



CR-4293-2025 (O&M)

1

104+219

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CR-4293-2025 (O&M)**Date of Decision: 14.09.2026****VIJAY KUMAR AGGARWAL**

..... Petitioner

*Versus***SHUBHAM AGGARWAL AND OTHERS**

..... Respondents

CORAM: HON'BLE MS. JUSTICE LAPITA BANERJI

Present : Mr. Naveen Kumar, Advocate for
Ms. Ashima Mor, Advocate
for the petitioner.

Mr. Gurpreet Singh, Sr. Advocate with
Mr. Karanvir Kathuria, Advocate,
Ms. Gunjan Nahata, Advocate and
Mr. M.S. Kohli, Advocate
for the respondent.

LAPITA BANERJI, J. (Oral)**CM-18288-CII-2026**

This is an application for placing on record accompanying
reply.

Application is allowed.

Accompanying reply is taken on record, subject to all just
exceptions.

Main case

1. Under challenge in the present civil revision is an order
dated February 17, 2025 passed by the learned Civil Judge (Jr. Divn)
Ambala.

2. Learned counsel appearing on behalf of the petitioner

**CR-4293-2025 (O&M)****2**

submits that the learned Civil Judge (Jr. Divn) misdirected herself by rejecting the application under Section 5 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the 1996 Act') read with Sections 9 and Order 7 Rule 11 of the Code of Civil Procedure, 1908. He submits that an arbitration agreement dated July 05, 1999, was executed between the petitioner and his two brothers, being respondent No. 7 and the predecessor-in-interest of respondents No. 1 to 6. He further submits, that by the said agreement, assets and properties of the father of the petitioner and his brothers were to be divided by way of arbitral proceedings by two named Arbitrators. Initially, the parties were referred to arbitration after passing away of their father, however, the same could not reach a conclusion.

3. Thereafter, an application under Section 11 of the 1996 Act was filed before this Hon'ble High Court. A learned Sole Arbitrator was appointed in 2017. However, the arbitral proceedings were terminated on January 06, 2018 by the learned Arbitrator as his fees were not paid by the parties. After the termination of the arbitral proceedings, a civil suit was filed by the respondents in 2018 being CS-118-2018. Thereafter, a petition for appointment of a sole Arbitrator was filed by the petitioner herein. Vide the order dated April 27, 2023, a Coordinate Bench of this Court disposed of the said petition with liberty to the parties to avail of remedies in accordance with law. Pursuant to the said liberty, the petitioner approached the previously appointed sole Arbitrator and the learned Arbitrator recalled the order of termination of the arbitral proceedings dated January 06, 2018 and decided to continue with the arbitral proceedings.



CR-4293-2025 (O&M)

3

4. In the meantime, sometime in or around July 2018, the petitioner also filed an application *inter alia* under Order 7 Rule 11 CPC before the Civil Judge (Jr. Divn). The learned Civil Judge (Jr. Divn) upon hearing the application under Order 7 Rule 11 CPC decided that the scope of instant civil suit was broader than the scope of the issues canvassed in the arbitration agreement dated July 05, 1999. She found that the award could be passed only with regard to the division of the properties and decided that the subject matter of a suit should not be split as has been observed by the Supreme Court in '***Sukanya Holdings Pvt. Ltd. Vs. Jayesh H. Pandya and another***' reported in (2003) 5 SCC 531. The bifurcation of the subject matter of a suit would only lead to delay and multiplicity of the judicial proceedings.

5. The learned Civil Judge held that the assets and properties of the father of the parties to the arbitration agreement could only be divided in arbitration proceedings and rendition of accounts with regard to M/s T.G. Aggarwal and Company could not be awarded in the arbitration proceedings since, the same were not subject matter of the arbitration agreement. Therefore, the application under Order 7 Rule 11 CPC, for rejection of plaint was dismissed by the learned Civil Judge (Jr. Divn).

6. Learned counsel appearing on behalf of the petitioner submits that the rendition of accounts in firm M/s T.G. Aggarwal and Company, was a separate cause of action and had nothing to do with the present arbitration agreement and for that claim being included in the suit, the application under Order 7 Rule 11 CPC could not have been dismissed. He also submits that delay in conducting of the initial/unadjudicated arbitral proceedings could not be attributed to the



petitioner solely.

7. *Per contra*, learned counsel appearing for the respondents submits that the petitioner is in possession of their father's properties and is resorting to dilatory tactics so that the same may not be divided and partitioned. He contends that the learned Civil Judge (Jr. Divn) had correctly decided the application under Order 7 Rule 11 CPC as the subject matter of the dispute between the parties could not be bifurcated and the prayers made in the civil suit could not be granted by way of an arbitral award.

8. This Court has heard the learned counsel for the parties and perused the material on record.

9. It is pertinent to refer to the prayers made in the civil suit and the statement of claim in this context. The prayers made in the amended statement of claim filed by the petitioner against the respondents are as follows:-

“Claims jointly against respondents Ajay Kumar and Ashok Kumar

1. Equivalent Agricultural land measuring 6k 14M from respondents to Vijay. Loss of earnings from this land since 2004 till date. Compensation for decrease in price of remaining land situated at the back without opening as front was sold in distress sale.

2. Passage to his remaining land. i.e to khasra no 21//1 & 10 and 20// 4 & 5.

3. 1/3 share in the land i.e Kh no 485 which was kept by L.Sh. Gian Chand Aggarwal, father of the parties, and is now in possession of the respondents.

