IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON 13.08.2026	PRONOUNCED ON 21.09.2026

CORAM

THE HON'BLE MR.JUSTICE K.KUMARESH BABU

A.No.1812 of 2026
in E.P.91 of 2023

SEPC Limited (formerly Shriram EPC Limited),
a company registered in India,
having its address at 4th Floor, Bascon Futura SV IT,
Park Venkatanarayana Road, Parthasarathy Puram,
T.Nagar, Chennai, Tamil Nadu – 600 017.

… Applicant(s)

Vs

1. GPE (INDIA) Ltd.,
a company registered in Mauritius,
having its address at
C/o. SGG Fund Services (Mauritius) Ltd.,
33, Edith Cavell Street, Port Louis, Mauritius,
Represented by its Authorised Signatory
Abhinav Jain,
Having Office at 1402, Tower, 28,
One World Center, Lower Parel,
Mumbai – 400 013.

2.GPE (JVI) Ltd.,
a company registered in Mauritius,
having its address at
C/o. SGG Fund Services (Mauritius) Ltd.,
33, Edith Cavell Street, Port Louis, Mauritius,
Represented by its Authorised Signatory
Abhinav Jain.

3.Gaja Trustee Company Private Limited,
a Company incorporated in India,
having its corporate address at L402, Tower 2B, One World Centre,

Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013, trustee of Gaja Capital India Fund-I,
a SEBI registered venture capital fund registered as Venture Capital Fund under SEBI Benture Capital Funds Regulations, 1996
Represented by its Authorised Signatory
Abhinav Jain.

4.Twarit Consultancy Services Private Limited,
a Company registered in India,
having its address at 14, Tiruvallur Street, Rangarajapuram,
Kodambakkam, Chennai, Tamil Nadu, India

5.Axis Bank Limited,
having registered office at
Trishul-Opp. Samartheshwar Temple Law Garden,
Ellis Bridge, Ahmedabad – 380 006.

6.Axis Bank Limited,
having registered office at
Corporate Banking Branch, Clubhouse Road,
Anna Salai, Chennai – 600 002.

7.Axis Bank Limited,
having registered office at
Rashbehari Avenue, Kolkata – 700 026.

8.Indian Bank,
having registered Office at No.7,
Prakasam Road, T.Nagar, Chennai – 600 017.

9.Bank of India Chennai Corporate Banking Branch,
4th Floor, Tarapore Tower, Anna Salai,
Chennai – 600 002.

10.Punjab National Bank,
having registered Office at
VOP GUDA Bhagwandas, Nagpur, Branch,
Nagpur – 341 001.

11.Punjab National Bank,
having registered office at
Large Corporate Branch, Royala Tower,
Chennai – 600 002.

12.Axis Bank Limited,
having registered office at
North Church Road, near Gandhi Maidan,
Gaya, Bihar – 823 001.

13.Punjab National Bank,
having registered office at Calicut-Cherooty Road,
Kozhikode – 673 001.

14.Central Bank of India,
having Corporate Finance Branch at
Addison Building, 803 Anna Salai,
Chennai – 600 002.

15.South India Bank having address at
110, Raheja Towers, 177, Anna Salai,
Chennai – 600 002.

16.Indusland Bank having address at
No.3, Village Road, Nungambakkam, Chennai.

17.ICICI Bank
having address at No.110, Prakash Presidium,
Nungambakkam, Chennai.

18.Bank of Maharashtra
having address at
No.18, ALI Centre, Mount Road Branch,
Greams Road, Opp.MRF, Chennai – 600 006.

19.IDBI Bank Ltd.,
115, Anna Salai, PB 805, Saidapet,
Chennai – 600 015.

20.State Bank of India,
Bombay Mutual Building,
No.232, NSC Bose Road,
Chennai – 600 001.

21.Union Bank of India,
No.38 & 39 Whites Road Branch,
Royapettah, Chennai – 600 014.

22. Axis Bank Limited,
Essel Tower Ground Floor,
Bunts Hotel Circle, Mangalore – 575 003.

23.Axis Bank Ltd.,
Ground Floor Indira Aprt,
Shop.No.7A, 7B,
Govandi Station Road, Govandi East,
Mumbai – 400 188.

… Respondents

PRAYER:- Application filed to modify the order dated 19.02.2026 to the extent that in view of the undertaking given by the first respondent to deposit Rs.7,50,00,000/- per quarter till the entire dues of the petitioner are paid in terms of the Arbitral Award dated 07.01.2021, the interim directions of attachment of trade receivables of second respondent be recalled and in the alternative shall stand in abeyance.

For Applicant(s) : Mr.P.V.Balasubramanian
Senior Counsel
for Mr.A.Selvendran

For Respondent(s) : Mr.Sricharan Rangarajan
Senior Advocate
for K.Gowtham Kumar for RR1 to 3
: Mr.N.P.Vijaykumar for R4
: Mr.V.V.Sivakumar for R5, R6, R7, R12
: Mr.Varun Srinivasan for R11
and for RR6 to 23 in E.P.No.91 of 2023

ORDER

The instant application had been taken out seeking to modify the order dated 19.02.2026. Hence, it would be apropos to refer the order dated 19.02.2026. The relevant paragraph of the said order which is sought to be modified is extracted hereunder.

