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Arb.O.P (Com.Div.) No.18 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 31.07.2024

CORAM

THE HON'BLE Mr. JUSTICE KRISHNAN RAMASAMY

Arb.O.P (Com.Div.) No.18 of 2024
and A.No.226 of 2024

1.E.Jayavelu
2.J.Geetha
3.P.Sathishkumar

... Petitioners

Vs.

The Repatriate Co-operative Finance &
Development Bank Ltd., called as REPCO Bank
Rep by its Authorised Signatory,
No.33, North Usman Road,
T.Nagar, Chennai 600 017.

... Respondent

Prayer:

Arbitration Original Petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 to appoint an Arbitrator to set aside the Arbitral Award dated 15.09.2023 passed by the Arbitral Tribunal in Claim Petition bearing ARC.No.17 of 2022 and to direct the respondent to pay the costs.



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For Petitioner : Mr.B.Ravi Raja

For Respondents : Mr.A.Ilangovan

ORDER

This Arbitration Original Petition has been filed under Section 34(2) of the Arbitration and Conciliation Act, 1996, (hereinafter called as “the Act”) to set aside the Arbitral Award dated 15.09.2023.

2. In the present case, vide order dated 12.01.2021, this Court has granted an order of interim stay subject to the payment of a sum of Rs.50,00,000/- to the respondent and also stated that the said payment will not be prejudice to the right of the petitioner to have the case settled under the OTS (One Time Settlement) Scheme available under Law. The said order was duly complied by the petitioner and hence, this Court directed the respondent to consider the petitioner's request for OTS.



3. Thereafter, when this matter was taken up for hearing on

01.07.2024, this Court passed the following order:

“Pursuant to the order dated 08.04.2024, the learned counsel for the respondent filed a status report stating that the OTS proposal already submitted by the petitioners was rejected. Further, he would submit that if the petitioners approach the Head Office, Recovery Department for further negotiation, the Head Office will consider the same and all the particulars with regard to the OTS will be provided to him.

2. In view of the above, this Court directs the petitioners to submit a fresh OTS proposal before the respondent.

3. Post this matter on 31.07.2024.”

4. Today, the learned counsel for the petitioner would submit that pursuant to the above order, the petitioner had submitted a proposal for OTS vide letter dated 28.07.2024, whereby he expressed his willingness to settle the entire sum of Rs.1,22,00,000/- towards full and final settlement. However, the respondent-Bank has not responded to the said proposal submitted by the petitioner.



5. Further, he would submit that the petitioner has already paid a sum of Rs.50,00,000/- to the respondent and today, he brought the Demand Draft for a sum of Rs.10,00,000/-.

6. In reply, the learned counsel for the respondent would fairly submit that the respondent-Bank has received the letter from the petitioner on 23.07.2024. Further, he would submit that if the petitioner is willing to settle the entire sum of Rs.1,22,00,000/-, the said amount has to be paid within a period of 30 days from today (31.07.2024).

7. He would also confirmed that the petitioner has already paid a sum of Rs.50,00,000/- and today, he received the demand draft produced by the petitioner for a sum of Rs.10,00,000/-. Hence, he would submit that if the balance sum of Rs.62,00,000/- is paid by the petitioner within a period of 30 days, the same will be accepted by the respondent-Bank towards the full and final settlement.



8. Heard the learned counsel for the petitioner and the respondent and also perused the materials available on record.

9. In the present case, it appears that pursuant to the conditional order passed by this Court dated 12.01.2024, the petitioner has paid a sum of Rs.50,00,000/- to the respondent. Thereafter, the petitioner had submitted a proposal for OTS before the respondent vide letter dated 28.07.2024, whereby he expressed his willingness to settle the entire sum of Rs.1,22,00,000/- towards full and final settlement. Accordingly, today, a Demand Draft for a sum of Rs.10,00,000/- was produced by the learned counsel for the petitioner and the same was received by the respondent.

10. In view of the above, this Court is inclined to pass the following order:

i) Since the petitioner has already paid a sum of Rs.60,00,000/- to the respondent, this Court directs the petitioner to pay the balance amount of Rs.62,00,000/- within a period of 30 days from the date of receipt of copy of this order.



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ii) Upon such payment, the respondent-Bank shall accept the said amount towards full and final settlement.

iii) Further, the respondent-Bank is directed to return the letter for discharge of loan along with other original title deeds submitted by the petitioner.

11. With the above directions, this original petition is disposed of. No cost. Consequently, the connected application is also closed.

31.07.2024

Speaking/Non-speaking order
Index : Yes / No
Neutral Citation: Yes / No
nsa



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KRISHNAN RAMASAMY.J.,

nsa

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