



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

1. **RSA-2809-2025 (O&M)**
Reserved on :-19.01.2026
Date of Pronouncement:-29.01.2026
Uploaded on:-02.02.2026

Sat Narain

... Appellant

Versus

K.V. Multi Healthplex Pvt. Ltd. and others

... Respondents

2. **RSA-2780-2025 (O&M)**

Jai Bhagwan

... Appellant

Versus

K.V. Multi Healthplex Pvt. Ltd. and others

... Respondents

CORAM: HON'BLE MR. JUSTICE VIRINDER AGGARWAL

Argued by :-

Mr. Ashish Aggarwal, Senior Advocate with
Mr. Manvendra Chauhan, Advocate,
Mr. Saket Bhandari, Advocate,
Mr. Vishal Pundir, Advocate and
Mr. Mohit Kakkar, Advocate
for the appellant in **RSA-2780-2025**.

Mr. Manvendra Chauhan, Advocate and
Mr. Mohit Kakkar, Advocate
for the appellant in **RSA-2890-2025**.

Mr. Munish Gupta, Advocate with
Mr. N.S. Gill, Advocate
for respondent Nos.1 to 4/caveator.



1. This consolidated Judgment governs the adjudication of the above-captioned Regular Second Appeals (for short to be referred as “RSAs”), each arising from an identical factual and legal matrix. Given the commonality of parties, the coextensive nature of the impugned judgments and decrees, and the consent of learned counsel for joint consideration, these appeals are being disposed of collectively in the interest of judicial economy, uniformity in legal interpretation, and procedural efficiency.

2. At the instance of learned counsel for the parties in both RSAs, the factual matrix for the purposes of this consolidated order has been carefully extracted from the records of both appeals, as it presents the most complete, accurate, and coherent account of the material facts. While the issues in each appeal may differ, the facts so delineated are adopted collectively to constitute the representative factual foundation for the adjudication of the present matters, ensuring a comprehensive and uniform basis for determination.

3. The appellants/defendants in the above-captioned RSAs have filed the present appeals assailing the impugned judgments and decrees rendered by the learned Appellate Courts.

4. The instant Regular Second Appeal (for short to be referred as “RSA”) has been instituted by the appellants-defendants No.6 and 7 to impugn the judgment and decree dated 25.04.2025 rendered by the learned Additional District, Sonipat whereby the findings of the trial Court were unequivocally affirmed. The trial Court, vide its judgment and decree dated 01.12.2022 passed by the learned Civil Judge, (Junior Division), Sonipat, had decreed the suit instituted by the respondents/plaintiffs



seeking a declaratory decree along with consequential relief or decree for permanent injunction. The appellants now challenges the concurrent findings of both Courts below as being legally unsustainable and factually erroneous.

5. The present suit has been instituted by the plaintiffs seeking a decree of declaration and consequential reliefs, asserting that the judgment and decree dated 24.12.2009, rendered by Shri Mohit Aggarwal, then learned Civil Judge, Junior Division, Sonipat, is wholly erroneous, illegal, and void ab initio, and, therefore, not binding upon the rights of the plaintiffs. The plaintiffs seek a declaration to the effect that the said judgment and decree is liable to be set aside on the grounds enumerated in the plaint.

5.1. Further, the plaintiffs pray for a declaration that Mutation No. 6977, erroneously recorded and sanctioned vide order dated 21.08.2010 by the Circle Revenue Officer, based upon the impugned judgment and decree of 24.12.2009, is likewise illegal, void ab initio, and unenforceable against the rights of the plaintiffs, and is liable to be set aside. In addition, the plaintiffs seek a decree for permanent injunction restraining the defendants, their agents, assigns, or anyone claiming under them from selling, mortgaging, transferring, leasing, or otherwise encumbering the suit land described in paragraph 1 of the plaint, by virtue of or relying upon the wrongful and illegal Mutation No. 6977.

6. Succinctly stated, the case of the plaintiffs is as under:-

“That one Puran (now deceased), being the absolute owner of the suit land detailed in paragraph 1 of the plaint, executed a Will in favour of Defendant No.5, Jai Karan, on



11.12.1997, by virtue of which Jai Karan became the absolute owner of the suit land upon the testator's death. Mutation No. 5246 in respect of the said Will was duly recorded and sanctioned by the revenue authorities. Pursuant thereto, Defendant No.5 Jai Karan sold portions of the suit land to Rajendra Singh through Sale Deed No. 2575 dated 25.08.2003 (Mutation No. 5591), who in turn conveyed certain portions to Ansal Housing Estate Pvt. Ltd. vide Sale Deed No. 8612 dated 20.10.2005.

