$~43

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

Date of Decision: 13.11.2025

\+ FAO(OS) 20/2022 and CM APPL. 15311/2022

BHAI MANJIT SINGH HUF & ORS. .....Appellants

Through: Mr. T.K. Ganju, Sr. Adv. and Mr. Raj Shekhar Rao, Sr. Adv. with Mr. Ekansh Mishra and Ms. Anupriya N. Verma, Advs. for Appellant No.1.
Mr. Shohit Chaudhry, Adv. for Appellant No.2.

versus

PUNIT BERIWALA .....Respondent

Through: Mr. Trideep Pais, Sr. Adv. with Ms. Sahiba Singh, Ms. Sakshi Jain, Ms. Saloni and Mr. Dilip Garg, Advs.

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

J U D G M E N T (ORAL)

ANIL KSHETARPAL, J.

1. The Defendants (Appellants herein) assail the correctness of the order dated 07.02.2022 passed by the learned Single Judge [Impugned Order], wherein the learned Single Judge dismissed an oral prayer for rejection of the plaint under Order VII Rule 11 of the Code of Civil Procedure, 1908 [hereinafter referred to as 'CPC'].

2. In October, 2021, the Plaintiff (Respondent herein) filed a suit for specific performance of agreement to sell, possession and injunction, while alleging that the Defendant No.2, who was '*Karta'* of the Defendant No.1, entered into an agreement to sell with the

Signature Not Verified
Signed By:SAVITA PASRICHA
Signing Date:17.11.2025 15:45:19

Plaintiff agreeing to sell 3727 sq. yards property bearing No. 28A, Prithviraj Road, New Delhi [hereinafter referred to as 'the Suit Property'] for Rs. 28,00,00,000/-. It was agreed that the Defendants after getting the property converted from leasehold to freehold, will get the sale deed executed. The Plaintiff alleges that he has paid Rs.1,64,50,000/-, receipt of which was acknowledged by as many as 14 receipts signed by the Defendants between 2004-2005. The possession of some part of the Suit Property was also handed over to the Plaintiff on 22.04.2004 and the sale deed was to be executed once the title of the property is clear and the Suit Property has been converted from leasehold to freehold.

3. It was also alleged by the Plaintiff that the Defendants refused to perform their part of the contract *vide* communication dated 23.07.2020. Thus, the cause of action accrued in favour of the Plaintiff, who always remained ready and willing to perform his part of the contract.

4. Learned Single Judge dismissed the application.

5. Heard learned senior counsel representing the parties at length and with their able assistance perused the paper book.

6. Learned senior counsel representing the Appellants has made the following submissions:-

(i) The plaint does not disclose cause of action because the date of agreement to sell and time for its performance has not been disclosed in the plaint.

Signature Not Verified
Signed By:SAVITA PASRICHA
Signing Date:17.11.2025 15:45:19

(ii) The suit is barred by the limitation and laches, as there was no step taken by the Plaintiff for a period of 17 years and hence, it amounts to speculative litigation.

(iii) The Plaintiff has failed to disclose readiness and willingness to perform his part of the contract.

(iv) Unless substantial performance of the agreement namely the payment of 50% of the total sale consideration is paid by the Plaintiff, the suit for specific performance is not maintainable.

7. The enabling power of the Court, under Order VII Rule 11 of CPC to reject the plaint at the threshold, is circumscribed vide the grounds listed in clauses (a) to (f) to the rule, which reads as under:-

> ***"11. Rejection of plaint***— *The plaint shall be rejected in the following cases:—*
> *(a) where it does not disclose a cause of action;*
> *(b) where the relief claimed is undervalued, and the plaintiff, on being required by the Court to correct the valuation within a time to be fixed by the Court, fails to do so;*
> *(c) where the relief claimed is properly valued, but the plaint is returned upon paper insufficiently stamped, and the plaintiff, on being required by the Court to supply the requisite stamp-paper within a time to be fixed by the Court, fails to do so;*
> *(d) where the suit appears from the statement in the plaint to be barred by any law;*
> *[(e) where it is not filed in duplicate;]*
> *[(f) where the plaintiff fails to comply with the provisions of rule 9]."*

8. In this case, the Plaintiff while disclosing cause of action in Paragraph 30 of the plaint has stated that the cause of action accrued in favour of the plaintiff to file the suit on receipt of letter dated 23.07.2020.

9. Article 54 of the Schedule attached to the Limitation Act, 1963 provides, the limitation of a period of three years for filing of suit for

Signature Not Verified
Signed By:SAVITA PASRICHA
Signing Date:17.11.2025 15:45:19

specific performance of a contract. However, Column No. 3 of the Article 54 is in two parts, first part provides that the time from which the period will begin to run would be the time fixed for completing the sale. In other words, if the time or the date in the agreement to sell for its performance is fixed the period of limitation will begin to run from that day. In the later part, the period of limitation will begin to run when the Plaintiff has noticed that the performance is refused by the Defendants.

10. In this case, there is no written agreement to sell, the Plaintiff has asserted that the sale deed was to be executed after the title of the property is clear and permission to convert the property from leasehold to freehold is granted. Hence, the second part of the Article 54 would be applicable in the present case.

11. The Plaintiff in the present case has averred that the Defendants refused to perform their part of the contract and informed the Plaintiff for the first time vide communication dated 23.07.2020, whereas the suit was filed within one year and three months, i.e. in October 2021 from 23.07.2020. As far as, Clause (a) of the Order VII Rule 11 of the CPC, it provides that the Plaint shall be rejected, "*where it does not disclose a cause of action*", the emphasis being on the words '*disclose*' a cause of action. In Paragraph 30 of the plaint, the Plaintiff has disclosed the cause of action in the month of July 2020.

12. Similarly, failure to disclose time for performance of the agreement to sell or failure to disclose date of agreement to sell, are not the grounds to reject the plaint at the initial stage.

Signature Not Verified
Signed By:SAVITA PASRICHA
Signing Date:17.11.2025 15:45:19

13. The Plaintiff, in Paragraph 29 of the plaint, asserts that he was always ready and willing to perform his part of the contract, which will have to be proved by the Plaintiff when an opportunity to lead evidence is granted.

14. Additionally, laches in filing the suit is not a ground to reject the plaint. Whether the litigation is speculative or not can be decided after the parties are given opportunity to lead evidence.

15. Last submission of learned senior counsel representing the Appellants is that the Court should examine the contents of the plaint by its meaningful reading. Undoubtedly, the plaint has to be read comprehensively and substantially. However, some part of the plaint cannot be read in isolation of the remaining part.

16. At the cost of repetition, the grounds for rejection of the plaint at the threshold are required to be construed narrowly and the Court should proceed to reject the plaint, only if the Court is certain that the plaint is required to be rejected on grounds enlisted under Order VII Rule 11 of the CPC, otherwise, a meritorious case may end up being dismissed without being put to trial.

17. Hence, there is no ground to interfere. The present Appeal, along with pending application, stands dismissed.

ANIL KSHETARPAL, J.

HARISH VAIDYANATHAN SHANKAR, J.

NOVEMBER 13, 2025
sp/dev

Signature Not Verified
Signed By:SAVITA PASRICHA
Signing Date:17.11.2025 15:45:19