

**SUPERIOR COURT OF JUSTICE – ONTARIO**

**RE:** Karandeep Singh, Applicant  
v.  
Daljit Singh, Axes Logging Inc., and Axes Roundwood Hauling Inc.,  
Respondents

**HEARD:** February 19, 2026

**BEFORE:** Fitzpatrick J.

**COUNSEL:** D. Judson, for the Applicant, K. Singh  
R. Minhas, for the Respondent, D. Singh

**Endorsement on Motions**

[1] These were two motions before the Court brought in an oppression case. As both parties have the same last name, counsel agreed I could refer to the men by their first names. The matter was also before the Court on February 12, 2026 where I made an endorsement setting out the background of the matter. I will repeat that here with some additions for context.

[2] The matter involves two friends who incorporated a company, Axes Logging Inc. (“ALI”) to operate a trucking business. The business was incorporated in January 2024. The Companies only client was H.C. Transport Inc. ALI’s business was to provide subcontracting wood hauling services. Both men are the sole directors and are 50% shareholders of ALI. The assets of the company consist of a truck and two trailers. The truck and the trailers are encumbered. The men drove the truck opposite each other to provide essentially a 24/7 service to H.C..

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[3] The relationship between the two men has soured. On January 5, 2026, Karandeep commenced an application claiming remedy under the oppression section of the *Canada Business Corporations Act*.

[4] On February 19, 2026 on the second appearance on the application, I made an order with respect to production of records that was to be answered by today. The orders were answered in part.

[5] Karandeep moves for an order that would see an accountant retained and proper tax filings prepared. He also seeks an order that would allow him to operate the business free from interference from Daljit pending the hearing of the application. Daljit moves for an injunction prohibiting either party from utilizing the assets of the business until the application is heard.

[6] This is a small business where the two owners are at an impasse. In my view the materials disclose that Daljit has removed himself from the day to day operation of ALI. Daljit has purchased another truck and is working as a sub contractor for H.C.. Karandeep asserts this puts Daljit in a conflict with his obligations as a director of ALI. That is a discreet issue left for another day but practically it does colour the position taken by Daljit on both the motions before the Court. Daljit is concerned about his personal exposure as a director of a company for which he is no longer an active participant. Nevertheless, I am of the view that he cannot expect to freeze out Karandeep from making a living just because he has decided to walk away from ALI.

[7] Also in submissions, counsel for Daljit has made it clear he is very concerned about his personal exposure to loans that were taken out to purchase the truck and one trailer that are the

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majority assets of ALI. While this is a perfectly legitimate concern, it is not one that can be addressed practically in the near term, absent a sale of ALI's main assets.

[8] Practically I think a winding up of ALI is inevitable unless Karandeep manages to pay off the outstanding debt, or refinances in a way that removes Daljit from personal liability for the loans incurred to purchase the truck and trailers owned by ALI.

[9] Also hovering over both men, is the potential negative consequences of their neglect of their basic obligations to file proper income tax and HST returns for ALI as well as deal with proper source deductions for any employees the company may have had. It appears their mutual intransigence has prevented them from taking care of these very basic but essential duties of directors and officers of a corporation that operates an active business.

[10] The Court attempted to explore various options for resolution of both short term and longer term issues with counsel on both attendances before the Court. Both counsel indicated a desire to be practical and to work quickly to resolve the matter. Despite this it appears that they were not able to get instructions to produce anything other than a less than fulsome response to what was initially ordered by the Court on February 12, 2026..

[11] The Court is concerned that without some decisive directions now the parties will simply continue to fruitlessly maneuver, bring endless motions and stall the inevitable. Counsel for Karandeep provided a draft order in support of the relief he claimed on his motion. It was a good start. However, it was premised on Karandeep retaining a chartered accountant to produce financial statements and ledgers for ALI and prepare an estimate of ALI's income tax, HST and payroll remittance liability. There is no doubt this work needs to be done. However, I suspect

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having a chartered accountant perform these services may be something of an overly expensive and less than practical answer to assist these parties now. For one, it is tax season, and I expect finding a chartered accountant to deal with this relatively small matter might prove difficult until May at the earliest. Second, I cannot see these two parties agreeing on such an important appointment given their various disputes to date.

