IN THE COURT OF APPEAL OF THE REPUBLIC OF SINGAPORE

[2026] SGCA 6

Court of Appeal / Civil Appeal No 19 of 2025

Between

Darsan Jitendra Jhaveri

… *Appellant*

And

Lakshmi Anil Salgaocar suing as the Administratrix of the Estate of Anil Vassudeva Salgaocar, deceased

… *Respondent*

In the matter of Suit No 821 of 2015

Between

(1) Lakshmi Anil Salgaocar suing as the Administratrix of the Estate of Anil Vassudeva Salgaocar, deceased
(2) Winter Meadow Capital Inc

… *Claimants*

And

(1) Darsan Jitendra Jhaveri
(2) Jhaveri Jashma Darsan
(3) Pooja Darsan Jhaveri
(4) Singapore Star Holdings Pte Ltd

Version No 1: 27 Feb 2026 (10:37 hrs)

(5) Great Newton Properties Pte Ltd
(6) Capital Glory Investments Pte Ltd
(7) Newton Noble Properties Pte Ltd
(8) Sino Noble Asset Management Pte Ltd
(9) Singapore Star Investments Pte Ltd
(10) Singapore Star Shipping Pte Ltd
(11) Singapore Star Properties Pte Ltd
(12) Sino Ling Tao Resources Pte Ltd
(13) Millers Capital Investments Pte Ltd
(14) Nova Raffles Holdings Pte Ltd

… *Defendants*

And

Kwan Ka Yu Terence

… *Third Party*

GROUNDS OF DECISION

[Contempt of Court — Civil contempt]

TABLE OF CONTENTS

FACTUAL BACKGROUND AND PROCEDURAL HISTORY 2

SUIT 821 2

EVENTS OCCURRING AFTER THE CONCLUSION OF SUIT 821, BUT BEFORE THE RESOLUTION OF THE APPEAL 6

THE COMMITTAL PROCEEDINGS 8

THE JUDGE'S DECISION IN SUM 3063 8

THE PARTIES' CASES IN CA 19 10

THE APPELLANT'S CASE 10

THE RESPONDENT'S CASE 11

ISSUES TO BE DETERMINED 12

ISSUE 1: THE $10.5M PAYMENTS 13

ISSUE 2: THE INTERPRETATION OF THE PO 13

THE APPLICABLE LAW 14

OUR ANALYSIS 15

ISSUE 3: THE APPROPRIATE SENTENCE TO BE IMPOSED 21

CONCLUSION 22

Version No 1: 27 Feb 2026 (10:37 hrs)

This judgment is subject to final editorial corrections approved by the court and/or redaction pursuant to the publisher's duty in compliance with the law, for publication in LawNet and/or the Singapore Law Reports.

Darsan Jitendra Jhaveri
v
Lakshmi Anil Salgaocar suing as the administratrix of the estate of Anil Vassudeva Salgaocar, deceased

[2026] SGCA 6

Court of Appeal — Civil Appeal No 19 of 2025
Steven Chong JCA, Belinda Ang Saw Ean JCA and Judith Prakash SJ
20 January 2026

27 February 2026

Belinda Ang Saw Ean JCA (delivering the grounds of decision of the court):

1 In CA/CA 19/2025 ("CA 19"), the appellant, Mr Darsan Jitendra Jhaveri, appealed against the decision of a judge in the General Division of the High Court of Singapore ("Judge") in HC/SUM 3063/2024 ("SUM 3063") that found the appellant guilty of contempt and sentenced him to five months' imprisonment. The respondent in CA 19 is Ms Lakshmi Anil Salgaocar, acting in her capacity as administratrix of the late Mr Anil Vassudeva Salgaocar's estate. SUM 3063 was the respondent's application for an order of committal against the appellant for breaching, amongst other things, a prohibitory injunction that restrained the appellant from disposing of trust assets ("PO"). We dismissed CA 19 with costs on 20 January 2026. We now publish our grounds of decision.

Factual background and procedural history

2 In brief, the relevant facts and events leading up to SUM 3063 are as follows.

Suit 821

3 The respondent and the appellant were the first plaintiff and first defendant respectively in HC/S 821/2015 ("Suit 821").

