



\$~8

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

+ W.P.(C) 10928/2022 and CM APPL.31828/2022

M/S Z H INDUSTRIES PRIVATE LIMITED THROUGH
AUTHORIZED REPRESENTATIVEPetitioner

Through: Mr. Himanshu Upadhyay, Adv.
versus

UNION OF INDIA AND ANR.Respondents

Through: Mr. Vineet Dhanda, CGSC, Mr.
Abhigyan Siddhant, GP and Mr.
Rohit Kumar, Advs.

CORAM:

HON'BLE MR. JUSTICE SACHIN DATTA

ORDER

% **19.05.2025**

1. The present petition assails a termination letter dated 03.06.2022 issued by the respondent no.2, whereby the contract between the petitioner and the respondent no. 2 has been sought to be terminated. The said letter reads as under:

“8116/BMK/01/19-20/49/E8

03 Jun 2022

M/s Z H Industries Pvt Ltd.
32 KM Delhi-Hapur Road
Masoorie, Ghaziabad (UP)
Pin-201302.

DESIGN AND CONSTRUCTION OF 55 MTR SPAN (CLASS 70R)
STEEL TRUSS SUPER STRUCTURE (THROUGH TYPE) MAJOR
PMT BRIDGE (INCLUDING CASTING OF DECT SLAB, WEARING
COAT, KERBS AND HAND RAILS, DRAINAGE SPOUT,
PROCUREMENT AND FIXING OF EXPANSION JOINTS,
PAINTINGS, LOAD TESTING COMPLETED IN ALL RESPECT AND
FIXING OF BEARING) OIN DEPARTMENTALLY ABUTMENT OVER
PALSİ RİVER AT KM 20,050 ON ROAD MİGGİNG-TUTİNG OF 1448
BCC SECTOR UNDER 761 BRTF PROJECT BRAHMANK IN
ARUNACHAL PRADESH STATE: CA NO. CE(P) BMK/01/2019-20.



(M/s ZH Industries Pvt. Ltd.)

Res Sir

1. Please refer the followings:
 - a) 1448 BCC (GREF) letter No.8064/BMK-01/2019-20/2B/E8 dated 20 Apr 2022.
 - b) HQ CE (P) BMK letter No.80235/BMK/01/2019-20/45/E8 dated 23 May 2022.
 - c) Your firm letter No.ZHIP/2021-22/Palsi/12 dated 30 May 2022.
2. Considering above, it is to intimate that subject contract has been cancelled by Accepting Officer vide their letter at Para 01(c) above and your firm was instructed to attend the Joint Inventory to be carried out by OC Contract for complete/incomplete/rejected items left by your firm, if any, at site at 1000Hrs on 30 May 2022. Therefore, your firm is again advised to report to the OC Contract for finalization of Joint Inventory unless same will be prepared as ex-parte.
3. This is for your information and further necessary action please.

Yours faithfully,

(G S Rana)
SE (Civ)
Commander.”

2. Learned counsel for the respondents points out that pursuant to termination of the contract, a large part of the work has already been executed through some other agency. As such, the prayer in the present petition seeking the setting aside of the termination order has been rendered infructuous in view of subsequent development/s.
3. Respective counsel for the parties also draw attention to the fact that there is an arbitration clause in the contract between the parties.
4. Learned counsel for the petitioner, while acceding that the relief qua



termination does not survive, submits that the petitioner reserves the right to initiate arbitral proceedings to seek damages from the respondent/s on account of the alleged breaches on the part of the respondent/s.

5. In the aforesaid circumstances, he seeks to withdraw the present writ petition with liberty to take appropriate steps to initiate arbitral proceedings against the respondent/s.

6. The present petition is, accordingly, dismissed as withdrawn with liberty, as prayed for.

7. It is made clear that this Court has not commented on the merits of any arbitration proceedings that may be initiated by the petitioner against the respondent/s.

SACHIN DATTA, J

MAY 19, 2025/cl