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

Date of decision: 01st SEPTEMBER, 2026

IN THE MATTER OF:

\# **CNR No. DLHC010464062023**

I.A. 21264/2026

In

\+ **CS(OS) 754/2023**

MEENAKSHI ARYA & ANR. .....Plaintiffs

Through: Ms. Mallika Parmar, Advocate.
Plaintiffs in person

versus

BHUPENDRA SINGH CHAUHAN & ANR. .....Defendants

Through:

CORAM:
HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

JUDGMENT (ORAL)

I.A. 21264/2026

1. The present application under Order XII Rule 6 of CPC has been filed on behalf of the Plaintiffs praying for a judgment and decree for a sum of Rs.1,21,24,400/- along with interest and damages on the basis of admissions made by the Defendants in their written statement.

2. The Plaintiff has filed the instant Suit for recovery of Rs.1,21,24,400/- along with interest for a sum of Rs.58,88,769/- being the interest amount @ 18% per annum on the principal amount and a sum of Rs.19,90,000/- as damages for the mental agony and harassment suffered by the Plaintiffs. The

Plaintiffs have also prayed for pendente lite interest @18% per annum on the principal amount from the date of the institution of Suit till actual realisation.

3. Material on record indicates that Plaintiff No.2 was a close friend of Plaintiff No.1, who introduced Plaintiff No.1 to the Defendants. It is the case of the Plaintiffs that the Defendants, thereafter, persuaded the Plaintiff No.1 to assist the Defendants financially. Believing on the narratives of the Defendants, several amounts were advanced by the Plaintiff No.1 to the Defendants as financial assistance. The details as to how these amounts were paid to the Defendants have also been given in the Plaint.

4. It is the case of the Plaintiffs that they have been duped by the Defendants in paying more and more money to them. It is stated that the Defendants had acknowledged the debt in the form of promissory note and receipts, and had promised the Plaintiffs that the amounts would be paid on demand. It is stated that the Defendants used to persuade the Plaintiffs showing rosy pictures of their illusory and deceptive project and allured the Plaintiffs to part with further money to participate in the said project to get benefits in the form of a big piece of land valuing in crores of rupees. It is stated that the Plaintiffs were promised by the Defendants that they would be compensated reasonably and that to gain the confidence of the Plaintiffs, a Memorandum of Understanding (MoU) dated 02.11.2020 was also entered into between the Plaintiffs and the Defendants. On 02.11.2020, the Defendants were paid a sum of Rs.30,00,000/- by the Plaintiff No.1 through the Plaintiff No.2.

5. It is the case of the Plaintiffs that since no money was forthcoming after two years from the date of first payment made to the Defendants, the

depiction by the Defendants of rosy pictures of their illusory and deceptive project started fading away. It is stated that on enquiries, the Plaintiffs found that Defendant No.1 was involved in criminal cases, thereafter, the present Suit has been filed by the Plaintiffs.

6. Written statement has been filed by the Defendants stating that the Plaintiffs were interested in purchasing a 1000 sq. yards piece of land. It is the case of the Defendants that the 1000 sq. yards piece of land was to be given to the Defendants only after the said land was allotted to the Defendants. It is the case of the Defendants that since the said land is yet to be allotted to the Defendants, they have not been able to give the said land to the Plaintiffs. It is stated that the security cheques given by the Defendants have been illegally presented by the Plaintiffs. It is stated that the Plaintiffs were fully aware of the entire transactions. Paragraphs No.2, 3, 4, 5 & 6 of the Written Statement is reproduced as under:

> *"2. That the Plaintiff being fully aware about the aforesaid facts came with proposal to invest an amount of Rs. 1 Cr. in lieu of land of 1000 Sq. Yrds. in the aforesaid project. The Defendant no.1 was initially reluctant to accept the aforesaid proposal as the investment made by the Defendant no.l for purchasing the right of Smt. Rama Devi was old and the claim was almost mature in all respect. However, the Plaintiffs in order to earn huge benefit persuaded the Defendant no.1 and as such got ready to invest the amount of Rs.1 Cr. for acquiring the share of the Defendant no.1 to the extent of 1000 Sq. Yrds in the land proposed to be allotted.*
>
> *3. That the Plaintiffs after preparing the Memorandum of Understanding got the same hastily signed from the Defendant no. 1. As per the terms and condition of the*