Thereafter, the plaintiffs acquired specific portions of the suit land through valid sale and exchange deeds—Plaintiff No.4 under Exchange Deed No. 6821 dated 28.12.2006 (Mutation No. 6561), Plaintiff No.3 under Sale Deed No. 4604 dated 09.10.2006 (Mutation No. 6538), and Plaintiff No.1 under Exchange Deed No. 6827 dated 28.12.2006 (Mutation No. 6566). It is submitted that the plaintiffs are bona fide purchasers for valuable consideration, having acted in good faith, and were neither parties nor privies to Civil Suit No. 140/98. The revenue records contained no reference to the pendency of the said suit at the time of purchase.

It is further averred that the judgment and decree dated 24.12.2009 in Civil Suit No. 140/98 is illegal, void, and unenforceable against the plaintiffs' rights, having been obtained without a prayer for possession. Subsequent appeal proceedings resulted in a compromise whereby Respondents No.1 and 2 therein, Jai Bhagwar and Sat Narain, expressly



renounced any claim to the sale proceeds of the land sold by Defendant No.5 Jai Karan. The plaintiffs assert that the defendants colluded to deprive them of their lawful rights. Following acquisition, the plaintiffs secured CLU approval, developed the land into plots in accordance with the State Government of Haryana norms, and have invested substantial sums in its development, with allotment of plots already effected. Given the defendants' refusal to recognize the plaintiffs' lawful ownership, the present suit for declaration, injunction, and consequential reliefs has become necessary."

7. Upon issuance of summons, defendants No. 2 to 5 failed to enter appearance and were consequently proceeded against ex parte vide order dated 15.05.2012. A written statement was, however, filed on behalf of defendants No. 6 to 9 contested the claim of the plaintiffs, which is as under:-

*"They raised **preliminary objections** pertaining to the maintainability of the suit, lack of locus standi, and other ancillary grounds.*

***On merits**, defendants No. 6 and 7 unequivocally pleaded that the Will dated 11.12.1997, purportedly executed in favour of Jai Karan, already stands adjudicated as null and void by the Court of Shri Mohit Aggarwal, the then learned Civil Judge (Junior Division), Sonipat, vide judgment dated 24.12.2009. They further contended that the said suit had been instituted on 04.04.1998, and consequently, all sale deeds executed in favour of the present plaintiffs during the*



pendency of those proceedings are hit by the doctrine of lis pendens embodied under Section 52 of the Transfer of Property Act, 1882.

It was asserted that the plaintiffs cannot be accorded the status of bona fide purchasers, as they neither exercised due diligence nor undertook any genuine inquiry regarding the pendency of the earlier litigation. It was additionally pleaded that in the earlier suit, even vendee Rajender had been duly served with notice but chose not to contest. The defendants further averred that a mere recital in the sale deeds that no litigation was pending concerning the suit land does not exonerate the plaintiffs from their obligation to conduct prudent and diligent investigation.

While admitting the compromise effected in the appeal, defendants No. 6 and 7 clarified that their concern was confined solely to their legitimate share in the estate of their father, and they had no intention of claiming any portion of the sale consideration allegedly received by Jai Karan through the impugned alienations. They denied any allegation of collusion, asserting instead that the earlier civil suit had been vigorously contested for over 11 years and was not withdrawn surreptitiously.

It was finally pleaded that the answering defendants are in actual possession of the suit property, have sown wheat crops thereupon, and have constructed a residential house for



which electricity connections have been duly obtained both for the tube-well and the said residential structure.”

8. In due course, the plaintiffs also filed a replication to the written statement submitted by defendants No. 6 and 7, wherein the averments set forth in the plaint were unequivocally reaffirmed, while the assertions, denials, and objections embodied in the written statement were categorically repudiated. Upon a meticulous consideration of the rival pleadings placed on record, this Court deemed it appropriate, for the purposes of orderly, precise, and legally coherent adjudication, to crystallize the matters in controversy and accordingly framed the following issues:-

1. *Whether the plaintiffs are entitled to a decree for declaration to the effect that the judgment & decree dated 24.12.2009 passed by the court of Sh. Mohit Aggarwal, learned Civil Judge (Jr.Divn.), Sonapat is wrong, illegally, void, ab-initio and the same is not binding upon the rights of the plaintiffs and is liable to be set aside?OPP*
2. *Whether the plaintiffs are entitled to a decree for permanent injunction restraining the defendants from selling, mortgaging, transferring, leasing out the suit land and also from the creating any charge on the suit land as detail given in para no.1 of the plaint?OPP*
3. *Whether the suit of the plaintiffs is not maintainable in the present form?OPD*
4. *Whether the plaintiffs have no locus standi to file the present suit? OPD*
5. *Whether the present suit is hopelessly time barred?OPD*



6. *Whether the suit of the plaintiffs is bad for mis-joinder and non-joinder?OPD*
7. *Whether the plaintiffs have not come in the court with clean hands and suppressed the material facts?OPD*
8. *Relief.*
9. Upon the crystallization of issues, both parties were accorded full, unfettered, and meaningful opportunity to adduce evidence in substantiation of their respective pleadings. Following an exhaustive evaluation of the evidentiary corpus and a holistic appreciation of the record, the learned Trial Court proceeded to decree the suit in favour of the respondents–plaintiffs, recording *inter alia* the following findings:-

