* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of decision: 24th AUGUST, 2026

IN THE MATTER OF:

\# **CNR No. DLHC010071162023**

I.A. 6645/2023

In

\+ **CS(OS) 147/2023**

CENTRAL COURT HOTEL .....Plaintiff

Through: Mr. Aquib Ali and Ms. Amreen Khaliq, Advocates.

versus

JASMEET SINGH MARWAH & ANR. .....Defendants

Through: Mrs. Avnish Ahlawat, Mr. Nitish Kumar Singh and Mr. Uday Singh Ahlawat, Advocates.

CORAM:
HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

JUDGMENT

I.A. 6645/2023

1. The present application has been filed under Order VII Rule 11 of the Code of Civil Procedure 1906, (*herein referred to as the* ***"CPC"***) by the Defendant no.1 for the rejection of Plaint filed by the Plaintiff.

2. Shorn of unnecessary details, facts as revealed in the Plaint are enumerated as below:

   a. The Plaintiff is stated to be a registered partnership firm and is represented through its partner, Mr. Ashok Rekhi. The Plaintiff claims to be the absolute and lawful owner of Flat Nos. N-57, N-

58, N-59, N-60 and half of N-61, situated on the first floor of Munshi Lal Building, N-Block, Connaught Circus, Connaught Place, New Delhi. The ownership over the aforesaid premises has been transferred by virtue of a registered Sale Deed dated 29.05.2007.

b. Defendant No.2 is a company incorporated under the Companies Act, 1956. Defendant No.1 was, at the relevant time, the Managing Director and a major shareholder of Defendant No.2. The Plaintiff has stated that Defendant No.2 is presently under liquidation/insolvency proceedings and that no substantive relief is sought against Defendant No.2 in the present proceedings. It is stated that Defendant No.2 has been impleaded as a proforma party.

c. The Defendant No.2 had approached the Plaintiff for taking the aforesaid premises on lease for the purpose of running a restaurant. After inspection and verification of the premises, Defendant No.2 agreed to take the premises on lease on an "as is where is" basis. Consequently, a registered Lease Deed dated 25.05.2015 was executed between the Plaintiff and Defendant No.2. The lease was for a period of nine years commencing from 01.06.2015 and ending on 31.05.2024, with a lock-in period of three years from 01.10.2015 to 30.09.2018. Under the terms of the Lease Deed, the agreed rent was Rs.19,00,000/- per month, subject to enhancement in accordance with the terms thereof.

d. It is the Plaintiff's case that Defendant No.2 subsequently committed defaults in payment of rent. The Plaintiff, alleging failure on the part of Defendant No.2 to discharge its rental obligations despite repeated requests and reminders, instituted proceedings under Section 9 of the Arbitration and Conciliation Act, 1996, being OMP (I) (COMM) No.60/2016. The said proceedings were disposed of on the basis of an undertaking furnished by a director of Defendant No.2 that the company would not commit any further default in payment of rent.

e. According to the Plaintiff, notwithstanding the aforesaid undertaking, Defendant No.2 again defaulted in payment of rent from December 2017 onwards. The Plaintiff thereafter instituted contempt proceedings, being CONT. CAS (C) No.819/2018, and also filed another petition under Section 9 of the Arbitration and Conciliation Act, 1996, being OMP (I) (COMM) No.245/2018, against Defendant No.2 and its directors. Notices were issued in the aforesaid proceedings by this Court.

During the pendency of the aforesaid proceedings, Defendant No.2, through Defendant No.1, approached the Plaintiff with a proposal for amicable settlement of the disputes. The parties were consequently referred to the Delhi High Court Mediation and Conciliation Centre by order dated 03.12.2018. The mediation proceedings culminated in a Settlement Agreement dated 10.12.2018.

f. The Plaintiff states that during the mediation proceedings, Defendant No.1, who was then the Managing Director and a major shareholder of Defendant No.2, represented to the Plaintiff that, in the event the Plaintiff agreed to waive interest and reduce the monthly rent from Rs.19,00,000/- to Rs.18,00,000/-, the arrears of rent would be cleared and the future rent would thereafter be paid punctually. According to the Plaintiff, Defendant No.1 also gave assurances and a personal guarantee regarding compliance with the proposed settlement. Relying upon these representations, the Plaintiff entered into the Settlement Agreement dated 10.12.2018.

