

  
**HIGH COURT OF JUDICATURE FOR RAJASTHAN  
BENCH AT JAIPUR**

**S.B. Civil Writ Petition No. 6884/2025**

1. The State Of Rajasthan, Through Chief Secretary, Government Secretariat, Jaipur
2. The District Collector, Jaipur.

----Petitioners

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd., Ahmedabad, Address A-1, 8Th Floor, Safal Profitaire, Corporate Road, Satellite, Ahmedabad -Gujarat - 380015.
2. M/s Sanganer Enviro Project Development, Jaipur, Address- Shop No.7, Maruti Colony, Opposite Chaudhary Tent House, Sanganer, Jaipur - 302029.
3. Union Bank Of India, Through Its Branch Manager, K-13, Brij Anukampa Building, Ashok Marg, Scheme Jaipur-302001

----Respondents

Connected With

**S.B. Civil Writ Petition No. 11823/2025**

Devi Shanker Khatri S/o Late Shri Bheru Mal Khatri, Aged About 73 Years, R/o House No. 651, Adarsh Nagar, Jaipur-302004, Rajasthan.

----Petitioner

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd., A-1, 8Th Floor, Sadal Profitaire, Corporate Road, Satellite, Ahmedabad- 380015, Gujarat.
2. M/s Sanganer Enviro Project Development (SEPD), Shop No. 7, Maruti Colony, Opp. Chaudhary Tent House, Sanganer, Jaipur- 302029.
3. State Of Rajasthan Through The Chief Secretary, Government Secretariat, Jaipur- 302001, Rajasthan.
4. State Of Rajasthan Through Chief Secretary, Secretariat, Jaipur, Rajasthan- 302001.

----Respondents

**S.B. Civil Writ Petition No. 2976/2025**

Laxmi Dyeing, Through Its Sole Proprietor Badri Narayan Gurjar, Aged-48 Years, R/o 79, Gurjaro Ki Talai, Muhana Mod, Diggi Road, Sanganer

----Petitioner

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd, Ahmedabad, Address- A-1, 8Th Floor, Safal Profitaire, Corporate Road, Satellite, Ahmedabad- Gujarat 380015.

----Execution Applicant/Award Holder/Respondent

2. M/s Sanganer Enviro Project Development, Jaipur, Address- Shop No. 7, Maruti Colony Opposite Chaudhary Tent House, Sanganer, Jaipur-302029.

----Non-Applicant/Award Debtor/Respondent

**S.B. Civil Writ Petition No. 3279/2025**

1. Rajendra Kumar Jeendgar, S/o Late Shri Ram Chandra Jeendgar, Aged About 74 Years, Resident Of E-123, Babu Ji Dhani, Saraswati Nagar, Malviya Nagar, Jaipur, Rajasthan, 302017.
2. Praveen Shah, S/o Shri Amar Nath Gupta, Aged About 50 Years, Resident Of 103, Jem Vihar Behind Stadium, Sanganer Bazar, Sanganer, Jaipur, Rajasthan - 302029.
3. Chamatkar Jain, S/o Shri Harimohan Jain, Aged About 41 Years, Resident Of 44, Bhairav Colony, Sanganer Bazar, Sanganer, Jaipur, Rajasthan - 302029.
4. Sanjay Sharma, S/o Shri Radha Mohan Sharma, Aged About 54 Years, Resident Of Tikki Walo Ka Mohalla, Kalyan Kunj Ke Pass, Ward No. 39, Sanganer, Jaipur, Rajasthan - 302029.
5. Navratan Naraniya, S/o Shri Chanda Lal Naraniya, Aged About 40 Years, Resident Of 323, Opp. DAL MILL, Near Ramberi, Khatiko Ka Mohalla, Jaipur, Rajasthan - 302029.

----Petitioners

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd., Ahmedabad, Having Its Address - A-1, 8Th Floor, Sadal

Profitaire, Corporate Road, Satellite, Ahmedabad,  
Gujarat – 380015.

----Respondent No.1/Award Holder

2. M/s Sanganer Enviro Project Development, Jaipur,  
Having Its Address At Shop No. 7, Maruti Colony  
Opposite Chaudary Tent House, Sanganer, Jaipur –  
302029.

----Respondent No.2/Judgment Debtor

3. State Of Rajasthan, Through Chief Secretary,  
Secretariat, Jaipur, Rajasthan – 302001.

----Respondent No.3

4. Sanganer Kapda Rangai Chapai Association, Having Its  
Head Office At Prakash Textiles Building, Main Road,  
Sanganer - 302029.

----Respondent No.4/Applicant

**S.B. Civil Writ Petition No. 4846/2025**

Sanganer Kapada Rangai Chapai Association, Having Its Head  
Office At Prakash Textiles Building, Main Road, Sanganer  
Through Its President Devi Shanker S/o Shri Bherumal Aged  
About 78 Years R/o 651, In Front Of Krishna Mandir, 20 Dukan,  
Adarsh Nagar, Jaipur, Rajasthan-302004.

----Petitioner

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd.,  
Ahmedabad, Address- A-1, 8Th Floor, Safal Profitaire,  
Corporate Road, Satellite, Ahmedabad- Gujarat- 380015
2. M/s Sanganer Enviro Project Development, Jaipur,  
Address- Shop No. 7, Maruti Colony Opposite Chaudhary  
Tent House, Sanganer, Jaipur-302029.

----Respondents

**S.B. Civil Writ Petition No. 9108/2025**

Vineet Print, Through Its Sole Proprietor Mr. Mahendra Khatri,  
Aged about 63 years, R/o 28, Hajiyawala, Muhana Road, Jaipur,  
Rajasthan.

----Petitioner

Versus

Respondent/Execution Applicant/Award Holder:

1. M/s Advent Envirocare Technology Pvt. Ltd., Ahmedabad, Address - A-1, 8Th Floor, Safal Profitaire, Corporate Road, Satellite, Ahmedabad- Gujarat-380015.

Respondent/Non Applicant/Award Debtor:

2. M/s Sanganer Enviro Project Development, Jaipur, Address-Shop No. 7, Maruti Colony Opposite Chaudhary Tent House, Sanganer, Jaipur -302029.

Respondent/Objecioner- Applicant:

3. Sanganer Kapada Rangai Chapai Association, Having Its Head Office At Prakash Textiles Building, Main Road, Sanganer Through Its President.

Respondent:

4. The District Collector, Jaipur.

----Respondents

**S.B. Civil Writ Petition No. 9123/2025**

Ambika Textiles Prints, Through Its Sole Proprietor Mr. Mohan Lal Khatri, Aged about 64 years, R/o Jagannathpura, Diggi Road, Jaipur, Rajasthan.

----Petitioner

Versus

Respondent/Execution Applicant/Award Holder:

1. M/s Advent Envirocare Technology Pvt. Ltd., Ahmedabad, Address - A-1, 8Th Floor, Safal Profitaire, Corporate Road, Satellite, Ahmedabad- Gujarat-380015.

Respondent/Non Applicant/Award Debtor:

2. M/s Sanganer Enviro Project Development, Jaipur, Address-Shop No. 7, Maruti Colony Opposite Chaudhary Tent House, Sanganer, Jaipur -302029.

Respondent/Objecioner- Applicant:

3. Sanganer Kapada Rangai Chapai Association, Having Its Head Office At Prakash Textiles Building, Main Road, Sanganer Through Its President.

Respondent:

4. The District Collector, Jaipur

----Respondents

**S.B. Civil Writ Petition No. 9182/2025**

Salasar Creation, Through Its Sole Proprietor Sh. Gopal Lal

Agarwal S/o Satyanarayan Agarwal, Aged About 52 Years, R/o 171 Chikitshyalaya Marg, Govind Nagar Paschim, Amer Road, Jaipur.

----Petitioner

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd, Ahmedabad, Address-A-1, 8Th Floor, Safal Profitaire, Corporate Road, Satellite, Ahmedabad- Gujarat 380015.

----Award Holder/Execution

Applicant/Respondent

2. M/s Sanganer Enviro Project Development, Jaipur, Address- Shop No. 7, Maruti Colony Opposite Chaudhary Tent House, Sanganer, Jaipur-302029.

----Non Applicant/Award Debtor/Respondent

**S.B. Civil Writ Petition No. 9266/2025**

S.K. Desiging Works, Through Its Sole Proprietor Yusuf Khan S/o Babu Khan Aged About 55 Years, R/o C-181 Sanjay Nagar, Bhatta Basti, Shastri Nagar, Jaipur

----Petitioner

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd., Ahmedabad, Address- A-1, 8Th Floor, Safal Profitaire, Corporate Road, Satellite, Ahmedabad- Gujarat 380015.

----Award Holder/Execution Applicant/Respondent

2. M/s Sanganer Enviro Project Development, Jaipur, Address- Shop No. 7, Maruti Colony Opposite Chaudhary Tent House, Sanganer, Jaipur- 302029.

----Non Applicant/Award Debtor/Respondent

**S.B. Civil Writ Petition No. 9473/2025**

Tirupati Udyog, Through Its Sole Proprietor Jitendra Jain, aged about 54 years, R/o Khadi Gram, Udyog Road, Jaipur Gate, Jaipur, Rajasthan.

----Petitioner

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd., Ahmedabad, Address-A-1, 8Th Floor, Safal Profitaire, Corporate Road, Ahmedabad- Gujarat 380015.

----Execution Applicant/Award Holder/Respondent

2. M/s Sanganer Enviro Project Development, Jaipur, Address- Shop No. 7, Maruti Colony Opposite Chaudhary Tent House, Sanganer, Jaipur-302029.

