

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

ARBITRATION PETITION (L) NO. 351 OF 2020

M/s Akshar Advertising Solutions

...Petitioner

Vs.

The Union of India & Anr.

...Respondents.

Mr. Mutahhar Khan i/b Mr. Rajesh Gupte, Advocate for Petitioner.

Mr. T. J. Pandian, Advocate for Respondents.

Mr. Eric N. Tigga, Manager, Oriental Bank of Commerce.

CORAM : G.S. KULKARNI, J.

DATE : 11 MARCH 2020

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1. Heard, Mr. Khan, learned counsel for the petitioner and Mr. Pandian, learned counsel for the respondent. In pursuance of an order passed in the first session, Mr. Eric N. Tigga, Manager, Oriental Bank of Commerce, is present in the Court.

2. The limited grievance of the petitioner is that in pursuance of the letter dated 5 March 2020 issued by Divisional Railway Manager Commercial /respondent no.1, the bank guarantee of Rs. 2.69 Crs. Is sought to be invoked by the respondent/railways to realise an amount of Rs.89,30,317/- which is sought to be claimed by the respondent/railways as outstanding license fees, which includes the non-removal of advertisement after the contract was surrendered by the petitioner.

3. Be that as it may, these are the disputes between the parties. Today, learned counsel for the petitioner would submit that his client is ready to deposit the amount of Rs. 89,30,317/- as claimed by the

respondent/railways which would be paid from the fixed deposits which are available with the respondent no.2/bank, maintained so as to avail the bank guarantee to be submitted to the respondent/railways under the contract. He submits that accordingly instructions would be given to the bank in writing to make payment of the said amount to the respondent/railways. Mr. Eric N. Tigga, Manager of respondent no. 2 is present in the court who is agreeable that on such payment advice being received from the petitioner the amount of Rs.89,30,317/- shall be paid to respondent no. 1 /railways by the bank, by a pay order, which should be issued in the name of "Senior Divisional Finance Manager, Western Railway, Mumbai Central". Statement as made on behalf of the petitioner is accepted.

4. Needless to observe that such a payment at the behest of the petitioner is without prejudice the rights and contentions of the petitioner, which the petitioner intends now assert in the arbitral proceedings, disputing the said claim as made by the respondent. All contentions in that regard are expressly kept open.

5. Let the amount be paid by the respondent no. 2/ bank to the respondent no.1/railways within two days from the receipt of the advice from the petitioner, which be made within three days from today.

6. Disposed of in above terms. No costs.

[G.S. KULKARNI, J.]