

HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD.

**THE HON'BLE JUSTICE MOUSHUMI BHATTACHARYA
AND
THE HON'BLE JUSTICE GADI PRAVEEN KUMAR**

Civil Revision Petition.No.480 of 2026

DATE :16-03-2026

Between :

Sri Naralasetty Pavan Chandra Nagoor.

...Judgment Debtor/Petitioner

And

Sri Ravi Kumar Meruva

...Decree Holder/Respondent

ORDER:*(per Hon'ble Justice Gadi Praveen Kumar)*

Heard Sri B.Mayur Reddy, learned Senior Counsel duly assisted by Sri Naresh Sunkara, learned counsel on record for the petitioner and Sri K.V.Bhanu Prasad, learned Senior Counsel duly assisted by Sri K.Sai Sri Harsha, learned counsel for the respondent.

2. This Civil Revision Petition is filed being aggrieved by the order dated 29.01.2026 passed in C.E.P.No.6 of 2025 by the learned Special Judge for Trial and Disposal of Commercial Disputes, Ranga Reddy District (Trial Court), wherein the execution petition filed by the Decree Holder under Order XXI Rule 30 of the Code of Civil Procedure, 1908 (CPC) for attachment of the schedule immovable property under Order XXI Rule 54 of CPC for realization of the decretal amount by sale of the

attached property under Order XXI Rules 64 to 66 of CPC, was allowed by the impugned order.

3. The main ground of challenge is as to whether the decree holder is entitled to enforce the judgment and decree passed by the Federal Court of Sharjah, Primary Court and whether the decree holder is entitled for attachment of the EP Schedule Properties.

4. The parties herein are referred to as they were arrayed in the Trial Court.

5. The brief facts of the case are that the decree holder and the judgment debtor entered into an agreement to establish a company for the purpose of trading medical equipment in the free zone of the Emirate of Sharjah, wherein the decree holder will hold 90% of the company capital and the judgment debtor shall hold 10% of the company capital. Subsequently, both the decree holder and the judgment debtor entered into a Share Transfer Agreement dated 11.03.2022 transferring 90% of his share holding in ADICOMED in favour of the judgment debtor for an amount of 135 USD but the judgment debtor using his position in the company fraudulently transferred the funds of the company to his personal account, which are not related to the company and embezzled an amount of 10,79,299.50 AE, as such, the decree holder filed Urgent Case No.5712

of 2022 before the Sharjah Court for appointment of Accounting Expert to review the company account from 05.04.2020 to 11.03.2022, who filed his report on 10.11.2022 and held that certain funds were transferred from the account of the company to the personal account of the judgment debtor. Therefore, the decree holder filed commercial suit before the Federal Court of Sharjah to direct the judgment debtor to pay 9,71,369.55 AED with interest and same was decreed *vide* judgment dated 31.05.2023 directing the judgment debtor to pay 9,71,369.55 AED with interest @ 5% and to pay legal charges totaling to 34550 AED.

6. Since the judgment debtor failed to pay the said amount, the decree holder filed Enforcement Case before the Federal Court of Sharjah, Civil Enforcement Court *vide* Case No. SHCEXCICOMS2023/0005664 with a request to permit the decree holder to execute the decree outside the country and Federal Court *vide* order dated 14.05.2023 permitted the decree holder to execute the decree outside the territory of the country. As the Government of India *vide* Gazette Notification GSR 38 (E) dated 17.01.2020 declared the Court in United Arab Emirates to be a reciprocating territory, the decree passed by the UAE Court can be executed in India, therefore, the execution proceedings were filed.

7. The judgment debtor filed a counter-affidavit in the EP under Section 47 of CPC read with Section 13 and 44 A of CPC raising an objection that the judgment and decree dated 31.05.2023 passed by the Federal Court of Sharjah, Primary Court, is liable to be refused for execution under the provisions of Section 44-A read with Section 13 of CPC. The decree holder is a citizen of United States of America and the judgment debtor is citizen of India and has never resided in the United Arab Emirates at any time, likewise, the decree holder had no substantive presence within UAE. Accordingly, the Federal Court of Sharjah lacked the requisite jurisdiction to entertain the matter or to issue any decree against the judgment debtor. Consequently, the judgment rendered by the said Court was not passed by a Court of competent jurisdiction and in terms of Section 13 (a) of CPC, it is a nullity in law.

