



W.P.(MD)Nos.5282 to 5285 of 2026

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 04.03.2026

CORAM

THE HONOURABLE MR.JUSTICE HEMANT

CHANDANGOUDAR

W.P.(MD) Nos.5282 to 5285 of 2026

and

W.M.P.(MD) Nos4419, 4421, 4425 to 4429 and 4431 of 2026

in W.P.(MD) No.5282 of 2026:-

Texmaco Rail and Engineering Limited
Represented by its Authorised signatory
Abhijit Sanyal
Having registered office at-
Belgharia, 24 Parganas (North)
Kolkata-700 056
West Bengal.

... Petitioner

vs.

1.The Deputy Chief Signal and Telecommunication Engineer
Project Trichy
Southern Railway, No.1
Venkatesan Road
Opp to Prabhu Nursing Home
Ponnagar
Trichy-620001.

2.Railtel Corporation of India Limited
Represented by its Director
Registered office at Plate-A, 6th Floor



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Office Block Tower-2
East Kidwai Nagar
New Delhi-110023.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus, to call for the communication dated 17.02.2026 issued by the Respondent No.1. rejecting the technical bid submitted by the Petitioner in relation to the E-Tender notice No.T-SG-PROJ-2025-01 dated 31.10.2025 for provision of interlocking arrangement at 53 Nos of non-interlocked gates in the MV-TJ, TJ-TVR KIK, TVR-TTP-KKDI, NMJ-MQ, NGT-VLNK, VM PDY, VM-MV, VM-KPD, and SNDI-MTUR sections over TPJ division and to quash the same and consequentially consider the bid submitted by the Petitioner de novo.

in W.P.(MD) No.5283 of 2026:-

Texmaco Rail and Engineering Limited
Represented by its Authorised signatory
Abhijit Sanyal
Having registered office at-
Belgharia, 24 Parganas (North)
Kolkata-700 056
West Bengal.

... Petitioner

vs.

1.The Deputy Chief Signal and Telecommunication Engineer
Project Trichy
Southern Railway, No.1
Venkatesan Road

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Opp to Prabhu Nursing Home
Ponnagar
Trichy-620001.

2.G.Satish Enterprises
1st Floor, H No.12-13-387,
Street No.1, Near Sudarshan Reddy
Sweet House, Tarnaka, Secunderabad,
Hederabad 500 107
Telangana.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus, to call for the communication dated 17.02.2026 issued by the Respondent No.1. rejecting the technical bid submitted by the Petitioner in relation to the E-Tender notice No.T-SG-PROJ-2025-02 dated 31.10.2025 for provision of interlocking arrangement at 47 Nos of non-interlocked gates in the VM-PDY, VRI-CUPJ, VM-KPD, VM-CUPJ MV & TJ-TVR KIK sections over TPJ division and to quash the same and consequentially consider the bid submitted by the Petitioner de novo.

in W.P.(MD) No.5284 of 2026:-

Texmaco Rail and Engineering Limited
Represented by its Authorised signatory
Abhijit Sanyal
Having registered office at-
Belgharia, 24 Parganas (North)
Kolkata-700 056
West Bengal.

... Petitioner



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vs.

1.The Deputy Chief Signal and Telecommunication Engineer
Project Trichy
Southern Railway, No.1
Venkatesan Road
Opp to Prabhu Nursing Home
Ponnagar
Trichy-620001.

2.M/S.VRRC-SPC-JV,
represented by its authorised signatory,
Venkata Rami Reddy Constructions
2-1-899-1 Maheswara Nagar,
Near Sai Baba Temple,
Yerraguntla
Andhra Pradesh 516 309

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus, to call for the communication dated 13.02.2026 issued by the Respondent No.1. rejecting the technical bid submitted by the Petitioner in relation to the E-Tender notice No.T-SG-PROJ-2025-03 dated 31.10.2025 for provision of interlocking arrangement at 44 Nos of non-interlocked gates in the DG-POY & TPJ-KKDI-MNM-RMM sections the over MDU division and to quash the same and consequentially direct the first respondent to consider the bid submitted by the Petitioner de novo.

in W.P.(MD) No.5285 of 2026:-



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Texmaco Rail and Engineering Limited
Represented by its Authorised signatory
Abhijit Sanyal
Having registered office at-
Belgharia, 24 Parganas (North)
Kolkata-700 056
West Bengal.

... Petitioner

vs.

1.The Deputy Chief Signal and Telecommunication Engineer
Project Trichy
Southern Railway, No.1
Venkatesan Road
Opp to Prabhu Nursing Home
Ponnagar
Trichy-620001.

