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

Date of decision: 06.12.2025

+ **EX.P. 99/1998 & EX.APPL.(OS) 364/2013, EX.APPL.(OS) 25/2015, EX.APPL.(OS) 431/2019, EX.APPL.(OS) 11/2020, EX.APPL.(OS) 439/2021**

M/S S.A. BUILDERS LTD.

.....Decree Holder

Through: Mr. Tarun Gupta Adv. and Mr.
Hirday Viridi Adv.

versus

MUNICIPAL CORPORATION OF DELHIJudgement Debtor

Through: Mr. Sunil Goel, Standing Counsel of
MCD, Adv Dimple Aggarwal , Adv Himanshu
Goel, Adv Varsha along with Sanjay Soni,
Executive Engineer, MCD

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

: **JASMEET SINGH, J (ORAL)**

1. This is a petition filed under Section 36 of the Arbitration and Conciliation Act, 1996 (**"1996 Act"**) seeking enforcement of the Arbitral Award dated 16.12.1997 corrected on 18.12.1997 wherein the decree holder was awarded a sum of Rs. 1,70,70,720.80.

2. The present Execution petition seeks enforcement of the said Award to the tune of Rs. 1,70,70,720.80 along with a sum of Rs.2,36,89,755.10 as interest upto 16.12.1997 and thereafter interest amounting to Rs.25,52,834.13 upto 22.4.1998 i.e. till the filing of the present application and there after till the date of actual payment, as provided in Section 31(7)(b) of the 1996 Act.



3. The judgment debtor challenged the Award by filing petitions under Section 34 and 37 of the 1996 Act and both of which were dismissed.

4. The judgment debtor filed an SLP in the Hon'ble Supreme Court, where the Hon'ble Supreme Court vide order dated 19.04.2002 stayed the claim Nos. 22, 25 and 26 and was subsequently dismissed.

5. During the pendency of the present petition, one of the controversy was whether the interest awarded by the Arbitrator would be part of the principal or would be separately treated as interest on the principal, i.e., Rs.1,70,70,720.80.

6. The said issue attained finality by the order of Hon'ble Supreme Court dated 12.03.2015, wherein the Hon'ble Supreme Court opined that the *pendente lite* interest will form part of the principal amount.

7. In pursuance of the satisfaction of the Award, the judgment debtor has already paid an amount of Rs. 12,68,70,889/- in three instalments to the decree holder which are as under:

(i.) Rs. 3,76,38,988/- on 22.04.2002

(ii.) Rs. 3,77,87,508/- on 09.09.2010.

(iii.) Rs. 5,14,44,393/- on 04.09.2017

Total: Rs. 12,68,70,889/-

8. Mr. Gupta, learned counsel for the decree-holder, states that the amount should be first adjusted towards the interest and the balance amount should be adjusted towards the principal.

9. He relies on ***Bharat Heavy Electricals Ltd. Vs. R. S Avtar Singh and Company***¹ has held as under:

“31. From what has been stated in the said decision, the following principles emerge:

¹ (2013) 1 SCC 243.



31.1. The general rule of appropriation towards a decretal amount was that such an amount was to be adjusted strictly in accordance with the directions contained in the decree and in the absence of such directions adjustments be made firstly towards payment of interest and costs and thereafter towards payment of the principal amount subject, of course, to any agreement between the parties.

31.2. The legislative Intent in enacting sub-rules (4) and (5) is a clear pointer that interest should cease to run on the deposit made by the judgment-debtor and notice given or on the amount being tendered outside the court in the manner provided in Order 21 Rule 1(1)(b).

31.3. If the payment made by the judgment-debtor falls short of the decreed amount, the decree-holder will be entitled to apply the general rule of appropriation by appropriating the amount deposited towards the Interest, then towards costs and finally towards the principal amount due under the decree.

31.4. Thereafter, no further interest would run on the sum appropriated towards the principal. In other words if a part of the principal amount has been paid along with interest due thereon as on the date of issuance of notice of deposit interest on that part of the principal sum will cease to run thereafter.

