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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

BEFORE

HON'BLE MR. JUSTICE PURUSHAINDRA KUMAR KAURAV

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CS(OS) 675/2024

- 1. RUPINDER SINGH SAHNI,**
S/O. LATE MR. SURJIT SINGH SAHNI,
R/O. E-425, FIRST FLOOR,
GREATER KAILASH PART-II,
NEW DELHI-110048.

ALSO AT:

W-134, GROUND & FIRST FLOOR,
GREATER KAILASH PART-I,
NEW DELHI-110048.

EMAIL: RUPINDERSAHNI@GMAIL.COM

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- 2. ARVEEN KAUR SAHNI,**
D/O. LATE MR. SURJIT SINGH SAHNI,
R/O. W-134, GROUND & FIRST FLOOR,
GREATER KAILASH PART-I,
NEW DELHI-II-110048.
EMAIL: PARVEENKSAI-INI@GMAIL.COM
MOBILE: 8527504899

....PLAINTIFFS

(Through: Mr. Lalit Gupta, Mr. Priyansh Jain, Mr. Anmol Ghai and Ms. Ishita Nautiyal, Advs. with plaintiffs in person.)

VERSUS

- 1. MANMEET SINGH SAHNI,**
S/O. LATE MR. SURJIT SINGH SAHNI,
R/O. W-134, SECOND FLOOR,
GREATER KAILASH PART-I,



NEW DELHI-110048.

2. **GURCHARAN KAUR SAHNI,**
W/O. MR. MANMEET SINGH SAHNI,
R/O. W-134, SECOND FLOOR,
GREATER KAILASH PART-I, -
NEW DELHI-1 10048.
3. **RAZIKA KAUR SAHNI,**
D/O. MR. MANMEET SINGH SAHNI,
R/O. W-134, SECOND FLOOR,
GREATER KAILASH PART-I,
NEW DELHI-110048.
4. **JUGTA KAUR SAHNI,**
D/O. MR. MANMEET SINGH SAHNI,
R/O. W-134, SECOND FLOOR,
GREATER KAILASH PART—I,
NEW DELHI-1 10048.
5. **HARLEEN KAUR SETHI,**
W/O. LATE MR. RAIBIR SINGH SETHI &
D/O. LATE MR. SURJIT SINGH SAHNI,
R/O. R-202, GREATER KAILASH PART-I,
NEW DELHI-1 10048.
6. **PRESTOLITE OF INDLA LIMITED,**
(THROUGH ITS DIRECTORS),
AT: W-134, BASEMENT FLOOR,
GREATER KAILASH PART-I,
NEW DELHI-1 10048.
7. **RAZIKA FINLEASE PRIVATE LIMITED**
(THROUGH ITS DIRECTORS),
AT: W-134, GROUND FLOOR,
GREATER KAILASH PART-I,
NEW DELHI-1 10048.



8. MR. RAJESH SHARMA,
DIRECTOR OF M/S. IBL LAND
PROMOTERS PVT. LTD.
S/O. MR. RAM AVTAR SHARMA,
R/O. 4417 ACHIEVERS,
SECTOR- 49, SAINIK COLONY,
FARIDABAD, HARYANA-121001.

ALSO AT:

18/1, MATHURA ROAD,
OPPOSITE CROWN PLAZA MALL,
FARIDABAD, HARYANA-121001.

ALSO AT:

BELLAEZA 16 EMAAR MARBELLA,
GOLF COURSE EXTENSION ROAD,
SECTOR—66, GURUGRAM, HARYANA-122102
EMAIL: INFO@IBJGROUP.CO.IN

....RESPONDENT

(Through: Mr. Pradeep Kumar Kaushik, Mr. Mohit Kumar and Mr. Shivam Singh Rana, Advs. for D-1 to 4, 6 and 7.)

% Reserved in I.A. 37405/2024 and I.A. 16373/2025 on: **22.08.2025**
Reserved in I.A. 20694/2025 on: **25.08.2025**
Pronounced on: **19.09.2025**

JUDGMENT

I.A. 37405/2024 (filed on behalf of the plaintiffs under Order XXXIX Rules 1 & 2 r/w Section 151 of CPC)

I.A. 16373/2025 (filed on behalf of the plaintiffs under Order XXXIX Rules 1, 2 & 10 r/w Section 94 & 151 of CPC)



The present applications have been preferred by the Plaintiffs seeking interim protection by way of injunction, restraining the Defendants, their agents, representatives, or any person acting on their behalf, from alienating, selling, transferring, encumbering, liquidating, or otherwise creating any third-party interests in respect of the suit properties as enumerated in Paragraph no. 35 of the plaint. The Plaintiffs also seek a direction from defendant no.6- Company to deposit the rent received from the properties mentioned in paragraph no. 29 of the plaint.

Brief facts

2. The present *lis* emanates from a family dispute concerning the estate of late Sh. Surjit Singh Sahni and late Smt. Jasbir Kaur Sahni, both of whom have since been deceased. The controversy involves, *inter alia*, certain immovable properties and corporate assets held in the names of Defendants No. 6 and 7- Companies, stated to be joint-family properties.