2.Railtel Corporation of India Limited
Represented by its Director
Registered office at
Plate-A, 6th Floor
Office Block Tower-2
East Kidwai Nagar
New Delhi-110023.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus, to call for the communication dated 11.02.2026 issued by the Respondent No.1. rejecting the technical bid submitted by the Petitioner in relation to the E-Tender notice No.T-SG-PROJ-2025-04 dated 31.10.2025 for provision of



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interlocking arrangement at 39 Nos of non-interlocked gates in the MDU-MNM, MNM-VPT-TSI-QLN, TEN TSI and TEN-TCN sections over MDU division and to quash the same and consequentially consider the bid submitted by the Petitioner de novo.

In all W.Ps.,

For Petitioner :Mr.R.Murali Senior Counsel for
Mr.Thriyambak J.Kannan and
Mr.T.Aswin Rajasimman

For R1 :Mr.K.Govindan
DSGI

COMMON ORDER

The issue involved in all these writ petitions is identical. Hence, they were taken up together, heard, and are being disposed of by way of this common order.

2. The challenge in these writ petitions is to the rejection of the technical bids submitted by the petitioner pursuant to four Tender Notifications issued by the first respondent for the works enumerated therein. The bids were rejected on the ground that the tender documents were submitted by a power of attorney holder who had been authorized by the Committee of the Company and not by the Board of Directors.

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3. The first respondent issued four Tender Notifications on 31.10.2025 for carrying out works relating to interlocking arrangements.

In response to the said notifications, the petitioner submitted four bids. The bids were submitted through a power of attorney holder. Upon opening the technical bids, the first respondent found that the power of attorney holder had been authorized only by a resolution of the Committee and not by a resolution of the Board of Directors. On that ground, the technical bids submitted by the petitioner were rejected. Aggrieved by the said rejection, the petitioner has filed the present writ petitions.

4. Mr. R. Murali, learned Senior Counsel appearing for the petitioner, assisted by Mr. Thriyambak J. Kannan and Mr. T. Aswin Raja Simman, learned counsel, submitted that non-furnishing of the resolution of the Board of Directors is not an essential requirement. According to the learned Senior Counsel, as per Clause 15 of the Tender Notification, the Tender Inviting Authority has the discretion to seek clarification with regard to any deficiency in the documents enclosed along with the bids. Therefore, the authority ought to have exercised its discretion and called



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upon the petitioner to furnish the resolution of the Board of Directors. It is his submission that the non-production of such resolution is only a curable defect, and without affording an opportunity to rectify the same, the rejection of the petitioner's technical bids is arbitrary and unsustainable.

5. The learned Senior Counsel further submitted that the Committee had authorized the execution of the power of attorney pursuant to a resolution passed by the Board of Directors. He also contended that, under Object Clause 99 of the Articles of Association of the petitioner-Company, the Board of Directors is empowered to delegate its powers to the Committee. In support of his submissions, reliance was placed on the following decisions:

(i) ***Atlanta Limited vs. National Highways Authority of India and another***, reported in ***2025 SCC Online 2183***; and

(ii) ***Bhagwati Prasad vs. Shiromani Sugar Mills Ltd.***, reported in ***(1949) 19 Comp Cas 286 : 1948 SCC Online All 88***.



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6. Per contra, Mr. K. Govindarajan, learned Deputy Solicitor

General of India appearing for the first respondent, submitted that one of the essential requirements under the Tender Notification is that any individual signing the tender document or any document connected therewith must clearly specify the capacity in which he signs the document, namely: (i) as a Director, Manager, Secretary, or other official having the requisite authority; or (ii) as an Attorney authorized in accordance with the Memorandum or Articles of Association of the Company.

7. In the present case, the petitioner had produced only the resolution of the Committee along with the power of attorney executed in favour of the individual who submitted the bids. However, the petitioner failed to produce the resolution of the Board of Directors authorizing such participation in the tender process. According to the learned Deputy Solicitor General, the resolution of the Board of Directors is an essential document. Since the petitioner failed to produce the said essential document, the first respondent was justified in rejecting the technical bids.

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8. The learned Deputy Solicitor General further submitted that Section 179 of the Companies Act provides for delegation of powers by the Board of Directors to a Committee only in respect of matters enumerated in clauses (d), (e), and (f) of Section 179(3). Therefore, the alleged resolution of the Board delegating powers to the Committee to participate in the tender process is without statutory authority.

