



CGHC010288672026

2026:CGHC:32494-DB

NAFR**HIGH COURT OF CHHATTISGARH AT BILASPUR****WPC No. 3926 of 2026**

Milan Enterprises, Itarsi Through Its Proprietor Shaguftah Bee, W/o Shahjad Beg, Aged About 36 Years, Residence of Abdul Hameed Nagar Nala Mohalla, Ward No. 24, P.S. Itarsi, District- Narmadapuram (Madhya Pradesh)

... Petitioner

ROHIT
KUMAR
CHANDRA

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by ROHIT
KUMAR
CHANDRA

versus

1 - Union of India Department of Railway, Through General Manager, South Eastern Central Railway, Office Of General Manager, Railway Area Bilaspur District- Bilaspur (C.G.)

2 - The P H O D (Principal Head Of Department Contract Matter) Zonal Head Quarter, South Eastern Central Railway, Bilaspur District- Bilaspur (C.G.)

3 - The Divisional Railway Manager South Eastern Central Railway, Raipur District- Raipur (C.G.)

4 - Senior Divisional Commercial Manager/ Auctioning Authority Raipur Division Commercial, South Eastern Central Railway, DRM Office Raipur Near Waltair Gate, District- Raipur (C.G.)

5 - Assistant Divisional Commercial Manager South Eastern Central Railway, Raipur District- Raipur (C.G.)

6 - Arif Mohammad Through Assistant Divisional Commercial Manager South Eastern Central Railway, Raipur District- Raipur (C.G.)

7 - N.S.R. Firm Proprietor Narottam Singh Rajput, Through Senior Divisional Commercial Manager, South Eastern Central Railway, Raipur District- Raipur (C.G.)

... Respondents

For Petitioner	:	Mr. Santosh Kumar Pandey, Advocate
For State/Respondents	:	Mr. Niraj Baghel, CGC holding brief of Mr. R.K. Mishra, Dy. Solicitor General

Hon'ble Shri Ramesh Sinha, Chief Justice
Hon'ble Shri Ravindra Kumar Agrawal, Judge

Order on Board

Per Ramesh Sinha, Chief Justice

29.07.2026

1. Heard Mr. Santosh Kumar Pandey, learned counsel for the petitioner as well as Mr. Niraj Baghel, learned Central Government Counsel, holding brief of Mr. R.K. Mishra, learned Deputy Solicitor General, appearing for respondents/Railways.

2. The present writ petition has been filed by the petitioner seeking following reliefs :

“A. May, the Hon'be Court be pleased to set-aside the impugned order of termination dated 22.06.2026 (Annexure P-5) and the work order issued in favour of respondent no. 7 (Annexure P-7) after justified hearing.

B. May, the Hon'ble Court be pleased to direct the respondent authorities, particularly the respondent no. 3 to 5 to continued the work on the basis of earlier contract between the respondent and petitioner without any hindrance of obstruct.

C. Any other relief which this Hon'ble Court may deem fit in the facts & circumstances of case.”

3. Brief facts of the case are that the petitioner is a duly registered partnership firm registered under the relevant provisions governing firms and societies. The petitioner is also registered as a Micro, Small and Medium Enterprise (MSME) under Registration No. UDYAM-MP-22-0028493 and holds a valid Food Safety and Standards Authority of India

(FSSAI) Registration No. 21425110000745 issued by the Food and Drugs Administration, Government of Madhya Pradesh. On 18.08.2025, the petitioner entered into a contract agreement with Respondent No. 5 for on-board sale of non-catering items in Mail/Express/Local trains passing through the Durg–Bilaspur, Durg–Tadoki, and Raipur–Rajim sections of Raipur Division for a period of five years, effective from 03.09.2025 to 02.09.2030. On 01.06.2026, the petitioner received a show-cause notice alleging that a complaint regarding subletting of the contract had been received from Respondent No.6. The petitioner immediately sought relevant information by letter dated 03.06.2026 and thereafter submitted a detailed reply along with all necessary supporting documents on 15.06.2026, specifically denying the allegations. However, Respondent No. 5 passed an order dated **22.06.2026** terminating the contract (Annexure P-5). Subsequently, without deciding the petitioner's grievance against the complaint and the termination, Respondents No. 3 to 5 issued a fresh work order in favour of Respondent No. 7 for the same work for the period 30.07.2026 to 29.07.2029 (Annexure P-7). Being aggrieved by the arbitrary and illegal termination of the contract in violation of the principles of natural justice, the petitioner has approached this Court by filing the present writ petition.