3. The Plaintiffs, namely Sh. Rupinder Singh Sahni and Smt. Parveen Kaur Sahni are siblings of Defendant No. 1, Sh. Manmeet Singh Sahni, and Defendant No. 5, Smt. Harleen Kaur Sethi. It is not in dispute that the Plaintiffs and Defendant Nos. 1 and 5 are the only surviving Class-I legal heirs of the deceased parents. Defendant No. 2, Smt. Gurcharan Kaur Sahni, is the wife of Defendant No. 1, while Defendant Nos. 3 and 4, namely Ms. Razika Kaur Sahni and Ms. Jugta Kaur Sahni, are the unmarried daughters of Defendant Nos. 1 and 2. Defendant No. 6, namely, *Prestolite of India Limited*, is an unlisted public limited company, whereas Defendant No. 7, *Razika Finlease Private Limited*, is a private limited company.



4. It is the case of the Plaintiffs that Defendants No. 1 to 4 are manipulating the corporate records and misappropriating assets, funds, and properties of Defendant No. 6 and 7, without their knowledge, consent, or concurrence. The Plaintiffs assert that such acts are being undertaken with the intent to deprive them of their legitimate and rightful share in the estate of Late Sh. Surjit Singh Sahni. Although Defendant No. 6- Company stands as the recorded legal owner of the some of the suit properties, the Plaintiffs contend that these assets were acquired from family funds and, in substance, constitute joint family properties in which they hold an interest.

5. The Plaintiffs further submit that Defendants No. 6 and 7 – Companies are closely held companies, the control and management of which are effectively within the family. The immovable properties, as pleaded in Paragraph no. 29 of the Plaint, and recorded in the name of Defendant No. 6- Company, include:

- (i) Commercial Building, Block B-1-A, SCO No. 04, Sector 51, Noida, measuring 75 sq. mtrs., majorly occupied by Axis Bank and paytm
- (ii) Commercial Building, Block B-1-A, SCO No. 05, Sector 51, Noida, measuring 75 sq. mtrs., majorly occupied by Axis Bank and PayTm;
- (iii) Commercial Building, Block B, SCO No. 04, Sector 16, Noida, measuring 192 sq. mtrs., wholly leased to Bandhan Bank; and
- (iv) Commercial Building, Plot No. 31, Sector 31-32A, Gurugram, measuring 121 sq. mtrs., partially leased to RBL Bank and Cloud Kitchen, with one floor lying vacant.



6. The Plaintiffs complain that the Defendants are intentionally obstructing their rights and trying to disunite or sell off the estate to make any future decree ineffective.

7. The present suit has, thus, been instituted not only for partition of the estate of the deceased parents but also for protection of the rights of the Plaintiffs in the immovable and corporate assets forming part of the family estate. The applications under consideration seek to preserve the subject matter of the dispute during the pendency of the proceedings.

Submissions

8. Mr. Lalit Gupta, learned counsel for the Plaintiffs, submits that the suit first came up on 27.08.2024 when Defendants No. 1 to 4, 6 and 7 were duly represented and Defendant No. 1 was personally present. On that date, it is submitted that a suggestion came from the Defendants that the matter, being intra-family, be referred to mediation, which the Plaintiffs accepted in good faith, and accordingly, the parties were directed to appear before the Delhi High Court Mediation and Conciliation Centre. It is stated that on the same date, while pressing IA No. 37405/2024 for interim injunction, the said Defendants made a statement that no third-party rights would be created in the properties standing in the names of the parties' parents as well as those owned by Defendant Nos. 6 and 7, which undertaking was recorded by this Court in paragraph no. 25 of the order dated 27.08.2024.

9. He further submits that this Court also recorded in paragraph no. 26 that the issue of rendition of accounts with respect to movable properties and



deposit of rental income from immovable properties would be considered at a subsequent stage.

10. Learned counsel further submits that the Plaintiffs were thereafter constrained to file IA No. 41398/2024 seeking urgent interim reliefs, as Defendant No. 1 had attempted to an alleged sale of 92,766 shares of Defendant No. 6- Company to one Mr. Rajesh Sharma on 26.08.2024, i.e., a day prior to giving the above undertaking and after advance service of the present suit. Learned counsel further submits that the said application was taken up on 04.10.2024, and this Court passed further interim directions as contained in paragraph No. 30 of the said order. He contends, again on 08.10.2024, further directions were issued and Mr. Rajesh Sharma was impleaded as Defendant No. 8.

11. According to Mr. Gupta, these interim orders dated 27.08.2024, 04.10.2024 and 08.10.2024 remain operative. He avers that the instant matter was thereafter listed on 15.05.2025 when arguments were advanced on behalf of the Plaintiffs on IA No. 37405/2024 seeking directions for the deposition of rent accruing from the immovable properties of Defendant No. 6-Company. He points out that this Court, as recorded in paragraph no. 7 of the order dated 15.05.2025, expressed its *prima facie* inclination to direct Defendant No. 6 to deposit such rental income. However, he further submits that Defendants Nos. 1 to 4, 6, and 7, with *mala fide* intent, sought to place on record alleged subsequent events after the order dated 04.10.2024, which was only a device to avoid passing of such directions. Despite the adjournment, he contends that no such events have been placed on record till date.



