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

+ ARB. A. (COMM.) 16/2022 & I.As. 6745/2022, 1967/2023,
1973/2023, 4277/2023, 6167/2024

UNION OF INDIA THROUGH DIRECTOR
GENERAL MARRIED ACCN PROJECT

.....Appellant

Through: Mr. Vikram Jetly, CGSC with Ms.
Shreya Jetly, Advocate. [M:-
9811157321]

versus

M/S INDERJIT MEHTA
CONSTRUCTIONS PVT. LTD.

.....Respondent

Through: Ms. Malvica Satija, Mr. Ravikant
Sharma, Mr. B.K. Jindal, Ms.
Medha Sharma, Ms. Natasha
Aggarwal & Ms. Anshi Mudgal,
Advocates.

CORAM:

HON'BLE MR. JUSTICE PRATEEK JALAN

ORDER

% **26.07.2024**

1. The present appeal, under Section 37 of the Arbitration and Conciliation Act, 1996 ["the Act"], was filed by the Union of India against an order of the learned Arbitral Tribunal dated 31.01.2022, under Section 17 of the Act. By the aforesaid order, the Tribunal directed the appellant herein to release the performance bank guarantee and retention bank guarantee furnished by the respondent in connection with the agreement between the parties.

2. By an order dated 13.12.2022 in this appeal, the Court recorded the undertaking of the respondent that the bank guarantees in question would be kept alive during the pendency of the appeal. By an order dated



03.03.2023, the Union of India was also restrained from encashing the bank guarantees. These orders have held the field until today.

3. In the meanwhile, the hearing of the appeal was deferred by an order dated 15.03.2024, as the mandate of the learned Arbitral Tribunal had expired, and no petition under Section 29A of the Act had been filed.

4. The Union of India since filed a petition under Section 29A of the Act, which was allowed by the order of this Court dated 13.05.2024 in O.M.P.(MISC.)(COMM) 305/2024. An application under Section 14 of the Act, filed by the respondent herein [O.M.P.(T)(COMM) 21/2024], was also disposed of by the said order. The learned Arbitral Tribunal has since concluded the proceedings and reserved the award by an order dated 06.07.2024.

5. In these circumstances, learned counsel for the parties submit that the appeal may be disposed of with the direction that the statement recorded on 13.12.2022, and order dated 03.03.2023, would remain binding upon the parties until the pronouncement of the award, after which their rights will be governed by the award.

6. The appeal, alongwith pending applications, is therefore disposed of, with the observation that the undertaking of the respondent recorded in the order dated 13.12.2022 will continue to bind the respondent until the award is delivered. The appellant will also remain bound down by the order dated 03.03.2023. The rights and remedies of the parties will thereafter be governed by the award.

PRATEEK JALAN, J

JULY 26, 2024/‘pv’/