IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

CHAMBER SUMMONS NO.1115 OF 2018
IN
ARBITRATION PETITION NO.1127 OF 2014

Baker Hughes Singapore Pte ... Petitioner
v/s
Shiv-vani Oil and Gas Exploration Services Ltd. (now known asd SVOGL OIL AND GAS ENERGY LTD.) ... Respondent

Mr. Vyapak Desai with Ms Payal Chatterjee and Ms Bhavana Sunder for Petitioner.

CORAM : B.P. COLABAWALLA, J.

DATE : 11TH DECEMBER, 2018

P.C.:

1. Leave to amend the prayer clause (a) of the Chamber Summons granted. Amendment to be carried out forthwith.

2. This Chamber Summons has been filed in the above Arbitration Petition which was disposed of by an order of this Court dated 11th November 2014. By this order, the Respondent was directed to

furnish a bank guarantee of a Nationalized Bank in favour of the Prothonotary and Sr. Master of this Court in the sum of US$ 20,00,000 initially for a period of two years which was to be kept alive till the arbitral award was rendered and for a period of three months thereafter.

3. Being aggrieved by this order, the Respondent approached the Supreme Court, who, by its order dated 16th March 2015, directed the Respondent – Company to furnish a Bank Guarantee for an amount of Rs.4.00 crores to the Prothonotary and Sr. Master of this Court. As per the directions of the Supreme Court, the Bank Guarantee came to be furnished. Thereafter, the Arbitral Tribunal passed its final award on 9th September 2015 and directed the Respondent to pay to the claimant a sum of Rs.US$ 1,765,916.20 together with interest at the rate of 9% p.a. This arbitral award was thereafter challenged in this Court and was dismissed on 3rd February 2017. It also transpires that in the meanwhile, the Respondent Company has gone into provisional liquidation and provisional Liquidator had been appointed in respect of Respondent Company. Considering that the Registered Office of the Respondent – Company was in Delhi, the Petitioner herein approached the Delhi High Court under section 446 of the Companies Act 1956 seeking leave to continue with the execution proceedings as well as other proceedings in

relation to the Bank Guarantee that was furnished to the Prothonotary and Sr. Master of this Court. In these proceedings, the Delhi High Court passed an order dated 19th July 2018 wherein at paragraph 12, the Delhi High Court ordered that the Petitioner would be entitled to approach this Court seeking release of the amount received and lying as deposit along with accumulated interest thereon.

4. On the strength of this direction, the Petitioner then moved an application before the Prothonotary and Sr.Master of this Court to release the amount realized from encashment of the Bank Guarantee of Rs.4.00 crores together with interest thereon. Since the direction given by the Delhi High Court was to move the Bombay High Court, the Prothonotary and Sr.Master of this Court was of the opinion that this matter be placed before the Judge in Chambers for further directions before any amount could be released. This is how the Chamber Summons has been filed in this Arbitration Petition.

5. Considering the direction given by the Delhi High Court in the order dated 19th July 2018 and more particularly paragraph 12 thereof, the Chamber summons is allowed in terms of prayer clause (a) which reads thus :-

"(a) this Hon'ble Court be pleased to direct the office of the Prothonotary and Sr. Master to release the amount received pursuant to the encashment of the Bank Guarantee along with the accumulated interest thereon, and currently lying deposited with the Indian Overseas Bank bearing account No.00140400000-3342 in consonance with the order of (i) this Hion'ble Court dated November 11, 2014; (ii) the Hon'ble Supreme Court dated March 16, 2015; and (iii) the Hon'ble Delhi High Court dated July 19, 2018.

6. Chamber Summons is disposed of in the aforesaid terms. However, there shall be no order as to costs.

All parties are directed to act on an authenticated copy of this order.

(B. P. COLABAWALLA, J.)