MOU the Plaintiffs were under contractual obligation to pay an amount of Rs. 1 Cr. to the Defendant no.1 within a period of 2 months from the date of execution of the said agreement. However, the Plaintiffs instead of incorporating the amount as per the initial understanding within a period of 2 months made it in 2 years. It is pertinent to mention herein that Clause 7 of the MOU clearly mentioned that the Defendants will be liable to pay back the Plaintiff only if the land is not allotted due to change in the policy of the government or for any other reason. The aforementioned clause is reiterated as follows "that the first party will return the invested amount alongwith interest @36% p.a. (compounded annually) to the second party, in case, if no land is allotted to the one of the first party i.e. Bhupendra Singh Chauhan in lieu of the claim of Smt. Ram Devi due to change in the policy of the government or for any other reason. The second party would not be responsible at all for anything in any manner for not allotment of land due to any reason".

4. That the Defendant no.1 due to the untimely payment made by the Plaintiffs, could not pursue the matter in the department as well as in the Court. In any case the Plaintiffs and the Defendant no.1 were only intending to earn profit from the aforesaid investment. Since the claim qua the said land has been pending before the Hon'ble court as such suit filed by the Plaintiffs is contrary to the agreed terms but also premature and no relief as prayed for by the Plaintiffs can be granted at this stage. Hence the Plaintiffs are not entitled to recover money from the Defendants particularly when the amount was invested by the Plaintiffs to earn benefit as stipulated in the memorandum of understanding. The Defendants have never borrowed any money from the Plaintiffs and all the money was invested by the Plaintiffs only in order get the land in lieu thereof as mentioned in the MOU.

5. That the Plaintiff no.1 & 2 have been involved in the real estate business and the Plaintiff no.1 used to invest money in the property and the Plaintiff no.2 assist her in property transaction. Both the Plaintiffs after going through all the relevant documents executed in favor of the Defendant no.1 qua the proposed land to be allotted in favor of Smt. Rama Devi, had entered into the aforesaid MOU dated 02.11.2020.

6. That the Defendants initially borrowed some money from the Plaintiffs but subsequently when the Plaintiffs have come to know about the aforesaid lucrative project of land and further rights of the Defendant no.1 in the property proposed to be allotted, the Plaintiffs persuaded the Defendant no.1 to adjust the aforesaid loan amount qua creating the rights of the Plaintiffs with regard to 1000 Sq. yards of the land from the share of the Defendant no.1. However, the Plaintiffs without any basis and contrary to the terms of aforesaid MOU filed the present pre-mature suit before this Hon'ble court. It is the modus operandi of the Plaintiffs to extract huge amount while misinterpreting the agreed terms of the aforesaid MOU so as to cause unlawful gains for themselves."

7. A perusal of the above paragraphs shows that the case of the Defendants is that the transaction involved with the Plaintiffs was one for purchase of land and not a loan transaction, as portrayed by the Plainitffs in the Plaint.

8. The present Application under Order XII Rule 6 of CPC has been filed by the Plaintiffs on the basis of admission by the Defendants. It is the case of the Plaintiffs in the Application that the Defendants have admitted

that they have received money from the Plaintiffs. The so-called admissions by the Defendants, which has been relied upon by the Plaintiffs, has been replied to on merits by the Plaintiffs in the Application which reads as under:

> ***"A. Preliminary Objection No. 2 (page 2):*** *"the claim of Smt. Rama Devi is still pending for adjudication before this Hon'ble court." This is an admission that the claim had not matured and the contemplated land had not been allotted.*
>
> ***B. Additional Plea No. 3 (pages 4–5) and Reply on Merits, paragraph 5 (pages 9–10):*** *"It is pertinent to mention herein that Clause 7 of the MOU clearly mentioned that the Defendants will be liable to pay back the Plaintiff only if the land 1s not allotted due to change in the policy of the government or for any other reason. The aforementioned clause is reiterated as follows "that the first party will return the invested amount alongwith interest @36% p.a. (compounded annually) to the second party, in case, if no land is allotted to the one of the first party i.e. Bhupendra Singh Chauhan in lieu of the claim of Smt. Ram Devi due to change in the policy of the government or for any other reason. The second party would not be responsible at all for anything in any manner for not allotment of land due to any reason".." This admits the contractual obligation to repay upon non-allotment.*
>
> ***C. Additional Plea No. 5 (page 6):*** *"the Defendants initially borrowed some money from the Plaintiffs but subsequently ... the Plaintiffs persuaded the Defendant no.1 to adjust the aforesaid loan amount qua creating the rights of the Plaintiffs with regard to 1000 Sq. yards of the land from the share of the Defendant no.1." The antecedent borrowings and their adjustment into the MOU are expressly admitted.*

