

LIMITATION ACT, 1963 - PROFESSIONAL CORPUS - BATCH 06

Part II - Limitation of suits, appeals and applications

Limitation is a threshold issue: section 3 is mandatory, while extensions, disabilities, trust and foreign-contract rules require separate statutory tests.

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Unit 2 of 43

India-first

Statutory source control. The local text below is a professional transcription and article map aligned to the current India Code architecture and listed amendments. The signed Gazette/current official source controls punctuation, footnotes, State variations and event-date application.

Dedicated Finin2min Summary - Chapter in 2 Minutes

- Court must test limitation even without a defence; identify institution date and every computation adjustment.
- Court closure moves filing to reopening day; confirm the official working calendar and filing channel.
- Condonation is cause-based, not automatic, and does not generally rescue suits or Order XXI applications.
- Section 6 governs legal disability; isolate its actor, trigger, conditions, exceptions and legal consequence before computing time.
- Section 7 governs disability of one of several persons; isolate its actor, trigger, conditions, exceptions and legal consequence before computing time.
- Limitation is a threshold issue: section 3 is mandatory, while extensions, disabilities, trust and foreign-contract rules require separate statutory tests.

Current statutory text / controlled source extract

3. Bar of limitation. - (1) Subject to sections 4 to 24, every suit instituted, appeal preferred and application made after the prescribed period shall be dismissed even if limitation is not pleaded.

(2) A suit is instituted when the plaint is presented; an indigent-person suit when leave is sought; and a winding-up claim when first sent to the official liquidator. A set-off and counterclaim are separate suits, instituted on the dates specified in the section. A High Court notice-of-motion application is made when presented to the proper officer.

4. Expiry of prescribed period when court is closed. - If the prescribed period expires when the court is closed, the proceeding may be instituted, preferred or made on the day the court reopens. A court is treated as closed if it remains closed during any part of normal working hours.

5. Extension of prescribed period in certain cases. - An appeal or application, other than an application under Order XXI of the Code of Civil Procedure, may be admitted after the prescribed period if sufficient cause is shown. Being misled by a High Court order, practice or judgment in computing limitation may amount to sufficient cause.

6. Legal disability. - A person who is a minor or affected by the statutory mental disability when limitation begins may sue or seek execution within the same period after disability ceases. Successive disabilities, death during disability, disability of a legal representative and death shortly after cessation are governed by the detailed rules in subsections (2) to (5). For this section, a minor includes a child in the womb.

7. Disability of one of several persons. - Where jointly entitled persons include one under disability, time runs against all if a valid discharge can be given without that person's concurrence; otherwise it does not run until a person can give discharge or the disability ends. The rule applies to every liability, including immovable property, and includes the stated Mitakshara joint-family rule.

8. Special exceptions. - Sections 6 and 7 do not apply to pre-emption suits and do not extend limitation beyond three years from cessation of disability or death of the person affected.

9. Continuous running of time. - Once time has begun to run, a later disability or inability does not stop it. The statutory exception concerns administration of a creditor's estate granted to the debtor.

10. Suits against trustees and their representatives. - No length of time bars the specified suit against a trustee, legal representative or non-value assignee to follow trust property or proceeds or obtain an account. Religious or charitable endowment property and its manager are treated as stated in the Explanation.

11. Suits on contracts entered into outside the territories to which the Act extends. - Suits in India on contracts entered into in a foreign country are governed by this Act. A foreign limitation rule is not a defence unless it extinguished the contract and the parties were domiciled there during that period.

Section-by-section / article-by-article provision map

Provision	Subject	Status / period	Finin2min clause-by-clause decode	Implementation	Evidence/control
Section 3	Bar of limitation	Operative	Court must test limitation even without a defence; identify institution date and every computation adjustment.	Open a limitation worksheet at matter intake; record filing mode, court calendar, delay and condonation	Source text, chronology, contract/order, communications, proof of service, computation sheet,

