

THE HON'BLE SRI JUSTICE C.V.NAGARJUNA REDDY

AND

THE HON'BLE SMT. JUSTICE T.RAJANI

C.R.P.No. 278 OF 2017

DATED 24TH JANUARY, 2017

Between:

Sri Ravindra Modern Rice Mill,
Rep. by its Managing Partner Sri V.Harendra Babu,
D.No. 16-132, Industrial Estate, Solvent Road,
Kanuru, Vijayawada – 7,
Krishna District, and another

... Petitioners

AND

Chaparala Lakshmi Bhavani and others

... Respondents

Counsel for the petitioners : Sri C.Raghu

Counsel for respondent No. 1 : Sri V.S.R.Anjaneyulu

Counsel for respondent Nos. 2 to 7 : --

THIS COURT MADE THE FOLLOWING

ORDER: (per Hon'ble Sri Justice C.V.Nagarjuna Reddy)

This civil revision petition arises out of order dated 24-12-2016 in I.A.No. 2 of 2015 on the file of the arbitrator.

2. At the hearing, Sri C.Raghu, learned counsel for the petitioners, fairly conceded that this revision petition is not maintainable in view of the law laid down by a seven judges' bench of the Supreme Court in **SBP & Company Vs. Patel Engineering Limited and another**¹. He has, however, submitted that since findings on the maintainability of claim beyond Rs.5,00,000/- were rendered against the petitioners by the arbitrator, the petitioners may be left with liberty to question the impugned order along with the award that may be passed by the arbitrator under Section 34 of the Arbitration and Conciliation Act, 1996 (for short, 'the Act').

3. In view of the above submissions, we observe that the petitioners shall always have the liberty to question the order under revision under Section 34 of the Act while questioning the award that may be passed by the arbitrator. It is also made clear that the petitioners are entitled to raise their plea regarding the maintainability of claim beyond Rs.5,00,000/- before the arbitrator notwithstanding the order under revision and the arbitrator shall be free to take his own decision on such plea while passing the award.

4. Subject to the above observations, the civil revision petition is dismissed.

5. As a sequel to dismissal of the civil revision petition, C.R.P.M.P.No. 357 of 2017 shall stand dismissed as infructuous.

C.V.NAGARJUNA REDDY, J.

T.RAJANI, J.

Date: 24-01-2017
JSK

¹ (2005) 8 SCC 618