



2026:DHC:5754



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

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*Reserved on: 25th May, 2026
Pronounced on: 20th July, 2026*

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RFA 149/2025, CM APPL. 9506/2025

M/S LGF SYSMAC INDIA PVT. LTD.

Having Office at:

Sr. Nos.402-403, Tower-C, NDM-2,

Near Netaji Subhash Place, New Delhi.

.....Appellant

Through: Mr. Kunal Madan, Mr. Shyam Babu
and Mr. Mohit Gulati, Advocates.

versus

M/S KRYSTALLO

Through its Proprietor

Mr. Siddharth,

R/o: D-404, Neel Padam Kunj Apartment,

Sector-1, Vaishali, Ghaziabad, U.P.

.....Respondent

Through: Mr. Ashok Kumar Jha, 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 preferred by the *Plaintiff/Appellant, M/s LGF Sysmac India Pvt. Ltd.* against the Judgment and Decree dated **03.10.2024** whereby its Suit for Recovery, has been dismissed by the learned District Judge.



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2. *The Plaintiff had filed a Civil Suit bearing CS DJ No. 362/2018 for Recovery of Rs. 6,88,220/- along with interest at the rate of 18% per annum against the Defendant/Respondent, M/s Krystallo.*

3. The **Brief Facts**, as narrated in the **Plaint**, are that the Plaintiff Company is a company incorporated under the Companies Act, 1956 and is engaged in import and trading of various kinds of architectural hardware and fabrication machinery (*hereinafter referred as “goods”*).

4. It was claimed that the Defendant Company, through its Proprietor, had approached the Plaintiff Company for Purchase of Aluminium Profile Cutting Machines, i.e. Astra MC/O Machine, Lola End Milling Machine and Tracer Ce Copy Router, vide a Purchase Order No. **MON/12-13/2** dated **30.07.2012** with the Plaintiff Company. The Defendant Company requested to purchase the aforesaid goods against Form-C, whereafter, the Plaintiff Company agreed to supply the said goods against Form-C and thereby charged only 2% GST on the total sale consideration.

5. The Plaintiff Company, in terms of the aforesaid Purchase Order, supplied and delivered the goods to the Defendant Company, to its satisfaction. The Plaintiff Company thereafter, raised Invoice No. **EX/M/0019** dated **27.09.2012**, for the goods supplied to the Defendant Company.

6. It was claimed that the Defendant Company failed to issue Form C against the goods supplied to it by Plaintiff Company. Therefore, the Defendant Company was liable to issue Form-C against goods supplied to it by the Plaintiff Company.



7. It was asserted that the Plaintiff Company gave repeated reminders to the Defendant Company for payment of Rs.3,92,992/-; however, the Defendant Company delayed the payment on one pretext or the other. Thereafter, the Plaintiff Company issued two Debit Notes dated **31.03.2017** and **30.09.2017** for Rs.2,65,673/- and Rs.29,555/- respectively against the Defendant Company, totaling to Rs.2,95,228/-, which are still due and payable. The Plaintiff Company further claimed that as per the running *Statement of Accounts* maintained by it, a sum of Rs.6,88,220/- is still due and payable by the Defendant Company.

8. Since Defendant Company failed to make payments of outstanding dues, the Plaintiff Company issued a Legal Notice dated **19.12.2017**, despite which the Defendant Company has failed to make any payment to the Plaintiff Company.

9. Consequently, the Plaintiff Company filed ***present Suit seeking recovery of a sum of Rs.6,88,220/- along with interest at the rate of 18% per annum.***

10. The aforesaid Suit was contested by the **Defendant Company**, who in its ***Written Statement***, submitted that it was a Proprietorship Firm, registered with Sales Tax Department, Ghaziabad, Uttar Pradesh, of which Sh. Siddharth was the sole Proprietor. Since he was not keeping well from the year 2011 to 2015, the entire fabrication work was being looked after by *Mr. Mukhvinder Singh Ratan*. A Letter of Appointment dated **01.11.2011** was issued by the Defendant Company, in his name.

