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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

ARBITRATION PETITION NO.263 OF 2015

Aejaz O. Malvankar	...Petitioner
V/s.	
Konkan Mercantile Co-op. Bank Ltd.	...Respondent

Mr.R.A. Shaikh for the Petitioner.

Mr.Jaideep Mitra i/b Mr.Sandeep Waghmare for the Respondent.

CORAM : R.D. DHANUKA, J.
DATE : 3RD AUGUST, 2015.

P.C. :-

1. By this petition filed under section 34 of the Arbitration & Conciliation Act, 1996 (for short "the Arbitration Act"), the petitioner has impugned the arbitral award dated 14th August, 2014, directing the petitioner and original respondent nos.2 to 8 to pay to respondent no.1 bank an amount of Rs.8,81,10,813/- along with future interest at the rate of 10.50% p.a. simple on the said amount with effect from 3rd December, 2013.
2. The impugned award has been challenged only by the petitioner herein.
3. In the earlier proceedings filed by respondent no.1 bank against the petitioner and other respondents, a consent award came

to be declared by the the learned arbitrator on 14th September, 2011 holding that the petitioner and other respondents are jointly and severally liable to pay to respondent no.1 bank herein an amount of Rs.3,15,16,303/- and future interest on the principal amount at the rate of 15.50% p.a. with effect from 18th April, 2011 till realization.

4. It is the case of the petitioner that in view of the said consent award, the petitioner paid a sum of Rs.1,85,00,000/- to the respondent no.1 bank and could not pay the amount of Rs.88,11,013/-. It is the case of the petitioner that respondent no.1 bank could not have claimed interest at the compound rate. The petitioner filed a claim before the learned arbitrator against the respondent no.1 bank and other respondents.

5. Mr.Shaikh, learned counsel for the petitioner states that the petitioner had wrongly filed such claim before the learned arbitrator and the learned arbitrator thus could not have decided the said proceedings. I am afraid, I cannot accept this submission of learned counsel for the petitioner.

6. A perusal of the impugned award indicates that though the petitioner and other respondents were liable to pay interest at the rate of 15.50% p.a. to respondent no.1 bank, the learned arbitrator took a liberal view and directed the petitioner only to pay interest at the rate of 10.50% to respondent no.1 bank along with balance amount which

was due and payable under the earlier consent award. There is thus no merit in the submission of learned counsel for the petitioner.

7. The earlier award was a consent award. The petitioner has admittedly not paid the entire awarded amount to the respondent no.1. Respondent no.1 has not challenged the said award. Learned arbitrator has directed the petitioner to pay the balance amount payable under the said consent award and has reduced the rate of interest by taking a liberal view in favour of the petitioner. The petition is devoid of merits and is accordingly dismissed. No order as to costs.

(R.D. DHANUKA, J.)