4 Suit 821 was commenced by the late Mr Salgaocar against the appellant on the basis that the appellant was in breach of trust by, amongst other things, misappropriating trust assets for his own benefit. This trust ("2003 Trust") had been created pursuant to an alleged oral trust agreement between the appellant and Mr Salgaocar in December 2003 ("2003 Trust Agreement"). According to Mr Salgaocar, the 2003 Trust Agreement stipulated that:

> (a) Mr Salgaocar would set up special purpose vehicles ("SPVs") for the conduct of his iron ore business. These SPVs would be funded by Mr Salgaocar, who would be the sole beneficial owner of all the shares issued in the SPVs and all monies, investments, and other assets held by the SPVs.
>
> (b) The appellant would be a shareholder and/or director of the SPVs and would hold the shares in the SPVs and any interest in the SPVs' assets on trust for Mr Salgaocar. The appellant would also act in accordance with all instructions from Mr Salgaocar on matters concerning the SPVs.

Version No 1: 27 Feb 2026 (10:37 hrs)

(c) As consideration, Mr Salgaocar would pay the appellant US$0.50 for each wet metric ton of cargo sold by SPVs incorporated in the British Virgin Islands ("BVI").

5 Mr Salgaocar commenced Suit 821 in August 2015. Shortly afterwards, on 1 January 2016, he passed away. Suit 821 was then continued by the respondent on behalf of the estate of Mr Salgaocar.

6 Suit 821 proceeded to trial before a judge in the General Division of the High Court of Singapore ("Trial Judge") on 20 April 2021. On 28 February 2023, the Trial Judge found in favour of the respondent in *Lakshmi Anil Salgaocar v Darsan Jitendra Jhaveri* [2023] SGHC 47 ("Liability Judgment").

7 We set out some of the relevant findings of the Trial Judge.

8 The Trial Judge found that Mr Salgaocar and the appellant had indeed entered into the 2003 Trust Agreement (as described above at [4]): Liability Judgment at [151]. The 2003 Trust Agreement gave rise to a valid express trust, namely, the 2003 Trust: Liability Judgment at [159]. In this regard, the Trial Judge accepted the respondent's contention and held in favour of the estate of Mr Salgaocar that the subject matter of the 2003 Trust was "all the shares issued in the SPVs … and all monies, investments and assets held by them", even though those assets did not strictly exist as at December 2003: Liability Judgment at [157] and [252]–[253]. The claims in relation to the subject matter of the 2003 Trust were made by Mr Salgaocar in his capacity as beneficiary of the 2003 Trust and not as a shareholder of the companies: Liability Judgment at [196]–[198].

Version No 1: 27 Feb 2026 (10:37 hrs)

9 Pausing here, the Trial Judge went on to note an issue that had arisen earlier in the pendency of Suit 821 – namely, the nature of the respondent's interest in the assets of the SPVs. In support of his claim in Suit 821, Mr Salgaocar had lodged caveats over several properties held by the SPVs. The appellant's subsequent applications for those caveats to be removed were allowed by the High Court on the basis that the 2003 Trust related to the shares in the SPVs and that the respondent was not entitled to pierce their corporate veils and reach into the assets held by the SPVs. The respondent's remedy would have instead been to recover title to the shares of the SPVs, and "so gain control of their properties": *Jhaveri Darsan Jitendra v Salgaocar Anil Vassudeva* [2018] 5 SLR 689 at [73]. The appeal by the respondent was subsequently dismissed by the Court of Appeal: Liability Judgment at [192]. The Trial Judge then noted that "[a]s a consequence" the respondent made no claim to the assets of the SPVs. However, the respondent did seek to recover the shares in the SPVs, which the estate claimed, and the court accepted, were "also the subject of the 2003 Trust": Liability Judgment at [194].

10 In this vein, the Trial Judge found that the respondent's claims of misappropriation of monies by the appellant from the SPVs were not barred by the reflective loss principle, as these claims were made *qua beneficiary* under the 2003 Trust, and not *qua* shareholder of the SPVs: Liability Judgment at [196]–[198].

11 Having found that the appellant had breached the 2003 Trust by (a) misappropriating monies held by the SPVs; (b) refusing to take instructions from Mr Salgaocar and preventing him from dealing with the trust assets; (c) misappropriating and/or wrongfully disposing of units (residential and commercial properties) held by the SPVs; (d) procuring the transfer of shares in certain SPVs to himself; and (e) misappropriating assets held by the SPVs

Version No 1: 27 Feb 2026 (10:37 hrs)

(Liability Judgment at [224]), the Trial Judge duly granted the following reliefs to the respondent, which included the PO (Liability Judgment at [258]):