11. The Defendant Company had also taken certain *Preliminary Objections* which are, that the Plaintiff Company *had not approached the*



Court with clean hands and has suppressed material facts. The Suit filed by the Plaintiff Company was bad for non-joinder and misjoinder of the parties and was also barred under Specific Relief Act. The Suit was not valued properly for the purpose of Court Fee and jurisdiction. In the end, it was claimed that no cause of action was disclosed against the Defendant Company.

12. On Merits, it was denied that Defendant Company through its Proprietor, had either issued any Purchase Order or that the Defendant Company had received delivery of any of the goods, as claimed by the Plaintiff. It was asserted that Plaintiff Company had entered into a conspiracy with Mr. Mukhvinder Singh Ratan, for this alleged transaction, in order to cause wrongful loss to the Defendant Company.

13. It was claimed that Sh. Siddharth, proprietor of the Defendant Company, neither consented to this alleged transaction nor was the same brought to his knowledge. It was further claimed that Mr. Mukhvinder Singh Ratan took cheques from Mr. Siddharth, *under the name of Plaintiff Company, which was allegedly to be paid against the goods supplied.*

14. Further, as per the quotation dated **09.05.2012** issued by the Plaintiff Company, the machines appear to have been financed by Kartik Financing, which had nothing to do with the Defendant Company, as it had never entered into a contract with the Plaintiff Company. It was emphasized that there was *no privity of contract between the Plaintiff Company and the Defendant Company.*

15. The Defendant Company further denied that any Debit Notes dated 31.03.2017 and 30.09.2017 had ever been issued by the Plaintiff Company,



in respect of the alleged supply of goods. The Defendant Company further denied that a sum of Rs.6,88,220/-, was due and payable. It was asserted that the said Debit Notes had never been received by the Defendant Company and were forged and fabricated documents, created by the Plaintiff Company.

16. The Defendant Company further denied the receipt of the Legal Notice dated 19.12.2017 issued by the Plaintiff Company demanding payment of a sum of Rs.6,88,220/- along with interest at the rate of 18% per annum. It was further contended that no liability whatsoever existed on the part of the Defendant Company, to make any payment to the Plaintiff Company.

17. The **Plaintiff Company**, in its **Replication**, re-affirmed the assertions made in the Complaint and denied the averments made by the Defendant Company in its Written Statement.

18. Learned District Judge framed the **following issues on 14.07.2022**:

1. *Whether the plaintiff has not approached the Court with clean hands and has suppressed material facts? OPD*
2. *Whether there is no privity of contract between the parties, if so, its effects? OPD*
3. *Whether the suit is without any cause of action and is liable to be rejected u/o VII Rule 11 CPC? OPD*
4. *Whether the suit is barred by the law of limitation? OPD*
5. *Whether the plaintiff is entitled to a decree of money against the defendant, as prayed for? OPP*
6. *Relief, if any.*



19. The Plaintiff Company examined **PW-1**, *Sh. Aftab Ahmad*, Authorized Representative, who reiterated the assertions as made in the Plaint. He further relied on the documents, i.e. Purchase Order, Invoices, Transportation Slips, Statement of Accounts, Debit Notes, e-Mail correspondence, Legal Notice and Certificate under Section 65B which were exhibited as **Ex.PW1/1** to **Ex. PW1/10** respectively.

20. The Defendant Company examined **DW-1** *Sh. Siddharth*, proprietor of the *Defendant Company*, who deposed on similar lines, as the defence taken in its Written Statement and also proved the Appointment Letter in favour of Mr. Mukhvinder Singh Ratan dated 01.11.2011 **Ex. DW-1/1**.

21. The **Learned District Judge**, after appreciating the evidence, observed that though the Quotation dated 09.05.2012 **Ex.PW1/3**, had the name of the Defendant Company, however, the same was specifically addressed to Mr. Mukhvinder Singh Ratan.