----Non-Applicant/Award Debtor/Respondent

3. Collector, Collectorate, Bani Park, Jaipur.
4. Sanganer Kapada Rangai Chapai Association, Having Its Head Office At Prakash Textiles Building, Main Road, Sanganer Through Its Authorized Signatory Mahesh Chandra Jhalani S/o Shri S.N. Jhalani R/o D-193, Amrapali Marg, Hanuman Nagar, Jaipur, Rajasthan.

----Respondents

**S.B. Civil Writ Petition No. 10104/2025**

Prakash Prints, Through Its Sole Proprietor Prakash Khatri, Aged About 59 Years R/o Muhana Road, Sanganer, Jaipur, Rajasthan.

----Petitioner

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd., Ahmedabad, Address-A-1, 8Th Floor, Safal Profitaire, Corporate Road, Ahmedabad- Gujarat 380015.

----Execution Applicant/Award Holder/Respondent

2. M/s Sanganer Enviro Project Development, Jaipur, Address- Shop No. 7, Maruti Colony Opposite Chaudhary Tent House, Sanganer, Jaipur- 302029

----Non-Applicant/Award Debtor/Respondent

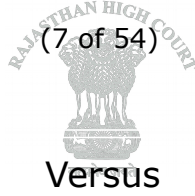
3. Collector, Collectorate, Bani Park, Jaipur.
4. Sanganer Kapada Rangai Chapai Association, Having Its Head Office At Prakash Textiles Building, Main Road, Sanganer Through Its Authorized Signatory Mahesh Chandra Jhalani S/o Shri S.N. Jhalani R/o D- 193, Amrapali Marg, Hanuman Nagar, Jaipur, Rajasthan.

----Respondents

**S.B. Civil Writ Petition No. 10706/2025**

Aakash Dayars, Through Its Sole Proprietor Sh. Tikam Chand Jain S/o Mohan Lal Jain Aged About 48 Years, R/o 18 Shyam Vihar Colony, Behind Kohinoor Residency, Sanganer, Jaipur.

----Petitioner



Versus

1. M/s Advent Envirocare Technology Pvt. Ltd.,  
Ahmedabad, Address- A-1, 8Th Floor, Safal Profitaire,  
Corporate Road, Satellite, Ahmedabad- Gujarat 380015  
-----Execution Applicant/Respondent
2. M/s Sanganer Enviro Project Development, Jaipur,  
Address- Shop No. 7, Maruti Colony Opposite Chaudhary  
Tent House, Sanganer, Jaipur 302029  
-----Non-Applicant/Award Debtor/Respondent

**S.B. Civil Writ Petition No. 11019/2025**

R. K. Dyers, Through Its Sole Proprietor Sh. Suresh Kumar Jain  
S/o Ratan Lal Jain, Aged About 55 Years, R/o 50 Shyam Vihar  
Colony, Behind Kohinoor Residency, Sanganer, Jaipur.  
-----Petitioner

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd.,  
Ahmedabad, Address- A-1, 8th Floor, Safal Profitaire,  
Corporate Road, Satellite, Ahmedabad- Gujarat 380015
2. M/s Sanganer Enviro Project Development, Jaipur,  
Address- Shop No. 7, Maruti Colony Opposite Chaudhary  
Tent House, Sanganer, Jaipur 302029  
-----Respondents

**S.B. Civil Writ Petition No. 11020/2025**

R K Bleaching Works, Its Sole Proprietor Devraj Jain S/o  
Rakesh Kumar Jain, Aged About 51 Years, R/o 66, Milap Nagar,  
Tonk Road, Jaipur.  
-----Petitioner

Versus

1. M/s Advent Envirocare Technology Pvt. Ltd.,  
Ahmedabad, Address- A-1, 8Th Floor, Safal Profitaire,  
Corporate Road, Satellite, Ahmedabad- Gujarat 380015
2. M/s Sanganer Enviro Project Development, Jaipur,  
Address- Shop No. 7, Maruti Colony Opposite Chaudhary  
Tent House, Sanganer, Jaipur 302029  
-----Respondents

For Petitioner(s) : Mr. Rajendra Prasad, Advocate  
 General with Ms. Dhriti Ladha  
 Mr. Sheetanshu Sharma  
 Ms. Harshita Thakral  
 Mr. Tanay Goyal  
 Mr. Amit Puri with  
 Mr. Anant Shankar Sharma  
 Mr. Nikhil Simlote  
 Major R.P. Singh, Sr. Adv. with  
 Mr. Jaivardhan Singh Shekhawat  
 Mr. Ashrat Poonia  
 Mr. Punit Singhvi with  
 Ms. Shrada Mehta  
 Mr. Harish Kandpal  
 Mr. Ayush Singh  
 Ms. Disha Verma  
 Ms. Suhani Singh  
 Mr. Rahul Kamwar with  
 Mr. Shubham Rohila  
 Mr. Vaibhav Nirmal  
 Mr. Bharat Kumar Todi  
 Mr. Lakshya Sharma  
 Mr. Rhishi Raj Maheshwari with  
 Mr. Himanshu Jain  
 Ms. Apoorva Agarwal  
 Mr. Divyansh Choudhary  
 Mr. Yashraj Kumawat  
 Mr. Jatin Sharma

For Respondent(s) : Mr. N.K. Maloo, Sr. Advocate  
 Mr. Ashok Mehta, Sr. Advocate  
 assisted by Mr. Mudit Singhvi,  
 Mr. Arjun Seth through VC  
 Ms. Priya Khuomlavi  
 Ms. Anubha Singh  
 Mr. Hemant Kothari with  
 Mr. Shubham Vijay  
 Mr. Parneet Kaur  
 Ms. Suhani Tiwari  
 Mr. Ajay Singh Rajput

**HON'BLE MR. JUSTICE SAMEER JAIN**

**Judgment**

1.	Arguments Concluded on:	22/01/2026
2.	Judgment Reserved on:	22/01/2026
3.	Full Judgment/Operative Part Pronounced:	Full Judgment
4.	Pronounced on:	17/03/2026

**REPORTABLE:**

1. In the present batch of writ petitions, the scope of the controversy involved, albeit not limited to but is broadly and predominantly defined by the challenge raised against the order dated 14.02.2025 passed by Jaipur Metropolitan-II, Jaipur in Execution Petition No. 1604/2023 (CIS No. 1643/2023) titled M/S. Advent Envirocare Technology Pvt. Ltd. v. M/S Sanganer Enviro Project Development Jaipur, thereby accepting the alternate prayer of the award holder and issuing several directions which are absolutely sans authority of law and having disastrous consequences. Consequently, considering the fact that the writ petitions warrant adjudication on common questions of law and fact; with the consent of learned counsel appearing on behalf of all the parties, **S.B. Civil Writ Petition No. 6884/2025** titled as **State of Rajasthan and Anr. v. M/S Advent Envirocare Technology Ovt. Ltd. & Anr.**, is being taken up as the lead case. It is cautiously clarified that any discrepancies in the present batch of writ petitions, pertain purely to the factual narratives contained therein and not vis-a-vis the questions of law to be determined by this Court; the instant judgment shall be applicable on all the petitions connected herein/henceforth on *mutatis mutandis* basis.
2. For the sake of convenience and with a view to obtaining a comprehensive bird's-eye perspective of the controversy involved in the present *lis*, the reliefs sought in the lead petition, along with the impugned findings recorded in the order dated 14.02.2025, are reproduced hereinbelow for ready reference and proper adjudication:

The reliefs sought in the lead petition are as follows:

- a) *Issue an appropriate writ, order, or direction whereby the impugned order dated 14.2.2025 (Annex.10) passed by the learned Commercial Court No.1, Jaipur Metropolitan-II particularly the directions issued in para 165 and its sub-paras may kindly be quashed and set-aside;*
- b) *Any other appropriate order or direction which the Hon'ble Court may deem just, proper in the facts and circumstances of the case may kindly be passed in favour of the Petitioners;*
- c) *Cost of the writ petition may also be awarded to the Petitioners."*

The impugned findings recorded in the order dated 14.02.2025 passed in the Execution Petition No. 1604/2023 are as follows:

**"165. Therefore, while accepting the alternative prayer of the award holder, it is ordered as follows:**

**A. As a natural consequence of piercing/lifting the corporate veil of the award debtor, i.e. the SPV, the Directors and shareholders/members of the award debtor, i.e. the SPV, who are also the office bearers/members of the Association and the Samiti and for that matter also the Government of Rajasthan through the Collector Jaipur, he being the Chairman of the Samiti are held jointly and severely liable to pay off the dues of the award holder as payable under the award in question, subject, however, to the principle 'Pay and Recover' in case the Government of Rajasthan is made to pay off the dues of award holder under the award in question;**

**B. However, having regard to the principle 'Polluter Pays', in the first instance, the court is inclined to proceed against the Directors and shareholders/members of the award debtor, i.e. the SPV, who are also the office bearers/members of the Association. As such the**

**attachment of the very premises of the textile units belonging to the Directors and members/shareholders of the award debtor, i.e. the SPV, who are also the office bearers/members of the Association coupled with the movable items lying therein is ordered, in exercise of the powers conferred under Order XXI Rule 54 and under XXI Rule 30 of the CPC, respectively.**

**C. Further, the court, in exercise of powers conferred by Section 51(e) r/w section 151 of the CPC, also orders the simultaneous seizure of such attached premises coupled with movables lying therein.**

**D. Attachment and seizure as aforesaid shall be carried out in the order in which it is shown in the list of members of the award debtor, i.e. the SPV as on 31.03.2023 (page Nos. 655 to 673 as marked in the red ink).**

