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

% ***Judgment reserved on: 27.11.2025***
Judgment pronounced on: 06.12.2025

\+ FAO(OS) 37/2025 and CM APPL. 16325/2025

SANJAY GUPTA .....Appellant

Through: Mr. Manish Vashisht, Senior Advocate with Mr. Sameer Vashisht, Mr. Vedansh Vashisht, Mr. Swapan Singhal, Ms. Harshita Nathrani, Ms. Khushboo Mittal, Advocates.

versus

SONAKSHI GUPTA AND ORS. .....Respondents

Through: Mr. Giriraj Subramanium, Mr. Simarpal Singh Sawhney, Ms. Bijaharini G. and Mr. Jaisal Baath, Advocates for R-1,3 and 4

Mr. Rajesh Yadav Sr. Adv. with Mr. Rikky Gupta, Ms. Ruchira Arora and Ms. Ananya Singh, Advocates for R-6 to R21.

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

J U D G M E N T

ANIL KSHETARPAL, J.

1. Through the present Appeal, the Appellant assails the judgment dated 20.01.2025 [hereinafter referred to as 'Impugned Judgment'] passed by the learned Single Judge in CS(OS) 1965/2012, whereby the application under Order VII Rule 11 of the Code of Civil

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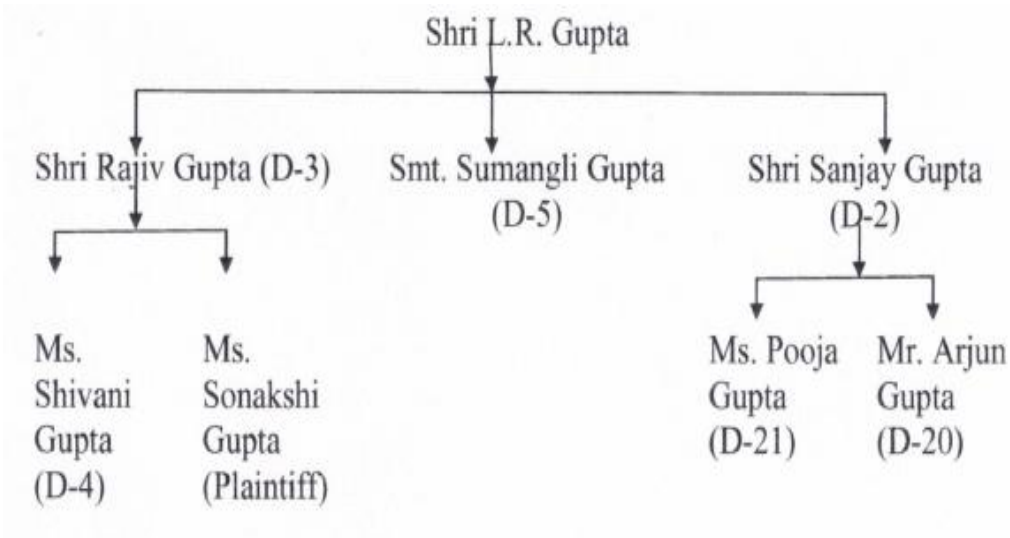
Procedure, 1908 [hereinafter referred to as 'CPC'] filed by the Appellant seeking rejection of the Plaint was dismissed.

2. The Appeal raises issues regarding the scope and limits of judicial scrutiny under Order VII Rule 11 of the CPC, including whether the plaint, when read meaningfully and as a whole, sets out a cause of action that would ultimately result in decreeing the suit or whether it falls within any of the grounds warranting rejection at the threshold.

FACTUAL MATRIX

3. In order to appreciate the issues arising for consideration in the present Appeal, it is necessary to briefly notice the relevant facts. For the sake of convenience, the parties are being referred to as they were arrayed before the learned Single Judge.

4. The genealogy relied upon by the Plaintiff is as under:



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5. The Plaintiff/Respondent No.1 filed a civil suit being CS(OS) 1965/2012 seeking partition, rendition of accounts, recovery, and injunction in respect of the properties of Shri L.R. Gupta HUF/Defendant No.1 (Respondent No.2 herein). The Plaintiff asserted that she is a coparcener in the Joint Hindu Family by virtue of Section 6 of the Hindu Succession Act, 1956 as amended in 2005, [hereinafter referred to as 'HSA'], and that the suit was instituted within three years of her attaining majority. She sought a decree for partition of the movable and immovable properties as described in Schedules A and B annexed to the Plaint, together with all consequential reliefs.