22. The admissions made by **PW-1** *Sh. Aftab Ahmad*, in his cross-examination had established that *Sh. Sidharth* was Proprietor of the Defendant Company. However, there was no document to establish the connect of Mr. Sidharth with the transaction such as quotation, supply of goods, tax invoices or even in the chain of e-mail.

23. It was further observed that the Plaintiff Company had relied on the Statement of Accounts **Ex. PW1/7** and Debit Notes **Ex. PW1/6**. However, Certificate under Section 65B of the Indian Evidence Act, 1872 **Ex.PW1/10**, submitted by the Plaintiff Company was issued in a causal manner and did not comply with the requirements, as mentioned under Section 65 B



Evidence Act and thus, it could not be relied as proof for the printouts/e-mails, as relied by the Plaintiff Company.

24. *In regards to limitation*, it was observed that though the Defendant Company, had taken a plea that the Suit filed by the Plaintiff Company was barred by limitation, however, it had failed to adduce any evidence in this regard and thus, the issue of limitation was decided in favour of the Plaintiff Company.

25. It was further observed that as per the Transport Slip, **Ex.PW-1/5**, the goods had been delivered at *Lotus Escapia, Sector-100, Noida-201301*, while, as per the averments made in the Plaint as well as the evidence of **PW-1**, the goods were delivered at *37, Rajender Nagar Industrial Area, Extn., Ghaziabad-201010*. It was concluded that such discrepancy in the documents and the testimony of Plaintiff, failed to prove the delivery of the goods to the Defendant Company. **Consequently, the Suit of the Plaintiff was dismissed.**

26. *Aggrieved by the impugned Judgment and Decree dated 03.10.2024, the Plaintiff has preferred the present Regular First Appeal under Section 96 read with Order XLI Rule 1 of the CPC.*

27. The **Grounds of Challenge** are that the evidence and documents have not been appreciated in accordance with law and the impugned Judgment has been passed in utter disregard to the material evidence on record. It has been erroneously observed that the Plaintiff Company has failed to prove its case.

28. It was asserted that the Legal Notice dated 19.12.2017 was duly served on the Defendant Company, wherein the amount due and payable by



the Defendant Company, was duly explained. It was further asserted that despite service of the aforesaid Legal Notice, the Defendant Company neither made any payment of the outstanding amount nor did it give a reply to the said Legal Notice.

29. It was further submitted that the Defendant Company had placed a Purchase Order dated 30.07.2012 with the Plaintiff Company, whereafter, an Invoice dated 27.09.2012 **Ex. PW1/4** was raised by it. The goods were duly supplied to the Defendant Company, for which delivery challans were also issued. Therefore, the defense taken by the Defendant Company that no goods that no goods were ever supplied to it, is patently contrary to the evidence on record.

30. Furthermore, the Defendant Company had admitted that it was filing ITR and VAT Returns. However, it had failed to file any ITR and VAT Returns for the relevant years, to disprove the case of the Plaintiff Company. Thus, *an adverse inference under Section 141 of the Indian Evidence Act, 1872* must be drawn against the Defendant Company.

31. In addition, **DW-1 Sh. Siddharth**, Proprietor of Defendant Company, in his cross-examination dated 03.06.2024, admitted that he had not placed on record, the requisite documents.

32. It was submitted that it has not been appreciated that part payment had been made by the Defendant Company, against the total due amount through various account payee cheques, which has not been disputed by the Defendant Company and that the said amount has been debited from its Bank Account. **DW-1, Sh. Siddharth** in his cross-examination, had admitted that such payments were made and the said cheques had been issued under



the name of the Plaintiff Company, on the request of Mr. Mukhvinder Singh Ratan. Such payments, clearly connects the Plaintiff Company to the Defendant Company and establishes that *there was a privity of contract between them*.