**E. However, the premises and movables lying therein belonging to other textile units operating in the Sanganer region shall also be liable for attachment and seizure aforesaid, if the Board and the Collector Jaipur find such units liable to contribute the payment of dues under the award in question in terms of the principle 'Polluter Pays'.**

**F. Attachment warrant with the endorsement of seizure of aforesaid textile units be issued accordingly returnable by 01.03.2025 after submission of requisite process fee by the award holder. The list of members of the award debtor, i.e. the SPV as on 31.03.2023 (page Nos. 655 to 673 as marked in the red ink) be enclosed with the attachment warrant for compliance of the directions aforesaid.**

**G. In case the amount due to the award holder under the award in question is not paid by such unit holders within 03 months from today, then the premises and movables so attached be put to sale through open auction by the authorized officer of the court with the assistance provided by the Board and the Collector, Jaipur. However, the attached premise shall be put to sale, not as textile units, but merely as a structure like other immovable property for any lawful use as**

***permissible under the law after fulfilling all legal requirements.***

***H. In such an eventuality as stated in Clause F aforesaid, the recovery proceedings shall be directed against the office bearers/members of the Samiti and for that matter against the Government of Rajasthan through the Collector Jaipur and the Collector Jaipur shall then stand restrained from drawing his salary till award in question is fully satisfied, which is hereby ordered in exercise of powers conferred by Section 51(e) r/w Section 151 of the CPC.***

***I. The Regional Officer of the Board as well as the Collector Jaipur are directed to provide necessary support to the officer of the court as authorized in this regard in his endeavor to comply with the aforesaid directions of the court.***

***J. The Commissioner of Police, Jaipur Metropolitan is also directed to provide necessary police assistance, whenever asked by the authorized officer of the court, if required in his endeavor to comply with the aforesaid directions of the court. An order in this regard be issued in the name of the Commissioner of Police, Jaipur Metropolitan and be given Dasti to the authorized officer of the court for seeking police assistance, if required.***

***K. However, in terms of the principle of 'Pay and Recover' the Government of Rajasthan is given an alternative option to first pay off the dues as payable under the award in question through its suitable instrumentality and then recover the same from such textile units in the similar fashion in which it is being recovered or proposed to be recovered in respect of the balance work being carried out by the JDA, if the Government wishes the court not to adopt the aforesaid course.***

***L. A notice be issued to the deponent of additional affidavit dated 15.10.2024, i.e. Shri Rajendra Kumar Jeendgar, one of the Directors of the award debtor calling his explanation within 15 days from receipt of the notice as to why the proceedings for filing aforesaid additional affidavit with false averments vis-a-vis fully***

**functional status of the CETP in respect of 192 textile units be not initiated against him.**

**M. A notice be also issued to the authors of the present status report of inspection of the CETP dated 16.01.2025, i.e. the RO, Shri Neeraj Sharma, the Supdt. SO, Shri Vimal Poswal and the JEE, Shri Ramswaroop Choudhary calling their explanation within 15 days from receipt of the notice as to why the proceedings for filing aforesaid report with clever drafting using maneuvering language to create a false impression vis-a-vis partially functional status of the CETP in the past in respect of 192 textile units amounting to misleading the court thereby obstructing the due course of justice further amounting to criminal contempt be not initiated against them.**

**N. A copy of this order be sent to the Chief Secretary, Government of Rajasthan, Jaipur, the Collector, Jaipur, the Regional Officer of the Board and the Commissioner, JDA for information and necessary action, who shall submit the action taken report in the court by 1.3.2025.**

**O. The office is directed to proceed accordingly.**

**166. Accordingly, the objection applications filed on behalf of the Bank and the award debtor are hereby dismissed being devoid of merit.**

**167. Whereas, the objection application filed by the Association is partly allowed and as of now the action of attachment and sale of the CETP as an initial measure is deferred till all other modes of execution of the award in question are exhausted/drained off.”**

**(Emphasis supplied)**

3. At the very threshold, and before adverting to the merits and intricacies of the controversy involved, this Court considers it apposite to delineate, in a succinct manner, the relevant sequence of events forming part of the present litigation:

3.1 That vide order dated 06.03.2025 passed in D.B. Civil Miscellaneous Appeal No. 1048/2025, while taking note of the preliminary objection raised with respect to the maintainability of the appeal, the Division Bench was pleased to grant interim protection in the following terms:

*"In the meantime, the operation of the impugned order to the extent wherein the corporate veil has been lifted and the Directors, shareholders and members of the SPV have been directed to pay the awarded amount, shall remain stayed till the next date."*

3.2 That by virtue of the aforesaid interim order, the application seeking leave to appeal was, at that stage, disposed of as having been rendered infructuous.

3.3 That thereafter, on 22.04.2025, upon a prayer made by the learned Advocate General under instructions, the appeal was directed to be treated and converted into a writ petition.

**BRIEF FACTS:**

4. That a society in the name Sanganer Pradushan Niwaran Samiti, Sanganer (hereinafter referred to as "the Samiti") came to be constituted with the avowed object of addressing and mitigating the grave environmental concerns emanating from the dyeing and printing activities undertaken by textile industries situated in the Sanganer area. The primary purpose underlying the constitution of the Samiti was to devise and implement a structured mechanism for the treatment and disposal of industrial effluents so as to ensure compliance with environmental norms and statutory mandates governing pollution control.

4.1 In furtherance of the aforesaid objective, the Samiti was entrusted with the responsibility of establishing, commissioning, and operating a Common Effluent Treatment Plant (hereinafter referred to as "CETP"), intended to collectively process and treat effluents generated by member textile units, thereby curbing the discharge of untreated waste into the environment and safeguarding public health and ecological balance.; an for the purpose of facilitating the establishment of the CETP, the Jaipur Development Authority (hereinafter referred to as "JDA") allotted in favour of the Samiti a parcel of land admeasuring 11,310.70 square metres at concessional rates, vide allotment letter dated 23.07.2013.

4.2 The said allotment was made specifically to enable the Samiti to set up the CETP infrastructure and undertake its operational activities in accordance with the applicable statutory framework and environmental guidelines; and that the allotment of land at concessional rates by JDA was intrinsically linked to the public purpose sought to be achieved, namely, environmental protection and pollution abatement in the Sanganer industrial cluster.

5. The Sanganer Kapda Rangai Chapai Association, Sanganer (hereinafter referred to as "the Association") invited tenders for engagement of a Project Execution Company for establishment of a CETP at Sanganer; pursuant thereto, Respondent No. 1 was selected and a contract dated 24.07.2015 was executed between the parties for implementation of the Project at a total project cost of Rs. 145 Crore for establishment of a 12.3 MLD system with

Zero Liquid Discharge. Respondent No. 1 was appointed as the Project Implementation Agent. The Association, with a view to secure financial assistance for execution of the Project, applied for grant-in-aid from the State Government and the Central Government under the Integrated Processing Development Scheme (hereinafter referred to as IPDS). In terms of the IPDS guidelines, constitution of a Special Purpose Vehicle (SPV) was mandatory for implementation of the Project. The funding pattern prescribed under the Scheme envisaged:

- 50% contribution by way of Central grant-in-aid;
- 25% contribution by way of State grant-in-aid;
- 10% through bank loan; and
- 15% through members' contribution.

6. Consequentially, the actual financial contributions made towards the Project were as follows:

- Central Government: Rs. 37.5 Crore;
- State Government: Rs. 39.75 Crore;
- Bank Loan: Rs. 15 Crore;
- Members' Contribution: Rs. 29.25 Crore;
- Additional Contribution by Members: Rs. 8.11 Crore.

Making the total expenditure incurred aggregated to Rs. 129.61 Crore.

7. Respondent No. 2 was duly incorporated as a SPV for the purpose of discharging the functions and obligations contemplated under the IPDS, and the Samiti handed over possession of the land allotted for establishment of the CETP to Respondent No. 2-SPV on 28.12.2015. Subsequently, in furtherance of the Central

Government Scheme, a fresh agreement dated 03.09.2016 was executed between the SPV and M/s Advent Envirocare Technology Pvt. Ltd. (hereinafter referred to as the "Project Execution Company"), in supersession of the earlier contract. The said agreement expressly delineated the earlier tender and execution, rendering the same void. Consequentially, a notice to proceed was issued on 08.09.2016. Further, it is noted that Respondent No. 2 had already disbursed a sum of Rs. 126.60 Crore to Respondent No. 1, and the balance amount was payable upon completion of the remaining work, out of the residual grants to be received from the Central Government. However, the Central Government did not accept the completion of the work and, consequently, did not release the remaining grant.

8. Being aggrieved thereof, instead of invoking appropriate legal remedies before the competent court for release of the said grant, Respondent No. 1 preferred an application before the MSME Council, and the same is *ultra vires* to the applicable jurisdiction and scope of interference.

**ERSTWHILE LITIGATION :**

9. The impugned order dated 14.02.2025 (Annexure-10) has been passed in the backdrop of prior proceedings initiated by Respondent No. 1, who had earlier approached the National Green Tribunal, Bhopal on 04.08.2023 in relation to the running of the CETP; however, the NGT dismissed the said application as misconceived and not maintainable, holding that it was filed in furtherance of Respondent No. 1's commercial interest and did not

fall within the ambit of Sections 14, 15 and 18 of the National Green Tribunal Act, 2010.

