

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION**

ARBITRATION PETITION (ST) NO. 7535 OF 2026

Aswad Jaidas Patil

...Petitioner

Versus

JSW Steel Limited Through Its Signatory And
Power Of Attorney Mr Narayan Budappa Bolbunda

...Respondents

**WITH
ARBITRATION APPEAL NO. 6 OF 2026
WITH
INTERIM APPLICATION NO. 1466 OF 2026
IN
ARBITRATION APPEAL NO. 6 OF 2026**

Mr. Rohit D. Joshi, *for the Petitioner.*

*Respondents are represented by Advocate; however,
appearance has not been submitted.*

CORAM : SOMASEKHAR SUNDARESAN, J.

DATE : MARCH 30, 2026

ORDER :

1. The extended bank guarantee, which was meant to enable a further invocation period of one year, as directed in the agreed framework set out in the order dated March 25, 2026, has not been delivered by the Petitioner till date.

2. The matter had been listed on Friday and was further adjourned to today to enable the parties to ensure that the extended bank guarantee is indeed furnished to the Petitioner, so that the parties could proceed before the Arbitrator with the *status quo* continuing until the Arbitrator is able to take a view in the need for invocation.

3. Since the extended bank guarantee has not been delivered despite two rounds of extension and it is stated that the Bank wants the Petitioner to give some consent and waiver as a condition for extending it, it is not appropriate to let the Bank be a beneficiary of the impugned order passed under Section 9 staying payment pursuant to the invocation of the bank guarantee already effected. The impugned order deserves to be vacated. In any case, invocation had been effected several weeks ago, and the Bank has not honoured the invocation till date, indeed getting the benefit of the stay order by the Section 9 Court once it was granted.

4. In these circumstances, considering that confidence reposed in the Respondent (to provide an extended bank guarantee leaving further invocation to the Learned Arbitral Tribunal already appointed) has turned out to be misplaced, the stay granted by the Section 9 Court

is hereby vacated. The Bank would be obliged to act in accordance with law on the invocation already effected.

5. It is purely up to the Respondent now to convince the Petitioner with an acceptable bank guarantee, if the Petitioner is willing to accept such guarantee and if it gets the Bank or any other bank acceptable to the Petitioner to give a substitute bank guarantee. It would therefore be entirely for the Petitioner to decide whether or not to pursue proceedings against the Bank for not having honoured the invocation already effected. Since further time is being sought by the Respondent attributing it solely to the Bank, in the event that the Bank does deliver the extended bank guarantee, then any further invocation shall be subject to the orders of the Learned Arbitral Tribunal already appointed in the matter.

6. All actions required to be taken pursuant to this order shall be taken upon receipt of a downloaded copy as available on this Court's website.

[SOMASEKHAR SUNDARESAN, J.]