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

Date of Decision: 19th May, 2025

CONT.APP.(C) 6/2025 & CM APPLs. 11170/2025, 13005/2025

DINESH SEHGAL, THROUGH SPA HOLDERAppellant

Through: Mr. Ravi Gupta, Sr. Advocate with
Mr. Apoorv Agarwal, Ms. Divya
Verma and Ms. Mohini Shah,
Advocates along with Appellant in
Person.

versus

SARABJIT SINGH CHADHARespondent

Through: Mr. Rohit Gandhi, Mr. Adhish
Srivastava, Mr. Siddharth Kaushik,
Mr. Hargun Singh Kalra, Ms. Akshita
Nigam and Mr. Varun Trivedi,
Advocates, (Mob. 981861034), [e-mail-@gandhipartner.com](mailto:email-@gandhipartner.com).

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE RAJNEESH KUMAR GUPTA

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.
2. The present appeal has been filed on behalf of the Appellant under Section 9(1)(a) of the Contempt of Courts Act, 1971 read with Section 151 of the Code of Civil Procedure, 1908 challenging the orders dated 11th February, 2025 and 3rd February, 2025 by which the Id. Single Judge has



held the Appellant guilty of contumacious conduct and deliberate violation of the Court orders.

3. A perusal of the impugned order dated 3rd February, 2025, reveals a consistent pattern of non-compliance with the undertakings furnished by the Appellant. The relevant portion of the said order is extracted below:

“1. On 13.01.2025, this matter was called out for consideration of various applications. The Court in terms of paragraph no.3, prima facie, opined that the judgment-debtor was in violation of various orders passed by this Court. However, keeping in mind the submissions made by Mr. Anirban Bhattacharya, learned counsel for the judgment-debtor, who contended that the judgment-debtor was willing to make the payment as had been undertaken by way of affidavit dated 20.12.2024, albeit with modification. The Court granted time to the judgment-debtor to satisfy his bona fides. The order dated 13.01.2025 reads as under:-

“

3. After hearing the parties for some time, the Court was of the prima facie opinion that the judgment debtor was in defiance of the various orders passed by this Court. However, Mr. Anirban Bhattacharya, learned counsel for the judgment debtor, in all fairness has stated that the judgment debtor is ready and willing to make the payment, as was undertaken by way of the affidavit dated 20.12.2024. However, on account of some genuine difficulties faced by the judgment debtor, the same could not be adhered to.

4. Learned counsel further submits that he would make the payment of Rs.50 lacs (₹ 50,00,000/-) within three working days, a payment of Rs.2 crores (₹ 2,00,00,000/-) within 15 days thereafter, and a payment of Rs.2.50 cores (₹ 2,50,00,000/-) in two installments of three months each.

5. The Court finds that the bona fides of the judgment debtor can be looked into only when the judgment debtor places on record a proper affidavit, undertaking



the schedule of the payment, to be made to the decreeholder.

6. The judgment debtor shall remain personally present on the next date of hearing.

7. List on 14.01.2025.

8. Order dasti.”

2. Thereafter, the matter was called out on 14.01.2025 and the affidavit filed by the judgment-debtor was taken on record. In the said affidavit, a fresh timeline was undertaken by the judgment-debtor to be adhered to. A payment of ₹ 50,00,000/- was to be made by 16.01.2025, and by 31.01.2025, a further sum of ₹ 2 Crores was to be paid. Thereafter, in two equal installments of ₹ 2.50 Crores each, which were payable on 30.04.2025 and 31.07.2025, the entire payment was undertaken to be made by the judgment-debtor. The matter was thereafter adjourned for 17.01.2025.

3. On that date, a demand draft for a sum of ₹ 20,00,000/- was handed over by the judgment debtor to the decree-holder besides handing over a cheque dated 24.01.2025 for a sum of ₹ 30,00,000/-. In addition, a payment of ₹ 50,00,000/- as has been recorded earlier and was undertaken in the affidavit was stated to be made by 16.01.2025. In addition, a payment of ₹ 2 Crores was also undertaken to be paid by 31.01.2025. The order dated 17.01.2025 reads as under:-

“1. A demand draft of ₹ 20,00,000/- has been handed over by the judgment-debtor to Mr. Abhijat, learned senior counsel appearing on behalf of the decreeholder, besides handing over a cheque of ₹ 30,00,000/- , which is payable on 24.01.2025.

2. Though the judgment-debtor unequivocally placed on record an undertaking that he would make the payment of ₹ 50 lakhs by RTGS/DD by 16.01.2025, however, in the interest of justice, the aforesaid DD and cheque are directed to be accepted without prejudice to the rights and contentions to be raised by the petitioner.

