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EQUITABLE SET-OFF UNDER THE CPC: BRIDGING CODIFIED LAW AND SUBSTANTIVE JUSTICE

AUTHORED BY - DINESHK JAIN¹

ABSTRACT

Doctrine of Equitable Set-off is one of the oldest and well-settled principles of civil procedure used to do justice in an expeditious manner. By establishing the framework for the settlement of all opposing claims and counterclaims in a single proceeding, it tries to prevent a weak, surface-level approximation of justice. Meanwhile, Order VIII Rule 6 of the Code of Civil Procedure, 1908 (CPC) provides for legal set-off, which is limited to determined sums subject to strict mutuality. However, situations where cross-demands are present in the same transaction but have not been settled or are of an equitable nature are not covered by this express facility. The Indian courts created the equitable set-off concept, a judicial construct based on conscience rather than law, to close this moral and procedural divide.

The research paper argues that equitable set-off is the moral core of CPC, which also seeks to prevent procedural symmetry from superseding substantive justice, rather than being a simple exception. Based on English Chancery equity and developed by Indian precedent, it functions based on Section 151 and Order XX Rule 19(3) of the CPC which preserve the inherent power of the court to prevent injustice. The doctrine's origins, the development of the doctrine and its judicial treatment in the Indian context are unpacked in this article. It considers equitable set-off in comparison with legal set-off and counter-claims, explores its discretionary element, assesses its strengths and weaknesses and finally gauges the potential to be invoked in commercial, arbitral and insolvency situations.

Finally, the article argues that equitable set-off turns CPC from a mechanical code into a dynamic instrument of equity. By promoting fairness when the statute is silent, it preserves the moral authority of civil procedure and reiterates that this principle successfully validates that the procedure should be the handmaiden and not the master of justice.

¹ The author is a student of B. Com. LL.B. (Hons.) at Jindal Global Law School, O.P. Jindal Global University

KEYWORDS: Equitable set-off, Order XX Rule 19(3) of CPC, Section 151 of CPC, Legal set-off, Counter-claim, Procedure, Equity, Same Transaction Test, Close Connection Test, Substantive Justice.

INTRODUCTION

Civil Procedure isn't merely a set of technical regulations; it's the framework that allows the law to achieve justice. As a procedural tool allowing reciprocal claims of same parties to be offset in a single trial, the concept of set-off stands between form and fairness, ensuring that the decision reflects substantive justice rather than purely mechanistic formalism. By preventing multiple litigation and encouraging reciprocity, it improves adjudicatory process's effectiveness and integrity.²

Legal set-off is codified in O.8 R.6, CPC³, which allows a defendant to recover a determinate amount lawfully from the plaintiff, when the debts are mutual and owed in the same capacity. Although it guarantees procedural economy, its limited application to determined amounts highlights the ongoing conflict between equity's flexibility and codification's rigidity.

The idea of equitable set-off emerges in this situation. Unreferenced in legislation; it's a discretionary principle developed by the courts, permitting adjustment of claims so closely associated with each other that separate enforcement would mean injustice.⁴ Enthused by English jurisprudence and internalized in Indian law through successive judicial construction, the doctrine functions under S.151 read with Order XX Rule 19(3), CPC, thereby preventing procedural form from becoming an obstacle to justice.⁵

This paper proceeds from the central lens that equitable set-off, though uncoded, functions as a judicial equilibrium between the rigor of procedural law and the demands of substantive justice. Adopting doctrinal and analytical approach, it interprets the statutory framework alongside judicial precedents and comparative authority to demonstrate how equity survives within codified procedure.⁶ It argues that equitable set-off isn't an exception to the Code but

² C.K. Takwani, *Civil Procedure with Limitation Act 1963* (9th edn, EBC 2021) 272–277.

³ Code of Civil Procedure 1908, Order VIII r.6 (CPC).

⁴ D.F. Mulla, *The Code of Civil Procedure* (19th edn, LexisNexis 2021) vol 2.

⁵ CPC, Order XX r.19(3); s.151.

⁶ Dushyant Thakur, 'Invoking Equity Jurisdiction of the Indian Supreme Court: Scope and Limits' (2022) 8(1) NLIU Law Review 119.

its affirmation, the expression of its conscience, ensuring that in civil justice, form yields to fairness and law remains subservient to equity.⁷

CHAPTER 1: HISTORICAL FOUNDATIONS

Origins and Evolution of Set-Off

The doctrine of set-off arose to prevent multiplicity of suits and ensure balanced adjudication. Under early common law, defendant had to discharge the plaintiff's full claim before asserting any counter-demand; a manifest injustice corrected by the *Statutes of Set-Off 1729, 1735*, which allowed deduction of mutual liquidated debts in one action.⁸ Efficiency, however, was achieved at the cost of fairness.