31.5. In cases where there is a shortfall in deposit of the principal amount, the decree-holder would be entitled to adjust interest and costs first and the balance towards the principal and beyond that the decree-holder cannot seek to



reopen the entire transaction and proceed to recalculate the interest on the whole of the principal amount and seek for reappropriation.”

10. Mr. Gupta, learned counsel for the decree-holder has handed over his calculations. The same are taken on record and reproduced as under:



2025:DHC:11992



M/s SA Builders Ltd vs MCD Ex.Pet. No. 99 / 1A1:E15998				
Calculation of Amount under Arbitral Award dated 16.12.1997 as on 6.12.2025				
S. No.	Details of Award	Amount		
1	Award amount payable (Principal)	1,70,40,720		
2	Less amount of claim 23(b) not qualifying for interest	-5,61,208		
3	Award amount qualifying for simple interest @ 18% p.a. wef 1.4.1990	1,64,79,512		
4	Interest on Rs. 1,64,79,512/- @ 18% p.a. from 1.4.1990 to 16.12.1997 (Date of Award) (2817 days)	2,28,93,428		
5	Sum of Principal + pre-reference and pendent lite interest = Award / Decretal amount in terms of Hyder judgment (17040720 + 22893428)	3,99,34,148		
6	JD did not pay till 2002 in view of pendency of MCD's S.34, S.37 and SLP / Civil Appeal in Supreme Court			
	Particulars	Principal	Interest	Total
7	19.4.2002: STAY by Supreme Court on payment of Claim Nos. 22, 25, 26 : i.e. on Rs.51,29,648/- in SLP(C) No.7474/2002 (converted into Civil Appeal No.1087/2006) [Due weightage has to be given to the Stay granted by Supreme Court on claims 22, 25, 26].			
8	So, Amount payable by MCD as on 19.4.2002 : Principal on which interest is payable w.e.f from 01.04.1990 till award i.e 16.12.1997 = 17040720 - 56,1208 = 1,64,79,512/- Interest @ 18% p.a on Rs. 1,64,79,512/- from 1.4.1990 till 16.12.1997 (2817 days) = Rs.2,28,93,428/- Total SUM as on 16.12.1997 Date of Award : 1,70,40,720 + 2,28,93,428 = 3,99,34,148/- Future Interest @ 18% p.a. on 3,99,34,148/- from 17.12.1997 to 19.04.2002 (1585 days) = 3,12,14,281/-	3,99,34,148	3,12,14,281	7,11,48,429
8A	Less:- Claim No. 22,25,26 i.e Rs. 51,29,648/- has been stayed by the Supreme court on 19.04.2002	-51,29,648		
8B	Amount to be payable as on 19.04.2002	3,48,04,500	3,12,14,281	6,60,18,781
8C	Add:- Interest @ 18% on Rs. 3,48,04,500/- from 20.04.2002 to 22.04.2002 (3 days)		51,491	51,491
8D	Amount to be payable as on 22.04.2002	3,48,04,500	3,12,65,772	6,60,70,272
9	Less : Paid by MCD on 22.4.2002	-63,73,216	-3,12,65,772	-3,76,38,988



