

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23.01.2019

CORAM:

THE HONOURABLE MR. JUSTICE S.VAIDYANATHAN

Original Petition No.387 of 2014

Southern Agrifurane Industries Private Limited,
M.G.M.Group of Companies,
“M.G.M.Centre”,
No.1, 9th Street,
Dr.Radhakrishnan Salai,
Mylapore,
Chennai - 600 004.
represented by its Director
M.G.M.Anand

....Petitioner

Vs.

1.Yessir Holdings and Investments Private Limited,
145, Sterling Road, Chennai - 600 034.
Also at No.12, XIV Avenue,
Harrington Road,
Chetpet, Chennai - 600 031.
represented by its Director
Mr.M.Sivaram.

2.Aruna Hotels Limited,
No.145, Sterling Road,
Chennai - 600 034.
represented by its Managing
Director Mr.M.Sivaram

3.Hon'ble Mr.Justice K.P.Sivasubramanian,
former Judge, Madras High Court,
No.46, Pulla Avenue,
Shenoy Nagar,
Chennai - 600 030

... Respondents

Petition filed under Section 34 of the Arbitration and Conciliation Act, 1996 to set aside the Arbitration Award dated 28.04.2014.

For Petitioner : Mr.K.Ashok Kumar

For Respondents : M/s.Hema Sampath, Senior Counsel
for M/s.D.Revathi Karthick for R1

Mr.Ravi Chandran for R2

ORDER

The petitioner has come forward with the aforesaid Original Petition to set aside the Arbitration Award, dated 28.04.2014.

2. The parties have entered into compromise and Memorandum of Compromise has been produced before this Court today, to that effect. For the sake of convenience, the Memorandum of Compromise dated 23.01.2019 is extracted below:

MEMORANDUM OF COMPROMISE

1. That the Petitioner, viz., Southern Agrifurane Industries Private Limited, has duly authorized its Director, Mr.MGM Anand, son of Late. M.G.Muthu, vide Board Resolution dated 21.01.2019 and the 2nd Respondent, viz., Aruna Hotels Limited, has duly authorized its Managing Director, Mr.V.Anbalagan Son of Mr.Vaithiyalinganadar vide board resolution dated 24.12.2018, pursuant to these two resolutions Mr.Anbalagan and Mr.MGM Anand have signed this Memo of Compromise. The photocopies of the Board Resolutions are annexed herewith as Annexure IV.

2. That the Second Respondent, viz.,

M/s.Aruna Hotels Limited hereby undertakes to pay the Petitioner a sum of Rs.4,44,76,575/- (Rupees Four Crores Forty Four Lakhs Seventy Six Thousand Five Hundred and Seventy Five only) as full and final settlement of all dues payable by the Respondents jointly and severally in terms of the Award passed by the 3rd Respondent dated 28.04.2014 which is the subject matter of Challenge under O.P.387 of 2014.

3.The computation of the amount is detailed in Annexures I and II of this Memorandum of Compromise.

4. The 2nd Respondent shall pay to the Petitioner the sum of Rs.84,07,534/- (Rupees Eighty Four Lakhs Seven Thousand Five Hundred and Thirty Four only) which is the amount due and payable by the 2nd Respondent to the Petitioner for the sum received by M/s.Aruna Hotels Limited.

5. In addition to the payments stipulated in Clause (4), the 2nd Respondent shall also pay to the Petitioner, the sum of Rs.3,60,69,041/- (Rupees Three Crores Sixty Lakhs Sixty Nine Thousand and Forty One only) being the amount payable by the 1st Respondent to the petitioner.

6.The amounts in Clauses 4 & 5 are being paid by the 2nd Respondent in deference and in compliance of the terms of the Award dated 28.04.2014.

7.The total payment of Rs.4,44,76,575/- (Rupees Four Crores Forty Four Lakhs Seventy Six Thousand Five Hundred and Seventy Five only) shall be effected by the Second Respondent in eight equated monthly installments of Rs.55,59,572/- and the first tranche of payment shall be paid at the time of recording of this Memorandum of Compromise before the Hon'ble High Court in O.P.No.387 of 2014. The remaining seven equated monthly installments (Rs.55,59,572 * 7 installments=

Rs.3,89,17,004) shall be effected in accordance with the payment schedule detailed in Annexure III to this Memorandum of Compromise.

8. The Second Respondent herein has handed over the Post Dated Cheques in terms of this Memorandum of Compromise to the Petitioner herein, the receipt of the cheques is acknowledged by the Petitioner.

9. That it is agreed between the Petitioner and the 2nd Respondent herein that on the realization of all amounts due and payable under this Memorandum of Compromise, the Petitioner shall have no claim or demand against the 2nd Respondent nor shall they claim any right to any of the assets held by the 2nd Respondent herein.

10. In the event of non realization of even one instalment, the Petitioner shall have the right to refund the amounts received from the 2nd Respondent thus far and the parties shall revert back to the position as prevailing on the date of this Memorandum of Compromise and entitled to pursue the instant petition in O.P.No.387 of 2014.

11. The Parties hereby reiterate that neither the Petitioner nor the Respondents shall have any claim whatsoever except for the rights of the 2nd Respondent to claim the sum of Rs.3,60,69,041/- (Rupees Three Crores Sixty Lakhs Sixty Nine Thousand and Forty One only) as mentioned in Annexure I with interest from the 1st Respondent.

