



2026:DHC:5021



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

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Reserved on: 02nd April, 2026

Pronounced on: 01st June, 2026

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RFA 23/2025, CM APPL. 1520/2025&1521/2025

MR. PRADEEP

S/o Sh. Om Prakash,
R/o H. No.258-C, 1st Floor,
Gali No.38, Vipin Garden Extension,
Uttam Nagar, New Delhi.

.....Appellant

Through: Mr. Dhruv Chawla, Advocate.

versus

MS. KIRAN NAITHANI

D/o Sh. Shanti Srup Naithani,
R/o 309, Carterpuri, Sector -23,
Gurugram, Haryana.

....Respondents

Through: Mr. Karan Singh, Advocate.

CORAM:

HON'BLE MS. JUSTICE NEENA BANSAL KRISHNA

J U D G M E N T

NEENA BANSAL KRISHNA, J.

CM APPL. 1521/2025

1. Application under Section 5 of Limitation Act has been filed on behalf of the Appellant seeking condonation of delay of 18 days, in filing the present Appeal.
2. For the reasons stated in the Application, the delay of 18 days in filing the Appeal is condoned.
3. Application stands disposed of.



RFA 23/2025:

4. The present *Regular First Appeals under Section 96 read with Order XLI Rule 1 of the Code of Civil Procedure, 1908* (hereinafter referred to as 'C.P.C.') have been preferred by the Appellant, Mr. Pradeep, assailing the *Judgment and Decree dated 21.08.2024*, whereby the Suit for Recovery preferred by the Plaintiff/Respondent, Ms. Kiran Naithani, has been *decreed* in the sum of Rs.4,38,100/- along with interest @ 5% per annum from the date of institution of this Suit, i.e. 24.09.2021, till realization.

5. The *Counter Claim* instituted by the Defendant/Appellant, Mr.Pradeep, seeking Recovery of Rs.1,50,000/-, was also simultaneously dismissed, by the same judgement.

6. The Plaintiff filed *CS DJ ADJ No.678/2021*, for recovery of **₹4,38,100/- along with *pendente lite* and future interest @ 18% p.a.**

7. **Briefly stated**, the case of the Plaintiff was that the Defendant was known to him, as both were working in the same company, namely M/s Buoyant Logistics Services Pvt. Ltd., Gurugram, Haryana. On the request of the Defendant, the Plaintiff had advanced a friendly loan of Rs.1,00,000/- without interest, because of the long standing friendly relationship between them, on 02.06.2016 through self-cheque, which was encashed by the Defendant.

8. Thereafter, the Plaintiff made repeated requests for return of the loan amount, but the Defendant expressed his inability to return the loan.

9. Thereafter, on 23.02.2017, i.e. after eight months of taking the loan, the Defendant again approached the Plaintiff seeking further financial assistance and requested for an additional loan amount. Pursuant thereto, the



Plaintiff allegedly transferred various amounts to the Defendant between February, 2017 and December, 2017, details whereof are as under:

DATE	AMOUNT
23.02.2017	₹30,000
28.02.2017	₹10,000
03.04.2017	₹21,500
04.04.2017	₹41,600
14.04.2017	₹40,000
22.04.2017	₹2,000
19.05.2017	₹8,000
10.08.2017	₹50,000
11.08.2017	₹1,50,000
07.12.2017	₹1,35,000
TOTAL	₹4,88,100 (Plus ₹1,00,000 = ₹5,88,100)

10. Thus, a total amount of Rs.5,88,100/- was given to the Defendant, which he had undertaken to repay within three years, along with interest @ 4% per annum. However, despite repeated requests of the Plaintiff, the Defendant repaid only a sum of Rs.1,50,000/- on 19.10.2020 and assured the Plaintiff that he would return the remaining loan amount, on completion of three years i.e. by December, 2020.

11. The Plaintiff was shocked to receive a *Legal Notice dated 23.03.2021 from the Defendant*, wherein the Defendant alleged that it was he who had advanced a loan of Rs.1,50,000/- to the Plaintiff and called upon her to repay the said amount. The Plaintiff duly replied to the aforesaid Legal Notice, denying the contents thereof and calling upon the Defendant to repay the outstanding amount of Rs.4,38,100/-.

12. The Plaintiff asserted that despite repeated requests and service of the Reply to the Legal Notice, the Defendant failed to repay the outstanding



amount. Consequently, the *Plaintiff instituted the Suit seeking recovery of Rs.4,38,100/- along with pendente lite and future interest @ 18% per annum.*

13. The Defendant/Appellant Mr. Pradeep, in his *Written Statement*, took a *preliminary objection* that the Suit was barred by limitation and had been instituted merely as a counterblast to the Legal Notice issued by him, seeking recovery of Rs.1,50,000/- from the Plaintiff.

