IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

WEDNESDAY, THE TWENTY FOURTH DAY OF JUNE
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN

WRIT APPEAL NO: 625 OF 2026

Writ Appeal under clause 15 of the Letters Patent Against the Order Dated 26-04-2026 in W.P.No 8581 of2026 on the file of the High Court.

Between:

M/s SKV Hightech Pvt. Ltd, Villa No.56, SA Palm Meadows Kompally, Secunderabad-500010 Telangana, rep by its Director.

...APPELLANT

AND

Rail Vikas Nigam Limited, (A Govt. of India Enterprise) rep. by

1.The Chief Project Manager Rail Vikas Nigam Ltd., 3rd Floor Lekha Bhavan, South Central Railway Opp Secunderabad East Metro Station Secunderabad.500025.

2.The General Manager (Civil) Rail Vikas Nigam Ltd., 3rd Floor Lekha Bhavan, South Central Railway Opp Secunderabad East Metro Station Secunderabad.500025.

...RESPONDENT

I.A. NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to stay the Termination orders dated 05.03.2026 passed by the 1st Respondent.

Counsel for the Appellant : SRI PRASAD RAO VEMULAPALLI
Counsel for the Respondent No.1&2 : SRI N.BHUJANGA RAO,
Dy.Solicitor General Of India

The Court made the following: JUDGMENT

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT APPEAL No.625 of 2026

DATE: 24.06.2026

Between:

M/s SKV Hitech Pvt. Ltd

....Appellant

And

The Chief Project Manager,
Rail Vikas Nigam Ltd and another

....Respondents

JUDGMENT

Heard Sri Prasadrao Vemulapalli, learned counsel for the appellant, and Sri N.Bhujanga Rao, learned Deputy Solicitor General of India, appearing for respondent Nos.1 and 2, and perused the record.

2. This writ appeal is preferred under Clause 15 of the Letters Patent, against the order dated 21.04.2026 passed by the learned Single Judge in W.P.No.8581 of 2026. By the said order, the learned Single Judge dismissed the writ petition filed by the appellant herein, which sought to quash the Termination Notice dated 05.03.2026 issued by the respondent No.1, thereby terminating the Agreement No. RVNLSC_NVT-IDL_EPC_SLT_26/C.A. dated 13.09.2025.

Factual matrix

3. The Appellant, M/s SKV Hitech Pvt. Ltd., is registered as a Micro, Small and Medium Enterprise (MSME). The appellant is engaged in the execution and development of infrastructure projects for various Government departments and instrumentalities. The respondent, Rail Vikas Nigam Limited (RVNL), is a Government of India Enterprise functioning under the Ministry of Railways. South Central Railway had awarded to the respondent an Engineering, Procurement and Construction (EPC) contract relating to the doubling of the railway track between Navipet Station (Excl.) and Indalvai Station (Incl.), comprising formation works, major and minor bridges, Road Under Bridges (RUBs), electrification, signalling and allied works.

4. In furtherance of the aforesaid project, the respondent floated a Special Limited Tender, restricted to shortlisted contractors, for execution of a portion of the work comprising construction of roadbed, major bridges, minor bridges, Road Under Bridges and other allied works. The appellant participated in the tender process and was declared successful.

5. Pursuant thereto, the respondent issued a Letter of Acceptance (LoA) dated 21.04.2025 in favour of the appellant for a total contract value of Rs.57,84,69,036/-. The stipulated period for completion of the work was nine calendar months, i.e., on or before

20.01.2026. Thereafter, the parties executed a formal Agreement on 13.09.2025.

6. According to the appellant, the respondents failed to discharge their essential contractual obligations by not furnishing duly approved 'L' Sections indicating the formation levels and by not supplying approved General Arrangement Drawings (GADs) for the bridges, which, according to the appellant, constituted indispensable prerequisites for execution of the work. The appellant contends that in the absence of such approved drawings and levels, it was not feasible to execute the contractual work within the stipulated time.

7. The appellant further asserts that although the work involved construction of 41 Minor Bridges and 3 Major Bridges, the respondents furnished GADs only for 17 Minor Bridges and one Major Bridge on 31.07.2025, and for 5 Minor Bridges on 04.09.2025. According to the appellant, the drawings so furnished were only tentative and not duly approved by the competent authority. It is further alleged that even as on the date of termination, i.e., 05.03.2026, approved GADs for a substantial number of bridges had not been furnished. The appellant also attributes the delay to repeated revisions of the 'L' Sections, delayed approval of blanketing material, non-removal of underground utilities, adverse site conditions owing to heavy rainfall and black cotton soil, and partial release of payments.

