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

+ **OMP (ENF.) (COMM.) 10/2025 & EX.APPL.(OS) 53/2025**

**IRCON INFRASTRUCTURE SERVICES
LTD**

.....Decree Holder

Through: Mr. Nishit Kush, Ms. Mercy Hussain,
Mr. Siddharth Sikri, Mr. Kirti Singh,
Ms. Karika Sinha, Mr. Sanjeev B.
Sinha, Advocates with Mr. Vikas
Gupta, A.R.

versus

**MADURAI MULTI FUNCTIONAL COMPLEX PRIVATE
LIMITED**

.....Judgement Debtor

Through: Mr. Sanjay Ghosh, Senior Advocate
with Ms. Satakshi Sood, Mr. Mohit
Sai, Ms. Naimishi Verma, Mr. Kumar
Harsh, Advocates and Mr. Pratap
Raut, A.R.
Mr. Albein Varghese, Legal Assistant
Manager (through VC)

CORAM:

HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

ORDER

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29.04.2025

1. In pursuance to orders dated 21.03.2025 and 01.04.2025, the decree holder has filed an affidavit(s) dated 28.03.2025 and 07.04.2025. So also, in pursuance to the said orders the judgment debtor has filed affidavit(s) dated 29.03.2025 and 28.04.2025.

2. The judgment debtor is directed to bring the affidavit dated 28.04.2025 on record.



Submissions of the Judgment debtor

3. Learned senior counsel appearing for the judgment debtor refers to the affidavit of the decree holder dated 28.03.2025 and states that the TDS amount referred to in the table set out at paragraph 5 of the said affidavit has been deposited on 22.04.2025 and Form-16-A certificate will be issued to the decree holder on or before 07.05.2025.

3.1. He further states that with respect to the table enlisted at paragraph 4 of the affidavit dated 28.03.2025, the judgment debtor has deposited the TDS for the first installment (Ist), second installment (IInd) and third (IIIrd) installment amounting to Rs. 9,47,902/-

3.2. He states that with respect to the IIIrd installment towards arrears, no payment was made by the judgment debtor and the decree holder had directly recovered the amount equivalent to the amount of Rs. 43,92,476/- from the sub-sub-lessee.

He states that thus the judgment debtor has adjusted an amount of Rs. 37,84,476 to the credit of the decree holder from the amount recovered from the sub-lessee towards the IIIrd installment of arrears. He states that thus the IIIrd installment stands paid.

He states that an amount of Rs. 6,07,787/- which the decree holder recover from the sub-lessee has been adjusted towards the rental for the month of August, 2024.

3.3. He states that no TDS for IVth, Vth and VIth installments enlisted at paragraph 4 of the affidavit dated 28.03.2025 has been deposited till date.

3.4. He further states that the judgment debtor did not make payment of IVth, Vth and VIth installment of arrears since the decree holder had encashed the bank guarantee furnished towards the security deposit amounting to Rs.



1,58,70,000/- and which is equivalent to twelve (12) months' rent.

3.5. He states that in these proceedings, the judgment debtor is seeking adjustment of the amounts recovered by the decree holder by encashing bank guarantee towards IVth, Vth and VIth installments (of arrears) and in case the said adjustment is permitted, all the arrears would stand paid.

3.6. He states that the current payments of rental including TDS are anyways regular.

3.7. He also states that the judgment debtor has been facing difficulties in collection of rent from the sub-sub-lessee, due to the action of the decree holder in directly approaching the sub-sub-lessee, which has hindered the inflow of the funds.

Submissions of the Decree Holder

4. Learned counsel for the decree holder states that it is not permissible for the judgment debtor to adjust the amount recovered by the decree holder through the bank guarantee. No such adjustment has been permitted by the Arbitral Tribunal in its order dated 14.05.2024 or the Appellate Court in its order dated 30.05.2024.

4.1 He states that in fact no such prayer was made by the judgment debtor either before the Arbitral Tribunal or before the Appellate Court, for seeking such adjustment.

Findings

Judgment debtor plea on adjustment of amount

5. This Court has considered the submissions of the parties and the only controversy that seems to appear to this Court is with respect to the entitlement of the judgment debtor to seek an adjustment of an amount of Rs. 1,58,70,000/-, which the decree holder has collected by encashing the bank guarantee on 01.05.2023.



6. In the considered opinion of this Court, no such adjustment can be sought by the judgment debtor with respect to the payments due as per the order dated 14.05.2024 passed by the Arbitral Tribunal and as modified by the Appellate Court vide order dated 30.05.2024; since this event of encashment of bank guarantee on 01.05.2023 was within the knowledge of the parties. However, no such adjustment was prayed for before the Arbitral Tribunal or before the Appellate Court.

The judgment debtor is always at liberty to approach the Arbitral Tribunal for any future adjustment, by filing an application in accordance with law. However, no such adjustment can be claimed in these execution proceedings.

7. In view of the above, the admitted position between the parties is that a sum of Rs. 1,08,13,211/- is due and recoverable by the decree holder as on date from the judgment debtor towards arrears for the period 01.05.2023 to 31.05.2024.

This is the agreed amount of outstanding under the decree and the calculation has been handed over by both the parties.

Directions for M/s Joyalukkas India Pvt. Ltd (sub-sub lessee)

8. Mr. Albein Varghese, Legal Assistant Manager has joined the proceedings through video conferencing link (VC) on behalf of Joyalukkas India Pvt. Ltd.

8.1. He states that as on date Joyalukkas India Pvt. Ltd. are holding Rs. 45 lakhs approx. which is equivalent to three (3) months rent and is exclusive of GST.

9. In view of aforesaid position, following directions are hereby issued:

- i. Joyalukkas India Pvt. Ltd. are directed to remit the amount for the



rental portion to the decree holder within one (1) week after deducting the TDS, GST amount.

