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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
+ W.P.(C) 17743/2025, CM APPL. 73375/2025 & CM APPL.
73376/2025
UNION BANK OF INDIAPetitioner

Through: Mr. Sanjay Poddar, Sr. Adv. with Mr.
Sandeep Bajaj, Ms. Swastika Kumari,
Mr. Govind Choudhary, Mr. Mayank
Biyani, Ms. Purnima Malik, Mr.
Apurv Kumar and Mr. Aditya
Narayan, Advs.
Mob: 7888643271
Email: swastikakumari@gmail.com

versus

DELHI JAL BOARD & ORS.Respondents

Through: Mr. K.M. Nataraj, ASG, Mr. Tushar
Sannu, ASC-DJB with Mr. Priyankar
Tiwari, Ms. Aqsa Khan, Mr. Shivam,
Mr. Shubham P. Mishra and Mr.
Vinayak Sharma, Advs. for R-DJB,
along with Mr. Bhupesh Kr., CE
(SDW), Mr. Rakesh Dharra, EE
(SDW) VI, Mr. Dinesh Kumar, AE (E
& M), and Mr. Lalit Dagar, JE (E &
M)
Mob: 9911991166
Email: adv.tusharsannu@gmail.com

CORAM:
HON'BLE MS. JUSTICE MINI PUSHKARNA

% **ORDER**
21.11.2025



1. The present writ petition has been filed on behalf of Union Bank of India, which portrays itself to be a secured creditor and successor-in-interest, administering the Project-II works of the erstwhile M/s Pratibha-Mosinzhstroi Consortium (now under liquidation), to assail and seek quashing of the Termination Order dated 12th November, 2025.
2. Learned Senior Counsel appearing for the petitioner submits that *vide* the impugned Termination Order dated 12th November, 2025, the Contractual Agreement dated 08th December, 2011 (“Contract”) and the Operations and Maintenance (“O&M”) Agreement (“Agreement”) dated 07th June, 2021, issued by the Delhi Jal Board (“DJB”), has been terminated, and the petitioner has been directed to handover possession of the Project-II site, along with all the assets.
3. Learned Senior Counsel appearing for the petitioner submits that the impugned Termination Order is illegal, arbitrary, *non-est* in law, and issued in complete disregard of the petitioner’s rights as a secured creditor, which are protected under the Insolvency and Bankruptcy Code, 2016 (“IBC”).
4. It is submitted that the impugned Termination Order dated 12th November, 2025, issued by the respondent-DJB is without any basis, and the same is in manifest violation of the Principles of Natural Justice.
5. It is submitted that a Show Cause Notice dated 25th October, 2025, was issued by the DJB alleging grounds for the imposition of penalty. The petitioner duly submitted a comprehensive reply setting out all the relevant facts and circumstances, including, the temporary operational constraints which arose from acute financial distress and the persistent non-release of legitimate dues by the DJB itself.
6. Learned Senior Counsel appearing for the petitioner submits that the



Show Cause Notice issued by the DJB, does not mention anything about any proposed termination of the Contract and Agreement in question, and was solely confined to the issue of alleged penalties. Thus, it is submitted that a termination founded on a Show Cause Notice that was never contemplated or disclosed, is *ex facie* illegal, arbitrary and violative of the Principles of Natural Justice.

7. Learned Senior Counsel appearing for the petitioner submits that a Show Cause Notice that cites certain allegations, and proposes imposition of a penalty, but ultimately results in termination of the Contract and Agreement in question, is inherently defective and renders the consequential action unsustainable in law.

8. Learned Senior Counsel for the petitioner relies upon the judgment in the case of ***Gorkha Security Services Versus Government (NCT of Delhi) and Others, 2014 SCC OnLine SC 599***, and in particular, relies upon paragraphs 17, 18, 20, 21, 22, 25 and 29 of the said judgment.

9. Learned Senior Counsel for the petitioner also relies upon the judgment in the case of ***Ravi Oraon Versus State of Jharkhand and Others***, 2025 SCC OnLine SC 2192, and in particular, relies upon paragraphs 30, 32 and 34.

10. By relying upon the aforesaid judgments, learned Senior Counsel appearing for the petitioner submits that the Show Cause Notice given to the petitioner ought to have intimated the grounds for termination, which was never intimated to the petitioner.

11. He further submits that the petitioner bank is a secured creditor of the erstwhile company, i.e., M/s Pratibha-Mosinzhstroi Consortium.