12. Learned counsel further submits that on 06.07.2025, while perusing the case status on the website of this Court, the Plaintiffs discovered that the said Defendants had filed eight different sets of documents on 03.07.2025 without serving advance copies to the Plaintiffs.

13. It is pointed out that Defendant Nos. 1 to 4, by their own admission, now have negligible shareholding in Defendant No. 6- Company, which conducts no business but merely earns rental income from the suit properties, as also recorded in paragraph no. 6 of the order dated 04.10.2024.

14. Mr. Gupta contends that the Defendants cannot be permitted to misappropriate the rental income accruing from the immovable properties, which is a valuable asset in which the Plaintiffs have an equal stake. Unless safeguarded by this Court pending final adjudication, the Plaintiffs may be left with only a paper decree incapable of execution.

15. The Plaintiffs, he submits, have a strong *prima facie* case, the balance of convenience lies squarely in their favour, and they would suffer irreparable harm not compensable in monetary terms, if the relief is denied.

16. Accordingly, it is prayed by Mr. Gupta that this Court may direct Defendant Nos. 1 to 4 and 6 to deposit the entire rental income of Defendant No. 6 with effect from 28.01.2024 onwards, as detailed in paragraph no. 29 of the plaint, and continue to deposit all future rental income with this Court, along with such other directions as the Court may deem just and proper.

17. *Per contra*. Mr. Rajiv Mangla, learned counsel appearing for the Defendants, submits that the present applications are wholly misconceived and constitute a gross abuse of the process of law.



18. Mr. Mangla, has broadly made the following submissions:-

- I. The very title of the application bearing no. I.A. 16373/2025, is misleading, as no direction whatsoever was issued by this Court in its order dated 15.05.2025 with respect to the deposit of rent. The operative portion of the order, which the applicants have deliberately suppressed, merely records that this Court was of the *prima facie* opinion that Defendant No. 6 could be directed to deposit rental income, but the matter was adjourned upon the request of counsel for Defendant No. 6 to place subsequent events on record. No positive or operative direction was, in fact passed, and therefore the foundation of the present application is erroneous.
- II. Despite this clear position, the Plaintiffs are seeking directions for the deposit of rental income of Defendant No. 6- Defendant No. 6-Company, which is a public limited company, before this Court, even though they are already prosecuting Company Petition No. 95/2024 before the NCLT, Chandigarh, against the same Defendants seeking substantially the same reliefs. The Plaintiffs deliberately failed to disclose the pendency of the said company petition when obtaining interim orders dated 27.08.2024, 04.10.2024 and 08.10.2024 from this Court. The answering Defendants became aware of the pendency of those proceedings only upon service on 19.10.2024.
- III. It is a settled proposition of law that parallel jurisdictions cannot be simultaneously invoked for the same reliefs against



the same parties. Section 430 of the Companies Act, 2013 (*hereinafter referred to as 'the Act'*) expressly bars the jurisdiction of civil courts in respect of matters falling within the domain of the Tribunal. Section 430 of the Act categorically states that no Civil Court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Tribunal is empowered to determine under the Act, and that no injunction shall be granted by any Court in respect of any action taken pursuant to powers conferred by the Act.

- IV. The relief sought herein, namely, the deposit of rental income by Defendant No. 6-Company, directly pertains to the management, conduct of affairs, and regulation of profits of a public limited company. These matters fall squarely within the exclusive domain of the NCLT under Sections 241 and 242 of the Act. The Plaintiffs themselves, being fully conscious of this, have already invoked the jurisdiction of the NCLT by filing the aforesaid company petition. Having chosen that forum, they cannot now seek overlapping reliefs before this Court.
- V. The Plaintiffs' reliance on *Sangramsinh P. Gaekwad v. Shantadevi P. Gaekwad*¹ is entirely misplaced. That judgment was rendered under the Companies Act of 1956, at a time when the NCLT was not in existence. The enactment of the Act the establishment of the NCLT in 2016, and the statutory



ouster of civil jurisdiction under Section 430 of the Act have radically altered the legal landscape. Moreover, the factual matrix of *Gaekwad* was wholly distinct and cannot be relied upon in the present case.

VI. Reliance is placed on the decision of the Supreme Court in *Shashi Prakash Khemka (Dead) through LRs v. NEPC Micon Ltd.*², wherein it was categorically held that, by virtue of Section 430 of the Act the jurisdiction of Civil Courts in matters entrusted to the NCLT is entirely barred. He contends that entertaining the present application would amount to this Court assuming control over the internal affairs and management of Defendant No. 6- Company, something which is expressly prohibited by statute.

19. In these circumstances, Mr. Mangla submits that the present application is devoid of merit and is liable to be dismissed *in limine*, with exemplary costs imposed upon the Plaintiffs for having suppressed material facts and for abusing the process of law.

