



W.P. No.36107/2025

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATE : 22.09.2025

CORAM

THE HONOURABLE MR. JUSTICE M.DHANDAPANI

W.P. NO. 36107 OF 2025

AND

W.M.P. NOS.40353, 40356 & 40358

M/s.Polycab India Ltd.
Unit -4, Plot No.105, Halol Vadodara Road
Village Nurpura, Taluka Halol
Panchmahal, Gujarat 389 350.

.. Petitioner

- Vs -

1. The Chairman-cum-Managing Director
Tamil Nadu Power Distribution Corporation Ltd.
10th Floor, N.P.K.R.R. Maaligai
144, Anna Salai, Chennai 600 002.

2. The Chief engineer/IT & RAPDRP
Tamil Nadu Power Distribution
Corporation Ltd., 6th Floor
Western Wing, N.P.K.R.R. Maaligai
144, Anna Salai, Chennai 600 002.

.. Respondents

Writ petition filed under Article 226 of the Constitution of India praying
this Court to issue a writ of certiorarified mandamus calling for the records
relating to impugned letter dated 22.07.2024 in Letter No.CE/IT &



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RAPDRP/SE/RDSS/EE1/RAPDRP/F.PERT/D.No.360/24 insofar as clause 3 is concerned issued by the 2nd respondent and consequential impugned Termination Order made in Ref. Letter No.CE/IT&RAPDRP/SE/Schemes/EE/UF.RDSS/D.380/25 dated 19.06.2025 issued by the 1st respondent, quash the same and consequently direct the respondents to reconsider the petitioner's review representation dated 24.06.2025 along with the petitioner's pre-declared work schedule and to accord the petitioner a reasonable opportunity to complete the project within the extended timeline of the RDSS Scheme.

For Petitioner : Mr. Sathish Parasaran, SC, for
M/s. S.Manuraj

For Respondents : Mr. D.R.Arun Kumar

ORDER

The unilateral cancellation reduction of timeline, which was agreed in the contract dated 12.07.2024 on the basis of the RDSS timeline issued by the Central Government and not granting extension on the very basis of extension of RDSS timeline till 31.03.2028 by the Central Government and the consequent cancellation of the contract offered to the petitioner, which is



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underway on date has resulted in the petitioner coming before this Court by filing the present petition.

2. It is the case of the petitioner that pursuant to the notification issued by the 1st respondent for execution of certain Revamped Distribution Sector Scheme (for short 'RDSS') works, the petitioner participated in the same and came out successful resulting in the Notification of Award (for short 'NoA') dated 14.06.2024. The NoA split the project into separate Supply and Installation contracts and the contract agreements were signed on 12.07.2024. The agreed implementation period for the project was 36 months from the date of the award. It is the specific case of the petitioner that this timeline was an integral term of the contract and aligned with the RDSS scheme's initial schedule.

3. It is the further case of the petitioner that the respondents unilaterally curtailed the contract period from 36 months to 24 months in the review meeting held on 10.06.2024, which was just prior to contract execution and the respondents arbitrarily fixed the project completion



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deadline as March, 2026 based on the then current RDSS sunset date fixed by the Government of India.

4. It is the further averment of the petitioner that the unilateral alteration of the contract period was made without the petitioner's consent, which is contrary to the terms of the award as well as the law on contracts, which clearly, u/s 62 of the Indian Contract Act, mandates that no alteration could be made to a concluded contract without mutual agreement. The petitioner raised a protest with regard to the reduction of contract duration effectively by one year, which is without any lawful basis or authority, though the curtailment period became void as the Central Government subsequently extended the RDSS timeline.

5. It is the further case of the petitioner that the Ministry of Power, vide its official memoranda dated 30.6.2025 and 16.7.2025 had extended the RDSS scheme's sunset date from 31.03.2026 to 31.03.2028, which was intended to ensure completion of all RDSS works without cost overrun. It is the further case of the petitioner that based on the said extension, the



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petitioner expected that this extended deadline would be applicable to its contract as well by restoring the original 36 month period, however, the respondents have remained conspicuously silent and did not extent the benefit of the Central Government's execution to the petitioner's contract.

