

HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH

PRESENT

THE HON'BLE THE ACTING CHIEF JUSTICE DILIP B. BHOSALE

AND

THE HON'BLE SRI JUSTICE S.V.BHATT

WRIT APPEAL No.947 OF 2015

DATED: 14.10.2015

Between:

M/s.Workover Rigs (India) Limited

... Appellant

and

Oil and Natural Gas Corporation Limited and another

... Respondents

THE HON'BLE THE ACTING CHIEF JUSTICE DILIP B. BHOSALE

AND

THE HON'BLE SRI JUSTICE S.V.BHATT

WRIT APPEAL No.947 of 2015

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PC: (per the Hon'ble The Acting Chief Justice Dilip B. Bhosale)

Heard learned counsel for the parties.

The appellant has challenged the following order passed on Miscellaneous Petition No.42109 of 2015 in Writ Petition No.32594 of 2015.

“Heard learned counsel for the petitioner and
Mr. E.Manohar, learned Sr counsel appearing for the respondents.

By order dated: 05.10.2015 the petitioner was permitted to approach the respondents for making an alternative proposal and encashment of bank guarantee was stayed till today.

It is however reported that the alternative proposal was only made today.

In the circumstances, there is no reason to extend the period of stay any further, but on the ground of equity, the said order not to encash the bank guarantee is extended upto 15.10.2015 with liberty for the petitioner to approach the ONGC- respondents and get his alternative proposal approved.

Post on 02.11.2015.”

We have also perused the order passed on 05.10.2015 which reads thus.

“Though the order of termination of contract is questioned, keeping in view the order of extension earlier granted to the petitioner by ONGC-first respondent under its letter dated 5.5.2015 and the conditions thereunder, the learned counsel for the petitioner makes an alternate submission that the petitioner is interested in approaching the ONGC-first respondent with an appropriate proposal to renegotiate and is also prepared to pay liquidated damages, if time is granted to him.

Since the learned standing counsel appearing for the first respondent seeks time to get instructions, the encashment of bank guarantees furnished to the first respondent by the petitioner through the second respondent shall, however, remain stayed till 12.10.2015. The petitioner is at liberty to approach the first respondent with his proposal for renegotiations.”

Learned counsel for the appellant submits that the stay, which would operate till 15.10.2015, may be extended till the alternative proposal submitted by the appellant is considered by respondent No.1.

On the other hand, Sri E.Manohar, learned Senior Counsel for

respondent No.1 submits that the earlier proposal made by the appellant has already been rejected and that respondent No.1 has not received alternative proposal as stated in the order dated 12.10.2015.

We cannot examine whether the statement made on behalf of the appellant that they have submitted alternative proposal as true and correct. Having regard to the orders passed by the learned Single Judge dated 05.10.2015 and 12.10.2015, we are not inclined to grant stay as prayed and we are satisfied that the following order shall meet the ends of justice.

“If respondent No.1 has received the proposal as mentioned in the impugned order, they shall consider the same on merits in accordance with law. Till then, it is desirable for respondent No.1 not to encash the bank guarantee.”

With these observations, writ appeal is disposed of.

Consequently, miscellaneous petitions, if any, also stand disposed of.

DILIP B. BHOSALE, ACJ

14th OCTOBER, 2015.

S.V. BHATT, J

Note: issue c.c. by tomorrow.

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