10. It is noted that Respondent No. 1, as Award Holder, had also initiated proceedings before the Micro and Small Enterprises Facilitation Council, Gujarat, which culminated in Arbitral Award No. 11/2021 dated 03.09.2021 for a sum of Rs. 52,50,46,583/-, whereafter execution proceedings were instituted against Respondent No. 2-SPV (Award Debtor), transferred from the Court of the Principal Senior Civil Judge, Gandhinagar to the Commercial Court, Jaipur vide order dated 24.03.2023, and the objections preferred therein by Respondent No. 2 and Union Bank were subsequently dismissed.

**SUBMISSIONS BY LEARNED COUNSEL REPRESENTING THE PETITIONERS :**

11. At the outset, learned counsel appearing in behalf of the petitioners have contended that the Executing Court acting beyond its jurisdiction, upon noticing that the responsibility of making CETP functional was of the government of Rajasthan (hereinafter referred to as "government"), issued directions vis-à-vis the government, which is wholly sans jurisdiction and contrary to the settled principles governing execution proceedings. It was submitted that the Executing Court cannot travel beyond the decree/award, as it is a settled proposition of law that an Executing Court is bound by the decree/award and cannot go behind or beyond it. Execution proceedings are required to be carried out strictly in accordance with the provisions of the Code of Civil Procedure, 1908 (hereinafter referred to as "CPC") and the

powers of the Executing Court are circumscribed by the decree sought to be executed and by the statutory framework under the CPC.

12. At this juncture, the attention of the Court was drawn upon the fact that in terms of Section 47 CPC, the questions that are to be determined by the Executing Court are limited to those relating to the execution, discharge, or satisfaction of the decree, and the Executing Court cannot adjudicate fresh liabilities, nor can it determine the rights of third parties who were not parties to the decree or award, as in the matter at hand is the government. It was further argued that the Respondent No. 1–Award Holder filed an execution application against Respondent No. 2–Award Debtor before the learned Commercial Court seeking attachment and other reliefs. However, no specific averments were made in the execution application seeking lifting of the corporate veil for the purposes of execution; and despite the absence of such pleadings or prayer to that effect, the learned Executing Court proceeded to pierce the corporate veil while executing the award passed by the MSME Council.

13. It was submitted that even otherwise, the Executing Court was required to examine whether such a relief could at all be granted in execution proceedings and whether it possessed the requisite jurisdiction to do so, however, the said exercise was not undertaken. Therefore, it can be deduced that the action by the learned Executing Court, while executing the award, and lifted the corporate veil of Respondent No. 2–Award Debtor and making its Directors, shareholders, and members personally liable, is

arbitrary and beyond the permissible jurisdiction. The liability was extended even to the members of the SPV who also functioned as office bearers of the Samiti and the Association. Further, the Government, through the Collector, Jaipur (in his capacity as Chairman of the Samiti), was held jointly and severally liable by invoking the principle of "pay and recover" and the "polluter pays" principle, and consequently, directions were issued for attachment of the premises of the textile units along with their movable assets. It was further ordered by the learned Executing Court that in the event of non-payment within the stipulated period, the textile units would be attached and sold as regular immovable property rather than as functioning industrial units. Additionally, the Collector, Jaipur, was restrained from drawing his salary until full satisfaction of the award. Howsoever, none of the aforesaid persons were parties either before the MSME Council or in the execution proceedings. Therefore, fastening liability upon them in execution amounts to adjudicating fresh rights and obligations, is impermissible in law.

14. In support of the said arguments, learned counsel have placed reliance upon the ratio encapsulated in **Topanmal Chhotamal v. Kundomal Gangaram & Ors.:AIR 1960 SC 388**, **Rameshwar Das Gupta v. State of U.P. & Ors. :(1996) 5 SCC 728**, **Rajasthan Finance Corporation v. Man Industrial Corporation Ltd. (2003) 7 SCC 522**, and **Meenakshi Saxena & Ors. v. ECGC Ltd. & Ors.: 2018 (7) SCC 479**, and it was further contended that these precedents unequivocally hold that an Executing Court cannot go beyond the decree, cannot enlarge

its scope, and cannot determine questions unrelated to execution, discharge, or satisfaction thereof. However, in the present case, as the award was passed by the MSME Council, the Executing Court was duty-bound to execute the award strictly as it stood. By lifting the corporate veil, fastening personal liability on Directors, shareholders, SPV members, and even the Government functionary, and by issuing coercive directions including attachment and restraint on salary of the Collector, Jaipur, the learned Executing Court has clearly exceeded its jurisdiction.

15. Learned counsel for the petitioners further submitted that under Order XXI Rule 46D CPC (Procedure where debt belongs to third person), where a debt is alleged to belong to a third party, notice is mandatorily required to be issued to such party, and in case of non-appearance, the procedure under Order XXI Rule 46E CPC (Order as regards third person) is to be followed. In the present case, from paragraphs 18 and 19 of the impugned order, it is evident that the learned Executing Court neither issued notice to any third party nor followed the prescribed procedure. Instead, it merely observed that an opportunity be afforded to the State Government to explore satisfaction of the award amount through alternative arrangements and directed Respondent No. 2 to file a detailed affidavit regarding the status of the CETP and its movable and immovable properties. Ultimately, the learned Executing Court passed directions shifting the entire liability, beyond the award, upon the petitioners by applying the “pay and recover” principle, which is arbitrary and contrary to the settled principles governing execution proceedings as per the ratio encapsulated in

**Ramesh Singh V. State of Haryana and Ors. : (1996) 4 SCC 469** and **Panihati Municipality & Ors. V. Manjiri Brahma & Ors.: 2015 (3) CalJ 141.** For the sake of handiness, the relevant extract as referred herein during the course of arguments is reproduced hereinbelow:

*"18. At the same time upon having noticed that the responsibility of making the CETP fully functional was ultimately that of the Government of Rajasthan, the court also deemed it expedient in the interests of justice to make the Government of Rajasthan through the Chief Secretary as well as the District Collector, Jaipur aware of the proposed action of attachment and sale of the CETP itself.*

*19. It was with a view of affording an opportunity to the State Government to explore and ensure if the amount payable to the award holder under the award in question is paid by making some alternate arrangement."*

16. It was further contended that Section 51 of the CPC (Powers of Court to enforce execution) delineates the powers of the Court in the matter of execution and enumerates the various modes by which a decree may be enforced. The said modes are applicable only against the judgment-debtor/award-debtor and do not extend to fastening liability upon third parties. It was submitted that the learned Executing Court has purportedly exercised powers under Section 51(e) CPC while passing the impugned order and issuing the directions contained therein. However, the said provision does not confer jurisdiction upon the Executing Court to execute an award beyond the terms of the decree or to grant reliefs not

forming part of the award. It was further urged that a conjoint reading of Order XXI Rule 30 (Decree for payment of money) with Rule 64 CPC (Power to order property attached to be sold and proceeds to be paid to person entitled) makes it unequivocally clear that the Executing Court may order attachment and sale of such property as it deems necessary for satisfaction of the decree. The statutory scheme thus contemplates that any attachment or sale must be strictly confined to the extent required to satisfy the decretal amount, and no sale can be permitted beyond the decretal liability.

17. Unfolding the submissions further, it was contended that the doctrine of piercing the corporate veil can be invoked only in exceptional circumstances, namely where there are specific allegations or apprehensions of fraud, improper conduct, or where the governing statute itself contemplates lifting of the corporate veil. It was submitted that even in such circumstances, the veil may be lifted only qua the persons who are in-charge of and responsible for the management of the affairs of the company, and not against each and every member or shareholder. It was apprised to the Court that Respondent No. 1 – the award holder did not implead the State, the Samiti, or the Association as parties to the claim petition before the MSME Council, nor were any pleadings raised against them therein. Likewise, the Directors were not parties to the proceedings culminating in the award and were also not impleaded in the execution petition. It was further submitted that in the execution proceedings there are no averments whatsoever alleging fraud or improper conduct. In such

circumstances, the learned Executing Court has unjustifiably invoked the provisions of Order XXI Rules 54 (Attachment of immovable property) and 30 CPC and directed attachment of the properties of persons who are not award-debtors. It was also submitted that by issuing such directions, without affording an opportunity of hearing, the learned Executing Court has proceeded to adjudicate upon the rights and liabilities of parties who were complete strangers to the execution proceedings, which action is wholly unsustainable in law.

