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

% ***Judgment reserved on: 23.03.2026***
Judgment pronounced on: 21.04.2026

\+ EX.P. 82/2012

UPM KYMMENE CORPORATION .....Decree Holder

Through: Mr. Ramesh Singh, Senior Advocate along with Ms. Bharti Badesra and Ms. Shivleen Pasricha, Advocates.

versus

THE STATE TRADING CORPORATION OF INDIA LTD .....Judgement Debtor

Through: Mr. Sanjeev Puri, Senior Advocate along with Mr. Danish Zubair Khan, Ms. Pragya Puri and Ms. Swati Yadav, Advocates.

CORAM:
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

J U D G M E N T

HARISH VAIDYANATHAN SHANKAR, J.

EX.APPL.(OS) 593/2025 (By decree holder praying for revival of the Execution petition)

1. The present Application under Section 151 of the **Code of Civil Procedure, 1908**[1], has been preferred by the Decree Holder seeking, *inter alia*, revival of **Execution Petition No. 82/2012**[2], directions to the Judgment Debtor to deposit the alleged balance decretal amount, and release of the amount already lying deposited before this Court

[1] CPC
[2] Execution Petition

along with accrued interest.

2. At the outset, it is pertinent to note that the present Execution Petition, being EX.P. 82/2012, already stood disposed of by this Court *vide* Order dated 13.05.2022. By the said order, this Court permitted withdrawal of the amount deposited by the Judgment Debtor, subject to the Decree Holder furnishing an appropriate corporate undertaking to the satisfaction of this Court.

BRIEF FACTS:

3. The disputes between the parties culminated in an **Arbitral Award dated 17.12.1998**[3], which was assailed by the Judgment Debtor in CS(OS) No. 346A/1999.

4. This Court, *vide* Judgment and Decree dated 15.03.2005, rejected the objections and made the Arbitral Award a Rule of Court, while reducing the rate of future interest on the principal sum till realisation.

5. Aggrieved thereby, the Judgment Debtor preferred FAO(OS) No. 204/2005 before the Division Bench of this Court.

6. During the pendency of the said Appeal, execution of the Decree was stayed. However, the Appeal came to be dismissed for non-prosecution, resulting in vacation of the interim stay and thereby enabling the Decree Holder to initiate execution proceedings.

7. The Judgment Debtor filed an application seeking restoration of the Appeal. Since the relief sought therein was not granted to its satisfaction, the matter was thereafter carried to the Hon'ble Supreme Court.

8. The Hon'ble Supreme Court, in SLP (C) No. 16443/2013,

[3] Arbitral Award

which subsequently came to be converted into Civil Appeal No. 4122/2013, *vide* Judgment dated 26.04.2013, restored FAO(OS) No. 204/2005 to the file of the Division Bench of this Court. Such restoration, however, was made subject to the condition that the Judgment Debtor shall deposit the entire decretal amount, inclusive of accrued interest, before this Court within the period stipulated therein.

9. In compliance with the aforesaid directions of the Hon'ble Supreme Court, the Judgment Debtor deposited a sum of ₹2,89,90,273/- before this Court. The said amount was, in terms of the Order passed by the Hon'ble Supreme Court, directed to be kept in a fixed deposit so as to safeguard and secure the interests of the parties pending adjudication of the Appeal.

10. Thereafter, FAO(OS) No. 204/2005 came to be dismissed by the Division Bench *vide* Judgment dated 29.10.2018, while granting liberty to the parties to raise issues pertaining to substitution before the executing court.

11. The Judgment Debtor preferred SLP(C) No. 15895/2019 before the Hon'ble Supreme Court against the Judgment dated 29.10.2018; however, no interim stay was granted.

12. Later, in Execution Petition No. 82/2012, this Court, *vide* Order dated 13.05.2022, permitted release of the amount deposited by the Judgment Debtor along with accrued interest to the Decree Holder, subject to furnishing of a corporate undertaking to refund the same with interest @9% per annum in the event the Judgment Debtor succeeds before the Hon'ble Supreme Court. The said Execution Petition was accordingly disposed of.

13. Subsequently, the Hon'ble Supreme Court, *vide* Order dated 06.08.2024, granted leave in SLP(C) No. 15895/2019, limited to the

specific issue as to whether the award of interest @ 18% per annum on the sum of US$ 1,30,681.52 was justified, or whether such interest ought to have been as per LIBOR rates only. At the same time, no stay was granted.

14. In the aforesaid backdrop, the Decree Holder has preferred the present Application under Section 151 CPC seeking, *inter alia*, revival of the Execution Petition, release of the amount lying deposited in terms of Order dated 13.05.2022, and a direction to the Judgment Debtor to deposit the balance decretal amount.

CONTENTIONS ON BEHALF OF THE DECREE HOLDER:

15. Learned senior counsel for the Decree Holder would contend that the Arbitral Award, having been upheld and made a Rule of Court *vide* Judgment and Decree dated 15.03.2005 in CS(OS) No. 346A/1999, has attained finality, particularly in view of dismissal of FAO(OS) No. 204/2005 by the Division Bench on 29.10.2018.

16. It would be further submitted that the proceedings before the Hon'ble Supreme Court, pursuant to Order dated 06.08.2024, are confined to a limited issue pertaining to the rate of interest and do not in any manner affect the enforceability of the Decree, there being no interim protection operating in favour of the Judgment Debtor.

17. Learned senior counsel for the Decree Holder would contend that in the absence of any stay on execution, the Decree Holder is entitled to realise the decretal amount as a matter of right. It would then be submitted that the condition imposed by this Court *vide* Order dated 13.05.2022, while permitting withdrawal subject to a corporate undertaking, was premised on the pendency of challenge before the Hon'ble Supreme Court. In view of the subsequent Order dated

06.08.2024, whereby no interim relief has been granted, the said condition no longer survives and is liable to be dispensed with.

18. It would be further submitted that the decretal amount being expressed in foreign currency is required to be converted into Indian Rupees at the rate prevailing on the date when the Arbitral Award attains finality. In this regard, reliance would be placed upon the judgment of the Hon'ble Supreme Court in ***DLF Ltd. v. Koncar Generators & Motors Ltd.***[4] to contend that the relevant date for conversion, in the facts of the present case, would be 06.08.2024. The relevant paragraph of the said judgment is reproduced herein below for ready reference:

> "**29.** The reason that this Court in Forasoll determined the date of the decree under Section 17 of the 1940 Act as the proper date is that it is only then that the arbitral award becomes enforceable. However, as set out earlier, the statutory scheme under the 1996 Act does not require such a judgment or decree to be passed for a foreign award to be enforceable. Rather, the enforceability of a foreign award is automatic and deemed under Section 49 after the objections against such an award under Section 48 are finally decided and disposed of. At this point, the award is enforceable as a decree of a court (Section 49). Hence, the date on which the objections are finally decided and dismissed would be the proper date for determining the exchange rate to convert an amount expressed in foreign currency."

19. Learned senior counsel would also contend that the amount of ₹2,89,90,273/- deposited by the Judgment Debtor pursuant to Order dated 26.04.2013 is only towards part satisfaction of the decretal amount, and the Decree Holder is entitled to appropriate the same along with accrued interest, and seek directions for deposit of the balance outstanding amount.