[12] During the course of submissions concerning Karandeep's motion, it became apparent that the parties agreed that whatever accounting professional does this required work, in any event, the following can and should be completed quickly: (this comes from the paragraphs of the draft order that counsel for Daljit indicated were agreed)

Within 21 days;

- a. Karandeep shall provide to an accounting professional a copy of the banking statements or complete transaction history for ALI's bank account at the Royal Bank of Canada, numbered 05092-1 \*\*\* 518;
- b. Karandeep shall provide to the accounting professional copies of all invoices issued by ALI to H.C. Transport;
- c. Karandeep and Daljit shall each provide to the accounting professional a ledger of all transactions, organized by date, relating to ALI's business expenses, with supporting documentation, specifying the account through which the transaction was conducted and including a brief of the supporting documentation for the transaction;
- d. Karandeep shall provide to the accounting professional copies of all loan and financing documentation for the equipment assets of the corporation;
- e. Karandeep shall provide to the accounting professional a ledger of the hours of each of ALI's drivers based on its logbooks, as well as copies of the logbooks; and
- f. Karandeep and Daljit shall provide the accounting professional with authorization and/or access to ALI's online tax filing ("My Business") account with the Canada Revenue Agency.

[13] I agree with the submissions of Daljit's counsel that the provisions of paragraph 3 and 4 of Karandeep's draft order were overly broad, at least based on the state of the file at the moment. The proposed provisions in these portions of the draft order would unnecessarily inhibit the discretion of whatever accounting professional is doing the very basic work that has been neglected by these parties thus far.

[14] However, that was not the end of the usefulness of Karandeep's draft order. Counsel for Daljit further agreed to the following contained in paragraphs 5, 6 and 7 of the draft order;

5. the accounting professional may request from Karandeep or Daljit any additional information or documentation required to complete their scope of work Karandeep or Daljit shall produce such information or documentation to them promptly, and in any event within seven (7) days of the request;
6. the accounting professional's completed work product shall be delivered to Karandeep and Daljit, or their counsel if they are represented;
7. The accounting professional's fees (including any retainer/deposit) are to be paid in equal proportion by Karandeep and Daljit, subject to reallocation in the final disposition of the application.

[15] The draft order then dealt with the issue of Karandeep opening a bank account with sole signing authority for ALI. The need to open a new account arises from the curious decision of the Royal Bank to freeze access to ALI's only account. It appears this may have been the result of a request directly to the bank from Daljit. Karandeep needs access to a bank account in ALI's name as H.C. will only provide payment for services to such a bank account.

[16] Section 241(3) of the CBCA gives the court broad powers to deal with conduct that is oppressive or unfairly prejudicial or unfairly disregards the interest of any director. The court may make an order to rectify the matters complained of.

[17] In this case, I find Daljit's conduct as unfairly disregarding the interests of Karandeep. His apparent unilateral decision to purchase another truck and to contract with the same client from which ALI drew all its income, strikes me as representing a conflict in his duty as a director of ALI. Further his desire to enjoin Karandeep from operating the truck which is the main asset of ALI unfairly disregards the interest of his fellow director and the need for ALI to produce income to pay its debts and to pay appropriate remittances to the Federal and Provincial Governments. That said, Karandeep's ability to operate the truck exclusively is a circumstance that cannot be allowed to go on forever. Practically, if Karandeep cannot refinance and remove Daljit's personal liability to the bank with respect to the ALI assets, there is going to be no other solution than to sell the truck and trailers, pay out the bank and wind up ALI.

[18] To that end, I am ordering that Daljit's motion for an interim injunction is dismissed. In my view the material filed in support of his motion does not satisfy all of the three part test required by the leading case *RJR-MacDonald v Canada (Attorney General)* [1994] S.C.J. No. 17. I was not satisfied that the material demonstrated on a balance of probabilities that Daljit would suffer irreparable harm that could not be compensated in damages if the interim injunction was not granted. Also, Daljit failed to give the necessary undertaking respecting damages as required by Rule 40.03. Further I see the balance of convenience as favouring not granting the injunction as it would unduly restrict Karandeep from operating the assets of ALI in order to generate revenue by which the liabilities to Crown agencies such as the CRA can be satisfied. I also see Daljit's actions as oppressive as he walked away from the business, where its operation required two drivers to work complimentary shifts in order to make the enterprise economically viable. It does not lie in Daljit's mouth now to complain about equities when he himself is the author of the operational difficulty now faced by ALI.

[19] In order to facilitate Karandeep's operation of the business I am going to grant relief requested in his motion and in accordance with paragraphs 8, 9 and 10 of the draft order provided to the Court as follows:

8. Karandeep may open a bank account for ALI on which he may be the sole signing authority, and that Karandeep and may produce a copy of this order to any relevant bank or financial institution as proof of his sole authority to do so on behalf of ALI, provided that Daljit shall have a right to access copies of bank statements for any such account.
9. Karandeep shall maintain proper records for all transactions conducted through any bank account he opens or manages for ALI, as well as for any transactions he has conducted through his personal accounts relating to ALI.
10. Karandeep is permitted to operate ALI without interference from Daljit pending return of this motion in August 2026 provided he brings the insurance over the corporation's assets into good standing and in accordance with the court's prior endorsement of February 12, 2026.