33. In so far as the delivery of goods is concerned, it had been explained by **PW-1 Sh. Aftab Ahmad**, in his cross-examination, that though goods had been delivered at the Noida Project, however, the Invoice was raised under the name of Defendant Company having its registered office in Ghaziabad. The fact that the goods had been duly delivered to the Defendant Company is also corroborated by the Transport Slip **Ex.PW-1/5**. Further, the admissions made by **DW-1** in his cross-examination that goods had been delivered to the Noida project of the Defendant Company, clearly corroborates the delivery of goods. The present Suit has been erroneously dismissed; therefore, the impugned Judgment dated 03.10.2024 be set aside and the Suit be decreed.

34. *Written Submissions* have been filed on behalf of the Parties, wherein they have reiterated the assertions and defence as have been stated in the Plaint and Written Statement along with the evidence, which were led before the learned District Judge.

Submissions heard and record perused.

35. The Plaintiff Company had filed a Suit for recovery of Rs.6,88,220/-, which had been dismissed by the learned District Judge.



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I. Whether there was a Privity of Contract between the Parties:

36. The claim of the Plaintiff was that the Defendant Company through its sole proprietor, Sh. Siddharth, had placed a Purchase Order dated 30.07.2012 for purchase of machines stated therein. The machine was supplied by the Plaintiff *vide* Invoice No. EX/M/0019 dated 27.09.2012 **Ex.PW1/4** for a sum of Rs.7,20,992/-. It was also indicated that the sale was against the Form C, as had been agreed between the parties.

37. The Defendant Firm, however completely disassociated itself from the transaction by claiming that as per the Quotation dated 09.05.2012 **Ex. PW1/3**, it was addressed to Mr. Mukhvinder Singh Ratan and not to the Defendant Firm or to its proprietor, Mr. Sidharth and thus, no privity of Contract, was established.

38. In this regard, it would be pertinent to refer to the testimony of **DW-1**, Sh. Siddharth, the sole Proprietor of Defendant Company, who deposed that his Firm was registered with Sales Tax Department at Ghaziabad, Uttar Pradesh. He further deposed that he had suffered pancreatic cancer in the year 2011 and was operated in the year 2014. During this period of illness, his involvement in business at the site was 0%, but he used to work from his home office. The other employees used to update him from time to time, about the fabrication status at the site. He reaffirmed that he himself had appointed Mr. Mukhvinder Singh Ratan as a job contractor in the Defendant Company, *vide* Letter of Appointment dated 01.11.2011 **Ex. DW1/1**. The entire fabrication work contract was being looked after by Mr. Mukhvinder Singh Ratan, between 2011 to 2015.



39. This aforesaid aspect was reaffirmed in his cross-examination, wherein, he reaffirmed that *“it is wrong to suggest that I am deposing falsely in my affidavit that I had appointed Mr. Mukhvinder Ratan as subcontractor, but he was my employee at the time of disputed transaction”*. He reaffirmed that he had given the charge to Mr. Mukhvinder Singh Ratan, to supervise the site and aluminum fabrication work.

40. These admissions made by DW-1 *Sh. Siddharth*, sole proprietor of the Defendant Company, clearly reflect that the Quotation dated 09.05.2012 **Ex. PW1/3** had been issued by the Plaintiff Company, to Mr. Mukhvinder Singh Ratan who was admittedly looking after the business of defendant. It has been cleverly overlooked by the Defendant that the name of the Defendant firm was clearly mentioned on the Invoice. Merely because the name of Rattan, the authorized employee was also written, cannot be any basis for the Defendant to disown the transaction. His assertion that the said Quotation was addressed to Mr. Mukhvinder Singh Ratan and did not pertain to the Defendant Company, was blatantly incorrect and disproved by the testimony of **DW-1, Sh. Siddharth** himself. The privity of contract, was thus, fully proved.

