

**IN THE COURT OF JUDGE, COMMERCIAL COURT
(DISTRICT JUDGE CADRE), COIMBATORE**

Present: **Thiru. K.Hariharan, M.L.,**
Judge,
Commercial Court (District Judge Cadre),
Coimbatore

Tuesday, the 17th day of March, 2026

Arbo.O.P. No.12 of 2025
(CNR No.TNCB22-000054-2025)

Mr. M.Ramamoorthi,
S/o Muthuswamy,
No.20, Kurinji Nagar,
Civil Aerodrome Post,
Coimbatore - 641 014

.... Petitioner / Respondent

// Vs //

Mr. B.Suresh Kumar
S/o Bujina Gowder,
No.84, Thilakar Street,
Vilangurichi Road,
Kalapatti,
Coimbatore - 641 048.

.... Respondent / Petitioner

This petition came up for final hearing before me on 10.03.2026 in the presence of **M/s. G.S. Law Associates, Mr.S.Balaji**, Advocate for the Petitioner / Respondent and **Mr.Iyalpari S.R. and Mrs. Poorvaja A.R.** Advocates for the Respondent / Petitioner and upon perusing the records and mediation report with settlement agreement and hearing both sides and having stood over for consideration till this date, this Court passes the following:-

ORDER

This Arbitration Original Petition has been filed by the petitioner under Section 34 (2) of the Arbitration and Conciliation Act, 1996 R/w Section 10 (3) of the Commercial Courts Act, 2015 seeking to set aside the Arbitral Award dated 08.02.2025 passed by the Arbitrator and dismiss the claim petition on the file the Arbitrator in Arbitration Case No. 1 / 2024, in its entirety along with Cost.

2. The petitioner is the respondent and the respondent is the claimant in the claim petition before the Arbitral proceedings. The learned Arbitrator has passed the Award dated 08.02.2025 and aggrieved over the said Award the present petitioner has filed this petition before this Court to set aside the said award. The respondent has filed the counter and the respondent has also filed an Execution Petition in E.P.No.11 of 2025 for executing the said award. When the petition in Arbo.O.P. No.12 of 2025 was pending for enquiry, both parties have jointly filed a memo to refer the dispute for mediation. Hence considering the request of the counsel on both sides the dispute was referred to mediation and mediation talks were held in the presence of Advocate Mr.A.Rajesh Kanna, as Mediator. On 02.03.2026 the parties with the assistance of the mediator agreed to arrive with the amicable settlement and entered into a Settlement Agreement dated 02.03.2026 in the presence of Mediator / Conciliator as follows:-

3. Terms of Settlement entered between the parties:-

1. The Petitioner and Respondent agree to settle the dispute amongst them in respect of the Partnership Firm "IAM DESIGNING" for a settlement amount of Rs.1,05,00,000/- (Rupees One Crore and Five Lakhs Only).
2. The Petitioner agrees to pay and Respondent agrees to receive the said sum of Rs.1,05,00,000/- (Rupees One Crore and Five Lakhs Only) as full and final settlement of the Award in AP No. 1 of 2024 dated 08.02.2025 passed by the Sole Arbitrator Mr.J.V.Raj (Retd District Judge).
3. The Petitioner and Respondent agree that the sum of Rs.1,05,00,000/- (Rupees One Crore and Five Lakhs Only) is payable in following manner by the Petitioner to the Respondent,
 - (a) A sum of Rs.50,00,000/- (Rupees Fifty Lakhs Only) has been paid on 02.03.2026 by way of RTGS with Reference Number HDFC5202603027605413 by the Petitioner to the Respondent.
 - (b) A sum of Rs.50,05,000/- (Rupees Fifty-Five Lakhs Only) to be paid on or before 31.03.2026 by way of RTGS.

The Petitioner hereby agree for remitting the payments to the Respondent's Bank account details as given below:

Bank Name	Axis Bank
Bank Address	Door No.1216, Trichy Road, Next to Bannari Amman Sugars Ltd. Coimbatore - 641 018
Account Name (For Credit to)	B SureshKumar
Account No.	912010051159147
IFSC	UTIB0000477

The Parties agree that the Petitioner, for his accounting and compliance purposes, may make any of the payments due under this Agreement either from his personal accounts or from the bank account of the partnership firm "IAM DESIGNING." The Respondent agrees to accept such payments from either source without objection. It is expressly clarified that any payment made from the Firm's account shall be deemed to be a payment made by the Petitioner to fulfill his obligations under this Agreement and shall not be construed as an admission of any ongoing liability of the Firm.

4. This Settlement Agreement shall be an acknowledgment of first installment made by Petitioner to the Respondent. Upon receipt of the final installment and the full payment of the entire Settlement Sum, the Respondent shall, also execute and provide to the Petitioner a separate "Final Receipt and Discharge" document, irrevocably acknowledging that the full Settlement Sum of Rs.1,05,00,000/- has been received.
5. It is expressly understood and agreed by the Parties that this Agreement is a compromise of disputed claims entered into to

avoid the costs and uncertainties of further litigation. The agreement by the Petitioner to pay the Settlement Sum is made for the purpose of this settlement only and shall not be construed as an admission of any liability, fault, or wrongdoing, nor as an admission of the validity of the claims or findings in the Impugned Award.

