2026:DHC:9357-DB

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

% ***Order reserved on: 14.10.2026***

Order pronounced on: 27.10.2026

Order uploaded on: 27.10.2026

CNR No. DLHC010498782026

\+ FAO(OS) (COMM) 282/2026, CM APPL. 71775/2026 and CM APPL. 71776/2026

SHAKEEL QURESHI & ORS. .....Appellants

Through: Mr. Parag P. Tripathi, Sr. Adv. along with Ms. Udita Singha, Mr. Karan Grover and Ms. Aparajito Sen, Advs.

versus

RASHID QURESHI & ORS. .....Respondents

Through: Mr. Milind Srivastava and Mr. Mohit Gupta, Advs.
Mr. Ankit Jain, Sr. Adv. along with Mr. Manmeet Singh, Mr. Anugrah Robin Frey, Ms. Palak Nagar and Ms. Rishita Khandelwal, Advs.

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MR. JUSTICE BHARAT PARASHAR

O R D E R

ANIL KSHETARPAL, J.:

1. By way of the present Appeal, the Plaintiffs (Appellants) assail the correctness of the Order dated 06.10.2026[1] passed by the Learned Single Judge (LSJ), whereby the plaint filed by them was returned under Order VII Rule 10 of the Civil Procedure Code, 1908[2], for want

[1] hereinafter referred to as Impugned Order
[2] hereinafter referred to as CPC

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of territorial jurisdiction on account of an exclusionary clause envisaged in the Memorandum of Understanding dated 12.12.2022[3].

2. For the sake of convenience, the parties before this Court shall be referred to in accordance with their status before the LSJ.

A. BRIEF BACKGROUND:

3. In order to appreciate the present controversy, the facts, in brief, are required to be noticed.

4. Pithily put, the Plaintiffs, namely, Mr. Shakeel Qureshi, Mr. Parveen Qureshi and Mr. Sarfaraz Ahmad Ansari along with Mr. Firoz Ahmed Zahir Ahmed Shaikh/Defendant No.3, entered into the MoU, as members of Rehber Group/Marya Group, collectively holding 25% out of 50% of shares, held by Rehber Group Members in Rehber Food Industries Private Limited[4]. The MoU of which the Plaintiffs along with Defendant No.3, were also signatories, set out the terms governing the *inter se* relationship and the transfer of shares held by the members of the Rehber Group.

5. The dispute for the purpose of present adjudication arose when Defendant No.3 expressed his intention to transfer 5% out of 10% of his shareholding, comprising 1,45,833 equity shares, in favour of Mr. Rashid Qureshi/Defendant No.1, who, at the relevant time, was not a member of Rehber Group.

[3] hereinafter referred to as MoU
[4] hereinafter referred to as 'Company'

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6. The Plaintiffs *vide* a communication dated 20.01.2026, conveyed their conditional consent to the proposed transfer[5], *inter alia*, subject to the Defendant No.1, furnishing an undertaking that the shares so acquired by him, shall not be transferred to any person outside the Rehber Group, without obtaining a prior written consent of all members thereof, in accordance with the terms of MoU.

7. Notwithstanding, the aforesaid undertaking, it is claimed that the Defendant No.1, acting in breach of the MoU and conditional consent, invited bids for 5% of his shareholding, from shareholders of both Rehber Group and Non-Rehber Group. Pursuant thereto, a bidding procedure was conducted, culminating in the declaration of Mr. Mohd. Imran/ Defendant No.2 as the successful bidder on 26.06.2026, at a price of Rs. 216/- per share.

8. Consequently, the Plaintiffs, claiming such transfers to be illegal, void and *non est* for being in breach of conditional consent and the MoU, filed the underlying suit before the LSJ, while making the following prayers:

> *"a) Pass a decree declaring that the transfer of 1,45,833 equity shares by Defendant No. 3 in favour of Defendant No. 1 is illegal, void and non est for being in breach of the conditional consent granted by the Plaintiffs in terms of the Memorandum of Understanding (MoU) dated 12.12.2022 and;*
>
> *b) Pass a decree declaring that any transfer, Share Purchase Agreement, agreement or arrangement entered into, or to be entered into, between Defendant No. 1 and Defendant No. 3 in respect of the said 1,45,833 equity shares, is illegal, void and liable to be set aside and;*
>
> *c) Pass a decree declaring that the invitation of bid dated 24.06.2026, the bidding process conducted pursuant thereto, and the declaration of result dated 26.06.2026 declaring Defendant No. 2 as the*