20. It would be further submitted on behalf of the Decree Holder that the amounts deposited pursuant to the earlier orders were not

[4] (2025) 1 SCC 343

available for withdrawal by them at any prior point in time, and became so only upon the passing of the Order dated 09.12.2021, whereby the present Decree Holder came to be substituted in place of the original decree holder. It would, thus, be contended that any assertion to the contrary is wholly misplaced, inasmuch as the right to seek release of the deposited amount accrued to the Decree Holder, only upon the substitution having been duly effected.

21. On the aforesaid premises, it would be contended that the present Application deserves to be allowed and appropriate directions be issued for revival of the Execution Petition, release of the amount lying deposited without any conditions, and for deposit of the balance decretal amount by the Judgment Debtor.

CONTENTIONS ON BEHALF OF THE JUDGMENT DEBTOR:

22. Learned senior counsel for the Judgment Debtor would contend that the present Application is misconceived and liable to be dismissed, as the entire decretal amount already stands deposited pursuant to Order dated 26.04.2013 passed by the Hon'ble Supreme Court.

23. It would be submitted that the amount has remained secured in deposit in terms of the said directions and has been available for withdrawal by the Decree Holder, subject to orders of this Court, including Order dated 13.05.2022; consequently, no further directions for deposit or revival of the Execution Petition are warranted.

24. It would further be contended that this Court, *vide* Order dated 13.05.2022, has already permitted withdrawal of the deposited amount along with accrued interest, subject to furnishing of a corporate undertaking, and thus there exists no legal impediment preventing the

Decree Holder from realising the amount.

25. Learned senior counsel would submit that the Decree Holder, having consciously chosen not to approach the Registry for withdrawal of the amount, is deemed to have declined the benefit thereof, and cannot now seek revival of execution on the basis of its own inaction.

26. It would also be contended that the present Application is an attempt to overcome a self-imposed embargo, which cannot furnish a ground for the invocation of the inherent powers of this Court under Section 151 CPC. In this regard, reliance would be placed on the decision of this Court in ***Cobra Instalaciones Y Servicios v. Haryana Vidyut Prasaran Nigam Ltd.***[5] to submit that a party cannot be permitted to take advantage of a position voluntarily assumed by it and thereafter seek judicial intervention to alter the consequences thereof.

27. Learned senior counsel would further contend that the reliance placed by the Decree Holder on the Judgment of the Hon'ble Supreme Court in ***DLF Ltd.*** (*supra*) is misplaced and clearly distinguishable on facts. It would be submitted that in the said decision, the Hon'ble Supreme Court had determined the relevant date for conversion of foreign currency on the basis of a specific order permitting withdrawal upon completion of proceedings, and accordingly held that the exchange rate prevailing on such date would apply.

28. On the aforesaid premises, it would be urged by the learned senior counsel that no case is made out for revival of the Execution Petition or for issuance of any further directions, and the present Application, being devoid of merit, is liable to be dismissed.

[5] 2023 SCC OnLine Del 5439

ANALYSIS:

29. This Court has heard learned senior counsel appearing for the parties and has carefully perused the record. The Court has also examined, in a chronological sequence, the orders passed at various stages by this Court, including the Division Bench, and the Hon'ble Supreme Court, which have a bearing on the adjudication of the present Application.

30. The primary issue that arises for consideration before this Court is with regard to the maintainability of the present Application under Section 151 of the CPC, seeking revival of the Execution Petition, in the backdrop of the existing factual and procedural matrix.

31. At the outset, it is pertinent to note that the inherent jurisdiction of this Court under Section 151 of the CPC is to be exercised with circumspection and only in aid of justice, and not so as to unsettle what has already attained finality or to confer a fresh cause of action where none exists.

32. It is a well-settled principle of law that a matter, once finally adjudicated on merits upon due consideration of the pleadings and evidence, ought not to be permitted to be reopened so as to enable a party to derive undue advantage of the process of law. Permitting revival of concluded proceedings by way of such applications would militate against the doctrine of finality and render litigation interminable. The law has been succinctly summarised by the Division Bench of this Court in ***Romi Garg v. BDR Builders & Developers Pvt. Ltd & Ors***[6], which reads as under:

> "**19.** It is a well settled principle that civil court retains inherent powers under Section 151 of the CPC to recall or set aside an order

[6] 2026:DHC:192-DB

where the interest of justice so demands, and where no express provision of the Code operates as a bar. While such inherent powers cannot be invoked to override the substantive framework of the CPC or to nullify the effect of an unconditional withdrawal of a suit, the Courts have consistently held that recall is permissible where the order impugned is shown to have been obtained under a mistaken belief, due to manifest procedural irregularity, or by reason of fraud, misrepresentation, or any circumstances demonstrating that the party was denied an effective opportunity of being heard. In such exceptional circumstances, the Court is empowered to restore the proceedings or recall a conditional order, so as to prevent miscarriage of justice and to ensure that the judicial process is not employed as an instrument to defeat legitimate rights. The power under Section 151 of the CPC, though to be exercised sparingly, remains available to cure palpable injustice where the situation is not expressly covered by any other provision of law."

33. Furthermore, as held by this Court in ***Daya Engg. Works (Sleeper) Ltd v. Union of India and Another***[7], it is well settled that the inherent powers under Section 151 of the CPC are procedural and cannot be invoked to reopen or unsettle concluded proceedings or to confer substantive reliefs. Such powers are to be exercised sparingly, only in the absence of alternative remedies and in exceptional circumstances such as fraud or patent jurisdictional error. The relevant portions of the said Judgment read as under:

"**13.** Section 151 of the CPC provides for Civil Courts to invoke their inherent jurisdiction and utilize the same to meet the ends of justice or to prevent abuse of process. Although the provision is broadly worded, the said provision has been interpreted to limit its ambit to only those circumstances where certain procedural gaps exist, to ensure that substantive justice is not obliterated by hyper technicalities. As far as back in 1961, this Court in ***Padam Sen* v. *State of U.P.*, AIR 1961 SC 218**, observed as under:

> *"**8.** ...The inherent powers of the Court are in addition to the powers specifically conferred on the Court by the Code. They are complementary to those powers and therefore it must be held that the Court is free to exercise them for the purposes mentioned in Section 151 of the Code when the exercise of those powers is not in any way*

[7] 2023 SCC OnLine Del 178

in conflict with what has been expressly provided in the Code or against the intentions of the Legislature. It is also well recognized that the inherent power is not to be exercised in a manner which will be contrary to or different from the procedure expressly provided in the Code."

14. In the case of ***Budhia Swain* v. *Gopinath Deb*, (1999) 4 SCC 396**, the Hon'ble Supreme Court held as under:

"6. *What is a power to recall? Inherent power to recall its own order vesting in tribunals or courts was noticed in* Indian Bank *v.* Satyam Fibres (India) (P) Ltd. *[(1996) 5 SCC 550] Vide para 23, this Court has held that the courts have inherent power to recall and set aside an order*

(i) obtained by fraud practised upon the court,

(ii) when the court is misled by a party, or

(iii) when the court itself commits a mistake which prejudices a party.

