

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 24.01.2019

CORAM

THE HONOURABLE MR.JUSTICE M.GOVINDARAJ

O.A. Nos.1041, 1049, 1050, 1051 and 1052 OF 2018O.A.No.1041 OF 2018

SEW-AIPPL-CONSORTIUM
6-3-871, SNEHALATA
Green Lands Road,
Begumpet, Hyderabad-500016
Represented by its Project Manager
Mr.Govindasamy

.. Applicant

-VS-

1.Chennai Metropolitan Water Supply
And Sewerage Board
No.1, Pumping Station Road,
Chindadripet, Chennai - 600002.

2.Oriental Bank of Commerce
Large Corporate Branch
Plot No.1271, Road No.63,
Jubilee Hills, Hyderabad-500033
Represented by its Branch Manager.

3.IDBI Bank
Specialized Corporate Branch,
Trade Finance Department
5-9-89/1&2 Chapel Road
Hyderabad - 500001
Represented by its Branch Manager

WEB COPY

4.State Bank of India

Corporate Accounts Group Branch

Punjagutta Main Road

Hyderabad-082

Represented by its Branch Manager

.. Respondents

O.A.No.1049 OF 2018

SEW-AIPPL JV

6-3-871, SNEHALATA

Green Lands Road,

Begumpet, Hyderabad-500016

Represented by its Project Manager

Mr.K.Manokar

.. Applicant

-vs-

1.Chennai Metropolitan Water Supply

And Sewerage Board

No.1, Pumping Station Road,

Chindadripet, Chennai - 600002

Rep. By its Chief Engineer-Con-I.

2.Corporation Bank,

MG Road Branch D.No.1-2-235

G&H, Parklane, M.G.Road,

Secundarabad-500003

Rep. By its Branch Manager.

3.IDBI Bank

Specialized Corporate Branch, Trade

Finance Department

5-9-89/1&2 Chapel Road

Hyderabad-500001

Rep. By its Branch Manager.

4.State Bank of India

Corporate Accounts Group Branch

Punjagutta Main Road

Hyderabad-082

Represented by its Branch Manager.

...Respondents

O.A.No.1050 OF 2018

SEW-AIPPL JV

6-3-871, SNEHALATA

Green Lands Road,

Begumpet, Hyderabad-500016

Represented by its Project Manager

Mr.K.Manokar

... Applicant

Vs.

Chennai Metropolitan Water Supply

And Sewerage Board

No.1, Pumping Station Road,

Chindadripet, Chennai - 600002

Rep. By its Chief Engineer-Con-I.

...Respondents

O.A.No.1051 OF 2018

SEW Infrastructure Limited

6-3-871, SNEHALATA

Green Lands Road,

Begumpet, Hyderabad-500016

Represented by its Project Manager

Mr.K.Manokar

...Applicant

Vs.

1.Chennai Metropolitan Water Supply
And Sewerage Board
No.1, Pumping Station Road,
Chindadripet, Chennai - 600002
Rep. By its Chief Engineer-Con-I.

2.Oriental Bank of Commerce
Large Corporate Branch
Plot No.1271, Road No.63,
Jubilee Hills, Hyderabad-500033
Represented by its Branch Manager.

3.State Bank of India
Corporate Accounts Group Branch
Punjagutta Main Road
Hyderabad-082
Represented by its Branch Manager.

4. Corporation Bank,
MG Road Branch D.No.1-2-235
G&H, Parklane, M.G.Road,
Secundarabad-500003
Rep. By its Branch Manager.

...Respondents

O.A.No.1052 OF 2018

SEW Infrastructure Limited,
6-3-871, SNEHALATA,
Green Lands Road,
Begumpet, Hyderabad-500016
Rep. By its Project Manager
Mr.K.Manokar

...Applicant

Vs.