41. The Defendant Company had further asserted that the chain of emails dated **14.11.2017, 16.12.2014, 07.10.2017 and 22.09.2017 Ex. Ex.PW1/8 (colly)** were also addressed to Mr. Mukhvinder Singh Ratan, which again reflected that the Defendant Company was not in correspondence with the Plaintiff Company. However, as has been rightly pointed out, the CC of all these said e-mails were made to the Defendant



Company. For Defendant to claim that the correspondence was not with it, is patently incorrect.

42. Another significant piece of evidence are **the three cheques dated 20.10.2012, 20.11.2012 and 20.12.2012** for a sum of Rs.1,78,000/- each towards the outstanding amount of Rs.7,20,992/-. It was explained by the plaintiff that the first cheque dated 20.10.2012 was honored, while the other two cheques totaling to Rs.3,56,000/-, got dishonored.

43. **DW-1 Sh. Sidarth**, in his cross-examination admitted that he had issued three post-dated cheques dated 20.10.2012, 20.11.2012 and 20.12.2012 to Mr. Mukhvinder Singh Ratan, but claimed that they were for remuneration of his services. It was deposed that he had only filled up the amounts in the cheque as his condition was not well, while the other details were filled by Mr. Mukhvinder Singh Ratan.

44. Though **DW-1** admitted the issuance of aforesaid three cheques, but his only defense was that the said cheques had not been issued to the Plaintiff Company. However, PW-1 had categorically deposed that three cheques were issued in the name of Plaintiff Company, in for discharge of payment against the Invoice. The very fact that the cheques had been issued against in favour of the Plaintiff Company, again reflects and confirms that the transaction had taken place between the parties.

45. The very admission of the defendant that cheques bear his signatures and details were filled by his employee, Rattan further confirms the purchase of the Machine by the defendant; otherwise there was no reason for the Defendant to issue cheques in the name of the Plaintiff; that too for the exact amount of the Invoice dated 27.09.2012 **Ex.PW1/4**.



46. It is pertinent to note that the Defendant Company through Mr. Mukhvinder Singh Ratan *vide* email dated 16.12.2014, had sought the full Statement of Accounts from the Plaintiff Company.

47. The Plaintiff had produced the Statement of Account **Ex.PW1/7, wherein the three cheques are mentioned.** It recorded that first cheque dated 20.10.2012 for Rs.1,78,000/-, was honored while the other two cheques dated 20.11.2012 and 20.12.2012 respectively, were dishonored. Additionally, a sum of Rs.1,50,000/- had been paid on **09.02.2013** thereby, from the total outstanding of Rs.7,20,992/-, a balance amount of Rs.3,92,992/- was due and payable by the Defendant Company.

48. The Defendant Company had questioned all these documents on the ground that the Certificate under Section 65B of the Indian Evidence Act, 1872 **Ex.PW1/10** by the Plaintiff in support of these electronic documents was not in accordance with the said Section and therefore, would not make these documents admissible in law.

49. However, the contents of all these documents exhibited as **Ex. PW1/6** to **Ex. PW1/8** is even otherwise, admitted and proved from the testimony of **DW-1, Sh. Siddharth.**

50. In this context, the contents of these documents have been admitted. **Section 58 of the Indian Evidence Act, 1872** provides that when there is an admission of the contents of a document in the pleadings, no question of proving the document by primary or secondary evidence, arises. In fact, in such cases of admission, there is no further requirement for a party relying on an admitted document, to prove it; admission is the best proof.



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51. Another significant aspect is that on the Invoice dated 27.09.2012 **Ex.PW1/4**, the TIN number mentioned is that of the Defendant Company, which further confirms that it was the Defendant Company which had placed the order with the Plaintiff Company.

52. Thus, the Invoice issued in the name of the defendant, the three cheques admittedly issued by defendant, which correspond to the Invoice **Ex.PW1/4**, and the correspondence between the parties, establish the transaction between the parties; ***it is proved that there existed a Privity of Contract between the parties.***

II. Whether the Goods were delivered to the Defendant/Respondent:

53. The Plaintiff Company stated that the goods were duly delivered vide Transportation Slip dated **27.09.2012 Ex.PW1/5**, to the Defendant Company.