10	Amount to be payable by MCD as on 23.4.2002 after payment of Rs.3,76,38,988/- on 22.4.2002 (Adjusting Rs.3,76,38,988/- against Interest payable upto 22.04.2002 of 3,12,65,772/- gives excess of 63,73,216/- This reduces the Principal to 2,84,31,284/- (3,48,04,500 - 63,73,216)	2,84,31,284	NIL	2,84,31,284
11	Add : Interest @ 18% p.a. on 2,84,31,284 from 23.4.2002 to 03.02.2010 (2844 days)		3,98,75,460	3,98,75,460
11A	Amount to be payable as on 03.02.2010 excluding stayed claims of Rs. 51,29,648/-	2,84,31,284	3,98,75,460	6,83,06,744
12	3.2.2010 : MCD's appeal dismissed by Supreme Court on 3.2.2010. So, MCD now became liable to pay Rs.51,29,648/- (Principal Amount of Claims Nos. 22, 25, 26, which was earlier stayed by Supreme Court) plus Interest on Rs.51,29,648/- w.e.f. 20.4.2002 to 03.02.2010 So, addl principal Amount payable by MCD on account of Claims Nos. 22, 25, 26 : Rs.5129648/- + Rs.72,02,026 (Interest on Rs.5129648/- from 20.4.2002 (Claim stayed) till 03.02.2010 (Civil appeal dismissed) (2847 days) = Rs. 1,23,31,674/-	51,29,648	72,02,026	1,23,31,674
12A	Amount to be payable including stayed claims as on 03.02.2010	3,35,60,932	4,70,77,486	8,06,38,418
12B	Further Interest @ 18% p.a. on Rs. 3,35,60,932/- (Revised principal amount) from 04.02.2010 till 09.09.2010 (218 days) = Rs. 36,08,030/-		36,08,030	36,08,030
12C	This is the additional Amount payable by MCD as on 9.9.2010, on account of dismissal of MCD's appeal by Supreme Court			
12D	Amount to be payable as on 09.09.2010	3,35,60,932	5,06,85,516	8,42,46,448
13	Less : Paid by MCD on 9.9.2010		-3,77,87,508	-3,77,87,508
14	Amount to be payable after adjusting Rs. 3,77,87,508/- against the of 5,06,85,516/- gives balance interest as 1,28,98,008/-) as on 09.09.2010	3,35,60,932	1,28,98,008	4,64,58,940
15	Add : Interest @ 18% p.a. on Rs. 3,35,60,932/- from 10.9.2010 to 4.9.2017 (2552days) = Rs. 4,22,37,123/-		4,22,37,123	4,22,37,123
	Amount to be payable as on 04.09.2017	3,35,60,932	5,51,35,130	8,86,96,063
16	Less : Deposited by MCD in Court on 4.9.2017 in compliance of Order dt. 26.7.2017 in EFA(OS) 17/2017, and released to DH subject to undertaking.		-5,14,44,393	-5,14,44,393



17	Balance amount to be payable as on 04.09.2017 after payment of Rs. 5,14,44,393/- on 04.09.2017 (Adjusting Rs. 5,14,44,393/- against Interest of Rs. 5,51,35,130/- This reduces the interest from Rs. 5,51,35,130/- to Rs. 36,90,737/-	3,35,60,932	36,90,737	3,72,51,669	
18	Add : Interest @ 18% p.a. on Rs. 3,35,60,932/- from 05.9.2017 to 19.2.2025 (2725days) = Rs. 4,51,00,376/-		4,51,00,376	4,51,00,376	
	Amount to be payable by MCD as on 19.02.2025	3,35,60,932	4,87,91,113	8,23,52,045	
So, Gross Amount payable by MCD as on 19.2.2025 = Rs. 8,23,52,045/- (if payments made by MCD are first adjusted against the interest, as per settled law)					
	Amount to be payable by MCD as on 19.02.2025	3,35,60,932	4,87,91,113	8,23,52,045	
19	Add:- Interest @ 18% on Rs. 33,560,932/- from 20.02.2025 to 18.09.2025 (211 days) = Rs. 34,92,175/-		34,92,175	34,92,175	
20	Amount to be payable as on 18.09.2025	3,35,60,932	5,22,83,288	8,58,44,220	
21	Add:- Interest @ 18% on Rs. 33,560,932/- from 18.09.2025 to 6.12.2025 (80 days) = Rs. 1,324,048/-		13,24,048	13,24,048	
22	Amount to be payable as on 6.12.2025	3,35,60,932	5,36,07,336	8,71,68,268	



11. Mr. Goel, learned standing counsel for the judgment-debtor, refutes the contentions of the learned counsel of the decree-holder and states that the said amount should first be adjusted towards the principal and thereafter whatever the amount is outstanding towards the principal should carry the rate of interest at the rate of 18 percent. He relies on ***Cobra Instalaciones Y Servicios, S.A. vs. Haryana Vidyut Prasaran Nigam Ltd.***²The relevant paragraphs read as under:

“16. Pertinently, Order XXI Rule 1 CPC came to be amended in the year 1977 by Act 104 of 1976. A Constitution Bench of the Supreme Court in Gurpreet Singh v. Union of India noted the objects and reasons for the amendment as under:-

“25. In the Objects and Reasons for amendment of Order 21 Rule 1, it was set out as follows :

The Committee notes that there is no provision in the Code in relation to cessation of interest on the money paid under a decree, out of court, to a decree-holder, by postal money order or through a bank or by any other mode wherein payment is evidenced in writing. The Committee is of the view that, in such a case, the interest should cease to run from the date of such payment. In case the decree-holder refuses to accept the postal money order or payment through a bank, interest should cease to run from the date on which the money was tendered to him in ordinary course of business of the postal authorities or the bank. Sub-rule

² Passed in OMP (ENF)(COMM)60/2021.