8. The respondents, on the other hand, contend that the contract formed part of an EPC project and that the appellant had accepted the scope of work, timelines and contractual obligations with full knowledge thereof. According to the respondents, the appellant failed to mobilize adequate manpower, machinery and other resources, failed to adhere to the work programmes submitted by it, and did not achieve the scheduled progress despite repeated communications. Slow progress notices dated 13.10.2025, 01.12.2025 and 17.01.2026 were accordingly issued, but no satisfactory improvement was noticed.

9. Thereafter, the respondents issued a Seven Days' Notice dated 18.02.2026, followed by a 48 Hours' Notice dated 02.03.2026. The appellant submitted replies disputing the allegations contained therein and attributed the delay to the respondents' alleged lapses in furnishing approved drawings, finalized 'L' Sections and other contractual inputs, while also seeking extension of time for completion of the work. As the respondents were not satisfied with the explanations offered and were of the view that the progress remained unsatisfactory, they issued the Termination Notice dated 05.03.2026, thereby bringing the contract to an end.

10. Aggrieved by the said termination, the appellant filed underlying W.P.No.8581 of 2026 challenging the validity of the termination notice. The learned Single Judge dismissed the writ petition, holding that the dispute involved seriously disputed questions of fact concerning the execution of contractual obligations, responsibility for delay and compliance with the terms of the contract, which could not be adjudicated in proceedings under Article 226 of the Constitution of India, leaving it open to the parties to pursue remedies before the appropriate forum.

11. Aggrieved thereby, the appellant has preferred the present Writ Appeal.

Submissions on behalf of appellant

12. Learned counsel appearing for the appellant, assailed the impugned order and has advanced the following submissions:

i) That the action of the respondents in terminating the contract was in patent violation of the contractual procedure prescribed under Article 21 of the EPC Tender Conditions. It was contended that Article 21.1.1 contemplates a mandatory Cure Period of sixty (60) days to enable the Contractor to remedy any alleged default. However, in the present case, the respondents issued a Seven Days' Notice dated 18.02.2026, followed by a 48 Hours' Notice dated 02.03.2026, and proceeded to terminate the contract on 05.03.2026, without granting the stipulated cure period.

ii) That the respondents themselves committed fundamental breaches of the contract by failing to furnish finalized 'L' Sections indicating formation levels and approved GADs necessary for execution of the bridge works. Learned counsel submitted that although the project involved construction of 41 Minor Bridges and 3 Major Bridges, approved drawings for a substantial number of bridges were not furnished even as on the date of termination. It was further submitted that the final approval relating to Major Bridge No.480 was accorded only during February, 2026, well after substantial delay had already occurred. Consequently, the delay was attributable to the respondents and not to the appellant.

iii) That the show cause notices issued by the respondents did not reflect the actual site conditions or the contractual impediments faced by the appellant. The appellant had submitted a detailed reply to the Seven Days' Notice on 23.02.2026, explaining the sequence of events and highlighting the respondents' defaults. Similar objections were reiterated in reply to the 48 Hours' Notice together with a request for extension of time. However, the respondents proceeded mechanically without considering the explanations furnished, thereby violating the principles of natural justice.

iv) That despite substantial execution of work, the respondents failed to release legitimate payments due to the appellant. An amount of approximately Rs.12.50 crores was stated to be outstanding towards certified work executed. Such non-payment, according to the appellant, severely affected its financial capacity to mobilize additional resources and materially contributed to the alleged delay.

v) That the impugned termination has serious civil consequences, inasmuch as it attracts Condition 2.1.14 of the Request for Proposal (RFP), thereby rendering the appellant ineligible to participate in future tenders for a period of three years. Such action, according to the appellant, not only affects its business reputation but also infringes its fundamental rights guaranteed under Articles 14 and 19(1)(g) of the Constitution of India.

vi) That although the agreement contains an arbitration clause, the challenge in the present proceedings is directed against an arbitrary exercise of statutory power by a Government instrumentality resulting in civil consequences, including debarment from future contracts. It was submitted that such issues involving arbitrariness and violation of constitutional guarantees cannot be relegated solely to arbitration and are amenable to judicial review under Article 226 of the Constitution of India.