In **A.R. Antulay *v.* R.S. Nayak,** ***(1988) 2 SCC 602****, (vide para 130), this Court has noticed motions to set aside judgments being permitted where*

(i) a judgment was rendered in ignorance of the fact that a necessary party had not been served at all and was shown as served or in ignorance of the fact that a necessary party had died and the estate was not represented,

(ii) a judgment was obtained by fraud,

(iii) a party has had no notice and a decree was made against him and such party approaches the court for setting aside the decision ex debito justitiae on proof of the fact that there was no service.

7. *In Corpus Juris Secundum (Vol. XIX) under the chapter "Judgment —Opening and Vacating" (paras 265 to 284, at pp. 487-510) the law on the subject has been stated. The grounds on which the courts may open or vacate their judgments are generally matters which render the judgment void or which are specified in statutes authorising such actions. Invalidity of the judgment of such a nature as to render it void is a valid ground for vacating it at least if the invalidity is apparent on the face of the record. Fraud or collusion in obtaining a judgment is a sufficient ground for opening or vacating it. A judgment secured in violation of an agreement not to enter a judgment may be vacated on that ground. However, in general, a judgment will not be opened or vacated on grounds which could have been pleaded in the original action. A motion to vacate will not be entered when the proper remedy is by some other proceedings, such as by*

appeal. The right to vacation of a judgment may be lost by waiver or estoppel. Where a party injured acquiesces in the rendition of the judgment or submits to it, waiver or estoppel results.

***8.** In our opinion a tribunal or a court may recall an order earlier made by it if*

(i) the proceedings culminating into an order suffer from the inherent lack of jurisdiction and such lack of jurisdiction is patent,

(ii) there exists fraud or collusion in obtaining the judgment,

(iii) there has been a mistake of the court prejudicing a party, or

(iv) a judgment was rendered in ignorance of the fact that a necessary party had not been served at all or had died and the estate was not represented.

The power to recall a judgment will not be exercised when the ground for reopening the proceedings or vacating the judgment was available to be pleaded in the original action but was not done or where a proper remedy in some other proceeding such as by way of appeal or revision was available but was not availed. The right to seek vacation of a judgment may be lost by waiver, estoppel or acquiescence."

15. The judgment of the Hon'ble Supreme Court in ***Ram Prakash Agarwal* v. *Gopi Krishan*, (2013) 11 SCC 296** further clarifies the law on the use of the power under Section 151 of the CPC by the Court and holds as follows:

*"**13.** Section 151 CPC is not a substantive provision that confers the right to get any relief of any kind. It is a mere procedural provision which enables a party to have the proceedings of a pending suit conducted in a manner that is consistent with justice and equity. The court can do justice between the parties before it. Similarly, inherent powers cannot be used to re-open settled matters. The inherent powers of the Court must, to that extent, be regarded as abrogated by the legislature. A provision barring the exercise of inherent power need not be express, it may even be implied. Inherent power cannot be used to restrain the execution of a decree at the instance of one who was not a party to suit. Such power is absolutely essential for securing the ends of justice, and to overcome the failure of justice. The Court under Section 151 CPC may adopt any procedure to do justice, unless the same is expressly prohibited.*

XXX

***19.** In view of the above, the law on this issue stands crystallised to the effect that the inherent powers*

enshrined under Section 151 CPC can be exercised only where no remedy has been provided for in any other provision of CPC. In the event that a party has obtained a decree or order by playing a fraud upon the court, or where an order has been passed by a mistake of the court, the court may be justified in rectifying such mistake, either by recalling the said order, or by passing any other appropriate order. However, inherent powers cannot be used in conflict of any other existing provision, or in case a remedy has been provided for by any other provision of CPC. Moreover, in the event that a fraud has been played upon a party, the same may not be a case where inherent powers can be exercised."

16. Recently, in the case of ***My Palace Mutually Aided Coop. Society* v. *B. Mahesh*, 2022 SCC OnLine SC 1063**, the Hon'ble Supreme Court has held as under:

"27. In exercising powers under Section 151 of the CPC, it cannot be said that the civil courts can exercise substantive jurisdiction to unsettle already decided issues. A Court having jurisdiction over the relevant subject matter has the power to decide and may come either to a right or a wrong conclusion. Even if a wrong conclusion is arrived at or an incorrect decree is passed by the jurisdictional court, the same is binding on the parties until it is set aside by an appellate court or through other remedies provided in law.

28. Section 151 of the CPC can only be applicable if there is no alternate remedy available in accordance with the existing provisions of law. Such inherent power cannot override statutory prohibitions or create remedies which are not contemplated under the Code. Section 151 cannot be invoked as an alternative to filing fresh suits, appeals, revisions, or reviews. A party cannot find solace in Section 151 to allege and rectify historic wrongs and bypass procedural safeguards inbuilt in the CPC."

34. The present Application, though couched as one seeking "revival" of the Execution Petition, must therefore be tested on the anvil of these aforestated settled limitations.

35. The chronology of events assumes determinative significance. Pursuant to the Order dated 26.04.2013 passed by the Hon'ble Supreme Court in Civil Appeal No. 4122/2013, the Judgment Debtor was directed to deposit the entire decretal amount, inclusive of

interest, before this Court within a stipulated period. In compliance thereof, the Judgment Debtor deposited the sum before this Court, which amount was thereafter directed to be invested in a fixed deposit.

36. The deposit, thus made under judicial orders, endured to the benefit of the *lis* and was held by the Court during the pendency of the execution.

37. Subsequently, upon culmination of the appellate proceedings before the Division Bench, and in the absence of any interim protection granted by the Hon'ble Supreme Court, this Court, *vide* Order dated 13.05.2022 passed in Execution Petition No. 82/2012, permitted the Decree Holder to withdraw the deposited amount together with the interest accrued thereon, subject to furnishing a corporate undertaking to restitute the same in the event the Judgment Debtor succeeded in any further challenge. The Execution Petition, having thereby served its operative purpose of securing and facilitating realization of the decretal amount, accordingly came to be disposed of.

38. In the aforesaid factual backdrop, it becomes manifest that the decretal amount stood deposited as early as in the year 2013, pursuant to a binding judicial direction, and has since remained secured for appropriation. The subsequent Order dated 13.05.2022 did not create any new entitlement, but merely regulated the mode of withdrawal in aid of restitution, a principle which is inherent to appellate jurisprudence. The condition of furnishing an undertaking cannot be construed as a fetter on the right of withdrawal; rather, it is a safeguard to balance equities during the pendency of proceedings. The deposit, therefore, was not conditional in the sense of postponing or suspending the Decree Holder's entitlement, but was restitutory in

nature, subject to the outcome of the challenge.

39. In law, once a Judgment Debtor deposits the decretal amount in compliance with a judicial order, the obligation *qua* that extent stands discharged, and the amount is deemed to be placed at the disposal of the Decree Holder. The Court, in such circumstances, merely acts as a custodian of the funds. The liability of the Judgment Debtor does not remain in a state of perpetual flux merely because the Decree Holder elects not to withdraw the amount. To hold otherwise would be to ignore the settled principle that payment into Court, in compliance with judicial direction, constitutes satisfaction to that extent.