(5) in Rule 1 Order 21 has been inserted accordingly"

The legislative intent in enacting sub-Rules (4) and (5) is therefore clear and it is that interest should cease on the deposit being made and notice given or on the amount being tendered outside the court in the manner provided. Mulla in his Commentary on the Code of Civil Procedure, 15th Edn., Vol. II at page 1583 has set out the effect of the rules as follows:

"Normal rule with respect to money decree is (i) the appropriation of payments towards satisfaction of interest in the first instance, and (ii) then towards principal amount. But this became inoperative, after the amendment of Rule 1 of Order 21 CPC. Section 60 of the Contract Act cannot be invoked for the application of the aforesaid normal rule."

12. Reliance is also placed on ***Ramacivil India Constructions (P) Ltd. v. Union of India***³.

"41. The flow of legal thought in this regard as it emanates from the judgments of the Supreme Court in Gurpreet Singh, Himachal Pradesh Housing and Urban Development Authority and MP Trading as well as the Division Bench of this Court in Bhai Sardar Singh is all one way. These decisions clearly hold that on payment of the decretal amount by the judgment debtor into the Court, the entitlement of the decree holder to interest in terms of the decree would cease to run. The Court has also held that

³ 2024 SCC OnLine Del 4899 .



such payment constitutes payment within the meaning of Order XXI Rule 1(1)(a). In Gurpreet Singh, the Supreme Court has held that on deposit of decretal amount being made in Court “interest should cease” subject to notice of deposit being made by the judgment debtor to the decree holder. The requirement of such notice can obviously not apply in a case where the deposit is made as per the order of the Court in the presence of both the parties, as has also been held by the coordinate Bench in Cobra. In Himachal Pradesh Housing and Urban Development Authority, too, the Supreme Court has clearly held that payment of the decretal amount by the judgment debtor in Court “is nothing but a payment to the credit of the decree holder”. Once the awarded amount was thus deposited, holds the Supreme Court, “the liability of post award interest ... ceased”. In MP Trading, the judgment debtor pointed out to the Court that it had made full deposit of the entire amount awarded to the decree holder. The Supreme Court held that, in these circumstances, the decree (award) holder was entitled to interest as per the award from the date of the award till the date of deposit of the awarded amount by the judgment debtor in Court, but that, from the date of such deposit the decree holder would be entitled only to such interest as had been earned on the deposit by reason of the deposit having been made in a fixed deposit account and not to interest in terms of the award.

42. In Bhai Sardar Singh, the Division Bench of this Court clarified that this principle would apply even where the



deposit was made in part satisfaction of the decree/award.”

13. To substantiate his contention, Mr. Goel, learned Standing Counsel, has given the following calculations and states that as per his calculation a sum of Rs. 5,23,14,335 is refundable by the decree-holder.

“6. Without prejudice to the above, if the future (post-award) interest is calculated @ 18% p.a., then the amount which crystallize as payable as on date would be as under:

(i) It may be noted at the outset that the JD has deposited / made payments at three stages:

(a) Rs.3,76,38,988/- on 22.4.2002

(b) Rs.3,77,87,508/- on 9.9.2010

(c) Rs.5,14,44,393/- on 4.9.2017

Rs. 12,68,70,889/-

(ii) The principal amount awarded under the Award is Rs.1,70,40,720/- (as on 16.12.1997 i.e. date of Award).

(iii) The pre and pendent-lite interest from 1.4.1990 till 16.12.1997 (date of award) @ 18% p.a. on said figure (except interest on claim no. 23(b) of Rs. 5,61,208/- on which no interest awarded) comes to Rs. 2,28,65,322/- as on the date of Award.