CPC internalized this efficiency model, which consolidated pleadings, set-off, and counter-claim under O.8 R.6, codifying *legal set-off*, limited to ascertained, legally recoverable sums arising in the same capacity; Rules 6A–6G later introduced counter-claims.⁹ Yet cross-claims that were unliquidated or equitable and intimately linked to the plaintiff's demand remained outside its reach, revealing the enduring tension between procedural certainty and substantive justice.

Rise of Equitable Set-Off in English Jurisprudence

Equity gradually subdued the rigidity of common law procedure. *Rawson*¹⁰ held that a defendant may rely on a cross-demand that impeaches the justice of plaintiff's claim and goes to the root of it. This *impeachment-of-title* principle allowed set-off not on technical reciprocity but on moral interconnectedness. *Hanak* reformulated that equitable set-off arises wherever claims are so closely connected that it would be manifestly unjust to enforce one without regard to the other.¹¹

After the Judicature Acts 1873–75, which unified law and equity, this moral corrective became part of procedural law and rests not on mutual debts but on the justice of preventing inconsistent enforcement.¹² Thereby, English law transformed set-off from a narrow accounting device into a conscience-based defence, a principle grounded in fairness and guided by the maxim *aequitas*

⁷ Andrew Berriman, 'Classical Equitable Set-Off' (2013) 25(2) *Bond Law Review* 15.

⁸ S.R. Derham, 'Set-Off and Agency' (1985) 44(3) *The Cambridge Law Journal*.

⁹ Sarkar, *Code of Civil Procedure* (12th edn, LexisNexis 2017) vol 1, 901.

¹⁰ *Rawson v Samuel* (1841) 1 Cr & Ph 161.

¹¹ *Hanak v Green* [1958] 2 QB 9.

¹² Willis B Perkins, 'The English Judicature Act of 1873' (1914) 12 *Michigan LR* 277; P.G. Turner, 'Equitable Set-Off' in *Commercial Remedies: Resolving Controversies* (Cambridge UP 2017) 465–488.

agit in personam.¹³

CHAPTER 2: THE PRESSING NEED FOR EQUITABLE SET-OFF IN INDIA

O.8 R.6 codifies legal set-off, which institutionalises procedural efficiency, but as discussed, its limits benefit only to *certain and mutually owned sums*, excluding unliquidated or contingent claims, however intimately connected they may be. The right is absolute and a mechanical rule of efficiency, not of conscience.¹⁴

Judiciary soon exposed the inadequacy of this rigidity. In *Ashok Kumar Kalra*¹⁵ and *Lakshmichand*¹⁶ courts held that legal set-off is statutory and can't extend to unascertained claims, observing that equity couldn't enlarge a codified rule while in *Jamnadas*, it held that separate decrees could still be passed.¹⁷ Likewise, Court in *Bhupendra Narain Singh* highlighted same transactions test and the anomaly of compelling separate suits for cross-demands springing from the same contract, thereby frustrating the very purpose of procedural consolidation.¹⁸ Through these cases it's evident that the Code's aim, to assure certainty, defeated fairness: procedure triumphed when justice demanded reciprocation.

Recognizing this void, the SC in *Karam Chand Thapar*¹⁹ held that O.8 R.6 provides only for liquidated demands; beyond it equity alone can support adjustment. This judicial acquiescence acknowledged the boundaries of codification; law did ensure symmetry in form but overlooked the moral interrelatedness of duties. Statutory silence, not an absence of doctrine, was the problem: the Code's mechanism could compute debts, not conscience.

To resolve the procedural rigidity of O.8 R.6, the Indian courts needed to fall back on O.20 R.19(3) and S.151, which still retained inherent powers of judicature to exercise justice, ex debito justitiae. R.19(3) "*whether the set-off is admissible under Rule 6 of Order VIII or otherwise*" provided the textual lacunae through which equity re-entered the procedural domain. Courts thus hold that this clause preserves the authority to permit equitable set-off

¹³ Snell, *Principles of Equity* (35th edn, Sweet & Maxwell 2020) 3-23.

¹⁴ Sarkar (n 9).

