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

% ***Date of Decision: 04th February, 2025***

+ **W.P.(C) 14580/2024**

DELHI METRO WELFARE ORGANISATIONPetitioner

**Through: Mr. Prabhat Kumar Sahu, Advocate.
versus**

OMBUDSMAN RESERVE BANK OF INDIA & ANR.

.....Respondents

**Through: Mr. Abhinav Sharma with
Mr. Snehashish Bhattacharya,
Advocates for respondent No.1.
Mr. Arun Aggarwal with Mr. Shivam
Saini and Mr. Satya Dev, Advocates
for respondent No.2
(through V.C.)**

CORAM:

HON'BLE MR. JUSTICE MANOJ JAIN

J U D G M E N T (oral)

1. Petitioner Organization is aggrieved by the manner in which its representation has been decided by learned Ombudsman, Reserve Bank of India on 20.09.2023.
2. Contending that such order is cryptic and does not even record their submissions, it is prayed that learned Ombudsman may be, therefore, directed to pass a reasoned order, while giving due consideration to their submissions.
3. The petitioner had awarded a contract for construction of multi-storey flats to *YFC Projects Pvt. Ltd.* and two *Performance Bank*



Guarantees (PBGs) had been issued by Bank of Baroda at the instance of *YFC Projects Pvt. Ltd.*

4. These were issued on 07.06.2017 and were, eventually, extended upto 28.01.2023 and 30.01.2023 respectively.

5. Petitioner's grievance is that Respondent No. 2 failed to encash these PBGs.

6. According to petitioner, despite the expiry of above said validity date(s), such guarantees could have still been further extended by the Bank as the contractor had failed to discharge its obligations as per the contractual terms and the terms of PBGs. Learned counsel for petitioner, in particular, has made reference to *Clause 7* thereof and reasons that such clause had provision of *automatic extension* and had nothing to do with the validity of PBGs.

7. Clearly, Bank of Baroda has refuted the above contention.

8. Indeed, matter was escalated by the petitioner but the learned Ombudsman rejected and closed the complaint of the petitioner, observing that there was *no deficiency in service*.

9. The sole grievance and concern raised in the present petition is limited to the effect that such rejection order is cryptic as it does not disclose any reason whatsoever. It is submitted that learned Ombudsman has not even attempted to elaborate as to how it came to the conclusion that *there was no deficiency in service*.

10. According to petitioner, complaint has rather been rejected in one-line by merely observing that there was no deficiency in service. According to Mr. Sahu, the contentions of *Bank of Baroda* have, though, been recorded in said order but the contentions made by the



petitioner Organization have been given complete go by as there is no whisper to that effect and, moreover, there is no reference to *Clause 7* on which, there was always a strong emphasis from the side of the petitioner.

11. Learned counsel for petitioner has also relied upon *MB Power (Madhya Pradesh) Ltd. vs. Ombudsman, RBI: 2023 SCC OnLine Del 6790* wherein, in almost similar circumstances, the writ petition was disposed of by directing learned Ombudsman to reconsider the matter again while observing that, *undeniably, the Ombudsman is duty bound to pass a reasoned order which would eventually foster a greater transparency in the decision-making process and also inspire the confidence of the common man in efficient dispute resolution through such bodies.*

12. Keeping in mind the overall facts and circumstances of the case and without expressing any opinion with respect to merits of the case, the present writ petition is disposed of by directing learned Ombudsman, Reserve Bank of India to reconsider the complaint of the petitioner and to dispose that of in accordance with law. It is expected that while disposing of such complaint, learned Ombudsman would give specific reasons and if it comes to a finding that there was no deficiency of service, it would also elaborate the same in appropriate manner.

13. Let the same be, accordingly, decided as expeditiously as possible and, preferably, within a period of eight weeks from the date of receipt of this order.

14. Needless to reiterate, this Court has not made any observation



of any kind whatsoever with respect to the contentions of the parties and it will be open to learned Ombudsman to consider the above said complaint, all over again, and to dispose that of by passing a speaking order, without getting influenced by its previous order or by any observation made hereinabove.

15. The petition stands disposed of accordingly.

(MANOJ JAIN)
JUDGE

FEBRUARY 4, 2025/st