3. In addition, an undertaking of the judgment-debtor is further placed on record, who states that by 31.01.2025, he undertakes to make the payment of ₹2 crores, as has



already been recorded vide order dated 14.01.2025.

4. Let a photocopy of the aforesaid DD and cheque be also placed, on record.

5. List on 03.02.2025 for reporting compliance.”

4. Today, when the matter is called out, Mr. Anirban Bhattacharya, learned counsel who appears along with judgment-debtor, namely, Dinesh Sehgal submits that he could not be able to arrange the aforesaid sum, and therefore, the undertaking could not be adhered to.

5. Mr. Abhijat, learned senior counsel for the decree-holder points out that the cheque of ₹ 30,00,000/- which was payable on 24.01.2025, has also been dishonoured.

6. Under the aforesaid circumstances, the Court finds that there is a flagrant violation by judgment-debtor to his undertaking, which stood recorded in various orders in the instant proceedings.

*7. This Court, in **Indra Pasricha v. Deepika Chauhan** has, after relying on a catena of judgments on the aspect of Civil Contempt, observed that Section 2(b) of the Contempt of Courts Act, 1971 defines “civil contempt” and the same includes wilful disobedience or wilful breach of an undertaking given to a Court. The relevant portion of the said decision reads as under:-*

“14. In the present case, assuming that Respondent 1 was initially not aware about the consent decree, it is pertinent to note that the moment she was informed about the undertaking given by R.N. Kapur, through whom Respondent 1 derives title, she ought to have respected the undertaking given to the court and should not have persistently breached the same. This Court is of the opinion that obstinate and wilful act on the part of the respondent not to disobey the consent decree amounts to civil contempt under Section 2(b) of the Contempt of Courts, 1971 Act.”

8. Furthermore, in Court on its own motion v. Amar Singh Bhalla, this Court has opined that any individual cannot be allowed to trounce the majesty of law and pollute the streams of justice by brazenly engaging in contumacious conduct with the aim of hoodwinking the judicial system.



9. *The Court in the said decision, while placing reliance on the decision of the Supreme Court in the case of Kapildeo Prasad Sah v. State of Bihar has observed that when the contemnor did not make any efforts to abide by his own undertakings, the Court was duty bound to ensure that the necessary consequences would follow.*
10. *The Court, thus, finds him guilty of contempt of Court.*
11. *On sentencing, the Court takes into consideration the submissions of Mr. Anirban Bhattacharya, learned counsel for the judgment-debtor, who undertakes that the judgment-debtor shall make the payment of ₹30,00,000/- by 09.02.2025 through RTGS.*
12. *List this matter on 11.02.2025.*
13. *Let the judgment-debtor to remain personally present on the next date of the hearing.”*

4. As per the above order, the Appellant, on 13th January, 2025, had undertaken to pay a sum of Rs.50,00,000/- within three working days, Rs.2,00,00,000/- within 15 days and Rs.2,50,00,000/- in two instalments of three months each. Thereafter, in pursuance of the promise to pay Rs. 50,00,000/-, the Appellant made a payment of Rs.20,00,000/- by demand draft and Rs.30,00,000/- by way of a cheque which was dishonoured. However, considering the Appellant's undertaking, the Court *vide* impugned order dated 3rd February, 2025 again granted him the permission to transfer Rs.30,00,000/- through RTGS by 9th February, 2025.

5. However, even this undertaking was not fulfilled. On the subsequent hearing i.e., 11th February, 2025, the Appellant tried to rely on certain medical certificates to explain his conduct. The Court not being satisfied with the stand of the Appellant *vide* impugned order dated 11th February, 2025 sentenced the Appellant in the following terms:

“12. It is essential to emphasize that no individual, under any circumstances, can be allowed to undermine the dignity of the law or tarnish the very essence of justice by blatantly



engaging in contemptuous behaviour, with the deliberate intention of deceiving or misleading the judicial system. The Court proceedings must be treated with the utmost respect, and the undertakings provided by the parties, especially those supported by sworn affidavits, must not be taken lightly or violated repeatedly. Allowing such conduct to persist would not only compromise the credibility of the judicial process but also set a dangerous precedent that undermines the foundational principles of justice.

13. In view of the contumacious conduct, let the contemnor be punished with simple imprisonment for a term of six months, commencing from the date of his surrender/arrest. The Court is left with no other option, except to direct the arrest of the Judgment debtor/contemnor in view of the flagrant violation of his undertaking before the Court. If the Judgment debtor/contemnor is suffering from any medical ailment, let the necessary arrangement be made by the concerned jail authorities.

