



* IN THE HIGH COURT OF DELHI AT NEW DELHI

% *Reserved on: 18th March, 2026*
Pronounced on: 29th June, 2026

+ **RFA 117/2020**

SH. JAGDISH SINGH DAWAR (NOW DECEASED)
Through LR's

1. **SMT. PARAMJEET KAUR**
W/o Lt. Sh. Jagdish Singh DawarAppellant No.1
2. **SH. JASDEEP SINGH DAWAR**
S/o Lt. Sh. Jagdish Singh DawarAppellant No. 2
3. **HARMEET SINGH DAWAR**
S/o Late Sh. Jagdish Singh DawarAppellant No. 3

All residents of
FD-29 & 30, Shivaji Enclave,
New Delhi-110027

Through: Mr. T.R. Sandhu, Advocate.

versus

MOHAMMAD LAIK
Prop. M/s Power Tech Electricals
Shop No. 742-A, Squatters Colony
Chicholi Gate, Road No. 6
Near Pandu Ram Badi
Malad East, Mumbai

.....Respondent
Through: Mr. Avinash Kumar Tyagi,
Advocate.



CORAM:
HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

J U D G M E N T

NEENA BANSAL KRISHNA, J.

- 1. Regular First Appeal** under Section 96 read with Order XLI Rule 1 of the Code of Civil Procedure, 1908 (*hereinafter referred to as 'CPC'*) has been filed by the *Plaintiff/Appellant, Sh. Jagdish Singh Dawar* against the Judgment dated **20.11.2019**, whereby *the learned Additional District Judge dismissed the Suit of the Plaintiff for recovery of Rs. 7,68,227/- along with interest at the rate of 18% per annum.*
- The Plaintiff had filed a *Suit bearing No. CS No. 10625/2016* seeking recovery of Rs. 7,68,227/- along with interest at the rate of 18% per annum, against the *Defendant/Respondent, Mohammad Laik.*
- The **brief facts**, as set out in the **Plaint**, are that the Plaintiff is engaged in the *business of trading electrical goods*, under the name and style of *M/s Indersons*. He had supplied various electrical goods to the Defendant from time to time and raised Invoices/Bills. It was claimed that as per the Statement of Account maintained by the Plaintiff, a sum of Rs.7,68,227/- remained due and payable by the Defendant, towards the price of the aforesaid goods supplied to him.
- It was averred that the Defendant became irregular in making payments as per the Invoices, despite repeated requests by the Plaintiff.



5. The Defendant issued a Cheque bearing No. 001223 for a sum of Rs.1,50,000/-, towards discharge of his legally enforceable liability. The Cheque on presentation, got dishonoured, whereafter, the Plaintiff issued Legal Notice dated **03.03.2012** demanding payment of the outstanding dues. However, despite service of the aforesaid Legal Notice, the Defendant failed to pay the balance amount to the Plaintiff.

6. The Plaintiff filed a Complaint under Section 138 Negotiable Instruments Act, 1881, against the Defendant, which is still pending before the learned Metropolitan Magistrate.

7. *The Plaintiff, thus, filed the Suit seeking recovery of Rs.7,68,227/- along with interest at the rate of 18% per annum.*

8. The Defendant in his *Written Statement*, took the *preliminary objection that the Suit of the Plaintiff, is devoid of any cause of action*. He further claimed that the Plaintiff has *concealed material facts* and that the Defendant *has paid all the outstanding dues to the Plaintiff*. However, the Plaintiff has filed the present Suit, in order to extort money from the Defendant.

9. **On merits**, the Defendant admitted that the Plaintiff had instituted a Complaint Case under Section 138 of the Negotiable Instruments Act, 1881. However, it was contended that during the pendency of the said Complaint, the parties had amicably resolved their disputes and arrived at a full and final settlement. Pursuant thereto, the Defendant paid an aggregate sum of Rs. 1,65,000/- to the Plaintiff through Cheque No. 353216 for Rs. 65,000/-, Cheque No. 154915 for Rs. 50,000/-, and Cheque No. 154944 for Rs. 50,000/-, which



were duly encashed by the Plaintiff. Consequently, the Complaint under Section 138 of the Negotiable Instruments Act, 1881 was withdrawn by the Plaintiff.

10. The Defendant denied the Plaintiff's claim that a sum of Rs.7,68,227/- was due and payable by the Defendant. It was asserted that no amount whatsoever remained outstanding, as the Defendant had duly made all payments towards the goods supplied by the Plaintiff. The Defendant denied all the averments, allegations, and contentions made in the Plaint.

11. The **Plaintiff** in his *Replication*, reaffirmed the assertions as made in the Plaint and denied the averments as made by the Defendant in his Written statement.