“In culmination of the foregoing analysis and the findings recorded on all issues, this Court is constrained to hold that the plaintiffs have successfully established their entitlement to the reliefs claimed. Consequently, the suit stands decreed, with costs, in the following terms: the judgment and decree dated 24.12.2009 rendered by Shri Mohit Aggarwal, the then learned Civil Judge (Junior Division), Sonipat, are hereby declared to have ceased to subsist and to have been rendered ineffective in view of the subsequent order dated 05.06.2010 passed by the learned Appellate Court. As a natural corollary, mutation No. 6977, sanctioned on the strength of the aforesaid judgment and decree dated 24.12.2009, is declared illegal, void, without jurisdiction, and non-binding upon the rights and interests of the plaintiffs, and is accordingly set aside.

Furthermore, defendants No. 1 to 7 are perpetually restrained from selling, mortgaging, transferring, leasing, or otherwise encumbering the suit land, or from creating any charge thereupon, whether forcibly or otherwise, on the basis of the aforesaid void mutation No. 6977.”



9.1. The judgment and decree so returned by the learned Trial Court, upon being carried in appeal, came to be affirmed in toto by the learned First Appellate Court. The appellate forum, upon an independent and concurrent re-appraisal of the pleadings, evidence, and legal matrix, dismissed the appellants–defendants’ appeal and sustained the decree, observing *inter alia* as under:-

“In view of the foregoing adjudication and the conclusions inexorably reached herein, the Civil Appeals CIS/CA/09 of 2023 titled “Sat Narain v. KV Multi Health Pvt. Ltd. and Others” and CIS/CA/161 of 2023 titled “Jai Bhagwan v. KV Multi Health Pvt. Ltd. and Others” are hereby dismissed, with costs. The impugned judgment and decree rendered by the learned Trial Court stand fully affirmed and sustained in their entirety.

With the disposal of the principal appeals, all pending miscellaneous applications, if any, shall also stand disposed of by necessary implication.”

9.2. Assailing the concurrent findings, both factual and legal, returned by the learned Courts below, and being manifestly dissatisfied with the adjudication so rendered, the appellants have invoked the corrective and supervisory jurisdiction of this Court by instituting the present RSAs.

10. The appellants have now invoked the appellate jurisdiction of this Court through the present proceedings, laying challenge to the concurrent judgments and decrees rendered by the learned Courts below. Upon a preliminary examination, the appeal was found to raise matters warranting consideration on merits; accordingly, it was taken up.



Respondents No.1 to 4 appeared by filing a caveat and addressed submissions in opposition. The appeals have, therefore, been examined and adjudicated on the basis of the arguments advanced by learned counsel representing the respective parties.

10.1. In order to secure a thorough, judicious, and fully informed adjudication of the questions arising for determination, this Court considered it imperative to call for the complete record of the Courts below. Pursuant thereto, the entire trial as well as appellate record was duly requisitioned, and the same has been subjected to a meticulous, holistic, and discerning scrutiny so as to enable an accurate, effective, and legally sound disposal of the present appeals.

11. I have heard learned counsel for the appellants at considerable length and have bestowed anxious and thoughtful consideration upon his submissions, keeping in view the pleadings of the parties, the evidentiary material brought on record, and the concurrent findings returned by the Courts below. The entire record has been subjected to a meticulous and comprehensive scrutiny for the purpose of determining *‘whether the impugned concurrent judgments and decrees suffer from any jurisdictional error, manifest perversity, misappreciation of evidence, or any other legal infirmity that would justify and necessitate interference in the exercise of appellate jurisdiction’?*

12. As regards the scope of second appeal, it is now a settled proposition of law that in Punjab and Haryana, second appeals preferred are to be treated as appeals under Section 41 of the Punjab Courts Act, 1918 and not under Section 100 CPC. Reference in this regard can be made to the judgment of the Supreme Court in the case of ***Pankajakshi (Dead)***



through LRs and others V/s Chandrika and others, (2016)6 SCC 157, followed by the judgments in the case of ***Kirodi (since deceased) through his LR V/s Ram Parkash and others, (2019) 11 SCC 317 and Satender and others V/s Saroj and others, 2022(12) Scale 92.*** Relying upon the law laid down in the aforesaid judgments, no question of law is required to be framed.

13. In assailing the concurrent findings, learned counsel for the appellants has canvassed, with considerable emphasis, that the Courts below have gravely erred in according to the respondents–plaintiffs the status of *bona fide* purchasers for value, while wholly overlooking the foundational and undisputed circumstance that all the impugned transfer transactions were effected during the pendency of the earlier civil suit and, therefore, stood squarely interdicted by the doctrine of *lis pendens*. It is urged that the legal position is too well entrenched to admit of debate, any alienation made during the subsistence of litigation is inexorably hit by Section 52 of the Transfer of Property Act, and the transferee pendente lite, irrespective of his bona fides or consideration paid, acquires no higher right than that of his transferor and remains fully bound by the ultimate adjudication in the suit.