g. Under the Settlement Agreement, the Plaintiff agreed to certain concessions, including reduction of the monthly rent and waiver of interest. The Plaintiff also agreed to withdraw the proceedings pending before this Court. Clause 10 of the Settlement Agreement contemplated withdrawal of OMP (I) (COMM) No.245/2018 and CONT. CAS (C) No.819/2018 subject to the filing of an unconditional undertaking by the Managing Director of Defendant No.2 that the terms of the Settlement Agreement would be complied with.

h. Pursuant to the aforesaid settlement, Defendant No.1 furnished an unconditional undertaking before this Court, stating that, as Managing Director of Defendant No.2, he undertakes on behalf of the company to comply with the terms of the Settlement Agreement dated 10.12.2018. The said undertaking was recorded by this Court in its order dated 14.01.2019 passed in OMP (I) (COMM) No.245/2018, whereafter the proceedings were disposed of with directions to the parties to abide by the terms of the Settlement Agreement. A similar undertaking was also furnished by Defendant No.1 in the contempt proceedings, which was disposed of on 25.03.2019 on this basis thereof.

i. The Plaintiff states that, notwithstanding the aforesaid settlement and undertakings, Defendant No.2 did not regularly discharge its rental obligations. According to the Plaintiff, payments were made in instalments and, in certain instances, payments towards subsequent months became due before earlier arrears had been cleared. The Plaintiff states that the last part-payment towards rent was made by Defendant No.2 on 12.03.2020. Upon adjustment of the payments received, the Plaintiff claims to have received rent only up to October 2019, together with a partial payment of Rs.4,70,000/- towards the rent for November 2019.

j. The Plaintiff issued a reminder dated 07.02.2020 calling upon the Defendants to clear the outstanding rent from November 2019 onwards in terms of the Settlement Agreement. The Plaintiff also raised invoices towards the outstanding rent on 02.03.2020. The Defendants, according to the Plaintiff, disputed their liability to make the payments and communicated their refusal by correspondence and email. The Plaintiff thereafter issued a legal notice dated 19.06.2020 terminating the lease and calling upon the Defendants to hand over peaceful possession of the premises and pay the outstanding rent.

k. Defendant No.1 responded to the aforesaid legal notice by a reply dated 06.07.2020. According to the Plaintiff, Defendant No.1 took the position that he was no longer a director of Defendant No.2 and, consequently, had no obligation towards the Plaintiff. The Plaintiff states that Defendant No.1 did not disclose in the said reply the date on which he had allegedly ceased to be a director.

Defendant No.2 and its other directors also sent a joint reply dated 07.07.2020 refusing to make payment.

l. In view of the continued non-payment, the Plaintiff instituted another petition under Section 9 of the Arbitration and Conciliation Act, 1996, being OMP (I) (COMM) No.228/2020, against the Defendants and other directors. This Court issued notice in the said proceedings on 14.08.2020 and, subsequently, appointed a Local Commissioner on 14.10.2020 for the purpose of facilitating handing over of possession of the premises. Possession of the premises was ultimately handed over by the Defendants to the Plaintiff under the supervision of the Local Commissioner on 20.10.2020.

m. During the pendency of the aforesaid proceedings, on 15.02.2021, the counsel appearing for Defendant No.2 stated before this Court that Defendant No.2 was an insolvent company and had no assets to meet its liabilities. In view of the said statement, this Court directed Defendant No.1 and Defendant No.2 to file affidavits disclosing their respective assets and, inter alia, the shareholding of Defendant No.1 in Defendant No.2 for the preceding three years.

n. Defendant No.2 thereafter filed an affidavit dated 12.03.2021 along with supporting documents. According to the Plaintiff, upon examining the documents, it came to light that Defendant No.1 had sold his entire shareholding in Defendant No.2 in December 2019. The Plaintiff thereafter states that it inspected the records maintained with the Registrar of Companies and found that

Defendant No.2 had been suffering substantial financial losses during the financial year 2018-19. On the basis of the said documents, the Plaintiff alleges that Defendant No.1 was aware of the financial condition of Defendant No.2 when the representations and undertaking concerning payment of rent had been made.

o. The Plaintiff consequently alleges that the representations and assurances made by Defendant No.1 during the mediation proceedings were fraudulent and were made with the intention of inducing the Plaintiff to enter into the Settlement Agreement. According to the Plaintiff, had it been aware of the financial condition of Defendant No.2, it would have not waived its claim for interest, reduced the agreed rent or withdrawn the proceedings pending before this Court. The Plaintiff, accordingly, alleges that it suffered substantial losses on acted upon the representations and undertaking furnished by Defendant No.1.