20. I have heard learned counsel appearing for the parties and have perused the record.

21. At the inception, the Court takes note of the various orders passed in the matter from time to time.

¹ (2005) 11 SCC 314

² (2019) 18 SCC 569



22. *Vide* order dated 27.08.2024, the Court recorded the undertaking of Defendant Nos. 1 to 4, 6, and 7 that they would not create any third-party rights in properties standing in the name of Defendant Nos. 6 and 7. In paragraph no. 26 of the same order, it was observed that the issue of rendition of accounts and deposit of rent would be considered at a later stage. The relevant extract of the aforesaid order dated reads as under:-

“25. On the other hand, learned counsel appearing for defendant nos. 1 to 4, 6 and 7 submits that the Gift Deeds were executed by the father voluntarily when he was a fit state of mind and none of the documents filed along with the plaint indicates that father of the parties were suffering from any ailments of the nature as stated in para 9 of the plaint. However, without prejudice to the rights and contentions of the said defendants, learned counsel further submits that there is a possibility of amicable resolution to the controversy in case the parties are referred to mediation. He, on instructions, submits that in the properties which were in the names of the parents of the parties as well as in the properties which are owned by the defendant nos. 6 and 7, no third party rights shall be created till the next date of hearing. The statement is taken on record.

26. As far as moveable properties are concerned an appropriate order of rendition of accounts may be considered at an appropriate stage. The question as regards the deposit of rent accruing from immovable properties is concerned, the same will be also considered on the next date of hearing.

27. It is also not in dispute that the plaintiffs are in occupation of ground and first floor of the property bearing No. W-134, Greater Kailash-I, New Delhi-110048. However, the contention of the learned counsel appearing on behalf of above noted defendants is that plaintiff no. 1 is having possession of the ground floor of the said property.”

23. Thereafter, on 04.10.2024, the Court dealt with Defendant No. 1's attempt to sell 9,27,661 shares of Defendant No. 6- Company to Mr. Rajesh Sharma on 26.08.2024. The Court observed that while matters concerning the appointment of Directors ordinarily fall within the jurisdiction of the NCLT, disputes relating to inheritance or title over shares constitute civil



disputes, as held by the Supreme Court in **Gaekwad**. It was also reiterated that in the present case, the shareholding of the father of the parties in Defendant No.6- Company was 10,90,624 shares (59.44%), and Plaintiff No.2 held 1,45,180 shares. In light of this, interim directions were issued restraining Defendant No. 6 from registering the said share transfer, directing that the sale would be subject to further orders of the Court, restraining further transfer of shares by the Defendants, and directing all parties to maintain *status quo* regarding ownership and possession of Defendant No. 6- Company's properties as detailed in paragraph No. 35 of the plaint. It is also noted that the said order has not been recalled and have reached finality. The relevant extract aforesaid order reads as under :-

“23. Prima facie, the issues as to the appointment of Directors in a company is within the domain of NCLT’ but the dispute as to inheritance of shares in a company or a question of title in respect of the shares has been held to be a civil dispute by the Hon’ble Supreme Court in Sangramsing P. Gaekwad vs. Shantadevi P. Gaekwad.

24. It also appears that the shareholding of the father of the defendant no. 6 company was to the extent of 1090624 shares (59.44%). Likewise, the plaintiff no.2 was having 145180 shares of defendant no. 6 company. The title of the shares owned by the father, as well as, the plaintiff no.2 which have purportedly been sold by defendant no. 1 is a subject matter of challenge in the present suit as is apparent from prayer Clauses (e) and (f), respectively. 25. It is the case of the plaintiff that the defendant no.6 company does not conduct any business and it merely owns immovable properties as enumerated in para 35 of the plaint. This fact has not been disputed by the aforesaid defendants. Further, there was a specific undertaking given by the learned counsel for the defendant nos. 1 to 4, 6 & 7 that in the properties which were in the name of the parents of the parties, as well as, in the properties which are owned by the defendant nos.6 & 7, no third party right shall be created till the next date.

26. However, the stand which has now been taken is that the defendant no. 1 has sold 927661 shares of defendant no. 6 company on 26.08.2024, a day prior to when such undertaking was recorded in the



order dated 27.08.2024. The narration of above facts prima facie gives an impression that the sale has been ante-dated in an attempt to overreach the said undertaking. Needless to say, that since the defendant no.6 company has no other business, the transfer of majority shareholding in defendant no.6 company to third parties will tantamount to indirectly creating third party interest in the immovable properties owned by the defendant no.6.

27. Further, it appears that pursuant to the selling of 927661 shares by defendant no.1 to the outsiders, an endeavour is being made to appoint new Directors on the Board of defendant no.6, which will effectively transfer the management of defendant no. 6 company to such outsiders, with all the rights to deal with the immovable properties of the company.