13.1. It is further contended that both Courts below committed a manifest and fundamental error in holding that the judgment and decree dated 24.12.2009 stood merged in the appellate order dated 05.06.2010. According to learned counsel, such a conclusion is perverse inasmuch as the appeal preferred by respondent Jai Karan was dismissed as withdrawn, resulting in no appellate decree and, consequently, leaving no scope whatsoever for the doctrine of merger to operate. It is asserted that the



judgment and decree dated 24.12.2009, whereby the Will set up by Jai Karan was declared illegal, null, and void, thereby attained finality.

13.2. Learned counsel further submits that the Courts below have ignored the well-settled principle that estoppel cannot be invoked to defeat or override substantive law. Even assuming, without so conceding, that any plea of estoppel were available, the same could have been applied only in strict conformity with law, a requirement conspicuously absent from the findings rendered. It is argued that the decree dated 24.12.2009, having attained finality and being binding on Jai Karan, could not have been collaterally challenged or undermined in subsequent proceedings instituted by the present plaintiffs, who merely stepped into the shoes of Jai Karan and can claim no independent or superior right. Thus, it is urged that the Courts below erred in entertaining and decreeing a suit which, in effect, amounts to an impermissible collateral attack upon a decree that has long attained finality.

13.3. On these premises, it is vehemently contended that the impugned judgments and decrees suffer from serious infirmities of law and reasoning and, therefore, deserve to be set aside, and the present appeal merits allowance.

14. In pointed rebuttal, learned counsel for the respondents has asserted that the concurrent findings rendered by the Courts below are impregnable, legally unassailable, and founded upon a correct and holistic appreciation of the record. It is contended that both Courts have, with due justification, held the transferees to be *bona fide* purchasers for valuable consideration, and once such status stands established, the appellants as



well as respondent–Sat Narain are clearly estopped from disputing or derogating from the title lawfully vested in the respondent–plaintiffs.

14.1. To fortify his submission, learned counsel has placed reliance upon the authoritative pronouncements of the Hon’ble Supreme Court in ***Cauvery Coffee Traders, Mangalore v. Hornor Resources (International) Co. Ltd., (2011) 1 SCC 420, and Pratima Chowdhury v. Kalpana Mukherjee, (2014) 4 SCC 196***, wherein the contours of estoppel, recognition of bona fide purchasers, and the binding character of transfer transactions have been succinctly delineated. On the strength of these precedents and the reasoning adopted by the Courts below, it is urged that the appeals are devoid of merit and deserve outright dismissal, with the impugned judgments and decrees warranting affirmation.

15. The learned First Appellate Court, upon a meticulous appraisal of the evidence and pleadings, has comprehensively examined the status of the respondent–plaintiff as a *bona fide* purchaser for valuable consideration. The Court’s findings in this regard, encapsulated in paragraphs 66 to 68 of the impugned judgment, are reproduced and read as follows:-

“66. The said sale or exchange deeds are written documents and, oral evidence to disprove Its/their contents are not admissible in terms of Section 91 of the Evidence Act. Further, bare perusal of case record reflects that transfer(s) for valuable consideration Is duly proved on record. Even otherwise, It is not the case of the defendant nos. 6 and 7 (the appellants) that the transfers were without consideration. Thus, It is clearly established on record that the sale deeds or exchange deeds were executed for



valuable consideration. Accordingly, third condition is also satisfied.

67. *The plaintiffs' case is that they have Inspected the revenue records; and enquired from the neighborhood as to the status of the defendant no. 5 qua the suit land. The said sale deeds or exchange deeds contains that the possession was also delivered to the plaintiffs at the time of execution of the sale deeds or exchange deeds. Further, there is nothing on record to reflect that the plaintiffs were aware of the pending litigation between the defendants at the time of sald executions or at any time prior to that; or that they have not acted in good falth. Thus, it is proved on record that the plaintiffs have acted in good faith and they have taken reasonable care to ascertain that transferor (the defendant no. 5) had power to transfer the suit land. Accordingly, fourth condition is also satisfied.*

68. *Ld. Counsels for the appellants-defendant nos. 6 and 7 have contended that the plaintiffs are not the bonafide purchasers of the suit land as Sh. Rajender was aware of the pendency of the said civil suit. Admittedly, said Sh. Rajender Is not a party to the present suit. Further, there is nothing on record, either oral or documentary, which reflects that the plaintiffs have or any of the plaintiff has knowledge qua the pendency of the sald civil suit no. 140 of 1998."*

16. It is an admitted fact that the transfers in favour of the plaintiffs were effected during the pendency of the earlier litigation. In this context, the Hon'ble Apex Court, in the case of **Chander Bhan (D)**



Through LRs vs. Mukhtiar Singh and Others, 2024 AIR (SC) 2267, has held as follows:-

“21. Once it has been held that the transactions executed by the respondents are illegal due to the doctrine of lis pendens the defence of the respondents¹⁻² that they are bonafide purchasers for valuable consideration and thus, entitled to protection under Section 41 of the Act of 1882 is liable to be rejected.”

