

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
IN ITS COMMERCIAL DIVISION

COMMERCIAL APPEAL FROM ORDER NO. 19 OF 2025

IN

NOTICE OF MOTION NO. 1869 OF 2025
(OLD HIGH COURT I.A. (L) NO. 21398 OF 2021)

WITH

NOTICE OF MOTION NO. 1870 OF 2025
(OLD HIGH COURT I.A. (L) NO. 13622 OF 2021)

IN

COMMERCIAL SUIT NO. 1056 OF 2024
(OLD HIGH COURT COMMERCIAL SUIT (L) NO. 21256 OF
2021)

WITH

INTERIM APPLICATION NO. 10136 OF 2025
(FOR STAY)

IN

COMMERCIAL APPEAL FROM ORDER NO. 19 OF 2025

Ashok Investors Trust Limited

....Appellant
(Ori. Defendant No.4)

: Versus :

1. Crosslink Food & Farms Pvt. Ltd.
2. Lloyds Realty Developers Ltd.
3. Superways Enterprises Pvt. Ltd.
4. Shubhkaran & Sons
5. DBS Bank Ltd.

....Respondents

Mr. Zal Andhyarujina, Senior Advocate with *Ms. Akanksha Agarwal, Mr. Murtaza Kachwalla, Mr. Satvik Tejasvi and Mr. Rohan Vasa i/b. Argus Partners, for the Appellant.*

Mr. Dinesh Purandare, Senior Advocate with *Mr. Gaurav Srivastav, Ms. Manorama Mohanty and Ms. Malika Mondal i/by. S.K. Srivastav & Co., for Respondent Nos.1 and 2.*

Mr. Neerav Merchant i/by. *Thakordas & Madgavkar, for Respondent Nos.3 and 4.*

Mr. Atharva Dandekar with *Mr. Om Waghmode i/b. Mr. Hitendra Parab, for Respondent No.5.*

**CORAM : ALOK ARADHE, CJ. &
SANDEEP V. MARNE, J.**

Reserved On : 13 August 2025.

Pronounced On : 26 August 2025.

JUDGMENT :- *(Per Sandeep V. Marne, J.)*

1) The Appeal is filed under the provisions of Section 13 (1-A) of the Commercial Courts Act, 2015 by Appellant-Defendant no. 4 challenging the order dated 17 April 2025 passed by the learned Judge of the City Civil Court allowing Notice of Motion No.1869/2025 filed by the Plaintiff and restraining the Appellant from selling, transferring, alienating and/or disposing off shares pledged with Defendant No.1 by the Plaintiffs with further direction for rendering of accounts in respect of dividend/bonus shares received in respect of the pledged shares. The impugned order further directs Defendant Nos.1 and 4 to file statement of disclosure of

shares sold out of pledged shares with an undertaking that it would abide by any order passed in the suit in respect of the sold pledged shares.

2) The dispute amongst parties relate to pledge of shares by Plaintiffs in favor of the first Defendant Bank. Plaintiffs pledged the shares towards security for loan advanced by the first Defendant-Bank, to Defendant Nos. 2 and 3. The first Defendant Bank had assigned the pledge in favour of Defendant No.4 (Appellant herein) who claims right to sell the pledge shares. Plaintiff-Pledgees contend that the pledge has come to an end and are accordingly seeking return of the pledged shares. The Trial Court has granted temporary injunction in Plaintiff's favour restraining Defendant No. 4 from alienating the pledged shares. Aggrieved by the restraint put on alienation of shares, Defendant No. 4 is in appeal against the order dated 17 April 2025.

3) A brief narration of factual matrix would be necessary. Lakshmi Vilas Bank (original Defendant No.1) issued a sanction letter in favour of Defendant No.2 for *ad-hoc* credit limit of Rs.10 crores on 13 May 2008. Plaintiff No.1 owned 60,00,000 shares of a company named Shree Global Tradefin Ltd. (SGTL) and Plaintiff No.2 owned 15,00,000 shares of SGTL. Plaintiff No.1 wrote to Lakshmi Vilas Bank on 1 August 2008 agreeing to pledge 2,25,000 shares of SGTL for securing credit facilities sanctioned to Defendant No.2. Between 1 August 2008 to 29 March 2012, nine Pledge Forms were executed by Plaintiff Nos.1 and 2 in favour of Lakshmi Vilas Bank for 60,00,000 shares pledged in respect of the credit facilities sanctioned to Defendant No.2 and 15,00,000 shares in respect of credit facilities sanctioned in respect of Defendant No.3. It appears

that the pledge forms indicated closure dates of 31 March 2011, 31 March 2012 and 31 March 2013. On 11 February 2010, a Pledge Agreement was executed between Defendant No.3 and Lakshmi Vilas Bank for loan facility of Rs.50 crores. A Supplemental Agreement dated 27 June 2017 was executed between the Plaintiffs, Defendant No.2 and Lakshmi Vilas Bank for enhancement of credit facility by Rs.7 crores in respect of loan of Rs.50 crores sanctioned to Defendant No.3. On 7 August 2017, a Supplemental Agreement was executed between the Plaintiffs and Lakshmi Vilas Bank for enhancement of credit facility to Rs.77 crores to Defendant No.2. By the year 2018, Defendant Nos.2 and 3 defaulted in repayment of the loan amount.

4) On 25 November 2020, Lakshmi Vilas Bank merged with DBS Bank (current Defendant No.1). On 16 June 2021, a notice was issued by Defendant No.1 for initiation of sale of pledge shares to the Plaintiffs and Defendant No.2. As per the notice, the total sanctioned limit to Defendant No.2 was Rs.77 crores against which there was outstanding of Rs.122.50 crores. The account of Defendant No.2 was declared as Non-Performing Asset (**NPA**) on 31 March 2018. Another notice dated 16 June 2021 was issued by Defendant No.1-Bank to Plaintiff No.2 and Defendant No.3 for initiation of sale of pledged shares stating therein that the total sanctioned limit to Defendant No. 3 was Rs.57 crores against which there was outstanding of Rs. 99.26 crores and that Defendant No.3 was declared as NPA on 31 March 2018. Plaintiffs replied to the notices issued by Defendant No.1 on 12 July 2021 and 3 August 2021 denying their liability to pay the outstanding amount and called upon Defendant No.1-Bank to return the shares contending *inter alia* that the pledge of shares was created with closure date and that there was no pledger-pledgee relationship. On 17 August 2021, Defendant No.1 responded through

advocate's notice asserting existence of valid pledge. On 20 September 2021, Pledge Invocation Forms were issued by Defendant No.1-Bank instructing the Depository Participant (DP) Integrated Enterprises (India) Private Limited calling it upon to transfer the shareholding of Plaintiff No.1 in SGTL. On 20 September 2021, DP-Integrated Enterprises called upon Plaintiffs' DP-IL & FS Security Service Ltd. to electronically transfer the shareholding of plaintiffs in SGTL. In compliance, IL & FS Security Service Ltd. electronically transferred the shareholding to the account of Defendant No.1. The Pledge Master Report of IL & FS Security Service Ltd. dated 20 September 2021 evidenced transfer of the shareholding in the account of Defendant No.1.