Submissions on behalf of the respondents

13. Per Contra, the Learned Deputy Solicitor General of India appearing for respondents advanced the following submissions:

i) That the contractual relationship between the parties continued to subsist until it was validly terminated on 05.03.2026. The contention of the appellant that the agreement stood exhausted by efflux of time on 20.01.2026 was specifically disputed, it being contended that the contractual terms expressly contemplated termination in accordance with the agreed procedure.

ii) That there was no violation of Article 21 of the contract. According to the respondents, the Cure Period contemplated under Article 21 is attracted only in specified cases of Contractor Default and cannot be mechanically invoked in every situation. It was argued that the repeated slow progress notices issued from October, 2025 onwards, followed by the Seven Days' Notice and the 48 Hours' Notice, afforded the appellant more than adequate opportunity to improve its performance. Despite such opportunities extending over several months, the appellant failed to achieve satisfactory progress.

iii) That the delay was solely attributable to the appellant's failure to deploy adequate manpower, machinery and other resources. It was pointed out that only about 30 to 40 labourers were deployed for execution of a project of considerable magnitude. The learned counsel for respondents further submitted that although work had been commenced on several bridges, the appellant failed to complete even a single bridge in all respects within the stipulated period.

iv) That all necessary working drawings were furnished from time to time and that the appellant, being an experienced EPC contractor, was fully aware of the applicable RDSO standard drawings and specifications. It was argued that execution of the work was not dependent upon final approval of every drawing and that approvals were delayed largely because the appellant repeatedly sought modifications and revisions in order to reduce construction costs.

v) That the alleged non-availability of approvals for certain bridges could not justify complete stagnation of the project. According to the respondents, substantial portions of the work, including earthwork, formation, blanket laying and other ancillary activities, were available for execution independently of the pending bridge approvals. Therefore, the appellant's failure to achieve progress cannot be attributed to the alleged delay in approvals.

vi) That payments were processed strictly in accordance with the contractual terms after certification of the bills. It was contended that any delay in release of payments occurred because the appellant failed to submit certified bills in accordance with the prescribed procedure and that no illegality could be attributed to the respondents on this count.

vii) That the agreement between the parties is determinable in nature and expressly provides for termination upon occurrence of specified contingencies. Consequently, the relief sought by the appellant substantially amounts to restoration or specific enforcement of a determinable contract, which is impermissible in law in view of Section 14 of the Specific Relief Act, 1963.

viii) That the controversy essentially involves disputed questions of fact concerning delay, progress of work, adequacy of drawings, site conditions and reciprocal contractual obligations, all of which require appreciation of oral and documentary evidence. Such issues, according to the learned counsel for respondents, cannot appropriately be adjudicated in proceedings under Article 226 of the Constitution of India and are liable to be resolved through arbitration in accordance with the dispute resolution mechanism contained in the agreement.

14. We have taken note of the respective contentions urged and perused the material on record.

Consideration by this Court

15. The legal position governing the exercise of writ jurisdiction under Article 226 of Constitution of India in contractual matters is well settled. The extraordinary jurisdiction of the High Court is not intended to adjudicate purely contractual disputes involving seriously disputed questions of fact requiring appreciation of oral and documentary evidence. Though the existence of an efficacious alternative remedy, including arbitration where contractually provided, does not operate as an absolute bar to the exercise of writ jurisdiction, it is a well-recognized rule of judicial restraint that the High Court ordinarily declines to entertain such disputes unless the impugned action is shown to be arbitrary, *mala fide*, without jurisdiction or in violation of statutory or constitutional mandates.

16. In the present case, the principal controversy pertains to the reasons for the delay in execution of the work. While the appellant attributes the delay to the respondents' failure to furnish finalized 'L' Sections, approved GADs, hindrance-free work fronts, delayed approvals and adverse site conditions, the respondents contend that the delay was solely due to the appellant's failure to mobilize adequate manpower, machinery and resources. The adjudication of these rival contentions would necessarily require examination of the contractual documents, engineering drawings, project records, technical approvals, correspondence and other contemporaneous material, which involves disputed questions of fact beyond the scope of judicial review under Article 226 of the Constitution of India.