[5] hereinafter referred to as 'conditional consent'

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successful bidder for 1,45,833 equity shares of M/s Rehber Food Industries Pvt. Ltd. held by Defendant No. 1, are illegal, void, non est and not binding upon the Plaintiffs, being in violation of the Memorandum of Understanding dated 12.12.2022 and of the representation/undertaking on the basis of which Defendant No. 1 acquired the said shares from Defendant No. 3 and;

d) Pass a decree declaring that any transfer, Share Purchase Agreement, agreement or arrangement entered into, or to be entered into, between Defendant No. 1 and Defendant No. 2 in respect of the said 1,45,833 equity shares, is illegal, void and liable to be set aside;

e) Pass an order of mandatory injunction directing Defendant No. 1 to first and exclusively offer the said 1,45,833 equity shares to the members of the Rehber Group, namely the Plaintiffs, strictly in terms of the MoU dated 12.12.2022, and restraining Defendant No. 1 from offering or transferring the said shares to Defendant No. 2 or to any other Non-Rehber Group member without obtaining the prior unanimous written consent of the Rehber Group members, as mandated under the MoU;

f) Pass an order of specific performance directing Defendant No. 1 to transfer the said 1,45,833 equity shares to Plaintiff No. 1, or to the Plaintiffs jointly, at a price not exceeding Rs. 216/- per share (being the price at which the shares were purportedly sold to Defendant No. 2);

Pass such other and further order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the present case."

9. The Defendant No.2 contested the maintainability of the suit on the ground of lack of territorial jurisdiction, relying, *inter alia*, upon Clauses 9(f) and 10 of the MoU, which stipulate Bareilly as the jurisdictional forum.

10. The LSJ after hearing the parties, passed the Impugned Order, returning the plaint under Order VII Rule 10 of the CPC. Aggrieved thereby, the Plaintiffs have approached this Court by way of the present Appeal.

B. SUBMISSIONS OF THE PARTIES:

11. Learned senior counsel representing the Plaintiffs has primarily made the following two submissions:

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i. It is his case that the Defendants cannot be permitted to approbate and reprobate at the same time. In order to substantiate the aforestated, it has been argued that the MoU is disputed by the Defendants, and therefore, they cannot rely upon the same to exclude the jurisdiction of the Courts located in Delhi, particularly when, the Defendant No.1 resides in Delhi; and

ii. It is contended that two (02) other suits, namely, ***CS(OS) 492/2025*** captioned ***Mohammed Irfan & Ors. vs. Mohammed Ziauddin Maniyar & Anr.*** and ***CS (COMM) 500/2026*** captioned ***Shakeel Qureshi & Ors. vs. Mohd. Mursaleen Qureshi & Ors.***, concerning the transfer of shareholding of Rehber Group, in favour of persons belonging to non-Rehber Group, in violation of the MoU, are already pending before the Courts located in Delhi.

12. *Per contra,* learned senior counsel representing the Defendant No.2, has made the following submissions:

i. He contends that the Plaintiffs case as set out in the underlying suit rests entirely upon the alleged infringement of MoU. Hence, the Plaintiffs are bound by the terms of the MoU which confer the jurisdiction, to entertain any dispute arising out of the MoU, upon the Courts at Bareilly, Uttar Pradesh. Hence, insofar as the Defendant Nos.1 and 3 are concerned, it cannot be contended that they are approbating and reprobating, since they are not a party to the MoU.

ii. He submits that for the purpose of deciding application under Order VII Rule 10 of the CPC, the Court is not expected to decide the questions on merits. Replying to the reliance placed

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upon ***Mohammed Irfan & Ors.*** *(Supra)* and ***Shakeel Qureshi & Ors.*** *(Supra)*, it is submitted that these suits proceed on an entirely different premise, and, in any event, do not result in conferring jurisdiction on the Courts at Delhi.

C. ANALYSIS AND REASONING:

13. This Court has heard and considered the submissions advanced by learned senior counsels representing the parties, and with their able assistance has perused the paperbook on record.

