof of execution of an agreement. The plaintiffs were required to further establish that they were ready and willing to perform their part of the contract within the stipulated time.

9. A careful perusal of the judgment of the First Appellate Court shows that the finding regarding absence of readiness and willingness is based on a detailed and reasoned appreciation of evidence. The Court has noticed that the plaintiffs failed to prove availability of the amount of ₹11,00,000/-, which was required to be paid as part consideration on the stipulated date. The evidence led by the plaintiffs regarding their financial capacity was found to be vague and unsubstantiated. The plaintiffs could not furnish cogent details regarding the alleged sources of funds and even material witnesses were withheld. Further, no convincing evidence was produced to show that the said amount was ever actually offered to the defendant.

10. The First Appellate Court has also examined the conduct of the plaintiffs in marking their presence before the Sub Registrar and has rightly concluded that such conduct, in the absence of proof of financial readiness, was merely a self-serving attempt to create evidence. These findings are purely findings of fact based on appreciation of the evidence on record.

11. Once it is held that the plaintiffs were not ready and willing to perform their part of the contract, the consequence flowing from the terms of the agreement necessarily follows. The agreement itself stipulated that in the event of failure on the part of the plaintiffs to make the stipulated payment, the earnest money would stand forfeited. The enforcement of

such a contractual stipulation cannot be said to be illegal or contrary to law in the absence of any plea or proof that the same was penal or unconscionable.

12. The argument raised on behalf of the appellants essentially seeks re-appreciation of evidence and substitution of findings recorded by the First Appellate Court. Such an exercise is impermissible in second appeal. No material has been pointed out to show that the findings recorded by the First Appellate Court are perverse, based on misreading of evidence, or that any relevant evidence has been ignored.

13. The entire controversy raised in the present appeal revolves around appreciation of evidence and factual determination of readiness and willingness, which do not give rise to any substantial question of law.

14. In view of the foregoing discussion, this Court is of the considered opinion that the judgment and decree passed by the learned First Appellate Court do not suffer from any illegality or perversity warranting interference in exercise of jurisdiction under Section 100 CPC. No substantial question of law arises for consideration.

15. Accordingly, the present Regular Second Appeal is dismissed. Pending applications, if any, also stand disposed of.

23.04.2026
Yogesh

(DEEPAK GUPTA)
JUDGE

Whether speaking/reasoned:-
Whether reportable:-

Yes/No
Yes/No