40. It is in this context that the conduct of the Decree Holder assumes relevance. Despite the amount having been deposited and made available, and despite express liberty granted by this Court *vide* Order dated 13.05.2022 to withdraw the same, the Decree Holder has consciously chosen not to avail such liberty. Such abstention, in the considered view of this Court, amounts to a deemed refusal to accept payment. A party cannot, by its own volition, decline to receive monies lying to its credit and thereafter assert that the decree remains unsatisfied so as to revive concluded proceedings. The relevant portion of the Order dated 13.05.2022 is reproduced herein below:

> "**10.** The Registry is directed to release the amount deposited by the respondent along with all accrued interest to the petitioner or its duly authorized/constituted Power of Attorney Holder in India. This is subject to the petitioner furnishing a corporate undertaking that it would refund the amount with interest at the rate of 9% per annum in the event, the respondent (Judgment Debtor) prevails in its challenge before the Supreme Court."

41. At this stage, it would be apposite to advert to the settled legal position governing the effect of the deposit of decretal amount and the consequences of non-withdrawal thereof by the Decree Holder. The

following observations, rendered by this Court in ***M/S Cobra Instalaciones*** (*supra*), are instructive and have a direct bearing on the issue under consideration in the present case, which read as under:

> "**10.** It is pertinent to note that the JD had deposited the Award amount in the present execution proceedings in pursuance of the order dated 15.03.2021. While passing the said order, this Court had noted that in the objections filed by the JD under Section 34 of A&C Act, the impugned award was not stayed. It was clarified that the parties would comply with further orders that would be passed in the objections filed under Section 34 of the A&C Act.
> **11.** The DH's contention about the withdrawal of the award amount by him being conditional does not characteristically change the nature of money in the hand of the DH, who was free to use the money upon its withdrawal, with the only conditionality that in case the JD succeeded in his objections and the award was set aside, the DH would be required to restitute the gains i.e., return the Award amount. DH chose to await the outcome of the JD's objections under Section 34 of his own volition, without there being any impediment in having access to the deposit either in the court order dated 15.03.2021 or otherwise.
> **12.** Under Order XXI Rule 1(1)(a), payment of Award amount by JD by way of court deposit is permissible. Under Order XXI Rule 1(2), a court notice is required to be given to DH in case the Award amount is deposited in court under Sub-Rule (1)(a). Proviso to Rule 1 stipulates that in case DH refuses to accept the Award amount tendered to him, interest shall cease to run from the date of tender.
> **13.** In the present case, DH was aware of the court order dated 15.03.2021. In fact, the order was passed in the presence of the DH, whereby the court allowed JD to deposit the Award amount in court, and simultaneously permitted the DH to withdraw the same subject to conditionality mentioned in the order. On the day JD deposited the Award amount in court pursuant to the court order, the same amounted to 'tendering' the same to the DH as envisaged in the proviso to Order XXI Rule 1, who refused to accept the same (by not making an application for its withdrawal), and consequently, interest ceased to run on from the date of such deemed refusal.
> **14.** DH was never denied access to the Award amount. The deposit was made available to the DH to be had subject to an obvious condition of returning the same if the award was set aside. DH withdrew the money pursuant to order dated 02.08.2022, only after JD's objections under Section 34 were dismissed. DH was not required to await the outcome of the Objections, however, if it did choose to remain under a self-imposed embargo, then it can't demand interest, for the reasons explained above.

15. Adverting now to the case law relevant to consider the issue involved in the present case. In ***P.S.L. Ramanathan Chettiar*** **v.** ***O.R.M.P.R.M Ramanathan Chettiar***[1], a decree was passed by the Trial Court in a suit for recovery. The decree was confirmed by the High Court. In the execution of decree, though the decretal amount was deposited, the Court permitted the decree holder to withdraw the decretal amount on furnishing security. The Supreme Court, while taking note of the divergent views of the Calcutta and Bombay High Courts, observed that judgment debtor's depositing a sum in Court to purchase peace by way of stay of execution of decree on the terms that decree holder could withdraw the amount on furnishing security, would not pass the title of money to the decree holder. It further observed as under:

> *"**12.** On principle, it appears to us that the facts of a judgment-debtor's depositing a sum in court to purchase peace by way of stay of execution of the decree on terms that the decree-holder can draw it out on furnishing security, does not pass title to the money to the decree-holder. He can if he likes take the money out in terms of the order; but so long as he does not do it, there is nothing to prevent the judgment-debtor from taking it out by furnishing other security, say, of immovable property, if the court allows him to do so and on his losing the appeal putting the decretal amount in court in terms of Order 21 rule 1 CPC in satisfaction of the decree.*
>
> ***13.** The real effect of deposit of money in court as was done in this case is to put the money beyond the reach of the parties pending the disposal of the appeal. The decree-holder could only take it out on furnishing security which means that the payment was not in satisfaction of the decree and the security could be proceeded against by the judgment-debtor in case of his success in the appeal. Pending the determination of the same, it was beyond the reach of the judgment-debtor.*
>
> *xxx*
>
> ***15.** The last contention raised on behalf of the respondent was that at any rate the decree-holder cannot claim any amount by way of interest after the deposit of the money in court. There is no substance in this point because the deposit in this case was not unconditional and the decree-holder was not free to withdraw it whenever he liked even before the disposal of the appeal. In case he wanted to do so, he had to give security in terms of the order. The deposit was not in terms of Order 21 rule 1 CPC and as such, there is no question of the stoppage of interest after the deposit."*

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***[2] 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 (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."*

17. In ***Mathunni Mathai* v. *Hindustan Organic Chemicals Ltd.***[3], an issue arose as to whether the decretal amount deposited by the judgment debtor in pursuance of an order of the Court was to be adjusted towards the principal amount due first or against interest and other charges. The Court took note of the unamended as well as amended Order XXI Rule 1 and observed as under:

> *"**4.***
>
> *xxx*
>
> *The amended sub-rule (2) removes the doubt if there was any that the judgment-debtor is not absolved of the obligation of informing the decree-holder by written notice even in respect of deposit in court either directly or by registered post. The purpose of addition of the expression "either through court directly or by registered post acknowledgment due" is that the judgment-debtor should not only give notice of payment but he must ensure that the decree-holder has been served with the notice.*

The ratio laid down in Meghraj case applies now with greater rigour. The reason for the rule both in the unamended and amended provision appears to be that if the judgment-debtor intends that the running of interest should cease then he must intimate in writing and ensure that it is served on the decree-holder. Sub-rules (4) and (5) added in 1976 to protect the judgment-debtor provide for cessation of interest from the date of deposit or payment. But the cessation of interest under sub-rule (4) takes place not by payment alone but from the date of service of the notice referred to in sub-rule (2)….."