> 258 I therefore give judgment for the plaintiffs as follows:
>
> (a) I grant a declaration that Mr Darsan and the fourth to fourteenth defendants hold the trust assets (as defined at [253] above) save for the Third-Party Sum on trust for the first plaintiff;
>
> (b) Mr Darsan is to provide an account of the trust assets (as defined at [253] above) save for the Third-Party Sum, interests and traceable proceeds of the same to the first plaintiff on a wilful default basis;
>
> (c) Mr Darsan and the fourth to fourteenth defendants are to cause or procure the delivery up, transfer of possession or title or ownership to the first plaintiff of all the trust assets (as defined at [253] above) save for the Third-Party Sum, interests and traceable proceeds, including profits generated by the trust assets and the books and records of the BVI SPVs, the Singapore SPVs and their subsidiaries;
>
> (d) I grant an injunction restraining Mr Darsan and all entities, parties and/or persons controlled by him, as well as the fourth to fourteenth defendants from disposing of the trust assets (as defined at [253] above) save for the Third-Party Sum with the plaintiffs at liberty to apply for an expansion of the injunction in the event they establish such further assets that rightfully belong to the 2003 Trust; and
>
> (e) In the event the plaintiffs elect not to seek an account, Mr Darsan is to pay the first plaintiff damages to be assessed.

For the purpose of these reliefs, the Trial Judge defined the trust assets as follows (Liability Judgment at [253]):

> 253 For the purpose of the reliefs to follow, *I shall define the equity in the BVI SPVs and the Singapore SPVs*, past and present, *as the trust assets. This includes the shares* in the following 10 companies:
>
> (a) Eltina;
>
> (b) Singapore Star Holdings;
>
> (c) Great Newton Properties;

Version No 1: 27 Feb 2026 (10:37 hrs)

(d) Singapore Star Investments;

(e) Singapore Star Shipping;

(f) Singapore Star Properties;

(g) Sino Ling Tao (SG);

(h) Millers Capital;

(i) Sino Noble; and

(j) Nova Raffles.

[emphasis added]

12 The reliefs ordered at [258] of the Liability Judgment were then cast into a formal judgment which was extracted on 17 March 2023 ("JUD 98"). The language of the orders in JUD 98 remained the same as the Liability Judgment, save that "trust assets" was defined in terms that did not follow the wording of the definition of trust assets at [253] of the Liability Judgment. Instead, the defined term "Trust Assets" referred to "the *shares* in the BVI SPVs and the Singapore SPVs" [emphasis added].

13 The Trial Judge's decision was upheld on appeal on 17 April 2024, save that the Appellate Division of the High Court set aside the order that required the appellant to deliver up the books and records of the BVI-incorporated SPVs and their subsidiaries: *Darsan Jitendra Jhaveri v Lakshmi Anil Salgaocar* [2024] SGHC(A) 27 ("AD Decision") at [33] and [180]. JUD 98 was then amended accordingly on 2 August 2024. Nothing turned on this amendment in this appeal.

Events occurring after the conclusion of Suit 821, but before the resolution of the appeal

14 On 23 March 2023, the respondent wrote to the appellant's then-solicitors, Allen & Gledhill LLP ("A&G") making a demand for compliance.

Version No 1: 27 Feb 2026 (10:37 hrs)

A&G then wrote to the respondent on 10 April 2023, proposing a stay of execution pending the determination of the appellant's intended appeal.

15 As no amicable resolution could be reached after further negotiations, on 5 June 2023, the respondent filed an application in HC/SUM 1654/2023 ("SUM 1654") for orders that (a) the appellant execute all documents necessary for transferring the shares in the SPVs pursuant to and in compliance with JUD 98 within seven days; and (b) in default of the appellant doing so, the Registrar of the Supreme Court be empowered to do so on his behalf: AD Decision at [31].

16 On 26 June 2023, the appellant filed an application in HC/SUM 1897/2023 ("SUM 1897") for a stay of execution of JUD 98: AD Decision at [32]. In his affidavit filed in support of his application in SUM 1897 on that same day, the appellant claimed that he was "concerned about the [respondent's] ability to return the full value of the 'Trust Assets' to the [appellant] if the shares of the various SPVs are transferred to the [respondent] pending the Appeal", noting that "[o]nce this transfer takes place, there is nothing to stop the [respondent] from taking steps to substantially diminish the value of the SPVs' asset holdings".

17 On 13 September 2023, the Judge dismissed SUM 1897 and allowed SUM 1654. However, she permitted the appellant 21 days instead of seven days to comply with JUD 98: AD Decision at [34].

18 The appellant then filed an application in AD/SUM 41/2023 ("SUM 41") for a stay of JUD 98 on 5 October 2023. The Appellate Division dismissed SUM 41 on 17 January 2024: AD Decision at [35].

