

Original Application No.1298 of 2015**K.RAVICHANDRABAABU.,J.**

This Application is filed seeking for interim injunction restraining the respondent from in any manner invoking the bank guarantee procured by the applicant.

2. Heard the learned counsel for the applicant and Mr.G.R.Swaminathan, learned counsel appearing for the respondent. Since the issue involved in this case is lying in a narrow compass which is not requiring a detail analysis of the facts and circumstances of the present case in connection with the prayer sought for in this application, I am not going into the same in view of the joint submissions made by the learned counsel appearing on both parties as recorded hereunder.

3. This application is filed against the invocation of bank guarantee. It is admitted by both sides that already an Arbitrator has been appointed and the arbitral proceedings have commenced. Mr.G.R.Swaminathan, learned counsel appearing for the respondent is fair enough to submit that without prejudice to the contentions of the respondent on the merits of the matter, the respondent will not invoke the bank guarantee, pending adjudication of the application to be filed under Section 17 of the Arbitration and Conciliation Act before the Arbitral Tribunal by the applicant seeking for the very same relief as sought for in this injunction

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application.

4. Since such an undertaking is given, this Court is of the view that it would protect the interest of both the parties pending disposal of such an application to be filed by the applicant before the Arbitral Tribunal. Accordingly, the said statement of the learned counsel for the respondent is recorded and this Application is disposed of with liberty to the applicant to make an appropriate application before the Arbitral Tribunal under Section 17 of the Arbitration and Conciliation Act.

28.03.2016

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