28. It is trite law that the holders of the majority shareholding in a company have the power to appoint the Directors of their choice but since the dispute as to right, title and interest in the shares of defendant no. 6, more particularly those which were in the name of the father of the parties, as well as, those in the name of plaintiff no.2, is the subject matter in the present suit, therefore, the title of defendant no.1 over the allegedly sold shares of defendant no.6 company is under a cloud, therefore, prima facie this court of the view that the interest of the plaintiffs in such shares as well the properties owned by the defendant no.6 company needs to be protected by granting ad interim relief. The balance of convenience is also in favour of the plaintiffs. I am also satisfied that the plaintiffs will suffer an irreparable loss, in case ad interim relief is not granted to the plaintiff.

29. Further, the defendants have not filed their written statement despite the lapse of statutory period of 30 days nor have they divulged the names of the transferees to whom such shares have been sold. 30. Under the aforesaid circumstances, this Court deems it appropriate to pass the following directions till the next date of hearing:

i. The defendant no. 6 company is restrained from registering the transfer of 927661 shares sold by the defendant no. 1;

ii. The sale of 927661 shares by the defendant no. 1 shall abide by the further orders of this Court;

iii. The defendants are restrained from selling or transferring their further shareholding in defendant no. 6 to any third party; and

iv. The defendants including defendant no. 6, are also directed to maintain status quo with regard to the ownership and possession of



all the properties owned by defendant no.6 company which are mentioned in para 35 of the plaint.”

24. On 08.10.2024, the Court impleaded Mr. Rajesh Sharma as Defendant No. 8 and further restrained him from selling the 9,27,661 shares purchased from Defendant No. 1 or from creating third-party rights over properties owned by Defendant No. 6- Company.

25. Subsequently, on 15.05.2025, the Court noted the previous orders and observed that the issue of rent deposit was still open. The Court expressed a preliminary view that Defendant No. 6 could be directed to deposit rent, but at the request of Defendant No. 6 to place subsequent events on record, the hearing was adjourned. The order dated 15.05.2025 passed by the Court reads as under:-

“4. A perusal of paragraph no.26 of the order dated 27.08.2024 indicates that the prayer of the plaintiff to the extent of deposition of rent accruing from immovable properties was deferred for a subsequent date.

5. Moreover, even the submission of defendant no. 6 that in view of the pendency of the litigation before the NCLT, the question of inheritance of share shall not be amenable for adjudication in the instant civil suit has been rejected in terms of paragraph no. 23 of the order dated 04.10.2024 while relying on the decision of the Supreme Court in Sangramsing P. Gaekwad vs. Shantadevi P. Gaekwad.

6. In view of the aforesaid, it is seen that the injunction was granted so far as it relates to the creation of third-party rights, etc.

7. Therefore, the Court is of the prima facie opinion that, at this stage, reserving all rights and contentions of the parties, defendant No. 6 can be directed to deposit the rent.

8. However, at this stage, Mr. Rajiv Mangla, learned counsel for defendant no.6, submits that he be granted a further opportunity to place on record some subsequent events which have occurred after passing of the order dated 04.10.2024.

9. Acceding to the aforesaid request made by Mr. Mangla, the hearing of stands adjourned. 10. The earlier orders passed by this Court shall remain in force. 11. List this application on 31.07.2025.”



26. Thereafter, on 14.07.2025 in I.A. 16373/2025, the Plaintiffs pressed for directions for the deposit of rent and referred to observations made in the order dated 15.05.2025, particularly paragraphs nos. 6 and 7, indicating the Court's inclination to direct deposition of rent. It was highlighted that Defendant No. 6- Company had not availed of the liberty granted to place additional material on record. The application sought directions to Defendants No. 1 to 4 and 6 to deposit the entire rental income generated by Defendant No. 6 from 28.01.2024 onward, along with future rent, before the Court. The hearing, however, was deferred to 31.07.2025 with directions to the Defendants to take instructions and assist on the next date.

27. On 31.07.2025, the learned counsel reiterated that, in view of all previous proceedings, the relief sought had become necessary under the facts of the case.

28. With the aforesaid context and prior to adjudicating this application on merits, it is incumbent upon the Court to delineate the law relating to the grant of interlocutory or interim injunctions in civil suits.

29. Order XXXIX of CPC enshrines the Civil Court with the power to safeguard the interest of the plaintiff by granting temporary injunctions restraining the Defendant's actions that may cause irreparable harm or prejudice to the subject matter of the dispute, thereby ensuring that, pending the final adjudication of the *lis*, status quo with respect to the subject matter is maintained. Rules 1 and 2 of the aforementioned Order stipulate the framework under which temporary injunctions and interlocutory orders can be granted by the Court. Additionally, the Court may grant a temporary injunction to restrain the Defendant from dispossessing the plaintiff or



causing any injury in relation to the disputed property, until the disposal of the suit or until further orders.

