

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

**NOTICE OF MOTION NO. 960 OF 2016
IN
ARBITRATION PETITION NO. 400 OF 2017**

Union of India
through Deputy Chief Engineer (Const)
Central Railway, Pune .. Applicants

In the matter between

Union of India
through Deputy Chief Engineer (Const)
Central Railway, Pune .. Petitioners

v/s.

M/s. Shah Construction .. Respondents

Mr. T.J. Pandian for the applicants
None for the respondents

**CORAM : M.S. SANKLECHA, J.
DATED : 1st NOVEMBER, 2017**

PC.

1. This notice of motion has been taken out by the applicants seeking a stay of the arbitral award dated 4th November, 2015 passed by the Arbitral Tribunal, pending the final disposal of the Arbitration Petition under Section 34 of the Arbitration and Conciliation Act, 1996 (the Act) challenging the impugned award.

2. Today by a separate order, the applicants' Arbitration Petition bearing No.400 of 2017 challenging the arbitral Award dated 4th November, 2015 has been admitted.

3. The impugned award has allowed the respondents claim to the extent of Rs.2,66,541/- along with further interest @ 10% p.a. computed with effect from 45 days of the award, till the date of payment. The challenge raised by the petitioners will be examined in depth at the final hearing of the Arbitration Petition No.400 of 2017. However, nothing has been shown which should deprive the respondents the benefits / fruits of the Arbitration Award dated 4th November, 2015 till the final hearing of Arbitration Petition No.400 of 2017.

4. In the above view, there shall be a stay of the impugned Award 4th November, 2015 only on the condition of petitioners depositing the amount of Rs.2,65,000/- with the Prothonotary and Senior Master within the period of 8 weeks from today.

5. On the petitioners depositing the aforesaid amount, the respondents will be entitled to withdraw the same on furnishing a

bank guarantee of a Nationalized Bank for an equivalent amount and filing an undertaking that in case the petition fails, the petitioners would redeposit the amount of Rs.2,65,000/- or such lessor amount along with such interest as the Court hearing the petition finally determines. It is made clear that in case the respondents do not furnish a bank guarantee and undertaking as directed hereinabove within a period of 4 weeks from the date of intimation of the deposit, the Prothonotary and Senior Master shall deposit the amount of Rs.2,65,000/- in a fixed deposit with the Nationalized Bank and keep the same renewed till the final disposal of the petition, for the benefit of the successful party.

6. Notice of Motion is disposed of in above terms. No order as to costs.

(M.S. SANKLECHA, J.)