(iv) On merging the principal with interest as on the date of award, the sum Awarded becomes Rs.1,70,40,720 + Rs. 2,28,65,322 = Rs. 3,99,06,042/- on the date of Award i.e. 16.12.1997. On this awarded sum, the arbitrator has further granted post-award interest @ 18% p.a.

(v) By order dated 22.4.2002, the executing court directed JD to deposit the cheque for an amount of Rs.3,76,38,988/-



in the court and directed that the amount so deposited shall be released in favour of the Decree Holder, through counsel, in accordance with law, as expeditiously as possible.

[In this regard, it may be pointed out that vide Order dated 19.4.2002, Hon'ble Supreme Court stayed the execution of Award to the extent of claims no.22, 25 and 26, in the SLP (C) 7474/2002 (CA 1087/2006) filed by the JD after Section 34 and Section 37 petitions were dismissed by the High Court. The awarded amounts of said three claims totalled to Rs.51,29,648/ The effect of the stay granted by the Hon'ble Supreme Court was that the amount of Rs.51,29,648/- was not payable for the time being. Thus, after deducting Rs.51,29,648/- from the net award amount of Rs.1,70,40,720.80, a sum of Rs.1,19,11,072.80 was payable by the JD. The interest on this sum of Rs.1,19,11,072/- @ 18% p.a. from 1.4.1990 till 31.3.2002 came to Rs.2,57,27,915.52. Thus, the total amount payable by JD under the award became Rs.1,19,11,072/- (Principal) plus Rs.2,57,27,916/- (interest) Rs.3,76,38,988/-.]

(vi) Accordingly, JD deposited Rs.3,76,38,988/- on the same day as per the Hon'ble Court's order. This amount was released to the DH.

(vii) Thus, the position of liability on 22.4.2002, after payment of said Rs.3,76,38,988/-, is as under:

*Interest = Interest @ 18% p.a. on Rs. 3,99,06,042 from
16.12.1997 to 22.4.2002 (1587 days)
Rs. 3,12,31,671/-*



+

*Principal: Rs. 3,99,06,042 - Rs.3,76,38,988 =
Rs.22,67,054/-*

*So, Liability as on 22.4.2002 = Rs.22,67,054 (Pr.) + Rs.
3,12,31,671 (Int.)*

*(viii) Vide order dated 3.2.2010, the JD's appeal was
dismissed by Supreme Court.*

*(ix) The JD made another payment of Rs 3,77,87,508/- to
the DH vide Cheque no.420833 dated 9.9.2010 of Vijaya
Bank. With the receipt of this payment, the DH made a
statement that its award/ decree stood satisfied. This is
recorded by executing court vide order dated 8.10.2010.*

*(x) Thus, the position of liability on 9.9.2010, upon payment
of said Rs.3,77,87,508/-, is as under:*

*Interest = Rs. 3,12,31,671/- (carried forward) + Interest @
18% p.a. on Rs.22,67,054 from 22.4.2002 to
9.9.2010 (3058 days) = Rs. 3,12,31,671 +
Rs.34,18,841/- = Rs.3,46,50,512/-*

+

*Principal: Rs.22,67,054 - Rs.3,77,87,508 =
(-) Rs. 3,55,20,454/-*

*So, Liability as on 9.9.2010 = (-) Rs. 3,55,20,454 (Pr) +
Rs.3,46,50,512 (Int) (so, net liability is (-) Rs.8,69,942/-).*

*(xi) On 4.9.2017, the JD deposited another sum of
Rs.5,14,44,393/- in the High Court pursuant to interim
order dated 26.7.2017 passed by Division Bench in
EFA(OS) 17/2017. This was subsequently released to the*



DH.