Chennai Metropolitan Water Supply
And Sewerage Board
No.1, Pumping Station Road,
Chindadripet, Chennai - 600002
Rep. By its Chief Engineer-Con-I

...Respondent

PRAYER in all applications: Original Applications filed under section 9 of the Arbitration and Conciliation Act, 1996, praying to grant an order of interim injunction restraining the respondent board from invoking the bank guarantees set out in the Judge's summons schedule, furnished by the applicant from the respondents 2 to 4 banks, pending disposal of the arbitration proceedings pending disposal of the arbitration proceedings.

For Applicant : Mr.S.Thanka Sivan
(in all applications)

For Respondents : Mr.S.R.Rajagopal
Additional Advocate General
Assisted by Mr.G.Janakiraman
Standing Counsel for CMWSSB

COMMON ORDER

These applications are filed by the applicants seeking interim injunction restraining the respondent board from invoking the bank guarantees set out in the Judge's summons schedule, furnished by the applicant from the respondents 2 to 4 banks, pending disposal of the arbitration proceedings.

2. This Court by an earlier order dated 15.11.2018, granted injunction restraining the respondent from invoking the bank guarantee on the basis of undertaking given by the applicant company that they will keep the bank guarantee alive till the disposal of the arbitral proceedings. The respondent entered appearance and filed counter denying the averments made by the applicant. According to the respondent, the applicant has not completed work, despite of five time extensions granted to him.

3. The issue involved in this application revolves around performance of contract and it can be arbitrated upon by referring the same to an Arbitrator. Since the applicant has renewed the Bank Guarantee in favour of the respondent as per the undertaking given by him, without wasting much time before the Court, it is felt that early resolution is beneficial for both parties. It is not in dispute that there exists an arbitral dispute and that the arbitration agreement envisages appointment of an Arbitrator.

4. After some arguments, learned counsel on either side would accept that ultimately the dispute can be resolved only through arbitration. Considering the existence of arbitration clause in the agreement, instead of traversing into the interlocutory application, for better and expeditious resolution, an Arbitrator can be directly appointed.

5. The submissions made by the learned counsel on either side are considered. As submitted by the learned counsel on either side, this Court is also of the considered opinion that the matter can be referred to arbitration.

6. Considering the facts and circumstances of the case and by consensus of both sides, this Court appoints the ***Hon'ble Mr. Justice N. Paul Vasanthakumar, (Chief Justice, Retd., Jammu & Kashmir High Court)*** residing at ***"ASHIRVADH" No.24A, Second Street, Kamaraj Avenue, Adyar, Chennai- 600 020, Phone:24452817*** as Sole Arbitrator to enter upon the reference and after issuing notice to the parties and upon hearing them, pass an award as expeditiously as possible within a

period of six months from the date of receipt of the order. The learned Arbitrator is at liberty to fix his remuneration as well as schedule of expenses which shall be borne by both parties equally. The proceedings may be conducted under the aegis of the Madras High Court Arbitration Centre and in accordance with the Madras High Court Arbitration Rules.

