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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 5828/2025 and CM APPL.26629/2025 (Stay)

TAURANT PROJECTS LIMITED

.....Petitioner

Through: Mr. Raman Gandhi, Ms. Navratan
Chaudhary, Ms. Ayushi Saxena,
Adv.

versus

GAIL (INDIA) LTD. AND ORS.

.....Respondents

Through: Mr. Nikhilesh Krishnan, Adv.

CORAM:

HON'BLE MR. JUSTICE SACHIN DATTA

ORDER

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02.05.2025

CM APPL.26630/2025 (Exemption)

1. Allowed, subject to all just exceptions.
2. The application stands disposed of.

W.P.(C) 5828/2025

3. The petitioner seeks the following prayers: -

“(a) issue a writ, order or direction inter-Alia a writ in the nature of certiorari thereby quashing the termination letter dated 29.03.2025, letter dated 29.03.2025 whereby the Bank Guarantee of the petitioner has been encashed and forged and fabricated letters dated 16.01.2025 of Respondent no. 3 and 28.01.2025 of Respondent no. 2;

(b) issue a writ, order or direction inter-Alia a writ in the nature of mandamus thereby issuing a direction to the Respondent No.1 to release in favour of the petitioner the amount of Rs. 53,92,337/- of the Bank Guarantee

along with interest @ 18% that was issued by the petitioner but which has been unjustifiably encashed by the Respondent No.1;

(c) issue a writ, order or direction inter-Alia a writ in the nature of mandamus thereby issuing a direction to the Respondent No.1 to release



in favour of the petitioner an amount of Rs. 1,50,00,000.00 (Rs. One Crore fifty lacs) along with interest @ 18% towards damages suffered by Petitioner due to illegal termination of Petitioner's Contract by the Respondent No.1;

(d) issue a writ, order or direction inter-Alia a writ in the nature of mandamus directing institution of appropriate enquiry by a concerned or competent authority against officials of Respondent No.1, Respondent No.2 and Respondent No.3 who have connived with each other in forging fabricating letters dated 16.01.2025 and 28.01.2025, which amounts to fabrication of official record;

(e) issue a writ, order or direction inter-Alia a writ in the nature of mandamus thereby issuing a direction to the Respondent No.1 to issue a Work Completion Certificate to the Petitioner”

4. The petitioner in the present petition is a MSME engaged in the business of installation of underground pipelines for oil and gas sector in India.

5. The respondent no.1/Gail (India) Ltd is a PSU (Maharatna), and the principal client and owner of the work awarded to the petitioner. Respondent nos. 2 (The Road Construction Department, Project Bhawan, Ranchi, Jharkhand) and 3 (Jharkhand Accelerated Road Development Company Ltd.) are authorities which granted statutory approvals to respondent no.1 as well as were entrusted with the function of controlling of the awarded work to the petitioner.

6. The controversy in the present petition arises in context of a communication/order dated 29.03.2025, in terms of which, the contract of petitioner was terminated and bank guarantee furnished by the petitioner were forfeited by respondent no.1.

7. The disputes between the parties have arisen in the backdrop of a contract dated 29.05.2018 executed between respondent no.1. and the petitioner, in terms of which, the petitioner was awarded the work of



“Laying & Hydrotesting of 12” & 8” NB underground PE Coated Steel Pipeline Network & associated works at Ranchi - Part A. *vide* FOA No. GAILGAS/NOIDA/PROJ/RS/2017-18/106/FOA- 08 dated 08.05.2018”.

8. It is the case of the petitioner that the termination letter dated 29.03.2025, has been issued by the respondent no.1 with malafide intentions and in conspiracy with respondent nos.2 and 3 inasmuch as letters dated 16.01.2025 and 28.01.2025 which were issued by the respondent nos.2 and 3 are forged and fabricated and had been issued on a back date to assist the false claims set out by the respondent no.1 in the impugned order.

9. It is further submitted that petitioner had already completed the entire work and only 0.74% of the total work remained at the time when the respondent issued the impugned order. It is stated that the aforesaid 0.74% work remained pending due to reasons attributable to the respondents.

10. From perusal of the present petition, it is evident that there are serious contractual disputes between the parties. It is also pointed out during the course of hearing that an arbitration mechanism is provided in the contract between the parties to resolve their *inter se* disputes. In fact, during the course of proceedings, it has also been brought out that the arbitration mechanism has been already invoked and a learned sole arbitrator has also been appointed by this Court to adjudicate the dispute between the parties. The matter is stated to be under consideration of the learned Sole Arbitrator.

11. In the above circumstances, and considering that it is not feasible under these proceedings under Article 226 of the Constitution of India to embark upon adjudication of intricate disputed factual aspects, this Court is not inclined to entertain the present petition.

12. The present petition is, accordingly, dismissed, however, leaving it



open to the petitioner to avail its civil remedies including by way of arbitration, as provided for in the contract between the parties, and in accordance with law.

SACHIN DATTA, J

MAY 2, 2025/uk