16.1. Further, in ***Shingara Singh vs. Daljit Singh and Another, 2024 (4) RCR (Civil) 553***, the Court observed as under:-

“11. In Usha Sinha v. Dina Ram (2008) 7 SCC 144 this Court held that the doctrine of lis pendens applies to an alienation during the pendency of the suit whether such alienees had or had no notice of the pending proceedings. The following has been held I paras 18 & 23:

18. Before one-and-half century, in Bellamy v. Sabine ((1857) 1 De G & J566 44 ER 842]. Lord Cranworth, L.C. proclaimed that where a litigation is pending between a plaintiff and a defendant as to the right to a particular estate, the necessities of mankind require that the decision of the court in the suit shall be binding not only on the litigating parties. but also on those who derive title under them by alienations made pending the suit, whether such alienees had or had not notice of the pending proceedings. If this were not so, there could be no certainty that the litigation would ever come to an end.

23. It is thus settled law that a purchaser of suit property during the pendency of litigation has no right to resist or obstruct execution of decree passed by a competent court. The doctrine of "lis pendens" prohibits a party from dealing with the property which is the subject- matter of suit. "Lis pendens" itself is treated



as constructive notice to a purchaser that he is bound by a decree to be entered in the pending suit. Rule 102, therefore, clarifies that there should not be resistance or obstruction by a transferee pendente lite. It declares that if the resistance is caused or obstruction is offered by a transferee pendente lite of the judgment-debtor, he cannot seek benefit of Rules 98 or 100 of Order 21.”

16.2. Learned counsel for the respondent-plaintiff has failed to cite any binding judgment of the Hon’ble Apex Court supporting the proposition that transferees pendente lite can be recognized as bona fide purchasers for consideration. In the absence of any authoritative precedent, the findings recorded by the Courts below in favor of the respondent-plaintiff as a bona fide purchaser for consideration are manifestly unsustainable, contrary to settled principles of law, and are accordingly set aside.

17. Learned First Appellate Court further observed that the appellant and respondent Sat Narain are estopped from disputing the ownership rights of the respondent-plaintiffs. It was noted that Jai Karan, the predecessor-in-interest of the plaintiffs, had filed a civil appeal against judgment and decree Ex.P4, which was subsequently dismissed as withdrawn pursuant to a compromise entered into between the parties, namely defendants No.5 and defendants No.6 and 7. In terms of the compromise, defendants No.6 and 7 expressly agreed not to assert any claim over the sale consideration arising from the sale deed executed by Jai Karan.

18. The Court, upon due consideration, observed that the defendants-appellants have, by their conduct, unequivocally relinquished



any claim to the sale consideration under the sale deeds executed by Jai Karan, thereby, either expressly or by necessary implication, acknowledging the legality and validity of the said sale deeds and the exchange deed pursuant to which the plaintiff acquired the right, title, and interest in the suit property.

p. It is further noted that Jai Karan, having withdrawn the appeal assailing judgment Ex.P-4, did so pursuant to a compromise reached with his brothers, resulting in the dismissal of the civil appeal. During the pendency of such litigation, Jai Karan transferred the suit property to the plaintiff. In the civil suit, the will was set aside, and the estate of Puran Singh was held to devolve upon the natural heirs in accordance with Section 8 of the Hindu Succession Act. Jai Karan thereafter preferred an appeal, which, during its course, culminated in a compromise whereby the respondent Sat Narain expressly declared that they would not claim any share of the sale consideration relating to the transactions occurring pending adjudication. This conduct, by necessary implication, affirmed the validity and legality of the sale and exchange deeds executed by Jai Karan in favor of the plaintiffs.

18.2. Consequently, having been substituted into the legal position of Jai Karan, and with Jai Karan having withdrawn the appeal on the basis of the statements made by Jai Bhagwan and Sat Narain, the said parties are estopped from challenging, in any forum, the legality, validity, or enforceability of the sale deed and exchange deed executed by Jai Karan and his successors-in-interest in favor of the plaintiffs.



