



Review Application No.233 of 2025

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Date of Reserving the Order	Date of Pronouncing the Order
07.10.2025	09.10.2025

CORAM:

THE HONOURABLE MR.JUSTICE C.V.KARTHIKEYAN

Review Application No.233 of 2025

in

W.P.No.916 of 2025

The Municipal Commissioner,
Gudalur Municipality,
Gudalur, The Nilgiris,
Tamil Nadu – 643 212.

... Review Applicant / Respondent

vs.

M/s.Atchaya Associates Groups,
Rep. by its Managing Director,
Jaya Chandra Mohan,
D.No.4/129, VOC Nagar,
The Nilgiris – 643 212.

... Respondent / Petitioner

PRAYER : Review Application filed under Order XLVII Rule 1 read with Section 114 Civil Procedure Code, to review the order dated 10.01.2025, passed in W.P.No.916 of 2025.



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For Petitioner : Mr.M.Suresh Kumar
Additional Advocate General
for Dr.T.Seenivasan
Special Government Pleader

For R1 : Mr.P.Valliappan
Senior Counsel
for M/s.P.V. Law Associates

ORDER

The respondent in W.P.No.916 of 2025 has filed the present Review Application seeking to review and recall the order dated 10.01.2025 in the Writ Petition, which order was passed at the time of admission of the Writ Petition, allowing the Writ Petition.

2. W.P.No.916 of 2025 was filed by the respondent herein, M/s.Atchaya Associates Groups, represented by its Managing Director, against the Municipal Commissioner, Gudalur Municipality, The Nilgiris, in the nature of a Writ of Certiorarified Mandamus, seeking records relating to the letter dated 26.12.2024 in Na.Ka.No.1849/2022/H1, issued by the Municipal Commissioner, Gudalur Municipality, to quash the same, and to further direct the continuation of the

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tender process by the writ petitioner.

3. The Writ Petitioner, M/s.Atchaya Associates Groups, is engaged in the business of Solid Waste Management in Nilgiris District. They have participated in various tenders and have been awarded contracts. The petitioner was declared the successful bidder for the contract relating to the implementation of Solid Waste Management activities in Gudalur (N) Municipality.

4. It had been contended that the writ petitioner had deposited the security deposit as well as an additional security deposit. It had been further contended that the contract had been executed between the parties and a work order had also been issued. Subsequently, the letter dated 26.12.2024, impugned in the Writ Petition, had been issued terminating the contract.

5. While allowing the Writ Petition, this Court has held as follows:-

"4.I hold that termination must not be done without issuing notice to the petitioner. A show cause notice has to be given to the petitioner and thereafter the explanation of the petitioner will have to be considered. There is also a Clause relating to dispute resolution in the contract. It is mandatory on the part of the respondent to honour the



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commitment made by the respondent while entering into the contract with the petitioner herein.

5.In the impugned notice, the respondent had stated that a resolution had been passed terminating the contract. The resolution had been passed by third parties to the contract and is not binding on the petitioner herein. Any step taken under the contract will have to be taken only between the petitioner and the respondent and after issuing notice and not otherwise. The impugned notice is therefore set aside. It is quashed. The respondent is directed to permit the petitioner to proceed further with the tender process."

6. It must again be reiterated that the respondent in the Writ Petition was represented by the Government Advocate, and the matter was disposed of, as stated earlier, at the time of admission itself. In the present Review Application, the said order is now sought to be reviewed and recalled.

7. Mr.M.Suresh Kumar, learned Additional Advocate General for Dr.T.Seenivasan, Special Government Pleader for the Review Applicant pointed out that this Court had allowed the Writ Petition on the ground that a resolution terminating the contract had been passed by the Council, and that such resolution was passed by a third party to the contract, and therefore, was not binding on the



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8. However, the learned Additional Advocate General drew attention to the contract filed by the writ petitioner and submitted that the writ petitioner had not filed the actual contract. The contract submitted related to Nellayalam Municipality and not to Gudalur (N) Municipality.

9. The learned Additional Advocate General further pointed out that even the contract filed by the writ petitioner contained the signatures of both parties only on the first and last pages. He therefore submitted that, in the absence of production of the correct and complete document before this Court, the Court had been misled into passing the order allowing the Writ Petition.