Version No 1: 27 Feb 2026 (10:37 hrs)

The committal proceedings

19 It was subsequently discovered that between the date of the Trial Judge's Liability Judgment on 28 February 2023 and 16 May 2023, while the appellant was negotiating an amicable stay of execution of the orders in JUD 98, the appellant had sold ten properties owned by some of the SPVs ("Properties") for a total of $23,169,300. The respondent maintained that there were no documents which accounted for the sale proceeds. The appellant had also made payments totalling $10.5m to himself, purportedly as director's dues from the SPVs ("$10.5m Payments") on 14 March 2024.

20 Accordingly, on 27 August 2024, the respondent filed an application for permission to issue committal proceedings against the appellant for, amongst other things, allegedly breaching the PO. On 4 October 2024, the Judge granted leave to the respondent to commence committal proceedings.

21 The respondent then filed its committal application in SUM 3063 on 18 October 2024. Following two hearings on 24 February 2025 and 11 March 2025, the Judge found the appellant guilty of contempt of court on 27 March 2025 for breaching the PO ("27 March Decision"). She issued her decision on sentence on 16 July 2025, holding that the appellant was to be committed to five months' imprisonment ("16 July Decision").

The Judge's decision in SUM 3063

22 In the 27 March Decision, the Judge found the appellant guilty of contempt of court for having breached the PO by disposing of the Properties and making the $10.5m Payments:

(a) As the spirit of the PO was evidently to preserve the underlying value of the Trust Assets (as defined in JUD 98), the appellant's

Version No 1: 27 Feb 2026 (10:37 hrs)

obligation under the PO was to not dispose of the Trust Assets and their underlying assets – as emphasised by this court in *Lee Shieh-Peen Clement v Ho Chin Nguang* [2010] 4 SLR 801 ("*Lee Shieh-Peen*") at [17], the party against whom an injunction is issued must obey both the letter and the spirit of the order: 27 March Decision at [16].

(b) Further, the appellant had intentionally breached this obligation despite having knowledge of all the facts which made such conduct a breach of the PO. The appellant had undoubtedly been aware of the terms of JUD 98, which included the PO, and the consequences of non-compliance. Yet he admitted to disposing of the Properties even while negotiating a stay of JUD 98 through his then-solicitors. He had also made the $10.5m Payments to himself: 27 March Decision at [17].

23 In the 16 July Decision, the Judge then held that an appropriate sentence would be five months' imprisonment:

(a) The appellant had deliberately and repeatedly breached the PO. His culpability was also high – he had committed his breaches even as he was negotiating a stay of JUD 98. The amounts involved were substantial, amounting to more than $33m worth of assets, and the appellant had committed the breaches for his own pecuniary gain. In these circumstances, a fine would not be an adequate deterrent; nor would it sufficiently disgorge the appellant's financial gain from the contemptuous acts. Accordingly, the custodial threshold was clearly crossed: 16 July Decision at [7]–[11].

(b) The facts and circumstances of the present case were more egregious than those in *Precious Wishes Ltd v Sinoble Metalloy International (Pte) Ltd* [2000] SGHC 5 but were slightly less

Version No 1: 27 Feb 2026 (10:37 hrs)

aggravating than those in *OCM Opportunities Fund II LP v Burhan Uray (alias Wong Ming Kong)* [2005] 3 SLR(R) 60 and *Maruti Shipping Pte Ltd v Tay Sien Djim* [2014] SGHC 227. As such, five months' imprisonment would be appropriate: 16 July Decision at [13].

(c) There was no purpose in suspending any committal order for the appellant to purge himself of his contempt, given that the appellant had not taken any steps to do so: 16 July Decision at [12].

The parties' cases in CA 19

The Appellant's Case

24 The appellant argued that the Judge erred in finding him guilty of contempt of court. According to the appellant, the Judge had erred in finding that the PO restrained him from disposing of the Properties despite finding that its plain words only concerned the Trust Assets (*ie*, the shares in the SPVs as defined in JUD 98). The Judge was wrong to conclude that a party against whom an injunction is issued must obey both the letter and the spirit of the order. It was impermissible, so the argument developed, to depart from the literal rule of interpretation of a court order and to instead turn to the "spirit of JUD 98" to extend the *meaning* of shares in the SPVs to include the "underlying value of the Trust Assets". In doing so, the Judge incorrectly extended the restraint on disposal of shares in the PO to include a restraint on disposal of the underlying assets of the SPVs.

