

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
O.O.C.J.

Arbitration Petition No.183 of 2007
and
Arbitration Petition No.90 of 2007

M/s Prakash Constructions ... Petitioners

vs.

Harison Steels Private Limited ... Respondents

Mr.Ajay K.J.Panicker for petitioners/M/s Prakash
Constructions.

Ms.Lata Bachhani for respondents/harison Steels Pvt.Ltd.

CORAM: S.C.DHARMADHIKARI J.
31st August, 2007

P.C.

1. These arbitration petitions are placed before this Court in the light of the order passed consolidating them.

2. The claimants have filed a petition under sec.9 so that the award is properly and smoothly enforced whereas the petition of the respondents is to challenge the subject award.

3. The petition to challenge the award being admitted, the argument was that the application under sec.9 would not be maintainable.

4. This Court consolidated both the petitions and depending upon the challenge raised to the award, the claimants took a decision to take appropriate measures.

5. However, during the course of the arguments both sides sought time to negotiate for over all settlement. Pursuant to the negotiations, there was some difference which was left to the discretion of the Court.

6. Accordingly, before me both sides agree that a sum of Rs.28,00,000/- would be accepted by the claimants M/s Prakash Constructions in full and final settlement of their claim under the subject reference/Award. If the amount is paid in the manner set out below then the award would be marked satisfied and all proceedings to enforce and execute the same would come to an end automatically.

7. In the event, default is committed then consequences in law shall follow.

8. Accordingly, by consent of the parties, following order is passed.

. M/s Harison Steels Private Limited agrees and undertakes to pay to the claimants M/s Prakash

Constructions, a sum of 6,00,000 (Rupees six lacs) on or before 11th September, 2007 and balance sum of Rs.22,00,000 (Rupees Twenty two lacs) in instalments. However, they agree and undertake to pay the entire sum of Rs.28,00,000/- on or before 31st January, 2008.

. Parties further agree that in the event of the respondents committing any default in payment of Rs.6,00,000/- or the instalments stipulated thereafter, the entire sum under the award would become due and payable and thereupon the claimants would be entitled to execute and enforce the same in accordance with law.

. The petitioners do not press their challenge to the award in the light of the agreement recorded above. Accordingly Arbitration Petition No.90 of 2007 stands disposed of.

. In the light of disposal of the Arbitration Petition No.90 of 2007 and the agreement recorded above, arbitration petition no.183 of 2007 is allowed to be withdrawn with liberty to take out fresh petition in case default is committed. In that event contentions of the parties are kept open.

. Needless to state that upon payment of Rs.28,00,000/- during the time stipulated above, the award would be marked satisfied and thereupon all proceedings for execution and enforcement thereof would automatically come to an end. M/s Harison Steels Private Limited agree and undertake to this Court that till the sum of Rs.28,00,000/- is paid up they would not alienate, encumber or create any third party rights or part with possession of plot no.1, Survey Gat No.194(Part), village Nehroli, Taluka Wada, District Thane and factory building and structures standing thereon. It is pointed out by Ms.Bachhani that there is already a mortgage which has been created in respect of this immovable property in favour of third party. However, upon that liability coming to an end or even otherwise statement to continue to bind M/s Harison Steels Private Ltd.. No order as to costs.

(S.C.DHARMADHIKARI J.)