"17. No doubt, the consortium of banks is also claiming for a charge over these trade receivables. What is due and payable to the award holder is Rs.154,63,23,499/-, towards the satisfaction of the award. Hence, this Court is inclined to pass an order of interim attachment of the trade receivables to the tune of Rs.154,63,23,499/-, out of total trade receivable Rs.499,62,35,793/-. This attachment shall continue till the report is received from the Auditor/ Audit Firm to be appointed by this Court."

2. The learned counsel appearing for the applicant would submit that pursuant to the order dated 19.02.2026, the business of the second respondent had virtually come to a stage which may lead to declaration of the assets of the Company to be a non-performing asset. He would further submit that the first Judgment Debtor had also undertaken to make good a payment of Rs.7.50 Crores per quarter till the Award is satisfied and to show the bonafides to a sum of Rs.2.50 Crores would be paid within a period of 15 days from the date of passing the order. He would also contend that extreme hardship is being faced by the Judgment Debtors and the applicant incurs a sum of Rs.2.08 Crores as monthly salary payable to its employees.

3. That apart, in view of the order, there was also a delay in disbursal of monthly salaries to its employees. He would further submit that the trade receivables are to be re-infused into various projects and further submit that

such trade receivables are not pure profits that has been enjoyed by the Judgment Debtor and is the rotation of the capital that is to be infused in loops to keep the company a growing concern. That apart, various other statutory liabilities have also to be fulfilled and failure of the same would render the Judgment Debtor for remedial actions against such Statutes which also include penal consequences. He would further submit that the second Judgment Debtor is now with the new management and that the first Judgment Debtor had univocally undertaken to indemnify the second Judgment Debtor of any amount to be recovered under the Award. In that regard, he would submit that it would be the responsibility of the first Judgment Debtor to satisfy the Award. Hence, he prays this Court to pass appropriate orders to modify the order dated 19.02.2026 on the undertaking given by the first Judgment Debtor.

4. The learned counsel appearing for the first Judgment Debtor supported the submissions of the learned counsel for second Judgment Debtor.

5. Countering his arguments, the learned counsel appearing for the Decree Holders would submit that the attempt made by the applicant for modifying the order is only to nullify the effects of the order and the findings given by this Court in the order dated 19.02.2026. He would further submit that the attempts made by the applicant, who is the second Judgment Debtor is in collusion with the first Judgment Debtor to deny the fruits of the Award which

has also been affirmed to be a decree of this Court. He would further submit that only under the orders passed by the Hon'ble Apex Court, part of the Award amount had been secured as almost Rs.150 Crores even as early as on 19.02.2026 was to be paid by the Judgment Debtors. He would further submit that only noting the conduct of the Judgment Debtors that if they had only pressurised for making the payments, the payments are forthcoming, even, that is sought to be whittled down by making the present application.

6. That apart, he would submit that by order dated 16.04.2026, the Court had directed an affidavit specifying the source of funds for payment of the amounts agreed was directed to be filed. An affidavit which was placed before this Court on 27.04.2026 for satisfying the Award. By order dated 30.04.2026, by way of an interim arrangement, the consortium banks were permitted to appropriate a sum of Rs.15.69 Crores to the maximum from the Trust and retention accounts and Rs.2 Crores was permitted to be appropriated by the second Judgment Debtor for discharge of its salary. A further direction was given to the first Judgment Debtor to deposit a sum of Rs.2.50 Crores by way of Fixed Deposit in the name of the Registrar General and was further directed to file an affidavit specifying the source of funds for payment of sum of Rs.7.50 Crores per quarter. Even though, the deposit to tune of Rs.2.50 Crores had been made, no affidavit had been placed before this Court, with regard to the source of its funds, except to baldly state that they have been engaged in serious

negotiations and discussions with multiple prospective corporates and entities outside the formal banking and finance sectors for availing the loan for payment of Rs.7.50 Crores.

7. In that regard, he would submit that the application for modification at the behest of the first Judgment Debtor by the second Judgment Debtor on the strength of the undertaking by the first Judgment Debtor is wholly to hoodwink the Court in prolonging the process of execution.

8. The learned counsel appearing for the consortium banks would also submit that if the order is not modified, it may lead to a situation where the Judgment Debtors would be declared as non-performing assets and it will be for no ones benefit. Hence, he would also prays this Court to modify the order to give a breathing space to the Judgment Debtors to satisfy the Award.

9. I have considered the submissions made by the learned counsels appearing on either side and perused the materials available on record before this Court.

10. The present application had been taken out by the second Judgment Debtor to modify the order of this Court dated 19.02.2026 on the strength of an undertaking given by the first Judgment Debtor. It has not been made clear as to

why the first Judgment Debtor on whose back the second Judgment Debtor seeks to ride had not come out with the said application.