12. The learned Additional District Judge framed **the following issues**, on **28.01.2014**:

- 1) *Whether the suit filed by the plaintiff is without any cause of action as parties have amicably settled all their disputes and the defendant paid a sum of Rs.1,65,000/- towards full & final payment to the plaintiff during the pendency of the complaint case u/s 138 NI Act? OPD*
- 2) *Whether the plaintiff is entitled for the recovery of Rs.7,68,227/-, as prayed for? OPP*
- 3) *Whether the plaintiff is entitled for the interest on the aforesaid amount? If so, at what rate and for which period?*
- 4) *Relief*



13. The *Plaintiff, Sh. Jagdish Singh Dawar* examined himself as ***PW-1*** who reiterated the assertions as made in the *Plaint* and relied upon the documents exhibited as **Ex. PW1/1 to Ex. PW1/64**.

14. The *Plaintiff* also examined ***PW-2, Sh. Harneet Singh Dawar***, his son, who proved the *Invoices Ex. PW2/1 to x. PW2/20*.

15. ***PW-3 Sh. Shakambar Dutt, Finance Manager*** of the *Plaintiff*, proved the *Notice Ex. PW3/1 to Ex. PW3/3*, sent by the *Plaintiff* for payment of the balance payment.

16. The *Defendant, Mohammad Laik* examined himself as ***DW-1***, and reaffirmed his defense, as taken in the *Written Statement*.

17. The ***learned Additional District Judge***, after considering and appreciating the rival contentions advanced on behalf of the parties, observed that the *Plaintiff* had failed to establish that the bills/*Invoices* had ever been accepted by or on behalf of the *Defendant*. It was further observed that no independent or corroborative material had been placed on record to demonstrate that the said Bills/*Invoices* had been forwarded to the *Defendant*, through speed post or any other mode. Reliance was placed on *Harish Mansukhani v. Ashok Jain*, 2009 (109) DRJ 126 (DB) and *Devender Bhati v. Chander Kanta*, 2015 SCC OnLine Del 14224.

18. Consequently, it was held that the *Plaintiff* failed to discharge the burden of proving the transactions in question and the alleged outstanding liability of the *Defendant*, **and the Suit of the Plaintiff, was dismissed.**



19. *Aggrieved by the Judgment dated 20.11.2019, the Plaintiff has filed the present **Regular First Appeal** under Section 96 read with Order XLI Rule 1 of the CPC.*

20. The **grounds of challenge** are that the learned Additional District Judge failed to appreciate that the Plaintiff had placed on record, a detailed Statement of Accounts reflecting the transactions between the parties and clearly showing that a sum of Rs.7,68,227/- remained due and payable by the Defendant. It was contended that the said Statement of Accounts was neither specifically denied nor was its authenticity ever challenged by the Defendant, in his Written Statement or during the course of trial.

21. Further, the Defendant, in its Written Statement, had neither furnished any particulars nor disclosed the details of the alleged payments made to the Plaintiff, towards the materials supplied. Instead, the Defendant merely made a bald and repeated assertion that all outstanding dues payable to the Plaintiff, had already been discharged. In terms of *Order VIII Rule 3 CPC*, Defendant is required to specifically deny each material averment made in the Plaint. The Defendant cannot evade such obligation by making vague, general, or evasive denials.

22. It was further contended that the Defendant had failed to place on record any Statement of Accounts, bank statement, or any other documentary evidence, to substantiate its plea that the entire outstanding amount, had been paid to the Plaintiff.



23. The learned Additional District Judge erroneously held that the Plaintiff was required to independently prove, delivery of the goods supplied. The Defendant had categorically admitted, both in his Written Statement as well as during cross-examination, that he had purchased and received the goods supplied by the Plaintiff. Once the receipt of the materials supplied stood admitted, no further proof of delivery was required. Moreover, the Invoices/Bills placed on record by the Plaintiff, were never specifically denied by the Defendant in either his Written Statement or during his cross-examination.

24. It was lastly contended that having held in Issue No. (1), that the Defendant had failed to prove that all outstanding dues had been settled, the learned Additional District Judge ought to have decreed the Suit in favour of the Plaintiff. The dismissal of the Suit, despite such findings, is contrary to the evidence on record and suffers from a manifest error of law and appreciation of facts.

25. It is therefore, submitted that the impugned judgement be set aside and the Suit of the Plaintiff/Appellant, be decreed.

Submissions Heard and Record Perused.

26. The Plaintiff had filed a Suit for Recovery of Rs.7,68,227/- along with interest @ 18% p.a. It was the case of the Plaintiff that he, under the name and style of *M/s Indersons*, a Proprietorship Firm, supplied electrical goods to the Defendant from time to time, in proof of which he had proved his Invoices, **Ex.PW-2/2 to Ex.PW-2/20**, which are from **04.01.2011 to 06.05.2011**. These



Invoices were duly supported with the delivery challans, **Ex.PW-1/3 to Ex.PW-1/64**.