p. The Plaintiff further relies upon the subsequent conduct of Defendant No.1 in relation to the directions passed by this Court for disclosure of his assets. It is stated that despite the order dated 15.02.2021, Defendant No.1 did not file his affidavit for some time, resulting in subsequent orders dated 19.04.2021, 05.07.2021, 05.08.2021 and 23.08.2021. Ultimately, Defendant No.1 filed his affidavit along with supporting documents on 07.09.2021. The Plaintiff claims that the documents disclosed that Defendant No.1 was a person of substantial financial means and was capable of meeting the liability claimed against him.

q. During the pendency of OMP (I) (COMM) No.228/2020, the Court was also informed that a petition under Section 7 of the Insolvency and Bankruptcy Code had been admitted against Defendant No.2. In view of the commencement of insolvency proceedings, this Court, by order dated 09.12.2021, disposed of the said Section 9 petition after observing that no direction could be issued requiring Defendant No.2 to secure the outstanding rental amount. At the same time, the Court clarified that the Plaintiff was not precluded from pursuing such other proceedings and remedies as may be available to it.

r. The Plaintiff states that, possession having already been recovered on 20.10.2020, the present suit has been instituted principally for recovery of the monetary loss allegedly suffered on account of the outstanding rent and other charges. The Plaintiff seeks to hold Defendant No.1 personally liable on the basis of the alleged representations, assurances, guarantee and undertaking furnished by him and alleges that the loss suffered by the Plaintiff was a consequence of the fraudulent conduct and misfeasance attributed to Defendant No.1.

s. The Plaintiff has accordingly instituted the present suit seeking a decree for Rs.4,63,86,584/- against Defendant No.1 with interest at 18% per annum, together with a permanent injunction restraining Defendant No.1 from alienating or encumbering his assets, costs and such other reliefs as the Court may deem appropriate.

3. It is submitted by the Learned Counsel for the Defendant no. 1 that the suit is liable to be dismissed against the Defendant no. 1 as Defendant no.1 has no personal liability towards the Plaintiff and the Defendant no. 2 is undergoing liquidation. It is stated that the Plaintiff has itself stated in its Plaint that the Defendant no.2 is undergoing liquidation and would be represented though an IRP and as no relief is being sought against Defendant no. 2, it has been arrayed as a proforma party.

4. It is stated that Defendant no. 1 was working in the capacity of a Director of the Defendant no. 2, and gave undertakings before the Court as an agent of Defendant no. 2. It is stated that the Defendant no. 1 was authorized to perform certain acts on behalf of the company and owed no fiduciary or contractual duty to third parties involved with the Defendant no. 2 in his personal capacity.

5. It is submitted that the suit is liable to be dismissed as there is no cause of action against the Defendant no. 1. There is no separate agreement between the Plaintiff and the Defendant no. 1 with respect to the lease agreement dated 25.05.2015 and the Defendant no. 1 became the Director of Defendant no. 2 only in 2018 and ultimately resigned on 01.04.2019. It is stated during the tenure of the Defendant no. 1 as a Director of the Defendant no. 2, all dues owed to the Plaintiff were paid by the Defendant no. 2. It is stated that the Defendant no. 2 had been judicious in paying rent and it was only when the pandemic was declared that the Defendant no. 2 started defaulting in paying rent. It is stated that all rent up to 31.03.2019 stood paid.

6. Another contention of the Defendant no. 1 is that the claim of the Plaintiff is barred by limitation. It is stated that the suit is for recovery of

rent due from November 2019 however the suit was only filed on 09.02.2023.

7. Before the Court proceeds to analyze the merits of the said application, it is imperative to delineate the scope of Order VII Rule 11 of the CPC. The law relating to rejection of a Plaint under Order VII Rule 11 of the CPC is crystallized through various judgments of the Apex Court. The Apex Court in Popat and Kotecha Property v. State Bank of India Staff Assn., **(2005) 7 SCC 510,** has held as under:

> ***"13.*** *Before dealing with the factual scenario, the spectrum of Order 7 Rule 11 in the legal ambit needs to be noted.*
>
> ***14.*** *In Saleem Bhai v. State of Maharashtra [(2003) 1 SCC 557] it was held with reference to Order 7 Rule 11 of the Code that the relevant facts which need to be looked into for deciding an application thereunder are the averments in the plaint. The trial court can exercise the power at any stage of the suit — before registering the plaint or after issuing summons to the defendant at any time before the conclusion of the trial. For the purposes of deciding an application under clauses (a) and (d) of Order 7 Rule 11 of the Code, the averments in the plaint are the germane; the pleas taken by the defendant in the written statement would be wholly irrelevant at that stage.*
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> ***15.*** *In I.T.C. Ltd. v. Debts Recovery Appellate Tribunal [(1998) 2 SCC 70] it was held that the basic question to be decided while dealing with an application filed under Order 7 Rule 11 of the Code is whether a real cause of action has been set out in the plaint or something purely illusory has been stated with a view to get out of Order 7 Rule 11 of the Code.*

__16.__ The trial court must remember that if on a meaningful and not formal reading of the plaint it is manifestly vexatious and meritless in the sense of not disclosing a clear right to sue, it should exercise the power under Order 7 Rule 11 of the Code taking care to see that the ground mentioned therein is fulfilled. If clever drafting has created the illusion of a cause of action, it has to be nipped in the bud at the first hearing by examining the party searchingly under Order 10 of the Code. (See T. Arivandandam v. T.V. Satyapal [(1977) 4 SCC 467] .)

__17.__ It is trite law that not any particular plea has to be considered, and the whole plaint has to be read. As was observed by this Court in Roop Lal Sathi v. Nachhattar Singh Gill [(1982) 3 SCC 487] only a part of the plaint cannot be rejected and if no cause of action is disclosed, the plaint as a whole must be rejected.

__18.__ In Raptakos Brett & Co. Ltd. v. Ganesh Property [(1998) 7 SCC 184] it was observed that the averments in the plaint as a whole have to be seen to find out whether clause (d) of Rule 11 of Order 7 was applicable.

__19.__ There cannot be any compartmentalisation, dissection, segregation and inversions of the language of various paragraphs in the plaint. If such a course is adopted it would run counter to the cardinal canon of interpretation according to which a pleading has to be read as a whole to ascertain its true import. It is not permissible to cull out a sentence or a passage and to read it out of the context in isolation. Although it is the substance and not merely the form that has to be looked into, the pleading has to be construed as it stands without addition or subtraction of words or change of its apparent grammatical sense. The *intention of the party concerned is to be gathered primarily from the tenor and terms of his pleadings taken as a whole. At the same time it should be borne in mind that no pedantic approach should be adopted to defeat justice on hair-splitting technicalities.*

20. *Keeping in view the aforesaid principles the reliefs sought for in the suit as quoted supra have to be considered. The real object of Order 7 Rule 11 of the Code is to keep out of courts irresponsible law suits. Therefore, Order 10 of the Code is a tool in the hands of the courts by resorting to which and by searching examination of the party in case the court is prima facie of the view that the suit is an abuse of the process of the court in the sense that it is a bogus and irresponsible litigation, the jurisdiction under Order 7 Rule 11 of the Code can be exercised."*

8. In Indian Evangelical Lutheran Church Trust Assn. v. Sri Bala & Co., **2025 SCC OnLine SC 48**, the Apex Court has held as under:

"6.1. *In the instant case, an application was filed under Order VII Rule 11(d) of the Code where the ground of rejection of the plaint was that the suit appears from the statement in the plaint to be barred by any law. In this regard, our attention was drawn to various decisions of this Court with regard to rejection of plaint under Order VII Rule 11 of the Code which are as follows:*

(i) In T. Arivandandam v. T.V. Satyapal, (1977) 4 SCC 467, this Court while examining the aforesaid provision has held that the trial court must remember that if on a meaningful and not a formal reading of the plaint it is manifestly vexatious and meritless in the sense of not disclosing a clear right to sue, it should exercise the power under Order VII Rule 11 of the Code taking care to see that the ground mentioned therein is fulfilled. If clever

drafting has created the illusion of a cause of action, it has to be nipped in the bud at the first hearing by examining the party searchingly under Order X of the Code, as observed by Krishna Iyer, J.

(ii) The object of the said provision was laid down by this Court in Sopan Sukhdeo Sable v. Assistant Charity Commissioner, (2004) 3 SCC 137. Similarly, in Popat and Kotecha Property v. State Bank of India Staff Association, (2005) 7 SCC 510, this Court has culled out the legal ambit of Order VII Rule 11 of the Code.

