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

+ **O.M.P. (COMM) 408/2022**

JHARKHAND ROAD PROJECTS IMPLEMENTATION

.....Petitioner

Through: Mr. Kaushik Laik, Mr. Ashay
Kaushik, Mr. Shashank Tiwari, and
Mr. H. N. Thangal, Advocates

versus

SADBHAV ENGINEERING LIMITED

.....Respondent

Through: Mr. Sarojanand Jha, Mr. Suraj Malik,
Ms. Rajreeta Ghosh, Mr. Rahul
Kumar and Ms. Muskan Saxena,
Advocates

CORAM:

HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

ORDER

09.01.2026

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I.A. 424/2026

1. This application has been filed by the Petitioner for withdrawal of the present Petition in terms of the Settlement Agreement dated 25.08.2025.
2. The present Petition was filed by the Petitioner under Section 34 of the Arbitration & Conciliation Act, 1996 challenging the Award dated 06.08.2020.
3. It is stated that during the pendency of the present Petition, the parties have entered into a Settlement Agreement dated 25.08.2025. The entire Settlement Agreement is reproduced herein and the same reads as under:

*“SETTLEMENT AGREEMENT This Settlement
Agreement (“Agreement”) is made and entered into on*

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this 25th day of 2025, at Mumbai, Maharashtra, by and between: 8 JHARKHAND ROAD PROJECTS IMPLEMENTATION COMPANY LIMITED, a company incorporated under the Companies Act, 1956, having its registered office at IL&FS li Transportation Networks Limited, The IL&FS Financial Centre, 3rd Floor, G Block, Plot C-22, Bandra Kurla Complex, Bandra (E), Mumbai 400 051 (hereinafter referred to as “JRPICL” or the “Company”), acting through its authorized signatory, Mr. Vineet Chaubey, Manager;

AND

GKC PROJECTS LIMITED, a company incorporated under the Companies Act, 1956, having its office at Sy. No. 9 (P), CII Green Building Lane, Kondapur, Hitech City, Hyderabad, represented by Mr. K. V. Raja Sekhar, Chief Executive Officer (hereinafter referred to as “GKC”)

AND

SADBHAV ENGINEERING LIMITED, a company incorporated under the Companies Act, 1956, having its office at Sadbhav House, Opp. Law Garden Police Chowki, Ellisbridge, Ahmedabad, represented by Mr. Vikramjeet Singh, Senior Vice President (hereinafter referred to as “SEL”). JRPICL, GKC and SEL are hereinafter individually referred to as a “Party” and collectively as the “Parties”.

WHEREAS:

A. SEL was engaged by JRPICL as an EPC contractor in connection with the Ranchi Ring Road Project (“Project”). The Project was successfully completed by SEL with the support of GKC (as sub-contractor) on 21.09.2012. Based on non-fulfilment by



JRPICL to the terms of the contract executed between JRPICL and SEL, SEL initiated arbitration proceedings against JRPICL in July 2014. This dispute pertained to the Project, wherein SEL claimed a sum of Rs. 251 Crores. JRPICL had also lodged its counterclaims for Rs. 44.24 Crores.

B. During the pendency of the said arbitration proceedings, the Hon'ble National Company Law Appellate Tribunal ("NCLAT") by its order dated October 15, 2018 ("October 15 Order"), stayed the initiation and / or continuation of all proceedings (including arbitration proceedings) and recovery actions against Infrastructure Leasing & Financial Services Limited ("IL&FS") and its group entities (collectively, "IL&FS Group Entities"), including JRPICL, in the larger public interest.

C. Thereafter, the arbitration proceedings were permitted to be continued by the NCLAT vide an order dated January 11, 2019 ("January 11 Order") with a direction that any award that may be passed by the Arbitral Tribunal against IL&FS or its group entities shall be kept in a sealed cover.

D. By its judgment dated March 12, 2020 ("March 12 Judgment"), the Hon'ble NCLAT confirmed the continuation of the October 15 Order and approved the resolution framework for IL&FS Group Entities, as proposed by the Union of India ("Resolution Framework").

E. Under the Resolution Framework, all creditor claims stood frozen and crystallised as of October 15, 2018 (the "Cut-Off Date"), and payments are to be made only in respect of admitted claims as verified by the claims management consultant, Grant Thornton Bharat LLP ("Grant Thornton").



F. Grant Thornton was appointed as an independent claims management consultant to manage claims for certain IL&FS Group Entities (including JRPICL) and invited submissions through a claims window opened on June 6, 2019, which was extended multiple times.

