



2026:CGHC:3737

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WP227 No. 360 of 2025

Ms Ved Prakash Gupta Partnership Firm Registered Under The Partnership Act, Situated At Contractors Colony, Supela, Bhilai District Durg (C.G.), Through Partner, Mr. Prem Kant Soni, S/o O.P. Soni, Aged About 62 Years, R/o Quarter No. 1a Street 46 Sector 10, Bhilai District Durg (C.G.) (Since Mr. Prem Kant Soni Has Been Authorized To Represent The Firm Through Power Of Attorney)

... Petitioner

versus

Union Of India Through General Manager Core (Railway Electrification) Allahabad, (U.P.)

... Respondent

For Petitioner	:	Ms. Aditi Singhvi, Advocate
For Respondent	:	Mr. Ramakant Mishra, Deputy Solicitor General

{Hon'ble Mr. Justice Sachin Singh Rajput}

Order on Board

21/01/2026

1. Challenge in this writ petition is to an order dated 23.09.2024 passed by the learned Principal District Judge, Rajnandgaon, (C.G.) in Civil Execution Case No. 16/2023, whereby the following order has been passed:-

“Since there has been a slight change in the composition of the decree holder firm M/s Vedprakash

Gupta, in order to avoid unnecessary hardship in future, the present partners of the decree holder firm M/s Vedprakash Gupta are required to furnish security equivalent to the amount to be received by them to the effect that if any other creditor appears in future, they will return the amount.”

2. Learned counsel for the petitioner submits that the petitioner is a partnership Firm registered under the Partnership Act. Arbitration proceedings as per provisions contained in Arbitration Act, 1940 (henceforth, “the Act of 1940”) were carried out between the petitioner-Firm and the respondent/ Union of India before the Sole Arbitrator. The sole arbitrator passed an award on 31.07.2000 allowing the claim of the petitioner and directed the respondent to pay a total sum of Rs. 7,86,791/- inclusive of *pendente-lite* interest @ 18% per annum. It was further observed in that award that the awarded sum shall be payable to the petitioner by 31st August of 2000, else interest @ 18% per annum will be paid for the whole period from the date of cause of action i.e. 1.9.1991 till the date of payment. The arbitration proceedings were challenged by the respective parties up to the High Court. Ultimately, the petitioner filed an execution application for recovery of the awarded amount modified by the Hon’ble High Court in Arbitration appeal No. 35 of 2019 vide judgment dated 22.02.2023. Before, the amount could be deposited by the respondent, the above stated direction /observation were given by the Principal District Judge, Rajnandgaon. She further submits that the petitioner’s Firm was constituted on 28.08.1985 and from time to time, its constitution was changed by retirement and induction of partners. At present, Smt. Usha Gupta, Smt. Saroj Soni

and Shri Premkant Soni are the partners. During pendency of this writ petition, the compliance of the award and order of the Court has been made by the respondent and a total amount of Rs. 27,28,525/- has been deposited by respondent before the learned Principal District Judge, Rajnandgaon. As the learned Principal District Judge has put certain conditions of furnishing surety equal to the respective shares of the awarded amount by the partners, the said amount could not be received by the petitioners. She submits that in the arbitration proceedings before the Arbitrator, District Judge, and the High Court, no condition has been put that before withdrawal of the awarded amount, the partners of the firm are required to submit any surety equivalent to their respective shares. The Executing Court cannot go beyond the decree and put such conditions anticipating some claims by some other persons. Thus, the impugned order so far as it put a conditions to furnish surety requires to be set aside.

3. Per contra, learned counsel for the respondent submits that the respondent has deposited the entire amount in terms of the award and order passed by this Court and the learned Principal District Judge, only as an abundant caution put that conditions in order to avoid any further complication with regard to share of the awarded amount so deposited.
4. Heard the learned counsel for the parties and perused the material available on record.
5. There is no dispute to the fact that an award was passed in favour of the petitioner Firm by the sole arbitrator, which was subject to litigation up to the High Court. In compliance of the said litigation, the amount has already been deposited before the learned Principal District Judge.

6. From perusal of the impugned order, it appears that the petitioner Firm was constituted in the year 1985 and in due course of time, the constitution of the Firm has changed on account of retirement, death and induction of new partners of the partnership Firm. Nothing has been brought to the notice that in the Arbitration award, order passed by this Court, any condition has been put-forth that in order to receive the awarded amount, any surety is required to be given by the present partners. An anticipation has been shown by the learned Principal District Judge that in the event if some lender appears, the present partners would refund the amount and for that purposes they would submit the surety of their respective share of amount. In the opinion of this Court, the learned Principal District Judge / Executing Court has passed this order only on assumption that there may be some future lender. The constitution of the firm at present with the above stated partners have not been disputed by the parties, thus, in the opinion of this Court, the learned Execution Court has exceeded its jurisdiction in putting the conditions beyond the arbitration award and the orders of the High Court. Thus, required to be set aside. Appeal thus is allowed. The petitioner may make an application for withdrawal of the awarded amount so deposited which may be dealt with in accordance with law by the concerned Executing Court.

7. Pending interlocutory applications, if any, stands disposed of.

Sd/-

(Sachin Singh Rajput)

JUDGE

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