(iii) It is trite law that not any particular plea has to be considered, but the whole plaint has to be read. As was observed by this Court in Roop Lal Sathi v. Nachhattar Singh Gill, (1982) 3 SCC 487, only a part of the plaint cannot be rejected and if no cause of action is disclosed, the plaint as a whole must be rejected. Similarly, in Raptakos Brett & Co. Ltd. v. Ganesh Property, (1998) 7 SCC 184, it was observed that the averments in the plaint as a whole have to be seen to find out whether clause (d) of Rule 11 Order VII of the Code is applicable.

(iv) It was further held with reference to Order VII Rule 11 of the Code in Saleem Bhai v. State of Maharashtra, (2003) 1 SCC 557 that the relevant facts which need to be looked into for deciding an application thereunder are the averments in the plaint. The trial court can exercise the power at any stage of the suit i.e. before registering the plaint or after issuing summons to the defendant at any time before the conclusion of the trial. For the purposes of deciding an application under clauses (a) and (d) of Order VII Rule 11 of the Code, the averments in the plaint are germane; the pleas taken by the defendant in the written statement would be wholly irrelevant at that stage.

(v) In R.K. Roja v. U.S. Rayudu, (2016) 14 SCC 275, it was reiterated that the only restriction is that the consideration of the application for rejection should not be on the basis of the allegations made by the defendant in his written statement or on the basis of the allegations in the application for rejection of the plaint. The court has to consider only the plaint as a whole, and in case the entire plaint comes under the situations covered by Order VII Rules 11(a) to (f) of the Code, the same has to be rejected.

(vi) In Kuldeep Singh Pathania v. Bikram Singh Jaryal, (2017) 5 SCC 345, this Court observed that the court can only see whether the plaint, or rather the pleadings of the plaintiff, constitute a cause of action. Pleadings in the sense where, even after the stage of written statement, if there is a replication filed, in a given situation the same also can be looked into to see whether there is any admission on the part of the plaintiff. In other words, under Order VII Rule 11, the court has to take a decision looking at the pleadings of the plaintiff only and not on the rebuttal made by the defendant or any other materials produced by the defendant.

(vii) In an application under Order VII Rule 11 of the Code, a plaint cannot be rejected in part. This principle is well established and has been continuously followed since the 1936 decision in Maqsud Ahmad v. Mathra Datt & Co. AIR 1936 Lah 1021. This principle is also explained in another decision of this Court in Sejal Glass Ltd. v. Navilan Merchants Private Ltd., (2018) 11 SCC 780 which was again followed in Madhav Prasad Aggarwal v. Axis Bank Ltd., (2019) 7 SCC 158.

(viii) In Biswanath Banik v. Sulanga Bose, (2022) 7 SCC 731, this Court discussed the issue whether the suit can be said to be barred by limitation or not, and observed that at this stage, what is required to be considered is the averments in the plaint. Only in

a case where on the face of it, it is seen that the suit is barred by limitation, then and then only a plaint can be rejected under Order VII Rule 11(d) of the Code on the ground of limitation. At this stage what is required to be considered is the averments in the plaint. For the aforesaid purpose, the Court has to consider and read the averments in the plaint as a whole."

9. Having perused the settled law with respect to the scope of Order VII rule 11 of the CPC, the Court will now proceed to analyze the merits of the case in light of the above set parameters.

10. The main contentions of the Defendant no. 1 is primarily two fold; firstly, that that there is no cause of action against the Defendant no. 1 as he was acting as an agent of the Defendant no. 2 at the time of rendering undertakings before the Court and (ii) the suit is barred by limitation.

11. It is the case of the Defendant no.1 that while the Defendant no. 1 was acting as a director of the Defendant no. 2, the undertaking given to the court with respect to payment of rent has been complied with. It was only post the 12.03.2020 period, that the Defendant no. 2 halted the payment of rent in lieu of the COVID 19 pandemic. However, at this time, Defendant no. 1 was not one of the directors of the Defendant no. 2. In this regard, there can be no cause of action against the Defendant no. 1. The learned Counsel for the Defendant no.1 has referred to the resignation letter of the Defendant no.1 to indicate the date of resignation of the Defendant no. 1 In fact, the resignation letter of the Defendant no.1 is the only basis of the learned Counsel for the Defendant no.1 to state that no cause of action lies against the Defendant no. 1 post 01.04.2019.

12. However, this Court cannot go into the documents filed by the Defendant no. 1 at this stage, in view of the law that for the purpose of adjudicating an application under Order VII Rule 11 of the CPC, the limited scope of scrutiny by this court is circumscribed to the averments made in the Plaint and the documents filed along with it.