14. On *merits*, the Defendant asserted that it was he who had advanced a friendly loan of Rs.1,50,000/- to the Plaintiff by way of bank transfer on 19.10.2020, on the request of the plaintiff. It was claimed that despite repeated demands, the Plaintiff failed to return the said amount on one pretext or the other. It was denied that any loan had ever been taken by the Defendant from the Plaintiff and thus, denied the liability to return any amount.

15. He further explained that the monetary transactions relied upon by the Plaintiff, had been misconstrued and were merely part of the financial arrangements, pertaining to the Company. Certain amounts used to be deposited in the account of the Plaintiff for meeting day-to-day expenses of the Company and from the said amounts, transfers were made by the Plaintiff to the Defendant. It was thus, asserted that the said transactions could not be construed as advancement of any personal loan by the Plaintiff to the Defendant.

16. Furthermore, at times the amounts were transferred/deposited directly from the account of the Company and at other times through Mr. Rahul Chaudhary, one of the Directors of the Company, who was actively involved



in its day-to-day affairs. All the averments made in the Plaint were accordingly, denied.

17. The Defendant/Appellant also preferred a *Counter Claim No.3637/2021, seeking recovery of Rs.1,50,000/- from the Plaintiff/Respondent on the ground that the said amount had been advanced by him as a friendly loan to the Plaintiff.*

18. On the basis of the pleadings of the parties, the learned Trial Court *vide* Order dated 17.10.2022 framed the *following common Issues for adjudication:*

“(i) Whether the plaintiff is entitled for the recovery of suit amount, as prayed for?.. OPP

(ii) Whether plaintiff is entitled for interest as prayed for, if yet, at what rate and for what period?... OPP

(iii) Whether the defendant is entitled to set off a sum of Rs 1,50,000/- against the plaintiff alongwith the pendent lite and future interest @ 18 %? OPD

(iv) Relief.”

19. The **Plaintiff** appeared as **PW-1** and tendered her Affidavit in Evidence Ex.PW-1/A. She proved her Bank Statements Ex.PW-1/2 and Ex.PW-1/3; Certificate under Section 65B of Indian Evidence Act Ex.PW-1/4; Legal Notice sent by the Defendant and Reply of Plaintiff as Ex.PW-1/5 and Ex.PW-1/6 respectively.

20. The **Defendant, Mr. Pradeep**, examined himself as **DW-1**, and proved his defence as stated in his Written Statement.

21. The learned Trial Court, on consideration of the respective evidence, **Suit of the Plaintiff was decreed** for a sum of Rs.4,38,100/- along with *pendente lite* and future interest @ 5% per annum from the date of



institution of the Suit till realization. *The Counter Claim preferred by the Defendant/Appellant seeking recovery of Rs.1,50,000/- was, however dismissed vide impugned common Judgment and Decree dated 21.08.2024.*

22. Aggrieved by the impugned common Judgment and Decree dated 21.08.2024, the **present Appeal** have been preferred by the Appellant/Defendant, Mr. Pradeep, challenging the Decree, as well as the dismissal of his Counter-Claim.

23. The *grounds of challenge* are that the alleged transaction of Rs.1,00,000/- dated 02.06.2016 was an independent transaction and the alleged transactions dated 02.06.2016, 23.02.2017 and 28.02.2017, were *ex facie barred by limitation*, the Suit having been instituted only on 24.09.2021.

24. It is further contended that there was no Loan Agreement, as alleged by the Plaintiff, nor was there any cogent proof to establish that all the transactions formed part of one composite loan transaction. Each transaction was independent and distinct. The learned District Judge, therefore, erred in clubbing all the transactions as one continuous transaction, despite there being neither any common genesis nor any written Agreement between the parties.

25. It is further urged that the *Plaint was bad in law for misjoinder of causes of action* and the Suit was liable to be dismissed on this ground alone.

26. It is further contended that the learned District Judge erred in concluding that the Appellant had admitted the alleged loan transaction, though the same had been categorically denied by him. On the contrary, it



was the Respondent who had availed a loan of Rs.1,50,000/- from the Appellant. The learned District Judge failed to appreciate that the bank statements exhibited as Ex.PW-1/2 and Ex.PW-1/3 had been sent to the Plaintiff by Mr. Rahul Chaudhary, one of the Directors of M/s Buoyant Logistics Services Private Limited, which is evident from the Certificate under Section 65B of the Indian Evidence Act, 1872, exhibited as Ex.PW-1/4.

