

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

COMM.ARBITRATION PETITION (L) NO.303 OF 2017

M/s.Parekh Dyeing and Printing & Anr.)....Petitioners

V/s.

Mahanagar Gas Ltd. & Ors.)....Respondents

Mr.S.G.Deshmukh i/by G.T.Kanchanpurkar for petitioners.

Mr.Bharat Parekh-petitioner no.2 and partner of petitioner no.1 is present.

Mr.Ashish Kamat a/w Mr.Varun Satiya i/by M/s.Crawford Bayley and Co. for respondents.

CORAM : K.R.SHRIRAM,J

DATE : 11.7.2017

P.C.:-

1 Mr.S.G.Deshmukh appearing for petitioners states, without prejudice to the rights and contentions of the petitioners including that no amount is payable to the respondents and allegations of tampering the meter is incorrect and for the difference between what petitioners have paid and the demand of respondents, the petitioners are ready and willing to, within four weeks, give bank guarantee of a nationalized bank in the sum of Rs.20 lakhs to be paid together with interest @ 11% p.a. from 1.7.2017 until payment/realization. Mr.Deshmukh also states that the bank guarantee will be given in favour of the respondents in the format provided/prescribed by the Prothonotary & Senior Master of this Court in all suits.

Mr.Dshmukh also states that the bank guarantee will be kept alive for 3 months after disposal of the arbitration proceedings to be commenced.

2 In view of the statement made by the counsel for petitioners on instructions from the partner of petitioner no.1, the reliefs as sought in the petition are granted. It is made clear that if bank guarantee is not provided for within 4 weeks for Rs.20 lakhs and arbitration proceedings are not commenced within the time prescribed in law, this order shall stand vacated without further reference to the Court. It is also made clear that no application for extension of time for issuance of bank guarantee will be entertained.

3 Petition stands disposed. All rights and contentions of the respondents are also kept open.

4 If, for any reason the award is in favour of the respondents, unless the petitioners obtain a stay under Section 34 of the Act within the time prescribed, respondents are at liberty to encash the bank guarantee.

(K.R.SHRIRAM,J)