Provision	Subject	Status / period	Finin2min clause-by-clause decode	Implementation	Evidence/control
				evidence before drafting merits.	approvals and filing acknowledgment.
Section 4	Expiry when court is closed	Operative	Court closure moves filing to reopening day; confirm the official working calendar and filing channel.	Open a limitation worksheet at matter intake; record filing mode, court calendar, delay and condonation evidence before drafting merits.	Source text, chronology, contract/ order, communications, proof of service, computation sheet, approvals and filing acknowledgment.
Section 5	Extension for sufficient cause	Operative	Condonation is cause-based, not automatic, and does not generally rescue suits or Order XXI applications.	Open a limitation worksheet at matter intake; record filing mode, court calendar, delay and condonation evidence before drafting merits.	Source text, chronology, contract/ order, communications, proof of service, computation sheet, approvals and filing acknowledgment.
Section 6	Legal disability	Operative	Section 6 governs legal disability; isolate its actor, trigger, conditions, exceptions and legal consequence before computing time.	Assign a legal owner, record the trigger and source, compute independently, and retain approval and filing proof.	Source text, chronology, contract/ order, communications, proof of service, computation sheet, approvals and filing acknowledgment.
Section 7	Disability of one of several persons	Operative	Section 7 governs disability of one of several persons; isolate its actor, trigger, conditions, exceptions and legal consequence before computing time.	Assign a legal owner, record the trigger and source, compute independently, and retain approval and filing proof.	Source text, chronology, contract/ order, communications, proof of service, computation sheet, approvals and filing acknowledgment.
Section 8	Special exceptions	Operative	Section 8 governs special exceptions; isolate its actor, trigger, conditions, exceptions and	Assign a legal owner, record the trigger and source, compute independently, and	Source text, chronology, contract/ order, communications, proof of service,

Provision	Subject	Status / period	Finin2min clause-by-clause decode	Implementation	Evidence/control
			legal consequence before computing time.	retain approval and filing proof.	computation sheet, approvals and filing acknowledgment.
Section 9	Continuous running of time	Operative	Section 9 governs continuous running of time; isolate its actor, trigger, conditions, exceptions and legal consequence before computing time.	Assign a legal owner, record the trigger and source, compute independently, and retain approval and filing proof.	Source text, chronology, contract/ order, communications, proof of service, computation sheet, approvals and filing acknowledgment.
Section 10	Suits against trustees	Operative	Section 10 governs suits against trustees; isolate its actor, trigger, conditions, exceptions and legal consequence before computing time.	Assign a legal owner, record the trigger and source, compute independently, and retain approval and filing proof.	Source text, chronology, contract/ order, communications, proof of service, computation sheet, approvals and filing acknowledgment.
Section 11	Foreign-contract suits	Operative	Section 11 governs foreign-contract suits; isolate its actor, trigger, conditions, exceptions and legal consequence before computing time.	Assign a legal owner, record the trigger and source, compute independently, and retain approval and filing proof.	Source text, chronology, contract/ order, communications, proof of service, computation sheet, approvals and filing acknowledgment.

Finin2min implementation explanation

Classification

Determine whether the matter is a suit, appeal, application, execution, arbitration claim or special-statute proceeding. Record relief, forum and event date.

Computation

Select the exact article or special-law period. Record the third-column trigger, first-day exclusion, calendar period and each legally available adjustment.

Control owner

Legal owns statutory classification; business/finance owns transaction dates; secretarial/HR/property teams supply authority and evidence; counsel confirms forum filing.

Change control

Recalculate after any amendment, acknowledgment, payment, order, stay, certified-copy event or forum change. Preserve the superseded computation.

Practical examples and calculations

Chapter-specific scenario.

A finance team opens a limitation file on the first missed contractual milestone, identifies the exact claim and records every later acknowledgment, payment, notice, court closure and filing event without allowing negotiations to replace the statutory clock.

