

DECODING THE CODE: THE LIMITATION ACT, 1963

PURPOSE OF THE ACT

An Act to **consolidate** and **amend** the law for the limitation of suits and other proceedings and for purposes connected therewith.

COMPOSITION OF THE ACT

OFFICIAL NAME	THE LIMITATION ACT, 1963
ACT NO.	ACT NO. 36 OF 1963
PASSED ON	5TH OCTOBER, 1963
COMMENCEMENT DATE	1ST JANUARY, 1964
PARTS	V
REPEALED PROVISIONS	SECTION 28, SECTION 32
SCHEDULE	1
SECTIONS	32

PART I: PRELIMINARY (S. 1-2)

Sec 1. Short title, extent and commencement

- (1) This Act may be called the Limitation Act, 1963.
- (2) It extends to the whole of India.
- (3) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

Sec 2. Definitions

In this Act, unless the context otherwise requires, —

- (a) “**Applicant**” includes—
 - (i) a petitioner;
 - (ii) any person from or through whom an applicant derives his right to apply;
 - (iii) any person whose estate is represented by the applicant as executor, administrator or other representative;
- (b) “**Application**” includes a petition;
- (c) “**Bill of exchange**” includes a hundi and a cheque;
- (d) “**Bond**” includes any instrument whereby a person obliges himself to pay money to another, on condition that the obligation shall be void if a specified act is performed, or is not performed, as the case may be;
- (e) “**Defendant**” includes—
 - (i) any person from or through whom a defendant derives his liability to be sued;
 - (ii) any person whose estate is represented by the defendant as executor, administrator or other representative;
- (f) “**Easement**” includes a right *not arising from contract*, by which one person is entitled to remove and appropriate for his own profit any part of the soil belonging to another or anything growing in, or attached to, or subsisting upon, the land of another;
- (g) “**Foreign country**” means any country other than India;

¹ 1st January, 1964, vide notification No. S.O. 3118, dated 29th October, 1963, see Gazette of India, Part II, sec. 3 (ii).

Amended in West Bengal by W.B. Act 18 of 1977. 1st September, 1984, vide notification No. S.O. 647(C), in respect of the State of Sikkim dated 24th August, 1984, see Gazette of India, Part II, sec. 3(ii).

- (h) **“Good faith”**—nothing shall be deemed to be done in good faith which is not done **with due care and attention**;
- (i) **“Plaintiff”** includes—
- (i) any person from or through whom a plaintiff derives his right to sue;
 - (ii) any person whose estate is represented by the plaintiff as executor, administrator or other representative;
- (j) **“Period of limitation”** means the period of *limitation prescribed for any suit, appeal or application by the Schedule*, and **“prescribed period”** means the period of limitation computed in accordance with the provisions of this Act;
- (k) **“Promissory note”** means *any instrument whereby the maker engages absolutely to pay a specified sum of money to another at a time therein limited, or on demand, or at sight*;
- (l) **“Suit”** **does not include** an appeal or an application;
- (m) **“Tort”** means *a civil wrong which is not exclusively the breach of a contract or the breach of a trust*;
- (n) **“Trustee”** does *not include* a benamidar, a mortgagee remaining in possession after the mortgage has been satisfied or a person in wrongful possession without title.

PART II: LIMITATION OF SUITS, APPEALS AND APPLICATIONS (S. 3-11)

Sec 3. Bar of limitation

- (1) Subject to the provisions contained in sections 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.*
- (2) For the purposes of this Act, —
- (a) a suit is instituted, —
 - (i) in an ordinary case, when the *plaint is presented to the proper officer*;

- (ii) in the case of a pauper², when his application *for leave to sue* as a pauper is made; and
 - (iii) in the case of a claim against a company which is *being wound up* by the court, when the *claimant first sends in his claim to the official liquidator*;
- (b) any *claim by way of a set off or a counter claim*, shall be *treated as a separate suit* and shall be *deemed* to have been instituted—
- (i) in the *case of a set off*, on the same date as the *suit in which* the set off is pleaded;
 - (ii) in the *case of a counter claim*, on the date *on which* the counter claim is made in court;
- (c) an application by *notice of motion*³ in a High Court is made, when the application is presented to the proper officer of that court.

