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IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

(205)

CR-2230-2023

Date of Decision: - 19.02.2026

Vinay Bawa and others

....Petitioners

Versus

Seema Aggarwal and others

.....Respondents

CORAM : HON'BLE MR. JUSTICE VIKAS BAHL

Present:- Mr. Prateek Mahajan, Advocate, and
Ms. Harita Dhanda, Advocate, for the petitioners.

Mr. Aayush Gupta, Advocate,
for respondents No.1 and 2.

VIKAS BAHL, J. (ORAL)

1. Present civil revision petition has been filed under Article 227 of the Constitution of India for setting aside the order dated 04.02.2023 (Annexure P1) passed by the Civil Judge (Junior Division), Ludhiana.

2. On 17.04.2023, a Co-ordinate Bench of this Court was pleased to pass the following order: -

*“Present: Mr. Prateek Mahajan, Advocate and
Mr. Jaskirat Singh, Advocate
for the petitioners.*

*Learned counsel for the petitioner inter alia submits that the executing Court while placing reliance on the decision in **Jawahar Lal Nehru Hockey Tournament vs. Radiant Sports Management, 2008 SCC OnLine Del 342: (2008) 149 DLT 749**, cited in support of lifting of the corporate veil in proceedings against the Director of the judgment debtor, held that the decree can be satisfied by proceeding against the personal*



assets of the Director. Vide the impugned order the decree-holder has been directed to furnish a list of property of the personal assets of the Directors of the J.D-Company for satisfaction of the pending execution.

It is contended that the aforesaid judgment was considered by the Division Bench and it was concluded that the attachment and subsequent orders directing auction of the personal assets of the Directors of the judgment debtor had no legal basis. The said proposition was also considered by numerous other coordinate Benches, wherein it has been explained that it cannot be laid down by general proposition that wherever a decree is against the Company, its Directors/share-holders would also be liable. The doctrine of lifting the veil is not available in every case of alleged liability against a Company. A word of caution has been incorporated that it is available only in restricted cases and limited circumstances, where it is permissible to so do under a statute or where the corporate structure has been instituted to perpetuate a fraud or is a camouflage, facade or sham to avoid liability or in a case where effect has to be given to a beneficial legislation.

Learned counsel would refer to the application in the present case, which is filed under Order 21 Rule 37 CPC, only seeking detention in civil prison of three Directors of the judgment debtor-Company.

Notice of motion, returnable for 29.08.2023.

In the meanwhile, proceedings against the personal assets of the Directors of the judgment debtor-Company be not taken out till the next date in this Court.

April 17, 2023”

3. Learned counsel for the petitioners apart from reiterating the arguments raised in the order dated 17.04.2023, has further submitted that the petitioners were not even made parties and the impugned order had been passed without any notice to them and without hearing them.

4. Learned counsel for respondents No.1 and 2 has fairly submitted that in the said circumstances, the impugned order be set aside but liberty be granted to respondents No.1 and 2/decree holders to file a



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fresh application after giving full and better particulars and also after impleading the present petitioners as parties and the Executing Court be requested to decide the said application, in accordance with law, as expeditiously as possible.

5. Learned counsel for the petitioners has submitted that in case any such application is filed, then, liberty be also granted to the present petitioners to raise all pleas in accordance with law.

6. Keeping in view the above-said facts and circumstances and the fair stand taken by learned counsel for the petitioners as well as by learned counsel for respondents No.1 and 2/decree holders (contesting respondents), the impugned order dated 04.02.2023 (Annexure P-1) is set aside. Liberty is granted to respondents No.1 and 2 to move an application as has been prayed before this Court. In case any such application is filed, it would be open to all the parties concerned, including the present petitioners and respondents No.1 and 2, to raise all pleas in the same, in accordance with law. The executing Court is requested to decide the said application independently, in accordance with law, as expeditiously as possible.

7. Present revision petition is disposed of accordingly.

February 19, 2026

naresh.k

(VIKAS BAHL)
JUDGE

Whether reasoned/speaking?

Yes/No

Whether reportable?

Yes/No