6. It is the further averment of the petitioner that with regard to project scheduling the respondents required the petitioner to submit a detailed PERT chart/work programme for the project and the petitioner had submitted the same outlining the timelines for all the activities on 19.10.2024. However, on 10.11.2024, the respondents directed the petitioner to resubmit their PERT charts in the new format with a deadline of March, 2026, which the petitioner promptly complied with and resubmitted the same on 12.2.2025, which has not been approved by the respondents and instead they had alleged delay on the part of the petitioner. The act of the respondents has caused considerable delay and stagnation in the work progress to be done by the petitioner.



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7. It is the further averment of the petitioner that due to difficulties in the implementation of the project, which were beyond the control of the petitioner, the work got delayed and which were due to external factors and not on account of the petitioner. In spite of all the difficulties the petitioner mobilised resources and managed to commence certain erection works and obtained approval and had material supply demonstrating the petitioner's eagerness and readiness to perform the work. The petitioner undertook the task of surveying the needs for completing the works and by its communication the petitioner demonstrated that it was diligently working and capable of completing the project on time if the hindrances pointed out by them were removed.

8. It is the further averment of the petitioner that after the petitioner's reply dated 1.1.2025, the respondents did not pursue the matter any further and in-principal they agreed and asked the petitioner to proceed with the contract. The petitioner also submitted fortnightly reports with regard to the progress made and informing that the petitioner had expended about Rs.67 crores towards procurement, manpower deployment, etc., and at no point of



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time the respondents expressed any dissatisfaction with the work progress and the respondents also did not issue any notice about the works.

9. It is the further averment of the petitioner that after a lapse of nearly six months, the respondents suddenly proceeded to issue an order dated 19.6.2025 terminating the contract, which was received by the petitioner on 23.6.2025, which curtly stated that even after your reply there is no appreciable progress which clearly shows that the detailed explanation and subsequent improvements of the petitioner were completely disregarded. It is the further averment of the petitioner that this hasty termination coming out of the blue, without any notice or interaction, when the petitioner was working actively, clearly exposes a predetermined mindset on the part of the respondents. Further, the impugned termination was effected without affording an opportunity to the petitioner and in gross violation of principles of natural justice.

10. Aggrieved by the said wrongful termination, the petitioner sought a review of the said order, but the respondents failed to consider the same till



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date. On 24.6.2025, the petitioner submitted a detailed representation to the 1st respondent. In fact, at no point of time, inspite of the unilateral alteration of the conditions of contract, the petitioner had not challenged the same and had acceded to support the respondents to complete the project and such a gesture of the petitioner was not taken into consideration, which good gesture was not returned by the respondents inspite of the extension of the RDSS scheme by the Central Government. As no order has been passed on the said representation and the termination has not been revoked, left with no alternative, the petitioner has filed the writ petition challenging the said order of termination.

11. Learned counsel appearing for the petitioner submits that the unilateral alteration of the conditions of the contract, which has been agreed upon, is directly against Section 62 of the Indian Contract Act and on that score alone, the termination order deserves to be set aside.

12. It is the further submission of the learned counsel that inspite of the fact that the timeline was brought down to 24 months and, thereafter,



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raised upto March, 2028 by the Central Government clearly mandates the respondents to honour the terms of the contract, which have been mutually agreed, but without honouring the extension granted by the Central Government, the respondents have stuck to their timeline of 24 months, which has not been mutually agreed between the parties to the contract and, therefore, the alteration to the contract is illegal and void. Further, terminating the contract without affording any opportunity and not pointing out any irregularity at any point of time, there is flagrant violation of principles of natural justice.

13. A detailed counter affidavit has been filed by the respondent in support of the order of termination issued by the respondents, which was referred to by the learned counsel for the respondents while submitting his submissions in support of the order of termination.

14. However, when the matter came up on 19.09.2025 for admission, when the learned senior counsel appearing for the petitioner pointed out the above fallacies in the alteration of the contract and the order of termination



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of the order in violation of the principles of natural justice and submitted that notwithstanding the order of termination and the period of time that has elapsed between the order of termination and the writ petition, it is submitted that the petitioner is ready to complete the project before June, 2027, as per the terms of contract entered into between the petitioner and the respondent and to that extent learned senior counsel for the petitioner submitted that the petitioner is willing to submit an affidavit of undertaking before this Court.

