IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 21-09-2026

CORAM

THE HON'BLE DR.JUSTICE A.D.MARIA CLETE

A. No. 2327 of 2026
in
E.P. No. 83 of 2024
in
C.S. (Comm.Div.) No. 46 of 2021

1. Mr.R.Gopalakrishnan
   S/o.Late V.Ramanathan,

2. Mrs.G.Nithya
   W/o.R.Gopalkrishnan.
   Both residing at Door No.17/1
   2nd Narayanan Street,
   Sevenwells,
   Chennai 600 001.

..Applicant(s)

Vs

M/s.Quality Roller Flour Mills Private Limited
Rep.by its Managing Director,
A.Ganesh Rajah,
Having Office at No.558,
Anna Salai, Teynampet,
Chennai 600 018.

..Respondent(s)

PRAYER: To dismiss the above E.P.No.83 of 2024.

For Applicant(s): M/s. S.Hemanand

For Respondent(s): Ms.K.V.Rukmani for
M/s.P.B.Ramanujam Associates.

ORDER

This application has been filed Order XIV Rule 8 of O.S.Rules read with under Section 47 of the Code of Civil Procedure, 1908, challenging the executability of the compromise decree passed in C.S.No.46 of 2026, dated 07.02.2023, and seeking a determination of whether the decretal liability has been discharged or satisfied.

2. The applicants/judgment-debtors admit their liability to make payment to the respondent/fourth defendant in terms of the compromise decree. According to them, a sum of Rs.70,00,000/- has already been paid towards the decretal amount, out of Rs.80,00,000/-. The respondent/decree-holder has filed the present execution petition for recovery of the alleged balance sum of Rs.10,00,000/-, together with interest at 24% per annum, by attachment and sale of the immovable property described in the execution petition schedule.

3. Both parties admit that, as at 10.06.2023, the amount payable by the plaintiffs/judgment-debtors under Clause 2 of the compromise decree dated

07.02.2023 was Rs.10,78,320/-. The execution petition has been filed, claiming the said amount together with interest, totalling Rs.13,01,150/-.

4. The applicants contend that the amount claimed in the execution petition is incorrect. They rely on a letter of undertaking dated 10.06.2023, stated to have been executed between the parties after the compromise decree. Under this undertaking, contrary to the obligation in Clause 7 of the compromise decree, the plaintiffs/judgment-debtors allegedly agreed to discharge the CMWSSB charges of Rs.5,78,320/-, which were otherwise payable by defendants 2 and 4.

5. The applicants further contend that the decree-holder is not entitled to claim interest at 24% per annum. According to them, pursuant to the demand notice dated 24.06.2024 issued by the CMWSSB and the orders passed by this Court in W.P.No.21306 of 2024 and W.M.P.Nos.23266 and 23268 of 2024, they paid Rs.2,50,000/- towards the total demand of Rs.7,31,168/-. They also claim a further deduction of Rs.50,000/- paid on 26.08.2025. On that basis, the applicants contend that the balance amount payable by them is only Rs.2,97,152/-.

6. The respondent/decree-holder contends that the letter of undertaking dated 10.06.2023 constitutes a subsequent adjustment or variation of the compromise

decree. As the alleged adjustment was neither certified nor recorded by the executing Court in accordance with Order XXI Rule 2 CPC, the executing Court cannot recognise it.

7. The following points require consideration:

1. Whether the letter of undertaking dated 10.06.2023 constitutes an adjustment or variation of the compromise decree, and, if so, whether it can be recognised by the executing Court without having been certified or recorded under Order XXI Rule 2 CPC?
2. Whether, under the compromise decree, the liability to pay the CMWSSB charges rests with defendants 2 and 4, or whether that liability was subsequently assumed by the plaintiffs/judgment-debtors?
3. What is the amount currently due and payable under the compromise decree?
4. Whether the Application is to be allowed?

Point No.1:

8. The applicants rely on the letter of undertaking dated 10.06.2023 to contend that the liability arising under the compromise decree was subsequently modified. According to them, they agreed to discharge the CMWSSB charges of Rs.5,78,320/-, which were originally payable by defendants 2 and 4, and that the said amount must consequently be deducted from the amount payable by the applicants to the fourth defendant.