Sec 4. Expiry of prescribed period when court is closed

Where the prescribed period for any *suit, appeal or application* expires on a day when the court is closed, the suit, appeal or application may be instituted, preferred or made on the day when the *court re-opens*.

Explanation. —A court shall be *deemed to be closed* on any day within the meaning of this section *if during any part of its normal working hours it remains closed on that day*.

Sec 5. Extension of prescribed period in certain cases

Any appeal or any application, other than an application under any of the provisions of Order XXI of the Code of Civil Procedure, 1908, *may be admitted after the prescribed period* if the appellant or the *applicant satisfies* the court that he *had sufficient cause* for not preferring the appeal or making the application within such period.

Explanation. —The fact that the appellant or the applicant was *missed by any order, practice or judgment of the High Court in ascertaining or computing the prescribed period* may be sufficient cause within the meaning of this section

² An impoverished person who is supported at public expense; an indigent litigant who is permitted to sue or defend without paying costs; an impoverished criminal defendant who has a right to receive legal services without charge.

³ A notice of motion is a written application to the Court. This document requests the Court to issue a ruling or order on a legal matter. These motions are the first step a party must take before the Court can weigh in on a legal matter.

LEGAL DISABILITY

6. Legal disability

- (1) Where a person entitled
- to institute a **suit** or
 - make an **application**
 - **for the execution of a decree is,**
 - at the time *from which the prescribed period is to be reckoned,*
 - **a minor or insane, or an idiot,**
 - he may institute the suit or make the application
 - within the same period *after the disability has ceased,*
 - as would otherwise have been allowed from the time specified therefor in the third column of the Schedule.
- (2) Where such person is,
- at the time from which the prescribed period is to be reckoned,
 - affected *by two such disabilities,* or
 - where, before his disability has ceased,
 - he is *affected by another disability,*
 - he may institute the suit or make the application within the same period *after both disabilities have ceased,*
 - as would otherwise have been allowed from the time so specified.
- (3) Where the *disability continues up to the death of that person,* his **legal representative** may institute or make the application *within the same period after the death,* as would otherwise have been allowed from the time so specified.
- (4) Where the legal representative referred to in sub-section (3) is, at the date of the death of the person whom he represents, *affected by any such disability, the rules contained sub-sections (1) and (2) shall apply.*
- (5) Where a *person under disability* **dies after the disability ceases** but within the period allowed to him under this section, his legal representative may institute the suit or make the application within the same period after the death, as would otherwise have been available to that person had he not died.

Explanation. - For the purposes of this section, “*minor*” includes a child in the womb.

Sec 7. Disability of one of several persons.

Where *one of several persons*

- *jointly entitled to institute a suit or*
- *make an application*
- for the execution of a decree is *under any such disability*,
- and a discharge⁴ can be given without the concurrence of such person,
- time will run against them all; but,
- where **no such discharge can be given**,
- time will not run as against any of them
- until one of them becomes capable of giving such discharge without the concurrence of the others or until the disability has ceased.

Explanation I.—This section applies to a discharge from every kind of liability, including a liability in respect of any immovable property.

Explanation II. —For the purposes of this section, the **Manager of a Hindu undivided family** governed by the Mitakshara law *shall be deemed to be capable of giving a discharge* without the concurrence of the other members of the family only if he is in management of the joint family property.

Sec 8. Special exceptions

Nothing in **section 6 or in section 7** applies

- to suits **to enforce rights of pre-emption⁵**, or
- shall be deemed to extend, *for more than three years from the cessation of the disability or the death of the person* affected thereby, the period of limitation for any suit or application.

Sec 9. Continuous running of time.

Where *once time has begun to run*, no subsequent disability or inability to institute a suit or make an application stops it:

Provided that, where letters of administration to the estate of a creditor have been granted to his debtor, the running of the period of limitation for a suit to recover the debt shall be suspended while the administration continues.

Sec 10. Suits against trustees and their representatives.