5) In the above background, Plaintiffs filed Commercial Suit (L.) No.21256/2021 in this Court against Defendant No.1-Bank impleading the borrowers-Defendant Nos.2 and 3 seeking permanent injunction to restrain Defendant No.1-Bank from selling the alleged pledged shares as well as seeking a declaration that valid pledge is created between Plaintiffs and Defendant No.1. Plaintiffs also prayed for return of shares already transferred into the account of Defendant No.1-Bank. In the suit, Plaintiffs also filed Interim Application (L.) No.21398 of 2021 seeking temporary injunction against Defendant No.1-Bank from selling the alleged pledged shares, seeking Defendant No.1-Bank to return sale proceeds of sold shares and to render accounts in respect of the dividend/bonus shares received out of the pledge shares. During pendency of the suit, Defendant No.1 sold 31 lakhs shares of Plaintiff No.1 and recovered an amount of Rs.1,32,14,266/-. Further sale of 16 lakhs shares was effected for recovery of Rs.43,58,060/- An *ad-interim* order was passed by this Court in Interim Application (L.) No.21398/2021 on

26 October 2021 restraining further sale of pledged shares. Plaintiffs filed another Interim Application (L.) No.13622/2021 seeking disclosure of sold shares and for deposit of the sale proceeds. The two Interim Applications for temporary injunction were heard by this Court on 18 May 2022 and the order was reserved. On 20 April 2023, an Assignment Agreement was executed between Defendant No.1-Bank and Ashok Investors Trust Ltd. (Defendant No.4). On 5 June 2023, this Court pronounced order granting interim relief in favour of the Plaintiffs, restraining Defendant No.1 from selling the shares during final disposal of the suit. The order dated 5 June 2023 passed by the Single Judge of this Court granting temporary injunction in Plaintiffs' favour was challenged by Defendant No.4 by filing Commercial Appeal (L) No.21452/2023 before the Division Bench. By judgment and order dated 6 March 2025, the Appeal Court set aside the order dated 5 June 2023 both on the grounds of not advertng to essential ingredients for deciding prayer for temporary injunction, as well as delay in pronouncement of the order. The applications for temporary injunction were remanded for fresh decision.

6) In the meantime, Commercial Suit (L.) No. 21256 of 2021 got transferred to the City Civil Court on account of increase of pecuniary jurisdiction thereof. Defendant No.4 filed Chamber Summons for impleadment in the Suit on 25 March 2025, which was allowed vide order dated 25 March 2025. The City Civil Court heard the application for temporary injunction, which was renumbered as Notice of Motion No.1869/2025 (Old Interim Application (L.) No.21398/2021) and Notice of Motion No. 1870/2025 (Old Interim Application No. 13622/2021). By order dated 17 April 2025, the learned Judge of the City Civil Court has allowed Notice of Motion

No.1869/2025 in terms of prayer clauses (a) and (c) meaning thereby that the Defendant No.1-Bank and its Assignee (Defendant No.4) are restrained from selling the pledged shares and are directed to render accounts in respect of the dividend/bonus shares thereof. Notice of Motion No.1870/2025 is allowed to the limited extent of directing Defendant Nos.1 and 4 to file statement of disclosure of the sold shares together with an undertaking for being bound by an order passed in the suit. The operative part of the order dated 17 April 2025 is modified on 21 April 2025 for the purpose of covering Defendant No.4 in respect of order of temporary injunction. Aggrieved by the order dated 17 April 2025 passed by the learned Judge of the City Civil Court, Defendant No.4 has filed the present Appeal.

7) Mr. Andhyarujina, the learned Senior Advocate appearing for the Appellant-Defendant No.4 would submit that the learned Judge of the City Civil Court has grossly erred in granting temporary injunction in favour of the Plaintiffs. That the learned Judge has confused the concept of triable issue with the concept of *prima-facie* case and has erroneously held that there is a *prima-facie* case in favour of the Plaintiffs merely because there is a triable issue about continuation of the pledge. That the learned Judge has erred in holding that the pledge was offered for a limited time or that the same had closure date. That the learned Judge has erred in not appreciating that a pledge gets created only by reason of execution of pledge forms and that the same does not require execution of any separate agreement. That the Supplemental Agreements in the present case were executed only for the purpose of enhancement/extension of credit facilities and did not have any effect on the pledge already created. That execution of such Supplemental Agreements was not even necessary. That the learned Judge erred in not appreciating that

a pledge voluntarily created never expires. He would submit that the closure date indicated in the pledge forms does not have the effect of expiry of the pledge. The closure date is relevant only for the purpose of confirmation by the pledger's DP about creation of pledge after the closure date. That the handbook prescribes that the DP of the pledgee must confirm the creation of pledge/hypothecation before the date of closure/ date of hypothecation mentioned in the request form for creation of pledge. He would take us through the Handbook of NSDL Depository Operations Module, as well the information on the website of NSDL to demonstrate that indication of closure date in the pledge form does not mean that the pledge automatically expires on expiry of closure date. He would rely upon judgment of the Apex Court in *PTC India Financial Services Ltd. Versus. Venkateswarlu Kari and another*¹ dealing with the concept of pledge and submits that since pledge is a contract for bailment of goods as security for payment of debt or performance of promise, the pledge would continue till the debt is repaid. He would invite our attention to the pledge invocation form executed on 20 September 2021 in which also the closure date was indicated as 31 March 2011. He would submit that a pledge could be invoked by 20 September 2021 after expiry of closure date. That this is sufficient indicator of the fact that the pledge continued and has no relevance to the closure date. He would also submit that if the pledge was closed on closure dates, why Plaintiff did not ask for taking back the shares has not been explained in any manner.