18. In ***Himachal Pradesh Housing and Urban Development Authority* v. *Ranjit Singh Rana***[4], apparently the judgment debtor, while filing objections against the impugned award, deposited the award amount before the High Court. The objections were rejected and the intra-Court appeal was pending. In the execution proceedings, the judgment debtor filed objections. An issue arose before the High Court as to whether the decree holder was entitled to interest from the date of award till the date of actual payment to the decree holder. The High Court held that the decree holder was entitled to the post award interest from the date of the award till the date of the actual payment. This decision was challenged before the Supreme Court. The question to be determined was whether deposit of the entire award amount by the judgment debtor in the High Court amounted to the payment to the decree holder and the judgment debtor's liability to pay interest from the date of the award ceased from that date. The Supreme Court considered the definition of expression 'payment' and observed here as under:

*"**15.** The word "payment" may have different meaning in different context but in the context of Section 37(1)(b); it means extinguishment of the liability arising under the award. It signifies satisfaction of the award. The deposit of the award amount into the Court is nothing but a payment to the credit of the decree-holder. In this view, once the award amount was deposited by the appellants before the High Court on 24-5-2001, the liability of post-award interest from 24-5-2001 ceased. The High Court, thus, was not right in directing the appellants to pay the interest @ 18% p.a. beyond 24-5-2001."*

19. In ***Union of India* v. *M.P. Trading and Investment Rac. Corporation Ltd.***[5], the Supreme Court while seized with a similar issue observed as under:

"4. In the present case, we find that the amount was to be deposited in a fixed deposit at the request made by the respondent and it is not seen that the respondent has made any request before the High Court for withdrawal of the amount deposited as per the directions by the High Court.

However, it is submitted that the appellants have not deposited the full amount in terms of the award.

5. In the above facts and circumstances of the case, we are of the view that the appellants shall be entitled to interest as per award from the date of award till the principal amount was deposited in the High Court on 3-3-2003. From the said date of 3-3-2003 till it was withdrawn, the respondent shall be entitled only to the interest accrued on the principal amount in terms of the fixed deposit made as per the direction by the High Court. However, the respondent shall be entitled to the interest in terms of the award on the balance of the award amount which the appellants failed to deposit in Court, as per the award."

20. Learned counsel for the decree holder has contended that the decisions in ***Ranjit Singh Rana*** (Supra) and ***M.P Trading*** (Supra) both rendered by two Judge Bench, did not consider the earlier decision rendered by a three Judge Bench in ***Ramanathan Chettiar*** (Supra).

21. Although learned counsel for the decree holder has also referred to a decision of Division Bench of this Court in ***Adidas India Marketing Pvt. Ltd.*** **v.** ***Hicare India Properties Pvt. Ltd.***[6], however, the said decision is stayed by the Supreme Court in SLP(C) No. 6978/2016, which is pending consideration.

22. The decision of Division Bench of this Court in ***Delhi Development Authority*** **v.** ***Bhai Sardar Singh & Sons***[7], was rendered in the context of dismissal of an application filed by the judgment debtor seeking a direction for refund of the amount deposited in the Court. Taking note of the decision in ***Chettiar*** (Supra), the Division Bench noted that the amount deposited in the appeal filed against the dismissal of the objections against the arbitral award, was not released to the decree holder till passing of the order. It was observed that the amount lying in deposit in the appeal was not a deposit made in the executing court in terms of Order XXI Rule 1 and as such the deposit could not be construed as direct payment made to the decree holder. The decision of the Division Bench was carried to the Supreme Court. Noting the controversy, the Supreme Court[8] after traversing through the entire gamut of case law, instructively held as under:—

*"**13.** Sub-rule 1 to Rule 1 of Order XXI of the Code prescribes three modes for paying money under a decree, namely : (a) by deposit of money in the court which is to execute the decree, which deposit can be through postal money order or through bank; (b) by making payment to the decree holder by postal money order or through bank or any other mode wherein payment is evidenced in writing; or (c) as the court which made the decree directs. Sub-rule 3 prescribes the details which have to be*

furnished by the judgment debtor where money is paid by postal money order or through bank under clauses (a) or (b). Sub-rule 3 also permits the judgment-debtor to stipulate apportionment or adjustment where amount is payable to more than one person or towards the principal sum or interest or cost. Sub-rule 2, which applies to payment made under clauses (a) or (c) sub-rule 1, requires the judgment debtor to give notice to the decree holder either through the court or directly to the decree holder by registered post, acknowledgement due. Sub-rule 4 states that where an amount is paid under clause (a) or (c) of sub-rule 1, interest, if any, shall cease to run from the date of service of notice referred to in sub-rule 2. As per sub-rule 5, where amount is paid under clause (b) of sub-rule 1, interest, if any, ceases to run from the date of such payment.

xxx

***15.** A reading of the aforesaid sub-rules clarifies that when money is paid under a decree, the interest, if any, shall cease to run either from the date of direct payment or from the date of service of notice to the decree holder, wherever applicable. Sub-rules 4 and 5 do not stipulate that the interest would stop running only and only when the entire amount as per the decree shall stand paid. This Court, as will be seen below, has held that money even when paid in part towards the decree would cease to accrue interest to the extent of the amount paid.*

***16.** The Constitution Bench of this Court in* Gurpreet Singh *(supra) had examined the 'stage-wise' appropriation rule as expounded in* Prem Nath Kapur *v.* National Fertilizers Corporation of India *and had, after referring to the provisions of Order XXI Rule 1 and Order XXIV of the Code, observed that the former applies to post-decretal stage and the latter applies to pre-decretal stage. In the context of Rule 1 of Order XXI it was observed as under:*

> *"**15.** Order 21 Rule 1 provides the modes of paying money under a decree. It stipulates that all monies payable under a decree shall be paid : (a) by deposit into the court whose duty it is to execute the decree, or (b) out of court, to the decree-holder in the manner provided, or (c) otherwise, as the court which made the decree directs. Sub-rule (2) provides that where a payment is made by deposit into the court or as directed in the decree, the judgment-debtor shall give notice thereof to the decree-holder either through the court or*

> *directly to him by registered post acknowledgment due. On any amount paid by way of deposit into the court or as directed under the decree, interest, if any, shall cease to run from the date of the service of the notice referred to in sub-rule (2). Thus, Order 21 Rule 1 after its amendment in the year 1976 also contemplates the deposit of the decree amount into court and the giving of notice thereof to the decree-holder and provides further for cessation of interest from the date of notice to the decree-holder of such deposit."*
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> **23.** From disposition of law extracted hereinabove, it is clear that if the JD has intimated the DH with a notice of deposit and the Award amount is available for withdrawal to the DH unconditionally i.e., without any condition of furnishing security or otherwise, the liability of JD would cease on the date of deposit.
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> **24.** In the present cases, the JD had deposited the Award amount in the execution proceedings with the requisite notice in terms of the Order XXI Rule 1 CPC. The notice was served on the date of deposit i.e., 19.05.2021 on the DH. There were no fetters upon the DH to withdraw the said amount, as admittedly there was no stay of the impugned award in the objections filed by the JD under Section 34 of the A&C Act. The failure of the DH to take steps in preferring an application for withdrawal of the Award amount would not enure to the disadvantage of the JD. The deposit alongwith its due notice to the DH was sufficient discharge of the onus put on the JD in terms of Rule 1 Order XXI CPC.
>
> ***(emphasis added)***

42. The aforesaid judgment clarifies that once the amount is deposited in Court and made available for withdrawal, such deposit constitutes a valid tender in law, and any abstention on the part of the Decree Holder in withdrawing the same, despite having full access and knowledge, is to be construed as a deemed refusal, disentitling it from claiming further benefits on account of such non-realisation. The present case stands on an identical footing, where the decretal amount was deposited pursuant to judicial orders and remained available to the Decree Holder, who, by its own volition, chose not to withdraw the same. The reliance on the aforesaid judgment is thus apposite to

reinforce the principle that a litigant cannot take advantage of a self-imposed restraint and thereafter seek revival of proceedings or additional reliefs on that basis.