14. Before proceeding to examine the submissions so advanced, we deem it appropriate to reproduce the relevant clauses of the MoU, which become relevant to answer the present controversy. The relevant extract is reproduced hereunder:

> *"**MEMORANDUM OF UNDERSTANDING***
>
> *This Memorandum of Understanding (hereinafter referred to as **"MoU"**) is entered on the 12th day of December 2022 at Bareilly, Uttar Pradesh*
>
> ***BY AND BETWEEN***
>
> *a. Mr. Shakeel Qureshi s/o Late Mr. Ibraheem Qureshi R/o 05, Katikuyian Old City, Bareilly, Uttar Pradesh-23005, part of the First Part;*
>
> *AND*
>
> *b. Mr. Sarfaraz Ahmad Ansari, S/o Late Mr. Mustaq Ahmad R/o 48B Kaji TolaOld City. Bareilly, Uttar Pradesh-243005. party of the Second Part:*
>
> *AND*
>
> *c. Mrs. Praveen Qureshi D/o Late Mr. Mohd Idris R/o 05. Katikuiyan Old City Bareilly. Uttar Pradesh- 243005, party of the Third Part;*
>
> *AND*
>
> *d. Mr. Mohammed Ziauddin S/o Abdul Latif R/o. T-290, 2nd Floor Ahata KedaraFidgah Road Quresh Nagar Delhi-110006. party of the Fourth Part:*
>
> *AND*

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e. Mr. Mursaleen Qureshi S/o Mr. Mohd Jameel Ahmad R/o 5349 2nd floor Basti Harphool Singh Behind Sadar Khana Sadar Bazar Delhi GPO North Delhi. party of the Fifth Part:

AND

f. Mr. Firoz Ahmed Zahir Ahmed Shaikh s/o Mr. Zahir Ahmad Nazir Ahmad Shaikh R/o F-402, 4th Floor Casa Baptista CHSL LJ Cross Road Mahim (W) Mumbai. party of the Sixth Part;

*(Hereinafter collectively forms **"Rehber Group/Marya Group"**) which expression shall unless repugnant to subject to context means and includes their respective successors, heirs, executors, administrators, and assignees and nominees of group")*

*The Parties are individually referred to as **"Party"** and collectively as **"Parties"** wherever the context so requires".*

xxxxxx

2. BINDING NATURE

a) This MoU is legally binding and enforceable between the Parties. The parties understand the terms and conditions set forth herein and have consented voluntarily to be mutually bound by the promises herein

3. SCOPE OF THE MEMORANDUM OF UNDERSTANDING

(A) SHAREHOLDING

*The Shareholding pattern of the **"Rehber Group/Marya Group"** shall be as follows:*

Name of the Shareholder	***No. of Shares***	***Shareholding in %***
Mr. Shakeel Qureshi	*219167*	*7.51*
Mr. Sarfaraz Ahmad Ansari	*140000*	*4.80*
Mrs. Parveen Qureshi	*224167*	*7.69*
Mr. Firoz Ahmed Zahir Ahmed Shaikh	*291667*	*10.00*
Mr. Mohammad Ziauddin	*291667*	*10.00*
Mr. Mohd. Mursaleen Qureshi	*291667*	*10.00*
Total	***1458334***	***50.00***

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(B) TRANSFER OF SHARES

a. The Parties to this MOU unequivocally and unanimously agree that in case of transfer of shares by any member(s) of Rehber group/ Marya Group. the following provisions/ procedure shall be followed by parties:

i. If any member(s) of the Rehber Group is desirous of transferring his/her shares, then those shares shall be first offered to the members of Rehber group/Marya Group;

ii. If any member(s) of the Rehber group/ Marya group accorded his/her consent to purchase the offered shares, then the offered shares shall be transferred to that member(s) only, and the member who has made the offer shall be bound to transfer the shares to that/those member(s) only:

iii. If none of the members of the group is willing to purchase/ acquire the offered shares, then only the shares can be transferred to any other person with the unanimous written consent of the other group members of Rehber group/ Marya Group.