30. The Supreme Court in the case of ***Hazrat Surat Shah Urdu Education Society v. Abdul Saheb***³ established a three-part test while granting an interim injunction, requiring the plaintiff to demonstrate that there is a *prima facie* case in their favour; balance of convenience lies in their favour; and irreparable injury would be caused if the injunction is not granted. The relevant extract of the aforesaid decision reads as under:-

“No doubt the District Judge held that there was no prima facie case in the respondent's favour but he further recorded a positive finding that even if the plaintiff respondent had prima facie case there was no balance of convenience in his favour and if any injury was caused to him on account of the breach of contract of service he could be compensated by way of damages in terms of money therefore he was not entitled to any injunction. The High court failed to notice that even if a prima facie case was made out, the balance of convenience and their irreparable injury were necessary to exist. The question whether the plaintiff could be compensated by way of damages in terms of money for the injury which may be caused to him on account of the breach of contract of service was not considered by the High court. No temporary injunction should be issued unless the three essential ingredients are made out, namely:

prima facie case,

balance of convenience

irreparable injury which could not be compensated in terms of money.

If a party fails to make out any of the three ingredients he would not be entitled to the injunction and the court will be justified in deciding to issue injunction. In the instance case the respondent plaintiff was claiming to enforce the contract of service against the management of the institution. The refusal of injunction could not cause any irreparable injury to him as he could be compensated by way of damages in terms of money in the event of his success in the suit. The Respondent was therefore not entitled to any injunction order. The District Judge in our opinion rightly set aside the order

³ JT 1988 (4) SC 232.



of the Trial Court granting injunction in favour of the plaintiff respondent. The High court committed error in interfering with that order.”

31. The Supreme Court in ***Dalpat Kumar v. Prahlad Singh***⁴ while delineating the provisions of Order XXXIX of CPC, has opined as under:-

4. Order 39 Rule 1(c) provides that temporary injunction may be granted where, in any suit, it is proved by the affidavit or otherwise, that the defendant threatens to dispossess the plaintiff or otherwise cause injury to the plaintiff in relation to any property in dispute in the suit, the court may by order grant a temporary injunction to restrain such act or make such other order for the purpose of staying and preventing ... or dispossession of the plaintiff or otherwise causing injury to the plaintiff in relation to any property in dispute in the suit as the court thinks fit until the disposal of the suit or until further orders. Pursuant to the recommendation of the Law Commission clause (c) was brought on statute by Section 86(i)(b) of the Amending Act 104 of 1976 with effect from February 1, 1977. Earlier thereto there was no express power except the inherent power under Section 151 CPC to grant ad interim injunction against dispossession. Rule 1 primarily concerned with the preservation of the property in dispute till legal rights are adjudicated. Injunction is a judicial process by which a party is required to do or to refrain from doing any particular act. It is in the nature of preventive relief to a litigant to prevent future possible injury. In other words, the court, on exercise of the power of granting ad interim injunction, is to preserve the subject matter of the suit in the status quo for the time being. It is settled law that the grant of injunction is a discretionary relief. The exercise thereof is subject to the court satisfying that (1) there is a serious disputed question to be tried in the suit and that an act, on the facts before the court, there is probability of his being entitled to the relief asked for by the plaintiff/defendant; (2) the court's interference is necessary to protect the party from the species of injury. In other words, irreparable injury or damage would ensue before the legal right would be established at trial; and (3) that the comparative hardship or mischief or

⁴ 1992) 1 SCC 719



inconvenience which is likely to occur from withholding the injunction will be greater than that would be likely to arise from granting it.”

32. This Court also while applying the principles laid down by the Supreme Court in the aforementioned cases, in ***Dr. Rashmi Saluja v. Religare Enterprises***⁵ has reiterated the well-settled legal principle that no injunction can be granted unless the three essential conditions are satisfied, namely, the existence of a *prima facie* case, balance of convenience in favour of the applicant, and the likelihood of irreparable injury that cannot be compensated in monetary terms.

33. Thus, for the Court to grant an injunction, the applicant must satisfy three cumulative conditions: (i) a *prima facie* case or serious question to be tried with a probability of entitlement to the relief claimed; (ii) that the balance of convenience lies in the applicant's favour; and (iii) that irreparable injury would ensue to the applicant if the injunction is withheld and such injury cannot be adequately compensated by monetary damages; the grant of injunction is a discretionary preventive remedy which must also take into account comparative hardship so as to ensure that withholding or granting the relief does not occasion greater mischief.

34. *In limine*, the Defendants have also raised a preliminary objection with respect to the lack of jurisdiction by reason of Section 430 of the Act.

35. In ***Gaekwad***, the Supreme Court recognised that where the core controversy relates to title or inheritance, such issues fall within the domain

⁵ 2025: DHC: 701



of the Civil Court and are not to be resolved under company law proceedings dealing with oppression and mismanagement.

36. Reiterating the aforesaid, the Calcutta High Court in *Santosh Kumar Agarwala & Ors. v. Sajjan Kumar Agarwala & Ors.*⁶ reiterated that ancillary or incidental corporate reliefs cannot determine the jurisdictional question where the primary reliefs are declaratory and involve the question of title. It was also held that Section 430 of the Act must be interpreted restrictively and cannot be stretched to cover reliefs which the NCLT is incapable of granting.

