

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP-1076-2024

Date of decision : 18.01.2024

M/s Shyam Roadlines and anotherPetitioners
Versus
Union of India and othersRespondents

CORAM: HON'BLE MS. JUSTICE RITU BAHRI, ACTING CHIEF JUSTICE
HON'BLE MS. JUSTICE NIDHI GUPTA
Present: Mr. Johan Kumar, Advocate, for the petitioners.
Mr. Navjit Singh, Central Govt. Counsel, UOI.

RITU BAHRI, ACTING CHIEF JUSTICE (Oral)

1. The petitioners are seeking quashing of termination notice dated 01.11.2023 (Annexure P-13) issued by respondent No.4 and the tender notice dated 30.12.2023 (Annexure P-16) issued by respondent No.3, before 13.06.2025, i.e. the date of completion of the term/duration of the contract in favour of petitioner No.1 firm.
2. The relevant portion of the impugned termination notice dated 01.11.2023 (Annexure P-13) is being re-produced below :

“SAIL is hereby issuing a notice for automatic termination under the enabling covenants of the tender terms for the reasons attributable solely to your poor/unsatisfactory performance for 3 consecutive quarters, which are stated herein above. As per above mentioned terms of tender, a notice period of 06 (Six) months with effective from 01.11.2023 needs to be served by you in consonance with the terms of the tender. During the termination period (i.e.) six months from 01.11.2023, if the performance is found to be poor or not up to the satisfaction of SAIL, action deemed

fit as per the terms and conditions of the contract shall be taken.”

3. As per the aforesaid observations made in the impugned termination notice, notice for automatic termination has been issued to petitioner No.1 firm, due to its poor/unsatisfactory performance for three consecutive quarters. A notice period of six months with effect from 01.11.2023 was served upon the petitioner firm, so that it can complete the work in consonance with the terms of the tender. It was further stated that during this termination period of six months, if the performance of the petitioner is found to be poor or not up to the satisfaction of SAIL, action deemed fit as per the terms and conditions of the contract shall be taken.

4. A perusal of the impugned termination notice reveals that the petitioner has been given six months time to complete the work and improve its performance. The petitioners can have grievance against the tender notice dated 30.12.2023 (Annexure P-16), only if the work pursuant thereto is allotted before the expiry of six months with effect from 01.11.2023, as granted to the petitioner to complete the work and improve its performance. Hence, the instant petition is pre-mature.

5. Consequently, the petition is dismissed being pre-mature.

(RITU BAHRI)
ACTING CHIEF JUSTICE

(NIDHI GUPTA)
JUDGE

January 18, 2024
ndj

Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No