¹⁵ *Ashok Kumar Kalra v Surendra Agnihotri* (2020) 2 SCC 394.

¹⁶ *Lakshmichand and Balchand v State of Andhra Pradesh* AIR 1987 1 SCC 19.

¹⁷ *Jamnadas v Behari* AIR 1941 Nag 258.

¹⁸ *Bhupendra Narain Singh Bahadur v Bahadur Singh* AIR 1952 SC 201.

¹⁹ *Union of India v Karam Chand Thapar* (2004) 3 SCC 504.

wherever the judge's conscience deems it essential.²⁰

Through this reasoning, the judiciary transformed a procedural gap into a normative connection, transforming inflexible statutes into flexible equity. Procedural symmetry accomplished through legal set-off did not fully do justice to the requirements of fairness in interconnected transactions. Its deficiencies thereby opened an intellectual and moral space to fund a doctrine which would moderate the Code's structures with conscience. This is not a departure from CPC but its realization: that moment at which law's text gave way to Law's spirit, and procedure remained the handmaiden of equity, not an impediment.

CHAPTER 3: THE EMERGENCE AND DEVELOPMENT OF EQUITABLE SET-OFF IN INDIA

From Codification to Conscience

CPC over time inherited the English model, codifying only legal set-off under O.8 R.6, limiting it to ascertained and legally recoverable sums. Legislators left equitable set-off uncoded, considering it to be a question of judicial discretion rather than statutory entitlement. As businesses complexities increased, this hardened position became unsatisfactory; many cross-claims and demands originated out of the same transaction, but were unliquidated; consequently, there was a multiplicity of actions, which defeated justice. To maintain balance, courts as observed brought-out equitable set-off for readjusting claims so closely related or connected that they cannot be dealt with separately without breaching justice. The principle thus represents a move by the court from mechanical form to equitable substance.²¹

Concept, Character, and Doctrinal Logic

Equitable set-off in India is a defence of the court's discretion, and not a right created by statute. It gives a defendant the right to resist recovery when cross-obligations are inextricably interwoven, for enforcing one without regard to the other would be repugnant to justice. Based on *aequitas agit in personam*, it's founded on S.151 and O.20 R.19(3), representing the judicial edict that procedure must never be allowed to stultify justice.²²

It is rooted in the "same transaction or close connection" test,²³ which dictates that both claims

²⁰ Shivam Goel, 'Doctrine of Equitable Set-Off: Critical Analysis' (Academia.edu, 2017).

²¹ Mulla (n 4).

²² Takwani (n 2).

²³ *ibid*.

arise out of the same transaction and if separate enforcement were used, unfairness would be caused. The doctrine applies not only to legal set-off but also to unliquidated or unascertained damages, claims and is flexible as regards the limitation when both the obligations form part of a single agreement. Pursuant to O.20 R.19(3), courts can pass a single decree “*whether the set-off is admissible under Rule 6 or otherwise,*” incorporating equity in a codified regime. Working as a shield and not as a sword, it checks injustice but limits extravagant claims to counterclaims, thereby disciplining the court's discretion within procedural rectitude.

Analytically, the doctrine represents the moral conscience of procedure, enabling CPC to move from machine-like to a responsive instrument. Derived from English equity, Indian courts have indigenised it to serve as the constitutional spirit of fairness.²⁴ Finally, it reconciles law with its conscience, establishing that procedure's legitimacy seems to depend on its ability to do justice when the enacted legislation's obscure.

Judicial Genesis: From Colonial Courts to the Supreme Court

Equitable set-off sprouted from colonial equity into a residual principle of procedural righteousness produced through successive layers of judicial wisdom. It finds early traces in *Bengal Nagpur Railway Co.*, where the Privy Council held that although relief might not be afforded statutorily, equitable considerations may assist, and they operate as supplemental to the provisions of CPC.²⁵

This basis was supplemented in *Bhupendra Narain Singh*, which held that equitable set-off would be applicable to cross-demands springing from same or transactions so close to each other that enforcing one such demand against the other would be unconscionable.²⁶ The ruling gave rise to the close connection test. Earlier, in *Dobson*²⁷, Bombay HC had relied upon “justice, equity and good conscience” to support non-statutory adjustment foretelling future codified thinking.

