

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

112

**RSA-3360 of 2025 (O&M)
Date of decision :25.09.2025**

SATNAM SINGH ALIAS SATNAM SINGH JOHAL

...APPELLANT

VERSUS

SATWINDER SINGH AND ANOTHER

...RESPONDENTS

CORAM: HON'BLE MR. JUSTICE PARMOD GOYAL

Present: Mr. Raghav Chadha, Advocate for the appellant.

PARMOD GOYAL, J. (ORAL)

1. The appellant-plaintiff is aggrieved by the judgment and decree dated 26.04.2019, passed by the Additional Civil Judge (Senior Division), Garhshankar, vide which suit filed by the plaintiff for specific performance was partly decreed only granting alternative relief of recovery of Rs. 15,00,000/- against defendant No. 1. Aggrieved by the denial of specific performance, the appellant-plaintiff preferred a first appeal, which was decided by judgment and decree dated 29.05.2025, passed by the Additional District Judge, Hoshiarpur. The appeal preferred by the appellant was, however, dismissed.

2. It was the case of the plaintiff-appellant that on 08.06.2010, Defendant No. 1 agreed to sell land measuring 16 kanals, 10 marlas i.e. $\frac{1}{2}$ share out of 33 kanals, along with all attached rights and appurtenances, for a total sale consideration of Rs. 16,00,000/- vide agreement dated

08.06.2010. An amount of Rs. 12,00,000/- was duly paid as earnest money, and it was agreed that the sale deed would be executed on 07.06.2011. It was further agreed that if Defendant No. 1 failed to execute the sale deed within the stipulated period, he would be liable to return the earnest money along with an equal amount as damages, and the plaintiff would be entitled to seek relief of specific performance through the Court. That on 09.08.2011, Defendant No. 1 received an additional amount of Rs. 3,00,000/- against a separate receipt towards sale consideration. The date for execution of the sale deed fixed for 07.06.2011 was extended to 30.05.2013. The plaintiff-appellant asserts that he has always been ready and willing to perform his part of the agreement, including payment of the balance sale consideration and registration expenses. Despite repeated requests, Defendant No. 1 continuously postponed the execution of the sale deed, claiming that he would execute it only after getting the land redeemed. That approximately 15 days prior to the institution of the suit, he discovered that Defendant No. 1 had sold the suit property to Defendant No. 2 by preparing a false and forged sale deed dated 29.04.2014. It is further asserted that Defendant No. 2 had knowledge of the agreement to sell dated 08.06.2010. Since Defendant No. 1 refused to execute the sale deed, the present suit for specific performance was preferred.

3. The defendants were proceeded against *ex-parte*.

4. Both the learned Courts below, after considering the evidence, have accepted the plaintiff's claim to the extent that Defendant No. 1 executed the agreement to sell. However, they concluded that plaintiff has failed to place any material evidence to establish that defendant no. 2 was not a bona fide purchaser.

5. In view of the facts and circumstances of the case particularly the failure to file the suit despite the expiry of the last date on 30.05.2013, the absence of any notice served after 30.05.2013, fact that the sale deed in favour of Defendant No. 2 was executed on 29.04.2014 and that suit was filed only on 01.07.2015 the Courts declined to exercise their discretion in favour of the plaintiff-appellant to grant a decree for specific performance.

6. However, since the execution of the agreement and receipt of payments were duly established, the plaintiff was held entitled to recover Rs. 15,00,000/- along with interest, as ordered in paragraph No. 12 of the judgment of the learned Court of first instance.

7. The Appellate Court has also not exercised its discretion for grant of decree of specific performance instead upheld recovery rights awarded to plaintiff.

8. On consideration, I find that discretion exercised by learned Courts below cannot be held to be without any basis or erroneous.

9. In the present case, as per the plaintiff's own case, out of the total sale consideration of Rs. 16,00,000/-, Rs. 15,00,000/- was paid on 09.08.2011. Despite payment of nearly the entire amount, the execution of the sale deed was deferred for more than one and a half years, he needs to explain this, however, no explanation has come forth. Furthermore, even after the expiry of the last agreed date of 30.05.2013, the plaintiff took no steps to issue any notice to the defendant or to get the sale deed executed, through Court for over more than 2 years.

10. Defendant No. 2 purchased the property vide registered sale deed dated 29.04.2014. The plaintiff, without establishing that Defendant No. 2 was not a bona fide purchaser, cannot succeed in obtaining specific

performance, especially when the plaintiff himself delayed filing the case till 01.07.2015. It was plaintiff, who claimed that defendant No. 2 had knowledge of agreement, plaintiff had further alleged that sale-deed is without consideration and not bonafide. To prove his allegations, he led no evidence. Defendant No. 2 is not resident of same locality, she is not related to defendant No. 1 and plaintiff. It is not the case of plaintiff that defendant No. 2 was intimidated by him. Plaintiff has failed to explain the inaction from 31.05.2013 for not seeking his rights under agreement. Delay on part of plaintiff had resulted in creation of Bonafide third-party rights.

11. In view of the intervening third-party rights, which have not been shown to be mala fide, the relief of specific performance cannot be granted to the plaintiff-appellant. No substantial question of law arises in the present case. The appeal is devoid of merit and is therefore dismissed.

25.09.2025
manoj

(PARMOD GOYAL)
JUDGE

Whether speaking/reasoned	Yes
Whether reportable	Yes/No