4. Possession of Kotha. Kothi at farm house, it's rent and damage made



5. *Compensation of Jeep.*
 7. *Loss on sale of land at lesser rate along with 6 K 14M of land and reduction in price of remaining land situated at back.*
 8. *Expences born by claimaint for Renovation of shed no 13 i.e wall erection, office construction and new gate*
 9. *Compensation for loss of business to Gian Agro due to closure of bank limit.*
 10. *Compensation for loss of business to T.G Aggar & co.,*
 11. *Loss of interest past, present and future.*
 12. *Loss incurred due to sale of land 6k-14m at lesser price and reduction in price of remaining land now situate at back.*
 13. *Compensation for Renovation of Shed*
 14. *Expenses and court fees of Family litigation cases up-till supreme court and other pending cases*
- Claim against Ajay*
1. *Payment 1986-2000*
 2. *Payment 2000-2015*
 3. *Share sold by Ajay to Ramesh Dhingra*
 4. *Co-operative bank (Mandhor society) loan taken by Ajay but paid by Vijay.*
 5. *Demurrage payment to concor at Delhi for Santosh Metal LDH.*
 6. *Payment made for salvage of ships.*
 7. *Payments made to various people on behalf of Ajay, Pra Jeep Bahari, DL jain, Adesh Gupta, Krishan lal Chopra, Batra Ji, lal Chand, Sanad, Gullu jain, Shumbh timb, Minta, Prithvi shing Tomar.*
 8. *Rs 65000 due payable UBHVN for electrical connection taken by Ajay in shed No13.*
 9. *Police barricades manufactured for Ajay*
 10. *Harrow given in Patiala*



11. Money paid for cheque dishonor, 138 negotiable instrument act, Patiala case.

12. Payment of electricity bill of Ajay residence since 1999 till 24.10.10.

13. Payment made to save NPA of Ajay's Bank Account

14. New Cooler and house Gas connection of Bharat gas

15. Cash payments to Ajay

16. Thaper Ispat case at Delhi high court.

17. Ferra Case at Jalandhar and Delhi

18. Payment to NTPC

Claim against Ashok

1. Payment to SBI paid in March 2002

2. Payment of Sudan Disc

3. Rent of shed.

4. Payment from Mother's account for State Bank of Patiala in 94

5. Payment to customer who returned goods to Ashok

6. Payment of Leveler 2011

7. Scrap given during 2010

8. Rent of house at village karkru pending since 1987

9. Rent of both industrial sheds no.13-14 since 1987

10. Gold- 2 gold chain, 2 gold rings, jhumkas, 1 pair long earning, 3 bangles, 1 Arcee, 1 kara, 4 pair tops, 15 silver coins, 3 ginnies, 8 gold bangles, 24 gold matar, 4 diamonds replaced by 4 inferior quality handed to vijay.

11. Vijay's Land earning cultivated by Ashok and path

12. Revolver,

13. Cooperation bank payment

14. Jamuna payment

15. Nikka ram (lovely) payment paid to cooperation bank

16. Payment in mother's account after death.



17. Account of Dissolved T.G Aggar & Co, since 1987 till 1999. If need be Precise detail will be submitted.”

10. The prayers made in the civil suit filed by the respondents are as follow:-

“A preliminary decree for separate possession by way of partition of properties (1) House No.533/6, Railway Road Ambala City (2) Commercial plot No.961/4 Railway Road, Ambala City, (3) Industrial shed No.13-14 Industrial Area, near Dulkot Railway Station Ambala City (4) Rendition of accounts of firm M/s T.G. Aggar & Co. (5) Partition of shares/debentures etc (6) Rendition of accounts of shares and debentures as mentioned in annexure A, B & C attached with the plaint, on the basis of oral and documentary evidence, may kindly be passed in favour of the plaintiffs and against the defendant in the interest of justice, law and equity.”

11. From the bare perusal of the said prayers, it apparent that not only the division of assets is prayed for in the civil suit but also a preliminary decree for possession has been prayed for, in the suit for partition. In passing of a preliminary decree the Court will not only look into the interests of the parties to the agreement but also at the interests of the other parties, entitled in equity and law which the learned arbitrator will not be able to do. Furthermore, rendition of accounts for the firm M/s T.G. Aggarwal and Company has also been prayed for, as it was alleged that the defendant in the suit/petitioner in the present revision had been managing the affairs of the said firm and was in joint possession of the said firm along with the plaintiffs-respondents herein but was not accounting for the profits in the said firm.

12. The reasoning of the Apex Court in **‘Booz-Allen &**



CR-4293-2025 (O&M)

8

Hamilton Inc. v. SBI Home Finance Ltd. & Ors., reported in (2011) 5 SCC 532 is also not lost upon the mind of this Court.

13. This Court also finds no impropriety or *mala fides* in the conduct of the respondents in trying to scuttle the arbitration proceedings as the civil suit was filed in 2018, immediately after the learned Arbitrator terminated the second arbitral proceedings. It is much later in 2023 that a Coordinate Bench of this Court allowed the petitioner to avail of remedies available to him in accordance with law. Thereafter, the petitioner approached the learned Arbitrator again and the second arbitral proceedings were revived in 2023 which are still pending before the learned sole Arbitrator despite the expiry of mandate stipulated in Section 29-A of the 1996 Act, which this Court has been informed has neither being extended by consent of the parties nor by orders of a competent Court.

14. In view of the discussion made hereinabove, this Court finds no perversity in the impugned order passed by the Civil Judge (Jr. Divn) on February 17, 2025. Accordingly, the instant civil revision being CR-4293-2025 is **dismissed**.

15. However, the petitioner will not be precluded from raising all the issues in his defence, before the learned Trial Court, in his written statement.

16. Connected application(s), if any, shall also stand disposed of.

(LAPITA BANERJI)
JUDGE

14.09.2026

Ali

Whether speaking/reasoned
Whether Reportable

Yes/No
Yes/No