G. Pursuant to the January 11 Order, the arbitration proceedings resumed and an award dated August 6, 2020 was passed by all three members of the Arbitral Tribunal unanimously in favour of SEL, however, the same was kept in a sealed cover (in terms of the January 11 Order).

H. SEL thereafter, filed an application before NCLAT for de-sealing of the award and release of the same to the parties, wherein the NCLAT passed an order dated May 26, 2022 ("May 26 Order") permitting the award to be opened from the sealed cover and release the same to the parties; further observing that all rights and contentions shall be open to parties to be taken in accordance with law.

I. Thereafter, the award was unsealed and released to the parties on June 6, 2022. SEL has been awarded Rs. 72.65 crores plus interest at 10% per annum from the date of claim ("Award").

J. After the release of the Award, JRPICL filed a challenge to the Award under Section 34 ' the Arbitration and Conciliation Act, 1996 before Hon'ble High Court of Delhi. Enforcement proceedings were subsequently initiated by SEL before the Commercial Court. Ranchi.

K. Meanwhile, , JRPICL had filed an application before NCLAT being IA No.1288 seeking various



reliefs including a permanent injunction against SEL from enforcing the Award. SEL also filed an application before NCLAT being IA No.3262 seeking various reliefs including a declaration that SEL was entitled to seek enforcement of the Award.

L. The Hon'ble NCLAT, by its interim order dated August 28, 2024, clarified that the October 15 Order remains in force and that the May 26 Order did not authorize enforcement of the Award. The NCLAT, however, kept the IA No.1288 and IA No.3262 pending for considering the other prayers therein.

M. During the pendency and adjudication of the aforesaid IA No.1288 and IA No. 3262 before the NCLAT, the NCLAT, vide Order dated April 3, 2025 granted liberty to the Parties to explore the possibility of settlement pursuant to which SEL issued the letter dated April 12, 2025 expressing its intention to explore the possibility of settlement of its claims under the Award, without prejudice to its rights and contentions.

N. In response thereto, JRPICL vide its email dated May 19, 2025, called SEL for a meeting to discuss an amicable settlement. Accordingly, a virtual meeting was held between the representatives of SEL and the JRPICL on May 21, 2025, at 4 pm wherein parties discussed the nuances of the proposed settlement of claims of SEL under the Award.

O. SEL, in terms of its letter dated May 23, 2025, without prejudice to its rights and contentions, provided its consent to JRPICL to consider its claims under the Award in accordance with the Resolution Framework.

Meanwhile, an assignment agreement dated July 11, 2025 was entered in to between SEL and GKC



(“Assignment Agreement”), wherein SEL has unconditionally and irrevocably assigned and transferred all its rights, title, benefits, obligations and interest under the Award (including to pursue realisation of amounts due thereunder) in favour of GKC, with effect from the date of the Assignment Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the Parties agree as follows:

1. ACKNOWLEDGEMENT OF AWARD AMOUNT

The Parties agree and acknowledge that:

(a) an arbitral award dated August 6, 2020, was passed in favour of SEL in connection with the Ranchi Ring Road Projects (RRR I & RRR II), awarding an amount of Rs. 72,65,00,000 (Indian Rupees Seventy-Two Crores and Sixty Five Lakhs Only) plus interest at 10% per annum from the date of claim;

(b) GKC (the assignee of SEL’s rights, title, benefits, obligations and interest in terms of the v. Assignment Agreement) has claimed that the total amount, including all components awarded aggregates to Rs. 153,67,40,259 as of August 25, 2025. The verification and admission of the said claim under the IL&FS Group Resolution Framework shall be carried out by Grant Thornton

(c) the total amount of the claim, inclusive of all components of the Award, shall be independently verified and admitted, solely upon reconciliation by Grant Thornton, in terms of the Resolution Framework.



2. RESOLUTION FRAMEWORK SUBMISSION

2.1 GKC agrees to submit its claim exclusively to Grant Thornton pursuant to the Resolution Framework, and in accordance with directions issued by the Hon'ble NCLAT.

2.2 The Company, along with IL&FS, shall facilitate the reopening of the claim window and enable GKC to lodge its claim under the Award, notwithstanding the expiration of the original timelines for claim submission. It is clarified that any payment to GKC against the claims under the Award shall be processed through the mechanisms prescribed under the Resolution Framework.

