# Legal Case Summary: Bhikchand S/O Dhondiram Mutha vs Shamabai Dhanraj Gugale (Deceased) (2024)

Case Title: Bhikchand S/O Dhondiram Mutha vs Shamabai Dhanraj Gugale (Deceased)

Citation: 2024 INSC 411

Court: Supreme Court of India

Date of Judgment: 14 May 2024

Bench: Prashant Kumar Mishra, Hrishikesh Roy

## Facts of the Case:

- In 1969, the original defendant (appellant/judgment debtor) borrowed Rs. 8,000 from the plaintiff's husband.  
- Plaintiff filed a civil suit in 1972 to recover the debt plus interest.  
- Trial Court (1982) partly decreed the suit awarding principal + interest + costs.  
- Plaintiff filed appeal, judgment debtor filed cross objections.  
- During appeal pendency, the decree was executed. The judgment debtor's properties were auctioned and bought by the decree holder (plaintiff).  
- The appellate court (1988) reduced the total decree amount from ₹27,694 to ₹17,120 by lowering interest rates and removing cost awards.  
- Appellant filed for restitution under Section 144 CPC, seeking to reverse the auction sale. Lower courts denied this.

## Procedural History:

- Trial Court partly decreed the suit.  
- Decree executed; properties auctioned to decree holder.  
- Appellate Court modified/reduced the decree.  
- Appellant sought restitution under Section 144 CPC.  
- Trial Court, Appellate Court, and High Court denied restitution.  
- Supreme Court appeal filed.

## Issues before the Court:

1. Whether the judgment debtor is entitled to restitution after variation of the decree under Section 144 CPC.  
2. Whether sale of the judgment debtor’s entire property was justified given the reduced decretal amount.  
3. Whether the decree holder (auction purchaser) and subsequent purchaser had any defense against restitution.

## Judgment:

- Supreme Court allowed the appeal.  
- Lower court orders were set aside.  
- Restitution granted; sale of judgment debtor's properties set aside.  
- Parties restored to pre-sale position.  
- Modified decree (₹17,120) may be executed afresh as per law.

## Key Legal Findings:

1. Restitution Right: Section 144 CPC covers decree modifications, not just reversals.  
2. Decree Holder Purchaser: A decree holder buying in execution is not protected like a bona fide third-party purchaser.  
3. Duty of Executing Court: Sale of entire property disproportionate to decree was illegal and against Order XXI Rules.  
4. Subsequent Purchasers: Buyers with knowledge of litigation cannot claim bona fide status to resist restitution.  
5. Justice and Equity: Court emphasized equity, preventing unjust enrichment of decree holders.  
6. Supreme Court relied on Binayak Swain, Chinnamal, and Padanathil Ruqmini Amma precedents.

## Final Decision:

✅ Appeal allowed  
✅ Restitution granted under Section 144 CPC  
✅ Auction sale set aside  
✅ Judgment debtor and decree holder restored to pre-sale position  
✅ Modified decree may be executed afresh