4. Learned counsel for the petitioner submits that the impugned order of termination dated **22.06.2026** is arbitrary, illegal, and unsustainable in law, as it has been passed without conducting any fair or independent enquiry into the allegations of subletting. Although the

petitioner submitted a detailed reply along with relevant documents, the same was not considered before passing the impugned order. It is further submitted that the respondents acted solely on the basis of an unverified complaint allegedly made by Respondent No.6 without recording the complainant's statement, verifying the allegations, or affording the petitioner an effective opportunity of hearing. The action of the respondents is in clear violation of the principles of natural justice and fair play. Learned counsel further submits that Respondent No. 5 exercised its power in a colourable and arbitrary manner by terminating the petitioner's valid subsisting contract without any supporting material or reasoned finding. Thereafter, Respondents No. 3 to 5 hastily awarded the same work to Respondent No.7 without first adjudicating the petitioner's grievance, thereby rendering the entire decision-making process mala fide, arbitrary, and unfair. It is therefore submitted that the impugned termination order and the consequential work order issued in favour of Respondent No. 7 deserve to be quashed, and the petitioner is entitled to restoration of the contract with all consequential benefits.

5. Learned counsel appearing for the respondents raised a preliminary objection regarding the maintainability of the present writ petition. It is submitted that the agreement executed between the petitioner and Respondent No.5 contains an efficacious alternative remedy by way of an appeal under Clause 16 of the Agreement. Since the petitioner has not availed the said statutory/contractual remedy, the present writ petition is not maintainable and deserves to be dismissed on the ground of availability of an alternative remedy.

6. Having heard learned counsel for the parties and upon perusal of the record, this Court finds that the preliminary objection raised by the respondents regarding the maintainability of the present writ petition deserves acceptance.

7. Clause 16 of the Agreement executed between the parties provides a complete mechanism for redressal of grievances arising out of punitive action taken by the Railway Administration. Clause 16.1 specifically stipulates that in cases of forfeiture of EMD/Security Deposit and/or termination of the contract on any ground, the contractor may prefer an appeal before the Divisional Railway Manager, where the contract has been finalized by the Division, within thirty days from the date of the order of forfeiture or termination.

8. The impugned order dated 22.06.2026 is an order terminating the contract, which squarely falls within the ambit of Clause 16.1. Thus, an efficacious contractual remedy of appeal is available to the petitioner. The petitioner has, however, chosen to invoke the extraordinary jurisdiction of this Court under Article 226 of the Constitution without first exhausting the remedy specifically provided under the Agreement.

9. It is well settled that though the existence of an alternative remedy does not operate as an absolute bar to the exercise of writ jurisdiction, the High Court ordinarily declines to entertain a writ petition where an effective and efficacious alternative remedy is available. Departure from this self-imposed rule is warranted only in exceptional cases involving lack of jurisdiction, challenge to the vires of a statute, infringement of fundamental rights, or a manifest violation of the principles of natural

justice.

10. In the present case, no such exceptional circumstance has been made out so as to justify bypassing the appellate remedy available under Clause 16.1 of the Agreement. The questions raised by the petitioner relating to the legality of the termination order, appreciation of the reply submitted by the petitioner, and the correctness of the action taken by the respondents are all issues which can appropriately be examined by the appellate authority in accordance with the terms of the Agreement.

11. In view of the availability of an efficacious alternative remedy of appeal, this Court is not inclined to exercise its extraordinary jurisdiction under Article 226 of the Constitution of India.

12. Accordingly, the writ petition is **dismissed** on the ground of availability of an efficacious alternative remedy under Clause 16.1 of the Agreement. It shall, however, be open to the petitioner to avail the remedy of appeal before the competent appellate authority, if so advised, in accordance with law. No opinion has been expressed on the merits of the controversy, and all questions are left open to be considered by the appellate authority.

13. No order as to costs.

Sd/-
(Ravindra Kumar Agrawal)
Judge

Sd/-
(Ramesh Sinha)
Chief Justice