

HON'BLE SRI JUSTICE R.SUBHASH REDDY
AND
HON'BLE SRI JUSTICE A.SHANKAR NARAYANA

C.M.A.M.P.No.1838 of 2015 in/and C.M.A.No.1166 of 2012

JUDGMENT : (per Hon'ble Sri Justice R.Subhash Reddy)

C.M.A.No.1166 of 2012, under Section 37 of the Arbitration and Conciliation Act, 1996 (for brevity "the Act") is filed by the appellants/petitioners aggrieved by the order and decree dated 18.03.2011 in Arb. O.P.No.11 of 2007 passed by the Chief Judge, City Civil Court, Hyderabad, dismissing the petition filed by them against the respondents under Section 34 of the Act, seeking to set aside the Award dated 17.10.2006 in favour of the 1st respondent/claimant by the 2nd respondent/Arbitrator.

2. Appellant No.1 is a Firm carrying on the business of investment and appellant Nos.2 to 6 are individual partners of the said Firm. As there was a dispute with regard to the agreement of sale entered between the appellants and respondent No.1/claimant in respect of shares of Kalpana Chemicals Limited on 01.02.1998, the same was referred to the 2nd respondent/Arbitrator. The 2nd respondent/ Arbitrator has passed an Award dated 17.10.2006 declaring that the appellants shall pay to the 1st respondent/claimant a sum of Rs.30,37,500/- together with interest at the rate of 15% per annum from 01.02.1998 till 31.03.2000 and thereafter at the rate of 18% per annum from 01.04.2000 till 30.11.2002 and also declared that the rate of interest payable by the appellants pendentelite from 01.12.2002 till payment or realization shall be at the rate of 6% per annum on the principal sum of the remaining due. Challenging the said Award, the appellants have filed Arb.O.P.No.11 of 2007 on the file of the Chief Judge, City Civil Court, Hyderabad. The Court below,

after considering the material on record, has dismissed the said O.P., through the impugned order and decree dated 18.03.2011. Aggrieved by the said order and decree, the appellants have filed the present appeal.

3. During the pendency of the appeal, the 1st respondent/claimant has filed a petition being C.M.A.M.P.No.1838 of 2015 under Order 23 Rule 3 r/w. Section 151 of C.P.C., seeking to pass an order and decree in terms of Settlement Agreement dated 05.11.2015 entered into between the parties in the above appeal, which was signed by both the parties along with their advocates.

4. In the affidavit filed in support of the aforesaid petition, it is stated that the parties have mutually settled the matter and the appellants have agreed to pay a sum of Rs.45,00,000/- (Rupees forty five lakhs only) to the 1st respondent/claimant, who intturn, agreed to handover the original Sale Certificates along with Share Transfer Forms to the appellants. Along with the petition, a copy of Special Power of Attorney dated 05.11.2015 executed by the 1st respondent/claimant in favour of Sri Hemal Parekh, authorizing him to enter into the compromise on his behalf is also filed.

5 . When the matter is called, all the parties, including the Special Power of Attorney Holder, are present before this Court along with their advocates, who identified the respective parties, and requested to dispose of the appeal in terms of the Settlement Agreement entered between them. Learned counsel for the appellants has handed over demand drafts for a sum of Rs.45,00,000/- to the learned counsel for the 1st respondent/claimant, who intturn, handed over the original Share Certificates along with Share Transfer Forms to the learned counsel for the appellants.

6. In view of the Settlement Agreement dated 05.11.2015 entered between the parties and having regard to the reasons stated in the accompanying affidavit, C.M.A.M.P.No.1838 of 2015 is allowed. Consequently, C.M.A.No.1166 of 2012 is disposed of in

terms of the said Settlement Agreement. The terms of Settlement Agreement dated 05.11.2015 shall form part of the decree.

7. As a sequel, miscellaneous petitions pending, if any, in this appeal shall stand closed. No order as to costs.

JUSTICE R. SUBHASH REDDY

JUSTICE A.SHANKAR NARAYANA

30.11.2015.

Msr

HON'BLE SRI JUSTICE R.SUBHASH REDDY

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