8. In the counter-affidavit, it is further stated that no legal notice, prior intimation or any communication was received from the decree holder regarding the institution of the case, nor was any summons or notice served by the Federal Court of Sharjah. The decree holder ensured that no summons was duly served upon the judgment debtor, with the mala fide intention of securing an *ex parte* judgment and decree. In accordance with Section 13 (e) of CPC, such a decree cannot be considered. Furthermore, the decree in question was an *ex parte*

judgment, passed behind the back of the judgment debtor, without any trial or examination of evidence and as per Section 13(b) of CPC, such a decree cannot be considered as being passed on merits of the case and therefore, is not conclusive or executable in India.

9. It is further submitted that the judgment rendered by the Federal Court does not disclose regarding service of summons or whether a fair opportunity was provided to the respondent to appear and contest the proceedings. In the absence of the same, the same is hit by Section 13(d) of CPC. It is settled position of law that where service of summons is to be effected upon a respondent residing in India, the same must be done in compliance with Hague Service Convention, through the Central Authority of India, i.e. Ministry of Law and Justice and however, in the present case, no such procedure has been followed.

10. In support of his contention, the judgment debtor relied upon a judgment of the Madras High Court in ***RMV Vellachi Achi v/s. RMA Ramanathan Chettiar***¹ and also in the case of ***International Woolen Mills v/s. Standard Wool (UK) Limited***² to contend that a foreign decree cannot be enforced in India, if it is not passed on merits or violates principles of natural justice.

¹ AIR 1973 MAD. 141

² (2001) 5 SCC 265

11. The decree holder filed a reply-affidavit denying the contention of the judgment debtor that he was never a resident of UAE stating that unless a person is resident of UAE, it is not possible to incorporate a company in UAE. It is further stated that the notice was sent by the Federal Court through courier and email informing the judgment debtor to attend the Court through video sessions on 18.08.2022 and publications were also made in Arabic and English widely circulated newspapers directing the judgment debtor to attend the Court on 10.09.2022. Further, Articles 8 and 9 of UAE, CPC, envisages the procedure for service of summons on the defendants. UAE is not a signatory country to Hague Service Convention and that the fact of pendency of suit is very much within the knowledge of the judgment debtor and in spite of the same, he failed to appear before the Federal Court and therefore, now he cannot take shelter that the decree was passed behind his back and it violated the principles of natural justice. It was contended that there was neither fraud nor any breach of law, as stipulated, was committed.

12. Subsequently, the judgment debtor filed rejoinder to the reply affidavit filed by the decree holder contending that the judgment debtor never received summons from the Sharjah Court, as he was not residing in the UAE during the proceedings, his resident visa had expired in March 2022, and notices published by the United Arab

emirates Ministry of Justice stated that his place of residence as “unknown,” indicating that the judgment debtor was unaware of the proceedings. He contended that the decree holder failed to provide his correct Indian address despite knowing it, as the judgment debtor and decree holder were directors to an Indian incorporated company registered at hyderabad, resulting in an *ex parte* judgment passed without proper service of summons, violating principles of natural justice and provisions of the Code of Civil Procedure.

13. Later, the decree holder also filed an additional affidavit stating that the decree holder denied these claims and stated that the judgment debtor was indeed present in the UAE and conducting business there. The decree holder while submitting photographs showing the judgment debtor attending the Medlab Middle East conference from 07.02.2023 to 10.02.2023 at Dubai World Trade Centre, as proof, argued that the claim about the expired residence permit and absence from UAE was false plea.

14. Upon considering the material available on record as well as on hearing the parties, the learned Trial Court held that the execution proceedings filed by the decree holder for execution of the decree passed by the Federal Court of Sharjah dated 31.05.2023 is a conclusive judgment and as such does not fall within the exceptions of

Section 13 of CPC and also can be executable in India. Aggrieved by the same, the present CRP was filed.

15. Learned Senior Counsel appearing for the petitioner-judgment debtor contended that summon were issued to the petitioner on 11.08.2022 at the address of Free Zone, Sharjah International Airport, and the Process Server reported that upon visiting the said address, the office was found closed with no signboard displayed and therefore, contended that the service of notices as held by the Trial Court is not an effective service.