27. The Defendants had not denied or questioned the testimony of **PW-1**, *Sh. Jagdish Singh Dawar*, the Plaintiff, **PW-2**, *Sh. Harmeet Singh Dawar*, his son and **PW-3**, *Sh. Shakambar Dutt*, the Accountant of the Firm, either to challenge the genuineness of the Invoices or there being no delivery of the goods, as per the delivery challans. Much has been written by the learned Additional District Judge that the delivery challans did not have any acknowledgment of the Defendant, but the fact remains that it is nowhere the case of the defendant that the goods were not supplied or delivered to him. Even in the cross-examination of PW-1, PW-2 and PW-3 while a suggestion has been given in regard to the Certificate under Section 65B of the Indian Evidence Act, 1872, but nothing has emerged, which could reflect on the genuineness of the Invoices and the delivery challans.

28. The learned Additional District Judge has at length, considered the *Invoices and delivery challans* to hold that they were not proved, but the learned Additional District Judge has overlooked that in a Civil Suit, the Issues are to be decided on preponderance of evidence. Once the Defendant aside from the bald assertion, had not brought any cogent evidence whatsoever to disprove the Invoices and the delivery challans, they could not have been held to have not been proved by the learned Additional District Judge. The documents had been duly proved by PW-1 and PW-2 and therefore, it would



not be appropriate to say that the Plaintiff had not been able to prove the delivery of goods to the Plaintiff as per the Invoices, **Ex.PW2/2 to Ex.PW2/20**.

29. The question, however, which is more *pertinent for adjudication of the present Appeal is, whether the entire payments had been made or there was any outstanding amount payable by the Defendant*. The Plaintiff had relied on his Statement of Account **Ex. PW1/1** reflecting the bill wise payments with effect from 04.01.2011 till 30.06.2012. According to this Statement of Account, there was a deficit of payment of Rs.7,68,227.10. However, the Defendant had deposed that it had made last payment in January, 2013 and one payment of Rs.40,000/- was made, through the RTGS. This payment does not find any reflection in the Statement of Account, **Ex.PW1/1** relied upon by the Plaintiff.

30. Furthermore, it is not disputed that the Defendant had issued a Cheque bearing No. 001223 for a sum of Rs.1,50,000/- which admittedly on presentation, was dishonoured. The Plaintiff had filed a Complaint under Section 138 of the Negotiable Instrument Act, 1881 which got ultimately settled between the parties, whereafter, the Defendant had issued three cheques, two being of Rs. 50,000/- each and one cheque amounting to Rs. 65,000/-; the aforesaid three cheques were duly encashed by the Plaintiff.

31. Pertinently, these three cheques are dated February and March, 2013, but the Statement of Account **Ex. PW1/1** produced by the Plaintiff, is still June, 2011. There is no updated Statement of Account produced, to reflect that subsequent payments were made or not made. The Plaintiff in order to prove its



case, should have produced the up-to-date Statement of Account to reflect if any payments were made after June, 2011. Therefore, though Statement of Account, **Ex.PW1/1** has been produced, but it does not give a complete picture of all the payments made by the Defendant.

32. The Hon'ble Supreme Court in the case of Chandradhar Goswami and Others v. Gauhati Bank Ltd., 1966 SCC OnLine SC 255, observed that a person cannot be held liable solely on the basis of entries contained in the statement of account that are maintained in the course of business. In terms of Section 34 of the Indian Evidence Act, 1872, entries made in the books of account are relevant, however, such entries must be duly supported by independent and corroborative evidence establishing the transaction therein.

33. A Coordinate Bench of this Court, in the case of Harish Mansukhani v. Ashok Jain, 2009 (109) DRJ 126 (DB), while adjudicating a similar issue as in the present Appeal, observed that as under:

“15. Mere raising of a bill and reflecting the same in a statement of account is not good evidence without establishing delivery of the goods under the bills. We may hasten to add that in the instant case there is no evidence to even establish that the bills were raised upon the defendant, in that, were ever delivered to the defendant. There is no contemporaneous letter proved on record in which the plaintiff made a grievance upon the defendant that a huge outstanding amount was due from the defendant to the plaintiff.”



.....

23. A plaintiff has to prove his case and stand on his own legs. No doubt, the defendant did not produce his books of accounts but that does not mean that the plaintiff must succeed on said account.”

34. In this context, it is also significant to note that three cheques had been issued for Rs.1,65,000/- in February, March, 2013 but in the Legal Notices or elsewhere, it was nowhere indicated by the Plaintiff that these cheques were towards the partial discharge of the outstanding amount. Moreover, the Complaints under Section 138 of N.I. Act, got settled on payment of Rs.1,65,000/- thereto;however, there was nothing therein to indicate that there was any further outstanding payment.

35. Therefore, for the reasons as stated above, it is held that the Suit of the Plaintiff, has been rightly dismissed by the learned Additional District Judge.

36. There is no merit in the **present Appeal, which is hereby dismissed.** Pending Application(s), if any, are also disposed of.

**(NEENA BANSAL KRISHNA)
JUDGE**

JUNE 29, 2026/RS