3. STEPS TOWARDS SETTLEMENT AND WITHDRAWAL OF LITIGATION & WAIVER

The Parties agree that the process of settlement shall be effectuated in the following sequence and manner:

3.1 Upon the claims window being opened by Grant Thornton, GKC shall submit its claims under the Award to Grant Thornton, for formal verification and admission as per the Resolution Framework, within a period of ten (10) days from the date of this Agreement, unless extended by Grant Thornton;

3.2 Within a period of fifteen (15) days of the submission of the claims to Grant Thornton by GKC and/or formal confirmation towards admission of the relevant claims (in full or in part) under the Award by the Grant Thornton, the Parties shall simultaneously undertake the following actions:

(a) GKC and/ or SEL shall withdraw its enforcement proceedings being Commercial Execution Case No



13/2023 in respect of the Award as pending before the Commercial Court, Ranchi;

(b) JRPICL shall withdraw its petition under Section 34 of the Arbitration and Conciliation Act, 1996 being OMP (Comm.) No 408/ 2022 challenging the Award before the High Court of Delhi.

(c) upon withdrawal of the proceedings set out in (a) and (b) above, the Parties shall send an intimation to Grant Thornton with a copy to the other Parties.

3.3 Upon completion of each of the steps set out in paragraph 3.2 above, the Parties shall within a period of ten (10) days thereof, file a joint application before the NCLAT for withdrawal of the pending applications as listed in Annexure A concerning the Award, in pursuance of the present settlement.

3.5 GKC and SEL further agree that upon completion of the steps mentioned in paragraphs 3.1 to 3.2 above and save and except as provided under this Agreement, neither GKC nor SEL shall initiate or pursue, directly or indirectly, any future legal, arbitral, judicial or enforcement proceedings against JRPICL, IL&FS Group Entities, or their representatives, in relation to the Award, the underlying contract(s) resulting in the grant of the Award, or any matter governed by or falling within the scope of the Resolution Framework, whether in India or abroad. Notwithstanding the above, SEL and GKC shall retain their rights in law to challenge any downward revision of their claims under the Award by Grant Thornton

3.6 Failure by either Party to comply with the obligations under this clause within the stipulated period shall entitle the other Party to treat this Agreement and all actions taken in pursuant thereto as



void ab initio, without prejudice to any other rights or remedies available in law.

3.7 Any steps taken by any party in pursuance of the present Agreement until all of the steps/ terms of the Agreement have been fully complied, shall not be treated as a waiver of the right of such party to seek appropriate remedy including for revival of any proceedings which may have been withdrawn in pursuance of the present Agreement.

4. NO FURTHER CLAIMS

Subject to the fulfilment of the provisions set out in paragraph 3.1 to 3.2 above, SEL and GKC hereby release JRPICL and its affiliates from all past, present, and future claims (other than its bonus entitlement from the Government of Jharkhand towards early completion of the Project, which the GKC/ SEL is pursuing before appropriate forum/ authority) related to the Award. Notwithstanding the above, SEL and GKC shall retain their rights in law to challenge any downward revision of their claims under the Award by Grant Thornton (GT).

5. REPRESENTATIONS AND WARRANTIES

Each of GKC and SEL hereby represent and warrant to the Company that:

5.1 it has granted the requisite authority to the persons executing this Agreement to execute this Agreement, and this Agreement is binding upon it;

5.2 it is duly organized and validly existing under the laws of its jurisdiction of incorporation;

5.3 it has all requisite corporate power, authority, and



consents to execute and deliver this Agreement and to consummate the transactions contemplated herein.

5.4 the Assignment Agreement (a) constitutes legal, valid and binding obligations of each of GKC and SEL enforceable against each of GKC and SEL on the terms contained in the Assignment Agreement; and (b) continues to remain effective at all times;

5.5 No notice has been received in respect of any revocation or cancellation or termination or injection of the Assignment Agreement.

6. GOVERNING LAW AND JURISDICTION.

This Agreement shall be governed by and construed in accordance with the laws of India. The courts at New Delhi shall have exclusive jurisdiction, subject to the supervisory jurisdiction of the Hon'ble NCLAT in accordance with applicable laws.

7. ENTIRE AGREEMENT

This Agreement constitutes the full and final understanding between the Parties regarding the subject matter herein. It supersedes all prior discussions, letters, or representations.”

4. The present Application has been filed for withdrawal of the present Petition in terms of the Settlement Agreement dated 25.08.2025.
5. For the reasons stated in the application, the same is allowed.
6. The present Petition is disposed of as withdraw in terms of the Settlement Agreement dated 25.08.2025.
7. It is made clear that both the parties are bound by the terms of the Settlement Agreement dated 25.08.2025.



8. The date already fixed, i.e. 13.03.2026 stands cancelled.

SUBRAMONIUM PRASAD, J

JANUARY 09, 2026

Rahul