9. It was also submitted that, as per Rule 14 of the General Conditions of Contract of the Railways, production of a resolution of the Board of Directors is an essential requirement. In the absence of any arbitrariness or perversity in the decision-making process, this Court, in exercise of its jurisdiction under Article 226 of the Constitution of India, ought not to interfere with the rejection of the petitioner's technical bids. In support of this contention, reliance was placed on the following judgments:—

i) In *Silppi Constructions Contractors Vs. Union of India and another* reported in *2019 0 KLT(Online) 3167*,

ii) In *Afcons Infrastructure Ltd Vs. Nagpur Metro Rail Corporation Ltd and another* reported in *(2016) 7MLJ 172(SC)*,

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iii) Civil Appeal Nos.4862-4863 of 2021 (*Uflex Ltd Vs.*

Government of Tamil Nadu and others), dated 17.09.2021.

10. The arguments advanced by the learned counsel appearing for the parties and the materials placed on record have been duly considered by this Court.

11. Before delving to the issue involved in the present writ petitions, it would be appropriate to reproduce the relevant provisions of the Companies Act, 2013, as well as the relevant clauses in the Articles of Association of the petitioner Company.

12. Section 5 of the Companies Act, 2013 deals with the Articles of Association and provides that the Articles of a company shall contain the regulations for the management of the company. Sub-section (6) of Section 5 states that the Articles of a company shall be in the respective forms specified in Tables F, G, H, I and J in Schedule I to the Act, as may be applicable to such company. Regulation 71 appended to Table F



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provides that the Board may, subject to the provisions of the Companies Act, 2013, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. It further provides that any committee so formed shall, in the exercise of the powers so delegated, conform to such regulations as may be imposed upon it by the Board.

13. Therefore, a combined reading of Section 5 of the Act and Regulation 71 of Table F indicates that the Board of Directors may, subject to the provisions of the Act, delegate any of its powers to a Committee.

14. Section 179 of the Companies Act, 2013 deals with the powers of the Board of Directors. Sub-section (3) of Section 179 provides that the Board of Directors of a company shall exercise certain specified powers on behalf of the company by means of resolutions passed at meetings of the Board, namely:—

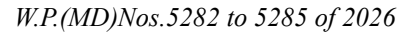


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- “(a) to make calls on shareholders in respect of money unpaid on their shares;*
- (b) to authorise buy-back of securities under section 68;*
- (c) to issue securities, including debentures, whether in or outside India;*
- (d) to borrow monies;*
- (e) to invest the funds of the company;*
- (f) to grant loans or give guarantee or provide security in respect of loans:*
- (g) to approve financial statement and the Board’s report;*
- (h) to diversify the business of the company;*
- (i) to approve amalgamation, merger or reconstruction;*
- (j) to take over a company or acquire a controlling or substantial stake in another company;*
- (k) any other matter which may be prescribed.”*

15. The proviso to Section 179 states that the Board of Directors may delegate to any Committee of Directors, the Managing Director, the Manager, or any other principal officer of the Company, the powers specified in clauses (d) to (f) of sub-section (3), subject to such conditions as may be specified.



17. A conjoint reading of Section 5, Table F, Section 179 of the Companies Act, 2013, and Clause 99 of the Articles of Association of the petitioner Company clearly shows that the Board of Directors is empowered to delegate its powers to a Committee to perform functions on behalf of the Company. While Section 179 specifies certain powers to be exercised by the Board, the statutory framework, read along with Regulation 71 of Table F and the Articles of Association, permits delegation of other powers to a Committee. Therefore, the Board of Directors is legally competent to delegate its powers to a Committee, and



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any act performed by such Committee pursuant to the delegation would be valid and binding on the Company.

18. In the present case, the Board of Directors, in its meeting held on 27.02.2024 at Belgharia, Kolkata, resolved to authorize the committee to consider and approve the issuance of specific powers of attorney in connection with participation in tenders, bids, litigations, and other commercial exigencies in favour of the Executives/Authorized Representatives of the Company.

19. Pursuant to the said resolution of the Board of Directors, the Committee, in its meeting held on 11.11.2025 at Belgharia, Kolkata, resolved to authorize Mr. Prakash Chandra Kejriwal, Chief Financial Officer Infra Rail and Green Energy Division of the Company, to execute a power of attorney in favour of Mr. Bijay Kumar Mohanty, in terms of the resolution passed by the Board.

20. In furtherance of the said resolution, a power of attorney was executed in favour of Mr. Bijay Kumar Mohanty. Acting under the said



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power of attorney, the said attorney holder submitted four bids pursuant to the four Tender Notifications issued by the first respondent. Therefore, the submission of the bids by the power of attorney holder is in conformity with the provisions of the Companies Act, 2013 as well as the Articles of Association of the petitioner Company.

21. The sole reason for rejecting the technical bids submitted by the petitioner is that the petitioner had not uploaded the resolution of the Board of Directors. Admittedly, the tender documents were submitted by a power of attorney holder who had been authorized by the Committee pursuant to the delegation of power by the Board of Directors.

