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W.P No.34272 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29.10.2025

CORAM:

THE HONOURABLE MR. JUSTICE M.DHANDAPANI

W.P No.34272 of 2022
and
W.M.P No.33717 of 2022

M/s.PERI Software Solutions Pvt. Ltd.,
Rep. by its Authorised Signatory
Mr.B.Rajesh Kumar
PERI Knowledge Park
Mannivakkam, Chennai-600 048.

..... Petitioner

Vs

- 1.The Chairman
Tamil Nadu Generation and Distribution
Corporation Ltd.,
144, Anna Salai, Chennai-600 002.
- 2.The Chief Engineer Distribution
Chennai North Region/TANGEDCO
144, Anna Salai
5A Block, 1st Floor, Chennai-600 002.
- 3.The Superintending Engineer
CEDC/North-TANGEDCO
144, Anna Salai, Chennai-600 002
- 4.The Superintending Engineer
CEDC/West-TANGEDCO
Thirumangalam 110KV SS Complex
Chennai-600 040.



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5.The Superintending Engineer
CEDC/Central-TANGEDCO
Valluvarkottam 110KV SS Complex
Chennai-600 034.

..... Respondents

PRAYER: This writ petition is filed under Article 226 of Constitution of India, to issue a Writ of Certiorarified Mandamus, calling for the records of the third respondent herein in Lr.No.SE/CEDC/ North/EE/GL/AEE/MM/F.Peri/D.No.1445/22 and quash the proceedings dated 26.10.2022 and consequently, direct the respondents to close the purchase order placed on the petitioner vide Lr.No.CED/ CNR/EEP/AEEP2/F.Specn.E.1205/17-18 dated 11.07.2018 by the 2nd respondent herein and release the retention amount and security deposit as per the terms and conditions of the said purchase order dated 11.07.2018 along with interest @ 22% p.a from 16.07.2021 till date of payment and to return the three Bank Guarantees No.18851GPER003618 dated 03.08.2018 for an amount of Rs.11,51,262/-, No.18851GPER00619 dated 07.08.2019 for an amount of Rs.55,627/-, No.18851GP000337320 dated 05.08.2020 for an amount of Rs.50,000/- executed by Bank of Baroda, KK Nagar Branch, Chennai in favour of the 2nd respondent to the petitioner.

For Petitioner : Mr.L.Murali Krishnan

For R1 to R5 : Mr.L.Jai Venkatesh

ORDER

This writ petition has been filed, challenging the impugned proceedings dated 26.10.2022 issued by the 3rd respondent and consequently direct the



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respondents to close the purchase order placed on the petitioner dated

11.07.2018 by the 2nd respondent and release the retention amount and security

deposit as per the terms and conditions of the said purchase order along with

interest @ 22% per annum from 16.07.2021 till date of payment and also to

return the three Bank Guarantees No.18851GPER003618 dated 03.08.2018 for

an amount of Rs.11,51,262/-, No.18851GPER00619 dated 07.08.2019 for an

amount of Rs.55,627/-, No.18851GP000337320 dated 05.08.2020 for an

amount of Rs.50,000/- executed by Bank of Baroda, KK Nagar Branch,

Chennai, in favour of the 2nd respondent to the petitioner.

2. The case of the petitioner is that the petitioner is a global consulting and technology services company, specializing in software solutions, strategic outsourcing and integration services. The petitioner company has extensive expertise in providing manpower and executing manpower outsourcing projects and with previous experience, the petitioner company entered into a manpower outsourcing contracts with the 2nd respondent TANGEDCO on 11.07.2018 for a period of 3 years. The petitioner had to provide manpower for 54 Nos. of Fuse Off Call Centres of TANGEDCO in Chennai North Region, and after the completion of 3 years, the respondents have to settle the entire amount to the petitioner. As per the terms of contract, the petitioner has furnished security



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deposit cum performance guarantee in the form of three Bank Guarantees to the tune of Rs.12,56,529/-. The respondents retained 5% of the monthly bills and the same has to be paid by the respondents, after completion of the entire contract. The petitioner has successfully completed its duties under the contract without any claim in respect of the duties performed during the contract period. Thereafter, the petitioner sent a letter to the 2nd respondent on 31.03.2022, asking them to release the with-held amounts. However, the 3rd respondent passed the impugned proceedings dated 26.10.2022, informing the petitioner that they have to furnish the statutory clearance certificate and labour license and on production of the same only, the purchase order will be closed and the retention amount and security deposit will be refunded. For non production of statutory clearance certificate and labour license, security deposit and 5% of monthly bill amount withheld by the 3rd respondent is not reasonable one. Challenging the same, the present writ petition is filed.

3.The learned counsel for the petitioner would submit that as per the contract clause 15.6, the petitioner shall ensure the salary to the person so employed by him on or before 7th of every month and the petitioner shall have to provide a proof to this extent at the time of claim for the bills towards paid salary details with recovery of Provident Fund, Group Insurance and ESI etc.,



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It is the duty cast upon the petitioner to pay the GST, wages to the manpower engaged, EPF, ESI, and other statutory dues, and to furnish the relevant details to the respondents as and when required. The petitioner is willing to submit the statutory clearance certificates from the EPF and ESI authorities, confirming the payments made to the employees, within two weeks from the date of receipt of a copy of this order, to the 2nd respondent. Upon satisfactory proof of payment of GST, wages, EPF, ESI, and submission of the statutory clearance certificates from the respective authorities, this Court may direct the 2nd respondent to release the 5% of the bill amount withheld by him, including the release of the Bank Guarantees.

4. In view of the above, this Court is inclined to direct the petitioner to produce the statutory clearance certificates from the EPF and ESI authorities, confirming the payments made to the employees, before the 2nd respondent within a period of two weeks from the date of receipt of a copy of this order. Upon satisfactory proof of payment towards GST, employee wages, EPF, and ESI, along with the statutory clearance certificates from the respective authorities, the 2nd respondent is directed to release 5% of the bill amount and the Bank Guarantees within a period of six (6) weeks thereafter.



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5. With the above direction, this writ petition is disposed of. No costs.

Consequently, connected miscellaneous petition is closed.

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Index : Yes/No
Neutral citation : Yes/No
Speaking/non-speaking order
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M.DHANDAPANI, J.

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