



CGHC010366532026



2026:CGHC:42562-DB

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 4805 of 2026

M/s Himanshu Brothers Through Its Proprietor, Himanshu Khandelwal, Aged About 47 Years, S/o Nandkishore Khandelwal R/o. H-9, S.T.-1, Pragati Nagar, Risali, Bhilai, District - Durg, Chhattisgarh.

... Petitioner(s)

versus

1 - Steel Authority Of India Ltd. Through Its Chairman Cum Managing Director, Ispat Bhawan, Lodi Road, New Delhi.

2 - Bhilai Steel Plant Through Its Director In Charge Bhilai, District - Durg, C.G.

3 - Assistant General Manager Power And Blowing Station, Bhilai Steel Plant, Bhilai, District - Durg, C.G.

4 - Chief General Manager (Vgilance) Bhilai Steel Plant, Bhilai, District - Durg, C.G.

5 - Deputy General Manager Contract Cell (Works) And Budgeting Department, Bhilai Steel Plant, Bhilai, District - Durg, C.G.

... Respondent(s)

For Petitioner : Mr. Mateen Siddiqui, Senior Advocate assisted
by Ms. Apoorva Pandey, Advocate

For Respondents : Mr. P.R. Patankar, Advocate

RAHUL
DEWANGAN

Digitally
signed by
RAHUL
DEWANGAN

Hon'ble Shri Krushna Ram Mohapatra, Chief Justice and
Hon'ble Shri Santosh Sharma, Judge

Judgment on Board

Per Krushna Ram Mohapatra, C.J.

30/09/2026

1. I.A. No. 03/2026.
2. This is an application for amendment of the writ petition to incorporate certain relevant documents, including the General Conditions of Contract.
3. Mr. Mateen Siddiqui, learned Senior Advocate, assisted by Ms. Apoorva Pandey, Advocate, appearing for the learned counsel for the petitioner, submits that taking note of a Vigilance Report, which was submitted on the basis of a police complaint, a notice for short-closure of the contract of housekeeping awarded in favour of the petitioner in Bhilai Steel Plant, was issued.
4. Mr. Siddiqui, learned Senior Counsel for the petitioner, submits that in terms of Clauses 17.5.1 and 17.5.2 of the General Conditions of the Contract, a 30 days' notice should have been given to the petitioner before issuing the notice of short-closure of the contract. The contract of the petitioner is going to be short-closed with effect from 1st October, 2026. Hence, he prays for taking up the matter on merits.
5. Learned counsel for the respondents does not have any objection to the same and submits that the amendment may be allowed and the

petition may be heard on merits. Accordingly, the additional documents are taken to be part of the writ petition as Annexure-P/8. I.A. No.03/2026 is disposed of accordingly.

6. It is submitted by learned counsel for the respondents that, in fact, a 30 days' notice is required to be given to the petitioner before short-closure of the contract in terms of Clauses 17.5.1 and 17.5.2 of the General Conditions of the Contract. But, in the instant case, 28 days' notice has been given. The short-closure notice was tentative in nature and, treating the same to be a 30 days' notice under Clauses 17.5.1 and 17.5.2 of the General Conditions of the Contract, action, if any, may only be taken after completion of 30 days. He, therefore, submits that the writ petition does not warrant any consideration, as the tentative short-closure may be effected only after completion of 30 days.
7. Taking note of the submissions made by learned counsel for the parties, this Court finds that Clauses 17.5.1 and 17.5.2 of the General Conditions of the Contract read as under :

17.5.1 *The Employer shall have the right to terminate the Contract at any time due to non-performance / any other activity detrimental to the interests of Employer and its brand image or in the event of the contractor's failure to discharge the obligations stipulated in the Contract to the satisfaction of Employer (as certified by Engineer) by giving 30 days notice (cure period) in writing and*

without payment of any compensation. The Contractor shall have to settle the account within the notice period and no material of Employer shall lie with the Contractor at the conclusion / Termination of the Contract.

17.5.2 *Employer shall have a right to terminate the contract by giving a notice of reasonable period not less than thirty (30) days, without assigning any reason thereto.*

8. From a close reading of the clauses as aforesaid, it is clear that a 30 days' notice should have been given to the petitioner before taking a decision to short-close the contract. In that view of the matter, this Court is of the considered opinion that a fresh notice strictly in terms of Clauses 17.5.1 and 17.5.2 of the General Conditions of the Contract should be issued to the petitioner.
9. Accordingly, the impugned notice of short-closure of the Contract vide PO No. PO-4270017834 issued vide letter dated 03.09.2026, Annexure P/1, is set aside, directing that the respondents shall issue with a notice in terms of Clauses 17.5.1 and 17.5.2 of the General Conditions of the Contract before taking any action, if they wish to short-close the contract bearing PO No. PO-4270017834 with the petitioner.
10. While issuing the notice, the respondents shall not be influenced by any observations made in the impugned letter dated 03.09.2026, Annexure P/1.

11. Needless to observe, any such fresh decision to be taken by the respondents shall be made strictly in accordance with the contractual terms and applicable law, and the authorities shall not be influenced by the impugned order dated 03.09.2026, Annexure P/1.
12. With the aforesaid observations and directions, I.A. No.03/2026 and the writ petition are **allowed** to the aforesaid extent.

Sd/-

(Santosh Sharma)
Judge

Sd/-

(Krushna Ram Mohapatra)
Chief Justice

Rahul Dewangan