(xii) Thus, the position of liability on 4.9.2017, upon deposit of said Rs.5,14,44,393/-, is as under:

Principal: (-) Rs. 3,55,20,454 + (-) Rs.5,14,44,393
= (-) Rs.8,69,64,847/-

+

Interest = Rs.3,46,50,512/- (carried forward)

So, Liability as on 4.9.2017 = (-) Rs. 8,69,64,847 +
Rs.3,46,50,512 = (-) 5,23,14,335/-

(xiii) So, the DH is liable to refund Rs 5,23,14,335/- to the JD as on 4.9.2017. The JD is liable to refund the same alongwith interest at the same rate i.e. @ 18% p.a. from 4.9.2017 till date”

14. The judgments relied on by the decree-holder are distinguishable from the facts of the present case as the same concern the running of interest once the amounts were deposited before the Court. It does not deal with the fact as to how the amounts are to be appropriated towards a decree. The principle of appropriation of the epart amounts payable under a decree has only been laid down in ***Bharat Heavy Electricals Ltd.(supra)***.

15. The reliance placed on ***Cobra Instalaciones Y Servicios, S.A. (supra)*** is misconceived and the said judgment is clearly distinguishable on facts recorded in the present case. The judgement specifically records that the judgment-debtor had deposited the entire award amount in the execution proceedings with due notice under Order XXI Rule 1 CPC, there was no stay on the Award, and that there were no fetters on the decree holder to withdraw the deposited amount, and it was on this factual background that the Court held that interest would cease from the date of deposit. In the



present case, the payments were made in parts over a long period of time and were not towards full and final satisfaction of the decree. The judgment-debtor, therefore, cannot claim cessation of interest.

16. The reliance placed on *Ramacivil (supra)* is also misplaced and clearly distinguishable from the facts and reasoning recorded in the present case. In *Ramacivil (supra)*, the entire controversy centred on the full and unconditional deposit of the awarded amount, made with due notice to the opposite party, thereby attracting Order XXI, Rule 1 of the CPC and leading to the cessation of interest from the date of deposit.

17. The judgement-debtor has erred in calculation by adjusting the amounts paid first towards principal and thereafter towards interest. The same is contrary to on *Bharat Heavy Electricals Ltd.(supra)*. On the other hand calculations provided by the decree-holder are as per the judgment of the *Bharat Heavy Electricals Ltd.(supra)*. Thus, a sum of Rs. Rs. 8,71,00,000/- is due and payable by the judgment-debtor.

18. Mr. Goel, Standing Counsel, further states that it is the common knowledge that the interest rates have been consistently fallen over the years. Moreover, it would be harsh to award such a high rate of interest as the Municipal Corporation of Delhi is not in a very good financial condition. He further states that court has the power to reduce post-award interest. He relies on the judgment of *McDermott International Inc. v. Burn Standard Co. Ltd.*⁴

“157. In Pure Helium India (P) Ltd. (supra) this Court upheld the Arbitration award for payment of money with interest at the rate of 18% p.a. by the respondent to appellant. However, having regard to long lapse of time, if

⁴ (2006) 11 SCC 181



award is satisfied in entirety, respondent would have to pay a huge amount by way of interest. With a view to do complete justice to the parties, in exercise of jurisdiction under Article 142 of the Constitution of India, it was directed that award shall carry interest at the rate of 6% p.a. instead and in place of 18% p.a.

158. Similarly in Mukand Ltd. v. Hindustan Petroleum Corporation MANU/SC/8103/2006 : (2006)9SCC383 , while this Court confirmed the decision of the division bench upholding the modified award made by the learned single judge, the court reduced the interest awarded by the learned single judge subsequent to the decree from 11% per annum to 7 1/2 % per annum observing that 7 1/2 % per annum would be the reasonable rate of interest that could be directed to be paid by the appellant to the respondent for the period subsequent to the decree.

159. In this case, given the long lapse of time, it will be in furtherance of justice to reduce the rate of interest to 7 1/2%.

160. As regards certain other contentions, in view of the fact that the same relate to pure questions of fact and appreciation of evidence, we do not think it necessary to advert to the said contentions in the present case.”

19. He also relies on **Krishna Bhagya Jala Nigam Ltd. v. G. Harischandra Reddy**⁵. The relevant paragraph reads as under:

“11. On the merits of the claims made by the contractor we

⁵ (2007) 2 SCC 720



find from the impugned Award dated 25.6.2000 that it contains several Heads. The Arbitrator has meticulously examined the claims of the contractor under each separate Heads. We do not see any reason to interfere except on the rates of interest and on the quantum awarded for letting machines of the contractor remaining idle for the periods mentioned in the Award. Here also we may add that we do not wish to interfere with the Award except to say that after economic reforms in our country the interest regime has changed and the rates have substantially reduced and, therefore, we are of the view that the interest awarded by the Arbitrator at 18% for the pre-arbitration period, for the pendente lite period and future interest be reduced to 9%.”