9. DISPUTE RESOLUTION

a)Any dispute arising between the parties interse shall be resolved by the group on is own and neither the Company nor any the other person or their rights and obligations shall be affected by such dispute.

b)It is agreed between the parties that any dispute within the group shall be resolved by the group on its own only and the decision in respect of that dispute shall be valid only when it is signed by the majority of members of that group. The decision taken by the majority of members of the group shall be binding on the group member(s).

c) In the event there is any dispute or differences arising out of or in connection or controversy or claim arising out of or relating with this MoU. the parties shall endeavor to settle such disputes and differences by way of Negotiation.

d) In case of any dispute or differences arising out of or in connection or controversy or claim arising out of or relating with this MoU, the aggrieved party shall convey the grievance in writing to the other party for negotiation. In the event that negotiation fails, such dispute or differences arising out of or in connection or controversy or claim arising out of or relating with thisMoU shall be referred to Arbitration in accordance with the Indian Arbitration and Conciliation Act. 1996.

e) The Arbitral Tribunal shall consist of three Arbitrators. One Arbitrator shall be appointed by each Party and one Arbitrator to be appointed by the other party. The two appointed Arbitrators shall appoint a third Arbitrator who shall be the Presiding Arbitrator.

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f) That the seat and venue of Arbitration exclusively shall be subject to the jurisdiction of Bareilly Courts.

10. GOVERNING LAW AND JURISDICTION

***The MoU shall be governed by and entrusted in accordance with the law of India only and subject to Bareilly jurisdiction**."*

(Emphasis Supplied)

15. A perusal of the MoU reveals that there were total seven (07) signatories thereof, including the Plaintiffs, Defendant No.3 along with two (02) others, namely, Mr. Mohammed Ziauddin and Mr. Mursaleen Qureshi, who collectively formed the Rehbar Group, holding 50% of equity shares in the paid-up share capital of the Company.

16. A further perusal of Clause 2 of the MoU reveals that the same was binding upon all 07 members of Rehber Group. Clause 3(A) and (B), when read conjointly, further indicate that the parties had explicitly agreed that any change in the shareholding would require the prior unanimous consent of all the members of Rehber Group.

17. In particular, Clause 3(B), prescribes a two-tier mechanism to be followed by any member of Rehber Group desirous of sharing their share. *Firstly*, such member is required to offer the proposed shares to be purchased by the members of Rehber Group, and only when, no member accords to such offer to purchase, shall the share, *secondly*, be transferred to any third person. The latter transfer shall only be binding, if the remaining members of the Rehber Group, communicate a unanimous consent thereto in writing.

18. In the facts of the present case, it is evident that the transfer of 5% of shares of the Company, in favour of the Defendant No.1, proceeded on the basis of the conditional consent accorded by the

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Plaintiffs to the Defendant No.3. The Plaintiffs allege that the condition subject to which such consent was granted has been breached and, consequently, the said consent stands revoked.

19. It is well settled that the parties to a written contract, by mutual agreement, are entitled to confer exclusive jurisdiction upon the Courts located at a particular place, provided that such Court otherwise possess the territorial jurisdiction to adjudicate upon the dispute. In the present case, as per Clauses 9 and 10 of the MoU, the exclusive jurisdiction was conferred upon the Courts located in Bareilly, Uttar Pradesh. Further, a perusal of the MoU also goes on to reveal that, it was also signed at Bareilly, Uttar Pradesh.

20. In addition, the language employed in the MoU leaves no room for doubt. Clause 9(f) stipulates that the seat and venue of arbitration shall be *exclusively* subject to the jurisdiction of the Bareilly Courts, whereas Clause 10 makes the MoU subject to 'Bareilly jurisdiction'. Both the clauses are required to be read harmoniously and in a manner that gives effect to the evident intent of the parties, namely, that disputes arising out of or relating to the MoU shall be amenable only to the Courts at Bareilly.

21. Further, it may also be noticed that the present dispute, has reached this Court, at the behest of the Defendant No.2, who is said to be acquiring the 5% shareholding in violation of the MoU. Notably, the Defendant No.2 does not reside within the territorial limits of this Court, and no material part of the cause of action is shown to have arisen in Delhi. Accordingly, in terms of Section 20 of the CPC, the Plaintiffs have failed to establish the territorial jurisdiction of this

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Court.

22. The submission of the Plaintiffs that the MoU is disputed by the Defendants, and hence, cannot be relied upon by them, is also misconceived. It is the Plaintiffs who have invoked the jurisdiction of the Court, and their entitlement to each of the reliefs claimed in the suit stems solely from the MoU and the conditional consent granted thereunder.

