



Turning dreams into reality

OL/SE/629/July 2024-25

July 25, 2024

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400001 Security Code: 532880	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400051 Symbol: OMAXE
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Subject: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("SEBI LODR Regulations")

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, please find enclosed herewith the disclosure with respect to arbitration award passed by Arbitral Tribunal in the matter of arbitration of Patiala Urban Planning & Development Authority (Claimant) and Omaxe Limited (Respondent), including the required information in terms of SEBI Circular ref. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023.

You are requested to take the same on record please.

Thank You

For Omaxe Limited

For OMAXE LIMITED

Company Secretary

D B R Srikanta

Company Secretary & Compliance Officer

"This is to inform that please make all correspondence with us on our **Corporate Office** Address only"

OMAXE LIMITED

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Disclosure as required in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13th July 2023

S.No.	Items of Disclosure	Description
1.	Brief details of litigation and expected financial implication	<p>In the year 2006, the Company and Patiala Urban Planning & Development Authority (PDA) entered into an Joint Development Agreement (JDA) with a view to develop an Integrated Township consisting of residential, IT / Bio Tech and other commercial infrastructures ('The Project') basis with provision for assured employment opportunity to about 5000 people in IT / Bio Tech Sector. However, IT & Biotech Park and Institutional Area could not be developed due to lack of response from IT Companies and the Company, <i>inter alia</i>, requested for extension of time & conversion of embarked land from IT/Bio Tech into residential area and the same was rejected by PDA.</p> <p>In January 2021, the said matter was referred to the Arbitral Tribunal constituting of three members. The Arbitral Tribunal passed the majority award by two arbitrators and minority award by one arbitrator.</p> <p>The outcome of majority award in favor of claimant is as attached as Annexure A and the outcome minority award in favor of respondent is enclosed as Annexure B.</p> <p>The respondent is in process of filing appeal against the majority award and has a fair chance to get relief from the concerned Hon'ble Court.</p>
2.	The details of any change in the status and/or any development in relation to such proceedings:	As above.
3.	In the case of litigation against key management personnel or its promoter or ultimate person in control, regularly provide details of any change in the status and / or any development in relation to such proceedings:	Not Applicable
4.	In the event of settlement of the proceedings, details of such settlement including - terms of the settlement, compensation/ penalty paid (if any) and impact of such settlement on the financial position of the listed entity:	In view of the majority award, the Company is in process of filing appeal against the majority award in the competent court of jurisdiction and also evaluating the overall financial impact of the majority award on the Company.

ANNEXURE A- OUTCOME OF THE MAJORITY AWARD

- a. Claim No. 1 of the claimant is allowed. It is declared that the claimant is entitled to compensation on account of non-fulfilment of obligations by the respondent in terms of Article 4.3 (vii) read with Article 4.3 (viii) of the JDA and the claimant is entitled to forfeit 20% revenue share of the respondent i.e. Rs.53 crores withheld in the Escrow Account. The claimant shall be entitled to interest on the forfeited amount w.e.f. 08.08.2018. The interest shall be calculated at the rate at which the monies were kept in the Escrow Account opened and operated as per Article 7.2 of the JDA.
- b. It is declared that the points of consensus arrived between the parties in the meeting of the Negotiations Committee held on 18.01.2016 are binding on the parties and the respondent is directed to surrender 60 acres land meant for IT and Bio Tech Park to the claimant within four weeks from the date of award.
- c. Claims raised by either party with respect to the compensation to be paid to the allottees for delay in handing over possession are dismissed.
- d. It is held that the claims of the claimant and the counterclaims of the respondent are not barred by time.
- e. The counterclaims of the respondent both in the nature of monetary and declaratory claims are dismissed in view of the findings recorded on Issue Nos. (xi), (xiii) and (xvii).
- f. It is declared that the claimant is not liable to indemnify the respondent for any claim, which may be raised by the allottees on account of delay in the allotment.
- g. It is declared that the claimant is not liable to pay compensation of Rs.55 crores with interest @ 18 % per annum for the losses allegedly suffered by it
- h. In the peculiar facts and circumstances of the case, we direct that neither party shall be entitled to interest in terms of Section 31(7) of the Arbitration and Conciliation Act, 1996.
- i. The parties shall bear their own cost.

ANNEXURE B- OUTCOME OF THE MINORITY AWARD

(i) The final awarded amount under various Claims and Counter Claims are as under: -

Column No.	Description/Nature of Claim	Amount Awarded
1	Claimant is entitled to compensation on account of non-fulfilment of terms and conditions of the JDA amounting to Rs. 53 Crores plus interest accruing till date of passing of Award.	Rejected
2	Claimant has no liability to pay compensation to allottees for delayed possession.	Partly Allowed
3	Compensation on account of delay in handing over/ returning possession of 60 acres land.	Rejected
4	Compensation/payment of costs of Arbitration/Litigation	Rejected
Counter Claim Details		
1	Respondent is entitled to receive its lawfully entitled 20% retained revenue share wrongfully withheld in the escrow account amounting to a sum of Rs. 53,00,00,000/- (Rupees Fifty Three Crores Only), along with interest.	As per decision recorded in para no. 159 of the Award.
2	Compensation for the losses suffered by the Respondent due to payment of compensation to the allottees for delay in handing over of possession solely occasioned by the acts and omissions on the part of the Claimant along with interest thereon as awarded by the Courts/Tribunals from the date of termination.	Partly Allowed
3	Order of declaration that inter-se the Respondent and Claimant, if due to delay of the Claimant there is a resultant delay in delivery of possession qua the allottees; and if the Respondent incurs losses in the form of compensation, the Respondent has the right of indemnification and to seek reimbursement from the Claimant.	Partly Allowed
4	Declaration from the Hon'ble Tribunal that the Respondent shall develop 60 acres of land initially allocated towards development of IT /Bio-Tech Sector, as residential/ commercial plots.	Rejected
5	Order of declaration on the points of consensus 2, 4 and 5 as decided in the meeting dated 18.01.2016, 08.02.2016 and 26.11.2016 further relied upon by the Claimant in para 40 of the SOC directing both the parties to comply with their respective obligations as per the agreed terms.	As per decision recorded in para no. 223 of the Award.
6	Release of amount so recovered from Rejected the allottees towards enhanced land compensation as per revenue sharing mechanism of JDA.	Rejected
7	Compensation for the losses Rejected suffered/ loss of profit to the Respondent on account of conduct of the Claimant.	Rejected
8	The Respondent is entitled to pre- reference, pendente-lite and post award the Award interest.	As discussed in the Award
9	Claimant to bear litigation/ arbitration, as well as other ancillary costs.	As discussed in the Award

(ii) As a result, this arbitral dispute is disposed in the manner as recorded above in the Award along with simple interest at the bank rate from the date cause of action arose, till the date of the award. The Respondent shall also be entitled to simple interest at bank rate from the date of the Award till the realization of the Awarded amount under Section 31 (7)(b) of the Arbitration and Conciliation Act, 1996, in view of the judgment of the Apex Court in UHL Power Company Limited Vs. State of Himachal Pradesh, Civil Appeal No. 10341 of 2011 decided on 07.01 .2022.