

Section 14 of Limitation Act applies to set-aside proceedings (Supreme Court)

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Oriental Insurance Co. Ltd. v. M/s Tejparas Associates & Exports Pvt. Ltd

Court: Delhi High Court| **Case number:** Civil Appeal No. 6524 OF 2009| **Citation:** 2019 SCC OnLine SC 1281| **Bench:** R. Bhanumathi, A. S. Bopanna JJ| **Date:** 3 October 2019

Section 14 of the Limitation Act, 1963 (“**Limitation Act**”) provides for exclusion of time of proceeding *bona fide* in court without jurisdiction. Does it apply to an application under Section 34 of the Arbitration and Conciliation Act, 1996 (“**ACA**”)?

Yes, if the Section 34-application was in the first instance filed in time. This is what this 2-judge bench has reiterated following an earlier 3-judge bench decision in *Consolidated Engineering Enterprises v. Principal Secretary, Irrigation Department and others*, (2008) 7 SCC 169.

The facts are somewhat one-off and are summarized here for the interested reader. Oriental Insurance had filed within limitation a Section 34-application at Jaipur, but the court there concluded it did not have jurisdiction and sent the matter to the court at Jodhpur. It also fixed a date for parties to appear. But, there was delay of 8 -days by Oriental in re-presentation of its application. Since the respondent objected on limitation, Oriental filed an application under Section 14 of the Limitation Act to exclude the time consumed at Jaipur. The Jodhpur court rejected the application and the High Court affirmed that rejection. The Supreme Court was of the view that the Section 14-application was not necessary in the first place (“a knee jerk reaction”) and since the actual issue was delay in re-presenting the application, the correct course was to make an application (under Code of Civil Procedure, 1908) to the Jaipur court to extend the time fixed by it to appear in court at Jodhpur. The Supreme Court nonetheless made its observations on the Section 14 aspect.