11. A perusal of the order dated 19.02.2026, it could be seen that an order of interim attachment of the trade receivables to the tune of Rs.154,63,23,499/- was made, but further directions were also given in respect of a detailed audit through an independent audit agency namely the PriceWaterHouseCoopers**.** The independent Agency had also filed its Report before this Court on 22.04.2026 as noted in the order, which was also permitted to be given to the respective parties in the present execution petition.

12. An Award came to be passed as early as on 07.01.2021 and was affirmed in Appeal by the Singapore International Commercial Court on 24.12.2021. In Petition under Section 47 to 49 of the Arbitration and Conciliation Act, this Court by order dated 05.01.2023, had held the said foreign Award to be a decree of this Court. Only after the orders of the Hon'ble Apex Court, a sum of Rs.120 Crores had been paid by the Judgment Debtors with the damocles sword hanging over their head. On 16.04.2026, this Court had directed the second Judgment Debtor/ the applicant herein to file an affidavit of undertaking with regard to the manner of discharge of the liability of a sum of Rs.154,63,23,499/-

13. On 28.04.2026, a further direction was given to the first Judgment Debtor to file an affidavit specifying the source of funds for payment of amounts namely a sum of Rs.7.50 Crores which was undertook to be paid in quarterly instalments. Again, when the matter was taken up for hearing on 30.04.2026, the very same direction for filing an affidavit for identifying the source of funds was directed to be made by the next date of hearing. The matter was again listed on 10.06.2026 and thereafter on 23.06.2026. An affidavit dated 19.06.2026 was filed by the first Judgment Debtor even in which there has been no whisper of the source of fund except making a bald assertion that it is seriously engaged in negotiation and discussions with multiple prospective and corporate entities to avail loan facilities/ financial assistance for settlement of the next quarterly remittance of Rs.7.50 Crores. The said affidavit also sought leave to file further affidavit in respect of the other quarterly instalments as the sources would be varying.

14. It is also apropos to note that after the arguments were heard and the orders were reserved on 29.06.2026, a mentioning was made by the learned Senior Counsel appearing for the applicant that the Judgment Debtor would be filing an affidavit honouring the entire payment by 31.10.2026. Based upon his request, the matter was listed under the caption *"for clarification"* on 30.08.2026 on which date an affidavit of the first Judgment Debtor was placed on record before this Court, wherein an undertaking to deposit the entire amount

of settlement which is to be arrived by way of a settlement between the Judgment Debtor and the Award Holders by 31.10.2026. The affidavit also do not indicate the source of funds to even honour the settlement that has to be arrived at between the parties. The said affidavit was wholly vague and this Court is of the considered view that the attempt made by the Judgment Debtors was only to protract the proceedings and not allowing the Award Holder to enjoy the fruits of the decree as the amount payable by the Judgment Debtors had also not been arrived at and details were not given with regard to the source. This Court had rejected the request of the Judgment Debtors to grant time for satisfying the Award and proceed to reserve its orders.

15. The arguments made by the Judgment Debtors as well as the Consortium banks is the nature of intimidation that if the order of attachment is continued, the Judgment Debtors would fall as non-performing assets which would not be helpful for any of the parties. An attempt had been made by the first Judgment Debtor that it is a going concern and if the order of attachment continues, it would have to lose its business if the trade receivables are not re-infused into the Company for further operation.

16. This Court is of the view that it cannot bow down to such intimidation particularly when the order dated 19.02.2026 had categorically recorded a finding of fact that the Judgment Debtors had with the damocles sword that was

hung by the Hon'ble Apex Court, within a short span of two (2) weeks had made payment of a substantial sum of Rs.120 Crores.

17. That apart, further conduct of the first Judgment Debtor on whose undertaking the applicant sought to ride upon, this application for modification, had filed vague further affidavits in spite of specific direction of this Court to disclose the source. Without disclosing such source and seeking further time, a further attempt had been made to appease the Court to say that the entire amount would be paid by 31.10.2026. This conduct of the Judgment Debtors in the view of this Court is not bonafide.

18. It is further to be noted that even after quarter year had been passed from the order dated 30.04.2026, neither the source of Rs.7.50 Crores had been made known to this Court nor any further amount to substantiate the bonafides had been placed on record before this Court.

19. For the aforesaid reasons, the application stands dismissed. However, there shall be no order as to costs.

21.09.2026
(1/3)

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

After the orders were pronounced, learned Senior Counsel appearing for the 1st Judgment Debtor would place on record an additional affidavit, seeking for a direction to the Registry to accept and credit the demand draft for a sum of Rs.7.50 crores to the credit of E.P.No.91m of 2023 account and also permit the judgment debtor to settle the entire balance arbitral dues as negotiated with the decree holder on or before 07.10.2026.

2.The application for modification seeking for payment of the award amount in equated quarterly instalments at Rs.7.5 crores had been rejected by this Court by the aforesaid order. As regards the settling of the balance arbitral dues as negotiated with the decree holder, if the 1st judgment debtor is able to avail the financial facilities from the bank indicated in the affidavit, it is for him to settle the amount.

21.09.2026

(2/3)

KAS

K.KUMARESH BABU, J.

GBA

A Pre-delivery order made in
A.No.1812 of 2026
in E.P.91 of 2023

21.09.2026
(1/3)