8) Mr. Andhyarujina would further submit that the learned Judge of the City Civil Court has failed to appreciate that Plaintiff's suit is *prima-facie* barred by limitation. That Plaintiff has sought a declaration that no valid pledge is created between the Plaintiffs and

1 (2022) 9 SCC 704

Defendant No.1 by filing a suit in September 2021 even though the pledge forms were executed during 2008 to 2012. That the first prayer to restrain Defendant No.1-Bank/Defendant No.4 from selling the pledge shares is premised on a declaration of non-creation of valid pledge. That therefore the whole of the suit is barred by limitation. That the learned Judge erred in holding that the balance of convenience is tilted in favour of the Plaintiffs. That even if the shares are sold, the accounts in respect of the sold shares can be maintained and a monetary decree in the said sum can always be passed against Defendant No.1/Defendant No.4. That there is no question of cause of any irreparable loss to the Plaintiffs. That there is admitted default in payment of debts by Defendant Nos.2 and 3. That the pledge was created to secure the amounts due to the Defendant No.1-Bank by the borrowers. That Defendant No.4 is a valid assignee of the pledge and has secured assignment in respect of the pledge for valid consideration. That in such circumstances, Defendant No.4 cannot be prevented from selling the pledged shares to make good the consideration paid by it for assignment of the pledge. Lastly, Mr. Andhyarujina would submit that Defendant No.4 is willing to provide any security or bank guarantee to cover the amount of pledged shares, which would be sold by Defendant No.4 after vacation of order of temporary injunction. He would accordingly pray for setting aside the order of temporary injunction passed by the learned Judge of the City Civil Court.

9) The Appeal is opposed by Mr. Purandare, the learned Senior Advocate appearing for the Plaintiffs (Respondent Nos.1 and 2). He would submit that the learned Judge of the City Civil Court has rightly granted temporary injunction restraining Defendant No.4 from indulging in further sale of the alleged pledged shares. That the

restraint order on sale of shares has been operating since 26 October 2021 when the initial *ad-interim* order was made by this Court and that there is no reason for permitting Defendant No.4 to sell the pledged shares at this stage. Instead, the suit can be taken to trial by maintaining the *status-quo* as is prevailing today. That Defendant No.4 cannot be better placed than Defendant No.1. That Defendant No.1 has accepted that the closure date in the pledged forms would have the effect of expiry of pledge and had relied on Supplemental Agreements in support of claim of continuation of pledge by virtue of the said Supplemental Agreement. That Defendant No.1 has sought to distance itself from the fraudulent nature of Supplemental Agreements and is now conveniently attempting to take a different stand than the one taken by Defendant No.1-Bank, which is impermissible in law. He would submit that the pledge in a sub-specie of bailment of goods and both pledge as well as bailment are sub-species of a contract. That once it is held that a pledge arises out of a contract, it becomes permissible for a pledger to limit the extent of pledge by fixing a tenure. That a contract of pledge therefore recognizes the concept of limiting the pledge to a fixed tenure. That in the present case, the pledger specifically restricted the pledge to the closure dates indicated in the pledge forms. That the pledger in the present case did not execute any other document except the Pledge Forms of the DP in which specific closure dates were indicated. That therefore the pledge so created by the pledger automatically came to an end on expiry of the closure date. That there cannot be a pledge of shares in perpetuity. That Plaintiffs are not the borrowers and are third parties to the transactions between Defendant No.1-Bank and the borrowers (*Defendant Nos.2 and 3*). That third parties cannot be made liable in perpetuity. That Section

172 of the Contract Act permits imposition of restriction while creating a pledge.

10) Mr. Purandare would then take us through the Handbook of NSDL in support of the contention that the handbook specifically provides that the closure date is indicative of duration of pledge/hypothecation. So far as the aspect of limitation is concerned, he would rely upon provisions of Article 70 of the Limitation Act in support of the contention that the period of limitation begins to run from the date of refusal by the depositor after making the demand. That Article 58 of the Limitation Act has no application to the present case. Mr. Purandare would accordingly pray for dismissal of the Appeal.

11) Mr. Merchant, the learned counsel appearing for the borrowers-Respondent Nos.3 and 4/Defendant Nos.2 and 3 would support the appeal submitting that the pledge would continue to operate till the borrowers discharge their liability. That since pledge is created to secure the credit facilities, the same would continue till the borrowers discharge their liability in entirety. He would rely upon judgment of the Apex Court in Jaswantrai Manilal Akhaney Versus. State of Bombay².

12) We have also heard Mr. Dandekar, the learned counsel appearing for Defendant No.1-Bank/Respondent No.5 who would support the Appeal submitting that the suggestion of the Plaintiffs that closure date mentioned in the pledge forms operating against Defendant No.1 would tantamount the pledger taking advantage of their own wrong. That pledge is co-extensive with the credit facilities.

2 1956 SCC OnLine 46

That the conduct of the Plaintiffs in not seeking removal of pledge for more than eight years after expiry of closure date speaks volumes and clearly suggest Plaintiffs' understanding of continuation of pledge. That the very fact that the Depository Participant acted on invocation of pledge by Defendant No.1 eight years after expiry of the closure date is yet another indication of the pledge remaining valid even after expiry of the closure date.

13) Rival contentions of the parties now fall for our consideration.

14) The present case involves a transaction where Plaintiffs, who are total strangers to the loan agreements executed between Defendant No.1-Bank and the borrowers (*Defendant Nos.2 and 3*), have pledged the shares owned by them with Defendant No. 1-Bank. The Lakshmi Vilas Bank appears to have sanctioned credit facilities in favour of the borrowers (*Defendant Nos.2 and 3*) relying on the pledge created by the Plaintiffs. Lakshmi Vilas Bank, who initially sanctioned credit facilities of lesser amounts in the year 2008, went on extending the credit facilities as well as sanctioned additional credit facilities in favour of the borrowers till the year 2017. The two Supplemental Agreements dated 27 June 2017 and 7 August 2017 executed in favour of Lakshmi Vilas Bank are shown to have been signed by the pledgers (*Plaintiffs*). Based on the said Supplemental Agreements, Defendant No.1-Bank, who has stepped into the shoes of Lakshmi Vilas Bank, claimed that the pledge originally executed by the Plaintiffs not only continued, but covered even additional credit facilities. The Plaintiffs, on the other hand, claimed that the pledge forms indicated closure dates of 31 March 2011, 31 March 2012 and 31 March 2013 and that on expiry of the said

closure dates, the pledge came to an end. Plaintiff questioned the genuineness of the Supplemental Agreements dated 27 June 2017 and 7 August 2017 and denied having executed the same. Defendant No.4 is the assignee of pledge and has sought to distance itself from the controversy about genuineness of the 2017 Supplemental Agreements. Defendant No.4, instead, has adopted a line that there can never be closure of pledge upon expiry of closure date indicated in the pledge form. In the light of the above position taken by the parties, the issue that fell for consideration for *prima-facie* determination before the learned Trial Judge was whether pledging of shares by Plaintiffs has continued after expiry of the closure dates as indicated in the pledge forms?