D. Reply on Merits, paragraph 3 (pages 7–8): *"It is further submitted that vide MOU dated 02.11.2020 the Plaintiff invested an amount of Rs. 1,00,00,000 (Rupees One Crore Only) in lieu of 1000 sq yds of land from the land proposed to be fell in the share of Defendant No.1. I." The Defendants, thus, admit that ₹1,00,00,000/- was given to them under the MOU.*

E. Reply on Merits, paragraph 4 (page 8): *"It is pertinent to mention herein that the money given by the Plaintiff No.1 to the Defendants prior to the signing of the MOU got adjusted in the amounts mentioned in the MOU as no separate amount other than ₹30,00,000/- (Rupees Thirty Lakhs Only) as alleged were given at the time of signing of the MOU." This admits the pre-MOU payments, their adjustment in the MOU and the separate ₹30,00,000/- payment at execution.*

F. Reply on Merits, paragraph 6 (page 10): *"the Plaintiff invested the alleged amount of ₹1,21,24,400/- while enhancing her share to the extent of 1200 sqyds in the proposed project as mentioned in the MOU dated 02.11.2020 on the same terms and condition of the said MOU." This is the Defendants' express positive plea concerning the entire principal sum claimed in the suit and that it is governed by the same MOU terms. The Plaintiffs rely upon the admission of the amount and governing terms without admitting the Defendants' characterisation or the alleged enhancement.*

G. Reply on Merits, paragraph 7 (page 11): *"the cheques given by the Defendants to the Plaintiff No.1 were towards security cheques as mentioned in the MOU in question." The issuance of cheques by the Defendants and their connection with the admitted MOU transactions are also admitted.*

> ***H. Reply on Merits, paragraph 8 (pages 11–12):*** *"the cheques given by the Defendant to the Plaintiff No.1 were security cheques which the Defendant undertook to take back after returning the money ... the money advanced by the Plaintiff No.1 in lieu of the security cheques got adjusted in the MOU dated 02.11.2020." This admits the obligation to return the money and that the money advanced was adjusted into the MOU."*

9. Apart from the above admissions of the Defendants, the Plaintiffs have also placed reliance upon the MoU, General Agreement, Promissory Notes, Receipts and the Bank Statements, to show that once the Defendants have accepted that they have received the amount of Rs.1,21,24,400/-, the Plaintiffs are entitled to a decree for the same.

10. Heard learned Counsels appearing for the Parties and perused the material on record.

11. It is well settled that the purport of Order XII Rule 6 of CPC is to cut down on frivolous proceedings. The object of Order XII Rule 6 of CPC is that if the claims are admitted in the pleadings, then a Party should be able to get a speedy judgment at least to the extent of the relief which stands admitted by the other side, however, the admission has to be unambiguous and clear. The purport and scope of Order XII Rule 6 of CPC has been succinctly explained by the Apex Court in Uttam Singh Duggal & Co. Ltd. v. United Bank of India, **(2000) 7 SCC 120**, wherein the Apex Court has held as under:

> "***12***. *As to the object of Order 12 Rule 6, we need not say anything more than what the legislature itself has said when the said provision came to be amended. In the Objects and Reasons set out while amending the*

said Rule, it is stated that "where a claim is admitted, the court has jurisdiction to enter a judgment for the plaintiff and to pass a decree on admitted claim. The object of the Rule is to enable the party to obtain a speedy judgment at least to the extent of the relief to which according to the admission of the defendant, the plaintiff is entitled". We should not unduly narrow down the meaning of this Rule as the object is to enable a party to obtain speedy judgment. Where the other party has made a plain admission entitling the former to succeed, it should apply and also wherever there is a clear admission of facts in the face of which it is impossible for the party making such admission to succeed.