37. Similarly, in *Smt. Premvati & Ors. v. Smt. Bhagwati Devi & Ors.*⁷, this Court held that disputes concerning inheritance of shares, partition of family properties and alleged misappropriation of family assets through corporate devices are fundamentally civil disputes and not amenable to adjudication under company law provisions alone.

38. The decision of the Supreme Court in *Aruna Oswal v. Pankaj Oswal*⁸ is also pertinent to mention. The Supreme Court held that questions of right, title and inheritance in respect of shareholdings ought to be adjudicated by civil Courts before proceedings under Sections 241 and 242 of the Act are entertained, and observed that where a civil suit asserting title or inheritance is pending, it is not appropriate for the NCLT to proceed to determine company-law remedies which may be rendered infructuous or premature pending determination of civil rights by a Civil Court.

⁶ 2024 SCC OnLine Cal 11480

⁷ 2007 SCC OnLine 1982

⁸ (2020) 8 SCC 79



39. This Court also in *Videocon Industries Ltd. v. Ram Raj Bhandari*⁹ emphasised the presumption in favour of preserving Civil Court jurisdiction wherever the statutory forum's remedies are inadequate to do complete justice on all questions, particularly questions of title and ownership.

40. Thus, the preliminary objection raised by Defendant Nos. 1 to 4, 6 and 7 that this Court lacks jurisdiction by reason of Section 430 of the Act is misconceived and deserves to be rejected.

41. Section 430 of the Act cannot be read as a blanket ouster of the plenary jurisdiction of Civil Courts and the statutory bar is confined to matters that fall squarely within the exclusive remit of the NCLT. It is a trite law that the jurisdiction of Civil Courts to decide questions of title, inheritance, partition and other civil rights is not to be lightly or artificially held to be ousted unless the statute expressly and necessarily requires such an ouster. Any doubt on the point must be resolved in favour of preserving civil jurisdiction so that parties are not left remediless on fundamental questions of right and title.

42. The reliefs claimed in the instant plaint are quintessentially civil in character. The Plaintiffs seek declarations of title, partition of immovable and movable assets, and determination of rights by way of inheritance and rendition of accounts, together with consequential reliefs flowing from a claim of joint ownership of family assets.

43. Such reliefs do not fall within the limited scope of Sections 241 and 242 of the Act, which are designed to address complaints of oppression and mismanagement and do not confer jurisdiction to adjudicate pure questions of title to property or to determine succession rights. The NCLT does not

⁹ 2022 SCC OnLine Del 4579



possess the competence to finally decide disputes over title to shares or title to assets where those disputes arise out of familial succession and civil ownership claims. Accordingly, Section 430 of the Act cannot be invoked to defeat the Plaintiffs' claim to a civil forum.

44. The principles distilled from the aforesaid precedents are straightforward and dispositive of the present objection. If the gravamen of the suit is the adjudication of title, inheritance or partition, the remedy is civil and the Civil Court is the appropriate forum. The statutory forum, i.e., NCLT may be empowered to grant reliefs for oppression and mismanagement, but it lacks jurisdiction to decide pure title disputes or rights of inheritance *in rem*. Section 430 of the Act must therefore be given a harmonious construction so that the exclusive jurisdiction of a special forum is not extended beyond its statutory bounds.

45. Where necessary, this Court may, after deciding matters within its competence, relegate parties to the NCLT for discrete reliefs that fall within the Tribunal's jurisdiction. This approach preserves the rights of all parties and avoids multiplicity of proceedings without depriving any party of an adequate remedy.

46. *Arguendo*, even if it be assumed that some ancillary reliefs are within the domain of the NCLT, such overlap cannot defeat the Plaintiffs' primary civil remedies. The Plaintiffs do not seek to oust or foreclose statutory remedies. If at the conclusion of trial, this Court considers that some reliefs are exclusively within the NCLT's jurisdiction, the parties can be relegated to the appropriate forum for those specific reliefs.

47. Having adjudicated on the preliminary objection, the Court now proceeds to examine whether the case of the Plaintiffs satisfies the threefold



test of injunction, namely, the existence of a *prima facie* case, the likelihood of irreparable injury, and the balance of convenience.

48. Various orders passed by this Court reveal a consistent endeavour by this Court to safeguard the subject matter of the suit. On 15.05.2025, while referring to the earlier directions, this Court also observed that the objection with respect to jurisdiction was already raised and expressed a *prima facie* view that Defendant No. 6 could be directed to deposit rents, though the matter was adjourned at Defendant No. 6's request to place subsequent events on record.

49. On 14.07.2025, Plaintiffs filed another I.A. 16373/2025 and pressed for directions requiring the deposit of rental income generated by Defendant No. 6 since 28.01.2024, emphasising that Defendant No. 6 had not availed of the liberty to place additional material on record.

50. Taken cumulatively, the aforesaid orders demonstrate that the Court has consistently considered it necessary to preserve both the corpus and income streams of the estate of Late Sh. Surjit Singh Sahni. The repeated undertakings and *status quo* directions leave little doubt that the Plaintiffs have established a *prima facie* case.