19. Learned counsel for the respondent-plaintiff submitted that the conclusions reached by the learned First Appellate Court are founded upon a sound and coherent analysis, reflecting a correct appreciation of the facts and circumstances of the case. He placed reliance upon the decision in **Cauvery Coffee Traders, Mangalore (supra)**, wherein the Hon'ble Apex Court held that a party cannot be permitted to assume inconsistent positions, to "blow hot and cold," or to approbate and reprobate simultaneously, and further elucidated the principle as follows:-

"34. A party cannot be permitted to "blow hot and cold", "fast and loose" "approbate and reprobate". Where one knowingly accepts the benefits of a contract or conveyance or an order, is estopped to deny the validity or binding effect on him of such contract or conveyance or order. This rule is applied to do equity, however, it must not be applied in a manner as to violate the principles of right and good conscience. (Vide Nagubai Ammal v. B. Shama Rao, CIT. VMR.P. Firm Muar, Maharashtra SRTC v. Balwant Regular Motor Service¹⁴, P.R. Deshpande v. Maruti Balaram Haibattils, Babu Ram v. Indra Pal Singh¹⁶, NTPC Ltd. v. Reshmi Constructions. Builders & Contractors Ramesh Chandra Sankla v. Vikram Cement and Pradeep Oil Corpn. v. MCD¹⁹.)

35. Thus, it is evident that the doctrine of election is based on the rule of d estoppel the principle that one cannot approbate and reprobate inheres in it. The doctrine of estoppel by election is one of the species of estoppels in pais (or equitable estoppel), which is a rule in equity. By that law, a person may be precluded by his actions or conduct or silence



when it is his duty to speak. from asserting a right which he otherwise would have had.”

19.1. Learned counsel further relied upon the decision in ***Pratima Choudhury (supra)***, wherein, at paragraphs 35 to 37, the principles of estoppel have been elaborately illustrated. He submitted that the learned First Appellate Court correctly concluded that the appellant and Sat Narain are estopped from challenging the legality and validity of the sale deed and exchange deed executed by Jai Karan or his successors-in-interest.

19.2. On the other hand, counsel for the appellant contended that the findings recorded by the learned First Appellate Court were predicated on the assumption that a valid compromise decree existed in favor of Jai Karan. He argued that Jai Karan had merely withdrawn his appeal, and that judgment Ex.P-4 passed by the learned Civil Judge had attained finality, whereby the Will executed by Puran Singh was set aside, resulting in the devolution of his estate upon the natural heirs in equal shares, thereby vesting title in Jai Karan only as a natural heir of Puran and, in consequence, validating the sale deed in favor of the respondent-plaintiffs only to that extent. It was further contended that, under Order 23, Rule 1 of the Code of Civil Procedure, a compromise decree can only be passed on the basis of a written compromise; the mere withdrawal of an appeal, he submitted, constitutes an abandonment of the appeal and cannot be construed as giving rise to any compromise decree. In support, reliance was placed upon the ruling of the Hon'ble Apex Court in ***Mahalaxmi Co-operative Housing Society Ltd. and others v. Ashabai Atmaram Patel (D)***



through LRs and others, 2013 (3) RCR (Civil) 435, wherein the Hon'ble Court held as follows:-

“36. xxxxxx

Rule 1 Order 23 speaks of withdrawal of suit or abandonment of part of claim. Rule 1 Order 23 covers two types of cases (1) Where the plaintiff withdraws a suit or part of a claim with the permission of the Court to bring in fresh suit on the same subject matter and (ii) Where the plaintiff withdraws a suit without the permission of the Court.

Rule 3 Order 23, on the other hand, speaks of compromise of suit. Rule 3 Order 23 refers to distinct classes of compromise in suits. The first part refers to lawful agreement or compromise arrived at by the parties out of court, which is under 1976 amendment of the Civil Procedure Code required to be in writing and signed by the parties. The second part of Rule deals with the cases where the defendant satisfies the plaintiff in respect of whole or a part of the suit claim which is different from first part of Rule 3. The expression agreement or compromise refer to first part and not the second part of Rule 3. The second part gives emphasis to the expression satisfaction'.

37. *In Pushpa Devi v. Rajinder Singh, 2006(3) RCR (Civil) 479: 2006(2) RCR (Rent) 150: 2007(4) Recent Apex Judgments (R.A.J.) 418: (2006) 5 SCC 566, this court has recognised that the distinction deals with the distinction. between the first part and the second part.*



"What is the difference between the first part and second part of Rule 3? The first part refers to situations where an agreement or compromise is entered into in writing and signed by the parties. The said agreement or compromise is placed before the court. When the court is satisfied that the suit has been adjusted either wholly or in part by such agreement, or compromise in writing and signed by the parties and that it is lawful, a decree follows in terms of what is agreed between the parties. The agreement/compromise spells out the agreed terms by which the claim is admitted or adjusted by mutual concessions or promises, so that the parties thereto can be held to their promises in future and performance can be enforced by the execution of the decree to be passed in terms of it. On the other hand, the second part refers to cases where the defendant has satisfied the plaintiff about the claim. This may be by satisfying the plaintiff that his claim cannot be or need not be met or performed. It can also be by discharging or performing the required obligation. Where the defendant so satisfies the plaintiff in respect of the subject matter of the suit, nothing further remains to be done or enforced and there is no question of any enforcement or execution of the decree to be passed. In terms of it.