6. The Plaintiff set out her cause of action in paragraph 68 of the Plaint, wherein she detailed the circumstances giving rise to her claim for partition, rendition of accounts, and other consequential reliefs. She averred that her cause of action arose upon the commencement of the amended HSA, which came into effect on 09.09.2005, and further accrued upon attaining majority, when she became aware of the alleged illegal acts of Defendant No.3 and other Defendants, in selling, transferring, or alienating the properties of the HUF without her consent. The Plaintiff specifically claimed that her cause of action crystallised in November 2011, when she demanded partition of the properties and assets described in Schedules A and B, which was refused by Defendant Nos. 2 and 8. A further and effective cause of action arose on 22.03.2012, when the Defendants allegedly continued to refuse partition, failed to render accounts, and persisted in constructing new buildings at 47, Amrita Shergil Marg, New Delhi, giving rise to an apprehension that the HUF properties would be

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encumbered or alienated. She further asserted that she was being denied inspection of accounts, access to bank operations, and her due share of the profits, which she claimed were being usurped by the Defendants. Paragraph no.68 of her Plaint reads as under:

> *"68. That the cause of action arose in favour of plaintiff on the commencement of the Hindu Succession (Amendment) Act, 2005 which came into force with effect from September 9, 2005. That the cause of action has further arisen upon the plaintiff attaining majority and the plaintiff coming to know of the illegal acts of defendant No.3 and other defendants in selling/transferring/alienating the valuable properties of the HUF and also upon defendant No.3 making efforts/endeavours to change the nature of the suit properties.. That the cause of action accrued to the plaintiff in November 2011: when the plaintiff demanded the partition of the properties and assets specifically mentioned in Schedule A & B annexed hereto and the defendant No.2. & 8 refused to do so. A compulsive and effective cause of action accrued to the plaintiff in the year 2012 on 22.03.2012 and then a week back when the defendant Nos. 2 & 3 finally refused to partition the properties, assets and render accounts and to pay heed to the requests and demands of the plaintiff not to carry on the construction of the new buildings at 47, Amrita Shergil Marg, New Delhi and with the threat and apprehension that the said defendant will make all. efforts to create charge, lien, encumbrances, lease or by way of sale of HUF properties mentioned in Schedule-A and the cause of action further accrued when defendants 2 & 3 refused to pay heed to the demand of the plaintiff. That the cause of action has arisen in favour of the plaintiff and against defendant No.2 & 3 as the plaintiff is not getting her due share of money and profits out of the HUF properties, the plaintiff is not allowed inspection of books of accounts, the plaintiff is not allowed to operate the bank accounts, the plaintiff's share is being usurped and eaten away by defendants 2 & 3."*

7. In response, Defendant Nos.2, 5, 6 to 19, 21 and 22 filed four separate applications under Order VII Rule 11 of the CPC seeking rejection of the Plaint at the threshold. The grounds urged in support of these applications were threefold:

i. It was contended that the dispute between the parties, including the Plaintiff's father, had already been finally settled on 09.01.2006

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during the pendency of CS 1968/2003. The settlement recognised that the parties had separated as far back as 1993, as recorded in the decree passed by the Court. It was further submitted that the Plaintiff's father, Shri Rajeev Gupta, was now seeking to file multiple fresh suits through his children, including the present suit, in a manner that amounted to an abuse of the judicial process.

ii. It was further contended that while the Plaintiff may be a coparcener in her father's HUF, she cannot maintain a suit against the L.R. Gupta HUF. Accordingly, it was submitted that the Plaintiff had no cause of action against the said HUF, and therefore, the plaint ought to be rejected at the threshold.

iii. It was also urged that the Plaint is barred by law under Order VII Rule 11(d) of the CPC. It was submitted that, even if the averments in the Plaint are assumed to be true, the suit is not maintainable in view of the decree dated 09.01.2006 passed in CS 1968/2003 and the admitted separation of the family branches in 1993. On this basis, it was urged that the Plaintiff cannot, as a matter of law, assert any claim against the L.R. Gupta HUF, and the plaint is therefore liable to be rejected as being barred by law.