16. It is further contended that the publication was effected in the local newspaper Gulf News dated 19.08.2022 and 31.08.2022 and that the Court at Sharjah without verifying whether due procedure was followed, allegedly relied upon the Accounting Expert Report dated 10.11.2022 and passed the impugned judgment. Further, in the minutes of the Case Management Meeting dated 12.04.2023, it was categorically recorded that the First Defendant i.e. the judgment debtor/petitioner had not communicated with the Court, and that upon enquiry it was found that he was presently outside the country, which clearly demonstrates that the petitioner had no knowledge of the pendency of the proceedings before the Sharjah Court.

17. Learned Senior Counsel for the petitioner submitted that relying upon the Accounting Expert Report and solely on the ground that the Expert Report was not contested by the judgment debtor, passed an order dated 31.05.2023 directing the judgment debtor to pay an amount of AED 971,369.55 together with interest at 5% per annum, and further to pay legal expenses amounting to AED 34,550, which is incorrect.

18. Learned Senior Counsel finally contended that the learned Trial Court without examining the matter on merits, as mandated under Section 13 of CPC, mechanically held that the judgment passed by the Foreign Court, is conclusive in nature. Reliance was placed upon the judgment of the Hon'ble Apex Court in the case of **Rohan Rajesh Kothari v/s. State of Gujarat**³ wherein it was held that a foreign judgment violative of Indian law is not conclusive between the parties and thus, Indian Courts are not bound to follow it. Therefore, prayed to set aside the impugned judgment.

19. On the other hand, learned Senior Counsel appearing for the decree holder contended that the order passed by the learned Sharjah Court dated 29.01.2023 is just and reasonable and does not suffer

³ Special Leave to appeal (Crl.) No.1722 of 2024

from any infirmity or irregularity calling for the indulgence of this Court.

20. Learned Senior Counsel further contended that each and every aspect raised by the petitioner was duly considered by the learned Trial Court. Regarding execution of decree, it is contended that as per the provisions of Section 13 and Section 4-A of CPC, since India is a reciprocating territory to the UAE *vide* Gazette dated 17.01.2020, the decree is executable by the learned Trial Court.

21. Learned Senior Counsel also argued that though the judgment debtor contended that he was not a permanent resident of UAE and his permanent residence was expired on 30.03.2022, admittedly, the judgment debtor was in UAE on 09.02.2023 and participated in an Medlab Middle East Fest conducted at Zabeel Halls, Dubai World Trade Centre from 06.02.2023 to 09.02.2023 and the same is not disputed by the judgment debtor.

22. Learned Senior Counsel while reiterating the arguments made in the learned Trial Court contended that when there is serious dispute with regard to non-residence of the judgment debtor at UAE on the date of filing of the suit at Sharjah, the burden lies on him to prove the same by producing his passport but the judgment debtor did not choose to do so and therefore, the contention of the judgment debtor that the

Federal Court has no competent jurisdiction and that the decree has been obtained by fraud is not tenable.

23. As regards another ground raised by the judgment debtor that he never received any notice or summons from the Federal Court, learned Senior Counsel contended that as per Article 9(1) of UAE CPC, the summons shall be served on the defendant by way of Audio or view recorded call, SMS, Email and as per Article 9(3), the summons shall be served by way of publication in both widely circulated newspapers, and accordingly, summons were issued by the Federal Court through Court service, through email, and also through two paper publications and also it is not the case of the judgment debtor that the email address pavanchandranagoor@gmail.com appearing in the said summons does not belong to him and he is not using the said email.

24. Learned Senior Counsel therefore contended that the Trial Court rightly held that the conclusive judgment passed by the learned Sharjah Court does not fall within any exceptions of Section 13 and is executable in India, and therefore, the order passed by the Trial Court is legal and valid. Whereas, if the Judgment Debtor contends that the decree is not on merits then undoubtedly the burden of proving it would be on the party alleging it.

25. We have given our earnest consideration to the contentions urged by the learned Senior Counsel appearing on both sides and perused the record.

26. In the present case, there is no dispute with regard to GSR 38(E) dated 17.01.2020, where the United Arab Emirates has been notified as a reciprocating territory for the purpose of Section 44A of CPC. Therefore, a decree passed by a superior Court in the UAE is capable of being executed in India, subject to the limitations prescribed under Section 13 of CPC.