20. He further relies on **Jayant Verma v. Union of India**⁶

21. On perusal of the aforesaid it is evident from the facts of the case that **Krishna Bhagya Jala Nigam Ltd.(supra)** pertains to the stage where petition under Section 37 of the Act is filed and not at the stage of execution under Section 36 of the 1996 Act. Hence, the judgement relied on by the judgment-debtor, do not apply to the facts of the present case. Moreover, the judgement of **McDermott International Inc. (supra)** was passed in exercise of Article 142 of the Constitution of India. An Executing Court is limited by the CPC, 1908 as well as the judgments of the Hon’ble Supreme Court and cannot go behind the decree/Award or alter or modify the same. Reliance is placed on **Gayatri Balasamy v. ISG Novasoft Technologies Ltd.**⁷, wherein the Hon’ble Supreme Court in has observed that the Executing Court has the power to correct the arithmetical or clerical mistakes but the executing court

⁶ (2018) 4 SCC 743, ref. paragraph 19.

⁷ (2025) 7 SCC 1.



cannot go behind the Award. The relevant portion reads as under:

“54. Under Section 152 of the Code, [“152. Amendment of judgments, decrees or orders.—Clerical or arithmetical mistakes in judgments, decrees or orders or errors arising therein from any accidental slip or omission may at any time be corrected by the Court either of its own motion or on the application of any of the parties.”] a court executing a decree has the power to correct clerical or arithmetic mistakes in judgments, orders, or decrees arising from any accidental slips or omissions. This Court in Century Textiles Industries Ltd. v. Deepak Jain [Century Textiles Industries Ltd. v. Deepak Jain, (2009) 5 SCC 634 : (2009) 2 SCC (Civ) 608] held that clerical or arithmetical errors may be corrected by the executing court, however, the court must take the decree according to its tenor and cannot go behind the decree”

22. Reliance is also placed on ***Periyammal v. V. Rajamani***⁸. The relevant paragraph read as under:

“64. A harmonious reading of Section 47 with Order 21 Rule 101 implies that questions relating to right, title or interest in a decretal property must be related to the execution, discharge or satisfaction of the decree. The import of such a reading of the provisions is that only matters arising subsequent to the passing of the decree can be determined by an executing court under Section 47 and Order 21 Rule 101. Such reasoning is reinforced by the

⁸ (2025) 9 SCC 568.



decisions of this Court in C.F. Angadi v. Y.S. Hirannayya [C.F. Angadi v. Y.S. Hirannayya, (1972) 1 SCC 191] and Vasudev Dhanjibhai Modi v. Rajabhai Abdul Rehman [Vasudev Dhanjibhai Modi v. Rajabhai Abdul Rehman, (1970) 1 SCC 670], wherein it has been held that while determining a question under Section 47, an executing court cannot go behind the decree and question the correctness of the same.”

23. For the said reasons, the calculation of decree-holder is upheld and that of the judgment-debtor is rejected.
24. However, keeping in view the fact that the Municipal Corporation of Delhi provides municipal functions to the State of Delhi and statement of Mr. Goel that the Municipal Corporation of Delhi is somewhat under a financial crisis, I am of view that directing payment of such a huge amount will affect the municipal functions provided by the judgment debtor to the State of Delhi.
25. For the said reasons and in view of the consent granted by the counsel for the decree-holder, it is directed that Rs. 8,71,00,000/- as the balance decretal amount shall stand freezed as of today.
26. The judgment-debtor shall pay the sum in 25 equal monthly instalments starting from 01.02.2026. The last balance equal instalment or any rounding off figures shall be paid in the last instalment.
27. The execution petition is disposed of in aforesaid terms.
28. In case of default, the decree-holder will be entitled to revive the petition and appropriate orders shall be passed.

DECEMBER 6, 2025/AS
(Corrected and released on 24.12.2025)

JASMEET SINGH, J