8. The learned Single Judge, after considering the submissions and perusing the paperbook, dismissed all four applications, while observing that the plaint did disclose a cause of action and that the question of whether the Plaintiff was entitled to the relief claimed could only be examined at the trial.

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CONTENTIONS OF THE PARTIES

9. Learned senior counsel for the Appellant reiterated the submissions advanced before the learned Single Judge and contended that the Impugned Judgment fails to appreciate the foundational objections to the maintainability of the suit. It was submitted that the suit is a clear attempt to reopen issues that already stood conclusively settled by the compromise decree dated 09.01.2006 passed in CS 1968/2003, wherein the separation of the branches of the family since 1993 stood acknowledged.

10. It was argued that the present proceedings are nothing but a collateral challenge to the said decree, engineered by the Plaintiff's father through successive litigations filed in the names of his children. It was further submitted that the Plaintiff, assuming she is a coparcener in her father's HUF, cannot assert any right or claim against the L.R. Gupta HUF, and therefore, the Plaint discloses no cause of action. It was additionally submitted that, even on a demurrer, the Plaint is barred by law and liable to be rejected under Order VII Rule 11 of the CPC.

11. The rejection of the plaint has also been sought under Clause (d) of Order VII Rule 11 of the CPC, contending that there is no direct challenge to the 2006 decree, and that any attempts by the Plaintiff's father cannot extend to the claims now being pursued by the Plaintiff.

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12. Reliance was placed on the judgments of the Supreme Court in:

i. ***K Akbar Ali v. K Umar Khan and Ors.***[1];

ii. ***N.V.Narendranath v. Commissioner of Wealth Tax, Andhra Pradesh***[2];

iii. ***C. Krishna Prasad v. CIT, Bangalore***[3];

iv. ***Rohit Chauhan v. Surinder Singh & Others***[4];

v. ***Kalyani (Dead) by LRs v. Narayan & Ors.***[5]; and

vi. ***Meenakshi Agarwal & Ors. v. Metadin Agarwal (Dead) by LRs and Others***[6].

13. *Per contra*, learned counsel for the Respondent No.1/Plaintiff supported the Impugned Judgment, and submitted that the Plaint discloses a clear and subsisting cause of action. It was argued that the Plaintiff, being a coparcener by virtue of the amended HSA, is entitled to seek partition and accounts of the properties forming part of the HUF, and that the repeated acts of alienation, construction and attempted encumbrances by Defendant No.3 gave rise to successive and continuing causes of action.

14. It was contended that the compromise decree dated 09.01.2006 neither binds the Plaintiff nor records any separation of the HUF insofar as her rights are concerned; rather, the said decree pertained to

[1] (2021) 14 SCC 51
[2] (1969) 1 SCC 748
[3] (1975) 1 SCC 160
[4] (2013) 9 SCC 419
[5] (1980) Supp SCC 298
[6] (2006) 7 SCC 740

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disputes *inter se* between her father and the other defendants, and cannot defeat statutory rights conferred upon a coparcener. It was further urged that the pleas raised by the Appellant relate to triable issues requiring evidence and therefore do not fall within the ambit of Order VII Rule 11 of the CPC.

ANALYSIS & FINDINGS

15. This Court has heard learned counsel for the parties at length and, with their assistance, perused the entire paperbook including the pleadings, documents, and the Impugned Judgment. The scope of interference at this stage is narrow, and the principles governing rejection of plaint must be applied with circumspection.

16. Order VII Rule 11 of the CPC empowers the Court to reject a plaint at the threshold, but the power is circumscribed by the grounds explicitly enumerated under clauses (a) to (f). The jurisdiction is thus limited, and requires the Court to proceed on a meaningful, but not a hyper-technical, reading of the plaint as a whole. It is settled that at this stage, the defence of the Defendants is irrelevant and the Court must confine itself to the averments in the Plaint.

17. The suit was instituted by the Plaintiff in the year 2012, within three years of her attaining majority on 18.05.2009, and this factual position is not in dispute. Clause (a) of Order VII Rule 11 of the CPC empowers the Court to reject a plaint if it does not disclose a cause of action. The question, therefore, is whether the plaint, on its face, discloses a cause of action.

