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

CNR No. DLHC010976422025

+ **W.P.(C) 18521/2025, CM APPL. 76830/2025, CM APPL. 78092/2025 & CM APPL. 11257/2026**

HYT RDBRIL JV

.....Petitioner

Through: **Mr. Zoheb Hossain, Sr. Advocate
with Mr. Sanjeev Menon, Advocates.**

versus

UNION OF INDIA AND ORS

.....Respondents

Through: **Mr. Jagdish Chandra, CGSC with Ms.
Aishwarya Sinha, Ms. Maanya
Saxena and Mr. Lakshay Kumar,
Advocates for UoI.**

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

ORDER

17.08.2026

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1. The present writ petition has been filed seeking to challenge the termination notice dated 27th November, 2025 issued to the petitioner by the respondent no.2, thereby terminating the Parent Agreement dated 31st August, 2018, as novated by the Novation Agreement dated 4th June, 2025.
2. Notice in the present petition was issued *vide* order dated 5th December 2025 on which date the operation of the impugned termination notice was stayed.
3. *Vide* order dated 22nd December 2025, the petitioner's submission was recorded to the effect that more than 90% of the work was already complete and the remaining work would be completed by 31st January 2026, and accordingly the respondents were directed to allow the petitioner to work at



the site till 31st January 2026.

4. Mr. Zoheb Hossain, senior counsel appearing on behalf of the petitioner, submits as follows:

- i. Pursuant to the aforesaid orders passed by this Court, a No Claim Certificate dated 31st January 2026 was issued in favour of the petitioner in respect of the said contract (Annex.A-8 to CM APPL. 11257/2026). The extracts from the certificate are set out below:-

Sub:	No Claim Certificate for the Contract Agreement No.: COFMOW/IR/M-300 / Raipur / WT-7B dated 31.08.2018 and Novation Agreement No.: COFMOW/IR/M-300/Raipur/WT-7B / Novation dated 04.06.2025
Ref:	Clause Number 38.7 (c) of Chapter-IV – Special Condition of Tender of Contract Agreement No. COFMOW/IR/M-300 / Raipur / WT-7B dated 31.08.2018 and Novation Agreement No.: COFMOW/IR/M-300/Raipur/WT-7B / Novation dated 04.06.2025
Contract No.:	COFMOW/IR/M-300 / Raipur / WT-7B dated 31.08.2018 and Novation Agreement No.: COFMOW/IR/M-300/Raipur/WT-7B / Novation dated 04.06.2025
Description:	Augmentation of POH Capacity from 400 to 500 Wagons per month at Wagon Repair Shop, Raipur, South East Central Railway.
Final Completion Date:	30.01.2026
This is to certify that the work mentioned in above referred contract agreement has been completed satisfactorily and there are no claims pending against M/s HYT - RDBRIL (JV), with regard to subject contract.	

- ii. On completion of the project, a Final Acceptance Test (FAT) is issued under Clause 50.8 of the Special Conditions of Contract. On the same date, a Final Acceptance Test (FAT) Certificate was also issued in favour of the petitioner. Relevant extracts from the said certificate are set out below:-



Final Acceptance certificate (FAT) is hereby issued for the subject contract, as M/s HYT – RDBRIL (JV), have completed the work in all respects satisfactorily, fulfilling the conditions listed below:

- 1) Performance guarantee tests in respect of complete plant have been carried out and performance guarantee values achieved that is PTCs have been issued in respect of various M&P and equipment as per clause 59.1.
- 2) The Contractor had rectified in a definitive manner all defects / objections / observations mentioned in the PAT Certificate.
- 3) Final documentation incorporating latest modifications has been submitted by the contractor in the requisite copies.
- 4) The Contractor has met all other obligations under this contract including completion of Schedule 2 & 3.

5. It is further submitted that with the project having been completed by 31st January 2026, the respondents were required to release the Performance Bank Guarantees and Security Deposits and release all pending payments due under the Contract. Hence, the petitioner filed CM No.11257 of 2026 seeking the following reliefs:

“i. Direct the Respondents to release all Performance Bank Guarantees and Security Deposit Bank Guarantees furnished by the Petitioner as per the terms of the Contract Agreement dated 31.08.20218 as novated by the novation Agreement dated 04.06.2025, the details of which are provided hereinbelow:-

(a) Performance Bank Guarantee No. 6484IGP002916925 dated 18.09.2025 for Rs. 5,65,98,770.05/- valid up to 30.06.2026 and claim up to 30.12.2026.

(b) Security Deposit Bank Guarantee No. 0540IPEBG200268 dated 04.07.2020 for Rs. 1,50,00,000/- valid up to 30.06.2026 and claim up to 30.06.2027.

(c) Security Deposit Bank Guarantee No. 0540IPEBG240028 dated 27.02.2024 for Rs. 5,57,94,212/- valid up to 31.07.2026 and claim up to V\ 31.07.2027.

(d) Performance Bank Guarantee No. 0723IGPER024418 dated 18.07.2018 for Rs. 5,65,98,770.05/- valid up to 30.12.2025 and claim up to 30.06.2026.

ii. Direct the Respondents to release all pending dues payable to the Petitioner in terms of the Contract Agreement dated 31.08.20218 as



novated by the novation Agreement dated 04.06.2025

iii. Direct the Respondents to formally extend the Delivery Period till 31.01.2026 without any Penalty / Liquidated Damage under Clause 17A of GCC for smooth release of dues.

iv. Pass such other Orders or Directions as this Hon'ble Court may deem fit."

6. In the reply filed on behalf of the respondents to CM APPL. 11257/2026, the respondents have admitted that two performance bank guarantees as referred to in prayer i (a) and (d) have been released in favour of the petitioner.

7. Mr. Hossain submits that the respondents have cleared some of the final bills and have returned the Performance Bank Guarantees. However, a sum of Rs.1,77,40,208.70/- towards outstanding bills and a sum of Rs.7,07,94,212/- towards security deposit is still pending and due from the respondents.

8. In view of the completion of the project and issuance of the FAT Certificate, the basis of the termination notice dated 27th November 2025 does not survive anymore and hence the same is quashed.

9. Accordingly, the present writ petition is disposed of while directing respondents to release all outstanding dues of the petitioner, including the security deposit in accordance with the terms of the contract.

10. Pending applications stand disposed of accordingly.

AMIT BANSAL, J

AUGUST 17, 2026

Vivek/-