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

+ W.P.(C) 6892/2025

NTPC LTD

.....Petitioner

Through: Mr. Puneet Taneja, Sr. Adv. with Mr. Rajesh Mahendru, Mr. Amit Yadav, Mr. Manmohan Singh Narula and Mr. Anil Kumar, Advs.

versus

RESERVE BANK OF INDIA & ORS. ....Respondents

Through: Mr. Abhinav Sharma, Mr. Dipan Sethi and Mr. Snehashish B., Advs. for R-1/RBI.  
Mr. Santosh Kumar Rout, Standing Counsel for R-2/IDBI.

**CORAM:**

**HON'BLE MR. JUSTICE VIKAS MAHAJAN**

**ORDER**

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**21.05.2025**

**CM APPL. 31201/2025 (exemption)**

1. Allowed, subject to all just exceptions.
2. The application stands disposed of.

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3. The present petition has been filed seeking following reliefs:

“a) *Issue a writ of Certiorari quashing the order dated 16.10.2024 passed by the RBI Ombudsman of Respondent No.1 dismissing the complaint of the Petitioner and has failed to exercise its jurisdiction to direct the respondent No.2 bank to honour the Bank Guarantee dated 12.12.2018 bearing No.180133IBGP00550 for Rs.5 Crore;*



- b) *Issue a writ of Mandamus or any other appropriate writ, order or direction directing Respondent No.2 bank to independently forthwith honour the bank guarantee dated 12.12.2018 bearing No.1801"33IBGP00550, by making payment of Rs.5.00 Crores to the Petitioner along with applicable interest;*
- c) *Issue writ, order or direction thereby directing Respondent No.2/Bank to pay compensation to the Petitioner under Clause 15(4) and (5) of the RBI Integrated Ombudsman Scheme, 2021, in view of the loss caused to the Petitioner pursuant to the deficiency in service on the part of IDBI Bank in failing to honour its obligation under Unconditional Bank Guarantee No.180133IBGP00550;*
- d) *Issue writ order or direction against Respondent No.3 thereby directing the said Respondent to top-up the security by way of Bank Guarantee for the faithful performance of Solar PV Modules in terms of Clause 2.0, 13.6 of the Agreement/Award dated 29.04.2015 as awarded to Respondent No.3.”*

4. The case set out by the petitioner in the present petition is that the petitioner had awarded a contract for supply and installation/commissioning of solar power project to respondent no.3 (M/s Lanco Solar Energy Pvt. Ltd.) *vide* two separate notifications of award, both dated 29.04.2015. As per terms of the contract, the successful bidder had to submit security value of Rs.5 crores in the form of a bank guarantee.

5. The respondent no.2/IDBI Bank issued a bank guarantee of Rs. 5 crores in favour of the petitioner at the instance of respondent no.3 with an initial validity period till 10.11.2023.

6. As the bank guarantee furnished by the respondent no.3 was to expire on 10.11.2023 and the respondent no.3 was not forthcoming to keep the bank guarantee alive, the petitioner *vide* its letter dated 09.09.2023 issued to



respondent no.2/IDBI invoked the bank guarantee.

7. It was also informed to the respondent no.2/IDBI Bank that in case respondent no.3 comes forward to extend the bank guarantee then the request for its invocation shall be treated as withdrawn.

8. Since the respondent no.3 did not submit any extended bank guarantee and the petitioner had invoked the bank guarantee within the validity period, the petitioner *vide* its letter dated 05.03.2024 called upon the respondent no.2/IDBI Bank to remit the sum of Rs.5 crores.

9. The respondent no.2/IDBI, instead of honouring the obligation under the bank guarantee, *vide* its letter dated 07.03.2024 called upon the petitioner to inform the defect in the performance of the Solar PV Modules to enable it to proceed with the payment under the bank guarantee.

10. Mr. Puneet Taneja, learned Senior Counsel appearing on behalf of the petitioner submits that the respondent no.2/IDBI was not entitled to ask for any such information. Nevertheless, the petitioner informed the respondent no.2/IDBI about the reason.

11. He submits that despite the bank guarantee being unconditional, the respondent no.2/IDBI *vide* its letter dated 03.05.2024 refused to pay the amount citing the same reason.

12. He submits that the respondent no.2/IDBI was under an obligation to pay the amount under the bank guarantee and it had no legal right to call upon the petitioner to inform the defect in performance of the contract.

13. He submits that the petitioner also filed a complaint before the RBI Ombudsman, however, the RBI Ombudsman *vide* impugned order dated 16.10.2024 rejected the complaint of the petitioner on the ground that the invocation of bank guarantee was not in consonance with the terms of bank



guarantee.

14. In view of the above, issue notice. Mr. Abhinav Sharma, learned counsel appearing on behalf of the respondent no.1/Reserve Bank of India (RBI) accepts notice. Likewise, Mr. Santosh Kumar Rout, learned Standing Counsel accepts notice on behalf of respondent no.2/IDBI.

15. On petitioner taking steps, issue notice to the respondent no.3 by all permissible modes.

16. Let counter-affidavit(s) be filed within a period of three weeks from the date of service.

17. Rejoinder thereto, if any, be filed within two weeks thereafter.

18. Re-notify on 25.08.2025.

**VIKAS MAHAJAN, J**

**MAY 21, 2025**

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