12. He draws the attention of this Court to the O&M Agreement dated



07th June, 2021, to submit that at the time of entering into the said Agreement, M/s Pratibha-Mosinzhstroi Consortium was already under liquidation from 08th February, 2021, onwards. He also relies upon *Annexure P-14*, to submit that the administrator appointed by the petitioner has also been attending the various meetings with the DJB. He, thus, submits that the status of the petitioner has been recognized by the respondent.

13. He also relies upon Section 52 of the IBC, in order to submit that the petitioner has a right to realize the security interest in the manner, which is mentioned under the said Section 52 of the IBC. He submits that the receivable from the said project, i.e., the amount which is to be received from the said project, is the secured asset, as a running company, for the petitioner.

14. Issue notice. Notice is accepted by learned counsel appearing for the respondent no. 1.

15. Issue notice to respondent nos. 2 and 3, by all modes, upon filing of Process Fee.

16. Mr. K.M. Nataraj, learned Additional Solicitor General (“ASG”) for the respondent no. 1, at the outset submits that after the passing of the Termination Order dated 12th November, 2025, the possession of the asset has already been taken over by the DJB on 13th November, 2025.

17. Learned ASG further submits that the judgments, as relied upon by the petitioner, are not applicable to the facts and circumstances of the present case, as the said judgments pertain to the issue of blacklisting and termination of service, which is not the case in the present matter.

18. He further submits that pursuant to taking over the possession of the asset, a Letter of Intent dated 13th November, 2025, has also been issued to



the contractor for running the asset. The Letter of Intent dated 13th November, 2025, as handed over to this Court, is reproduced as under:

	DELHI JAL BOARD OFFICE OF THE EXECUTIVE ENGINEER (SDW) - VI WEST SEWAGE TREATMENT PLANT (WSTP), KESHOPUR, OUTER RING ROAD, NEW DELHI- 110018. Email: eesdw06@gmail.com	
No. F/DJB/EE(SDW)-VI/2025-26/ 3585		Date:- 13/11/2025
M/s S.K. Enterprises RZ-293, Durga Vihar Phase-I Deenpur, Najafgarh New Delhi-110043 E-mail: sk.enterprises9005@gmail.com		
<u>LETTER OF INTENT</u>		
Subject:- Deployment of Manpower and vehicle for operation & minor maintenance of sites under ISP Package – 2		
Sir, In reference to your offer for the above mentioned work, the competent authority has approved to deploy the Manpower and vehicle for operation & minor maintenance of sites under ISP Package – 2 on urgent basis. Therefore, you are requested to start the work immediately. Formal work order will be followed.		
Terms and conditions:-		
1. The firm will be fully responsible for operation and minor maintenance of complete ISP Package-2. 2. Period of O&M shall be 03 Months. However, the department shall reserve the right to terminate or foreclose the contract any time after giving notice of 10 days. 3. The firm will execute contract agreement on a non-judicial paper of Rs.100/- within 07 days. 4. Responsibility of safety and security of men & material at site is completely at your part. 5. Payment shall be made on the basis of actual work done. 6. The personnel / staff on duty shall be major but less than 60 years of age 7. No Female staff should be engaged in night shift. 8. The firm will submit details & ID's of all the staff deployed within 7 days. 9. You are directed to submit all the necessary documents such as EPF, ESI etc. within 7 days. 10. The log sheet/attendance register should be produced before the inspecting authority whenever required. The staff in each shift shall mark their own attendance by signing in log sheets. 11. Shift In-charge shall also record failure of BSES power and voltage etc. in the log sheet and also bring into the notice of BSES as well as department engineer and will manage to restore the electricity with BSES official & inform the departmental engineer. 12. Shift in-charge shall bring to the notice of Engineer – In-Charge for the defect observed and also record the same in log sheet. 13. The firm will furnish indemnity bond of amount equivalent to cost of E&M Equipment/installation on a non-judicial paper of Rs.100/-		