17. The learned Single Judge, in the impugned order, rightly observed that the controversy between the parties involves seriously disputed and complex questions of fact, which require adjudication such as:

a) whether proper and approved drawings were furnished within time

b) whether the 'L' Sections supplied were tentative or final

c) whether the prevailing site conditions, including rainfall and black cotton soil, materially affected execution of the work

d) whether adequate work fronts were made available

e) whether the appellant had failed to mobilize sufficient manpower, machinery and other resources and

f) whether the delay in execution was attributable to either of the parties or occasioned by external factors.

18. The determination of the aforesaid issues would necessarily require appreciation of technical and documentary evidence, including project records, engineering drawings, site reports and contemporaneous correspondence, which is in the nature of a full-fledged evidentiary enquiry and lies beyond the scope of judicial review under Article 226 of the Constitution.

19. The principal contention advanced on behalf of the appellant is that the impugned termination is vitiated on account of non-compliance with Article 21 of the EPC Agreement. In this regard, it is apposite to extract Article 21 of the EPC Agreement which is relevant for the proper appreciation of the controversy:

> ***21.1 Termination for Contractor Default***
>
> *21.1.1 Save as otherwise provided in this Agreement, in the event that any of the defaults specified below shall have occurred, and the Contractor fails to cure the default within the Cure Period set forth below, or where no Cure Period is specified, then within a Cure Period of 60 (sixty) days, the Contractor shall be deemed to be in default of this Agreement (the "Contractor Default"), unless the default has occurred as a result of any breach of this Agreement by the Authority or due to Force Majeure. The defaults referred to herein shall include;*
>
> *a) The Contractor fails to provide, extendor replenish, as the case may be, the Performance Security in accordance with this Agreement;*
>
> *b) subsequent to the replenishment or furnishing of fresh Performance Security in accordance with Clause 7.3, the Contractor fails to cure, within a Cure Period of 30 (thirty) days, the Contractor Default for which the whole or part of the Performance Security was appropriated;*
>
> *c) the Contractor does not achieve the latest outstanding Project Milestone due in accordance with the provisions of Schedule-I, subject to any Time Extension, and continues to be in default for 45 (forty five) days;*
>
> *d) The Contractor abandons or manifests intention to abandon the construction of the Railway Project without the prior written consent of the Authority;*

e) *the Contractor fails to proceed with the Works in accordance with the provisions of Clause 10.1 or stops Works for 30 (thirty) days without reflecting the same in the current programme and such stoppage has not been authorised by the Authority Engineer,*

f) *The Project Completion Date does not occur within the period specified in Schedule-l for the Scheduled Completion Date, or any extension thereof;*

g) *Failure to complete the Punch List items within the periods stipulated therefor in Clause 12.3;*

h) *the Contractor fails to rectify any Defect, the non rectification of which shall have a Material Adverse Effect on the Project, within the time specified in this Agreement or as directed by the Authority Engineer;*

i) *The Contractor subcontracts the Works or any part thereof in violation of this Agreement or assigns any part of the Works without the prior approval of the Authority;*

j) *The Contractor creates any Encumbrance in breach of this Agreement;*

k) *An execution levied on any of the assets of the Contractor has caused a Material Adverse Effect;*

l) *The Contractor is adjudged bankrupt or insolvent, or if a trustee or receiver is appointed for the Contractor or for the whole or material part of its assets that has a material bearing on the Project;*

m) *the Contractor has been, or is in the process of being liquidated, dissolved, wound-up, amalgamated or reconstituted in a manner that would cause, in the reasonable opinion of the Authority, a Material Adverse Effect;*

n) *a resolution for winding up of the Contractor is passed, or any petition for winding up of the Contractor is admitted by a court of competent jurisdiction and a provisional liquidator or receiver is appointed and such order has not been set aside within 90 (ninety) days of the date thereof or the Contractor is ordered to be wound up by a court except for the purpose of amalgamation or reconstruction; provided that, as part of such amalgamation or reconstruction, the entire property, assets and undertaking of the Contractor are transferred to the amalgamated or reconstructed entity and that the amalgamated or reconstructed entity has unconditionally assumed the obligations of the Contractor under this Agreement; and provided that;*

   i) *The amalgamated or reconstructed entity has the capability and experience necessary for the* *performance of its obligations under this Agreement; and*

ii) *the amalgamated or reconstructed entity has the financial standing to perform its obligations under this Agreement and has a credit worthiness at least as good as that of the Contractor as at the Appointed Date;*

o) *Any representation or warranty of the Contractor herein contained which is, as of the date hereof, found to be materially false or the Contractor is at any time hereafter found to be in breach thereof,*

p) *the Contractor submits to the Authority any statement, notice or other document, in written or electronic form, which has a material effect on the Authority's rights, obligations or interests and which is false in material particulars;*

q) *The Contractor has failed to fulfil any obligation, for which failure Termination has been specified in this Agreement;*

r) *The Contractor has failed to make any payment to the Authority within the period specified in this Agreement; or*

s) *The Contractor commits a default in complying with any other provision of this Agreement if such a default causes a Material Adverse Effect on the Project or on the Authority.*

