



O.A.Nos.218 & 87 of 2024

O.A.Nos.218 & 87 of 2024
& Arb.Appln.Nos.82 & 155 of 2024
& A.No.2261 of 2024

KRISHNAN RAMASAMY, J.,

When this matter was taken up for hearing on 29.04.2024, this Court passed the following order:

In the present case, this Court had already granted ad-interim injunction vide order dated 13.02.2024.

2. Initially, the parties arrived at a settlement, whereby they agreed the respondents are liable to pay a sum of Rs.24,00,000/- to the applicant. Subsequently, it came to the knowledge of the respondents that the applicant had not paid the Electricity Charges and the respondents are not liable to pay the same. Hence, the aforesaid amount was reduced to a sum of Rs.23,00,000/- and there is a dispute between the parties with regard to the said reduction. Therefore, both the learned counsel insisted this Court to refer this matter to Arbitration to adjudicate the dispute between the parties.

3. From the perusal of records, it appears that this Court had already passed an order not to deal with the amount, i.e., a sum of Rs.24,00,000/-, which was already deposited in the account of 6th respondent. When such being



O.A.Nos.218 & 87 of 2024

the case, today, the respondents came forward to pay a sum of Rs.23,00,000/- vide Demand Draft to prove their bonafide. Under these circumstances, this Court feels that there is a chance of settlement of the dispute between the parties through Mediation.

4. At this juncture, the learned counsel for the applicant had insisted this Court to direct the respondents to deposit the aforesaid Demand Draft to the credit of the present case before this Court. However, he is not willing to accept the said amount as final settlement. When such being the case, this Court is not inclined to receive the said deposit, since the respondent had proved their bonafide and duly complied the order passed by this Court by bringing a Demand Draft for a sum of Rs.23,00,000/-. Further, this Court directs the learned counsel for the respondent to retain the Demand Draft with him till the next date of hearing.

5. In view of the above, this Court is inclined to refer this matter to Mediation. Further, it is also made clear that there is no bar for the respondents to operate the bank account.

6. Accordingly, the Registry is directed to send all the relevant papers to the Mediation Centre and list this matter



O.A.Nos.218 & 87 of 2024

before the Mediation Centre.

7. The parties shall appear before the learned Mediator, failing which, this Court will take a serious view and cost will be imposed on both the applicant and respondents. Further, the Mediation Centre is directed to send communication to the parties with regard to the same.

8. The Registry is directed to list this matter before this Court after the completion of Mediation on 12.06.2024.

2. The learned counsel for the applicant would submit that in the present case, the parties had entered into a Memo of Compromise (MOC) dated 05.01.2024 and according to the said MOC, the respondents have to pay a sum of Rs.24,00,000/- to the applicant as a final settlement. Pursuant to the said MOC, on 20.01.2024, a cheque was issued by the respondents for a sum of Rs.24,00,000/-, however, the same was dishonoured and hence, proceedings under Section 138 of the Negotiable Instruments Act has been initiated by the applicant.



O.A.Nos.218 & 87 of 2024

WEB COPY

3. In reply, the learned counsel for the respondents would submit that at the time of entering the MOC, the applicant had not handed over the property to the respondents. When the respondents had visited the property after the entering of MOC, they found several damages made by the applicant and hence, they intend to deduct a sum of Rs.1,00,000/- towards the said damages. Accordingly, at the time of issuance of cheque, though the respondents had sufficient funds in their bank account, they stopped the payment, due to which the cheque was dishonoured. After deducting the aforesaid amount towards damages, the respondents have brought a Demand Draft for a sum of Rs.23,00,000/-.

4. However, the applicant had not accepted the aforesaid Demand Draft for a sum of Rs.23,00,000/- since they had initiated Section 138 proceedings against the respondents. Further, the learned counsel for the applicant would submit that the applicant is intend to go for arbitration.

5. Considering the above submission, this Court is of the view that



O.A.Nos.218 & 87 of 2024

normally, accepting the amount from the respondents will no way stop Section 138 proceedings, which was initiated by the applicant against the respondents. Even after accepting the Demand Draft, the applicant can raise his disputes before the concerned Court, where the Section 138 proceedings are pending. However, since the applicant have made objections in receiving the demand draft from the respondent and further, they are intend to go for arbitration, this Court is inclined to pass the following orders:

i) The respondents are directed to deposit the Demand Draft in the name of the Registrar General, Madras High Court, for a sum of Rs.23,00,000/- to the credit of O.A.No.218 of 2024 within a period of 2 weeks from today (18.06.2024).

ii) Upon such deposit, the Registrar General, High Court of Madras is directed to deposit the said amount in any interest accruing Fixed Deposit with renewal period of 6 months, till the conclusion of arbitration proceedings.

6. With the above directions, these applications are disposed of.



WEB COPY

nsa



O.A.Nos.218 & 87 of 2024

18.06.2024



WEB COPY



O.A.Nos.218 & 87 of 2024

KRISHNAN RAMASAMY, J.,

nsa

O.A.Nos.218 & 87 of 2024
& Arb.Appl.Nos.82 & 155 of 2024
& A.No.2261 of 2024

18.06.2024