38. *Further, it is relevant to note the word satisfaction has been used in contradistinction to the word adjustment by agreement or compromise by the parties. The requirement of in writing and signed by the parties does not apply to the second part where the defendant*



satisfies the plaintiff in respect of whole or part of the subject-matter of the suit.”

19.3. Learned counsel further relied upon the law laid down by the Hon’ble Apex Court in ***Amro Devi and Others v. Julfi Ram (Deceased) through LRs and Others***, wherein the Court held as follows:

“For a valid compromise in a suit there has to be a lawful agreement or compromise in writing and signed by the parties which would then require it to be proved to the satisfaction of the Court. In the present case there is no document in writing containing the terms of the agreement or compromise. In the absence of any document in writing, the question of the parties signing it does not arise. Even the question of proving such document to the satisfaction of the Court to be lawful, also did not arise.”

19.4. In the present case, it is evident that no written compromise was executed between the parties, and the only undertaking was the statement made by Sat Narain and Jai Bhagwan, analogous to the circumstances considered in the aforementioned judgments. The Hon’ble Apex Court has consistently held that, in the absence of a written compromise, a decree under Order 23, Rule 3 of the Code of Civil Procedure cannot constitute a valid decree. In the instant matter, no decree was passed on the basis of the statements made by the parties; rather, the appeal filed by the appellant Jai Karan was merely permitted to be withdrawn. Consequently, in the absence of any decree in the appeal, there is no question of any merger between the judgment and decree of the Civil Court and the appellate decision. Following the withdrawal of the appeal,



the judgment and decree rendered by the learned Civil Judge must be deemed to have attained finality.

19.5. The matter now turns to the principle of estoppel. Jai Bhagwan and Sat Narain expressly declared that they would not claim any share in the sale consideration of the land previously sold by Jai Karan. By virtue of this unequivocal statement, Jai Bhagwan and Sat Narain undertook not to assert any claim over the sale proceeds, which, in the submission of the respondent-plaintiffs, amounts to an acknowledgment of the validity of the transfer of the land in favor of the plaintiff by Jai Karan and a commitment not to challenge the same.

20. Learned counsel for the appellant, however, contended that the statement made by Jai Bhagwan and Sat Narain merely reflected their undertaking not to claim any share in the sale consideration of the transactions executed by Jai Karan, and did not, in itself, constitute any acknowledgment of the validity of such sales. Whereas on behalf of respondents it was submitted that, if the statement is examined in its true context, it is apparent that by expressly relinquishing their claim to any portion of the sale consideration, the appellant and Sat Narain, by necessary implication, recognized the validity and genuineness of the transactions effected in favor of the plaintiffs. Consequently, by operation of the principles of estoppel, they are precluded from challenging the legality and validity of those transfers.

20.1. Learned counsel for the appellant further argued that even assuming, for the sake of argument, that the principles of estoppel are applicable, it is well-settled law that estoppel cannot override substantive law. In the present case, the suit filed by the plaintiffs seeks a declaration



that the judgment and decree dated 24.12.2009 passed by the learned Civil Judge, Sonipat, is erroneous, illegal ab initio, and inoperative with respect to the rights of the plaintiffs, and is liable to be set aside. The plaintiffs also seek a declaration that Mutation No. 6977, sanctioned pursuant to the said judgment and decree, is illegal, null and void, and ineffective against their rights, together with consequential relief by way of a permanent injunction restraining the defendants from alienating the suit land.

20.2. It was contended that, through the present suit, the respondents-plaintiffs are, in essence, challenging a judgment and decree rendered by a Court of competent jurisdiction which has attained finality between the parties to that suit. Being successors-in-interest, the plaintiffs are bound by the doctrine of *lis pendens*. It is further contended that the principle of estoppel cannot override the law and relied upon law laid down by Hon'ble Apex Court in ***Krishan Rai (Dead) through LRs and Others v. Nanaras Hindu University through Registrar and Others, 2022 Live Law (SC) 553***, wherein the Court held as follows:-

“The case laws relied upon by the Division Bench would have no application in the facts of the present case as none of the judgments relied upon by the Division Bench laid down that principle of estoppel would be above law. It is settled principle that principle of estoppel cannot override the law. The manual duly approved by the Executive Council will prevail over any such principle of estoppel or acquiescence.”

21. It is respectfully submitted, at the threshold, that the judgments and decrees rendered in the earlier suit are amenable to challenge only on narrowly circumscribed grounds, namely fraud, misrepresentation, or coercion, attributable to the parties thereto or their



successors-in-interest. This settled position of law stands authoritatively affirmed by this Court in ***Om Parkash and Others v. Har Pal Singh and Others, Neutral Citation No. 2026:PHHC:009949.***

22. At the outset, it is urged that the suit instituted by the respondent–plaintiffs is not maintainable in law. Per contra, learned counsel appearing for the respondent–plaintiffs has asserted that the suit is duly maintainable, placing reliance upon the statement suffered by the appellant during the pendency of the earlier appeal arising out of the judgment and decree impugned in the present proceedings, wherein the appellant unequivocally undertook neither to claim nor to receive any share in the sale consideration of the land already alienated by appellant Jai Karan. It is contended that such conduct amounts to an implied admission of the legality and validity of the sale deeds executed by Jai Karan during the pendency of the proceedings, thereby operating as an estoppel against the appellant from subsequently disputing their legality. Consequently, it is submitted that the respondent–plaintiffs are fully competent to maintain the present suit.

