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

Date of decision: 01.11.2023

\+ **CM(M) 1697/2023**

RAJEEV NAGPAL ...... Petitioner

Through: Mr. Praveen Suri and Mr. Nikhil, Advocates

versus

STATE AND OTHERS ...... Respondents

Through: None

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CORAM:
HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

JUDGMENT

MANMEET PRITAM SINGH ARORA, J (ORAL):

CM APPL. 53966/2023(for exemption)

Allowed, subject to all just exceptions.

Accordingly, the present application stands disposed of.

CM(M) 1697/2023 & CM APPL. 53967/2023(stay)

1. This petition filed under Article 227 of the Constitution of India impugns the order dated 25.07.2023 passed by ADJ, Central District, Tis Hazari Courts, Delhi ('Trial Court').

2. The learned counsel for the Petitioner states that a separate order dated 13.03.2019 passed by the Trial Court was impugned in CM(M) 824/2019; wherein a Coordinate Bench of this Court had vide order dated

24.05.2019 directed the Petitioner herein to file an inventory qua the shares of the deceased along with an affidavit in terms of the said order. He states that the Petitioner on 01.07.2019 duly filed an affidavit along with documents before the Trial Court making a full disclosure.

2.1 He states that since there is no finding by the Trial Court with respect to any discrepancy in the information furnished by the Petitioner herein; no further directions to the Companies (in which the deceased held shares) seeking information could have been issued by the said Court. He further states that the Trial Court in these proceedings has no jurisdiction to issue directions and seek information from the Companies, as has been sought to be done.

3. This Court has perused the orders dated 13.03.2019, 24.05.2019 and impugned order dated 25.07.2023. The letters of administration were issued to the Petitioner on 24.12.2009 in furtherance of the order dated 25.07.2005. In the letter of administration, the Petitioner undertook to render to the Trial Court a full and true inventory of all the credits and the property. A relevant portion of the said letters of administration reads as under:

> *"The petitioner Sh. Rajeev Nagpal having undertaken to administer the same and to make a full and true inventory of the said property and credits and exhibit the same in this Court, within six months from the date of this grant or within such further time as the Court may, from time to time, appoint, and also to render to this Court a true account of the said property and credits within one year from the same date or within such further time as the Court may, from time to time, appoint."*

4. In furtherance of the letter of administration, the Petitioner admittedly, collected dividends from the Companies in which the deceased held his shares. It is stand of the Petitioner herein that in the inventory filed by him before the Trial Court, he has made truthful and full disclosures with

respect to the receipt of the amounts.

5. However, it is the matter of record that the Respondent No. 3 has been able to point out discrepancies in the first inventory as well as the second inventory, filed by the Petitioner herein.

6. In these circumstances, the Trial court was pleased to pass the following two (2) orders. The orders dated 13.03.2019 and 25.07.2023 both read as under:

> *"Petitioner has preferred not to file reply to the objections filed by R-3 till date.*
>
> *I have heard Ld. Counsel for R-3 at length in respect of the inventory furnished by the petitioner. I agree with Ld. Counsel for R-3 that the inventory furnished by the petitioner is incomplete and is not completely supported by required documents; the required bank statements and D-mat account details, and the details of shares and dividend received from the respective companies need explanation from the petitioner.*
>
> *If the petitioner fails to file the complete details and supportive documents to explain the inventory within one month from today, the requisite information shall be sought directly from the concerned companies and banks at the cost to be borne by the petitioner. In addition, necessary directions may be passed in view of the Section 263 (e) of Indian Succession Act, 1925.*
>
> *Put up for further proceedings on 23/07/2019."*
>
> ***
>
> *"Reply on behalf of the petitioner to the tabular statement of the companies, in which the testator had an account, is filed. Let the copy of the reply be supplied to the Ld. Counsel for R-3.*
>
> *It has been submitted by Ld. counsel for the respondent no. 3 that the <u>correct inventories have not been filed before this court as the correct amount received by the petitioner from the different companies has not been mentioned and the petitioner has concealed complete disclosures of the assets belonging to the testator</u>.*
>
> ***During arguments, he gave an instance of concealment that the dividends from Bajaj Auto Limited and other companies were received in the year 2010**. However, the same was not shown in the first inventory. <u>When the discrepancy was pointed out, then the amount was shown in the second inventory with an explanation that the petitioner was suffering from Bipolar disorder. It is observed here that to adjudicate the objections, it is necessary here to issue notice to</u>*

> *<u>the respective companies to produce the details of the shares, account and the dividends held by the testator namely Jugal Kishore Nagpal</u>.*
>
> *Accordingly, issue notice to the companies mentioned in the para 3 of the application dated 22.12.2022 through all available modes including the electronic modes on filing of PF & RC.*
>
> *<u>Let the details of the documents be produced by the companies be filed with the PF</u>. Let the steps be taken within 15 days from today.*
>
> *Now to come up on 18.12.2023."*

(Emphasis Supplied)

7. The perusal of the said order(s) would show that in fact the direction issued by the Trial Court would resolve the controversy raised with respect to the inventory and in fact substantiate the stand of the Petitioner that all amounts remitted by the said companies and collected by the Petitioner have been duly accounted for.

8. The Trial Court issued the aforesaid directions to the companies after being satisfied that Respondent No.3 has been able to show discrepancies. This Court therefore, finds no error in the direction issued by the Trial Court in its impugned order.

9. No prejudice has been caused to the Petitioner by the summoning of the said information from the Companies directly. In fact, the said information when produced by the said Companies would also duly satisfy the Respondent No.3 i.e., the objector with respect to the rendition of accounts by the Petitioner herein.

10. The Trial Court has in its order dated 13.03.2019 made a reference to Section 263 (e) of the Indian Succession Act, 1925 ('Act of 1925'), while issuing directions the Petitioner herein to file the inventory. In fact, the perusal of the letter of administration dated 24.12.2019 shows that the Petitioner has undertaken to file and inventory to the Court and submitted itself to the jurisdiction of the said Court for the purpose of verification of

the inventory in terms of Section 317 of the Act of 1925. The terms and conditions of the letter of administration make the Petitioner liable to the Trial Court. This Court therefore, finds no merit in the submission of the Petitioner that the order of the Trial Court is without jurisdiction.

11. There is no infirmity in the enquiry undertaken by the Trial Court by its impugned order. The petition is accordingly dismissed.

12. Pending application stands disposed of.

MANMEET PRITAM SINGH ARORA, J

NOVEMBER 1, 2023/hp/sk

Click here to check corrigendum, if any