Indian Courts quickly extended the doctrine to diverse situations. *Lakshmichand*²⁸ held that equitable set-off should be allowed even when the counterclaim had become time-barred, provided both were arising out of a single contract. Madras HC in *Stephen Clark*²⁹ gave relief where fiduciary duty survived limitation, and in *Narendra Chakraburty*³⁰ court held that no

²⁴ Ghanshyam Singh, ‘Written Statement and Set-Off: Order VIII’, 4(9) LawMantra 4.

²⁵ *Bengal Nagpur Railway Co v Ruttanji Ramji* AIR 1938 PC 67.

²⁶ *Bhupendra* (n 18).

²⁷ *Dobson & Barlow v Bengal Spinning & Weaving Co* 1897 ILR 21 Bom 126.

²⁸ *Lakshmichand* (n 16).

²⁹ *Stephen Clark v Ruthnavaloohetti* (1865) 2 Mad HCR 296

³⁰ *Narendra Krishna Chakraburty v Ashutosh Bhattacharji* AIR 1931 Cal 358(2)

court fee is payable as a plea of equitable set-off was fully defensible.

Apex Court has even reaffirmed these principles. In *Karam*, it acknowledged claims of unascertained or damages under a single contractual nexus, and held that equity can work outside O.8 R.6 to prevent injustice.³¹ Crystallising this, *Jitendra Kumar*, held the doctrine not to be a right but a judicial discretion entrenched in natural justice.³² Lastly, *Maharashtra State Farming*³³ and *State of Rajasthan v Nav Bharat*³⁴ drew the line and refused to grant relief where there was no transactional unity: subsequently reinforcing discretion within limits.

Through all these cases, courts converted equitable set-off from a colonial import into a constitutionalised judicial doctrine, striking an indigenous balance between form of the law and conscience of equity.

CHAPTER 4: EQUITABLE SET-OFF AS THE JUDICIARY'S MORAL EQUILIBRIUM

Development of equitable set-off signifies the transition of CPC from mechanism to a moral vehicle of justice. O.8 R.6 and R.6A–6G embody legal set-off and counterclaim, enshrine procedure in place of principle, but equitable set-off is the Code's conscience upholding Courts' determination that law's formed shall never submerge justice. Drawing its authenticity from S.151 and O.20 R.19(3), it retains the original inherent judicial authority to do justice, thus reaffirming CPC's fundamental philosophy of harmonizing law and equity which aren't antagonistic but two wheels within justice delivery scheme.³⁵

The rigidity of legal set-off, wide-range of counterclaim, indicated procedural interstices that only equity could penetrate. Legal set-off, wasn't applicable to unliquidated, though closely connected claims and only exercisable against ascertained sums; counterclaim too constituted a separate cause of action and couldn't operate upon rights accruing from the transaction which would involve retrospective settlement. Equitable set-off alone acting as a shield of defence³⁶, accomplishes that corrective justice, bringing the justice of contemporaneity to the wrong.³⁷

This shield even stops recovery when conscience compels adjustment. Guided by the dual tests of title impeachment and close connection, it separates real interconnectedness from mere

³¹ *Karam* (n 19).

³² *Jitendra Kumar Khan v Peerless General Finance* (2013) 8 SCC 769.

³³ *Maharashtra State Farming Crop Ltd v Belapur Sugar Bom* LR 3160.

³⁴ *State of Rajasthan v Nav Bharat Construction Co.* 2006 (1) SCC 86.

³⁵ *Ghanshyam* (n 24).

³⁶ *B.K. Narayana Pillai v Parameswaran* (2000) 1 SCC 712.

³⁷ *Shivam* (n 20).

transactional opportunism. Legal set-off is a matter of procedure; equitable set-off is a judicial benediction, maintaining its own freedom in the face of an inflexible process.

In commercial jurisprudence, the doctrine secures a fair settlement of running accounts, compensation contracts and reciprocal liabilities which avoids multiplicity of suits and false set-offs. Courts have exercised it with a sufficient proportion, stretching to clear mutual claims in *BHEL*³⁸, and denying refuge for lack of transactional connection in *Nav Bharat Construction*. This showcases that doctrine saves CPC's moral legitimacy, grounding procedure in justice, and not only form.

CHAPTER 5: CONTEMPORARY APPLICATION AND CRITICAL ANALYSIS

The Judicial Balance: Discretion Structured by Principle

Equitable set-off is still a discretionary defense and not a growing entitlement; its use reflects the judicial conscience within the parameters of procedure. Fairness is guaranteed inside the law, not outside of it.³⁹ In *Jitendra and Thapar*, SC limited equity to inseparable cross-demands when justice would otherwise fail by securing this discretion under S.151 and O.20 R.19(3). Subsequent rulings, such as *Belapur Sugar* and *BHEL*, uphold CPC's balance between certainty and conscience by reaffirming that fairness only applies to genuine relationships and not fabricated ones. Jurisprudence shows discipline rather than growth; equity only steps in when interdependence is real and never strategic.

