

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated :18.10.2016

Coram

THE HONOURABLE MR. JUSTICE RAJIV SHAKDHER

Original Petition.No.596 of 2015

Sify Technologies Limited
Rep. By its Legal Head,
Mr.Suresh Balakrishnan,
Rajiv Gandhi Salai, Taramani,
Chennai - 600 113, Tamil Nadu .. Petitioner

v.

1.Mr.N.Vanaraj
2.Mr.Kumarichelvan Bosco .. Respondents

Original Petition filed under Section 34 of the Arbitration and Conciliation Act, 1996, to set aside the award dated 24.04.2015 in ARB/AV/C/54 of 2014 passed in favour of the respondent; issue an order of interim stay against the operation of the arbitral award dated 24.04.2015 in ARB/AV/C/54 of 2014 until disposal of the present petition and direct the respondent to pay the petitioner the costs of this petition.

For Petitioner : Mr.Mr.A.V.B.Krishnakanth

For Respondents : Mr.A.Sheik Peer for R1

ORDER

1. After some arguments, counsel for the parties are agreed that the operative directions contained in the award dated 24.04.2015 can be modified as adverted to hereafter.

2. To be noted, vide award dated 24.04.2015, the following operative directions have been issued against the petitioner:

".....(a) Directing the respondent to pay a sum of Rs.7,06,362/- (Rupees Seven Lakhs Six Thousand Three Hundred and Sixty Two only) within thirty days from the date of this award failing which the respondents are liable to pay the interest @ 18% p.a. from the date of the claim petition till the realization of the award amount.

(b) The cost of this arbitration proceeding of Rs.70,000/- (Rupees Seventy Thousand only) shall be borne by both the parties equally."

3. Counsel for the petitioner says that, the only modification, which is sought, qua the operative directions extracted above is, with regard to the rate of interest.

3.1. Learned counsel for the petitioner says that the rate of interest awarded is excessive, and therefore, should be scaled down to 9% p.a.

4. Counsel for respondent No.1, i.e., the contesting respondent, says that, he has instruction to agree to the offer made by the counsel for the petitioner.

5. Accordingly, the operative directions contained in the award dated 24.04.2015 are modified to the extent that the rate of interest will get reduced from 18% p.a. to 9% p.a. However, the interest, as indicated in the award, will run, from the date of the claim petition to the date of realization of the awarded amount.

6. Furthermore, as undertaken by the counsel for the petitioner, the awarded amount, as modified by the order passed today, will be paid within four (4) weeks.

7. Counsel for the petitioner says, that if, the liability, as undertaken above, is not discharged within four (4) weeks, then respondent No.1 will have the liberty to execute the award in its original form.

7.1. This undertaking of the counsel for the petitioner is taken on record.

7.2. The petitioner will be bound by the undertaking given to this Court by its counsel.

7.3. The Petition is disposed of in the aforesaid terms.

8. Counsel for the parties have appended their signatures to the order passed today, in affirmation of the terms of settlement, agreed to, before me.

sd/.R.S.A.J

18.10.2016

//Certified to be a true copy//

Dated this the day of 2016

R.s/24.11.2016

COURT OFFICER

From 25.09.2008 the Registry is issuing certified copies of the Order/Judgment Decree in this format.

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