

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

**ARBITRATION PETITION NO.63 OF 2024**

ICATCH Communications India Limited

....Petitioner

V/S

Nayara Energy Ltd. & Anr.

....Respondents

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**Mr. Akash Warang** with Mr. Harshavardhan G. Khambete and Mr. Deep Shah *for the Petitioner.*

**Ms. Riya Pichaya** i/b M/s. India Law LLP *for Respondent No.1.*

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**CORAM : SANDEEP V. MARNE, J.**

**DATE : 14 NOVEMBER 2025.**

**P.C.:**

1. This Petition is filed under provisions of Section 34 of the Arbitration and Conciliation Act, 1996 (**the Arbitration Act**) taking exception to the Award dated 1 July 2022 passed by the learned sole Arbitrator. The Arbitrator has held that the action of termination of contract by Respondent No.1 is valid. The Petitioner is directed to remove the hoarding structure from the Retail Outlet site. Respondent No.1 is granted liberty to raise invoices on the Petitioner for due amounts. Petitioner is directed to pay the due amounts together with interest at the rate of 10% per annum.

2. On 8 June 2011 an Agreement was executed between Petitioner and Respondent No.1 for erection of hoarding structure at the Retail Outlet site of Respondent No.1 at Hyderabad. Petitioner accordingly erected unipole hoardings bearing advertisements on both the sides over

the Retail Outlet of Respondent No.1 at Hyderabad. Under the Agreement, Petitioner took the responsibility of paying rent to Respondent No.1. The Agreement was extended on 6 March 2017 upto 7 June 2021. On 15 December 2018, Respondent No.1 suddenly terminated the Agreement by referring to objection raised by Petroleum and Explosive Safety Organization (**PESO**). Petitioner accordingly invoked arbitration by issuing notice on 25 December 2018. The dispute between the parties were referred for resolution before the learned sole Arbitrator. Respondent No.1 filed Counterclaim in addition to defending the claim of the Petitioner. In this Counterclaim Respondent No.1 prayed for payment of amount of Rs.3,06,450/- towards arrears of rent from August 2018 till April 2019 alongwith interest.

3. By the impugned Award dated 1 July 2022, the learned Arbitrator has held the termination to be valid. It has granted liberty to Respondent No.1 to raise invoices on the Petitioner with direction to the Petitioner to pay to the Respondent the due amount alongwith interest. The Award is challenged in the present Petition filed under Section 34 of the Arbitration Act.

4. I have heard Mr. Warang, the learned counsel appearing for the Petitioner and Ms. Pichaya, the learned counsel appearing for the Respondent No.1. I have gone through the reasons recorded in the impugned Award. I have also perused records of the case.

5. Mr. Warang would fairly submit that the Petitioner has already removed the hoarding from the site June 2024 in pursuance of order

passed by Telangana High Court on 28 April 2023. Since the hoarding in question is already removed. There is no need to adjudicate the issue of termination. The termination appears to have been effected on account of objection raised by PESO by letter dated 4 April 2017. Since the hoarding has already been removed and since the Petitioner is no longer interested in operating the hoarding from the concerned site, it is not necessary to go into the issue of validity of termination.

6. The only issue which remains is about liability of the Petitioner to pay the outstanding rentals in respect of period from August 2018 onwards. Mr. Warang would seriously dispute the liability to pay arrears of rent. He would however submit that under the contract, Respondent No.1 was required to raise invoices against which only payment could be made. That since no invoice was raised after termination, there was no liability for the Petitioner to pay the rent. He would therefore submit that the direction by the learned Arbitrator for payment of interest is clearly erroneous. It is further contended that the Arbitrator has failed to record any reasons while issuing direction for payment of due amount alongwith interest.

7. Perusal of the Award would indicate that the Arbitrator has recorded some reasons for directing payment of outstanding amount of rent in paragraph 42(i) of the Award. Though the Arbitrator could have been slightly more vocal by recording better reasons while allowing the Counterclaim of Respondent No.1, that alone cannot be a reason for interfering in the impugned Award. Petitioner has undoubtedly enjoyed the amount which it was supposed to pay to Respondent No.1. It has earned income through advertisements after termination of the contract.

In that view of the matter, I do not see any serious error in the Arbitrator directing payment of outstanding dues of rental. So far as interest is concerned, since Petitioner has enjoyed the amount by not paying over to Respondent No.1, the learned Arbitrator has rightly directed payment of interest on the outstanding amount. The view taken by the learned Arbitrator is plausible view.

8. No interference is warranted in the impugned Award. The Arbitration Petition is accordingly rejected.

**(SANDEEP V. MARNE, J.)**

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KATKAM  
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