Doctrinal Strength: Equity as the Code's Internal Morality

An excellent illustration of procedural ethics that corrects itself is equitable set-off. The courts' intrinsic authority turns CPC into a dynamic structure of justice. As explained in *Peerless*, the doctrine prevents “fractured justice” by equating reciprocal obligations as one moral ledger. This reconciliation of form with fairness itself legitimises codification; the Code is legitimate because it also allows for equity. Therefore, it should be referred to as the CPC's “conscience clause”, pressure-valve allowing the law to take a breath.⁴⁰ Fairness here is not some extrinsic morality but internalised discipline; the desire to make sure that it aids, rather than undercuts, justice.

³⁸ *BHEL v M/s Zillion Infraprojects* 2023/DHC/001214.

³⁹ Henry E Smith, ‘Equity as Meta-Law’ (2021) 130 *Yale LJ* 1050.

⁴⁰ *ibid*; Shivam (n 20).

The Challenge of Discretion: Variance and Vulnerability

Doctrine's vigor also reflects its vulnerability. Unstructured discretion can lead to delays and inconsistencies as different benches understand "close connection" differently; liberally as in *Lakshmichand*, restrictively in *Nav Bharat*. Such variation breaks predictability and, ironically, fairness itself.⁴¹ We should not be codifying equity; that would fossilise it, instead we codify the criteria of equity. An O.8 R.6H in the code, may enforce fundamental principles; unity and closeness of transactions, justifiable necessity, statute consistency and guided discretion, thereby ensuring that conscience operates in accordance with principle, with flexibility tempered by responsibility.

Constitutional and Theoretical Dimensions

Equitable set-off embodies constitutionalization of equity in Indian procedural law. It satisfies the procedural requirement of Constitution's Article 14, that justice be based on substance rather than form, enabling judges to balance strictness with reasonableness. With its roots in S.151 and O.20 R.19(3), it serves as the conscience of the Code, a self-correcting system that upholds justice and legality.

In terms of philosophy, it aligns rule with moral coherence by combining Fuller's inner morality of law⁴², Weinrib's correlativity,⁴³ and Aristotle's *epieikeia*⁴⁴. In this synthesis, form, justice, and reason come together rather than clash. Therefore, equitable set-off is a jurisprudential need reconciling legal certainty with moral conscience while ensuring justice drives the law not-otherwise.⁴⁵

Comparative Reflection and Reform

International common-law systems demonstrate that equity and certainty can be reconciled through organized discretion. Applying *Hanak McIntyre*⁴⁶ and others, the Australian, English courts restricted equitable set-off to closely associated transactions in order to secure fairness by a principled exercise of self-restraint. Indian law reflects this by preserving the context but accommodates and formalizes the discipline. Reform we'll see should reinforce that balance through the enactment of criteria, not conscience. Hence, equitable set-off shows purposiveness

⁴¹ Siobhán Kearney and Conor Owens, 'Right to Set-Off: Contractual v Equitable Set-Off' (A&L Goodbody KnowledgePlus, 6 June 2023)

⁴² Lon L. Fuller, *The Morality of Law* (Yale UP 1969).

⁴³ Ernest J. Weinrib, *The Idea of Private Law* (Oxford UP 1995).

⁴⁴ Aristotle, *Nicomachean Ethics* (The Complete Works of Aristotle, vol 2, Princeton UP 1984) bk V ch 10.

⁴⁵ Principle of Equity and their Application to Indian Law, (1928) 28 LW (JS) 29, 43-45.

⁴⁶ *Gye v McIntyre* 171 CLR 609.

through precision, completeness and fairness in one unified procedural ethic, and reaffirming that authority of law lies ultimately with its ability to do justice even within normative confines.

CHAPTER 6: POLICY, PRACTICE AND REFORM: FUTURE OF EQUITABLE SET-OFF

Currently, Equitable set-off has outgrown its former position as a defensive plea. It cuts across contracts, arbitration and insolvency, thereby reconfirming that CPC isn't a stagnant, rather an unfolding equity device. Its proof that the legitimacy of law requires binding conscience to form.