25 The appellant further argued that the Judge erred in finding that he breached the PO based on a ground that was not included in the respondent's O 52 statement, *ie*, the $10.5m Payments. Order 52 r 5(3) of the Rules of Court (Cap 322, R 5, 2014 Rev Ed) ("ROC") provides that no grounds except those

Version No 1: 27 Feb 2026 (10:37 hrs)

set out in the statement under O 52 r 2(2) may be relied upon at a hearing for a committal order. While the respondent had separately sought leave to rely on this new ground in her written submissions, there was no reference or reasoning in the 27 March Decision relating to such leave having been granted. In any case, had the Judge implicitly granted permission for the respondent to rely on this ground, the appellant had not received proper notice of this decision.

26 The appellant also argued that, in the event that he was found to be in contempt of court, no custodial sentence should be imposed, given that he had only been found to be in breach of the "spirit" (and not the explicit terms) of the PO. His breach was in the circumstances unintentional and a fine would be a more appropriate sanction. The Judge had further erred in finding that the appellant's conduct was not a one-off transgression.

The Respondent's Case

27 The respondent argued that the Judge was correct in finding that the appellant had breached the spirit of the PO. Even in the context of committal proceedings, the court can and should look at both the letter and spirit of an order of court in determining whether a party has acted in breach of the said order. The spirit of the PO was clearly to preserve the underlying values of the Trust Assets (as defined in JUD 98) without which the estate would end up with ten shell companies with no inherent value despite a favourable Liability Judgment.

28 The Judge was also correct in holding that the appellant had breached the PO based on the $10.5m Payments. We pause here to observe that the respondent's written submissions on leave for the respondent to rely on the $10.5m Payments as a new ground were not made with specific reference that the $10.5m Payments came from the sale proceeds of the Properties. This fact

Version No 1: 27 Feb 2026 (10:37 hrs)

was, however, confirmed by counsel for the appellant, Mr N Sreenivasan SC ("Mr Sreenivasan") at the hearing of the appeal in response to this court's question as to source from which the $10.5m Payments were made. Returning to the respondent's written submissions, the respondent's stance was that the Judge did in fact consider and exercise her discretion under O 52 r 5(3) of the ROC to grant leave for the respondent to rely on the $10.5m Payments. In addition, the appellant had the opportunity to respond to the respondent's allegations regarding the $10.5m Payments. He was aware that the respondent intended to rely on this ground and had even objected to the respondent's application for leave to rely on other facts not contained in its O 52 statement. The Judge had also correctly exercised her discretion to allow the respondent to rely on the $10.5m Payments.

29 Finally, the respondent argued that the Judge's decision to sentence the appellant to five months' imprisonment should be upheld as it was consistent with both principle and precedent.

Issues to be determined

30 The issues were thus as follows:

(a) whether the Judge erred in considering the $10.5m Payments;

(b) whether the Judge erred in finding that the appellant had breached the PO; and

(c) whether the sentence of five months' imprisonment was appropriate.

Version No 1: 27 Feb 2026 (10:37 hrs)

Issue 1: The $10.5m Payments

31 It is expedient to deal with the issue of the $10.5m Payments first. In fact, at the hearing of the appeal, it turned out to be a non-issue following Mr Sreenivasan's confirmation that (a) the $10.5m Payments came from the sale proceeds of the Properties; and (b) the respondent's complaint in her O 52 statement had included the ground that the appellant had converted and dissipated the sale proceeds. In short, the respondent's complaint in her O 52 statement was not limited to the appellant's sale of the Properties held by the SPVs, but also covered the more general assertion that the appellant had converted and dissipated those sale proceeds. As such, it could not be said that the $10.5m Payments, being a means by which the appellant had converted and dissipated the sale proceeds, constituted a ground falling outside those set out in the respondent's O 52 statement. Therefore, there was no breach of O 52 r 5(3) of the ROC as was previously alleged in the appellant's written submissions.

32 As to whether the $10.5m Payments constituted a breach of the PO, the answer to this question was predicated on this court's interpretation of JUD 98. This is discussed below under Issue 2.

Issue 2: The interpretation of the PO

33 The key issue to be determined in the appeal was whether, by selling off the Properties and making the $10.5m Payments to himself, the appellant had breached the PO. This turned on the interpretation of the PO.

34 The appellant argued that the Judge erred in finding that the PO prohibited the appellant from disposing of the shares in the SPVs *and* the underlying assets held by the SPVs despite accepting that, on a literal reading,

Version No 1: 27 Feb 2026 (10:37 hrs)

JUD 98 only concerned the shares in the SPVs. In this regard, the appellant relied on the High Court's observation in *PT Sandipala Arthraputra v STMicroelectronics Asia Pacific Pte Ltd* [2018] 4 SLR 828 ("*PT Sandipala*") (at [46]) that in determining what an order of court required an alleged contemnor to do, the court "will interpret the *plain* meaning of the language used" and "will resolve any ambiguity in favour of the person who had to comply with the order" [emphasis added]. We will clarify and amplify on this proposition below at [37].