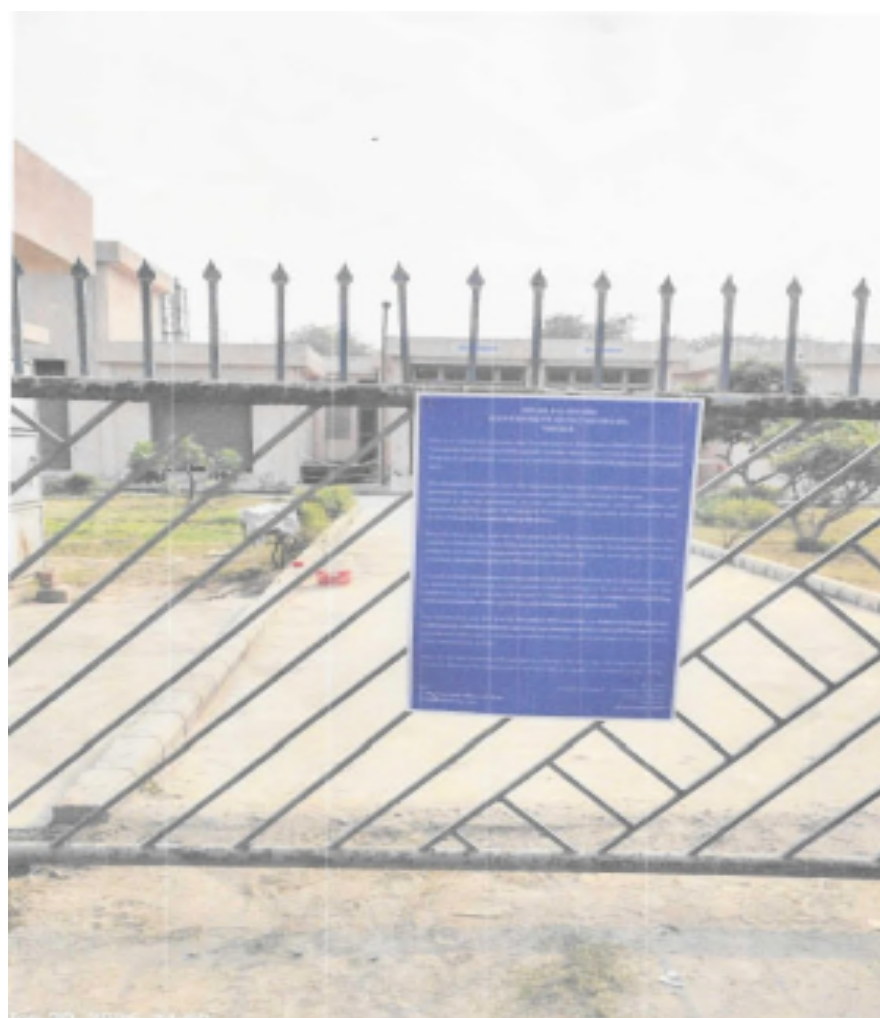
14. In case of any mis-hap on account of negligence of operation, the firm shall restore the equipment to its original shape/quality etc, without any charges.
15. The firm shall be fully responsible for the safe custody of all the equipment installed.

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(Rakesh Kr. Dharra)

EE(SDW)/VI

19. Learned ASG also draws the attention of this Court to a photograph to submit that the possession of the said asset is now under the jurisdiction of the DJB, having been taken over by the DJB. The photograph, as handed over to this Court, is reproduced is under:





2024-11-26 11:59:08

20. Learned ASG further submits that the present writ petition would not be maintainable, as the same raises contractual disputes. He further submits that the petitioner is only a bank, who is a secured creditor of the erstwhile contractor. He, thus, submits that the petitioner, as a secured creditor, has only the right to recover dues from the erstwhile contractor. He further submits that there is an Arbitration Clause in the Agreement, and relies upon Clause 38.3 and Clause 83.0 of the Agreement.

21. Learned ASG further submits that termination of the Contract and Agreement is an independent act, and that the respondent-DJB has every right to terminate the Contract, in terms of the authority vested with the DJB under Clause 38.3 and Clause 83.0 of the Contract between the parties.

22. He further submits that the Contract has been terminated on account of non-performance of the contractual obligations. He submits that the petitioner being a bank cannot seek to run a public utility. He further submits that the interest of any entity cannot override the public interest of cleaning and maintaining river Yamuna.

23. He, thus, submits that even though the petitioner may have stepped into the shoes of the erstwhile contractor, however, the disputes raised by the petitioner cannot be subject matter of the present writ petition.

24. Responding to the aforesaid submissions, learned Senior Counsel appearing for the petitioner submits that the Letter of Intent issued by the respondent-DJB is to the same contractor, who was also the contractor of the petitioner, and was running the project on behalf of the petitioner.

25. He further submits that though the DJB is stated to have taken over the possession of Project Site-II at 09:30 AM on 13th November, 2025, as per the notice of the DJB, the Termination Order dated 12th November,



2025, was sent by email to the petitioner only at 11:54 AM on 13th November, 2025.

26. Accordingly, let reply be filed within a period of four weeks, from today.

27. Rejoinder thereto, if any, be filed within a period of two weeks, thereafter.

28. Re-notify on 13th January, 2026, in the Top Ten Matters in the *Advance List*.

MINI PUSHKARNA, J

NOVEMBER 21, 2025

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