21.1.2 Without prejudice to any other rights or remedies which the Authority may have under this Agreement, upon occurrence of a Contractor Default, the Authority shall be entitled to terminate this Agreement by issuing a Termination Notice to the Contractor; provided that before issuing the Termination Notice, the Authority shall by a notice inform the Contractor of its intention to issue such Termination Notice and grant 15 (fifteen) days to the Contractor to make a representation, and may after the expiry of such 15 (fifteen) days, whether or not it is in receipt of such representation, issue the Termination Notice.

21.1.3 After termination of this Agreement for Contractor Default, the Authority may complete the Works and/or procure its completion through any other entity. The Authority and such entity may, for this purpose, use any Materials, Plant and equipment, Contractor's documents and other design documents made by or on behalf of the Contractor.

21.2 Termination for Authority Default

21.2.1 In the event that any of the defaults specified below shall have occurred, and the Authority fails to cure such default within a Cure Period of 90 (ninety) days or such longer period as has *been expressly provided in this Agreement, the Authority shall be deemed to be in default of this Agreement (the "Authority Default") unless the default has occurred as a result of any breach of this Agreement by the Contractor or due to Force Majeure. The defaults referred to herein shall include:*

a) The Authority commits a material default in complying with any of the provisions of this Agreement and such default has a Material Adverse Effect on the Contractor;

b) The Authority has failed to make payment of any amount due and payable to the Contractor within the period specified in this Agreement;

c) the Authority has failed to provide, within a period of 180 (one hundred and eighty) days from the Appointed Date, the environmental clearances and forest clearances required for construction of the Railway Project;

d) The Authority repudiates this Agreement or otherwise takes any action that amounts to or manifests an irrevocable intention not to be bound by this Agreement; or

e) The Authority Engineer fails to issue the relevant Interim Payment Certificate within 60 (sixty) days after receiving a statement and supporting documents.

21.2.2 Without prejudice to any other right or remedy which the Contractor may have under this Agreement, upon occurrence of an Authority Default, the Contractor shall be entitled to terminate this Agreement by issuing a Termination Notice to the Authority; provided that before issuing the Termination Notice, the Contractor shall by a notice inform the Authority of its intention to issue the Termination Notice and grant 15 (fifteen) days to the Authority to make a representation, and may after the expiry of such 15 (fifteen) days, whether or not it is in receipt of such representation, issue the Termination Notice.

21.3 Right of Authority to Determine the Contract

Notwithstanding anything hereinabove, the Authority shall be entitled to determine and terminate the contract at any time should, in the Authority's opinion, the cessation of work becomes necessary owing to paucity of funds or from any other cause whatever, in which case it shall be treated as Authority Default and Termination Payment shall be made as per clause 21.6 below. Notice in writing from the Authority of such determination and the reasons therefor shall be conclusive evidence thereof. The termination shall take effect 30 (thirty) days from the date of notice hereunder.

21.4 Requirements after Termination

Upon Termination of this Agreement in accordance with the provisions of this Article 21, the Contractor shall comply with and conform to the following:

a) Deliver to the Authority all Plant and Materials which shall have become the property of the Authority under this Article 21;

b) deliver all relevant records, reports, Intellectual Property and other licences pertaining to the Works, other design documents and in case of Termination occurring after the Provisional Certificate has been issued, the "as built" Drawings for the Works;

c) Transfer and/or deliver all Applicable Permits to the Authority to the extent permissible under Applicable Laws; and

d) Vacate the Site within 15 (fifteen) days.

