vai

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
IN ITS COMMERCIAL DIVISION

NOTICE OF MOTION NO.1476 OF 2019
IN
COMMERCIAL ARBITRATION PETITION NO.705 OF 2019

Hindustan Petroleum Corporation Ltd. ...Applicant

IN THE MATTER BETWEEN :

Hindustan Petroleum Corporation Ltd. ...Petitioner
V/s.
Furnace Fabrica (India) Ltd. ...Respondent

Mr.Nikhil Sakhardande with Mr.Shivprasad R. Page and Ms.Shubhra Swami for the Applicant.

Mr.Devvrat Singh with Mr.Arthav Singhvi i/b M/s.Praxis Legal for the Respondent.

CORAM : R.D. DHANUKA, J.
DATE : 14TH AUGUST, 2019.

P.C. :-

1. By a separate order passed by this Court today in Commercial Arbitration Petition No.705 of 2019 after hearing the parties through their respective counsel at length, this Court admitted the said commercial arbitration petition.

2. Insofar as the stay of the impugned award rendered by the learned arbitrator is concerned, Mr.Sakhardande, learned counsel appearing for the applicant tenders a copy of the decision taken by the petitioner based on the decision of the Government of India for

releasing the payment of 75% amount as against the bank guarantee subject to certain terms and conditions.

3. Learned counsel for the applicant states that in accordance with the terms and conditions of the Standard Operating Procedure for release of payments to the contractors, which the applicant would deposit requisite amount in the Escrow Account on the terms and conditions set out therein. Mr.Singh, learned counsel appearing for the respondents states that his client has no objection if the amount is deposited in accordance with the terms and conditions of the Standard Operating Procedure. The respondent is willing to withdraw the said amount upon satisfying the conditions set out therein. Statement is accepted.

4. Both the parties are directed to comply with the terms and conditions therein preferably within eight weeks from today. The impugned award date 27th February, 2019 passed by the learned arbitrator is stayed on the condition that the applicant deposits the amount in accordance with the Standard Operating Procedure within eight weeks from today. It is made clear that if the applicant does not deposit the amount after complying with the terms and conditions thereof by both parties within the time prescribed, interim stay granted by this Court to stand vacated without further reference to the Court. It is made clear that the respondent would be entitled to withdraw the amount only upon satisfying the conditions set out therein.

5. The notice of motion is disposed of on aforesaid terms. No order as to costs.

(R.D. DHANUKA, J.)