15) Before proceeding further, it must be observed that this is the second occasion when Plaintiffs have secured an order of temporary injunction. As observed above, the Suit was initially filed in this Court and an *ad-interim* injunction was granted in Plaintiff's favour on 26 October 2021 restraining Defendant No.1-Bank from selling the pledged shares. The *ad-interim* injunction was confirmed by the learned Single Judge of this Court vide judgment and order dated 5 June 2023. The Appeal Court has however set aside the order dated 5 June 2023 holding *inter-alia* that the learned Single Judge had not adverted to the essential ingredients for deciding the prayer for temporary injunction and also to the rival submissions and that the order passed was cryptic. The order was also set aside on the ground of delay in its pronouncement. The Appeal Court therefore set aside the order dated 5 June 2023 and remanded the matter for fresh consideration by judgment and order dated 6 March 2025. The Appeal Court continued the restraint order for sale of further pledged shares till decision of the matter afresh. The suit, in the meantime, got

transferred to the City Civil Court and therefore two applications for temporary injunction have now been heard and decided by the learned Trial Judge of the City Civil Court. By the impugned order dated 17 April 2025, the learned Trial Judge of the City Civil Court has restrained Defendant Nos.1 and 4 from selling the alleged pledged shares with further direction to render accounts in respect of the dividend/bonus shares arising out of the pledged shares. Defendant Nos.1 and 4 are further directed to disclose the details of the shares already sold with an undertaking to abide by the final order that would be passed in the suit.

16) The rival parties are at loggerheads on the issue of continuation of effect of pledge after expiry of the closure date. Sections 172 to 179 of the Indian Contract Act, 1872 (**Contract Act**) deals with the bailment of pledge. It would be apposite to refer to the provisions of Sections 172, 176, 177 and 179 of the Contract Act :-

172. “Pledge” “pawnor”, and “pawnee” defined.—

The bailment of goods as security for payment of a debt or performance of a promise is called “pledge”. The bailor is in this case called the “pawnor”. The bailee is called the “pawnee”.

176. Pawnee’s right where pawnor makes default.—

If the pawnor makes default in payment of the debt, or performance, at the stipulated time, of the promise, in respect of which the goods were pledged, the pawnee may bring a suit against the pawnor upon the debt or promise, and retain the goods pledged as a collateral security; or he may sell the thing pledged, on giving the pawnor reasonable notice of the sale.

If the proceeds of such sale are less than the amount due in respect of the debt or promise, the pawnor is still liable to pay the balance. If the proceeds of the sale are greater than the amount so due, the pawnee shall pay over the surplus to the pawnor.

177. Defaulting pawnor’s right to redeem.—

If a time is stipulated for the payment of the debt, or performance of the promise, for which the pledge is made, and the pawnor makes default in payment of the debt or performance of the promise at the stipulated time, he may redeem the goods pledged at

any subsequent time before the actual sale of them; but he must, in that case, pay, in addition, any expenses which have arisen from his default.

179. Pledge where pawnor has only a limited interest.—

Where a person pledges goods in which he has only a limited interest, the pledge is valid to the extent of that interest.

17) Thus, bailment of goods as a security for payment of debt or for the performance of a promise is a pledge. The pledgee/pawnee is entitled not only to retain the goods pledged as collateral security but he can also sell the same on giving the pledger/pawnor reasonable notice of the sale. The Apex Court, in judgment in *PTC India Financial Services Limited* (supra), has dealt with the concept of pledge as well as legal difference between ownership, pledge and a mortgage and has held in paras-25 to 30 as under :-

C. Analysis of law of pledge and case laws relating to pledge

(i) What is pledge and the legal difference between ownership, pledge and mortgage.

25. Md. Sultan and Ors. v. Firm of Rampratap Kannayalal, Hyderabad, by its partners MANU/AP/0090/1964 : AIR 1964 AP 201 observes that a contract of pledge should satisfy the following conditions:

25.1. there should be a bailment of goods as defined in Section 148 of the Contract Act, that is, delivery of goods;

25.2. the bailment must be by way of security; and

25.3. the security must be for payment of debt or performance of a promise.

26. The decisions in Md. Sultan (supra) and Sri Raja Kakarklhpuudi Venkata Sudarsana Sundara Narasayamma Garu (died) and Ors. v. The Andhra Bank Ltd. Vijayawada and Ors. MANU/AP/0167/1960 : AIR 1960 AP 273 observe that hypothecation and mortgage of movables, though not specifically mentioned in the Contract Act, are valid and enforceable in India as the Contract Act is not an exhaustive law on the subject. Such transactions beyond the statutory framework are given effect to and interpreted by the courts according to the principles of justice, equity, and good conscience. There is no standard format and incidents in a contract of pledge can be different. A term mutually agreed by the

parties is valid as long as it is not contrary to or inconsistent with any provision of the Contract Act. In the context of the present case, the aforesaid principles relating to the law of pledge reflecting flexibility are important in the milieu of a transitional and commercial environment wherein significant changes have occurred across the capital market with inter alia advent of institutional investors, regulatory mechanisms, and the new insolvency regime, albeit the fundamentals of the law of pledge, except when permitted or required to be eschewed, should be applied. This is the principle of interpretation which we have applied to answer the conundrum.

27. These two decisions highlight distinction between a pledge, which creates an estate or a right that vests with the pawnee, and a wider and general right of an owner; as well as mortgage or hypothecation. An owner has: (a) right of possession; (b) right of enjoyment; and (c) the right of disposition. A pawnee does not have the right of ownership, but has limited right to retain possession till debt is paid or promise is performed. A pawnee's right of disposition is limited to disposition of the pledge rights only, and the right to sell after reasonable notice. Even when the pawnor makes default in payment of debt or performance of the promise, the pawnor has the right to redeem the pawn till 'actual sale' of the pawn by the pawnee. However, the pawnor in addition to the debt, must pay to the pawnee expenses that have arisen because of the default.