43. In pursuance of the aforesaid issue concerning the effect of deposit of decretal amount and the consequences flowing from non-withdrawal thereof, it would be apposite to advert to the settled position of law as expounded by the Division Bench of this Court in the Judgment of ***PCL Sticco (JV) v. National Highways Authority of India***[8], which delineates the scope and import of Order XXI Rule 1 of the CPC, particularly in the context of deposit of decretal amounts before the executing court and its legal consequences. The relevant observations of the said Judgment are extracted herein below:

> **"32.** It is apparent from the plain reading of Sub-rule (1) to Rule 1 of Order XXI of the CPC, that there are three modes of making payment against a decree. The Judgment Debtor may make the payment under a decree by (a) depositing the money in the court, which has the jurisdiction to execute the decree by either postal money order or through banking channel; (b) by paying the amount to the decree holder by postal money order or through bank or through any other mode where the payment is evidenced in writing or; (c) otherwise, as the court passes a decree, directs.
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> **33.** Thus, the deposit of Rs. 1,23,67,58,284/- by the Judgment Debtor with the Registry of this Court on 13.05.2022 did partially discharge the amount as awarded in terms of the Arbitral Award.
>
> **34.** The Award Holder's contention that deposit of the amount of Rs. 1,23,67,58,284/- with the Registry of this Court cannot be construed as part discharge of the amounts as awarded, as the said amount was not released to the Award Holder-militates against the plain language of Order XXI Rule 1 of the CPC.
>
> **35.** It is material to note that there was no order interdicting release of the said payments to the Award Holder. By depositing the amount with the Registry of this court in execution proceedings, the Judgment Debtor had placed the amount beyond its control. It is necessary to bear in mind the distinction where a party deposits funds in proceedings, other than, the enforcement proceedings and has the option to withdraw the same. In cases, where the amount is deposited in the executing court in proceedings for enforcement of

[8] 2025 SCC OnLine Del 2895

a decree, the Judgment Debtor has no power to withdraw the said amount. But decree holder has. In the present case, as noted earlier, the Judgment Debtor had not secured any order interdicting the release of the said amount to the Award Holder. It is also material to note that the Judgment Debtor had not deposited the amount with the Registry of this Court voluntarily but in compliance with the order dated 06.04.2022 of this Court.

36. The deposit of the amount in court must, therefore, be construed as partial payment of the amounts awarded in favour of the Award Holder.

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42. The Supreme Court in ***NEPA Ltd.* v. *Manoj Kumar Agrawal*, (2023) 17 SCC 659** emphasised that purpose of the notice under sub-rule (2) of Rule 1 of Order XXI of the CPC is to enable the decree-holder to be able to benefit from the deposited amount. In that case, the judgment debtor had deposited 50% of the amount awarded in terms an arbitral award, in proceedings under Section 37 of the A&C Act. The amount was deposited by the judgment debtor in order to obtain a stay of the enforcement of the arbitral award during the pendency of the appeal. In the aforesaid context, the court considered the aspect of accrual of interest on the deposited amount where no notice under Order XX1 Rule 1 sub-rule (2) of the CPC was issued but the deposited amount was withdrawn. In that regard the Supreme Court observed as under:

> "**14.** In our opinion, the judgment of the High Court is unsustainable and contrary to the law. In the present case, it is accepted and admitted position that the respondent had withdrawn the amount of Rs. 7,78,280, which had been deposited by the appellant, on 8-11-2001. In this background, the question of notice in terms of sub-rule (4) to Rule 1 Order 21CPC becomes irrelevant.
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> **15.** In ***Gurpreet Singh* v. *Union of India*, (2006) 8 SCC 457**, a five-Judge Bench of this Court had examined Rule 1 Order 21 CPC, post the substitution by Act 4 of 1976, and observed that the effect of the substitution is that upon deposit of the decretal amount in the court and giving notice thereof to the decree-holder, there would be cessation of interest from the date of notice to the decree-holder of such deposit. Rule 1 Order 21 CPC also postulates payment by the judgment-debtor to the decree-holder by other specified modes, namely, by postal money order, bank or by payment evidenced in writing, in which case the interest ceases to run from the date money is tendered. The legislative intent clearly, is that the interest would cease on the principal amount paid by the judgment-debtor to the decree-holder. Issue of notice is to enable the decree-holder to withdraw the amount deposited. Therefore, when the deposited amount

> is withdrawn and gets credited in the account of the decree-holder, he is not entitled to interest on the deposited amount, even when there is failure on the part of the judgment-debtor to issue notice of deposit. In the absence of notice, the interest would cease to run from the date when the amount is transferred/credited in the account of the decree-holder. If notice is issued, interest ceases to run from the date of service of notice."
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> ***
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> **46.** Although, the Supreme Court clarified that its decision [***DDA* v. *Bhai Sardar Singh*** (supra)] was rendered in the peculiar facts, the principle that a formal notice of deposit of the amount is not necessary if the decree holder is aware of deposit made by the judgment debtor in the court for its benefit is, plainly, discernable.
> **47.** Clearly, once the decree holder is made aware that the deposit has been made, the decree holder, cannot take advantage of the fact that a formal notice was not served. In a case, where the judgment debtor makes deposits in compliance with the orders of the Court enforcing the decree issued at the instance of the decree holder, and the decree holder is aware of the deposits, the interest would not continue running for want of a formal notice under Sub-rule (2) of Rule 1 of Order XXI of the CPC. If a decree holder chooses not to take benefit of withdrawal of the deposited amount, or the court procedure takes some time for the release of the amount deposited, the same cannot be at the detriment of the judgment debtor."

44. This Court also takes note of the Judgment of the Hon'ble Supreme Court in ***DLF Ltd.*** (*supra*), wherein, while dealing with the issue in question, reliance was placed upon the earlier decision of the Hon'ble Supreme Court in ***NEPA Ltd. v. Manoj Kumar Agrawal***[9]. The said decision elaborately expounds the general principles governing the deposit of amounts into Court, particularly with regard to whether liability towards interest continues to run even after such deposit has been made. The relevant observations, as noticed and relied upon in ***DLF Ltd.*** (*supra*), read as follows:

> "**39.** A similar logic underscores the statutory provisions in Order 21 Rule 1 and Order 24 of the Code of Civil Procedure, 1908 (hereinafter "CPC") to determine whether interest will continue to operate on an amount deposited before a court. It would be relevant for us to briefly discuss the law on this point:

[9] (2023) 17 SCC 659

40. A Constitution Bench of this Court in ***Gurpreet Singh* v. *Union of India*, (2006) 8 SCC 457** extensively discussed the rules governing interest calculation when the defendant/judgment-debtor deposits some part of the amount. Order 24 governs deposits at the pre-decretal stage and Order 21 Rule 1 at the post-decretal stage. [*Id*, para 14] The essence of these provisions is that on any amount deposited into the court, interest shall cease to run *from the date when the depositor serves a notice to the plaintiff/decree-holder*. Similarly, when payment is tendered to the decree-holder outside the court, interest ceases on such amount even if the payment is refused. [***Gurpreet Singh case*, (2006) 8 SCC 457**, paras 15, 25-26]

