



WP.No.48791 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 12.12.2025

CORAM

THE HONOURABLE MR. JUSTICE N. SATHISH KUMAR

WP.No.48791 of 2025
and WMP.Nos.54483 and 54484 of 2025

Universal Tele Services
St.George Building
Pulamon P.O, Kottarakara – 691 531
Rep. By V.Vijayapradeep
S/o.Vijayasenan Nair
Power of Attorney Holder
Chaithram, Kalayapuram P.O
Kottarakkara, Kollam – 691 560 .. Petitioner

Versus

1. Bharat Sanchar Nigam Limited (BSNL)
MM CELL, BSNL, Chennai Telephones
Telephone Exchange Building
No.99, Jawarharlal Nehru Road
KK Nagar, Chennai – 600 078
2. Union of India
Rep. By its Secretary
Department of Telecommunications (DoT)
Ministry of Communications
Sanchar Bhawan, 20, Ashoka Road
New Delhi – 110 001 .. Respondents

Prayer: Writ Petition is filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, quashing the Impugned Order No. AGM(Tender)/Infra Mtce Central OA/Complaints/2025-26/2 dated 27.11.2025 issued by the 1st Respondent, terminating the contract forfeiting performance security and



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imposing a three-year blacklist, and consequently direct the Respondent to release the outstanding amount of 2,06,46,857 together with the statutory interest payable under the MSME Development Act, 2006, and direct the Respondent to process pending invoices by any administratively permissible mode and restrain the Respondent from continuing or acting upon the impugned punitive orders.

For Petitioner : Mr.S.M.Vivekanandh

For Respondents : Dr.D.Simon
Senior Central Govt. Standing Counsel
for R2

ORDER

This writ petition has been filed challenging the order of the first respondent dated 27.11.2025 terminating the contract and forfeiting performance security and imposing a three-year blacklist, seeking a direction to the first respondent to release the outstanding amount of Rs.2,06,46,857/- together with the statutory interest payable under the MSME Development Act, 2006 and also to process the pending invoices and to restrain the first respondent from continuing or acting upon the impugned punitive orders.

2. The petitioner challenges the notice issued by the first respondent terminating the contract entered into between the parties. It is the case of the petitioner that multiple Letters of Intent were issued awarding the petitioner multiple service clusters including North OA, Central OA, West OA and BTS operational services and as the services



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could not be provided as per the schedule stipulated in the contract, originally a notice was issued on 30.10.2025 asking the petitioner to show-cause as to why the contract could not be terminated. The petitioner replied on 03.11.2025 stating that the operational difficulty was solely due to delayed payments and not due to any neglect or breach. However, the impugned order came to be passed by the respondent terminating the contract and also for forfeiture of Performance Bank Guarantee of Rs.3,62,800/-, which is challenged in the present writ petition.

3. Heard the learned counsel for the petitioner.

4. Dr.D.Simon, learned Senior Central Government Standing Counsel, accepted notice for the second respondent.

5. On a perusal of the impugned order it is seen that the petitioner, instead of giving an explanation to the notice issued by the first respondent, has chosen to challenge the same by way of this writ petition. Further it is relevant to note that the dispute has arisen out of the contract entered into between the parties. Clause 9 of the General (Commercial) Conditions of Contract is the arbitration clause and the relevant clause of Clause 9.1 and the same reads as follows:

“9.ARBITRATION



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9.1. Except as otherwise provided elsewhere in the contract, if any dispute, difference, question or disagreement arises between the parties hereto or their respective representatives or assignees, in connection with construction, meaning, operation, effect, interpretation of the contract or breach thereof which parties unable to settle mutually, the same shall be referred to Arbitration as provided hereunder..'

....'

6. Therefore, it is for the petitioner to give explanation to the notice dated 27.11.2025 issued by the first respondent and if the petitioner is aggrieved by the order passed by the first respondent, it is for the petitioner to workout his remedy by referring the dispute to the arbitration. Hence, there is no merit in the writ petition and the same is liable to be dismissed.

Accordingly, this writ petition is dismissed. Consequently, the connected miscellaneous petitions are closed. There shall be no order as to costs.

12.12.2025

Index :Yes/No
Neutral Citation :Yes
gpa



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To

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N. SATHISH KUMAR, J.

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