15. In spite of the aforesaid undertaking submitted by the petitioners, it is vehemently contended by the learned standing counsel appearing for the respondents that the act of the respondents is in consonance with the RDSS scheme and only on the basis of the scheme the period of contract was brought down from 36 months to 24 months, that too after an oral agreement with the petitioner with regard to the same. It is therefore the submission of the learned counsel that after agreeing to the downgrading of the time period, it is not open to the petitioners to contend to the contra and further the petitioners not having completed the work as per the schedule proposed



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by them, the respondents have cancelled the contract. However, learned standing counsel appearing for the respondents submitted that the respondents would abide by the directions that may be passed by this Court, but also emphasised that this Court protect the interests of the respondents as well, as it is public money, which is involved herein. It is the further stand of the learned standing counsel that if this Court is inclined to accept the undertaking of the petitioner, then if the petitioner fails to adhere to the affidavit of undertaking with regard to completion of the project within the timelines agreed in the contract, the respondents may be granted liberty to terminate the contract as per the agreed clauses in the contract.

16. When the matter is taken up today, an additional affidavit has been filed on behalf of the petitioner, wherein it is undertaken as under :-

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3. I submit that the captioned writ petition came up for admission hearing before this Hon'ble Court on 19.09.2025 and upon hearing the arguments advanced, this Hon'ble Court was pleased to permit the petitioner to file an additional affidavit undertaking to complete the engineering projects within the original timeline stipulated by the agreements dated 12.07.2024.



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4. I submit that the scheduled completion period of the engineering projects as per the agreements dated 12.07.2024 is 13.06.2027 (i.e., three years from the date of Notification of Award).

5. I submit that subject to any directions issued by this Hon'ble Court, the petitioner assures that the engineering projects shall be duly completed within the stipulated period of three years from 14.06.2024 pursuant to the intervention of this Hon'ble Court in the present proceedings."

17. There could be no quarrel with the fact that it is the settled ratio that once a contract has been entered into, unilateral modification by one party is not permitted unless mutual agreement to change the clauses in the contract exists. Such being the admitted legal position, the act of the respondents in unilaterally modifying the period in the contract from 36 months to 24 months is *per se* perverse, moreso when the Central Government, by a subsequent communication had extended the deadline till 2028. Therefore, on that aspect itself, the writ petition deserves to be allowed. However, this Court is not required to venture into assessing the merits of the issue, as it has been fairly agreed by the learned senior counsel for the petitioner that the petitioner will complete the contract within the



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period of 36 months as undertaken, viz., on or before 13.06.2027. When this Court pointed out that the petitioners would not be entitled to claim any escalation costs merely because of the pending legal hiatus between the parties, learned senior counsel submitted that the petitioners would not claim any escalation costs.

18. In view of the aforesaid undertaking affidavit filed by the petitioner, as extracted supra, without going into the grounds raised and the merits thereof, this writ petition is allowed with the following directions :-

- i) *The unilateral alteration of the terms of the contract vide impugned letter dated 22.7.2024 is set aside and the period as originally agreed between the parties stands restored;*
- ii) *The order of termination dated 19.6.2025, passed by the respondents, which was received by the petitioner on 23.6.2025 is also set aside;*
- iii) *The undertaking affidavit filed by the petitioner is taken on record and the petitioner is directed to complete the engineering project as per the agreements dated 12.07.2024 and complete the same*



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on or before is 13.06.2027 (i.e., three years from the date of Notification of Award).

- iv) If the petitioner fails to complete the engineering project on or before 13.06.2027, as per the undertaking affidavit recorded above, the respondents are at liberty to proceed against the petitioner for cancellation of the agreement in line with the clauses as have been set out in the agreement.*
- v) It is further made clear that for the interregnum period that had passed between the cancellation of the contract and the order passed by this Court as also the extension of time upto the originally agreed period upto 13.06.2027, the petitioners shall not be eligible to claim any additional amount towards escalation costs towards the work that is to be done by them.*
- vi) Consequently, other connected miscellaneous petitions are closed. There shall be no order as to costs in this appeal.*

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Index : Yes / No



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Note to Office :

**Issue order copy on
or before 24.10.2025**



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M.DHANDAPANI, J.

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