18. It was further contended that Section 8 of the Rajasthan Societies Registration Act, 1958 expressly stipulates that no personal liability can be fastened upon the office bearers and members of the Samiti in respect of the obligations of the society. It was submitted that the Association is also a body corporate within the meaning of the Industrial Code, 2020 as well as under the repealed Industrial Disputes Act, 1947, and thus possesses a distinct legal personality separate from its members. In view thereof, the members of the Samiti and the Association cannot, in law, be treated as personally liable for the liabilities of such entities. For the sake of handiness the relevant provision is reproduced herein below:

**8. Enforcement of judgment against society: - (1)**

*If a judgment shall be recovered against a person or officer on behalf of the society, such judgment shall not be put in force against the property movable or immovable, or against the body of such person or officer but against the property of the society.*

*(2) The application for execution shall set forth the judgment, the fact of the party against whom it shall have been recovered having sued or having been sued, as the case may be, on behalf of the society only and*

*shall require to have the judgment enforced against the property of the society.*

19. Auxiliary, placing reliance upon Clause 7 of the Memorandum of Association, it was urged that the liability of the members is expressly limited. Further, Clause 8 thereof provides that, in the event of winding up of the company, the liability of each member shall not exceed a sum of Rs. 5,000/-. Therefore, even assuming, arguendo, that any liability could be fastened upon the members, the learned Executing Court could not have directed attachment and sale of all the textile units. It was also fairly conceded that the members have, in fact, already contributed amounts in excess of what they were otherwise liable to contribute under the governing documents. For the sake of convenience the relevant clauses from the MoA are reproduced herein below:

*"8. Each member undertakes to contribute to the assets of the company in the event of its being wound-up while he is a member or within one year afterwards, for payment of the debts or liabilities of the company contracted before he ceases to be a member and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories **among themselves such amount as may be required not exceeding Rs. 5,000/- (Rupees five thousand).**"*

20. Further, in support of the submissions noted insofar, learned counsel had placed reliance upon a catena of judgments, *inter alia*, **LIC V. Escorts Ltd. & Ors. [AIR 1986 SC 1370]**, **Steel Authority of India Ltd. V. National Union Water Front Workers & Ors. [AIR 2001 SC 3257]**, **Balwant Rai Saluja & Anr. V. Air India Ltd. & Ors. [AIR 2015 SC 375]**, **Mitsui OSK**

**Lines Ltd. (Japan) V. Orient Ship Agency Pvt. Ltd. [2020 SCC Online Bom 217], Balmer Lawrie & Co. Ltd. V. Saraswathi Chemicals Proprietors [2017 SCC Online Del 7519], V.K. Uppal V. Akshay International Pvt. Ltd. [2010 SCC Online Del 538], Delhi Chemicals & Pharmaceutical Works Pvt. Ltd. & Anr. V. Himgiri Realtors Pvt. Ltd. & Anr. [2021 0 Supreme (Del) 401] & P. Nachimuthu Gounder (Died) & Ors. V. M/s Terra Manufacturing & Sales [2023 0 Supreme (Mad) 1353].**

21. It was further contended that the invocation of the "Polluter Pays" principle in the present matter is wholly arbitrary and unsustainable in law. The said principle mandates that the financial burden of preventing or remedying pollution must fall upon the undertaking responsible for causing such pollution. In the present case, the contractual stipulations clearly provide that the operation and management of the CETP were to be undertaken by Respondent No. 1, and therefore, any liability arising therefrom cannot be shifted upon the Government. It was urged that the attempt to invoke the said principle is merely an effort on the part of Respondent No. 1 to evade its own contractual obligations. It was submitted that the learned Executing Court lacks jurisdiction to adjudicate and fasten liability upon third parties, particularly without affording them an opportunity of hearing i.e. sans following the principle of *audi alteram partem*, and that too on the basis of the "Polluter Pays" principle, which would require a substantive adjudication beyond the scope of execution proceedings. It was also brought to the

notice of this Court that, in view of the provisions of Sections 14, 15 and 18 of the National Green Tribunal Act, 2010, the learned Tribunal had dismissed the application made by the respondents. However, the respondents have concealed the said fact in the proceedings before the learned Executing Court.

22. It was further submitted that certain directions with regard to the establishment of a CETP were issued **Vijay Singh Punia v. Rajasthan State Board and Ors. [DB Civil Writ Petition No.2075/1994]**. Pursuant thereto, the tender for establishment of the CETP was awarded to Respondent No. 1, and a contract was executed inter-se Respondent Nos. 1 and 2, clearly delineating their respective roles, obligations, and responsibilities. It was contended that Respondent No. 1, under the guise of the directions issued in **Vijay Singh Punia (supra)**, has sought to divert and shift the contractual liability arising out of the establishment of the CETP upon the Government and the owners of the textile units, despite the obligations being specifically governed by the terms of the contract entered into between the parties. It was further urged that if the respondents were genuinely concerned with ensuring environmental compliance in light of the directions issued in **Vijay Singh Punia (supra)**, the appropriate course of action could be to institute contempt proceedings in accordance with law. Instead, the said judgment is invoked merely as a shield to justify their own failure to discharge contractual obligations and to deflect responsibility for their own acts and omissions.

23. It was further contended that the extent and nature of liability of the members of a company incorporated under Section 8 of the Companies Act, 2013 is specifically governed by Section 8(11) of the said Act. The provision clearly stipulates that any liability arises on account of default committed by the company or by its Directors and Officers. The proviso to Section 8(11) further delineates that action may be taken against those Officers who have conducted the affairs of the company in a fraudulent manner. It was averred that the corporate veil of a company cannot be lifted merely for the purpose of recovery or repayment of money, and invocation of such an extraordinary doctrine necessitates specific allegations and establishment of fraud, misconduct, or improper conduct on the part of an Officer of the company who is in control of its operations and management. In the absence of such foundational pleadings or findings, the piercing of the corporate veil is impermissible in law.

24. In view of the aforesaid submissions and the settled position of law, it was earnestly contended that the present petitions deserve to be allowed, and the impugned judgment and consequential directions be quashed and set aside.

**SUBMISSIONS MADE BY LEARNED COUNSEL**

**REPRESENTING THE RESPONDENTS :**

25. At the outset, learned counsel appearing for the respondents, while vehemently opposing the submissions advanced on behalf of the petitioners, contended that the Association comprises 807 textile industries approximately. It was submitted that, in furtherance of the objective to establish a CETP,

the State and its instrumentalities called upon the Association to initiate the tendering process. As a result, a tender dated 22.05.2015 was issued for establishment of a CETP having a capacity of 12.3 MLD, pursuant to which the work was awarded to Respondent No. 1 – the award holder, on 06.07.2015.

26. It was submitted that the construction and commissioning of the CETP were duly undertaken and completed by Advent; however, the payments due and payable to it were not released. It was further submitted that on 12.08.2019, Advent invoked the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 (MSME-D Act) by filing its claim for recovery of the outstanding amount, the principal sum being approximately Rs. 32,66,69,370/-, against SEPD. It was pointed out that the statutory scheme of the MSME-D Act provides for a mechanism of statutory arbitration at the instance of the Supplier for recovery of delayed payments along with interest from the Buyer. Since SEPD was the Buyer within the meaning of the Act, the claim was necessarily and exclusively filed against SEPD. It was contended that the MSME-D Act contemplates proceedings only against the Buyer, and other parties cannot be impleaded therein. It was further submitted that the Ministry of Textiles declined to release the second tranche of payment amounting to Rs. 22.50 crores on the ground that SEPD had failed to fulfill certain contractual obligations, most notably the completion of the intermediate pumping stations and the allied pipeline infrastructure, as the requisite land for the pumping stations had not been made available. Additionally, it was apprised to the Court

that even at present, the plant is being operated merely in a nominal or partial capacity, and approximately 1.25 crore litres of polluted water are being discharged daily. It was contended that the State has not proposed any viable alternative mechanism for ensuring payment of the decretal/awarded amount to the award holder. It was stoutly asserted that the conduct of the State demonstrates an unwillingness to ensure that the legitimate dues of the award holder are satisfied.

27. It was further submitted that the respondents had, at the appropriate stage and well prior in point of time, specifically sought the relief of piercing the corporate veil in the execution petition itself. It was also contended that three separate objectors entered appearance and filed objections in the execution proceedings. Firstly, SEPD filed its objections on 08.12.2023 (Annexure R-6), *inter alia* stating that the immovable property of the CETP was not liable to attachment as the same belonged to the Samiti. Secondly, the Union of India filed objections in April 2024, asserting that it had extended credit facilities upon mortgage and hypothecation of the CETP, and that the lending bank held a first charge over the said plant. Thirdly, the Association filed its objections in April 2024 (Annexure - R-7), contending that the Hon'ble Supreme Court is monitoring the progress and functioning of the CETP and, therefore, the same ought not to be attached, though execution could be pursued through other assets of SEPD. It was stated therein that neither the Samiti nor the State Government were impleaded as parties to the execution proceedings. Pursuant thereto, it was submitted that

while adjudicating upon the objections raised by the Association in the execution proceedings, and for the purpose of examining whether the corporate veil could be pierced in execution as well as to ascertain whether the CETP was, in fact, functional, the learned Commercial Court issued notices to the Chief Secretary, State of Rajasthan, the Collector, Jaipur, and the Rajasthan State Pollution Control Board. It was contended that despite due service of notices, none of the aforesaid authorities entered appearance before the learned Court. Save and except the filing of a status report by the Rajasthan State Pollution Control Board, the remaining authorities failed to avail themselves of the opportunity of hearing afforded by the learned Executing Court.