12. The Parties herein agree that the O.P.387 of 2014 be terminated in terms of this Memorandum of Compromise."

3. Recording the same, this Original Petition is disposed of in terms of the Memorandum of Compromise. No costs.

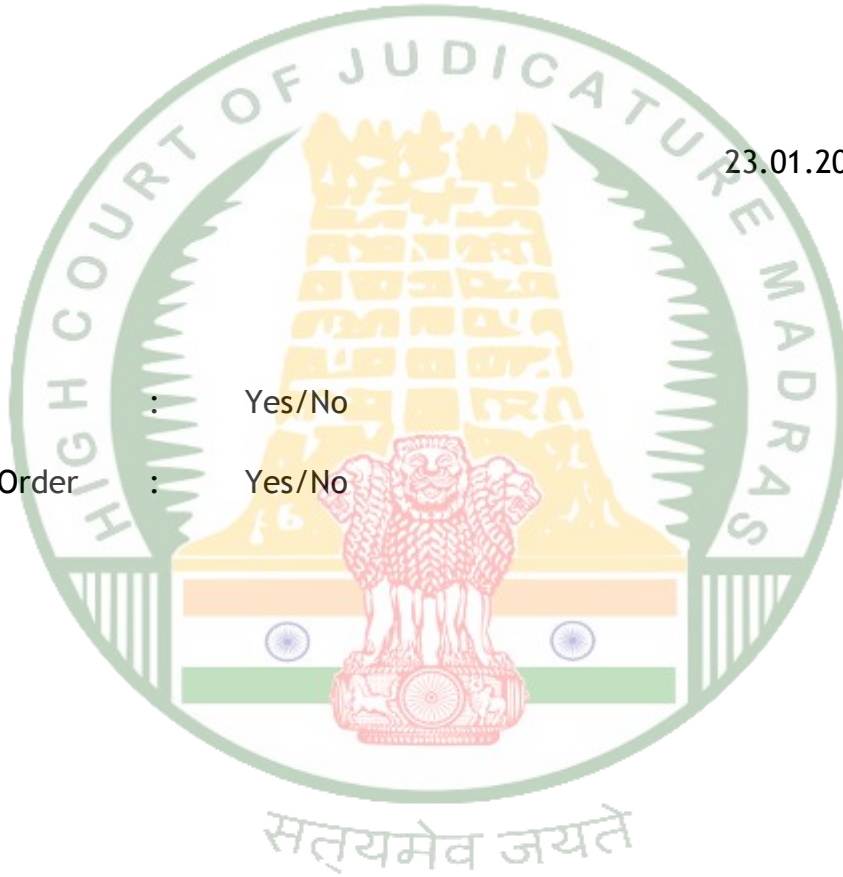
4. However, this Court makes it very clear that in case of any default, the Original Petition will be revived at the instance of any one of the parties in terms of clause No.10 of the Memorandum of Compromise.

23.01.2019

Index : Yes/No

Speaking Order : Yes/No

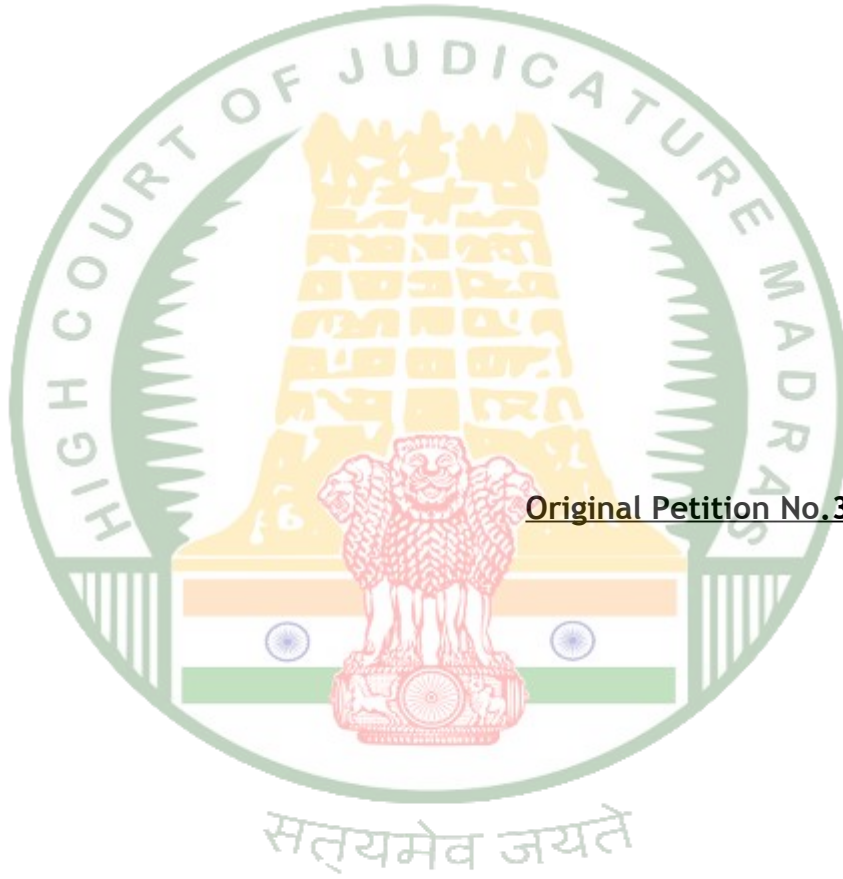
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S.VAIDYANATHAN,J.

(tsg)



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