- ii. Joyalukkas India Pvt. Ltd. will be deposit TDS to the credit of the judgment debtor and GST will be transferred to the judgment debtor for deposit in accordance with law.
- iii. Joyalukkas India Pvt. Ltd. will simultaneously duly inform the judgment debtor with respect to the payment of rental made to the decree holder and deposit of TDS and GST to the credit of judgment debtor.
- iv. Joyalukkas Ltd. Pvt. will continue to make payment of rental in the aforesaid manner until an amount of Rs. 97,31,889.50 has been paid over to the decree holder, on behalf of the judgment debtor and in satisfaction of this decree.

Simultaneously, TDS to the extent of Rs. 10,81,321.50 will be deposited by the judgment debtor to the credit of the decree holder. In this manner, the outstanding sum of Rs. 1,08,13,211 will be received by the decree holder in satisfaction of the decree.

- v. It is further directed that once the aforesaid amount of Rs. 1,08,13,211/- has been remitted to the decree holder, the sub-sub-lessee i.e. Joyalukkas India Pvt. Ltd. will revert to original payment system and begin making payments of the rent, TDS and GST to the judgment debtor only.
- vi. The judgment debtor will continue to discharge its liability towards current rental towards decree holder as per arbitral tribunal's order dated 14.05.2024.
- vii. Judgment debtor will ensure that its liability towards TDS and GST is



duly complied with.

10. At this stage, Mr. Albein Varghese, Legal Assistant Manager submits that currently the rental for the month of February and March, 2025 is outstanding and payable. He states that rent for the month of April, 2025 will become due and payable on 10.05.2025. However, in the facts of this case, Joyalukkas India Pvt. Ltd. is directed to clear the rental for the month of February, March, April 2025 within one (1) week by remitting to the decree holder, in the manner directed above. TDS and GST for these months would be payable to the judgment debtor.

11. For rentals payable for the months of May, 2025 onwards, Joyalukkas India Pvt. Ltd. can revert to the practice of making payment of rental on the 10th day of following calendar month. For instance, the payment towards rental for the month of May, 2025 shall be paid by Joyalukkas India Pvt. Ltd. to the Decree Holder on or before 10.06.2025 and so on.

Implementation of directions at paragraph 9(iii) and (v) of this order

12. The judgment debtor has handed over a chart¹ and as per the chart, Joyalukkas India Pvt. Ltd. will remit the rental amount for the months of February to August, 2025 in full (except TDS and GST) to the decree holder.

13. For the month of September, 2025, Joyalukkas India Pvt. Ltd. will pay a sum of Rs. 4,84,277/- to the decree holder and an amount of Rs. 8,36,810/- to the judgment debtor. TDS and GST will be payable to the judgment debtor.

14. In this manner a sum of Rs. 97,31,889.50 will stand paid by

¹ The chart along with hand written note of the counsel for the judgment debtor is taken on record. The Court Master is directed to take the same on record.



Joyalukkas India Ltd. to the decree holder.

15. From the month of October, 2025, Joyalukkas India Pvt. Ltd. will revert to making entire payment to the decree holder.

Extension of the mandate of Arbitral Tribunal

16. This Court's attention has been drawn to the order dated 25.03.2025 passed by the Arbitral Tribunal.

17. Learned counsel for the decree holder states, on instructions, from Mr. Vikas Gupta that the Decree Holder consents to the extension of the mandate of Arbitral Tribunal for a period of six months.

18. Mr. Sanjay Ghosh, senior advocate states, on instructions, from Mr. Pratap Raut on behalf of Judgment Debtor that the Judgment Debtor as well consents that the mandate of the Arbitral Tribunal may be extended for a period of six months.

19. The aforesaid statements of the parties in this regard are taken on record and parties are bound down to the same.

20. This Court as per the current Roster also exercises jurisdiction under Section 29A of the Arbitration and Conciliation Act, 1996. Having reviewed the proceedings, its stage and keeping in view the statement of the parties, the mandate of the Arbitral Proceedings is hereby extended by this Court in exercise of its jurisdiction for a period of one year till 02.05.2026.

21. The parties have no objection to the aforesaid extension of mandate.

Invoices

22. Learned senior counsel for the judgment debtor states that currently the invoices which are being issued by the decree holder use the word 'user charges' instead of 'rent'; and this is creating difficulty for the judgment debtor and its sub-lessee in availing the benefits and inputs of the GST



regime.

23. Learned counsel for the decree holder states, on instructions, from Mr. Vikas Gupta that without prejudice to its rights and contentions in the arbitral proceedings, with respect to the submission that judgment debtor is an unauthorised occupant, the decree holder will issue invoices which records the word 'rent' in place of 'user charges'. He states that the invoices may record that the matter is pending before the Arbitral Tribunal and the invoices are being issued in the interregnum.

The submissions of the decree holder are taken on record and decree holder is directed to henceforth issue invoices which record 'rent'.

24. Needless to state that issuance of these invoices will not prejudice the decree holder in its claims and pleas before the Arbitral Tribunal.

25. The order has been reviewed by the parties and the facts and figures stated therein have been verified.

26. With the aforesaid directions, the execution petition along with pending applications stands disposed of as satisfied.

27. The parties will ensure that their respective affidavits are on record.

28. The digitally signed copy of this order, duly uploaded on the official website of the Delhi High Court, www.delhihighcourt.nic.in, shall be treated as a certified copy of the order for the purpose of ensuring compliance. No physical copy of order shall be insisted by any authority/entity or litigant.

MANMEET PRITAM SINGH ARORA, J

APRIL 29, 2025/mr/ms

[Click here to check corrigendum, if any](#)