
IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 18760 OF 2024

Pune Mahanagar Parivahan Mahamandal Ltd ...Petitioner

Versus

R Square Syatem And Solution ...Respondent

Ms. Madhavi M. Tavanandi, for the Petitioner.

Mr. Mrunal Surana, for Respondent.

CORAM : SOMASEKHAR SUNDARESAN, J.

DATE : April 7, 2026

ORDER :

1. This is a Petition filed under Section 34 of the Arbitration and Conciliation Act, 1996 ("***the Act***"). This Petition impugns an order dated January 9, 2023 passed by the Section 34 Court directing that the net arbitral amount of Rs.38 lakh be deposited by the Petitioner in the Section 34 proceedings. The term "net arbitral amount" is being used inasmuch as in the arbitral award dated September 30, 2019, the Petitioner was directed to pay a sum of Rs.55 lakh to the Respondent, while the Respondent's liability was fixed at Rs.16 lakh resulting in a net amount of Rs.38 lakh. The direction to deposit the said amount of Rs.38 lakh is what is impugned in this Writ Petition.

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2. After it was pointed out on the last occasion that a full and efficacious remedy under Section 37 is available, the Learned Advocate for the Petitioner now has instructions to withdraw the Writ Petition with liberty to pursue an Application under Section 37. The Writ Petition is *finally disposed of* in these terms.

3. Be that as it may, it is apparent that the order of deposit had been passed nearly three years ago, and neither has a deposit been made nor have the Section 34 proceedings continued. The object of the deposit was to secure the arbitral award but since the Section 34 proceedings themselves did not continue despite the deposit not being made, the Section 34 Court is requested to consider the cross challenges by both parties to the arbitral award at the earliest.

4. It is made clear that nothing in this order is an expression of an opinion on the merits of the direction to deposit, one way or the other.

5. Needless to say, both the parties are keen on an expeditious disposal, and the District Court is requested to consider an expeditious resolution of the cross-challenges under Section 34, preferably within a period of six months.

6. Since an expedition is being requested, it is only fair that the Petitioner which is a public sector undertaking, abides by the order of deposit so that it would show its *bona fides* in seeking expeditious pursuit of the Section 34 challenge. Both parties shall extend all necessary cooperation to the District Court to enable consideration and disposal of the cross-challenges in Section 34 within a period of six months.

7. The parties shall present themselves before the District Court on ***April 16, 2026*** to take directions on how to proceed further in the matter.

8. Since the cross-challenges are said to be under consideration of different judges, a Learned Principal District Judge is requested to consider tagging the matters and assigning them to one single bench, so that such expeditious resolution can be considered.

9. Writ Petition is ***finally disposed of*** in the aforesaid terms.

10. All actions required to be taken pursuant to this order shall be taken upon receipt of a downloaded copy as available on this Court's website.

[SOMASEKHAR SUNDARESAN, J.]

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