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10. The learned Additional Advocate General further emphasized that the contract itself provided for termination based on a resolution passed by the Council. The Council had convened a meeting on 28.11.2024, but no resolution was passed to extend the contract; rather, the Agenda was deferred. In this regard, the learned Additional Advocate General highlighted that the contract was not for a fixed period of three years, as contended by the writ petitioner, but for one year only, after which extension would be contingent upon satisfactory performance and the consent of the Council. Accordingly, it was contended that it was the Council's prerogative to decide on the extension of the contract after the initial one-year period. Despite convening the meeting, the Council consciously chose not to extend the contract and did not pass any resolution, but only adjourned the Agenda.

11. In these circumstances, the learned Additional Advocate General argued that the order had been passed on a wrong premise that the Council had no authority to terminate the contract and that the Council was a third party to the contract, whereas, in truth, it was only the Council that had the authority to



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extend the contract.

12. Mr.P.Valliappan, learned Senior Counsel for the respondent/writ petitioner, however, supported the order of this Court and contended that the respondent in the Writ Petition had failed to discharge their obligation to make payments to the workmen, despite the work having been carried out subsequent to the contract period. The learned Senior Counsel also objected to the Review Applicant introducing documents at the stage of arguing the Review Application, submitting that the order had duly considered all relevant factors. In particular, the order was primarily based on the ground that the termination was effected without issuing any show cause notice, and it was on this basis that the impugned letter had been quashed by this Court.

13. I have carefully considered the arguments advanced.

14. The Writ Petition had been filed seeking interference with the letter purportedly terminating the writ petitioner from discharging further work under



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the contract relating to the implementation of Solid Waste Management activities in Gudalur (N) Municipality. However, the actual contract was not produced before this Court. Instead, a contract relating to a different Municipality, namely Nellayalam Municipality, was submitted.

15. One of the primary grounds on which the termination letter was quashed was the finding that the Council had no authority to pass a resolution or issue the termination order. However, it is now evident that the Council was vested with the authority to extend the contract period after one year, based on performance satisfaction. Thus, the Council played a relevant role in deciding whether the contract should be extended beyond the initial period.

16. Viewed from this perspective, the reasoning of this Court that the Council was a third party to the contract must necessarily be held to have been based on materials that were not properly advanced or presented during the course of arguments. Furthermore, it is also to be noted that the Council did not extend the contract, a fact that was not brought to the notice of this Court earlier.



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17. The contract produced contains a Clause for Dispute Resolution. Where such a Clause exists, it would be generally inappropriate for the Court to intervene by exercising its authority under Article 226 of the Constitution of India to adjudicate on contractual disputes. The parties are bound by the terms of the contract, which effectively excludes the writ jurisdiction in such matters. They must abide by the terms of the contract and seek remedy in accordance with the contract.

18. It had been complained by the learned Additional Advocate General that the entire contract had not been filed as a document when the Writ Petition was originally presented.

19. A perusal of the records shows that the statement made by the learned Additional Advocate General is correct. Consequently, the order passed suffers from mistakes apparent on the face of the record, even upon a cursory reading.



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20. During the course of arguments, Mr.P.Valliappan, learned Senior Counsel for the writ petitioner sought permission to file additional documents. This clearly indicates that both parties have substantial matters to be argued, and therefore, an opportunity must be afforded to both sides to present their arguments in full.

21. It is also pertinent to note that the Writ Petition was disposed of at the time of admission, and the respondent in the Writ Petition was not afforded an opportunity to file a counter or to produce documents in their defense.

22. In view of the foregoing reasons, I am inclined to allow the Review Application and recall the order dated 10.01.2025 in W.P.No.916 of 2025. The Writ Petition shall be listed before the appropriate Court holding the Portfolio for Writ Petitions of the year 2025. Accordingly, the Review Application stands allowed. No order as to costs.

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Index : Yes / No

NCC : Yes / No

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09.10.2025

To

The Municipal Commissioner,
Gudalur Municipality,
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C.V.KARTHIKEYAN, J.

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PRE-DELIVERY ORDER MADE IN
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in W.P.No.916 of 2025

09.10.2025

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