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18. A reading of paragraph 68 of the Plaint demonstrates that the Plaintiff has articulated the manner in which the cause of action arose: first, upon enforcement of the HSA; thereafter, on attaining majority; and further upon learning of the alleged alienations and attempts to alter the nature of HUF properties. She has also pleaded specific dates of refusal of partition by the Defendants. Whether these assertions are ultimately established or not is a matter that can only be tested at trial. For the limited purpose of Order VII Rule 11(a) of the CPC, the plaint does disclose a cause of action, and the learned Single Judge was correct in so holding.

19. The Appellant's next contention proceeds on the basis of the compromise decree dated 09.01.2006 in CS 1968/2003, which recorded that the branches of the family had separated in 1993. It was argued that CS (OS) 1965/2012 is an indirect challenge to that decree, and that absent a specific prayer for its annulment, the suit is not maintainable, thereby attracting clause (d) of Order VII Rule 11 of the CPC.

20. This submission, however, overlooks a crucial aspect. The Plaintiff was not a party to the compromise decree dated 09.01.2006, which adjudicated disputes *inter se* her father and the other defendants. At that point in time, she was a minor, and therefore it was not necessary for her to seek annulment of a decree that may not bind her. The Plaint asserts that the 2006 decree is not binding on her rights as a coparcener under the 2005 Amendment, and she has sought partition of the HUF properties. Partition being a relief larger in scope than declaratory relief, the challenge to the 2006 decree is implicit,

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and a separate prayer under Section 34 of the Specific Relief Act, 1963 is not indispensable. She has also alleged that the HUF accounts have not been properly maintained and that the Income Tax Returns (ITRs) reflect the continued existence of the HUF.

21. The reliance of the Appellant on ***Akbar Ali*** (supra) to urge that the plaint is a product of clever drafting is misconceived. In ***Akbar Ali*** (supra), the Supreme Court cautioned against artificial pleadings designed to fabricate a cause of action. However, a meaningful reading of the plaint in the present case discloses specific factual assertions, dates, and alleged acts of alienation forming the basis of the Plaintiff's claim. The jurisdiction under Order VII Rule 11 of the CPC, being a drastic power to terminate proceedings at the threshold, cannot be invoked where the plaint discloses a cause of action requiring adjudication.

22. The judgment in ***N.B. Narendranath*** (supra) was rendered in the context of the Wealth Tax Act and deals with the meaning of "HUF" for fiscal purposes. It has no bearing on the principles governing rejection of a plaint under Order VII Rule 11 of the CPC, and therefore offers no assistance to the Appellant.

23. Similarly, the judgment in ***C. Krishna Prasad*** (*supra*) is also arising under the income tax regime, is distinguishable; it does not address the parameters for rejection of a plaint at the threshold and is irrelevant for determining the maintainability of the present suit.

24. The Appellant has next relied on ***Rohit Chauhan*** (supra) to contend that the concept of coparcenary, upon the birth of a child

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converting separate property into coparcenary property, can, at best, apply to the HUF of Sanjay Gupta and not to that of L.R. Gupta. The Plaintiff, having been born on 18.05.2001, asserts coparcenary rights in the L.R. Gupta HUF. Whether such HUF subsisted, its composition, and the nature of the properties in question are all matters requiring evidence. At this preliminary stage, it would be wholly inappropriate to reject the plaint in the face of such factual disputes.

25. The reliance placed on ***Kalyani*** (supra) is also misconceived. That case pertained to the effect of a will dealing with ancestral and self-acquired properties, and did not involve the interpretation of Order VII Rule 11 of the CPC. The principles therein are, therefore, inapplicable to the present controversy.

26. The judgment in ***Meenakshi Agarwal*** (supra), was rendered after a full trial in a suit for specific performance. Since the findings in that case emerged from appreciation of evidence, the decision cannot be invoked to seek rejection of the plaint here, where no evidence has yet been led.

CONCLUSION

27. In view of the above, this Court finds no ground to interfere with the Impugned Judgment. The Plaint discloses a clear cause of action, and none of the authorities cited by the Appellant justify recourse to the narrow jurisdiction under Order VII Rule 11 of the CPC.

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28. The Appeal, along with pending applications, is accordingly dismissed.

ANIL KSHETARPAL, J.

HARISH VAIDYANATHAN SHANKAR, J.

DECEMBER 06, 2025
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