
Hindustan Steel Works Ltd Vs Naya Raipur Development Authority

Writ Petition (C) No. 376 Of 2018

Court: Chhattisgarh High Court

Date of Decision: Feb. 7, 2018

Acts Referred:

Constitution Of India, 1950 " Article 226

Hon'ble Judges: Thottathil B. Radhakrishnan, CJ; Sharad Kumar Gupta, J

Bench: Division Bench

Advocate: N. Naha Roy, Anumeh Shrivastava

Final Decision: Dismissed

Judgement

Thottathil B. Radhakrishnan, CJ

1. We have heard the learned counsel for the Petitioner and the learned counsel for the Respondent - Naya Raipur Development Authority

(N.R.D.A.).

2. The Respondent floated a tender for the construction of Boys and Girls Hostel including compound wall for Indian Institute of Information

Technology at Naya Raipur. The work was awarded to the Petitioner and agreement was entered into on 27.03.2017. The various

correspondence referred to in the impugned Annexure-P/1 shows that there was a pre-decisional notice on 11.01.2018 and the Petitioner had

responded it on 16.01.2018. Thereafter, the impugned Annexure-P/1 was issued on 30.01.2018 terminating the contract and forfeiting

absolutely the earnest money deposit, security deposit and performance guarantee in favour of the Respondent. Annexure-P/1 states that the

Chief Executive Officer of Naya Raipur Development Authority is of the opinion that the reply of the Petitioner is not satisfactory and no

action was taken at site indicating the intention of the Petitioner to complete the work in the stipulated time.

3. The aforesaid factors would indicate that various questions of facts would necessarily arise for adjudication if we were to sit in judgment

for the correctness or otherwise of Annexure-P/1 termination order. For one thing, we do not see any ground justiciable under Article 226 of

the Constitution, in relation to the construction contract and its alleged breach and consequential termination. Beyond that, there is an alternate

efficacious remedy by way of arbitration in the contract between the parties.

4. Learned counsel for the petitioner very persuasively submitted that there may be some protection order. But, no such order could be made

in writ jurisdiction on the facts and circumstances of this case. We also cannot be oblivious of the fact that remedies are available by way of

interim measure in relation to matters which fall under an arbitral agreement. We are satisfied that no justiciable ground is made for

interference under Article 226 of the Constitution on the facts and in the circumstances of the case. However, this judgment will not preclude

any of the remedies that the Petitioner may have in appropriate jurisdiction, including in terms of the arbitration clause in the agreement

between the parties.

5. In the result, the writ petition is dismissed such to what is stated above.