28. Resultantly, the objections preferred by SEPD and the concerned bank came to be dismissed. The objections filed by the Association were partly allowed vide order dated 14.02.2025. It was submitted that, upon an elaborate consideration of various judicial precedents, the learned Court arrived at the conclusion that the corporate veil could be pierced even at the stage of execution proceedings. In doing so, the learned Court took note of the fact that the textile industries, acting collectively through the Association, had awarded the contract to Advent, and that SEPD was, in essence, an alter ego constituted for the purpose of availing subsidy benefits. It was further contended that the learned Court invoked and expounded the well-recognized principle of "polluter pays" while justifying the piercing of the corporate veil in the facts and circumstances of the case. In support the contentions noted insofar, reliance was place upon the

ratio encapsulated in **Bhatia Industries and Infrastructure Ltd. v. Asian Natural Resources (India) Ltd. and Anr. : 2016 SCC OnLine Bom R 132, Delhi Airport Metro Express Private Limited Vs. Delhi Metro Rail Corporation Ltd. : 2023 SCC Online Del 1619, State of UP and Ors. Vs. Renusagar Power Co. and Ors. : (1988) 4 SCC 59, 1988 SCC Online SC 29, Delhi Development Authority Vs. Skipper Construction Co. Pvt. Ltd. and Anr. : (1996) 4 SCC 622, State of Rajasthan and Ors. Vs. Gotan Lime Stone Khanij Udyog Private Limited and Anr.: (2016) 4 SCC 469, Latest Judgment- Aligarh Muslim University Vs. Naresh Agarwal : 2025 (6) SCC 1, and AC Choksi Share Broker Vs. Jatin Pratap : 2025 (5) SCC 321.**

29. It was further submitted that the order dated 14.02.2025 was passed in proceedings for enforcement of an arbitral award, as contemplated under Section 36 of the Arbitration and Conciliation Act, 1996, which were pending before the learned Commercial Court. It was contended that the statutory scheme of the Arbitration and Conciliation Act, 1996 does not envisage the filing of a writ petition against orders passed in enforcement proceedings under Section 36. The Act provides for appeals only in the limited circumstances enumerated under Section 37 thereof, and the impugned order does not fall within any of the categories of appealable orders prescribed under the said provision. Whilst placing reliance upon Section 5 of the Arbitration and Conciliation Act, 1996, it was submitted that judicial intervention is expressly restricted to those instances specifically provided under the Act,

and since the impugned order is not appealable under Section 37, the present petition is barred and not maintainable in law. For the sake of handiness the relevant provisions are reproduced hereinbelow:

**"5. Extent of judicial intervention.—**

*Notwithstanding anything contained in any other law for the time being in force, in matters governed by this Part, no judicial authority shall intervene except where so provided in this Part.*

**37. Appealable orders.—**

*(1) [Notwithstanding anything contained in any other law for the time being in force, an appeal] shall lie from the following orders (and from no others) to the Court authorised by law to hear appeals from original decrees of the Court passing the order, namely:—*

*[(a) refusing to refer the parties to arbitration under section 8;*

*(b) granting or refusing to grant any measure under section 9;*

*(c) setting aside or refusing to set aside an arbitral award under section 34.]*

*(2) An appeal shall also lie to a court from an order of the arbitral tribunal—*

*(a) accepting the plea referred to in sub-section (2) or sub-section (3) of section 16; or*

*(b) granting or refusing to grant an interim measure under section 17.*

*(3) No second appeal shall lie from an order passed in appeal under this section, but nothing in this section shall affect or take away any right to appeal to the Supreme Court."*

30. In continuation of the aforesaid submissions, it was contended that a judicial order passed by a Civil Court is not amenable to writ jurisdiction under Article 226 of the Constitution of India. It was urged that the law is well settled that judicial orders of civil courts stand on a distinct footing from orders passed by statutory authorities or tribunals. It was further submitted that there exists no procedure in law enabling the High Courts to issue writs against subordinate courts in respect of their judicial orders. Judicial orders of civil courts are not subject to challenge by way of a writ of certiorari under Article 226 of the Constitution. In support of the said contention, reliance was placed upon the judgments enunciated in **Shalini Shyam Shetty v. Rajendra Shankar Patil**, reported in **(2010) 8 SCC 329**, and **Radhey Shyam v. Chhabi Nath**, reported in **(2015) 5 SCC 423**.

31. It was submitted on behalf of the petitioners that, as per the Memorandum of Association, the liability of each member is expressly limited to a sum of Rs. 5,000/- in the event contemplated therein. It was contended that even assuming such clause to be invoked, the maximum exposure of any member cannot exceed the stipulated amount. It was further argued that shareholders of a company who have duly paid the entire call money on the shares held by them cannot, in law, be called upon to make any further payment merely on account of the corporate veil having been lifted. It was also contended that the concept of limited liability of members is inherent in the Memorandum of Association of a company limited by shares as well as of a

company limited by guarantee. The stipulation in the Memorandum restricting the liability of members operates within the statutory framework governing such companies and does not *ipso facto* render members personally liable for the debts and obligations incurred by the company. In support of the aforesaid submissions, reliance was placed upon the judgment passed in **Bhatia Industries and Infrastructure Limited v. Asian Natural Resources India Limited & Anr.: 2016 SCC OnLine Bom 10695.**

32. In summation of the aforesaid submissions, it was contended that the individual textile industries, acting through the Association, were mandated by the State Government and its instrumentalities to establish CETP by initiating and participating in the tender process. For this purpose, a Committee comprising representatives of the Government authorities as well as industry stakeholders was constituted to facilitate, *inter alia*, allotment of land by the State. Subsequently, a SPV was also created for the purpose of availing benefits. It was submitted that the Association, the Committee, the SPV, and other related entities were essentially alter egos of one another, constituted to fulfill different regulatory and financial requirements in the process of establishing the CETP. Having regard to various orders passed by the High Court and the Hon'ble Supreme Court, as well as the active involvement of the judgment-debtor, the State, and its instrumentalities, it was contended that the establishment and functioning of the CETP constituted a joint venture and joint responsibility of all concerned stakeholders.

33. It was urged that the Court must take into account the substance and realities of the arrangement to prevent any party from evading its liability through technicalities. In these circumstances, it was submitted that the corporate veil was rightly pierced by the learned Court, and the impugned order warrants no interference.

### **DISCUSSION AND FINDINGS :**

34. Having bestowed anxious consideration to the rival submissions advanced at the Bar, perused the impugned order dated 14.02.2025 passed by Jaipur Metropolitan-II, Jaipur in Execution Petition No. 1604/2023 (CIS No. 1643/2023) titled M/S. Advent Envirocare Technology Pvt. Ltd. v. M/S Sanganer Enviro Project Development Jaipur, examined the material available on record, and scanned the judgments cited at the Bar, this Court proceeds to render its findings as under:

35. While it is correct that judicial orders of civil courts are generally not amenable to writ jurisdiction under Article 226, as held in **Shalini Shyam Shetty (supra)** but the dictum enunciated in **Radhey Shyam (supra)**, categorically states that the supervisory jurisdiction under Article 227 survives where, there is patent lack of jurisdiction, grave miscarriage of justice or violation of settled law. In the matter at hand it is noted that an Executing Court has traveled beyond the award and imposed liability on strangers to the decree, jurisdictional error is manifest, as in a matter which pertains to commercial dispute learned Executing Court adjudicated the merits of the case as a matter of Public Interest Litigation, resulting into an *ultra vires* exercise of

jurisdiction, and violating the principles of natural justice. Thus, interference is warranted. The constitutional purpose of Article 227 is supervisory and not appellate in character. The High Court does not act as a court of appeal to correct every error of fact or law committed by subordinate courts. Rather, the jurisdiction is intended to keep subordinate courts and tribunals within the bounds of their jurisdiction and to ensure that they exercise their authority in accordance with law; and as in the matter at hand the petition taken up as the lead case is filed under Article 227 of the Constitution of India, this Court is, cautiously deciphering that these petitions predominantly are filed, to invoke the supervisory jurisdiction of the High Court. The Hon'ble Supreme Court in **Surya Dev Rai v. Ram Chander Rai, (2003) 6 SCC 675**, explained that supervisory jurisdiction may be exercised where a subordinate court assumes a jurisdiction which it does not possess; fails to exercise jurisdiction which it is vested with; or exercises jurisdiction in a manner not permitted by law, resulting in grave injustice.

***"227. Power of superintendence over all courts by the High Court***

*(1) Every High Court shall have superintendence over all courts and tribunals throughout the territories interrelation to which it exercises jurisdiction."*

*(Emphasis laid)*

36. Further, reliance can also be placed upon the ratio encapsulated in **Whirlpool Corporation V. Registrar Of Trade Marks, Mumbai & Ors. : AIR 1999 SUPREME COURT 22**, relevant extract from which is reproduced hereinbelow:

"15. Under Article 226 of the Constitution, the High Court, having regard to the facts of the case, has a discretion to entertain or not to entertain a Writ Petition. But the High Court has imposed upon itself certain restrictions one of which is that if an effective and efficacious remedy is available, the High Court would not normally exercise its jurisdiction. But the alternative remedy has been consistently held by this Court not to operate as a bar in at least three contingencies, namely, where the writ petition has been filed for the enforcement of any of the Fundamental Rights or where there has been a violation of the principle of natural justice or where the order of proceedings are wholly without jurisdiction or the vires of an Act is challenged. There is a plethora of case-law on this point put to cut down this circle of forensic Whirlpool, we would rely on some old decisions of the evolutionary era of the constitutional law as they still hold the field.

16. *Rashid Ahmad v. Municipal Board, kairana, AIR 1960 SC 163*, laid down that existence of an adequate legal remedy was a factor to be taken into consideration in the matter of granting writs. This was followed by another *Rashid* case, namely, *K.S. Rashid & Son v. The Income- tax Investigation Commissioner, AIR 1954 SC 207*, which reiterated the above proposition and held that where alternative remedy existed, it would be a sound exercise of discretion to refuse to interfere in a petition under Article 226. This proposition was, however, qualified by the significant words, "unless there are good grounds therefor", which indicated that alternative remedy would not operate as an absolute bar and that writ petition under Article 226 could still be entertained in exceptional circumstances."

