

IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORDINARY ORIGINAL CIVIL JURISDICTION)

FRIDAY, THE 18TH DAY OF OCTOBER 2019

THE HON'BLE MRS. JUSTICE PUSHPA SATHYANARAYANA

O.A.No.909 of 2019

In the matter of Arbitration and
Conciliation Act, 1996

And

In the matter of Arbitration Agreement
21/DYCE/CN/II/MAU/2018 dt. 03.05.2019,
between the Applicant and Respondent

SRI SARAVANA CONSTRUCTIONS
REP.BY ITS MANAGING PARTNER
SARAVANAN
NO.153,LAKSHMIPURAM,
PALANI, DINDUGAL DISTRICT
624 601.

....Applicant

-Vs-

1. THE GENERAL MANAGER
SOUTHERN RAILWAY
PARK TOWN
CHENNAI 600 003.

2. THE FINANCIAL ADVISOR & CHIEF ACCOUNTS OFFICER,
CONSTRUCTION SOUTHERN RAILWAY
PARK TOWN CHENNAI 600 003.

3 THE DEPUTY CHIEF ENGINEER
CONSTRUCTION/II
ARASARADI, MADURAI 625 016.

....Respondents

Original Application praying that this Hon'ble Court be pleased
to restrain the Respondent from encashing performance Guarantee for
Rs.76,81,655/- Kamadhenu Deposit General No.1018401006157/1 dated
09.03.2018 issued by Canara bank, Palani Branch and not to forfeit
Security Deposit for Rs.76,81,655/-.

This application coming on this day before this court for hearing, the Court made the following order:-

This Application has been filed seeking for interim injunction restraining the respondent from encashing the performance guarantee for Rs.76,81,655/- Kamadhenu Deposit General No.1018401006157/1 dated 09.03.2018 issued by Canara Bank, Palani Branch and not to forfeit Security Deposit for Rs.76,81,655/-

2. This application was filed with an apprehension that the respondent may terminate the agreement and encash the Performance Guarantee pursuant to the notice dated 31.08.2019 and a subsequent notice dated 19.09.2019. However, in the last hearing it was stated by the learned counsel for the respondents that the termination notice was issued and received by the applicant. Though the same was denied by the learned counsel for the applicant in the last hearing, today when the matter is taken up it is admitted by the learned counsel for the applicant that the termination notice was received by them and the respondent is entitled to invoke Performance Guarantee.

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2. Be that as it may, it is stated by the learned counsel for the applicant that he has sent notice for appointment of arbitrator. Therefore, the respondent shall encash the performance guarantee and deposit the same in the interest bearing deposit till the completion of the arbitral proceedings which would be beneficial for both the

With the above directions, this application is closed.

Sd/-P.S.N.J
18/10/2019

//Certified to be true copy//

Dated at Madras this the day of 2019.

COURT OFFICER(O.S.)

JJ 25/10/2019

From 25th Day of September 2008 the Registry is issuing certified copies of the Orders/Judgments/Decrees in this format.



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