

47) Com.A.A. 359/2025

Heard Sri.Nandakumar  
learned senior advocate  
appearing for the advocate for  
applicant.

The respondent is a nodal agency for implementation of Deen Dayal Upadhyaya Gramin Kaushalya Yojana (DDUGKY) and whereas the applicant is said to be to project implementing agency.

Having successfully securing a contract to carryout the works under the said yojana the applicant and respondent have entered into a contract.

The applicant was shouldered responsibility of providing training to 1,800 candidates and the total cost of Rs.14,62,33,693/-. As per the terms of contract the applicant allegedly deposit Rs.91,39,606/- towards performance guarantee.

The respondent was required to release Rs.3,53,65,047/- to the applicant towards 1<sup>st</sup> installment. The applicant alleged that the respondent neither released the funds nor returned the bank guarantee of Rs.91,39,606/-. The applicant, therefore intending to invoke

arbitration to resolve the dispute. The applicant apprehending that the respondent may realize/invoke the bank guarantee.

Considering the nature of the dispute and apprehension of the applicant the court proceed to pass the following -

**ORDER**

It is hereby restrained the respondent from invoking the bank guarantee no.0002NDLG00009025 issued on 02.05.2024 set to have renewed on 19.04.2025 for a sum of Rs.91,39,606/- until further order.

Applicant is directed to communicate this order to the respondent through RPAD.

**Issue notice to the respondent.**

Returnable by 15.09.2025.

**LXXXVI A.C.C & S.J.,  
Bengaluru**