37. Having considered the objection with regard to maintainability, this Court is of the view that the bar contained in Section 5 of the Arbitration and Conciliation Act, 1996, which restricts judicial intervention in arbitral matters except where so provided under the Act, cannot be construed in a manner so as to render the supervisory jurisdiction of this Court nugatory. Section 36 of the said Act merely provides that an arbitral award shall be enforced in the same manner as if it were a decree of a civil court, thereby attracting the procedure governing execution under the Code of Civil Procedure, 1908. The executing court, therefore, derives only such authority as is necessary to enforce the award as it stands and cannot travel beyond the contours of the decree. Further, although Section 37 of the Act enumerates the limited categories of orders which are appealable, the absence of a statutory appeal against a particular order does not *ipso facto* bar the exercise of constitutional supervisory jurisdiction where the subordinate court is alleged to have acted without jurisdiction or in excess thereof. In the present case, the grievance raised by the petitioners is not directed against the arbitral award itself, but against the manner in which the learned Executing Court, while acting under Section 36 of the Act, is alleged to have travelled beyond the award and fastened liability upon entities who were neither parties to the arbitral proceedings nor judgment-debtors under the award. Such a contention raises a pure jurisdictional issue touching the legality of the execution proceedings. In these circumstances, the embargo under Section 5 cannot be read so expansively as to exclude the constitutional jurisdiction of this

Court to correct patent jurisdictional errors committed by courts subordinate to it. Accordingly, this Court is satisfied that the present petitions, assailing the jurisdictional exercise of the executing court, are maintainable in the limited supervisory jurisdiction of this Court.

**Issues for Consideration :**

Upon a conspectus of the pleadings and arguments, the following issues arise for determination before this Court:

- I. Whether the learned Executing Court, in proceedings before it could travel beyond the arbitral award and fasten liability upon persons/entities who were neither parties to the award nor impleaded as judgment-debtors amounting to apparent violation of the principles of natural justice and *audi alteram partem*?
- II. Whether the corporate veil could be pierced in execution proceedings in the absence of pleadings or findings of fraud, improper conduct, or statutory mandate?
- III. Whether invocation of the "Polluter Pays" principle was legally sustainable in execution proceedings so as to impose liability upon third parties without substantive adjudication?
- IV. Whether the procedure contemplated under Order XXI CPC, particularly Rules 30, 46D, 46E and 64, was duly complied with before attachment and consequential directions were issued?
- V. Whether the application of principle of alter ego for lifting of corporate veil, as stated by the respondents is justified?

38. Having formulated the issues for consideration, this Court proceeds to determine each issue independently and in detail, upon a comprehensive analysis of the statutory framework,

binding precedents, and the admitted factual matrix placed on record.

**I. Whether the learned Executing Court, in proceedings before it could travel beyond the arbitral award and fasten liability upon persons/entities who were neither parties to the award nor impleaded as judgment-debtors, amounting to apparent violation of the principles of natural justice and *audi alteram partem*?**

39. It is trite law that an Executing Court cannot go behind the decree. The decree must be executed as it stands. The jurisdiction is ministerial, not adjudicatory in the plenary sense. Section 36 of the Arbitration and Conciliation Act, 1996 governs the enforcement of arbitral awards. By virtue of Section 36(1), once the time for making an application under Section 34 has expired, or such application has been refused, the arbitral award 'shall be enforced in accordance with the provisions of the Code of Civil Procedure, 1908 in the same manner as if it were a decree of the Court.' Thus, enforcement proceedings under Section 36 are execution proceedings in substance, and the Executing Court derives its jurisdiction strictly from the decree or award sought to be enforced. The Executing Court therefore cannot assume a jurisdiction wider than what is contained in the award itself. Thus, enforcement proceedings assume the character of execution proceedings under the Code of Civil Procedure, 1908. For the sake of handiness the relevant provision from the Act of 1996 is reproduced hereinbelow:

**"36. Enforcement.**—(1) *Where the time for making an application to set aside the arbitral award under section 34 has expired, then, subject to the provisions of sub-section (2), such award shall be enforced in accordance with the provisions of the Code of Civil Procedure, 1908 (5 of 1908), in the same manner as if it were a decree of the court.*

*(2) Where an application to set aside the arbitral award has been filed in the Court under section 34, the filing of such an application shall not by itself render that award unenforceable, unless the Court grants an order of stay of the operation of the said arbitral award in accordance with the provisions of sub-section (3), on a separate application made for that purpose.*

*(3) Upon filing of an application under sub-section (2) for stay of the operation of the arbitral award, the Court may, subject to such conditions as it may deem fit, grant stay of the operation of such award for reasons to be recorded in writing:*

*Provided that the Court shall, while considering the application for grant of stay in the case of an arbitral award for payment of money, have due regard to the provisions for grant of stay of a money decree under the provisions of the Code of Civil Procedure, 1908 (5 of 1908).]*

*[Provided further that where the Court is satisfied that a Prima facie case is made out that,—*

*(a) the arbitration agreement or contract which is the basis of the award; or*

*(b) the making of the award, was induced or effected by fraud or corruption, it shall stay the award unconditionally pending disposal of the challenge under section 34 to the award.*

*Explanation.—For the removal of doubts, it is hereby clarified that the above proviso shall apply to all court cases arising out of or in relation to arbitral proceedings, irrespective of whether the arbitral or court proceedings were commenced prior to or after the commencement of the Arbitration and Conciliation (Amendment) Act, 2015 (3 of 2016).]"*

40. The Hon'ble Supreme Court in **Topanmal Chhotamal (supra)** held that the Executing Court must execute the decree as

it stands and cannot question its correctness or enlarge its scope. Similarly, in **Rajasthan Financial Corporation (supra)**, it was reiterated that the Executing Court cannot grant relief not contained in the decree. In the present case, upon perusal of the material available on record it is noted that the MSME award was passed against SEPD as the Buyer; the State, Samiti, Association, Directors, shareholders and members were not parties before the MSME Council; the MSME-D Act contemplates statutory arbitration between Supplier and Buyer only; no decree exists against the petitioners herein; yet, the learned Executing Court fastened liability upon them by lifting the corporate veil and applying "pay and recover." Such an exercise amounts to adjudicating fresh liability in execution which is not only *ultra vires* to the jurisdiction an Executing Court possess, but also clearly transgresses the permissible contours of execution. It is a settled principle of law that '*executio est finis et fructus legis*' (meaning execution is the end and fruit of law) signifying that execution enforces adjudicated rights; it does not create new ones. Execution is the culmination of adjudication, not a fresh forum for determining new rights and liabilities.

41. Therefore the present issue is answered against the respondents.

**II. Whether the corporate veil could be pierced in execution proceedings in the absence of pleadings or findings of fraud, improper conduct, or statutory mandate?**

42. The doctrine of lifting the corporate veil is an exception to the foundational principle of corporate personality established in

**Salomon v. Salomon & Co. Ltd. : [1897] AC 22.** It is invoked sparingly. Indian jurisprudence recognizes lifting of the veil only where fraud is alleged and established, where statute expressly contemplates, or where corporate form is used to defeat public interest or evade law.

43. In the present matter, upon perusal of the material available on record it is noted that no categorical averments of fraud or misconduct were pleaded in the execution proceedings, no findings of fraudulent conduct were recorded. Moreover, the Directors were not parties to the award, and the Members' liability, as per Clause 7 and Clause 8 of the Memorandum of Association, is limited, and in winding up not exceeding Rs. 5,000/- per member.

44. It was conceded that members have already contributed more than their stipulated liability by the respondents herein before the learned Executing Court. The stance to this opinion, is stoutly drawn from the ratio encapsulated in **Balwant Rai Saluja & Anr. v. Air India Ltd. & Ors. : AIR 2015 SC 375.** Moreover, in the matter at hand it is noted that the learned Executing Court cannot travel beyond the decree to determine the liabilities under the doctrine of lifting of corporate veil, as it is vital that all the concerned individuals be made parties to the proceedings and be afforded an opportunity of hearing, sans such an opportunity, the rights and liabilities of third parties cannot be adjudicated. For the sake of handiness, the relevant extract from the relied upon judgment is reproduced hereinbelow:

"70. The position of law regarding this principle in India has been enumerated in various decisions. A Constitution Bench of this Court in *Life Insurance Corporation of India v. Escorts Ltd. and Ors.* : (1986) 1 SCC 264, while discussing the doctrine of corporate veil, held that:

90.... **Generally and broadly speaking, we may say that the corporate veil may be lifted where a statute itself contemplates lifting the veil, or fraud or improper conduct is intended to be prevented, or a taxing statute or a beneficent statute is sought to be evaded or where associated companies are inextricably connected as to be, in reality, part of one concern.** It is neither necessary nor desirable to enumerate the classes of cases where lifting the veil is permissible, since that must necessarily depend on the relevant statutory or other provisions, the object sought to be achieved, the impugned conduct, the involvement of the element of the public interest, the effect on parties who may be affected etc.

71. Thus, on relying upon the aforesaid decisions, the doctrine of piercing the veil allows the Court to disregard the separate legal personality of a company and impose liability upon the persons exercising real control over the said company. **However, this principle has been and should be applied in a restrictive manner, that is, only in scenarios wherein it is evident that the company was a mere camouflage or sham deliberately created by the persons exercising control over the said company for the purpose of avoiding liability. The intent of piercing the veil must be such that would seek to remedy a wrong done by the persons controlling the company.** The application

*would thus depend upon the peculiar facts and circumstances of each case.”*

*(Emphasis supplied)*

45. Thus, this Court finds that piercing the corporate veil at the execution stage, without pleadings, evidence, or trial on fraud, amounts to adjudicating substantive rights beyond jurisdiction, and in view thereof, the present issue is also answered against the respondents.

**III. Whether invocation of the “Polluter Pays” principle was legally sustainable in execution proceedings so as to impose liability upon third parties without substantive adjudication?**

46. The “Polluter Pays” principle is an environmental jurisprudential doctrine requiring adjudication of factual responsibility. Its invocation requires, determination of who caused pollution; Quantification of environmental harm; and assignment of remedial costs. However, in the matter at hand Contractual stipulations provided operation and management of CETP to Respondent No. 1; Ministry of Textiles withheld second tranche (Rs. 22.50 Crores Approx) due to incomplete obligations including intermediate pumping stations and pipeline, and the claim was filed under MSME-D Act only against SEPD. Moreover, NGT proceedings under Sections 14, 15 and 18 were dismissed.