Commercial and Contractual Practice

Equity herein acts as a moral audit checking the enforcement of rights without reciprocal responsibilities. In absence of such netting provisions, courts apply equitable set-off to avoid unjust enrichment and protect mutual obligations. In *ONGC*, the Court permitted a set-off of interlinked claims under O.20 R.19(3), holding that procedural fairness has to respect moral interdependence.⁴⁷ Thus, equity here fills the gap between drafting and enforcement, treating reciprocal obligations as a single moral account. The result is commerce tempered by conscience.⁴⁸

Arbitration and Procedural Justice

Arbitration and Conciliation Act 1996, s.23(3)⁴⁹ permits counterclaims, set-offs and arbitral tribunals now read this provision through the equitable lens developed in *Hanak* and *Peerless*. In *NHAI*,⁵⁰ Court upheld mutual adjustment of claims, holding that "arbitration, like procedure, serves justice, not denial." Equity thus enters private adjudication as disciplined flexibility, allowing fairness where claims are connected but respecting contractual autonomy.⁵¹

Insolvency and the Limits of Equity

Under the Insolvency and Bankruptcy Code, S.14's⁵² moratorium bars private recoveries to preserve collective value. Yet Indian tribunals have recognised that pre-CIRP equitable

⁴⁷ *ONGC v Sociedad Anónima de Comercio Industrial* 2016 SCCOnLine SC 1486.

⁴⁸ Berriman (n 7).

⁴⁹ Arbitration and Conciliation Act 1996, s. 23(3)

⁵⁰ *NHAI v ITD Cementation India Ltd* 2020 SCC OnLine Del 2109.

⁵¹ Simon Gabriel and Katalin Meier, 'Set-Off Defenses in Arbitration—Conclusions from a Swiss Civil Law Perspective' (2017) *Indian Journal of Arbitration Law* 55.

⁵² IBC 2016, s. 14.

adjustments from the same transaction may survive. In *Power Grid Corporation*⁵³, such pre-moratorium set-off was upheld, while *Swiss Ribbons* reaffirmed that equity must reinforce, not erode, statutory purpose.⁵⁴ This balance characterizes controlled equity: discretion of fairness within, not outside, the legislative plan. The courts here act as the constitutional arbiter between group cohesion and individual fairness.⁵⁵

Policy and Reform Evaluation

Jurisprudence nowadays reveals bounded discretion: liberal benches allow equity where there is real interdependence; conservative ones refuse it for tactical claims. The test is reliable since it involves same transaction, a close relationship, and equity.

Reform should provide adaptability while reducing irrationality through controlled discretion:

- a comprehensive Order VIII Rule 6H that embodies the test and calls for well-reasoned orders.
- clarified decree forms in O.20 R.19(3) distinguishing legal set-off from equitable set-off.
- judicial training modules to standardise the reasoning.
- preliminary case-management filters for verifying nexus.

This structure would upkeep predictability but does not fossilise conscience.

Doctrinal Synthesis and Forward Vision

Equitable set-off's future is in structured equity; textual cues tempered with judicial need. Comparative regimes like the UK CPR r 16.6, Australia FCR r 16.32, and Singapore ROC 2021 r.9(6) show that codification can inject some uniformity without ruining flexibility.⁵⁶ A comparable O.8 R.6H in India might codify the "close connection" test, while retaining equitable discretion. The doctrine thus validates that CPC continues to exist as an equilibrium; equity still breathes life into procedure to keep law alive.

CONCLUSION

Thus, **equitable set-off** is CPC's true conscience where coded procedure meets requirements of fairness. It changes the mechanical idea of procedure to dynamic administration of technical justice so that no party benefits from procedural inequality when equity requires it. Based on

⁵³ *Power Grid Corporation of India Ltd v Jyoti Structures Ltd* 2017 SCCOnLine Del 12189.

⁵⁴ *Swiss Ribbons Pvt Ltd v Union of India* 2019 (4) SCC 17.

⁵⁵ PSL Chambers, 'Set-Off Under IBC Regime' (26 September 2024)

⁵⁶ CPR 1998 (UK), R.16.6; FCR (Australia), R.16.32; RCO 2021 (Singapore), R.9(6).

conscience and constrained by law, it maintains the balance between certainty and compassion, rule and right. In preserving this equilibrium, law asserts that rule in civil procedure doesn't derive from textual mandate but from commitment to justice; a system where legitimacy pervades through fairness and equity constitutes substance.

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