41. Order 21 Rule 1 embodies a rule of prudence that once the amount is tendered to the decree-holder by the judgment-debtor, whether in the form of a court deposit or other forms of payment such as demand draft or cheque, the judgment-debtor cannot be made liable to then pay interest on such amount. [***K.L. Suneja* v. *Manjeet Kaur Monga*, (2023) 6 SCC 722**, para 36]

42. The rationale for this rule has been explained in ***Nepa Ltd.* v. *Manoj Kumar Agrawal*, (2023) 17 SCC 659** through a similar logic of the decree-holder being able to benefit from the deposited amount. In this case, the award-debtor deposited 50% of the awarded amount before the executing court to obtain a stay on the execution proceedings of the arbitral award during the pendency of appeal under Section 37 of the 1996 Act. This amount was withdrawn by the award-holder, and the issue before this Court was whether interest is payable on the deposited amount even after the date of deposit. The Court held as follows: (SCC paras 22 & 25)

> "***22.*** In the present case, the appellate court, on the appeal preferred under Section 37 of the Act did grant stay, subject to the condition that the appellant would deposit 50% of the amount. Rs 7,78,280 was deposited by the appellant on 5-11-2001. The stay, therefore, only operated for the balance amount. On the balance amount, certainly, the appellant would be liable to pay interest @ 18% p.a. till the date of actual payment. However, on Rs 7,78,280 paid, after adjusting/appropriating payment due on the interest accrued, on the balance principal amount paid to the respondent, interest would not be payable.
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> ***
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> ***25.*** The respondent submits that the payment of Rs 7,78,280 being conditional, the respondent would have been under an obligation to refund the said amount in case the appellant had succeeded in the appeal under Section 37 of the 1996 Act. This argument does not impress, as in the event the appellant had succeeded in their appeal, the entire amount paid would have been

refundable. The undertaking was not onerous, and was to operate only if the amount of Rs 7,78,280 was not refunded by the respondent. *The respondent had obviously used and utilised the money. The appellant did not have any right on the money paid to the respondent, who could use it in a manner and way he wanted. There was no charge. Money is fungible and would have gotten mixed up with the other amounts available with the respondent. Right to restitution would not make the payment conditional*. Interest has been jurisprudentially defined as the price paid for money borrowed, or retained, or not paid to the person to whom it is due, generally expressed as a percentage of amount in one year. It is in the nature of the compensation allowed by law or fixed by parties, for use or forbearance or damage for its detention. In the context of the present case, interest would be the compensation payable by the appellant to the respondent, for the retention or deprivation of use of money. Therefore, once the money was paid to the respondent, interest as compensation for deprivation of use of money will not arise. [*Per Sanjiv Khanna, J.* in ***Nepa Ltd.* v. *Manoj Kumar Agrawal*, (2023) 17 SCC 659**: We have not examined and decided the issue either way - whether interest would be payable on the amount withdrawn in case withdrawal is on conditions like furnishing bank guarantee, etc.]"

(emphasis supplied)

Therefore, the ability of the decree-holder to access and use the money in a manner he deems fit was considered by this Court in ***Nepa Ltd.* v. *Manoj Kumar Agrawal*, (2023) 17 SCC 659** while deciding the issue.

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"**48.1.** The statutory scheme of the Act makes a foreign arbitral award enforceable when the objections against it are finally decided. Therefore, as per the Act and the principle in ***Forasol* v. *ONGC*, 1984 Supp SCC 263**, the relevant date for determining the conversion rate of foreign award expressed in foreign currency is the date when the award becomes enforceable.

48.2. When the award debtor deposits an amount before the court during the pendency of objections *and* the award-holder is permitted to withdraw the same, even if against the requirement of security, this deposited amount must be converted as on the date of the deposit.

48.3. After the conversion of the deposited amount, the same must be adjusted against the remaining amount of principal and interest pending under the arbitral award. This remaining amount must be converted on the date when the arbitral award becomes enforceable i.e. when the objections against it are finally decided.

> **49.** As per these conclusions, the first deposit of Rs 7.5 crores must be converted as on the date of deposit being 22-10-2010. The second deposit of Rs 50 lakhs as well as the remaining amount due under the award must be converted when the objections proceedings attained finality on 1-7-2014 [***DLF Ltd.* v. *Koncar-Generators & Motors Ltd.*, 2014 SCC OnLine P&H 24894**]. The executing court, being the Additional District Judge-cum-Commercial Court, must determine the amount payable by taking into account the exchange rate as on 1-7-2014."

45. The aforesaid exposition makes it manifest that deposit of the decretal amount before the executing court, in compliance with judicial directions, constitutes a valid discharge of liability to the extent of such deposit, irrespective of actual withdrawal by the Decree Holder.

46. In the present case, the amount stood deposited pursuant to judicial orders and remained beyond the control of the Judgment Debtor, while being fully accessible to the Decree Holder. The latter, having chosen not to avail of such withdrawal despite due knowledge and opportunity, cannot now contend that the decree remains unsatisfied. The principles extracted hereinabove squarely apply and clearly militate against the maintainability of the present Application.

47. The contention of the Applicant/ Decree Holder that the Hon'ble Supreme Court's Order dated 26.04.2013 for deposit was not in substance one that was for the satisfaction of the Award, but was in the nature of an interim direction relatable to the restoration of the appeal is clearly unsustainable due to the view expressed in this regard by the Hon'ble Supreme Court in the very order which is being sought to be pressed into service in support of this contention. The relevant part of the Order of the Hon'ble Supreme Court reads as follows:

> "…The deposit of the decretal amount, in our opinion, was more in answer to the appellant's prayer for stay of the execution rather than a condition precedent for restoration of the appeal itself."

48. Furthermore, the reliance placed by the Decree Holder on the decision in ***DLF Ltd.*** (*supra*) in support of the proposition that the relevant date for conversion ought to be 06.08.2024 is, in the considered view of this Court, misplaced and founded on an incomplete appreciation of the ratio of the said judgment. The Decree Holder seeks to rely selectively on the principle that the date of enforceability of the Arbitral Award would govern the conversion; however, the said judgment itself draws a clear and crucial distinction in cases where deposits have already been made during the pendency of proceedings.

49. In the present factual matrix, the Judgment Debtor had, pursuant to the Order dated 26.04.2013 of the Hon'ble Supreme Court, deposited the decretal amount before this Court, which remained at all times available to the Decree Holder and was, in fact, permitted to be withdrawn *vide* Order dated 13.05.2022. The deposit, therefore, constituted part satisfaction of the decree and stood to the credit of the Decree Holder, who alone elected not to avail of the same. In such circumstances, the legal consequences of such deposit cannot be deferred to a later stage of "finality" merely on account of the Decree Holder's inaction.

50. Further, a plain reading of ***DLF Ltd.*** (*supra*) leaves no manner of doubt that the Hon'ble Supreme Court has carved out a specific rule for cases where deposits are made during pendency of proceedings - *namely*, that such deposited amounts are liable to be converted at the rate prevailing on the date of deposit itself. The principle of conversion at the stage of finality applies only to the *remaining unpaid portion* of the award and not to amounts already deposited and

made available.

