



2025:DHC:5993-DB



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of decision: 24.07.2025

+ **FAO (COMM) 191/2025
GEPS PROJECTS**

.....Appellant
Through: Mr.Akshay Srivastava and
Mr.Suryansh Vashisth, Advs.

versus

INDIABULLS ESTATE LIMITED

.....Respondent
Through: None

**CORAM:
HON'BLE MR. JUSTICE NAVIN CHAWLA
HON'BLE MS. JUSTICE MADHU JAIN**

NAVIN CHAWLA, J. (ORAL)

CM APPL. 44309/2025 (Exemption)

1. Allowed, subject to all just exceptions.

FAO (COMM) 191/2025 & CM APPL. 44308/2025

2. This appeal has been filed by the appellant, challenging the Order dated 08.07.2025 passed by the learned District Judge, Commercial Court-01, Patiala House Courts, New Delhi (hereinafter referred to as the, 'Trial Court') in OMP (I) COMM 01/2025, titled ***GEPS Projects v. Indiabulls Estate Limited***, whereby the application filed by the appellant herein under Section 9 of the Arbitration and Conciliation Act, 1996 was dismissed.



3. The appellant had filed the said application seeking an *interim* injunction against the respondent, restraining it from encashing the bank guarantee that had been submitted by the appellant to the respondent in terms of the Work Orders bearing Nos. 3210100078 and 3228105495.

4. The learned District Judge, however, placing reliance on the Judgment of the Supreme Court in *Standard Chartered Bank v. Heavy Engineering Corporation. Ltd.*, (2020) 13 SCC 574; *Vinitec Electronics Pvt. Ltd. v. HCL Infosystems Ltd.*, (2008) 1 SCC 544, and of this Court in *CRSC Research and Design Institute Group Co. Ltd. v. Dedicated Freight Corridor Corpn. of India Ltd.*, 2020 SCC OnLine Del 1526, held that a bank guarantee being a separate contract, its invocation can be enjoined only on the limited grounds of fraud of an egregious nature, irretrievable injustice resulting to the parties, or special equities, and that no such case was made out in the present case.

5. The learned counsel for the appellant submits that the invocation of the bank guarantee was not in terms of Clause 18 (c) of the Work Order dated 09.10.2017, inasmuch as the bank guarantee could have been invoked only to the extent of the loss incurred by the respondent.

6. We are unable to accept the above submission of the learned counsel for the appellant.

7. The bank guarantee was unconditional in nature and, therefore, could be invoked on its own terms. The underlying contract, that is, the Work Order, being separate, the terms thereof would not override



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the unconditional nature of the bank guarantee.

8. Accordingly, we find no merit in the present appeal. The same, along with the pending application, is dismissed.

NAVIN CHAWLA, J

MADHU JAIN, J

JULY 24, 2025/sg/DG