

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

ARBITRATION PETITION NO. 720 OF 2017

Union of India

..... Petitioner

VERSUS

Calcutta Ahmedabad Roadlines Pvt. Ltd.

..... Respondent

Mr.Sureshkumar, a/w. Ms.Priyanka Tiwari, Ms.Smita Thakur,
Ms.Mohini Chaugule, Ms.Sumandevi Yadav for the Petitioner.

Mr.Shanay Shah, a/w. Mr.Rajesh Omprakash Gupta for the
Respondent.

CORAM : R.D. DHANUKA, J.

DATE : 12th JUNE, 2019

P.C.

By this petition filed under section 34 of the Arbitration and Conciliation Act, 1996 the petitioner (original respondent in the arbitral proceedings) has impugned the arbitral award dated 20th June, 2017 directing the petitioner to pay an amount of Rs.13,57,185/- with interest thereon at the rate of 8% per annum from 4th October,2016 till payment and/or realization and setting aside the termination notice dated 7th July, 2016.

2. Mr.Sureshkumar, learned counsel for the petitioner invited my attention to the clauses 13.3, 13.4 and 7.4 of the agreement entered into between the parties and submits that the claim awarded by the learned arbitrator is contrary to these provisions of the agreement entered into

between the parties.

3. Learned counsel appearing for the respondent supports the findings rendered by the learned arbitrator in the impugned award and would submit that the findings of fact rendered by the learned arbitrator being not perverse, cannot be interfered with by this court under section 34 of the Arbitration and Conciliation Act, 1996. He submits that the interpretation of the contract of the learned arbitrator being a possible interpretation, cannot be substituted by another interpretation.

4. A perusal of the award clearly indicates that in paragraphs (23) to (27) of the impugned award, the learned arbitrator has interpreted the provisions of clauses 13.3, 13.4 and clause 7.4 of the agreement and has rendered a finding that the consequences set out therein would apply only if the registration of a leaseholder is cancelled as a punitive measure or where the same was legislated as a penalty. Clause 7.4 would thus apply only if the claimant's registration was cancelled under clause 13.4. In view of clause 13.4 not being applicable, consequently, clause 7.4 would also not get attracted. The respondents were thus not entitled to forfeit the claimant's registration fee or cancel the claimant's existing contracts or debar the claimant from fresh registration for a period of five years. Learned arbitrator also rendered a finding that as per the show cause notice itself, in two out of the five instances of alleged overloading, the weight was within 23.5 tonnes. There being thus only three cases of overloading and not four, clause 13.4 would not get attracted.

5. In my view, the interpretation of the contract by the learned arbitrator being not only possible interpretation but correct interpretation, no interference is warranted. The learned arbitrator has awarded only one claim out of several claims by the respondent.

6. In my view, the findings rendered by the learned arbitrator being not perverse, cannot be interfered with by this court in this petition filed under section 34 of the Arbitration and Conciliation Act, 1996.

7. Arbitration petition is devoid of merits and is accordingly dismissed. No order as to costs.

[R.D.DHANUKA, J.]