[20] I am giving Karandeep effectively six months to operate the truck and figure out how he is going to put himself and ALI in a position to have Daljit removed as a director and be freed from any personal liability in respect of the bank or banks who have encumbrances on the assets of the company. The liability for remittances and source deductions, HST and income tax is another matter and is not something that can be dealt with at this time. I expect both parties to make diligent efforts to prepare the necessary returns and bring the company into good standing with the Canada Revenue Agency and the Ontario Ministry of Finance.

[21] Also, the parties make competing claims for payments to each other or credits for personal monies they expended for what they claim to be proper business expenses. These claims are within the scope of the Simplified Rules. It seems to me that proceeding by application will not produce the most efficient procedure to resolve the matter. An action will be needed leading to a trial if the parties do not take a good hard look at the economics of attempting to fully litigate this dispute.

[22] The parties will forthwith approach the Thunder Bay trial coordinator to set a date returnable before Fitzpatrick J. for a half day attendance sometime in the week of August 10, 2026. If that week does not work, the parties may seek a half day at some other mutually agreeable time after August 2026. When the matter returns before Fitzpatrick J., Daljit may renew his request for interim injunctive relief. I expect I will look much more favourably on such a request at that time if Karandeep does not do what he needs to do to complete the proper filings and either obtain alternate financing or prepare the company assets for sale. That said, this six month period is not to be viewed as a licence for either to continue their heretofore intransigence with respect to what they perceive they were owed or owe to each other or ALI. They have a mutual interest in getting the filings in order for ALI and then putting this matter behind them and continuing their valuable work as truckers in an important Northern Ontario industry.

[23] The application is also to be returned on the date in August or afterwards. Given the degree of dispute between the parties, evident on the material that it seems impractical that the matter can be resolved in any way short of a trial with *vive voce* evidence. That said, the court is not in a position even now to offer these parties a civil trial in 2026. I suspect 2027 options may be very limited come August 2026 as well. I say all of this for the benefit of the parties. The Court is keenly aware the matter is important to both Karandeep and Daljit. However, it seems to me that any economic benefit they believe they can obtain by a Court resolving this dispute, as opposed to them resolving it themselves, will be wasted in the effort to marshal evidence and prepare for a trial. The parties need to take a long hard look at this dispute, prepare to compromise or face a long arduous path of litigation with very uncertain prospects of quick results.

[24] Therefore, order to go as follows;

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1. Daljit's motion for an interim injunction is dismissed without costs;
  2. Karandeep shall provide to an accounting professional a copy of the banking statements or complete transaction history for ALI's bank account at the Royal Bank of Canada, numbered 05092-1 \*\*\* 518;
  3. Karandeep shall provide to the accounting professional copies of all invoices issued by ALI to H.C. Transport;
  4. Karandeep and Daljit shall each provide to the accounting professional a ledger of all transactions, organized by date, relating to ALI's business expenses, with supporting documentation, specifying the account through which the transaction was conducted and including a brief of the supporting documentation for the transaction;
  5. Karandeep shall provide to the accounting professional copies of all loan and financing documentation for the equipment assets of the corporation;
  6. Karandeep shall provide to the accounting professional a ledger of the hours of each of ALI's drivers based on its logbooks, as well as copies of the logbooks;
  7. Karandeep and Daljit shall provide the accounting professional with authorization and/or access to ALI's online tax filing ("My Business") account with the Canada Revenue Agency.
  8. Karandeep may open a bank account for ALI on which he may be the sole signing authority, and Karandeep may produce a copy of this order to any relevant bank or financial institution as proof of his sole authority to do so on behalf of ALI, provided that Daljit shall have a right to access copies of bank statements for any such account.
  9. Karandeep shall maintain proper records for all transactions conducted through any bank account he opens or manages for ALI, as well as for any transactions he has conducted through his personal accounts relating to ALI.
  10. Karandeep is permitted to operate ALI without interference from Daljit pending return of this motion in August 2026 provided he brings the insurance over the corporation's assets into good standing and in accordance with the court's prior endorsement of February 12, 2026.
  11. On or before August 10, 2026 neither party shall bring any further motions without leave of the Court obtained on a regular motion day with 15 days clear notice to the other side
  12. There shall be no costs in respect of Karandeep's motion.

[25] In the event there are disputes about the form of the order the parties shall arrange a 15-minute case conference by ZOOM before me to settle the order.

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The Hon. Mr. Justice F.B. Fitzpatrick

**DATE:** February 26, 2026

**CITATION:** Singh v. Singh, 2026 ONSC 1192  
**COURT FILE NO.:** CV-26-00002-000  
**DATE:** 2026-02-26

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**ENDORSEMENT ON MOTIONS**

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Fitzpatrick J.

**DATE:** February 26, 2026