51. The controversy is not confined merely to the internal management of Defendant No. 6- Company but extends to inheritance, partition, and declaration of rights in respect of immovable properties alleged to be acquired from family funds. The attempted alienation of a substantial block of shares serves to heighten the apprehension that the Plaintiffs' rights may be frustrated.

52. The element of irreparable injury is also clearly made out. The suit properties are income-generating assets, and any depletion or diversion of



rental income during the pendency of proceedings would deprive the Plaintiffs of their legitimate share. The risk of alienation of immovable properties or diversion of corporate funds aggravates this concern.

53. On the issue of balance of convenience, directing the deposit of rental income into the Court is an equitable safeguard. Such a measure ensures preservation of the estate without conferring an unfair advantage on either party. While the Plaintiffs stand to suffer irreversible prejudice in the absence of such protection, the Defendants would suffer no comparable hardship, as the funds would ultimately be released in accordance with the final adjudication of rights.

54. In light of the above analysis, the Court is satisfied that all three requirements for grant of interim relief stand fulfilled. The Plaintiffs have disclosed a strong *prima facie* case; the risk of irreparable injury is manifest; and the balance of convenience tilts decidedly in their favour.

55. The rights of the Plaintiffs as heirs are at real risk of frustration absent protective directions.

56. The ends of justice, therefore, warrant that Defendant No. 6-Company be directed to deposit a percentage of the rental income generated from the properties specified in the plaint.

57. In view of the aforesaid, let Defendant No. 6- Company to deposit a percentage of the rent accruing from its immovable properties commensurate to Plaintiffs' share, to be calculated as per the purported shareholding disclosed by the Plaintiffs in paragraph no. 23 of the plaint.

58. In view of the aforesaid, let the matter to be listed before the Joint Registrar for the aforesaid purposes on 08.12.2025.



59. In view of the aforesaid, the applications stand disposed of. The interim order passed on 04.10.2024 is made absolute.

I.A. 20694/2025 (BY DEFENDANTS 1 TO 4 & 6 & 7 – FOR RECALLING OF ORDER DT. 06.08.2025- TO PLACE SPECIFIC AFFIDAVIT WITH RESPECT TO MOVABLE ASSETS.)

60. By way of the instant application, Defendants No. 1 to 4, 6 and 7 are seeking recall of the order dated 06.08.2025 whereby the Court directed the said Defendant to file affidavits with respect to their assets.

61. The said Defendants contend that the Plaintiffs lack *locus standi* to demand personal records, as the movable properties are their personal assets, and further argue that the Court could not consider their written statement and supporting documents due to pending applications for condonation of delay.

62. It is stated by the Defendants that the suit primarily challenges valid transfers made by Late Sh. Surjit Singh Sahni, including two registered gift deeds and transfer of 5,50,000 shares of Defendant No. 6- Company, all of which were allegedly executed when he was of sound mind and free will. It is further reiterated that Plaintiffs have been making baseless allegations regarding share transfers, illegally encroached the ground floor of the residence, and procured documents unlawfully, leading to police complaints and counterclaims.

63. They further stress that Defendant No. 6 – Company is a public limited company with 15% public shareholding, and any issues regarding its management or transfer of shares fall exclusively within the jurisdiction of the NCLT under Section 430 of the Act, particularly since Plaintiffs have



already filed Company Petition No. 95/2024 before the NCLT for similar reliefs. Accordingly, they seek recall of the impugned order.

64. A perusal of the objections raised by Defendants no. 1 to 4, 6 and 7 in the instant applications indicates that the most of the grounds raised stand substantially addressed hereinabove.

65. The question of jurisdiction under Section 430 of the Act, have already been dealt with hereinabove and on various occasions, and therefore, the Defendants cannot seek to reopen the same issues under the guise of recalling an order.

66. Moreover, the Court, in exercise of its plenary powers under the CPC, retains inherent jurisdiction to direct disclosure of assets, whether movable or immovable, if such disclosure is deemed necessary for effective adjudication of the dispute and for doing complete justice between the parties. The object of such direction is neither punitive nor prejudicial, but rather enabling the adjudication of the *lis*, ensuring that all material facts are before the Court.

67. Furthermore, requiring the Defendants to place on record affidavits regarding immovable assets does not affect the substantive rights of the parties, nor does it predetermine any issue in controversy. On the contrary, it secures transparency and safeguards against suppression of material facts, thereby promoting an equitable adjudication.

68. Therefore, the prayer for recall of the order dated 06.08.2025 is misconceived and devoid of merit, as the direction for disclosure of assets is well within the Court's authority and does not prejudice any party.

69. In view of the aforesaid, the instant application stands dismissed.



CS(OS) 675/2024, I.A. 41398/2024, I.A. 3096/2025, I.A. 3735/2025, I.A. 3736/2025, I.A. 3737/2025, I.A. 5304/2025, I.A. 7453/2025 & I.A. 10243/2025

70. Let the matter to continue before the Concerned Joint Registrar on 08.12.2025.

**(PURUSHAINDRA KUMAR KAURAV)
JUDGE**

SEPTEMBER 19, 2025/Aks