23. For the purpose of Order VII Rule 10 of the CPC, the Court is required to examine the averments in the plaint and the documents filed therewith, taking the case of the Plaintiffs as correct. A denial of the MoU by the Defendants on merits can neither alter the nature of the dispute nor enlarge the forum available to the Plaintiffs. Thus, the dispute raised in the underlying suit is, one 'arising out of or relating to' the MoU and is governed by the forum stipulated therein. The Plaintiffs cannot be permitted to bypass the same by the manner of drafting the plaint or by the choice of persons impleaded as Defendants.

24. Insofar as the Defendant No.1 is concerned, merely because he is stated to be residing in Delhi, would not enable the Plaintiffs to maintain the suit before the Courts at Delhi. The reliefs sought against the Defendant Nos.1 to 3 are founded upon the same alleged breach of the MoU. Hence, the residence of one of the Defendants cannot override the forum which the Plaintiffs, being signatories to the MoU, have themselves agreed upon for the adjudication of disputes arising therefrom.

25. As regards the conditional consent dated 20.01.2026 accorded

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by the Plaintiffs, the same does not contain any stipulation conferring territorial jurisdiction upon the courts of any particular place. In these circumstances, since the Plaintiffs themselves place substantial reliance upon the MoU, they cannot seek to rely upon its provisions selectively while disregarding the remaining terms thereof. Having founded their case upon the said MoU, the Plaintiffs are required to abide by its terms in entirety, including the jurisdiction clause contained therein.

26. The doctrine of approbation and reprobation as relied upon by learned senior counsel representing the Plaintiffs, postulates that a party cannot be permitted to avail the benefit under an instrument while simultaneously repudiating the burden imposed by it. The said principle, if at all, operates against the Plaintiffs, who seek to enforce the rights under the MoU while disowning the clauses governing the forum. It has no application against the Defendants, who merely seek enforcement of the forum clause against the party that has itself invoked the MoU. In view of the aforesaid findings, the first submission of learned senior counsel is rejected.

27. The submission of the Plaintiffs that the pendency of two other suits before this Court establishes the jurisdiction of the Courts at Delhi is untenable in law. This Court has also examined copies of the plaints filed in ***Mohammed Irfan & Ors.*** *(Supra)* and ***Shakeel Qureshi & Ors.*** *(Supra)*.

28. In this regard, it is pertinent to note that the suit in ***Mohammed Irfan & Ors.*** *(Supra)* was instituted by three individuals namely, Mr. Mohd Irfan, Mohd. Rizwan and Mr. Mohd Rehan, neither of whom

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are a signatory to the MoU, but are closely related to the Defendant No.2. A perusal of the plaint in the aforestated suit, reveals that the same is not predicated upon the MoU. Rather, the substantive reliefs sought therein pertains to specific performance of an Agreement to Sell executed between one of the signatories of the MoU, namely, Mr. Mohd. Ziauddin Maniyar, and the Plaintiffs therein, with respect to the former's share in the Company. It is further noted that the said suit subsequently came to be decreed on 23.02.2026, pursuant to a settlement between the parties.

29. Whereas, the suit in ***Shakeel Qureshi & Ors.*** *(Supra),* has been instituted by the Plaintiffs along with the Defendant No.3, seeking a declaration that the transfer of 2,79,166 equity shares of the Company is illegal and in violation of the MoU. However, the maintainability of the said suit has not been adjudicated upon with reference to the objection concerning the territorial jurisdiction of the courts at Delhi.

30. Accordingly, the mere pendency of a suit before this Court cannot, by itself, confer territorial jurisdiction upon the courts at Delhi in the present proceedings. Since no adjudication has taken place on the question of territorial jurisdiction in the said suits, the mere fact that they are being entertained in Delhi cannot be treated as a precedent on the said issue.

D. <u>CONCLUSION</u>:

31. Keeping in view the aforesaid discussion, this Court finds no ground to interfere with the Impugned Order passed by the learned Single Judge, which does not suffer from any infirmity.

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32. It is clarified that the observations made hereinabove are confined to the determination of territorial jurisdiction and shall not be construed as an expression on the merits of the controversy, or on the applicability of the dispute resolution mechanism under Clause 9 of the MoU.

33. The Plaintiffs shall be at liberty to avail their remedies before the competent Court at Bareilly, in accordance with law, including the benefit of Section 14 of the Limitation Act, 1963, as may be available to them.

34. Hence, the present Appeal, along with pending applications, is dismissed.

ANIL KSHETARPAL, J.

BHARAT PARASHAR, J.

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