Calculation step	Method	Evidence
Base trigger	Record the exact statutory third-column or special-law event date.	Contract/order/notice/service/knowledge evidence
First day	Exclude the day from which the period is reckoned under section 12(1).	Calendar worksheet
Period	Add the prescribed days, months or years using the Gregorian calendar.	Date calculation and assumptions
Adjustments	Apply only proven exclusions, disability, fraud, acknowledgment/payment or court-closure rules.	Orders, copy records, signed documents, bank proof
Final cut-off	State last filing day, forum hours/e-filing rule and any condonation range.	Court calendar, portal receipt and legal sign-off

Practical transaction application

1. Open the chronology when the first default, refusal, knowledge event, dispossession, order or enforceability event occurs.
2. Classify every proposed relief separately and select the governing special statute and Schedule article.
3. Record authority, service, contractual cure periods, statutory notice, copy time, stay and prior proceedings.
4. Test acknowledgment, part-payment, fraud, disability and continuing-wrong claims against their exact statutory conditions.
5. Approve the last filing date, fallback forum, condonation position and evidence pack before action.

Authority, consent and execution controls

- Confirm claimant/applicant legal capacity and representative authority.
- Obtain board, partner, trustee, government or power-of-attorney approvals.
- Authorise acknowledgments, settlements and admissions carefully because they affect limitation.
- Check counsel authority and affidavit/verification requirements.

Stamp duty and registration alerts

- Limitation does not cure an unstamped or unregistered instrument.
- Assess State stamp duty and registration separately for the underlying contract, deed, mortgage, lease, release or settlement.
- Preserve original instrument and adjudication/impounding record.
- Do not assume an electronic record avoids stamp or registration law.

Evidence and document-retention checklist

- Executed instrument and amendments.
- Trigger-date correspondence and service proof.
- Invoices, delivery, acceptance, account and bank records.
- Court/tribunal orders and certified-copy records.
- Acknowledgment and authority evidence.
- Chronology and independent calculation.
- Special-law text and amendment snapshot.
- Filing receipt, diary number and portal timestamp.

Performance, delivery and payment controls

- Map each obligation, milestone, due date and cure period.
- Track recurring instalments and successive breaches individually.
- Separate invoice date, payment due date, acceptance, breach and termination.
- Record mitigation and substitute performance without assuming a new limitation period.

Breach, loss, mitigation and remedy framework

- Identify suit, appeal, application, arbitration, execution or public-law remedy.
- Quantify principal, interest, damages, restitution and costs separately.
- Do not allow negotiations or a legal notice to revive a barred right unless statute permits.
- Evaluate settlement, acknowledgment and standstill language for unintended consequences.

Limitation and forum controls

- Confirm territorial, pecuniary and subject-matter jurisdiction.
- Record appeal/review/revision and condonation limits separately.
- Apply special-law period and express exclusion before the general Schedule.
- For arbitration, separate claim limitation from court-application limitation.

Arbitration and mediation interface

Arbitration does not create a new substantive limitation period for a barred claim. Separately compute the underlying claim, arbitration commencement, section 11 application, interim relief, award challenge and enforcement. For mediation and PIMS, identify the statutory exclusion period and preserve application, service, closure and settlement records.

Company, partnership, GST and tax overlays

- Companies Act and LLP authority/records.
- Income-tax write-off, recovery and settlement treatment.
- Partnership agency and joint liability.
- IBC default and acknowledgment interface.
- GST invoice, credit-note and tax evidence.

- Arbitration, Commercial Courts, MSME, consumer and RERA special periods.

Finin2min Q&A

Can every delay be condoned under section 5?

No. Section 5 applies to eligible appeals and applications, not suits, and special laws may exclude it or impose an outer cap.

Must the defendant plead limitation?

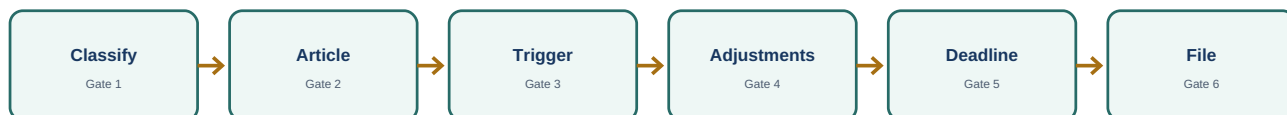
No. Section 3 requires dismissal of a time-barred proceeding even if limitation is not pleaded.

Does later disability stop time?

Ordinarily no once time has begun, subject to the specific statutory rules.

Chapter-specific decision flowchart

Part II - Limitation of suits, appeals and applications - Decision Flow



Record the governing source, dates, assumptions, evidence and sign-off at every gate.