21.5 Valuation of Unpaid Works

21.5.1 Within a period of 45 (forty-five) days after Termination under Clause 21.1, 21.2 or 21.3, as the case may be, has taken effect, the Authority Engineer shall proceed in accordance with Clause 16.5 to determine as follows the valuation of unpaid Works (the "Valuation of Unpaid Works"):

a) Value of the completed stage of the Works, less payments already made; and

b) Reasonable value of the partially completed stages of works as on the date of Termination, only if such works conform to the Specifications and Standards.

and shall adjust from the sum thereof (i) any other amounts payable or recoverable, as the case may be, in accordance with the provisions of this Agreement; and (ii) all taxes due to be deducted at source.

21.5.2 The Valuation of Unpaid Works shall be communicated to the Authority, with a copy to the Contractor, within a period of 45 (forty five) days from the date of Termination.

21.6 Termination Payment

21.6.1 Upon Termination on account of Contractor Default under Clause 21.1, the Authority shall:

a) encash and appropriate the Performance Security and Retention Money and in the event the Contractor has failed to replenish or extend the Performance Security, claim the amount stipulated in Clause 7.1.1, as agreed pre-determined *compensation to the Authority for any losses, delays and cost of completing the Works, if any;*

b) Encash and appropriate the bank guarantee, if any, to the extent of the outstanding Advance Payment and interest thereon; and

c) pay to the Contractor, by way of Termination Payment, an amount equivalent to the Valuation of Unpaid Works after adjusting any other sums payable or recoverable, as the case may be, in accordance with the provisions of this Agreement, and all taxes due to be deducted at source.

21.6.2 Upon Termination on account of an Authority Default under Clause 21.2 or under Clause 21.3, the Authority shall:

a) Return the Performance Security and Retention Money forthwith;

b) Encash and appropriate the bank guarantee, if any, to the extent of the outstanding Advance Payment, including interest thereon; and (b)

c) Pay to the Contractor, by way of Termination Payment, an amount equal to:

(i) Valuation of Unpaid Works;

(ii) the reasonable cost, as determined by the Authority Engineer, of the Plant and Materials procured by the Contractor and transferred to the Authority for its use, only if such Plant and Materials are in conformity with the Specifications and Standards;

(iii) the reasonable cost of temporary works, as determined by the Authority Engineer; and shall adjust from the sum thereof (i) any other amounts payable or recoverable, as the case may be, in accordance with the provisions of this Agreement, and (ii) all taxes due to be deducted at source.

21.6.3 Termination Payment shall become due and payable to the Contractor within 30 (thirty) days of a demand being made by the Contractor to the Authority with the necessary particulars, after the Valuation of Unpaid Works has been communicated by the Authority Engineer, and in the event of any delay, the Authority shall pay interest at the Bank Rate plus 3% (three percent), calculated at quarterly rests, on the amount of Termination Payment remaining unpaid; provided that such delay shall not exceed 90 (ninety) days. For the avoidance of doubt, it is expressly agreed that Termination Payment shall constitute full *discharge by the Authority of its payment obligations in respect thereof hereunder.*

21.6.4 The Contractor expressly agrees that Termination Payment under this Article 21shall constitute a full and final settlement of all claims of the Contractor on account of Termination of this Agreement and that it shall not have any further right or claim under any law, treaty, convention, contract or otherwise.

21.7 Other rights and obligations of the Parties

Upon Termination for any reason whatsoever

a) property and ownership in all Materials, Plant and Works and the Railway Project shall, as between the Contractor and the Authority, vest in the Authority in whole, free from any and all Encumbrances; provided that the foregoing shall be without prejudice to Clause 21.6;

b) Risk of loss or damage to any Materials, Plant or Works and the care and custody thereof shall pass from the Contractor to the Authority; and

c) the Authority shall be entitled to restrain the Contractor and any person claiming through or under the Agreement from entering upon the Site or any part of the Project except for taking possession of materials, stores, implements, construction plants and equipment of the Contractor, which have not been vested in the Authority in accordance with the provisions of this Agreement.

21.8 Survival of rights

Notwithstanding anything to the contrary contained in this Agreement any Termination pursuant to the provisions of this Agreement shall be without prejudice to the accrued rights of either Party including its right to claim and recover money damages, insurance proceeds, security deposits, and other rights and remedies, which it may have in law or Agreement. All rights and obligations of either Party under this Agreement, including Termination Payments, shall survive the Termination to the extent such survival is necessary for giving effect to such rights and obligations.

