

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
ARBITRATION PETITION NO. 66 OF 2016

Nageshwara Rao Narayanam & Anr. Petitioners

VERSUS

Reliance Capital Limited Respondents

Ms.Swadha Shrivastava, i/b. Mr.S.P.Bharti for the Petitioners.

Mr.Saurabh Oka for the Respondents.

CORAM : R.D. DHANUKA, J.

DATED : 21st APRIL, 2016

P.C.

By this petition filed under section 34 of the Arbitration and Conciliation Act, 1996 the petitioners have impugned the arbitral award dated 16th July, 2015 passed by the learned arbitrator directing the petitioner to pay a sum of Rs.61,23,668.32 with interest at the rate of 18% p.a. from 10th September, 2014 till realization and cost of Rs.25,000/-.

2. Learned counsel for the petitioner submits that the learned arbitrator could not have allowed the claim of the respondents on the ground that the respondents did not have any money lending licence. The next submission of the learned counsel for the petitioner is that the petitioner was already suffering heavy financial loss and had applied for re-schedulement of the loan installment which the learned arbitrator did not consider. She submits that the petitioner had bonafide intention of clearing their liabilities to the respondents and if the learned arbitrator would have permitted the re-schedulement of the loan installment, the petitioner would have cleared all such liability.

3. Learned counsel appearing for the respondents placed reliance upon the findings rendered by the learned arbitrator and submits that findings of fact are not perverse and thus cannot be interfered with by this court under section 34 of the Arbitration and Conciliation Act, 1996.

4. Insofar as first submission of the learned counsel for the petitioner that the respondents not having money lending licence and thus claim could not have been awarded by the learned arbitrator is concerned, it is not in dispute that no such issue was raised by the petitioners before the learned arbitrator though written statement was filed in the arbitral proceedings. This issue thus cannot be allowed to be raised for the first time in the present proceedings. The submission of the learned counsel is accordingly rejected.

5. Insofar as second submission of the learned counsel for the petitioner that the learned arbitrator ought have granted re-schedulement of the loan installment on the ground that the petitioners was suffering financial loses is concerned, in my view the impugned award cannot be set aside on the ground that the learned arbitrator did not permit re-schedulement. The petitioner had admittedly committed default in payment of loan installments. The respondents were thus entitled to file the proceedings for recovery of the loan amount with interest. There is thus no substance in this submission also of the learned counsel.

6. A perusal of the award indicates that the learned arbitrator has considered the pleadings and documents and has rendered the finding of facts which in my view are not perverse. The petition is devoid of merits and is accordingly dismissed. No order as to costs.

[R.D. DHANUKA, J.]