28. Where money is advanced by way of the loan upon the security of goods, the transaction may take the form of a mortgage or pledge. The difference between a pledge and a mortgage of movable property is that while under a pledge there is only a bailment, whereas under a mortgage there is transfer of the right of the property by way of security.

29. The distinction is aptly brought out in the following passage in Halsbury's Laws of England:

"A mortgage of personal chattels is essentially different from a pledge or pawn under which money is advanced upon the security of chattels delivered into the possession of the lender, such delivery of possession being an essential element of the transaction. A mortgage conveys the whole legal interest in the chattels; a pledge or pawn conveys only a special property, leaving the general property in the pledger or pawnor; the pledgee or pawnee never has the absolute ownership of the goods, but has a special property in them coupled with a power of selling and transferring them to a purchaser on default of payment at the stipulated time, if any, or at a reasonable time after demand and non-payment if no time for payment is agreed upon."

30. Therefore, unlike a pledgee, a mortgagee acquires general rights in the things mortgaged subject to the right of redemption of a mortgagor. In other words, the legal estate in the goods mortgaged passes on to the mortgagee. In comparison, a pawnee has only the special right in the goods pledged, namely, the right of possession as security and in case of default, he can bring a suit against the pawnor as well as sell the goods

after giving a reasonable notice.¹⁹ Whether a particular transaction is a mortgage of moveable property or a pledge can only be determined by reference to the intention of the parties, and other surrounding circumstances.

18) In *PTC India Financial Services Limited*, the Apex Court has thereafter dealt with the special right of pawnee in the pledged property as against a general right in the pledged property and has held in paras-31 and 32 as under :-

(ii) Pawnee has a special and not general right in the pledged property.

31. This Court, in *Lallan Prasad v. Rahmat Ali and Anr.*, MANU/SC/0070/1966 : AIR 1967 SC 1322 observes that under the common law, a pledge is a bailment of personal property as security for payment of debt or engagement. The two essential ingredients of pledge are

(i) the pawn i.e., the property pledged should be actually or constructively delivered to the pawnee and

(ii) a pawnee has only special property in the pledge but the general property therein remains in the pawnor and wholly reverts to him on discharge of the debt. The right to property vests in the pawnee only as far as is necessary to secure the debt.

A pawn or pledge is an intermediate between a simple lien and a mortgage, which wholly passes the property. A pawnor has an absolute right to redeem the pledged property upon tendering the amount advanced but that right would be lost if the pawnee in the meantime has lawfully sold the pledged property. If the pawnee sells, he must appropriate the proceeds of the sale towards the pawnor's debt, for the sale proceeds are the pawnor's monies to be so applied and the pawnee must pay the pawnor any surplus after satisfying the debt.

32. Accordingly, the judgment refers to Section 172, which states that a pledge is a contract for bailment of goods as security for payment of debt or performance of promise. Section 17322 entitles the pawnee to retain the goods pledged for the payment of the debt. Section 176, elucidating on the rights of the pawnee, states that in case of default by the pawnor, the pawnee has:

(a) a right to sue upon the debt and to retain the goods as collateral security, and

(b) sell the goods after reasonable notice of the intended sale to the pawnor.

Once the pawnee, by virtue of his right Under Section 176, sells the goods, the right of the pawnor to redeem them is extinguished. But, thereupon,

the pawnee is bound to apply the sale proceeds towards satisfaction of the debt and pay the surplus, if any, to the pawnor. So long as the sale does not occur, the pawnor is entitled to redeem the goods on payment of the debt. Even when the pawnee files a suit for recovery of the debt, though he is entitled to retain the goods, the pawnee must return the goods on payment.

19) The decision in *PTC India Financial Services Limited* is relied upon by the Appellant/Defendant No.4 in support of its contention that once pledge is validly created, the same creates an estate and the right that vests with the pledgee to retain possession after the debt is repaid. There is no dispute to this position in law which is also enunciated in the judgment of the Apex Court in *Lallan Prasad Versus. Rahmat Ali*³ which is considered by the Apex Court in *PTC India Financial Services Limited*. *Prima-facie* however it is difficult to read the judgment in *PTC India Financial Services Limited* to mean that in every case a pledge must continue till repayment of the debt or till completion of performance of promise. In ordinary circumstances, when pledge is created to secure repayment of debt, it can continue till the debt is repaid. However, in the present case Plaintiffs have relied on closure date reflected in the pledge forms in support of their contention that the pledge must come to an end on expiry of closure date. The issue that arises for *prima-facie* determination is therefore whether closure date reflected in the pledge forms brings to an end the pledge or the pledge must continue till the debt is repaid in entirety by the borrower.

20) Reliance is placed on behalf of the borrowers (*Defendant Nos.2 and 3*) on judgment of the Apex Court in *Jaswantrai Manilal Akhaney* (supra) in which it is held in para-11 as under :-

3 AIR 1967 SC 1322

11. We will now deal with the legal position, apart from the terms of the contract. On the facts stated above the Exchange Bank had become the bailee in respect of the securities. The securities had been delivered by the Co-operative Bank to the Exchange Bank for the express purpose, as disclosed in the contract set out above, that they shall be disposed of in accordance with the terms contained in Exhibit G set out above. By the very fact of the delivery of the securities to the bailee the latter became a trustee in terms of the contract, not for all purposes, but only for the limited purpose indicated by the agreement between the parties. The pledgor has in the present case only transferred his possession of the property to the pledgee who has a special interest in the property of enforcing his charge for payment of an overdraft, if any, whereas the property continues to be owned by the pledgor. The special interest of the pledgee comes to an end as soon as the debt for which it was pledged is discharged. It is open to the pledgor to redeem the pledge by full payment of the amount for which the pledge had been made at any time if there is no fixed period for redemption, or at any time after the date fixed and such a right of redemption continues until the thing pledged is lawfully sold. Hence the Co-operative Bank in this case could have asked for a return of the securities at any time, because there never was any overdraft. As the pledge had been terminated neither by redemption, nor by a lawful sale on the happening of such contingencies as the parties contemplated in their agreement or the law allowed, the securities continued to be the property of the Co-operative Bank and the Exchange Bank, or the appellant as its Managing Director, had no right to deal with them.

21) In our view, the judgment in *Jaswantrai Manilal Akhaney* merely reiterates the settled law that the pledger only transfers possession of the property to the pledgee, who has special interest in the property for enforcing the charge for repayment of debt, but the property continues to be owned by the pledger. The judgment further holds that special interest of the pledgee comes to an end as soon as the debt for which it was pledged is discharged. The judgment therefore is relevant for deciding the issue as to whether a pledge can continue after discharge of a debt. The judgment however has no relevance as to whether the tenure of the pledge can be limited by contract to a date prior to discharge of debt, which is the relevant issue for determination in the present case.