13. The resignation letter of the Defendant no.1 is not a part of the documents filed with the Plaint. Neither is there any specific averment in the Plaint with respect to the said resignation letter for this Court to reach an observation that there exist no cause of action against the Defendant no.1. In fact, the said resignation letter forms a part of the documents filed by the Defendant no.1. In light of the same, this Court does not have the jurisdiction to appreciate the said resignation letter while adjudicating the present application.

14. The veracity of the said resignation letter by the Defendant no. 1 would be a subject matter of full-fledged trial, which this Court cannot undertake in view of the circumscribed purview of this Court while entertaining this application under Order VII Rule 11 of the CPC.

15. In fact, a specific averment has been made by the Plaintiff that Defendant No.1 has given a personal guarantee that the rent would be paid. An affidavit has also been given by Defendant No.1 has also been filed with the plaint. Paragraph No.7 of the said affidavit reads as under:

> *"7. That in terms of the aforesaid terms of the settlement agreement dated 10.12.2018, the deponent, being Managing Director of the respondent company (Second Party in the settlement agreement) in the said OMP and the respondent in present petition does hereby unconditionally undertake on behalf of the*

respondent company to comply with the terms of the settlement agreement dated 10.12.2018."

16. Whether or not the undertaking given by the Defendant no. 1, who was the Managing Director of Defendant No.2, is in the nature of an agent or in his personal capacity can only be ascertained during the stage of trial when parties lead oral evidence.

17. As enumerated from the judgments above, this Court while hearing an application under Order VII Rule 11 of the CPC, only needs to limit its ambit strictly to the averments made in the Plaint, along with the documents annexed along with the Plaint. A perusal of the Plaint in the present case, in fact discloses a cause of action against the Defendant no. 1 at this stage, subject to it being rebutted by the Defendants in trial.

18. Another plea of the Defendant no. 1 is that the suit is barred by limitation. It is stated that the said suit for recovery is for the rent that became due from November 2019 but the suit has been filed only on 09.02.2023. Hence, on this ground, the plaint is liable to be rejected.

19. This Court has perused the submission made by the Learned Counsel for the Defendant no. 1 and does not find any merit in the said submission. While the Plaint, has without doubt been filed on 09.02.2023, it cannot be said that the same has been filed beyond the period of 3 years. While the clock of limitation of 3 years from November 2019 would have ideally stopped in November 2022; however in view of the directions of the Apex Court in **Suo Motu Writ Petition (C) No. 3 OF 2020,** titled Re: Cognizance for extension of limitation, the period between 15.03.2020 till 28.02.2022 would stand excluded for the purpose of calculating limitation**.** The relevant portion of the said Order reads as under:

"5. Taking into consideration the arguments advanced by learned counsel and the impact of the surge of the virus on public health and adversities faced by litigants in the prevailing conditions, we deem it appropriate to dispose of the M.A. No. 21 of 2022 with the following directions:

I. The order dated 23.03.2020 is restored and in continuation of the subsequent orders dated 08.03.2021, 27.04.2021 and 23.09.2021, it is directed that the period from 15.03.2020 till 28.02.2022 shall stand excluded for the purposes of limitation as may be prescribed under any general or special laws in respect of all judicial or quasi-judicial proceedings.

II. Consequently, the balance period of limitation remaining as on 03.10.2021, if any, shall become available with effect from 01.03.2022.

III. In cases where the limitation would have expired during the period between 15.03.2020 till 28.02.2022, notwithstanding the actual balance period of limitation remaining, all persons shall have a limitation period of 90 days from 01.03.2022. In the event the actual balance period of limitation remaining, with effect from 01.03.2022 is greater than 90 days, that longer period shall apply.

IV. It is further clarified that the period from 15.03.2020 till 28.02.2022 shall also stand excluded in computing the periods prescribed under Sections 23 (4) and 29A of the Arbitration and Conciliation Act, 1996, Section 12A of the Commercial Courts Act, 2015 and provisos (b) and (c) of Section 138 of the Negotiable Instruments Act, 1881 and any other laws, which prescribe period(s) of limitation for instituting proceedings, outer limits (within which the court or tribunal can condone delay) and termination of proceedings."

20. In light of the above, the Suit is well within the period of limitation.

21. Accordingly, the present application is dismissed.

CS(OS) 147/2023 & I.A. 4260/2023

List on 07.10.2026.

SUBRAMONIUM PRASAD, J

AUGUST 24, 2026
VG