27. It is further urged that there was no plausible explanation as to why the bank statements of the Plaintiff, exhibited as Ex.PW-1/2 and Ex.PW-1/3, were sent by Mr. Rahul Chaudhary to the learned counsel for the Plaintiff. The Plaintiff is very close to Mr. Rahul Chaudhary and was also one of the shareholders of the Company. The impugned Judgment is erroneous, as it had erred in not appreciating that Mr. Rahul Chaudhary, was managing and controlling the Bank Accounts of the Company, as the Company belongs to his family.

28. It is further alleged that the amounts reflected in the bank statements Ex.PW-1/2 and Ex.PW-1/3 as having been transferred to the account of the Defendant/Appellant, were merely transfers made out of amounts earlier deposited into the account of the Plaintiff/Respondent, either by Mr. Rahul Chaudhary or by the Company, of which the Defendant/Appellant was one of the Directors.

29. Learned District Judge erred in relying upon the bank statements Ex.PW-1/2 and Ex.PW-1/3 without the same being formally proved by summoning the relevant witness from the concerned Bank. It is contended that the learned Trial Court erroneously treated the said Bank Statements as conclusive proof, without appreciating that the Plaintiff was not merely an



employee of the Company, but was also associated with its management and was one of its shareholders along with Mr. Rahul Chaudhary.

30. The Respondent, in connivance with Mr. Rahul Chaudhary, had conspired against him. It is alleged that whenever the Appellant required money towards expenses incurred in the running of the restaurant or transport business of the Company, Mr. Rahul Chaudhary or some other representative of the Company, would transfer the amount into the account of the Respondent, who would thereafter, transfer the same to the Appellant with the sole intention of subsequently creating false evidence of personal loan transactions against him. It is further contended that during her cross-examination, the Respondent failed to satisfactorily answer the questions put to her regarding Mr. Rahul Chaudhary and gave evasive replies.

31. *It is, therefore, prayed that the impugned Judgment and Decree dated 21.08.2024 be set aside and the Counter Claim preferred by the Appellant be decreed.*

32. *Per contra*, learned counsel for the Respondent has argued that the advancement of the loan amount stood duly proved from the testimony of the Plaintiff as well as the admitted bank transactions between the parties and that the learned District Judge has rightly decreed the Suit and dismissed the Counter Claim of the Defendant/Appellant.

33. Learned counsel for the Appellant has argued substantially on the same lines as urged in the grounds of Appeal and has vehemently contended that a substantial part of the alleged loan was barred by limitation.

Submissions heard and record perused.

34. It is the admitted case of the parties that both were working in the same Company and shared cordial relations. According to the



Plaintiff/Respondent, on the request of the Defendant/Appellant, she had advanced an interest-free loan of Rs.1,00,000/- on 02.06.2016. Thereafter, on the request of the Defendant/Appellant for a further loan of Rs.5,00,000/- on 23.02.2017, she transferred various amounts from time to time, between 23.02.2017 till 07.12.2017, aggregating to Rs.4,88,100/-, which the Plaintiff asserted was the Loan Amount.

35. A perusal of the details of the amounts transferred between 23.02.2017 and 07.12.2017, reflect that varying amounts ranging from Rs.2,000/- to Rs.1,35,000/- were transferred on different dates, during the year 2017. The nature, frequency and quantum of these transfers, particularly amounts such as Rs.41,600/-, Rs.2,000/- and Rs.8,000/-, do raise a question regarding the exact nature of these transactions and the circumstances under which such amounts came to be transferred to the Defendant/Appellant.

36. However, the Defendant/Appellant, both in his *Written Statement as well as in his evidence*, has not denied receipt of the aggregate amount of Rs.4,88,100/- between 23.02.2017 and 07.12.2017. The explanation furnished by him is that the Plaintiff/Respondent was working in the Accounts Department of the Company and that amounts used to be transferred into her account by the Company or through Mr. Rahul Chaudhary, whereafter the Plaintiff/Respondent used to further transfer the said amounts, into the account of the Defendant/Appellant, towards day-to-day expenses of the Company.

37. The aforesaid explanation does not inspire confidence for the reason that the Defendant/Appellant himself was one of the Directors of the Company, whereas the Plaintiff/Respondent was merely working in the



Accounts Department. It does not appeal to common sense that an employee of a Company, would repeatedly transfer varying amounts from her personal account into the personal account of one of the Directors, for meeting Company expenses. There is also no explanation forthcoming as to why such amounts could not have been directly transferred to the account of the Defendant/Appellant, if they were genuinely towards Company expenditure.

38. The rationale behind routing the amounts through the account of the Plaintiff/Respondent may not be fully comprehensible, however, the admitted position remains that the aggregate amount stood transferred from the account of the Plaintiff/Respondent into the account of the Defendant/Appellant. Once receipt of the said amounts is admitted and no cogent explanation has been furnished by the Defendant/Appellant regarding the nature of these transfers, the inevitable conclusion is that the Defendant/Appellant had received the said amount Rs.4,88,100/- from the Plaintiff/Respondent and is liable to return the same.