The applicable law

35 We begin our analysis by setting out the relevant law on how the court should determine the effect of a court order. In this regard, we note this court's observation in *Aurol Anthony Sabastian v Sembcorp Marine Ltd* [2013] 2 SLR 246 ("*Aurol Anthony*") at [99] that:

> … [i]n proceedings for criminal contempt, the court will not adopt a myopic and blinkered view of the scope of an order. It is ultimately the *purpose* for which the order was granted that will be the lodestar in guiding the court's determination as to the true *effect* of the order.
>
> [emphasis in original]

While this court's observations were made in the context of proceedings for criminal contempt, they apply with equal force in the context of civil contempt. This is because, as this court noted in *Li Shengwu v Attorney-General* [2019] 1 SLR 1081 ("*Li Shengwu*"), there is no real substantive difference between the two in principle. In particular, we note our observation that the law of *both* civil and criminal contempt is directed at protecting the proper administration of justice: *Li Shengwu* at [54], [63] and [66].

Version No 1: 27 Feb 2026 (10:37 hrs)

36 The purpose of a court order depends, in the main, on the precise terms of that court order: *Aurol Anthony* at [72], citing *Pertamina Energy Trading Ltd v Karaha Bodas Co LLC* [2007] 2 SLR(R) 518 at [46].

37 In this regard, we agreed with the appellant that the court's *starting point* should be the terms of the court order. However, what the court will discern from the "plain meaning of the language used" (*PT Sandipala* at [46(a)]) is the purpose which informed the grant of the order. It is this purpose that then guides the court's determination as to the effect of the order. Any ambiguity in the order's purpose will be resolved in favour of the person who is required to comply with the order: *PT Sandipala* at [46(b)].

Our analysis

38 The present case involved the peculiar situation where, despite the court having set out its orders in clear terms in a written judgment, the parties chose to extract the reliefs ordered by departing from the wording in [253] of the Liability Judgment (above at [11]–[12]). If the change in wording was, as the appellant submitted, in the interest of clarity, the parties should have sought the Trial Judge's clarification. That did not happen as there was in our view nothing to clarify. Furthermore, even if the change in wording in JUD 98 was by the agreement of the parties, they could not without a court order alter the meaning and scope of [253] of the Liability Judgment. That must be so as it is impermissible for parties to vary a binding order of court on their own accord without court approval – the proper procedure would be to apply to the court for the order to be varied. Suffice to say for now, the appellant's allegations in his written submissions as paraphrased below (at [40]) were, in our view, completely fallacious.

Version No 1: 27 Feb 2026 (10:37 hrs)

39 The first question which arose in relation to the different language between JUD 98 and the Liability Judgment is "what 'equity' means in the context of the proceedings and the judgment". This was raised as an issue in the appellant's written submissions with reference to [253] of the Liability Judgment where "equity' in the SPVs was defined as the "trust assets" and that "equity" included the shares in the ten named entities.

40 In this regard, the appellant stated in his written submissions that the term "equity" was ambiguous, but this ambiguity was then clarified in JUD 98 by the replacement of "equity" with "shares" to reflect the intention of the Trial Judge for "trust assets" to refer to a narrow and specific class; that is to say, the trust assets being just the shares. The appellant also argued that his interpretation was supported by the express provision granting the respondent liberty to apply for an expansion of the injunction in the event that she established such further assets that rightfully belong to the 2003 Trust. This was also supported by the fact that the estate had itself expressly disavowed its claim to the underlying assets of the SPVs.

41 We disagreed with the appellant on all counts.

42 We first consider the Trial Judge's use of the term "equity" in [253] of the Liability Judgment. It is significant that the court defined the trust assets as the "equity in the [SPVs]". Generally, equity is the portion or percentage of ownership that shareholders have in a company. All shares represent equity, but not all equity has to be in the form of shares. However, in this case, the Trial Judge in [253] of the Liability Judgment expressly stated that "equity in the [SPVs] … *include[d]* the shares in the [SPVs]" [emphasis added]. In other words, equity was evidently intended to encompass more than just those shares. There was no basis for the appellant to contend that the term "equity" was

Version No 1: 27 Feb 2026 (10:37 hrs)

ambiguous and that the Trial Judge intended to define "trust assets" as a narrow and specific class, namely, shares in the SPVs.