Notwithstanding anything contained in the foregoing provisions of this Act, no suit against a person

⁴ See Explanation I

⁵ A pre-emption right, right of pre-emption, or first option to buy is a contractual right to acquire certain property newly coming into existence before it can be offered to any other person or entity.

- in whom property has become vested in trust for any specific purpose, or
- against his legal representatives or
- assigns (not being assigns for valuable consideration),
- for the purpose of following in his or their hands such property, or
- the proceeds thereof, or
- for an account of such property or proceeds, shall be barred by any length of time.

Explanation.—For the purposes of this section any property comprised in a *Hindu, Muslim or Buddhist religious or charitable endowment shall be deemed to be property vested in trust for a specific purpose* and the manager of the property shall be deemed to be the trustee thereof.

Sec 11. Suits on contracts entered into outside the territories to which the Act extends.

- (1) Suits *instituted in the territories to which this Act extends* on contracts entered into in the State of Jammu and Kashmir⁶ or in a foreign country **shall be subject to the rules of limitation contained in this Act.**
- (2) No rule of limitation in force in the State of Jammu and Kashmir⁷ or in a foreign country shall be a defence to a suit instituted in the said territories on a contract entered into in that State or in a foreign country unless—
- (a) the rule has extinguished the contract; and
 - (b) the parties were domiciled in that State or in the foreign country during the period prescribed by such rule.

PART III: COMPUTATION OF PERIOD OF LIMITATION

(S. 12-24)

Sec 12. Exclusion of time in legal proceedings.

- (1) In computing the period of limitation *for any suit, appeal or application, the day from which such period is to be reckoned, shall be excluded.*
- (2) In computing the period of limitation

⁶ Now after Jammu and Kashmir Reorganization act, 2019, it also extends to jammu and kashmir

⁷ *Ibid*

- for an *appeal or an application for leave to appeal or for revision or for review* of a judgment,
- the day on which the judgment complained of was **pronounced** and
- the *time requisite for obtaining a copy of the decree*, sentence or order appealed from or sought to be revised or reviewed
- **shall be excluded.**

(3) Where a decree or order

- is **appealed** from or
- sought to be **revised or reviewed**, or
- where an application is made for **leave to appeal from a decree or order**,
- the time requisite for obtaining a copy of the judgment **shall also be excluded.**

(4) In computing the period of limitation for an *application to set aside an award*, the time requisite for obtaining a copy of the award shall be excluded.

Explanation. —In computing under this section the **time requisite for obtaining a copy of a decree or an order**, any time taken by the court to prepare the decree or order **before an application for a copy thereof is made** shall not be excluded.

Sec 13. Exclusion of time in cases where leave to sue or appeal as a pauper is applied for

In computing the period of limitation prescribed

- for any **suit or appeal** in any case
- where an *application for leave to sue or appeal as a pauper* has been made and rejected,
- the *time during which the applicant has been prosecuting in good faith*
- his application for such leave shall be excluded,
- and the court may, on payment of the court fees prescribed for such suit or appeal, treat the suit or appeal as having the same force and effect as if the court fees had been paid in the first instance.

Sec 14. Exclusion of time of proceeding bona fide in court without jurisdiction.

- (1) In computing the period of limitation **for any suit** the *time during which the plaintiff has been prosecuting with due diligence another civil proceeding*, whether in a court of first instance or of appeal or revision, against the defendant, shall be excluded, where the proceeding relates to the same matter in issue and is prosecuted in good faith in a court which, from defect of jurisdiction or other cause of a like nature, is unable to entertain it.
- (2) In computing the period of limitation **for any application**, the time during which the applicant has been prosecuting with due diligence another civil proceeding, whether in a

court of first instance or of appeal or revision, against the same party for the same relief, shall be excluded, where such proceeding is *prosecuted in good faith* in a court which, from defect of jurisdiction or other cause of a like nature, is unable to entertain it.

- (3) Notwithstanding anything contained in **rule 2 of Order XXIII**⁸ of the Code of Civil Procedure, 1908 (5 of 1908), the provisions of *sub-section (1) shall apply in relation to a fresh suit instituted on permission granted by the court under rule 1 of that Order*, where such permission is granted on the ground that the first suit must fail by reason of a defect in the jurisdiction of the court or other cause of a like nature.