39. The Defendant/Appellant has alleged collusion between the Plaintiff/Respondent and Mr. Rahul Chaudhary. However, except for making bald allegations of connivance, no material has been placed on record, to substantiate the nature or manner of the alleged collusion. Such vague allegations, unsupported by any cogent evidence, cannot be accepted.

40. Learned counsel for the Defendant/Appellant has further argued that the bank statements Ex.PW-1/2 and Ex.PW-1/3 could not have been relied upon, since the Certificate under Section 65B of the Indian Evidence Act, 1872 appended thereto, had been issued by Mr. Karan Singh, Advocate of the Plaintiff. The said Certificate merely records that the bank statements had been received by him from Mr. Rahul Chaudhary through WhatsApp



and is clearly not a Certificate of authentication of Bank Statements of the Plaintiff.

41. Moreover, Mr. Rahul Chaudhary was never examined, either to prove the bank statements or to explain the nature of the transactions reflected therein.

42. While this contention has merit, however, even *dehors* the said bank statements, the amounts transferred by the Plaintiff/Respondent have been specifically pleaded, and receipt thereof has substantially been admitted by the Defendant/Appellant. Even in his evidence, the Defendant/Appellant has not denied having received an aggregate amount of Rs.4,88,100/- in his account, during the year 2017.

43. In the absence of any plausible explanation from the Defendant/Appellant regarding the receipt of these amounts in his account, it necessarily follows that the Plaintiff/Respondent, from whose account the said amounts stood transferred, is entitled to seek recovery thereof.

44. A plea has been taken by the Defendant that the Suit having been instituted on 24.09.2021, the alleged loan transaction of Rs.1,00,000/- dated 02.06.2016, as well as the amounts of Rs.30,000/- and Rs.10,000/- transferred on 23.02.2017 and 28.02.2017 respectively, **were barred by limitation**. This contention merits consideration.

45. From the testimony of the Plaintiff/Respondent, it emerges that the initial transaction dated 02.06.2016 of Rs.1,00,000/-, was an independent transaction. Furthermore, the subsequent amounts were transferred on different dates and the explanation that all such payments constituted instalments towards one composite loan transaction demanded by the Defendant/Appellant on 23.02.2017, does not appear wholly convincing.



These transactions are, therefore, liable to be treated as separate and independent transactions. Consequently, the amount of Rs.1,00,000/- allegedly advanced on 02.06.2016, as well as the amounts of Rs.30,000/- and Rs.10,000/- transferred on 23.02.2017 and 28.02.2017 respectively, totaling Rs.1,40,000/-, are held to be barred by limitation.

46. However, insofar as the amounts transferred from 03.04.2017 onwards are concerned, the limitation period for instituting recovery proceedings expired during the period affected by the COVID-19 pandemic. The Supreme Court in *Suo Motu Writ Petition (Civil) No.3 of 2020*, directed exclusion of the period from 15.03.2020 till 28.02.2022 for the purposes of limitation. *Consequently, after extending the benefit of the aforesaid orders, the present Suit insofar as it pertains to the amounts transferred from 03.04.2017 onwards, is within limitation.*

47. In view of the aforesaid discussion, it is held that a sum of Rs.1,40,000/- was barred by limitation and could not have been decreed in favour of the Plaintiff/Respondent.

48. *The Appeal is accordingly partly allowed and the decree is modified for a sum of Rs.2,98,100/- along with interest @ 5% per annum.*

49. Insofar as the *Counter Claim preferred by the Defendant/Appellant* seeking recovery of Rs.1,50,000/-, allegedly advanced to the Plaintiff/Respondent on 19.10.2020 is concerned, the same does not merit acceptance. In view of the admitted transfers consistently made by the Plaintiff/Respondent to the account of the Defendant/Appellant, since the year 2016, the claim that the Defendant/Appellant independently advanced a friendly loan of Rs.1,50,000/- to the Plaintiff/Respondent despite having received amounts totaling to Rs.5,88,100/-, in the absence of any



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documentary evidence or surrounding circumstances substantiating the same, does not inspire confidence.

50. The learned District Judge has thus, rightly disbelieved the same and dismissed the Counter Claim.

Conclusion:

51. In view of the foregoing discussion, the Appeal is partly allowed to the extent that the decretal amount stands reduced from Rs.4,38,100/- to Rs.2,98,100/- along with interest @ 5% per annum.

52. Pending Applications, if any, also stand disposed of.

**(NEENA BANSAL KRISHNA)
JUDGE**

JUNE 01, 2026/R