***13**. The next contention canvassed is that the resolutions or minutes of the meeting of the Board of Directors, resolution passed thereon and the letter sending the said resolution to the respondent Bank cannot amount to a pleading or come within the scope of the Rule as such statements are not made in the course of the pleadings or otherwise. When a statement is made to a party and such statement is brought before the court showing admission of liability by an application filed under Order 12 Rule 6 and the other side has sufficient opportunity to explain the said admission and if such explanation is not accepted by the court, we do not think the trial court is helpless in refusing to pass a decree. We have adverted to the basis of the claim and the manner in which the trial court has dealt with the same. When the trial Judge states that the statement made in the proceedings of the Board of Directors' meeting and the letter sent as well as the pleadings when read together, leads to unambiguous and clear admission with only the extent to which the admission is made in dispute, and the court had a duty to decide the same and grant a decree, we think this approach is unexceptionable.*

__14__. Before the trial Judge, there was no pleading much less an explanation as to the circumstances in which the said admission was made, so as to take it out of the category of admissions which created a liability. On the other hand, what is stated in the course of the pleadings, in answer to the application filed under Order 12 Rule 6 CPC, the stand is clearly to the contrary. Statements had been made in the course of the minutes of the Board of Directors' meeting held on 30-5-1990 which we have already adverted to in detail. In the pleadings raised before the Court, there is a clear statement made by the respondent as to the undisputed part of the claim made by them. In regard to this aspect of communicating the resolution dated 30-5-1990 in the letter dated 4-6-1990 what is stated in the affidavit-in-opposition in application under Order 12 Rule 6 CPC is save what are matters on record and save what would appear from the letter (sic resolution) dated 30-5-1990 all allegations to the contrary are disputed and denied. This averment would clearly mean that the petitioner does not deny a word of what was recorded therein and what is denied is the allegation to the contrary. The denial is evasive and the learned Judge is perfectly justified in holding that there is an unequivocal admission of the contents of the documents and what is denied is extent of the admission but the increase in the liability is admitted."

12. A perusal of the abovementioned paragraphs shows that for passing an Order under Order XII Rule 6 of CPC, a Court should consider that the admission is only those which are made in the Pleadings. The abovementioned paragraphs have been explained by the Apex Court in <u>Karam Kapahi v. Lal Chand Public Charitable Trust</u>, **(2010) 4 SCC 753**, wherein the Apex Court has held as under:

"***42***. *In Uttam Singh Duggal & Co. Ltd. v. United Bank of India [(2000) 7 SCC 120] this Court, while construing this provision, held that the Court should not unduly narrow down its application as the object is to enable a party to obtain speedy judgment.*

43. *In Uttam Singh Duggal case [(2000) 7 SCC 120] it was contended on behalf of the appellant, Uttam Singh Duggal, that:*

(a) Admissions under Order 12 Rule 6 should only be those which are made in the pleadings.

(b) The admissions would in any case have to be read along with the first proviso to Order 8 Rule 5(1) of the Code and the court may call upon the party relying on such admission to prove its case independently.

(c) The expression "either in pleadings or otherwise" should be interpreted ejusdem generis. (See para 11, p. 126-27 of the Report.)

Almost similar contentions have been raised on behalf of the Club. In Uttam Singh [(2000) 7 SCC 120] those contentions were rejected and this Court opined no effort should be made to narrow down the ambit of Order 12 Rule 6

44. *In Uttam Singh [(2000) 7 SCC 120] this Court made a distinction between a suit just between the parties and a suit relating to the Specific Relief Act, 1963 where a declaration of status is given which not only binds the parties but also binds generations. The Court held that such a declaration may be given merely on admission (SCC para 16 at p. 128 of the Report). But in a situation like the present one where the controversy is between the parties on an admission of non-payment of rent, judgment can be rendered on admission by the court."*

13. What amounts to admission in the Pleadings under Order XII Rule 6 of CPC has been succinctly explained by the Apex Court in Vikrant Kapila v. Pankaja Panda, **(2024) 18 SCC 695**, wherein the Apex Court has held as under:

> "***30***. *The judicial discretion conferred on the court is structured on the definition of "admission" under Section 17 of the Evidence Act, 1872 and Rule 5 of Order 8, Rule 6 of Order 12 and Rules 1 and 2 of Order 15CPC.*
>
> ***31***. *An "admission" means, "a statement, oral or documentary or contained in electronic form, which suggests any inference as to any fact in issue or relevant fact, and which is made by any of the persons, and under the circumstances, hereinafter mentioned". [P. Ramanatha Aiyar's Advanced Law Lexicon, 5th Edn., Vol. 1 (A-C), p. 140.]*
>
> ***32***. *Admission in pleadings means a statement made by a party to the legal proceedings, whether oral, documentary, or contained in an electronic form, and the said statement suggests an inference with respect to a fact in issue between the parties or a relevant fact. It is axiomatic that to constitute an admission, the said statement must be clear, unequivocal and ought not to entertain a different view. Coming to admission in pleadings, these are averments made by a party in the pleading viz. plaint, written statement, etc. in a pending proceeding of admitting the factual matrix presented by the other side. To constitute a valid admission in pleading, the said admission should be unequivocal, unconditional, and unambiguous, and the admission must be made with an intention to be bound by it.*

Admission must be valid without being proved by adducing evidence and enabling the opposite party to succeed without trial. A court, while pronouncing a judgment on admission, keeps in its perspective the requirements in Order 8 Rule 5, Order 12 Rule 6 and Order 15 Rules 1 and 2CPC read with Sections 17, 58 and 68 of the Evidence Act.

33. The logic behind such jurisprudential examination of an admission is that a judgment pronounced on admission, not only denies the right of trial on an issue but denies the remedy of appeal. Hence, discretion has to be exercised judiciously and objectively while making a judgment on admission in a pleading. *The existence of the power to pronounce a judgment on admission under Rule 6 of Order 12 [Order 12 Rule 6"6. Judgment on admissions.—(1) Where admissions of fact have been made either in the pleading or otherwise; whether orally or in writing, the Court may at any stage of the suit, either on the application of any party or of its own motion and without waiting for the determination of any other question between the parties, make such order or give such judgment as it may think fit, having regard to such admissions.(2) Whenever a judgment is pronounced under sub-rule (1) a decree shall be drawn up in accordance with the judgment and the decree shall bear the date on which the judgment was pronounced."] and Rules 1 and 2 of Order 15 [Order 15"1. Parties not at issue.—(1) Where at the first hearing of a suit it appears that the parties are not at issue on any question of law or of fact, the Court may at once pronounce judgment.2. One of several defendants not at issue.— [Renumbered as sub-rule (1) by Act 104 of 1976, S. 65.] [(1)] Where there are more defendants than one, and any one of the defendants is not at issue with the plaintiff on any question of law or* *of fact, the Court may at once pronounce judgment for or against such defendant and the suit shall proceed only against the other defendants. [Ins. by Act 104 of 1976, S. 65.] [(2) Whenever a judgment is pronounced under this rule, decree shall be drawn up in accordance with such judgment and the decree shall bear the date on which the judgment was pronounced.]"] , is not an issue in the appeal but rather the issue is whether pronouncing judgment on alleged admission is valid and legal.*

34. *When the admissions are categorical and unequivocal, the remedies available against such a decree are limited. In a given case, as in the present appeal, if there is an argument on whether there is an admission of a fact or a document, before examining the merits of the matter, this Court ought to verify whether admission exists or not and also whether the circumstances relied upon by the learned Single Judge can be constituted as admission for rendering a judgment."*

(emphasis supplied)

14. In the opinion of this Court, the present application under Order XII Rule 6 of CPC filed by the Plaintiffs is completely misconceived. The case as portrayed by the Plaintiffs is one of a pure loan transaction with the Defendants, however, at one paragraph in the Application, the Plaintiffs do obliquely mention that they were lured of certain profits from land by the Defendants. The case of the Defendants is one of an Agreement entered into between the Plaintiffs and the Defendants for the purpose of purchase of a piece of land, which is yet to be allotted to the Defendants. The case of the Defendants in the written statement is that the Plaintiffs are only investors and that they have misused the cheques which were given by the Defendants to the Plaintiffs as security.

15. In view of the fact that certain documents have been admitted by the Defendants, does not categorically show that the transaction involved between the Plaintiffs and the Defendants is of a pure loan transaction of financial assistance, and that the case of the Defendants that the Plaintiffs are only investors does stand tall.

16. In view of the above, this Court is of the opinion that there is no clear and unambiguous admission on the part of the Defendants. This Court is, therefore, not inclined to pass any decree at this juncture.

17. The Application is dismissed.

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18. List on 28.10.2026.

SUBRAMONIUM PRASAD, J

SEPTEMBER 01, 2026
S. Zakir