22) It is contended on behalf of the Plaintiffs that a pledge is nothing but bailment of goods and since bailment itself is a contract, it is lawful for the contracting parties to stipulate conditions subject to which a pledge would operate. It is Plaintiff's contention that they have specifically stipulated the end date for pledge to expire in the form of closure date. They contend that since pledge being a subject matter of contract, it is lawful for a pledger and pledgee to agree to a condition that a pledge would operate till a specified date notwithstanding continuation of obligation on the borrower to repay the debt. It is therefore contended on behalf of the Plaintiffs that a special condition specified in the pledge contract limiting the pledge to a specified date would prevail over the general condition where pledge ordinarily continues till repayment of the entire debt. On the other hand, it is the case of Defendant Nos.1 and 4 that the law does not recognize the principle of expiry of pledge before repayment of debt or performance of agreed promise. They contend that in every case, regardless of specification of closure date, pledge would continue till the entire debt covered by the pledge is repaid.

23) Additionally, parties are at serious dispute about the exact purpose for which 'closure date' is specified in the pledge form. Our attention was invited to the concerned pledge forms filed alongwith the plaint. Perusal of the said forms would indicate that same form is to be used for various purposes by clicking the options of (i) create the pledge/hypothecation, (ii) close the pledge/hypothecation, (iii) invoke the pledge/hypothecation and (iv) unilateral closure of pledge/hypothecation.

24) The first date mentioned in the pledge form is possibly the date of creation of pledge. In Exhibit-H-1 to the plaint, the said date of creation of pledge is specified as 29 March 2012. Against the column 'Agreement Number' the words 'N.A.' are mentioned which means that no separate pledge agreement was executed. Against the column 'closure date', the date of '31 March 2013' is specified.

25) It is the contention of the Plaintiffs that the closure date is specified for the purpose of indicating the date on which the pledge would expire. They have relied on para-1 of Chapter-12 of the NSDL Handbook in which it is provided as under :-

A beneficial owner may contract a loan against the securities owned by him. He may borrow from a Bank or any other person. A pledge transaction needs an identification which may be an agreement number. The borrower is called a pledgor and the lender is called a pledgee. There can be any number of pledge/hypothecation transactions between the same set of pledgees and pledgors. Each of these transactions have to be identified separately by an agreement number in the depository participant module (DPM) and a separate set of instructions have to be given against each of these transactions (agreement numbers). Multiple pledge instructions can be executed on the basis of a single agreement. In such cases, the same agreement number should be quoted for all the pledge instructions.

The DP of the pledgor initiates a pledge/hypothecation on request received from the pledgor in the prescribed form. The pledgor submits the request form containing all details like the details of securities to be pledged, the agreement number, closure date of the pledge/hypothecation (this date is indicative of the duration of pledge/hypothecation), pledgee's details, etc. The DP verifies the form for completeness and validity and ensures that the securities to be pledged exist in the pledgor's account. If it is not found in order, it is returned to the pledgor for correction. If the form is complete in all respects, the DP accepts it for processing and issues an acknowledgement to the pledgor.

(emphasis and underlining added)

26) Plaintiffs have also invited our attention to similar provision in the procedure published on NSDL website for pledge/hypothecation, in which the closure date is described to mean the date of duration of pledge.

27) On the other hand, Defendant No. 4 has submitted the concept of 'closure date' has no relevance to the duration of pledge and that the closure date is indicated only for the purpose of time line within which the Depository Participant needs to confirm creation of a pledge. Reliance is placed on following bullet point on procedure published on NSDL website :-

'The pledgee's DP cannot confirm the creation of pledge/hypothecation after the closure date'.

28) Reliance is also placed by the Appellant/Defendant No.4 on para-2 of Chapter-12 of NSDL Handbook in which it is provided as under :-

'DP of the pledgee must confirm the creation of pledge/hypothecation before the date of closure of pledge/hypothecation mentioned in the request form for creation of pledge submitted by the pledgor'.

29) Thus, there appears to be a serious dispute amongst the parties about the exact purport why closure date is specified in the pledge form. From the contents of NSDL Handbook and NSDL website relied upon by the Plaintiffs, an impression is created that closure date is indicative of the duration of pledge. On the other hand, the other contents of the very same material relied upon by Defendant No.4 would indicate that the closure date is the date by which the DP of the pledgee needs to confirm the creation of pledge.

In our view, this is a triable issue which needs to be resolved after leading of evidence. So far, one fact which can not escape the attention of this Court is that some of the pledged shares have been sold by Defendant No.1 on 4 October 2021 onwards. If the pledge had come to an end on expiry of closure date, how the pledged shares are permitted to be sold by the DP of pledgee as well as by the Depositor (NSDL) in October 2021 is something which is difficult to fathom at this stage. Perusal of the pledge invocation forms would indicate that the pledge is invoked on 20 September 2021 though the closure date thereon continued to be specified as 31 March 2011. If the closure date had significance to duration of pledge and if indeed pledge had come to an end on 31 March 2011 why and how the pledge invocation form could be processed on 20 September 2021 resulting in sale of shares is again something which is difficult to comprehend at this stage.

30) Thus, there appears to be clear dispute amongst the parties on the two issues of (i) permissibility in law to restrict pledge to a specified date, which occurs before discharge of debt for which pledge is executed and (ii) the exact significance of closure date specified in the pledge form.

31) These are undoubtedly triable issues which need to be resolved while deciding the suit. Though the learned Trial Judge has not delved deeper into the exact controversy between the parties, he has still recorded in para-46 of his order that *‘Therefore, one of the triable issue in the suit would be whether the original pledge form having closure date resulted in ending the pledge’*

32) The other issue which the learned Trial Judge has treated as a triable issue is whether the Supplemental Agreements produced on record by Defendants are valid and subsisting or whether they are bogus and forged documents. As observed above, Lakshmi Vilas Bank had not only extended but had also granted additional credit facilities to the borrowers and to secure the same, Supplemental Agreements were executed on 27 June 2017 and 7 August 2017. Perusal of the Supplemental Agreement dated 27 June 2017 shown to have been executed by the two Plaintiffs in respect of the credit facilities sanctioned to Defendant No.3 would indicate that Defendant No.3 had requested Lakshmi Vilas Bank to enhance the credit facilities by 7 crores and the Bank had agreed to extend the same against extension of pledge of shares held by pledger in favour of the Bank. Defendant No.1-Bank relied upon the Supplemental Agreements and has contended in paras-6 and 10 of the Written Statement that *'Similarly, the security was to remain continuing in terms of the clauses of the above referred Agreements for all the indebtedness and liability of the borrower'*. The Defendant No.1 thus took a specific stand that the Supplemental Agreements had the effect of subsistence of the pledge.