9. There is no dispute that the letter of undertaking came into existence after the compromise decree dated 07.02.2023. The applicants are not merely relying on the document as proof of payment towards the decree. They seek to rely on it as an arrangement altering the reciprocal monetary obligations fixed under the decree. The document, therefore, amounts to an alleged adjustment or variation of the decretal liability.

10. Under Order XXI Rule 2 CPC, where money payable under a decree is paid outside Court, or where the decree is otherwise adjusted, in whole or in part, to the satisfaction of the decree-holder, such payment or adjustment must be certified to the executing Court. Sub-rule (3) expressly provides that any payment or

adjustment not certified or recorded shall not be recognised by the Court executing the decree.

11. Although questions relating to the execution, discharge or satisfaction of a decree fall within Section 47 CPC, the general jurisdiction conferred by Section 47 must be exercised in accordance with the specific procedure prescribed under Order XXI Rule 2 CPC. Section 47 cannot be invoked to circumvent the statutory prohibition contained in Order XXI Rule 2(3).

12. In **Sultana Begum v. Prem Chand Jain**, (1997) 1 SCC 373, the Supreme Court explained that Section 47 and Order XXI Rule 2 operate in their respective fields. Section 47 covers questions relating to execution, discharge or satisfaction, whereas a plea based on an out-of-Court payment or adjustment is specifically governed by Order XXI Rule 2. An uncertified adjustment cannot, therefore, be recognised by the executing Court.

13. In the present case, it is not shown that either party applied to the executing Court to have the alleged adjustment dated 10.06.2023 recorded or certified under Order XXI Rule 2 CPC. The undertaking, therefore, cannot be relied upon to rewrite or vary the terms of the compromise decree in execution.

14. However, this conclusion does not prevent the executing Court from giving credit for payments admitted by the decree-holder or already recorded in the execution proceedings. An admitted payment does not require adjudication as a disputed adjustment. Likewise, payments made directly to CMWSSB may be considered only if the compromise decree itself permits such payments to operate in discharge of the amount payable to the decree-holder, or if the decree-holder expressly admits that they were made on his behalf and are deductible from the decretal liability.

15. Consequently, the letter of undertaking dated 10.06.2023, to the extent it is relied upon to vary the obligations fixed under the compromise decree, cannot be recognised in execution, as the alleged adjustment was neither certified nor recorded under Order XXI Rule 2 CPC. Point No.1 is answered accordingly.

Point No.2

16. Under Clause 7 of the compromise decree, the CMWSSB charges and the property tax payable to the Greater Chennai Corporation are to be borne by defendants 2 and 4. Although the plaintiffs/judgment-debtors subsequently agreed to discharge the CMWSSB liability, the alleged adjustment was neither certified

nor recorded under Order XXI Rule 2 CPC. Accordingly, the executing Court cannot recognise the subsequent undertaking. Consequently, irrespective of the quantum involved, the liability to pay the CMWSSB charges and property tax continues to rest with defendants 2 and 4 in accordance with Clause 7 of the compromise decree. Point No.2 is answered accordingly.

Point No.3

17. The amount due under the compromise decree as on 01.08.2024 was Rs.13,01,150/-, comprising a principal sum of Rs.10,00,000/- and interest of Rs.3,01,150/-. During the pendency of the execution petition, the judgment-debtors paid Rs.50,000/- on 26.08.2025. Credit must necessarily be given to that payment.

18. Accordingly, after deducting Rs.50,000/-, the balance amount recoverable in the execution petition is: Rs.13,01,150−Rs.50,000=Rs.12,51,150/-. Thus, a sum of **Rs.12,51,150/-** remains payable by the plaintiffs/judgment-debtors, together with such further interest as is expressly provided under the compromise decree. Point No.3 is answered accordingly.

Point No.4:

19. In view of the answers arrived at to the points No.1 to 3, this application is liable to be dismissed accordingly. No costs.

21-09-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

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DR.A.D.MARIA CLETE, J.

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