7. The Original Applications are made over to the Arbitrator for further orders.

24.01.2019

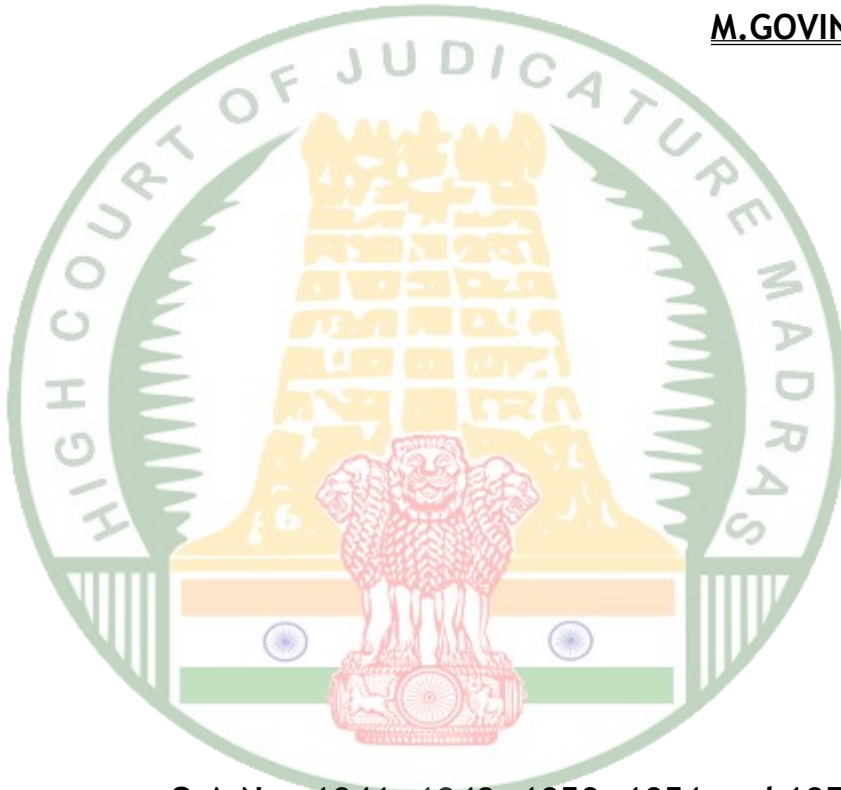
bkn/tk



WEB COPY

M.GOVINDARAJ, J.

bkn/tk

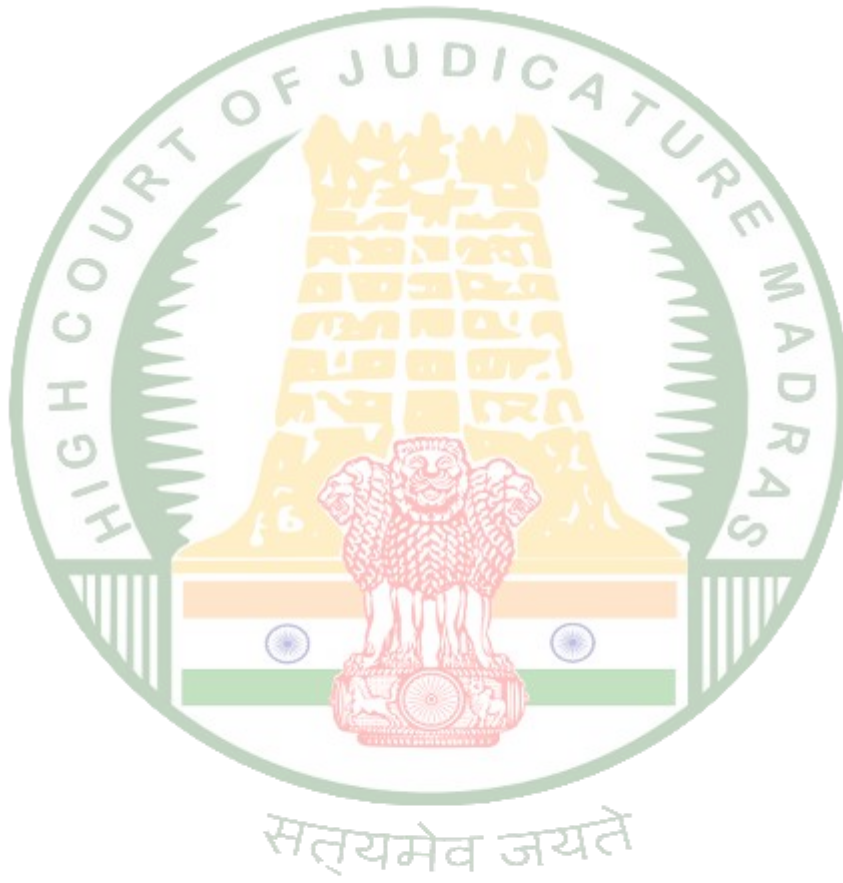


O.A.Nos.1041, 1049, 1050, 1051 and 1052 OF 2018

सत्यमेव जयते

WEB COPY

24.01.2019



WEB COPY