43 Put differently, in an accounting context, equity represents the net asset value of a company – *ie*, total assets minus total liabilities. Taking into consideration how "equity" was used in the Liability Judgment, it is clear that it is this interpretation that applies. Given that "equity in the [SPVs] … *include[d]* the shares in the [SPVs]" [emphasis added], equity was evidently intended to encompass more than just those shares and was capable of including shareholder equity.

44 We turn to consider the fact that the wording of JUD 98 differs from that used in [253] of the Liability Judgment. The appellant argued that the wording of JUD 98 was intended to restrict the definition of trust assets to the shares of the SPVs. And given the literal interpretation of the word "shares", the appellant's sale of the Properties was not disposal of shares and he was thus not in breach of the PO. There was no basis for this contention. First, as we observe (at [38]) above, JUD 98 did not and could not have altered the meaning or scope of the Trial Judge's orders at [253] and [258]. Second, the interpretation of a court order must take into account the judge's purpose in making the order (see [37] above). It was clear to us that the Trial Judge's purpose in making the PO was to preserve the value of the shares ordered to be returned to the respondent. That was why the Trial Judge had specifically used the word "equity" which *included* shares, rather than merely "shares" (above at [42]–[43]). Third, this purposive interpretation (see [37] above) accords with the plain meaning of the word "shares". Shares are a "bundle of rights against the company and the other shareholders": *Cambridge Gas Transportation Corpn v Official Committee of Unsecured Creditors of Navigator Holdings Plc* [2007] 1 AC 508 at 519. These rights include, most pertinently, the right to *participate in the company's net*

Version No 1: 27 Feb 2026 (10:37 hrs)

assets upon its winding up. Generally, shareholders are not agnostic to the net asset value of the companies in which they hold shares. The appellant's argument that based on the wording of JUD 98, the Trial Judge could only have intended to restrict the appellant from disposing of the shares in the SPVs, and nothing more, is untenable. Therefore, it is clear that the PO restrains not only the disposal of the units of ownership in the company *per se*, but also the disposal of underlying assets which would diminish the net worth of the company.

45 More to the point, the sale of the Properties (without a corresponding account of all the sale proceeds to the SPVs) and the making of the $10.5m Payments without substantiation would necessarily reduce the owning company's total assets and thus its shareholder equity in the absence of any reduction in total liabilities. The appellant had not demonstrated such a change in total liabilities. This relationship is fundamental and stems from the accounting equation which provides that equity is total assets less total liabilities:

$$Total\ assets - Total\ liabilities = Equity$$

46 As mentioned, the appellant's point that the definition of "Trust Assets" in JUD 98 as shares in the SPVs reflected the Trial Judge's intention and the premise of that contention was the purported ambiguity of the word "equity" in [253] of the Liability Judgment. Therefore, interpreted literally, the words "shares in the SPVs" bear only one meaning. However, the appellant's supporting affidavit in SUM 1897 (*ie*, his application for a stay of JUD 98 pending appeal) exposed the fallacy in the appellant's contentions. His affidavit, which was filed after JUD 98 was extracted, revealed the level of the appellant's own awareness, understanding and appreciation of the scope and meaning of

Version No 1: 27 Feb 2026 (10:37 hrs)

the PO in JUD 98 which he knew to be wider than the literal interpretation adopted in the appeal; his position on appeal was an about turn that was contrived and designed to resist contempt proceedings. The relevant paragraphs of his affidavit read as follows:

> 36. Second, I am concerned about the Plaintiff's ability to return *the full value of the "Trust Assets*" to the Defendants (including myself) if the shares of the various SPVs are transferred to the Plaintiff pending the Appeal and the Defendants subsequently succeed on the Appeal.
>
> 37. Once this transfer takes place, *there is nothing to stop the Plaintiff from taking steps to substantially diminish the value of the SPVs' asset holdings*.
>
> [emphasis added]

The above paragraphs were telling. At para 36, the appellant himself distinguished between the "Trust Assets", the full value of those "Trust Assets" and the transfer of "the shares of the various SPVs". Paragraph 37 then demonstrated that the appellant clearly understood that the effect of the PO was to safeguard the net asset value of the SPVs rather than simply to prevent him from disposing of only the "shares" in the SPVs. It was thus evident that his narrow interpretation of the PO adopted in SUM 3063 and in this appeal was nothing more than a convenient afterthought designed to escape the consequences of his breach.

