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**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
IN ITS COMMERCIAL DIVISION
ARBITRATION PETITION NO. 74 OF 2017**

Nahar Builders Ltd	...Petitioner
<i>Versus</i>	
Housing Development & Infrastructure Ltd	...Respondent

Mr Virag Tulzapurkar, Senior Advocate, with Mr Jesse Comelious & Mr Bharat Vussonji, i/b Dhavan Vussonji & Associates, for the Petitioner.

Ms Dipti Panda, with Satyen Vora, Atul Kshatriya & Sahil Gandhi, i/b Markand Gandhi & Co, for the Respondent.

Mr Sarang P, Vice Chairman of the Respondent, is present.

**CORAM: G.S. PATEL, J
DATED: 3rd February 2017**

PC:-

1. Ms Panda makes a statement on instructions from Mr Sarang P, Vice Chairman of the Respondent, that on or before 10th March 2017 the Respondent will furnish an unconditional bank guarantee in the sum of Rs. 8 crores payable on demand to the Petitioner. The terms of the bank guarantee will be as approved and will be to the satisfaction of the Prothonotary & Senior Master of this Court. There will be no extension of time and the Respondent agrees and undertakes not to apply for any such extension. This undertaking is accepted as one to the Court.

2. The furnishing of bank guarantee is entirely without prejudice to the rights and contentions of both sides. All contentions are expressly kept open.

3. In the meantime, parties have agreed to refer their disputes between this Petitioner, Nahar Builders Ltd and this Respondent, Housing Development & Infrastructure Ltd under the MoU dated 11th August 2011, Exhibit “B” to the Petition, to the sole arbitration of Mr Shailesh Shah, learned Senior Counsel of this Court.

4. The Petitioner will file Mr Shah’s statement of disclosure as required by Section 11(8) and Section 12 of the Arbitration & Conciliation Act, 1996 within one week from today.

5. Upon the bank guarantee being furnished as agreed, the present Petition will be filed as an application for interim relief before Mr Shah. I have every confidence that Mr Shah will dispose of this application as soon as possible. The submission to his arbitration will commence not from today but from the date he holds his first meeting, and which will be on a date convenient to him after 11th March 2017.

6. If the Respondent does not furnish the bank guarantee, the Respondent will deposit the sum of Rs. 8 crores with the Prothonotary & Senior Master by 11th March 2017, with no extension. On such a deposit being made, the Prothonotary & Senior Master will invest the amount in accordance with his usual practices.

7. Both sides will bear their own costs in the arbitration. They will share equally all arbitration costs, including Mr Shah's fees.

8. The Petition is disposed of in these terms with no order as costs.

(G. S. PATEL, J.)