22.1. It is further pertinent to note that the suit was instituted by the plaintiffs against Smt. Khazani, Smt. Samtara, Smt. Vidya, Smt. Savtri, Jai Karan, Sat Narain, Jai Bhagwan, HSIDC, and the SDO, UHVVN, seeking to assail the judgment and decree dated 24.12.2009 passed by the learned Civil Judge, Sonipat, in the civil suit filed by Jai Bhagwan, as being illegal, null and void, and not binding upon the plaintiffs in the present suit.

23. By way of the said suit, Jai Bhagwan sought a declaration to the effect that the Will dated 11.12.1997, purportedly



executed in favour of defendant No.1, Jai Karan, was null and void and not binding upon the rights of the natural heirs of Puran, and that the suit land was liable to devolve upon the plaintiff and the defendants in equal shares in accordance with the law of natural succession. The suit was contested by Jai Karan, the beneficiary under the Will, whereas defendants No.3 and 6, namely Smt. Samtara and Smt. Khazani, were proceeded against ex parte. Defendant No.2 admitted the claim of the plaintiff, while defendants No.4 and 5 filed a joint written statement along with Jai Karan, admitting the execution of the Will in his favour. Upon conclusion of the trial, the learned Civil Judge discarded the Will and granted a declaration that the suit property would devolve upon the plaintiff and the defendants in equal shares as per the law of natural succession. During the pendency of the appeal against the said judgment and decree, Sat Narain and Jai Bhagwan made statements to the effect that they would not claim any share in the sales effected by Jai Karan during the pendency of the proceedings, pursuant to which Jai Karan withdrew the appeal. Consequently, the judgment and decree passed by the learned Civil Judge attained finality.

23.1. The respondent-plaintiffs, being transferees pendente lite, step into the shoes of their predecessor-in-interest, Jai Karan, and are, therefore, bound by the judgment and decree so passed. They have no legal right to assail the said judgment and decree or to contend that the same is illegal, null and void, or not binding upon them. The statements made by Jai Bhagwan and Sat Narain can, at best, bind only the makers thereof and cannot prejudice or extinguish the right, title, or interest of the other natural heirs of Puran, who were declared co-owners in joint possession to the



extent of their respective shares. This position remains unaffected by the fact that Smt. Khazani and Smt. Samtara were proceeded against ex parte, or that defendants No.4 and 5 had filed a joint written statement with Jai Karan, as such circumstances do not result in forfeiture or extinguishment of their shares accruing under natural succession in the estate of Puran. On the contrary, the declaration granted by the learned Civil Judge, having attained finality, is binding upon all the heirs of Puran, and, therefore, the judgment and decree passed in Civil Suit No.140 of 1998, decided on 24.12.2009, cannot be declared illegal, null and void.

23.2. So far as the doctrine of estoppel is concerned, it operates only against Sat Narain and Jai Bhagwan, who made the statements in question, and they alone are bound thereby. They are precluded from resiling from their statements or adopting a contrary stand. Even otherwise, their statements were limited in scope to the extent that they would not claim any share in the sale consideration arising out of the sale deeds executed by Jai Karan. Accordingly, they are estopped only from claiming any share in such sale consideration, and no further right accrues to the respondent–plaintiffs on the basis thereof to challenge the findings recorded in the earlier suit or to seek a declaration that the same are illegal, null and void, or not binding upon them. In these circumstances, both the learned Courts below have committed a manifest illegality in holding the suit filed by the respondent–plaintiffs to be maintainable and in setting aside a judgment and decree validly passed in prior litigation between the parties, without any valid or cogent reasons. Consequently, the appeal(s) filed by the appellants are allowed, the judgments and decrees



passed by the learned Courts below are set aside, and the suit filed by the respondent–plaintiffs stands dismissed.

24. Consequent upon the final adjudication of the principal matter, all pending miscellaneous applications, if any, arising out of or in connection with the present proceedings, are deemed to be disposed of by necessary implication. In view of the conclusions arrived at herein, no separate or independent orders are required with respect to such applications, as their adjudication has become entirely infructuous and academic.

25. A copy of this order shall be duly drawn up and placed on the connected file for the record, so as to ensure its formal incorporation and availability for all purposes incidental to and arising out of the present proceedings.

29.01.2026
Gaurav Sorot

(**VIRINDER AGGARWAL**)
JUDGE

Whether reasoned / speaking?	Yes / No
Whether reportable?	Yes / No