Explanation. —For the purposes of this section, —

- (a) in excluding the time during which a former civil proceeding was pending, *the day on which that proceeding was instituted and the day on which it ended* shall both be counted;
- (b) a plaintiff or an applicant *resisting an appeal shall be deemed to be prosecuting a proceeding*;
- (c) *misjoinder of parties or of causes of action* shall be deemed to be a cause of a like nature with defect of jurisdiction.

Sec 15. Exclusion of time in certain other cases.

- (1) In computing the period of limitation of
- any suit or application
 - for the execution of a decree,
 - *the institution or execution of which has been stayed by injunction or order*,
 - the time of *the continuance of the injunction or order*,
 - *the day on which it was issued or made*, and
 - the day on which it was withdrawn,

shall be excluded.

- (2) In computing the period of limitation
- for any suit *of which notice has been given*, or
 - for which the *previous consent or sanction of the Government or any other authority is required*,
 - in accordance with the requirements of any law for the time being in force,
 - the period of such notice or, as the case may be,
 - the *time required for obtaining such consent or sanction shall be excluded*.

⁸ (2) An application for leave under the proviso to sub-rule (1) shall be accompanied by an affidavit of the next friend and also, if the minor or such other person is represented by a pleader, by a certificate of the pleader to the effect that the abandonment proposed is, in his opinion, for the benefit of the minor or such other person.

Explanation. —In excluding the time required *for obtaining the consent or sanction* of the Government or any other authority, *the date on which the application was made for obtaining the consent or sanction and the date of receipt of the order* of the Government or other authority shall both be counted.

(3) In computing the period of limitation

- for any suit or application for execution of a decree
- **by any receiver or interim receiver**
- appointed in proceedings for the adjudication of a person as an insolvent or
- **by any liquidator or provisional liquidator**
- appointed in proceedings for the winding up of a company,

the period beginning with the date of institution of such proceeding and ending with the expiry of three months from the date of appointment of such receiver or liquidator, as the case may be, shall be excluded.

(4) In computing the period of limitation

- *for a suit*
- *for possession*
- by a purchaser at a sale
- in execution of a decree,

the *time during which a proceeding to set aside the sale has been prosecuted* shall be excluded.

(5) In computing the period of limitation for any suit the *time during which the defendant has been absent from India and from the territories outside India* under the administration of the Central Government, shall be excluded.

Sec 16. Effect of death on or before the accrual of the right to sue

(1) Where a person who would, if he were living, have a right to institute a suit or make an application *dies before the right accrues*, or

where a right to institute a suit or make an application accrues *only on the death of a person*,

the period of limitation shall be computed from the time when there is a legal *representative of the deceased capable of instituting such suit or making such application*.

(2) Where a person **against whom**, if he were living, a right to institute a suit or make an application would have accrued, *dies before the right accrues*, or

where a right to institute a suit or make an application **against any person** accrues on the death of such person,

the period of limitation shall be computed from the time when there is a legal representative of the deceased against whom the plaintiff may institute such suit or make such application.

- (3) Nothing in sub-section (1) or sub-section (2) applies to
- suits to enforce rights of pre-emption or
 - to suits for the possession of immovable property or
 - of a hereditary office.

Sec 17. Effect of fraud or mistake.

- (1) Where, in the case of any suit or application for which a period of limitation is prescribed by this Act, —
- (a) the suit or application is **based upon the fraud** of the defendant or respondent or his agent; or
 - (b) **the knowledge of the right or title** on which a suit or application is founded is concealed by the fraud of any such person as aforesaid; or
 - (c) the suit or application is for relief from the consequences of a mistake; or
 - (d) where any document necessary to establish the right of the plaintiff or applicant has been fraudulently concealed from him,

the period of limitation *shall not begin to run until the plaintiff or applicant has discovered the fraud or the mistake* or could, with reasonable diligence, have discovered it; or in the case of a concealed document, until the plaintiff or the applicant first had the means of producing the concealed document or compelling its production.