47 The context in which the PO was made was also relevant. In this regard, it is important to bear in mind that the PO was issued as a consequence of the decision ordering the appellant to "cause or procure the delivery up, transfer of possession or title or ownership to the [respondent] of all the Trust Assets". This was pursuant to the court's finding that the 2003 Trust did exist, with the appellant in his capacity as trustee appointed sole director and sole shareholder over the SPVs that held Mr Salgaocar's monies and investments. The appellant clearly exercised power and control over those SPVs as their sole director and

Version No 1: 27 Feb 2026 (10:37 hrs)

sole shareholder: see [4] and [8] above. It was thus evident that the court's purpose in making the PO was to preserve the status quo before the share certificates (and thereby, control) of the SPVs were returned to the respondent. As we noted to Mr Sreenivasan at the hearing, it was not intended that the appellant should hold on to the share certificates of the SPVs and utilise that control to do as he pleased, and then, when the disposal was finally accomplished, deliver up share certificates of companies drained of any value.

48 It was irrelevant that the respondent had not made any direct claim to the assets of the SPVs. The separate legal personalities of the SPVs simply meant that the respondent's remedy should instead be to recover, amongst other things, title to the shares of the SPVs, and thereby *gain control of their properties*: above at [9]. This was precisely what the respondent had sought, and been granted, in Suit 821.

49 The fact that the Trial Judge had expressly provided that the respondent was at liberty "to apply for an expansion of the injunction in the event [she] establish[ed] such further assets that rightfully belong to the 2003 Trust" did not assist the appellant. The plain meaning of this provision was, in our view, that the PO may be expanded to include *new* companies that surfaced, rather than assets held by the companies which were already before the court.

50 Given our reasons above, we were of the view that there was no ambiguity regarding the purpose or even the plain meaning of the PO. Accordingly, it was evident that the effect of the PO was wide enough to restrict the appellant from diminishing the net asset value of the SPVs. His actions of disposing of the Properties held by the SPVs and making the $10.5m Payments to himself, which resulted in a reduction in the net asset value of the SPVs, were thus clearly in breach of the PO.

Version No 1: 27 Feb 2026 (10:37 hrs)

Issue 3: The appropriate sentence to be imposed

51 Having found that the Judge was correct to find the appellant guilty of contempt by breaching the PO by disposing of the Properties and for wrongfully making the $10.5m Payments to himself, we were also satisfied that a custodial sentence of five months' imprisonment was appropriate.

52 Before us, Mr Sreenivasan's main contention was that while the appellant's actions were deliberate, he had not intentionally breached the PO – instead, he had simply intended to exploit what he perceived to be a loophole in the PO.

53 This did not absolve the appellant in any way. Mr Sreenivasan's contention that the appellant did not subjectively believe that his actions were in breach of the PO is plainly untenable, as noted above. The appellant was clearly aware, from his affidavit filed in support of SUM 1897, that the PO restrained the disposal of shares in the SPVs and diminishing their net worth as explained in [44] above. The appellant was well-aware of and had appreciated the Trial Judge's intentions in imposing the PO pending his delivery of the share certificates to the respondent: see above at [46]. It would also have been clear to the appellant that he was in any case not permitted to misappropriate or dispose of the assets of the SPVs, given that his previous misappropriations and disposals were found to constitute breaches of trust: see above at [11]. Accordingly, his culpability in selling off the Properties and making the $10.5m Payments was grave.

54 In our view, the sentence of five months' imprisonment was evidently warranted, and in fact was on the low side. Despite knowing that disposing of the Properties would thwart the court's purpose in making the PO, the appellant deliberately did so not once, but ten separate times. He had also directly

Version No 1: 27 Feb 2026 (10:37 hrs)

benefited from his breaches by making the $10.5m Payments to himself. In so doing, the appellant had caused grave harm to the respondent.

Conclusion

55 Given the above, we saw no basis to disturb the Judge's decisions on liability and sentence. The appeal was thus dismissed, with costs fixed at $50,000 (all-in) to be paid by the appellant to the respondent.

Steven Chong
Justice of the Court of Appeal

Belinda Ang Saw Ean
Justice of the Court of Appeal

Judith Prakash
Senior Judge

N Sreenivasan SC, Muralli Rajaram, Adorabelle Tan (Sreenivasan Chambers LLC) (instructed) and Eva Teh Jing Hui (K&L Gates Straits Law LLC) for the appellant;
Siraj Omar SC, Larisa Cheng, Robbie Tan, Darryl Hor (Siraj Omar LLC) (instructed), Kanapathi Pillai Nirumalan and Liew Teck Huat (Niru & Co LLC) for the respondent.

Version No 1: 27 Feb 2026 (10:37 hrs)