54. The Defendant Firm, however, claimed that there was no delivery of goods under the Invoice dated 27.09.2012 **Ex.PW1/4**, because the goods have been delivered at some place in Noida, while in the Plaint as well as in the testimony of PW-1, it was stated that the goods were delivered at Gaziabad, where the office of the defendant was located.

55. However, it may be appreciated that in the Invoice **Ex.PW1/4**, while the buyer's name was indicated as that of the Defendant Company; but the delivery address had been indicated as “*Krystello c/o Lotus Espacia, Sector 100, Noida, UP*”, which was the Project admittedly undertaken by the Defendant Company, as is evident from the Transportation Slip **Ex.PW1/5**.



56. The case of the Plaintiff Company that the delivery of the goods at Noida had been made at the instance of Defendant, stands fully confirmed from the documents. Not only this, **DW-1** in his testimony had also admitted about his ongoing Project at *Lotus Espacia*, which was being taken care of by Mr. Mukhvinder Singh Ratan.

57. From the evidence and the admissions made by **DW-1**, it is established that Defendant Company had placed the Order for the machines as per Invoice dated 27.09.2012 **Ex.PW1/4** and the machinery were duly delivered at Noida, as per the instructions of the Defendant, which is corroborated by the Transportation Slip **Ex.PW1/5**.

58. The learned District Judge fell in error in taking such a hyper-technical view that the Office of the Defendant was located in Ghaziabad while the goods had been delivered at Noida, thereby reflecting a discrepancy and therefore, concluded that the goods had not been delivered. The learned District Judge failed to refer to the documents as discussed above, wherein the place of delivery of goods had been clearly indicated as Noida by the Defendant, itself. **The delivery of the goods to the Defendant, is established from the evidence on record.**

III. Whether the Suit was barred by Limitation:

59. ***The question, which thus arises, is whether the Suit filed by the Plaintiff Company was barred by limitation.***

60. The learned District Judge in the impugned Judgement had cryptically observed that the Defendant Company had failed to adduce any evidence to prove that the Suit was barred by limitation. The learned District



Judge failed to appreciate the averments of the Plaintiff Company and also the documents on which reliance had been placed by it.

61. Though, this Appeal has been preferred by the Plaintiff Company and therefore, has not challenged the findings on limitation which are in its favour, but Section 3 of the Limitation Act, 1963 states that subject to the provisions contained in Section 4 to 24 (inclusive), every Suit instituted, Appeal preferred and Application made after the prescribed period, ***shall be dismissed, although limitation has not been set up as a defence.***

62. The Supreme Court in Manindra Land and Building Corporation Ltd. vs. Bhutnath Banerjee AIR 1964 SC 1336, observed that Section 3 of the Limitation Act, 1963 enjoins the Court to dismiss every Suit, Appeal or Application instituted beyond the period of limitation, irrespective of whether a plea has been set up by the opposite party. It was held that whether the opposite party has taken a defense of limitation, it is the duty of the Court not to proceed with the Application if it is made beyond the period of limitation. The Court has no choice in the matter, if the Suit is barred by limitation.

63. This principle was reiterated in V.M. Salgaocar & Bros v. Board of Trustees of Port of Mormugao (2005) 4 SCC 613 wherein it was held that if a Suit is *ex facie* barred by limitation, the Court has no choice but to dismiss the Suit, even if the Defendant intentionally has not raised the plea of limitation.

64. Similarly, in Narne Rama Murthy v. Ravula Somasundaram (2005) 6 SCC 614, the Supreme Court clarified that *where limitation is a pure*



question of law and the bar is apparent from the pleadings, it is the duty of the Court to decide with issue at the outset.

