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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ CS(OS) 1069/2015 & IA No.8104/2015

IRCON INTERNATIONAL LTD

..... Plaintiff

Through : Mr. Dinesh Agnani, Sr. Advocate
with Ms. Leena Tuteja, Advocate

versus

NATIONAL HIGHWAYS AUTHORITY OF INDIA Defendant

Through : Ms. Meenakshi Sood, Advocate

CORAM:

HON'BLE MS. JUSTICE HIMA KOHLI

ORDER

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17.09.2015

1. Mr. Agnani, learned Senior Advocate appearing for the plaintiff states that vide letter dated 20.8.2015, the defendant/National Highways Authority of India has requested the plaintiff to collect the demand draft for the sum of Rs.5,76,42,664/- drawn in its favour towards the forfeited bid security in the form of a bank guarantee amounting to Rs.5.67 lacs, which has been duly encashed. He submits that the remaining claim of the plaintiff relates to the interest on the principal amount for which, his client is ready and willing to submit itself to the Committee of Disputes constituted in the Circular dated 7.8.2014, issued by the Ministry of Law and Justice, Government of India.

2. Counsel for the defendant, who appears pursuant to the order dated 3.9.2015, states that her client would not have any objection to mediating the dispute with the plaintiff in respect of the interest factor claimed by it before the empowered agency of the Government.

3. Accordingly, the suit is disposed of, along with the pending application, with liberty granted to the parties to negotiate a settlement, if possible, through the empowered agency in terms of the Circular dated 7.8.2014.

4. At this stage, Mr. Agnani, learned Senior Advocate appearing for the plaintiff states that Section 89 CPC prescribes that where it appears to the court that there exist an element of settlement which may be acceptable to the parties, they may be referred to arbitration or conciliation or judicial settlement or mediation, and in the present case, the forum before which both the parties are willing to submit themselves to conciliate their dispute would squarely fall under Section 89 (1)(a) or (b) CPC, and therefore, his client is entitled to seek refund of the court fees.

5. Apparently, the object of the Circular dated 7.8.2014 issued by the Ministry of Law and Justice, Government of India is to setup an inhouse mechanism for redressal of disputes and eschew litigation in

courts. The said mechanism includes arbitration and other alternative dispute resolution mechanisms for resolving disputes between PSUs/Government departments, instead of resorting directly to court proceedings. Therefore, this Court is of the opinion that the same would fall under Section 89 CPC and the plaintiff would be entitled to refund of court fees.

6. Accordingly, the Registry is directed to issue a certificate in favour of the plaintiff for refund of the court fees in terms of Section 16 of the Court Fees Act.

7. File be consigned to the record room.

HIMA KOHLI, J

SEPTEMBER 17, 2015
sk/rkb