27. At this juncture, it is necessary to extract, Section 44A of CPC, which reads as under:

“44A. Execution of decrees passed by Courts in reciprocating territory.—(1) *Where a certified copy of a decree of any of the superior Courts of any reciprocating territory has been filed in a District Court, the decree may be executed in India as if it had been passed by the District Court.*

(2) Together with the certified copy of the decree shall be filed a certificate from such superior Court stating the extent, if any, to which the decree has been satisfied or adjusted and such certificate shall, for the purposes of proceedings under this section, be conclusive proof of the extent of such satisfaction or adjustment.

(3) The provisions of section 47 shall as from the filing of the certified copy of the decree apply to the proceedings of a District Court executing a decree under this section, and the District Court shall refuse execution of any such decree, if it is shown to the satisfaction of the Court that the decree falls within any of the exceptions specified in clauses (a) to (f) of section 13.”

28. Section 13 of CPC reads as under:

“13. When foreign judgment not conclusive:

A foreign judgment shall be conclusive as to any matter thereby directly adjudicated upon between the same parties or between parties under whom they or any of them claim litigating under the same title except--

(a) where it has not been pronounced by a Court of competent jurisdiction;

(b) where it has not been given on the merits of the case;

(c) where it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;

(d) where the proceedings in which the judgment was obtained are opposed to natural justice;

(e) where it has been obtained by fraud;

(f) where it sustains a claim founded on a breach of any law in force in India.”

29. The contention of the judgment debtor is that the decree was not passed on merits and therefore falls within the exception contemplated under Section 13(b) of CPC. However, the law in this regard is well settled. Even if a decree is passed *ex parte*, it cannot automatically be presumed that such decree is not on merits. What is required to be examined is whether the Court had considered the material placed before it and adjudicated the claim.

30. On perusal of judgment passed by the Federal Court of Sharjah, it reveals that the Court considered the report of the Accounting Expert, the contractual relationship between the parties, and the relevant provisions of the applicable law. The decree was not passed merely due to the absence of the judgment debtor but was based on the

documentary evidence placed before the Court, particularly the Expert Report which analyzed the financial transactions of the company.

31. The Accounting Expert Report specifically recorded that funds amounting to AED 1,079,299.50 had been transferred from the company's account to the personal account of the judgment debtor during the relevant period between 05.04.2020 and 11.03.2022. The Foreign Court relied upon this material while determining the liability of the judgment debtor.

32. The Foreign Court also considered the governing legal provisions, including Article 246 of the Federal Civil Transactions Law, which mandates that contracts must be performed in accordance with their terms and in good faith, and Article 318, which prohibits unjust enrichment by retaining another person's property. On the basis of these provisions and the factual findings arising from the Expert Report, the Court concluded that the judgment debtor was liable to repay the amount.

33. The contention of the judgment debtor that the decree was obtained in violation of the principles of natural justice is also not substantiated by the material on record. The decree holder has placed material to show that summons were issued through multiple modes including email, court service and publication in widely circulated

newspapers. Moreover, the judgment debtor has not disputed that the email address mentioned in the summons does not belong to him.

34. It is also significant to note that the judgment debtor did not challenge the Accounting Expert Report before the Foreign Court nor did he produce any material before the executing Court to demonstrate that the findings contained in the report were incorrect. In the absence of such evidence, the mere allegation that the decree was passed without proper opportunity cannot be accepted.

35. Further, though the judgment debtor contended that he was not residing in the UAE at the relevant time, he failed to produce his passport or any other documentary evidence to substantiate the said claim. When such a plea is taken, the burden lies upon the party asserting it to establish the same by cogent evidence.

36. Having regard to the material available on record, this Court is of the considered view that none of the exceptions enumerated under Section 13 of CPC are attracted to the facts of the present case. Consequently, the decree passed by the Federal Court of Sharjah is a conclusive judgment and is executable in India in terms of Section 44A of CPC.

37. It is also pertinent to note that the petitioner-judgment debtor has not challenged the judgment and decree dated 31.05.2023 passed

by the Federal Court of Sharjah before the competent forum. Therefore, we find no illegality or infirmity in the order dated 29.01.2026 passed by the learned Trial Court warranting interference in exercise of revisional jurisdiction.

38. Accordingly, the Civil Revision Petition is dismissed. There shall be no order as to costs.

Pending miscellaneous applications, if any, shall stand closed.

MOUSHUMI BHATTACHARYA, J

GADI PRAVEEN KUMAR, J

Date:16.03.2026
GJ

**THE HON'BLE JUSTICE MOUSHUMI BHATTACHARYA
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GJ