UPLOADED ON 01.06.2026

IN THE COURT OF PRINCIPAL COMMERCIAL COURT, EGMORE, CHENNAI

Present: Thiru. S.GANAPATHISAMY, B.A.B.L., Principal Judge

Dated this 1st day of June 2026, Monday

COS SR No. 9 of 2025

1. M/s. S. Manimaran,
Proprietor, doing business in the trade name,
"M/s. Inovo Interior Decors"
through his power agent
S.Alashias
(2nd plaintiff herein,
residing at No.1/10, Periyapanichery,
Kundrathur Main Road,
Porur,
Chennai – 600 128.

2. S.Alashias
Son of Mr. K.Shanmugam,
currently residing at
F2-Vishwa Castle,
No.5, Manohar Nagar extension,
IIT Colony 3rd Cross Street,
Pallikarani,
Chennai – 600 100. Plaintiffs

-Versus-

1. Hallmark Infrastructure Private Limited
Represented by its Director,
Registered Office at Suite A,
No.43, Old No.62/2, United Plaza,.
Usman Road,
T. Nagar,
Chennai – 600 017.

2. Hallmark Capital Private Limited
Represented by its Director,
Registered Office at Suite A,
No.43, Old No.62/2, United Plaza,.
Usman Road,
T. Nagar,
Chennai – 600 017.

3. U. Hemalatha
W/o Umabathi,
No.1/37, Ramasamy Street, Gerugampakkam,
Kancheepuram – 600 122.

4. Venugopal,
Son of Manogaran
No.208, Mettu Street,
Kolappalur,
Tiruvannmalai,
Vandavasi – 632 313. Defendants

This COS SR coming on this day for final hearing in the presence of M/s N.Sivakumar and P.Sumathi, the learned counsels for the plaintiffs and upon perusing the documents and hearing the arguments and having stood over for consideration till this day, this court today delivers the following :

ORDER

The plaintiffs have filed this suit for relief of recovery of suit claim. In fact, they have sought for six reliefs for the 1st plaintiff and 2nd plaintiff separately and they have also asked alterative prayer. According to the plaintiffs and plaint averments, the 1st defendant carried interior decoration in the project started by the 1st defendant in 2016 for a total value of Rs.8,80,000/- of which the 1st defendant paid a sum of Rs.3,10,000/- to the 1st plaintiff leaving behind the balance amount of Rs.5,70,000/- and the 1st plaintiff was indebted to 3rd defendant for a sum of Rs.6,00,000/- and he assured the 3rd defendant to settle his due from the amount to be collected from 1st defendant. The plaintiffs have further stated that the 2nd defendant issued six cheques on behalf of the 1st defendant dated 18.10.2018 19,11,2018, 19,12,2018, 19.01.2019, 19.02.2019 each for Rs.1,00,000/- and 19.03.2019 for Rs.70,000/- for a total of Rs.5,70,000/- in favour of the 1st plaintiff and the 1st plaintiff handed over the above cheques to 3rd defendant to collect the amount and the 1st cheque was returned for " Insufficiency of funds" in the account of 2nd defendant, when it was presented by the 3rd defendant for collection. The plaintiffs have stated that after return of all cheques by the 3rd defendant to the 1st plaintiff, the 4th defendant being close relative of 1st plaintiff settled the debt by paying the amount to the 3rd defendant and the 1st plaintiff paid a sum of Rs.2,53,000/- towards principal amount and interest and the 1st plaintiff has assigned his debt to the 2nd plaintiff authorising him to collect the amount from the 1st and 2nd defendants.

2. It is the case of the plaintiffs that the 1st plaintiff executed a power of attorney dated 25.09.2023 in favour of 2nd plaintiff authorising him to recover the debt from 1st and 2nd defendants. Under these circumstances, the registry has raised several objections including objection on the point of limitation. The learned counsel for the plaintiff submitted that as per the judgment of our Hon'ble High Court in Selvaraj Vs Kudankulam Nuclear Power Plant India Limited, piece meal return should not resorted by the District Judiciary.

3. Now we have to see whether the suit is barred by limitation. When a suit is exfacie barred by limitation, the plaint can be rejected by the Court by invoking the provisions of Order VII Rule 11 of Civil Procedure Code. In this case, the last cheque was issued with a date 19.03.2019 as per averments of the plaint. Therefore the limitation for recovery of money expired on 19.03.2022. If the judgment of the Hon'ble Supreme Court in suo moto limitation case is taken into consideration, the limitation period will expire on 04.03.2024. But the plaintiff has instituted this suit only on 29.12.2024. Before that he invoked pre litigation mediation under Section 12A of Commercial Courts Act on 01.10.2024 which is beyond the period of limitation. In other words, he invoked pre litigation mediation after 04.03.2024. Therefore the suit is clearly barred by limitation.

4. The arrangement between the 1st plaintiff and 3rd and 4th defendants would not bind the 1st and 2nd defendants since they are not parties to the alleged arrangement and it will not bind the 1st and 2nd defendants. Furthermore, even the plaint does not denote about the consent and involvement of 1st and 2nd defendants in the arrangement between 1st plaintiff and 3rd and 4th defendants. It is the case of the

plaintiffs that the 1st and 2nd defendants have disclosed their liabilities in balance sheet to be filed mandatorily before the Registrar of Companies. The plaintiffs have produced a copy of balance sheet along with plaint. The acknowledgment of debt disclosed in balance sheet would attract the acknowledgement of debt as contemplated in Section 18 of Limitation Act. But such acknowledgement should be decided on case to case basis as per three Judges Bench of our Hon'ble Supreme Court reported in 2022 (2) CTC 205 in Asset Reconstruction Company India Limited Vs Bishal Jaiswal. But the balance sheet produced by the plaintiff would show the liability of 1st and 2nd defendants generally. It has not denoted the names of 1st plaintiff. The 1st and 2nd defendants have not disclosed their liability towards 1st plaintiff in balance sheet specifically. Therefore, it cannot be construed as acknowledgement of debt. I hold that the plaint is ex facie barred by law of limitation. Therefore the plaint is rejected and it is ordered to refund Court fee as per Rules.

In the result, the the plaint is rejected and it is ordered to refund Court fee as per Rules.

Dictated by me to the Steno-Typist, directly typed by him in the computer, corrected and pronounced by me in the open court, this 1st day of June 2026.

GANAPATHI SAMY

Digitally signed by GANAPATHI SAMY
Date: 2026.06.01 18:08:30 +0530

Principal Judge
Principal Commercial Court
Egmore, Chennai.

Draft / Fair Order
in
C.O.S.SR No.9 / 2025

Date: 01.06.2026

Principal Commercial Court
Egmore , Chennai