51. Applying the aforesaid to the present case, the amount deposited by the Judgment Debtor pursuant to the Order dated 26.04.2013 must necessarily be reckoned at the exchange rate prevailing on the date of such deposit. The Decree Holder, having had full knowledge and access to the deposited amount, cannot, by abstaining from withdrawal, seek to defer the date of conversion to a later point in time so as to secure a notional advantage. Such a contention runs contrary not only to the express ratio of ***DLF Ltd.*** (*supra*), but also to the underlying principle that a party cannot take benefit of its own inaction.

52. The submission of the Decree Holder, if accepted, would effectively obliterate the distinction expressly drawn by the Hon'ble Supreme Court between deposited amounts and outstanding amounts, and would render nugatory the principle that deposit constitutes part satisfaction. This Court is, therefore, unable to accede to the contention so urged, the same being inconsistent with both the facts of the present case and the authoritative pronouncement relied upon.

53. The present Application, in effect, seeks to convert a position arising out of the Decree Holder's own election into a ground for re-invocation of execution, which is impermissible by the above settled principle of law. The doctrine of finality of proceedings is not a mere technical rule, but a foundational principle that ensures certainty and repose in litigation. An execution petition, once disposed of upon securing and facilitating realization of the decretal amount, cannot be permitted to be resurrected for the same cause of action in the absence of any intervening legal impediment. To countenance such a course would render the conclusion of proceedings illusory and expose

judicial determinations to endless revival at the instance of a litigant's shifting stance.

54. In pursuance, reference may be made to the Judgment rendered by the Hon'ble Supreme Court in ***Ajay Kumar Jain v. State of Uttar Pradesh and Another***[10], wherein it has been held that once a matter stands disposed of, the Court becomes *functus officio* and post-disposal applications are not maintainable except in limited circumstances such as correction of clerical or arithmetical errors or in rare cases where subsequent developments render the original directions incapable of implementation. The said principle, when applied to the present case, clearly militates against the maintainability of the present Application, which seeks to revive a concluded proceeding without falling within any of the recognised exceptions. The relevant portions of the said Judgment read as under:

> **16.** In the recent past, a co-ordinate bench of this Court observed the following in "**Jaipur Vidyut Vitran Nigam Ltd. v. Adani Power Rajasthan Ltd., 2024 SCC OnLine SC 313**":-
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> > "We felt it necessary to examine the question about maintainability of the present application as we are of the view that it was necessary to spell out the position of law as to when such post-disposal miscellaneous applications can be entertained after a matter is disposed of. This Court has become functus officio and does not retain jurisdiction to entertain an application after the appeal was disposed of by the judgment of a three-Judge Bench of this Court on 31.08.2020 through a course beyond that specified in the statute. This is not an application for correcting any clerical or arithmetical error. Neither it is an application for extension of time. A post disposal application for modification and clarification of the order of disposal shall lie only in rare cases, where the order passed by this Court is executory in nature and the directions of the Court may become impossible to be implemented because of subsequent events or developments. The

[10] 2024 SCC OnLine SC 3677

> factual background of this Application does not fit into that description."
>
> (Emphasis supplied)
>
> **17.** Thus, this Court made it abundantly clear that a miscellaneous application filed in a disposed of proceedings would be maintainable only for the purpose of correcting any clerical or arithmetical error. The Court further clarified that a post disposal application for modification or clarification of the order would lie only in rare cases where the order passed by this Court is executory in nature and the directions of the Court may have become impossible to be implemented because of subsequent events or developments."

55. Therefore, in the considered view of this Court, the invocation of Section 151 of the CPC in the present case is wholly misconceived and bereft of the foundational requirements warranting the exercise of inherent jurisdiction. None of the recognised contingencies justifying the revival or reopening of proceedings is made out. The inherent powers of this Court cannot be pressed into service to obviate the consequences of a party's own inaction, nor can they be employed as a device to re-agitate or reconfigure issues which stand substantially concluded. The present application, though styled as one seeking "*revival*", in substance seeks to alter the manner and conditions of enforcement, notwithstanding that the decretal amount already stands secured and made available, and thus falls outside the permissible ambit of Section 151 of the CPC.

56. Furthermore, if the Decree Holder was, in any manner whatsoever, aggrieved by the final Order dated 13.05.2022, which conclusively determined the proceedings and was co-terminous with the disposal of the present Execution Petition, the appropriate course available in law was to avail of the statutory remedies against such order, including by way of appeal, review, or any other remedy as may be maintainable in accordance with law.

57. It was not open to the Decree Holder to circumvent the settled procedural framework by seeking to reopen, alter, or revisit the effect of a final order passed in disposed proceedings through an application under Section 151 of the CPC. The inherent powers preserved under Section 151 CPC are intended to secure the ends of justice and prevent abuse of process; they cannot be invoked as a substitute for substantive appellate or review jurisdiction, nor can they be employed to revive proceedings that have already attained finality.

58. Once the Execution Petition stood finally disposed of pursuant to the Order dated 13.05.2022, any grievance touching upon the correctness, scope, or consequences of the said order necessarily had to be addressed through remedies specifically recognized by law. Recourse to an application under Section 151 CPC would amount to an impermissible attempt to review or modify a final adjudication without following the procedure prescribed therefor.

59. At this stage, it is also apposite to clarify that, while learned counsel for the Decree Holder has sought to contend that the amount deposited with the Registry could not have been withdrawn prior to 09.12.2021, when substitution in the name of the Decree Holder was permitted by this Court, such contention does not commend acceptance. In the considered view of this Court, the act of substitution had no bearing on the right to seek withdrawal. The Petitioner, notwithstanding the continuance of its earlier nomenclature, was fully aware of the deposit, and the liability of the Respondent stood discharged upon such deposit being made.

60. In view of the aforesaid, this Court is of the considered opinion that the present Application does not disclose any legally sustainable ground for revival of the Execution Petition. The decretal amount

having been deposited in compliance with judicial directions and remaining available for withdrawal, the liability of the Judgment Debtor to that extent stands discharged, and the alleged non-realisation of the decretal amount is solely attributable to the Decree Holder's own volitional restraint.

CONCLUSION:

61. In view of the aforesaid discussion and findings, ***EX.APPL. (OS) 593/2025***, filed by the Decree Holder under Section 151 of the CPC, seeking revival of Execution Petition No. 82/2012, is found to be devoid of merit and not maintainable. The same is, accordingly, dismissed.

62. Having regard to the conduct of the Applicant/Decree Holder, this Court is of the considered opinion that the present Application constitutes a clear abuse of the process of law. Accordingly, this Court deems it appropriate to impose costs quantified at **₹1,00,000/- (Rupees One Lakh Only)** upon the Applicant/Decree Holder. The said amount shall be deposited with the **Delhi High Court Legal Services Committee within a period of four (04) weeks from today**.

63. In the event of default, the Registry is directed to place the matter before this Court upon expiry of the aforesaid period for passing appropriate directions in that regard.

64. Pending Application(s), if any, also stand disposed of in the above-said terms.

HARISH VAIDYANATHAN SHANKAR, J.

APRIL 21, 2026/sm/kr