6. Time is of the essence for this Agreement. In the event the Petitioner defaults in paying of the final installment of the Settlement Sum on or before its due date, the Respondent shall be entitled, upon giving seven (7) days' written notice to the Petitioner to enforce this Settlement Agreement as a decree for the entire outstanding balance of the Settlement Sum, along with interest at the rate of 12% per annum from the date of default until realization. The Respondent shall further be entitled to all other remedies available under law to give effect to the Payment liability of the Petitioner under this Agreement.
7. Upon the execution of this Agreement, the Respondent shall, within seven (7) working days, take all necessary steps to unconditionally withdraw the Execution Petition in E.P.No.11 of 2025 pending before the Commercial Court (District Judge Cadre), Coimbatore, filed for execution of the award passed by the Sole Arbitrator. The Respondent shall also not initiate or prosecute any other proceedings in relation to the Award, save for enforcement of this Settlement Agreement.

8. The Parties agree that the Award dated 08.02.2024 passed by the Sole Arbitrator referred to above shall stand fully and finally settled by way of compliance with the terms and conditions set forth in this Settlement Agreement.
9. The parties hereby agree to record this Settlement Agreement, in the presence of Mediator and seek for passing an order in terms of the Settlement Agreement before the Honorable Commercial Court (District Judge Cadre), Coimbatore.
10. The Parties mutually agree that, subject to the payments provided herein. this Settlement Agreement constitutes a full and final settlement of all claims and disputes between them, and that neither Party nor their agents or representatives shall make or institute any further claims. demands, or legal proceedings in respect of any past, present, or future disputes arising out of or connected with the matters covered by this Agreement, being fully aware of their respective rights and obligations thereunder.
11. Upon the payment of the first installment and execution of this Agreement, the Respondent irrevocably undertakes to cooperate fully and in good faith with the Petitioner to complete all necessary legal and procedural formalities for the formal dissolution of the partnership firm "IAM DESIGNING." This cooperation shall include, but not be limited to, signing all necessary dissolution deeds, applications, forms, affidavits, and any other documents required by the banks, or any other relevant authority subject to the contents, relevancy and prevision of supporting data.

12. The Parties expressly acknowledge and agree that the Settlement Sum of Rs.1,05,00,000/- is the sole and absolute consideration for this Agreement and includes a full and final settlement of any and all amounts, entitlements, or claims of any nature whatsoever that the Respondent may have had, now has, or could have in the future in relation to the accounts, assets, liabilities, and dissolution of the said Firm. For the avoidance of any doubt, the Respondent is hereby estopped and forever barred from demanding, claiming, or initiating any action for any further or additional sums of money with respect to the firm IAM DESIGNING.

13. The Parties agree that the payments of the Settlement Sum made by the Petitioner to the Respondent shall be made in full, without any deduction or withholding of Tax at Source (TDS). The Respondent acknowledges and agrees that he shall be solely and exclusively responsible for determining and paying any and all taxes, duties, levies, or assessments (including but not limited to income tax) that may be payable on or arise as a consequence of his receipt of the Settlement Sum. In consideration of the Petitioner agreeing not to deduct TDS from the Settlement Sum, the Respondent hereby irrevocably and unconditionally agrees to indemnify, defend, and hold the Petitioner, his heirs, and his representatives, fully harmless against any and all claims, demands, liabilities, losses, damages, costs, expenses, tax demands, penalties, interest, and legal fees that may be brought, levied, or assessed against the Petitioner by any tax or governmental authority arising directly or indirectly from the Petitioner's non-deduction of TDS on the payments made under this Agreement. This indemnity shall include the full amount of any tax

demanded from the Petitioner, along with any associated interest and penalties. If requested by the Petitioner, the Respondent agrees to provide satisfactory proof of payment of taxes on the Settlement Sum to the relevant tax authorities. Any demand from the Government towards taxes/ levies/ penalties etc from the I AM DESIGNING firm shall be dealt with by the Petitioner in consultation with the Respondent.

14. There is no fraud or collusion between the parties in entering into this Settlement Agreement.

15. The Petitioner shall be entitled to refund of court fees as per rules.

4. From the settlement arrived between the parties as above, this Court is of the considered view that, there is no other issue left to be decided in this petition. Hence this Court is of considered stand that the petition has to ordered as per the terms of settlement entered between the parties and this Court would consider that the proceedings in this petition has to be closed, as it is settled before the Mediation and thereby the petitioner would be entitled for refund of Court Fee as per Rules.

5. In the result, the petition is ordered as per the terms of the Settlement agreement entered between the parties on 02.03.2026 in the mediation process and thereby the Terms of Settlement Agreement dated

02.03.2026 shall form part of this Order. Since there is no other issues left to be decided in this petition, the proceeding in this petition is closed, as it is settled before the Mediation and thereby parties are directed to bear their own costs. The petitioner is entitled for refund of Court fees as per Rules.

Dictated to the Steno-Typist, directly computerized by him, Corrected and Pronounced by me, on the **17th day of March 2026.**

Judge,
Commercial Court,
(District Judge Cadre)
Coimbatore