65. Recently, the Supreme Court in the case of S. Shivraj Reddy through LRs v. S. Raghuraj Reddy 2024 SCC OnLine SC 963 referred to an earlier judgment of Manindra Land and Building Corporation Ltd.(supra) and reaffirmed that Section 3 of the Limitation Act, 1963 casts a mandatory obligation on every Court to dismiss a Suit instituted beyond the period of limitation. Similar observations have been made by the Supreme Court in the case of Nikhila Divyang Mehta v. Hitesh P. Sanghvi 2025 SCC OnLine SC.

66. Therefore, it becomes the obligation of the Court to consider whether the Suit of the Plaintiff, was barred by limitation.

67. As has already been discussed, in the present case, *vide* e-mails dated 22.09.2017 and 07.10.2017, the Plaintiff Company had asked the Defendant Company to clear the outstanding amount of Rs.3,92,992/-. This demand needs to be considered in the light of the Statement of Account **Ex.PW1/7**, relied upon by the Plaintiff himself, which reflects that the three cheques of Rs.1,78,000/-, whereafter, only one cheque dated 20.10.2012 was honored, while the other two cheques dated 20.11.2012 and 20.12.2012 respectively, were dishonored.

68. Furthermore, as per the aforesaid Statement of Accounts, a payment of Rs.1,50,000/- was made by the Defendant Company on 09.05.2013 and after adjusting the same, **a sum of Rs.3,92,992/- was due and payable** on 09.05.2013, which had been reaffirmed in the emails **Ex.PW1/8 (colly)**, as mentioned above.



69. If the period of limitation is calculated from 09.05.2013, the Suit has been filed on 17.04.2018 *and is patently barred by limitation.*

70. However, the Plaintiff in Order to bring its Suit for recovery within the period of limitation, has one self-serving entry dated 31.03.2017 reflecting an interest at the rate 15% p.a. for the period from 01.04.2016 to 31.03.2017, in the sum of Rs.2,65,673/-. Not only this, a second entry dated 30.09.2017 has been added at an interest at the rate of 15% p.a. to the amount of Rs.3,92,992/- for the period from 01.04.2017 to 30.09.2017 for Rs.29,555/-.

71. Interestingly, in order to corroborate these two entries in the Statement of Account **Ex.PW1/7**, two Debit Notes **Ex. PW1/6 (colly)**, had also been issued by the Plaintiff Company, without there being any evidence to whether the same was served upon to the Defendant Company. Even if the same was served, it is more than evident that these two entries and the Debit Notes, have been created subsequently in the year 2017, only to bring the present Suit within the limitation.

72. Pertinently, there was never ever any agreement or demand of interest at the rate of 15%. The invoice also did not have any stipulation in regard to the interest. It was not even demanded since 2013 till 2017. Also, had there been any interest at the rate of 15% due, it would have at least found some mention in the emails, as referred above.

73. The Plaintiff Company has not been able to prove that there was ever any interest at the rate of 15% claimed or demanded by it, on the outstanding amount of Rs. 3,92,992/- since the year 2013 till these two entries were made in the March and June, 2017. It is evident that two self-



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serving entries have been made in the Statement of account and the corresponding self-serving Debit notes have been created in 2017. Significantly, this claim for interest was raised for the first time, in the Legal Notice dated 19.12.2017 **Ex. PW1/9**.

74. From the aforesaid evidence, it emerges that the amount of Rs.3,92,992/- was due in 2013, while ***the Suit has been filed by the Plaintiff Company, on 17.04.2018, which is patently barred by limitation.***

Conclusion:

75. In view of the aforesaid discussion, though it is proved that there was a sum of Rs.3,92,992/- due and payable by the Defendant Company, however, the Suit filed by the Plaintiff Company is patently barred by limitation, for the reasons as stated above.

76. In view of the aforesaid discussion, it is held that Suit has been dismissed correctly, though for different reasons. ***The Appeal is hereby, dismissed.***

77. Pending Application(s), if any, are also disposed of.

**(NEENA BANSAL KRISHNA)
JUDGE**

JULY 20, 2026

R/N