Provided that nothing in this section shall enable any suit to be instituted or application to be made *to recover or enforce any charge against, or set aside any transaction affecting*, any property which—

- (i) **in the case of fraud**, has been purchased for valuable consideration by a person *who was not a party to the fraud and did not at the time of the purchase know, or have reason to believe, that any fraud had been committed*, or
 - (ii) **in the case of mistake**, has been purchased for valuable consideration subsequently to the transaction in which the mistake was made, by a person who did not know, or have reason to believe, that the mistake had been made, or
 - (iii) **in the case of a concealed document**, has been purchased for valuable consideration by a person who was not a party to the concealment and, did not at the time of purchase know, or have reason to believe, that the document had been concealed.
- (2) Where a judgment-debtor has, by fraud or force, prevented the execution of a decree or order within the period of limitation, the court may, on the application of the judgment-creditor made *after the expiry of the said period extend the period for execution of the decree or order*:

Provided that such *application is made within one year from the date of the discovery of the fraud or the cessation of force*, as the case may be.

Sec 18. Effect of acknowledgment in writing.

(1) Where, *before the expiration of the prescribed period*

- for a suit or application
- in *respect of any property or right*,
- an *acknowledgment of liability* in respect of such property or right has been made in writing
- signed by the party *against whom* such property or right is claimed, or
- by any person through whom he derives his title or liability,
- *a fresh period of limitation shall be computed from the time when the acknowledgment was so signed.*

(2) Where the writing containing the acknowledgment is *undated, oral evidence may be given of the time when it was signed*; but subject to the provisions of the Indian Evidence Act, 1872, oral evidence of its contents shall not be received.

Explanation. —For the purposes of this section, —

(a) an acknowledgment may be sufficient though

- it omits to specify the exact nature of the property or right, or
- avers that the time for payment, delivery, performance or enjoyment has not yet come or
- is accompanied by a refusal to pay, deliver, perform or permit to enjoy, or
- is coupled with a claim to set off, or
- is addressed to a person other than a person entitled to the property or right,

(b) the word “signed” means signed either personally or by an agent duly authorised in this behalf, and

(c) *an application for the execution of a decree or order shall not be deemed to be an application in respect of any property or right.*

Sec 19. Effect of payment on account of debt or of interest on legacy

Where payment *on account of a debt or of interest on a legacy* is made before the expiration of the prescribed period by the person liable to pay the debt or legacy or by his agent duly authorised in this behalf, *a fresh period of limitation shall be computed from the time when the payment was made:*

Explanation.—For the purposes of this section, —

- (a) where mortgaged land is in the possession of the mortgagee, *the receipt of the rent or produce of such land shall be deemed to be a payment*;
- (b) “**debt**” does not include money payable under a decree or order of a court.

Sec 20. Effect of acknowledgment or payment by another person

- (1) The expression “agent duly authorised in this behalf” in sections 18 and 19 shall, in the case of a person under disability, includes
 - his lawful guardian,
 - committee or manager or
 - an agent duly authorised by such guardian, committee or manager to sign the acknowledgment or make the payment.
- (2) Nothing in the said sections renders one of several joint contractors, partners, executors or mortgagees **chargeable by reason** only of a written acknowledgment signed by, or of a payment made by, or by the agent of, any other or others of them.
- (3) For the purposes of the said sections, —
 - (a) an acknowledgment signed or a payment made in respect of any liability by, or by the duly authorised agent of, any limited owner of property who is governed by Hindu law, shall be a valid acknowledgment or payment, as the case may be, against a reversioner succeeding to such liability; and
 - (b) where a liability has been incurred by, or on behalf of a Hindu undivided family as such, an acknowledgment or payment made by, or by the duly authorised agent of, the manager of the family for the time being shall be deemed to have been made on behalf of the whole family.

Sec 21. Effect of substituting or adding new plaintiff or defendant

- (1) Where after the institution of a suit, a new plaintiff or defendant is substituted or added, the suit shall, **as regards him**, be deemed to have been instituted when he was so made a party:

Provided that where the court is satisfied that the omission to include a new plaintiff or defendant was due to a mistake made in good faith it may direct that the suit as regards such plaintiff or defendant shall be deemed to have been instituted on any earlier date.