47. In the present case, the Tribunal having declined to entertain or having dismissed the proceedings initiated before it, no determination of liability came to be recorded against the petitioners, the Samiti, the Association or the individual textile

units. In spite of the said position, the learned Executing Court appears to have invoked the principle of “polluter pays” while dealing with the execution of a monetary award arising out of contractual obligations. In the considered view of this Court, such an approach raises serious concerns, for the executing court cannot assume the role of an adjudicatory forum to determine environmental liability, particularly when the specialised statutory forum vested with such jurisdiction had already declined to grant relief. Equally significant is the fact that the respondents did not fairly disclose before the learned Executing Court the outcome of the proceedings before the Tribunal. The omission to place the complete factual position before the executing court had the effect of presenting an incomplete picture of the legal landscape governing the dispute. This Court is therefore of the considered opinion that once the proceedings before the Tribunal stood dismissed and no liability was determined therein, the invocation of environmental doctrines such as the “polluter pays” principle in execution proceedings, that too without any independent adjudication after affording an opportunity of hearing to the affected parties, could not have been resorted to by the learned Executing Court.

48. Therefore, in opinion of this Court the application of principle of “Polluter Pays” in execution proceedings to shift contractual liability, without environmental adjudication, is impermissible. Execution cannot substitute for substantive environmental determination. In support of the said finding this Court is inclined to draw strength from the ratio encapsulated in Indian Council for

**Enviro-Legal Action & Ors. v. Union of India & Ors. : (1996)**

**3 SCC 212**, and the famous principle "*actus curiae neminem gravabit*" (meaning that an act of court shall prejudice no one), which reinforces that judicial expansion beyond jurisdiction must not harm non-parties.

49. Thus, application of "Polluter Pays" to shift contractual liability in execution, without trial, amounts to substituting adjudication with assumption, and thence, the instant issue is also answered against the plea of the respondents.

**IV. Whether the procedure contemplated under Order XXI CPC, particularly Rules 30, 46D, 46E and 64, was duly complied with before attachment and consequential directions were issued?**

50. From a bare perusal of the provisions of Order XXI of CPC, it is noted that Order XXI Rules 46D and 46E CPC mandate notice to third parties in garnishee proceedings, and in the matter at hand no such statutory compliance is demonstrated. Order XXI Rule 64 CPC permits sale only to the extent necessary to satisfy the decree. Upon scanning the contents of the decree in question it is noted that the same was for a quantified amount and attachment and sale beyond decretal satisfaction is impermissible. It is also noted that the learned Execution Court while superseding its powers under execution, directed to attach and sale all the textile units as 'non-functional units', without acknowledging the actual award amount to be paid to the respondent no. 1, which is per-se in violation of the dictum passed in **Balakrishnan v. Malaiyandi Konar: (2006) 3 SCC 49**.

51. Further, it is noted that the respondents contended that SEPD submitted their objections before the Executing Court objected (Annexure R6), Union of India objected claiming first charge through mortgage/hypothecation and the objections by the Association (Annexure R7) were also recorded. However, Objections of SEPD and bank were dismissed; Association partly allowed. However, upon doing the needful this Court is of a stern view that albeit notices were issued to Chief Secretary, Collector and Pollution Control Board, and though objections were filed by SEPD, Union of India, and Association, the fundamental defect remains, liability was imposed absent decree against them.

52. The record shows that liability was shifted by invoking "pay and recover" and the "Polluter Pays" principle/doctrines requiring substantive adjudication, and herein only execution-based determination is made sans following the principles of natural justice and in violation of the principle of *audi alteram partem*.

53. In view thereof, the instant issue is also decided against the plea made by the respondents.

**V. Whether the application of principle of alter ego for lifting of corporate veil, as stated by the respondents is justified?**

54. The respondents have sought to justify the lifting of the corporate veil qua all members of the company by invoking the doctrine of alter ego, contending that the Association, the Samiti, and the Special Purpose Vehicle (Respondent No. 2) are, in substance, indistinguishable from their members and therefore liable jointly and severally. This Court is unable to accede to the

said contention. The doctrine of alter ego is an exceptional principle, applied sparingly and only in circumstances where the corporate form is demonstrably used as a mere facade for perpetrating fraud, evading statutory obligations, or defeating public policy. The existence of organizational interlinkages or overlapping membership does not, ipso facto, efface the distinct legal personality conferred by law. The Association, as placed on record, is a body corporate possessing an independent juristic identity separate and distinct from its members. It is a settled proposition that a corporate body has a legal existence independent of the individuals composing it, and its rights and liabilities are not automatically transmissible to its members. A judgment or award against the corporate entity cannot, in the absence of specific adjudication, be enforced against its members.

55. Similarly, Respondent No. 2 is a company duly incorporated under the Companies Act, 2013, thereby acquiring a separate and distinct legal personality from its shareholders and members. The corporate character of a company cannot be disregarded merely on account of common membership or shared objectives between allied entities. The mere fact that the Association, the Samiti, and their members are shareholders or stakeholders in Respondent No. 2 does not render them personally liable for the debts and obligations of the company. Corporate liability is that of the incorporated entity itself. Personal liability of members can arise only in circumstances expressly contemplated by statute or upon a judicial determination by a competent forum, founded upon

pleadings, evidence, and findings of fraud, misconduct, or statutory violation.

56. In the absence of such adjudication by the appropriate forum, fastening liability upon the members under the guise of the alter ego doctrine amounts to disregarding the foundational principle of separate legal personality. The corporate veil cannot be pierced merely to facilitate recovery, nor can the doctrine of alter ego be invoked as a substitute for substantive determination of liability.

57. Accordingly, this Court holds that the Association, the Samiti, and the individual members thereof cannot be made liable for the liabilities of Respondent No. 2 unless such liability is duly established and determined in accordance with law by a competent adjudicatory forum; and the instant issue is decided in favor of the petitioners.

58. Upon addressing the issues formulated hereinabove, this Court deems it apposite to jot down the key takeaways from the afore-discussed; the same can be delineated as :

- a) that supervisory jurisdiction of High Court remains intact as discussed hereinabove;
- b) that the Executing Court travelled beyond the award and fastened liabilities upon non-parties;
- c) that the Corporate veil was pierced without pleadings or findings of fraud;
- d) that the mandatory CPC safeguards were not adhered to;
- e) that the environmental doctrines were invoked without substantive adjudication;

- f) that the attachment directions exceeded decretal framework;
- g) that separate legal identity of corporate bodies must be respected;
- h) that execution proceedings cannot become adjudicatory proceedings;
- i) that dismissal of proceedings before the NGT is material;
- j) that maintainability of the petitions is not barred;
- k) that there is apparent violation of principles of natural justice, resultantly the impugned order suffers from jurisdictional infirmity.

59. It is further noteworthy that the judgments relied upon by the learned counsel appearing for the respondents operate in a clearly distinguishable factual and legal matrix. The *ratio decidendi* of the said decisions does not advance the respondents' case, as the circumstances therein warranted invocation of principles which are not attracted in the present matter. Consequently, the reliance placed upon those authorities is misplaced and does not render assistance to the respondents' submissions.

**CONCLUSION AND DIRECTIONS :**

60. At the outset, this Court is of a view that *Corporate personality is not a veil to be lifted at convenience, nor a shield to be shattered in execution without trial. Equity follows the law, "aequitas sequitur legem." Execution is the handmaid of justice, not its architect.*

61. In view of the foregoing analysis, this Court is of the considered opinion that the impugned order dated 14.02.2025 cannot be sustained in the eyes of law. The learned Executing

Court, while exercising jurisdiction under Section 36 of the Arbitration and Conciliation Act, 1996, read with Order XXI Rule 11 of the CPC has travelled beyond the confines of the arbitral award and the settled parameters governing execution proceedings. The fastening of liability upon entities and individuals who were neither parties to the award nor adjudged as judgment-debtors, the invocation of doctrines requiring substantive adjudication at the stage of execution, and the expansion of the decree beyond its terms, collectively constitute jurisdictional overreach. Execution is a mechanism for enforcement of an adjudicated liability and not a forum for creation or enlargement thereof. Consequently, the impugned order warrants interference, and the matter stands remanded for reconsideration strictly in accordance with law.

62. Accordingly, the present batch of petitions is **allowed**.

63. The impugned order dated 14.02.2025 passed by the learned Commercial Court in enforcement proceedings under Section 36 of the Arbitration and Conciliation Act, 1996 is quashed and set aside. The matter is **remanded** to the learned Commercial Court for fresh consideration strictly within the parameters of:

63.1 The arbitral award,

63.2 The provisions of Order XXI CPC,

63.3 The statutory scheme governing limited liability,

63.4 Principles of natural justice and *audi alteram partem*.

64. The learned Court shall decide afresh, after affording adequate opportunity to all necessary parties and confining itself to execution in accordance with law.

65. In view of the foregoing discussion and findings recorded hereinabove, the instant batch of petitions deserves to be and is accordingly **allowed**. The impugned order(s) dated 14.02.2025 are hereby set aside. Registrar (Judicial) is directed to transmit a copy of this order forthwith to the concerned Executing Court for necessary information and compliance.

66. The learned Executing Court, as well as all parties to the proceedings, are directed to act in terms of this order with due expedition and without any avoidable delay.

67. Pending applications, if any, shall stand disposed of accordingly.

68. A copy of this order be separately placed in each connected file.

(SAMEER JAIN),J