



HIGH COURT OF UTTARAKHAND AT NAINITAL

Appeal From Order No. 225 of 2026

03 July, 2026

Midas Infratech Private Limited

--Appellant

Versus

Nagar Nigam Haridwar

--Respondent

Presence:-

Mr. Eshan Sachdeva, learned counsel for the appellant (appeared through V.C.)

Mr. Sandeep Kothari, learned counsel for the respondent.

Coram :Hon'ble Manoj Kumar Tiwari, J.
Hon'ble Pankaj Purohit, J.

Per: Hon'ble Pankaj Purohit, J.

This Appeal against Order has been preferred under Section 37 of the Arbitration and Conciliation Act, 1996, assailing the order dated 18.05.2026 passed by the learned Commercial Court, Dehradun, in Arbitration Case No.108 of 2025, and further seeking to set-aside the cancellation/termination order dated 05.12.2025 (annexed as Annexure No.7) issued by the respondent during the pendency of the present appeal, and further to restrain the respondent from removing, dismantling, interfering with, or creating any obstruction in the operation and maintenance of the traffic signals, blinkers, and advertisement structures installed by the appellant pursuant to the permission letter dated 16.03.2024, being backed by the agreement dated 19.02.2018.

2. Facts of the case are that the appellant, Midas



Infratech Private Limited, entered into an agreement dated 19.02.2018 with the respondent - Nagar Nigam, Haridwar for construction, installation, operation and maintenance of entrance gantries on a Build-Operate-Transfer (BOT) basis for display of advertisements. Under the agreement, the appellant was granted the right to install and commercially exploit the allotted gantries for the stipulated contractual period, subject to the terms and conditions contained therein. According to the appellant, though five entrance gantries were initially contemplated under the agreement, owing to non-availability of suitable sites, only one gantry could be installed. Subsequently, the respondent, by permission letter dated 16.03.2024, allotted ten additional locations for installation of gantries. The appellant claims to have thereafter installed eight additional gantries and to have incurred substantial expenditure in execution of the project.

3. While the project was in progress, the respondent issued an order dated 05.12.2025 cancelling the permission granted vide letter dated 16.03.2024. Aggrieved thereby, the appellant invoked the arbitration clause contained in the agreement and also filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 before the learned Commercial Court, Dehradun, seeking interim measures of protection, including restraint against interference with the installed gantries during the pendency of the arbitral proceedings. The learned Commercial Court, Dehradun, by judgment and order dated 18.05.2026 passed in Arbitration Case No.108 of 2025, rejected the application under Section 9 of the Act, holding that the appellant



had failed to establish a prima facie case, that the balance of convenience did not lie in its favour and that no irreparable loss or injury would be caused to it in the absence of interim protection. Aggrieved by the aforesaid order dated 18.05.2026, the appellant has preferred the present Appeal from Order under Section 37 of the Arbitration and Conciliation Act, 1996 before this Court.

4. Learned counsel for the appellant submitted that the learned Commercial Court has erred in law and on facts in rejecting the application under Section 9 of the Arbitration and Conciliation Act, 1996. It was contended that the cancellation order dated 05.12.2025 is ex facie arbitrary, illegal and contrary to the terms of the agreement dated 19.02.2018 as well as the provisions of the Uttarakhand Nagar Nigam Rules, 2015. It was argued that the respondent could not have unilaterally cancelled the permission granted to the appellant without adhering to the contractual procedure, particularly Clause 16 of the agreement, which envisages resolution of disputes through mediation and arbitration.

5. It was further submitted by the learned counsel that the appellant had made substantial investments in installation of the gantries pursuant to the agreement and the subsequent permission dated 16.03.2024, and that the respondent, after permitting such installations, could not arbitrarily withdraw the permission on vague grounds such as traffic concerns and unattractiveness of the structures. It was contended that no material was placed by the respondent to substantiate such allegations and that no show-cause notice or opportunity of hearing was afforded to the



appellant before passing the impugned cancellation order.

6. Learned counsel for the appellant further argued that the learned Commercial Court failed to appreciate that the appellant had established a strong prima facie case and that the balance of convenience and irreparable injury were overwhelmingly in its favour, as cancellation of the permission would result in loss of substantial investment and frustrate the very object of the BOT agreement. It was, therefore, prayed that the impugned order dated 18.05.2026 be set aside and appropriate interim protection be granted in favour of the appellant during the pendency of the arbitral proceedings.

7. Learned counsel for the respondent submitted that the permission granted to the appellant was subject to the terms and conditions of the agreement as well as the applicable statutory provisions, and that the respondent was competent to withdraw the same in public interest. It was contended that the impugned order of cancellation was passed keeping in view the larger public interest, as the installed gantries were found to be causing obstruction to traffic and adversely affecting the aesthetics of the city. It was further submitted that the appellant had failed to make out a prima facie case for grant of interim protection under Section 9 of the Arbitration and Conciliation Act, 1996, and that the learned Commercial Court, upon due consideration of the material on record, rightly held that the appellant had failed to establish the requirements of prima facie case, balance of convenience and irreparable



injury. It was, therefore, prayed that the present appeal, being devoid of merit, be dismissed.

8. Having heard learned counsel for the parties and upon perusal of the material available on record, this Court finds no infirmity in the order passed by the learned Commercial Court warranting interference under Section 37 of the Arbitration and Conciliation Act, 1996. The jurisdiction of this Court under Section 37 is limited, and unless the discretion exercised by the Court under Section 9 is shown to be arbitrary, perverse or contrary to settled principles of law, appellate interference is unwarranted.

9. In the present case, the permission granted to the appellant vide letter dated 16.03.2024 already stood cancelled by the respondent by order dated 05.12.2025. Consequently, the appellant was not shown to possess any subsisting enforceable contractual right entitling it to the interim protection sought under Section 9 of the Act. The principal relief claimed by the appellant is founded upon restoration of the cancelled permission. Grant of such relief at the interim stage would, in effect, amount to reviving the contractual arrangement and granting the appellant substantially the same relief which can only be considered upon adjudication of the disputes in arbitration. Such a course is impermissible while exercising jurisdiction under Section 9 of the Act.

10. The validity and legality of the cancellation order are matters to be examined by the learned Arbitral Tribunal on the basis of evidence led by the parties. At this interlocutory stage, this Court finds no reason to hold that the learned Commercial Court committed any



jurisdictional error in refusing interim protection. The appellant has failed to establish a *prima facie* case, balance of convenience or irreparable injury warranting interference by this Court.

11. Accordingly, the appeal is dismissed in-*limine*.

12. Pending application, if any, stands disposed of accordingly.

(Pankaj Purohit, J.) (Manoj Kumar Tiwari, J.)
03.07.2026

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