22. Clause 15 of the Tender Notification provides that, in order to assist in the examination, evaluation, comparison, and pre-qualification of the tender, the Railway may, at its discretion, seek clarification from any bidder regarding its bid. The clause further provides that any clarification submitted by a bidder, which is not in response to a request made by the Railway, shall not be entertained or considered. Thus, the said clause confers discretionary power upon the Railway to seek

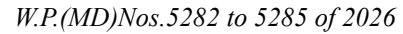


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clarification wherever necessary, and such discretion must be exercised reasonably and not arbitrarily so as to avoid unjustly disqualifying a tenderer from participating in the tender process.

23. In the present case, the first respondent, by invoking Clause 15, ought to have called upon the petitioner to clarify whether the authorization granted to the power of attorney holder to submit the bids was pursuant to the delegation of powers by the Board of Directors. However, without exercising the reasonable discretion available under Clause 15 and without seeking any clarification, the first respondent has proceeded to reject the technical bids submitted by the petitioner, thereby disqualifying the petitioner, who is otherwise technically qualified.

24. Mere non production of the resolution of the Board of Directors is a curable defect and cannot be construed as a failure to comply with an essential requirement, as contended by the first respondent, More particularly, when copies of the power of attorney and the resolution passed by the Committee had already been uploaded.



26. The Delhi High Court, in *Atlanta Limited* (cited supra), held there can be no dispute with regard to the proposition that the terms and conditions of a tender document must ordinarily be strictly adhered to. However, the legal position in this regard has been explained by the Hon'ble Supreme Court in *Poddar Steel Corporation vs. Ganesh Engineering Works and others*, (1991) 3 SCC 273, wherein it was held that deviations from non essential or ancillary/subsidiary requirements, or minor technical irregularities, can be waived. Therefore, the issue that arises in the present case is whether the discrepancy pointed out by the first respondent can be characterized as a minor technical irregularity.



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27. It was further observed in the said judgment that the primary objective of executing a power of attorney is to authorize a person to submit bids on behalf of the company. In the present case, the petitioner had already furnished the power of attorney authorizing the concerned individual to submit the bid. The only aspect that appears to have created doubt in the mind of the first respondent was the absence of the supporting resolution of the Board of Directors. Such a doubt could have easily been clarified by calling upon the petitioner to furnish the said document. Importantly, there was no attempt on the part of the petitioner to modify the bid or incorporate any additional material affecting the substance of the bid. Therefore, the ratio laid down in the said decision squarely applies to the facts of the present case.

28. The Allahabad High Court, in *Bhagwati Prasad vs. Shiromani Sugar Mills Ltd.* (cited supra), considered the issue as to whether a resolution for forfeiture of shares was invalid on the ground that it had been passed by a Committee of Directors, allegedly contrary to Article 99 of the Articles of Association. The Court held that even though the power relating to forfeiture of shares was not specifically enumerated under



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Section 179 of the Companies Act, the Board of Directors was nevertheless empowered to delegate its powers to a Committee consisting of its members. Therefore, the resolution passed by the Committee could not be said to be invalid merely because the power had been exercised by the Committee and not directly by the Board.

29. In the light of the legal principles enunciated in the aforesaid decisions, it is clear that non-furnishing of the resolution of the Board of Directors constitutes only a non essential requirement and that the Board of Directors is competent to delegate its powers to a Committee, which in turn can authorise any officer of the company as power of attorney to submit the bids.

30. In view of the foregoing discussion, this Court is of the considered opinion that the rejection of the technical bids submitted by the petitioner is arbitrary and unsustainable. Consequently, the technical bids submitted by the petitioner are liable to be accepted by the first respondent, as the Petitioner is otherwise technically qualified to participate in the tender process.



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31. Accordingly, these Writ Petitions are allowed and the rejection of the technical bid submitted by the petitioner in relation to E-Tender notice Nos.T-SG-PROJ-2025-01, T-SG-PROJ-2025-02, T-SG-PROJ-2025-03 and T-SG-PROJ-2025-04, dated 31.10.2025 is hereby set aside.

32. Since the rejection of the technical bid was solely on the ground of non-production of the resolution of the Board of Directors, the first respondent is directed to accept the technical bid submitted by the petitioner and proceed to open the financial bid in accordance with the terms and conditions contained in the Tender Notification(s), and pass appropriate orders thereon. No costs. Consequently, connected Miscellaneous Petitions are closed.

Index :Yes / No
Internet :Yes / No
NCC :Yes / No

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HEMANT CHANDANGOUDAR, J.

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