- (2) Nothing in sub-section (1) shall apply to a case where a party is ***added or substituted owing to assignment or devolution of any interest during the pendency of a suit or where a plaintiff is made a defendant or a defendant is made a plaintiff.***

Sec 22. Continuing breaches and torts

In the case of a continuing breach of contract or in the case of a continuing tort, *a fresh period of limitation begins to run at every moment of the time during which the breach or the tort*, as the case may be, continues.

Sec 23. Suits for compensation for acts not actionable without special damage.

In the case of a suit for compensation for an act which does not give rise to a cause of action unless some specific injury actually results therefrom, the period of limitation shall be computed from the time **when the injury results**.

24. Computation of time mentioned in instruments.

All instruments shall for the purposes of this Act be deemed to be made with reference to the **Gregorian calendar**.

PART IV: ACQUISITION OF OWNERSHIP BY POSSESSION

(S. 25- 27)

Sec. 25. Acquisition of easements by prescription

- (1) Where the **access** and **use of light** or **air** to and
- for any building have been **peaceably enjoyed** therewith *as an easement*,
 - and **as of right**,
 - **without interruption**, and
 - **for twenty years**, and
 - where **any way** or
 - **watercourse** or
 - the **use of any water** or
 - any other easement (whether affirmative or negative)
 - has been **peaceably and openly enjoyed** by any person
 - *claiming title thereto as an easement* and
 - as of right **without interruption** and **for twenty years**,

the right to such access and use of light or air, way, watercourse, use of water, or other easement **shall be absolute and indefeasible.**

- (2) Each of the said periods of twenty years shall be taken to be a period *ending within two years* next before the institution of the suit wherein the claim to which such period relates is contested.
- (3) Where the property over which a right is claimed under sub-section (1) **belongs to the Government** that sub-section shall be read as if for the words “twenty years” the words “thirty years” were substituted.

Explanation.—Nothing is an interruption within the meaning of this section, unless where there is an actual discontinuance of the possession or enjoyment by reason of an obstruction by the act of some person other than the claimant, and unless such obstruction is submitted to or acquiesced in for one year after the claimant has notice thereof and of the person making or authorising the same to be made.

Sec 26. Exclusion in favour of reversioner of serivent tenement

Where

- any land or
- water
- upon,
- over or
- from,
- which any easement has been enjoyed or derived
- has been held under or
- by virtue of any interest for life or
- in terms of years exceeding three years from the granting thereof,
- the time of the enjoyment of such easement during the continuance of such interest or
- term shall be excluded in the computation of the period twenty years in case the claim is,
- within three years next after the determination of such interest or
- term resisted by the person entitled on such determination to the said land or water.

Sec 27. Extinguishment of right to property.

At the determination of the period hereby limited to any person for instituting a suit for possession of any property, his right to such property shall be extinguished.

PART V: MISCELLANEOUS (S. 28- 32)

Sec 28. *Repealed*

Sec 29. Savings.

- (1) Nothing in this Act shall affect section 25⁹ of the Indian Contract Act, 1872.
- (2) Where any special or local law prescribes for any suit, appeal or application a period of limitation different from the period prescribed by the Schedule, the provisions of section 3 (***bar of limitation***) shall apply as if such period were the period prescribed by the Schedule and for the purpose of determining any period of limitation prescribed for any suit, appeal or application by any special or local law, the provisions contained in sections 4 to 24 (inclusive) shall apply only in so far as, and to the extent to which, they are not expressly excluded by such special or local law.
- (3) Save as otherwise provided in any law for the time being in force **with respect to marriage and divorce, nothing in this Act shall apply to any suit or other proceeding under any such law.**
- (4) *Sections 25 and 26 and the definition of “easement” in section 2 shall not apply to cases arising in the territories to which the Indian Easements Act, 1882 (5 of 1882), may for the time being extend.*

Sec 30. *Outdated*

Sec. 31. *Outdated*

Sec. 32. *Repealed*

Note- For Schedule, see Original Act.

⁹ 25. Agreement without consideration, void, unless it is in writing and registered or is a promise to compensate for something done or is a promise to pay a debt barred by limitation law.

The lawmatics