



O.A.No.804 of 2023

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WEB CO **C.SARAVANAN, J.**

The learned counsel for the applicant and the learned counsel for the respondent is present.

2. An order was passed in the above Application on 08.01.2024 by directing the applicant to renew the bank guarantee furnished by the applicant in favour of the first respondent from the second to fourth respondents/bank herein. Three of the bank guarantees were furnished by third and fourth respondents have not been renewed till date by the applicant, despite, sufficient time being granted.

3. The learned counsel for the applicant would submit that the applicant has asked the bank to renew the bank guarantee and the bank guarantee will be renewed in due course of time.



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4. The learned counsel for the fourth respondent/bank would submit that till date commission for renewal of the bank guarantees has not been paid and therefore two bank guarantees furnished for a sum of Rs.77,88,270/- each expired on 14.10.2023 - 15.11.2023 and that the claim period will expire on 12.04.2024 - 13.05.2024 respectively. As far as bank guarantee of the fourth respondent/bank is concerned, the bank guarantee of Rs.55,00,000/- have not been renewed till date.

5. The learned counsel for the respondent submits that the application is liable to be dismissed as the order passed by this Court has neither been complied by the applicant nor there was a threat from the first respondent to invoke the bank guarantees on the date when the application was moved before this Court.

6. Having considered the arguments advanced by the learned counsel for the applicant and the learned counsel for the respondent, I am of the view, that this application can be closed with liberty to the



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applicant to invoke the arbitral Clause. The applicant shall renew all the bank guarantees, failing which, the 1st respondent is entitled to invoke the bank guarantee, which are alive, if desired. In case, the applicant desires to obtain further relief, the applicant can approach the Arbitral Tribunal.

7. This Original Application is closed with liberty to the applicant to move suitable application under Section 17 by invoking the arbitral Clause. Needless to state, any order invoking arbitral Clause shall be passed after due notice to the respondent.

04.03.2024

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