33) Plaintiffs have denied execution of the Supplemental Agreements and have contended that the same are forged and fabricated. The learned Trial Judge has recorded following *prima-facie* findings on the issue of genuineness of the Supplemental Agreements :-

44) It is submitted that, the signatures appearing on the last page of the agreement at Sr. No.3 as authorized signatory for 'M/s. Prawas Leasing and Finance Pvt. Ltd., is neither of its director nor of its authorized signatory. Similarly, the signature of Mr. Viresh Sohoni, the erstwhile Director of plaintiff no.1, is of a Director who resigned on 30 July 2012 and thus on 27 June 2017 was not in

employment of the plaintiff No.1. The agreements are neither notarized nor bears signatures of any witnesses. Both the documents at Exh.C and D are got up documents due to various factual inaccuracies while creating the same including the forged signatures. The affidavits of said Mr. Viresh Sohoni and Mr. Subhash Singh are annexed at Exh.B1 and B2 to the rejoinder to show that, Mr. Viresh Sohoni had resigned from the plaintiff No.1 company on 30 July 2012 and Mr. Subhash Singh had resigned from the plaintiff No.2 company on or around 10 January 2011 and it is contended that, both of them were neither authorized nor could have executed any documents on behalf of the plaintiff Nos. 1 and 2 Company.

45) It is further submitted that, Mr. Subhas Singh was not even in the country at the relevant time and period, during which they alleged execution of documents is attempted. Thus, the agreement dated 27 June 2017 and 7 August 2017 are forged and fabricated and plaintiffs are the victims of such forgery.

34) Faced with the difficulty that one of the signatories who has allegedly signed the Supplemental Agreements was not in India at the time when the Supplemental Agreements were executed, Defendant No.4 has sought to distance itself from the said two Supplemental Agreements and has taken a stand before us that the pledge created in favour of Defendant No.1 continued to subsist irrespective of execution of any Supplemental Agreement. It is contended by Defendant No.4 that even if execution of the Supplemental Agreements is altogether ignored, the pledge originally created by the Plaintiffs would continue to subsist till the credit facilities are repaid in entirety. Plaintiffs have accused Defendant No.4 of taking inconsistent stand than that of Defendant No.1. It is contended that an assignee cannot take stand different than that of his assignor.

35) We however do not desire to delve deeper into the aspect of genuineness of the Supplemental Agreements and their effect on

the enforceability of the pledge originally created, since, as rightly observed by the learned Trial Judge, even this is a serious triable issue.

36) After holding that there are two triable issues of closure date resulting in end of pledge and genuineness of the Supplemental Agreements, the learned Trial Judge has held that Plaintiffs have made out a *prima-facie* case in their favour. Mr. Andhyarujina has attempted to criticize the learned Trial Judge for confusing the concept of triable issue with the concept of *prima-facie* case. True it is that mere existence of triable issue would not, in every case, create a *prima-facie* case in Plaintiff's favour. However, the learned Trial Judge appears to have been swayed by the fact that Defendant No.1, who is the original pledgee, has taken a specific defence that execution of Supplemental Agreements has the effect of continuation of the pledge. Reliance by Defendant No.1 on Supplemental Agreements creates an impression as if the execution of the Supplemental Agreements was necessary for the purpose of continuation of pledge. If Defendant No.1 believed that execution of Supplemental Agreements have extended the pledge, it pre-supposes that the pledge had otherwise ended on closure dates. The learned Trial Judge has *prima-facie* found the Supplemental Agreements not to be genuine documents. This appears to be the reason why the learned Trial Judge has found *prima-facie* case in Plaintiff's favour. In our view, finding of *prima-facie* case recorded by the learned Single Judge does not appear to be so irrational or perverse that the same needs to be reversed in exercise of appellate jurisdiction applying the tests laid down by the Apex Court in Wander Ltd. and another Versus. Antox India P. Ltd.⁴.

4 1990 (Supp) SCC 727

37) So far as the issue of limitation is concerned, there appears to be serious dispute between the parties about application of exact article of the Limitation Act, 1963 to the present case. Plaintiffs rely upon Article 70 of the Limitation Act providing for period of limitation of three years for filing a suit to recover movable property deposited or pawned from depositor or pawner and the time specified for computation of limitation is the date of refusal after demand. It is contended that Plaintiffs have filed the present suit within three years of refusal of demand for return of shares and that therefore the suit is within limitation. On the other hand, Defendant Nos.1 and 4 rely upon Article 58 of the Limitation Act governing suits for obtaining any other declaration which needs to be filed within three years after the date of accrual of right to sue. It is contended by Defendant Nos.1 and 4 that the second prayer in the plaint seeking a declaration of non-creation of valid pledge is clearly governed by Article 58 of the Limitation Act as the same has no relationship with return of the pledged shares. In our view, it would be prudent to leave the issue of limitation to be determined by the learned Trial Judge while deciding the suit finally rather than making adjudication in respect of the same at this stage.

38) Another aspect considered by the learned Trial Judge is the balance of convenience which is held to be in Plaintiff's favour. In our view also, the balance of convenience is heavily tilted in Plaintiff's favour as Defendant No.1 never sold the alleged pledged shares for a considerable period of time and latter chose to assign the pledge in favour of Defendant No.4. If Defendant No.1 could wait for such a long time for enforcing the pledge, in our view, Defendant No.1 as well its assignees (Defendant No.4) can be made to wait for

some more time till the suit is decided. The Appellant before us is a mere assignee of pledge, assignment being executed by first Defendant-Bank. Defendant No.4 has taken a calculated risk of execution of assignment of the pledge in its favour after filing of the present suit by the Plaintiff, for consideration of only Rs.10 crores. The assignment is executed not only after grant of *ad-interim* order dated 26 October 2021 but after the order on application for temporary injunction was reserved by the learned Single Judge on 18 May 2022. Thus, Defendant No.4 (Appellant) has taken a calculated risk of securing an assignment of pledge on 20 April 2023 after noticing that there was restraint order vide *ad-interim* injunction dated 26 October 2021 on sale of shares. This is yet another vital factor to be taken into consideration while considering the factor of balance of convenience.

