

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

**COMMERCIAL ARBITRATION PETITION NO. 25 OF 2017
WITH
NOTICE OF MOTION NO. 20 OF 2017**

A. A. Estate Private Limited (RNA Corp Group
Company)Petitioner

vs.

Meghwadi Siddhivinayak Co-operative Housing
Society Limited.Respondent

Mr Ashish Kamat i/b Vidhii Partners for the Petitioner.
Mr J S Kini i/b Mr Suresh Dubey for the Respondent.

**WITH
COMMERCIAL ARBITRATION PETITION NO. 77 OF 2017**

Meghwadi Siddhivinayak Co-op.Hsg.Soc.Ltd.Petitioner

vs.

A.A. Estate Pvt.Ltd.Respondent

CORAM : S.C. GUPTE, J.

17 JULY 2017

P.C. :

These commercial arbitration petitions concern challenge to an order passed by a sole arbitrator under Section 17 of the Arbitration and Conciliation Act, 1996. It is an admitted position that there is a subsisting notice today in respect of the suit property, which consists of two buildings at Meghwadi Village, Majas, Meghwadi, Jogeshwari (East), Mumbai under Section 354 of the Mumbai Municipal Corporation Act, requiring the buildings to be pulled down on account of their dilapidated condition. In view of this state of affairs and also considering the fact that the arbitration proceedings between the parties have progressed substantially and are

anyway to be disposed of within a period of four months under the orders of this court, by consent of parties and without prejudice to their rights, it is agreed between the parties that the impugned order shall be set aside and substituted by the following order, pending hearing of the arbitration reference :

(1) A.A. Estate (Petitioner/Orig.Claimant) agrees and undertakes that without prejudice to all its rights and contentions, it shall make payment of monthly alternate accommodation compensation at the rate of Rs.15,000/- p.m. to each member of Meghwadi CHSL (Respondent/Orig.Respondent), enlisted at Annexure 1 hereto for a period of four months, viz. August to November, 2017.

(2) This payment shall be made by issuing four post-dated cheques in the sum of Rs.15,000/- (Rupees Fifteen Thousand) each in favour of the said members of Meghwadi CHSL enlisted at Annexure-1. A.A. Estate undertakes that these cheques shall be honoured as and when presented for payment. A.A. Estate shall hand over these cheques to Meghwadi CHSL on or before 28 July 2017. It is clarified that this payment has been made by A.A. Estate without prejudice to all its rights and contentions in the Arbitration and shall be subject to the final award that will be passed in the pending arbitration.

(3) A.A. Estate shall be entitled to amend its Statement of Claim to include a claim for and in respect of these payments and claim the same from Meghwadi CHSL. An application for making such amendment shall be made on or before 7 August 2017.

(4) In view of the aforesaid:

(4.1) Meghwadi CHSL agrees and undertakes that all its members shall vacate the building and the said property, viz. Building Nos.25 and 26 located on piece and parcel of land or ground bearing Survey No.156 (part) and CTS No.156(part) (A) admeasuring approximately 1774.22 sq.mtrs., i.e. 19097.70 sq.ft. situate at Meghwadi Village, Majas, Jogeshwari (E), Mumbai – 400 060 (“the subject property”) on or before 14 August 2017. The members of Meghwadi CHSL shall handover the keys of their respective tenements to the chairman of Meghwadi CHSL on or before the stipulated date. The chairman shall then handover the entire set of keys to the sole arbitrator, who shall keep them in his custody till the reference is heard and award is made;

(4.2) The Respondent shall be subjected to a temporary injunction during the pendency of the arbitral proceedings, restraining the Respondent from in any manner (directly and / or indirectly) alienating, transferring, conveying and/or otherwise creating any third party right, title or interest in respect of the subject property;

(4.3) The Arbitrator is requested to complete the hearing and final disposal of the arbitration between the parties on or before 30 November 2017. Parties undertake to co-operate in the early disposal of the arbitral proceedings and not to seek unnecessary adjournments or protract the arbitral proceedings.

(5) In the event any of the cheques referred to above are dishonoured for any fault on the part of the A.A. Estate Pvt.Ltd., the injunction operating in terms of Clause 4.2 above shall be liable to be vacated forthwith. Meghwadi CHSL, however, shall bring this fact to the notice of the court and formal

orders vacating the interim injunction shall be passed by the arbitrator on their application.

(6) It is agreed between the parties that neither party shall take any step either towards the implementation of the redevelopment project or in a manner so as to prejudicially affect implementation of the project till the arbitrator decides the reference and makes his award or passes order in that respect, whichever is earlier.

(7) The arbitration petitions shall stand disposed of.

(8) In view of the disposal of the arbitration petitions, the notice of motion does not survive and the same is also disposed of.

(S.C. GUPTE, J.)