14. Let the arrest warrant be issued immediately. Let the same be executed through the concerned SHO, New Friends Colony.

15. Liberty is granted to him to file an application for early release in case, he complies with the undertaking which has already been furnished to the Court.

16. List this matter on 07.05.2025.”

6. It is against these orders that the present appeal has been preferred by the Appellant. Mr. Ravi Gupta, Id. Sr. Counsel for the Appellant on the last date of hearing i.e., 1st May, 2025 submitted that the Appellant has no means to pay the amounts due.

7. It is the case of the Respondent *vide CM. APPL. No.13005/2025* that the initial interim stay over the impugned orders was obtained *ex-parte* on 24th February, 2025 by deliberately not serving the advance copy upon the Respondents.



8. On the last hearing i.e., 1st May, 2025, the Court had heard the parties and had renotified the matter in the following terms:

11. Ld. Sr. Counsel of the Appellant reiterates the stand that the Appellant has no means to pay and it is only in view thereof, he is unable to discharge the liability. He submits that the same stand was taken by the Appellant even before the ld. Single Judge.

12. In this regard, Mr. Gandhi, learned Counsel for the Respondent, submits that the Appellant resides in a bungalow located in Friends Colony and also owns another immovable property. It is further submitted that the Appellant made incorrect statements before the Court regarding the existence of bank encumbrances on the said second property when attachment of the same was being considered earlier. Additionally, it is submitted that the Appellant is carrying on a business under the name 'Sehgal Brothers Retail' in South Extension, and that he, along with his family, possesses sufficient means to discharge the liability in question.

13. In this view of the submissions made today, let the Appellant remain present in Court on the next date of hearing.

14. List on 19th May, 2025. Interim order qua arrest to continue in the meantime, till the next date of hearing."

9. Pursuant to the previous order dated 01st May, 2025, the Appellant is present in Court today. An additional affidavit has also been filed on his behalf.

10. Mr. Ravi Gupta, ld. Senior Counsel for the Appellant today makes two submissions:

(i) that no Show Cause Notice (hereinafter 'SCN') was given to the Appellant in the contempt petitions under which he has been held liable prior to the passing of the impugned order;

(ii) that the Appellant does not have the ability to pay back the debt and that the Appellant is willing to take some financial assistance from friends and relatives to comply with the repayment obligation and for



the said purpose adjournment is sought;

11. Mr. Rohit Gandhi, Id. Counsel for the Respondent opposes both the submissions. It is his submission that the order dated 29th August, 2022, in itself ought to be treated as a Notice to Show Cause as to why contempt proceedings should not be initiated against him. In any event, the repeated opportunities extended to a Appellant, along with each order granting adjournment in the contempt proceedings, would, in effect, constitute sufficient notice to the Appellant as to why contempt proceedings ought not to be initiated. This Court, by the detailed order on the last occasion on 01st May, 2025 also had called the Appellant today which can also be treated as a Show Cause Notice as to why action ought not to be taken.

12. Under such circumstances, the first submission made on behalf of the Appellant is not tenable.

13. Insofar as the prayer for adjournment in order to arrange for funds is concerned, the Court has given sufficient and adequate opportunities to the Appellant to discharge the liability and to comply with his own undertakings given before this Court.

14. In fact, both the Id. Single Judges and this Court also have afforded multiple opportunities to the Appellant to discharge his liabilities, however, there has been no *bona fide* attempt to do so. Even today, despite the detailed previous order, the Appellant merely submits that he is in a position to pay only a partial portion of the amount to the tune of Rs. 25,00,000/-.

15. Lastly, the Appellant's submission regarding his inability to repay the debt on account of alleged business losses cannot be sustained in view of the unequivocal undertakings furnished by him before this Court.

16. As recorded in the previous order, the Appellant is enjoying a good



and lavish lifestyle, living in a bungalow in Friends Colony, South Delhi and is also running a business with his wife and son under the name and title ‘*Sehgal Brothers Retail*’ in South Extension. Considering the numerous opportunities provided to the Appellant and various undertakings made by him before this very Court, this Court has no option but to hold that the impugned order dated 11th February, 2025 is fully justified and does not warrant interference.

17. The present appeal is dismissed in the above terms. Pending applications, if any, are also disposed of.

18. The warrants of arrest in terms of the impugned order dated 3rd February, 2025 be executed through the concerned Station House Officer.

PRATHIBA M. SINGH
JUDGE

RAJNEESH KUMAR GUPTA
JUDGE

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MAY 19, 2025/MR/Ar.