39) So far as the test of irreparable loss is concerned, the learned Trial Judge has rightly held that if the shares are permitted to be sold by Defendant No.4, it would be impossible for the Plaintiffs to get back the holding in shares in future. The valuation would change affecting the rights of the Plaintiffs. Plaintiffs are apparently promoter shareholders of the company. They are not mere speculators and may be interested in retaining the shareholding rather than monetizing the same. If the shares are now monetized by Defendant No.4 at this stage, the same would definitely prejudice the interest of the Plaintiffs. We are therefore not impressed by the offer made by the Appellant for securing the amount of sold shares by submitting a bank guarantee. In our view, ends of justice would meet if the temporary injunction is continued till the suit is decided in an expeditious manner.

40) Even otherwise, we find that the restraint order on sale of shares has been continued for the last four long years. The initial *ad-interim* order was passed on 26 October 2021 which was converted into interim injunction by order dated 5 June 2023. Though the order of temporary injunction dated 5 June 2023 was set aside by the Appeal Court on 6 March 2025, the Appeal Court continued the restraint order on sale of shares till the matter was reconsidered by the learned Trial Judge. The learned Trial Judge has thereafter clamped an injunction on alienation of shares by order dated 17 April 2025. This is how there is continuous restraint order for the last four long years earlier against Defendant No.1 and now against Defendant Nos. 1 and 4 from alienating the shares. It is well settled position that maintenance of *status-quo* is one of the relevant factors while determining the test of balance of convenience. We therefore lean towards the direction of maintenance of *status-quo* which is prevailing for the last 4 long years, especially after noticing that Defendant No.4 has failed to make out any case for disturbing such *status-quo* at this point of time.

41) It however needs to be clarified that the order of temporary injunction is being continued not because the case of Defendant Nos.1 and 4 of continuation of pledge is found to be *prima-facie* erroneous or because the case of the Plaintiffs about pledge coming to an end upon expiry of closure date is valid in law. These issues, as held above, are serious triable issues on which we have restrained from recording any *prima facie* opinion. The order of the learned Trial Judge is being upheld mainly for the purpose of continuation of *status-quo* which is prevailing for the last four years.

42) It must also be borne in mind that while passing an order of interlocutory injunction, the learned Trial Judge essentially exercises discretion. There is no adjudication on merits of the subject matter or any part of it. The Trial Court merely applies a triple test of *prima-facie* case, balance of convenience and irreparable loss by weighing of relevant considerations and decides whether to grant temporary injunction or not. In doing so, the learned Trial Judge does not make any adjudication on merits of the case. What it does is to use its discretion by weighing of considerations. The discretion so exercised by the learned Trial Judge usually is not to be interfered with by the Appellate Court so long as the same is sound and is not actuated by arbitrariness. Once the Appeal Court comes to a conclusion that the exercise of discretion by applying triple tests of *prima-facie* case, balance of convenience and irreparable loss is not arbitrary, capricious or perverse and once it has found that the learned Trial Judge has not ignored settled principles of law regulating grant or refusal of interlocutory orders, interference by Appeal Court becomes unwarranted. Useful reference in this regard can be made to the judgment of Full Bench of this Court, authored by one of us (*the Chief Justice*) in **UTO Netherland B.V. and another Versus. Tilaknagar Industries Ltd.**⁵ in which the issues referred to the Full Bench have been answered in para-31 as under :-

31. For the aforementioned reasons, the questions referred to us are answered as follows:

(i) The Division Bench decision of this Court in **COLGATE PALMOLIVE COMPANY (SUPRA)** sets out the correct principle of law. An order of temporary injunction does not cease to be a discretionary order merely because the learned motion Judge did not find any *prima facie* case and refused to grant interim restraint order. It correctly holds that in the matter of temporary injunction, the Court does not adjudicate on the subject matter or any part of it on merits and considers the application for temporary injunction in

⁵ Appeal No.66/2022 decided on 28 April 2025.

the light of well-known principles and exercises its discretion weighing all relevant consideration without any expression of opinion on merits of the matter. The Division Bench has rightly held that the decisions of this Court in *HIRALAL PARBHUDAS (SUPRA)* and *M/S. NATIONAL CHEMICALS AND COLOUR CO. (SUPRA)* have no relevance while deciding an appeal arising out of an order of injunction.

(ii) The scope and ambit of an appeal from an order passed by the trial Judge has already been delineated by the Supreme Court in *WANDER LTD. (SUPRA)*, *SHYAM SEL AND POWER LIMITED (SUPRA)* and *RAMAKANT AMBALAL CHOKSI (SUPRA)*. In view of aforesaid enunciation of law by Supreme Court, it is evident that the appellate court will not interfere with exercise of discretion of Court of first instance and substitute its own discretion except where the discretion has been shown to have been exercised arbitrarily or capriciously or perversely or where the Court had ignored the settled principles of law regulating grant or refusal of interlocutory injunctions. The Appellate Court while deciding an appeal, has to examine whether the discretion exercised is not arbitrary, capricious or contrary to the principles of law and the appellate Court may, in a given case, has to adjudicate on facts even in such discretionary orders.

43) Applying the above tests to the facts of the present case, we are of the view that use of the discretion exercised by the learned Trial Judge in granting injunction in favour of the Plaintiffs is neither arbitrary nor capricious. The learned Trial Judge has not ignored the settled principles of grant or refusal of interlocutory injunctions. No case is therefore made out for interference in the impugned order. The pledged shares have not been sold for the last several years and this position can be continued for some more time till the suit is decided.

44) The suit being commercial suit, needs to be tried and decided in an expeditious manner. The suit is pending since the year 2021 and it would be appropriate that the suit is decided in an expeditious manner by continuing the *status-quo* which is prevailing for the last four long years. The suit has already been transferred from this Court to the City Civil Court and there is a possibility of the

same being decided in an expeditious manner considering the fact that the suit is of commercial nature.

45) We therefore find the impugned order dated 17 April 2025 passed by the learned Trial Judge to be unexceptional. The Appeal is accordingly **dismissed**. There shall be no order as to costs. The learned Trial Judge is however requested to accord due priority for early disposal of the suit considering the fact that the same is a commercial suit.

46) All Interim Applications stand disposed of.

[SANDEEP V. MARNE, J.]

[CHIEF JUSTICE]

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