



CR-3947-2025 (O&M)

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**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH**

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CR-3947-2025 (O&M)

Date of decision: 25.08.2025

TATA MOTORS FINANCE LTD

...Petitioner

Versus

AMANDEEP

...Respondent

CORAM: HON'BLE MS. JUSTICE HARPREET KAUR JEEWAN

Present: Mr. Sanjeev Goyal, Advocate with
Mr. Aksham Sharma, Advocate
for the petitioner.

HARPREET KAUR JEEWAN, J.**CM-15417-CII-2025**

1. The present application filed by the petitioner for placing on record the Award dated 31.10.2023 passed by the sole Arbitrator as Annexure P-7 is allowed.

2. Annexure P-7 is taken on record subject to all just exceptions.

Main case

1. Prayer in the present petition filed under Article 227 of the Constitution of India is for setting aside the order dated 31.05.2025 (Annexure P-1), whereby the First Appellate Court dismissed the application filed by the petitioner-defendant under Order VII Rule 11 of the Code of Civil Procedure, 1908 (*for short, 'the CPC'*), by setting aside the order passed by the trial Court,



Bathinda.

2. Learned counsel for the petitioner submits that there was an arbitration clause in the agreement *inter se* the parties and the Arbitration Award dated 31.10.2023 (Annexure P-7) was passed by the sole Arbitrator. As such, the jurisdiction of the Civil Court was barred. However, the application filed on behalf of the petitioner under Order 7 Rule 11 (d) CPC for rejection of the plaint was dismissed by the First Appellate Court while setting aside the order passed by the trial Court. He further submits that the Civil Court has no jurisdiction, as such, the plaint was rightly rejected by the Civil Judge and the First Appellate Court erred in accepting the appeal.

3. Keeping in view the facts and circumstances of the case, issuance of notice to the respondent is dispensed with.

4. The First Appellate Court observed that only the statements made in the plaint are to be considered while determining whether a case is made out for rejection of the plaint and made the following observations:

"10. Order 7 Rule 11(d) CPC mandates rejection of a plaint only where the suit appears, from the statements in the plaint itself, to be barred by any law and it reads as under:

"Order VII Rule 11 - Rejection of Plaint: The plaint shall be rejected in the following cases:

(d) Where the suit appears from the statement in the plaint to be barred by any law;

11. It is a settled principle of law that only the averments in the plaint must be looked into and not the defence pleadings or external evidence. Hon'ble Supreme Court in *Popat and Kotecha Property v. State Bank of India Staff Assn.*, (2005) 7 SCC 510, has held inter alia that

"Under Order 7 Rule 11(d) of the CPC, the court is required to examine the plaint as a whole to determine whether the suit is barred by any law. The plea of bar must be apparent from the plaint itself. The pleas taken in the written statement cannot be the basis for rejection of the plaint under this provision."



12. It is also pertinent to refer to the recent decision of the Hon'ble Supreme Court in *Vinod Infra Developers Ltd. v. Mahaveer Lunia*, 2025 INSC 772, wherein the Hon'ble Court elucidated the legal position regarding the rejection of a plaint under Order VII Rule 11 of the Code of Civil Procedure, 1908. The Hon'ble Supreme Court held that rejection of a plaint is permissible only when, on a plain reading, without considering the defence, the plaint fails to disclose a cause of action, is barred by any law, is undervalued, or is insufficiently stamped. The Hon'ble Court emphasized that at this preliminary stage, the examination must be confined strictly to the averments in the plaint, without delving into the merits or veracity of the claims. If any triable issue arises from the pleadings, the suit cannot be summarily rejected.

13. The learned Trial Court erred in relying upon the arbitration clause and award annexed by the respondent (defendant), since such documents do not form part of the plaint.

14. Hon'ble Supreme Court in *Sopan Sukhdeo Sable v. Assistant Charity Commissioner*, (2004) 3 SCC 137, has emphasized that:

"The defence taken by the defendant in his written statement or materials produced by the defendant cannot be the basis for rejection of the plaint under Order 7 Rule 11(d)."

15. Reverting to the present case and even assuming an arbitration clause exists, the maintainability of a civil suit must be evaluated based solely on what is pleaded in the plaint. The appellant (plaintiff) pleaded wrongful repossession, not adjudication of contractual dues. Hence, even assuming there was an arbitral award, this does not ipso facto bar an injunction suit concerning illegal possession tactics, which are torts independent of contract.

16. In *Kvaerner Cementation India Ltd. v. Bajrangial Agarwal*, (2012) 5 SCC 214, it has been held that the existence of an arbitration clause does not by itself oust the jurisdiction of the civil court unless the relief sought is solely referable to the arbitration agreement.

17. In view of discussion made above, the rejection of the plaint under Order 7 Rule 11(d) CPC was premature and illegal, as the plea of bar was not apparent from the plaint. The learned Trial Court wrongly relied upon the annexures provided by the respondent (defendant) and failed to test the maintainability based solely on the plaint. The civil court retains jurisdiction over tortious acts like illegal repossession even where arbitration agreements exist.

18. The procedure adopted by the learned Trial Court contravenes the well-settled principles of law, as only the statements made in the plaint are to be considered when determining whether a case is made out for rejection of the plaint. On this ground alone, the impugned order is unsustainable."



5. Learned counsel for the petitioner failed to point out that the respondent-plaintiff had pleaded such facts in the plaint which indicate that the plaint was barred by any law.

6. Learned counsel for the petitioner contends that the respondent-plaintiff has concealed material facts about the arbitration clause in the agreement and the arbitral award having been passed against him.

7. I have considered the aforesaid submissions and perused the paper-book.

8. Perusal of the Arbitration Award (Annexure P-7) clearly indicates that the award was passed in the absence of the respondent-plaintiff as it is an ex parte award. Moreover, it is observed that the respondent-plaintiff is a resident of District Sirsa, Haryana, whereas the Arbitration Award was passed in Mumbai. The petitioner has failed to place on record any document reflecting that the seat of arbitration was fixed or agreed upon between the parties in the Arbitration Award.

9. The First Appellate Court has properly dealt with the factual matrix and legal points involved in the present case.

10. It is well settled that under Order VII Rule 11 (d) CPC, the plaint can be rejected where the suit appears from the plaint to be barred by any law. However, in the present case there is nothing on record that the plaintiff was aware of the Arbitration Award having been passed against him.

11. As such, the trial Court has rightly taken note of the factual aspect and accepted the appeal while dismissing the order passed by the trial Court whereby the plaint was ordered to be rejected.



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12. No illegality or irregularity is found in the order of trial Court.
13. Consequently, the present petition is devoid of merits and is dismissed.
14. All the pending miscellaneous applications, if any, shall stand disposed of.

(HARPREET KAUR JEEWAN)
JUDGE

25.08.2025

P.Bhatt/*Atulsethi*

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No