20. On perusal of the above Article 21.1.1, it contemplates a Cure Period of sixty (60) days in respect of the defaults specified therein. The language employed in the provision assumes significance, inasmuch as it stipulates that the Contractor shall be deemed to be in default if it *"fails to cure the default within the Cure Period set forth below, or where no Cure Period* is specified, *then within a Cure Period of 60 (sixty) days."* A further reading of the said Article 21 indicates that the Authority is entitled to terminate the Agreement upon the occurrence of a Contractor Default, without prejudice to the other rights and remedies available under the Agreement.

21. In the present case, the respondents contend that the appellant had been repeatedly called upon to expedite the work through slow progress notices dated 13.10.2025, 01.12.2025 and 17.01.2026, followed by the Seven Days' Notice dated 18.02.2026 and the 48 Hours' Notice dated 02.03.2026. Thus, according to the respondents, the appellant had been afforded sufficient opportunity to improve the progress of the work prior to the issuance of the termination notice. The record placed before us also does not indicate any substantial improvement in the progress of the work during the said period.

22. We also find no merit in the appellant's contention that the Agreement stood exhausted merely because the stipulated period of completion expired on 20.01.2026. The contractual relationship between the parties continued to subsist and govern their reciprocal rights and obligations until it was formally brought to an end by the termination notice dated 05.03.2026. Equally, we are unable to accept the contention that the stipulation regarding a sixty-day

Cure Period is of universal application irrespective of the nature of the default alleged. From a plain reading of Article 21, the stipulation regarding the Cure Period appears to operate in the context of the defaults enumerated therein, and its applicability must necessarily be examined with reference to the contractual framework and the facts of each case.

23. The principal relief sought by the appellant is to set aside the termination notice and restore the contractual relationship between the parties. The effect of granting such a relief would be to revive and enforce a contract which is, by its very nature, determinable. Section 14(d) of the Specific Relief Act, 1963, expressly provides that a contract which is determinable in nature cannot be specifically enforced. The Agreement in question confers upon the parties a contractual right of termination in the circumstances stipulated therein. Therefore, the learned Single Judge was justified in observing that the relief sought, in substance, would amount to enforcing a determinable contract, which is impermissible in law.

24. It is also not in dispute that the Agreement contains a comprehensive arbitration clause governing disputes arising out of the contract. The issues raised by the appellant, including the legality of the termination, the attribution of delay, reciprocal contractual obligations and the consequential monetary claims, are matters which are capable of adjudication before the arbitral forum.

Although the existence of an alternative remedy is not an absolute bar to the exercise of jurisdiction under Article 226 of the Constitution, it assumes considerable significance where the dispute arises out of a commercial contract and involves disputed questions of fact requiring appreciation of evidence.

25. The appellant has contended that the impugned termination would entail debarment under Condition 2.1.14 of the RFP, thereby infringing Articles 14 and 19 of the Constitution. In our considered view, the mere fact that certain consequences may ensue from the termination does not, by itself, convert an otherwise contractual dispute into one amenable to judicial review under Article 226. *Prima facie,* the record discloses that the respondents issued successive notices and afforded the appellant an opportunity to respond before issuing the termination notice. In the absence of any demonstrable arbitrariness, *mala fides* or violation of statutory or constitutional provisions, the appellant's plea does not merit acceptance.

Conclusion

26. For the foregoing reasons, this Court is of the considered view that the dispute between the parties arises out of a commercial contract and involves seriously disputed questions of fact requiring appreciation of technical and documentary evidence, which cannot appropriately be adjudicated in proceedings under Article 226 of the

Constitution of India. The Agreement also provides an efficacious alternate remedy by way of arbitration. We, therefore, find no ground to interfere with the impugned order in the present writ appeal.

27. Accordingly, the Writ Appeal is dismissed.

As a sequel, miscellaneous petitions, pending if any, stand closed. No costs.

SD/- MOHD. ISMAIL
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. One CC to SRI PRASAD RAO VEMULAPALLI, Advocate. [OPUC]
2. One CC to SRI N.BHUJANGA RAO, Deputy Solicitor General of India, High Court for the State of Telangana at Hyderabad. [OPUC]
3. Two CD Copies.

BSK

TKS

HIGH COURT

DATED: 24/06/2026

JUDGMENT

HIGH COURT FOR THE STATE OF TELANGANA
10 JUL 2026
DESPATCHED

WA.No.625 of 2026

DISMISSING THE WRIT APPEAL
WITHOUT COSTS

5
NIT
10/7/26