

THE HONOURABLE SRI JUSTICE P.NAVEEN RAO

WRIT PETITION No.2159 OF 2019

Dated:27.03.2019

Between:

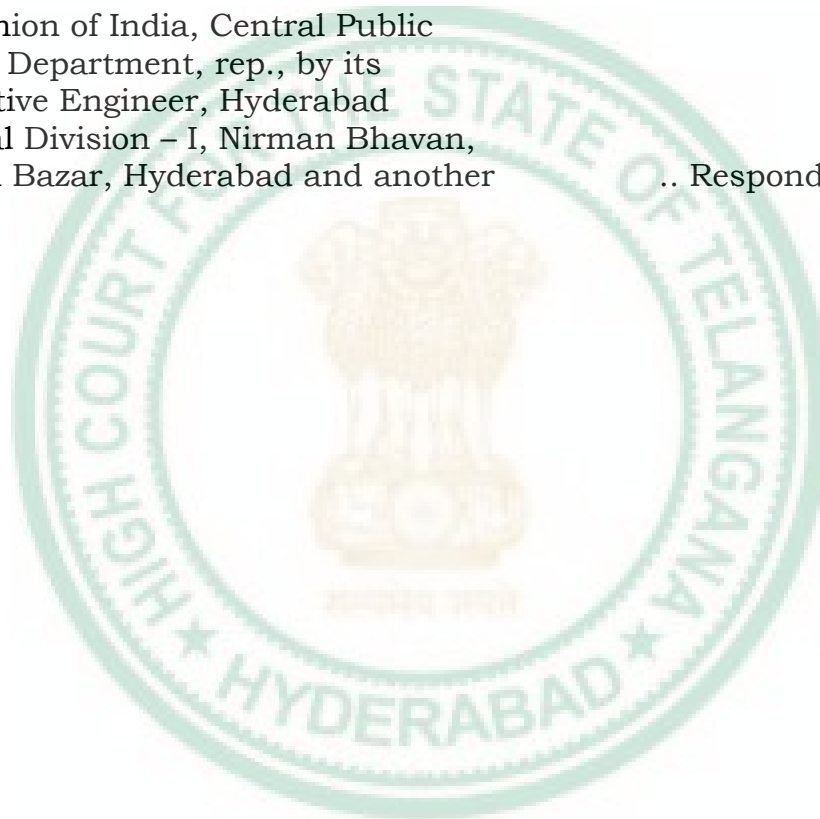
M/s. TSR Constructions, a registered
Partnership Firm, rep., by its Managing
Partner, T. Subba Rao, S/o. Polaiah,
Aged 72 years, Flat No.102, Mouni
Block, Venkateswara Heights, HMT
Nagar, Nacharam, Hyderabad

.. Petitioner

And

The Union of India, Central Public
Works Department, rep., by its
Executive Engineer, Hyderabad
Central Division – I, Nirman Bhavan,
Sultan Bazar, Hyderabad and another

.. Respondents



This Court made the following:

THE HONOURABLE SRI JUSTICE P.NAVEEN RAO

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ORDER:

Heard learned counsel for the petitioner and learned Standing Counsel for Central Government appearing for the respondents.

2. Pursuant to the tender quoted for awarding contract for repairs and renovation of Type E Quarters, painting works of DRC building, registered office and other miscellaneous works at ESIC Regional Office premises, petitioner was identified as successful bidder. By letter dated 05.01.2019, petitioner was informed to submit the performance guarantee amount of Rs.1,33,540/- within seven days of issue of the said letter. According to learned counsel for the petitioner, the said letter was actually dispatched on 07.01.2019 and the same was received by petitioner on 12.01.2019. Since 12.01.2019 was the Second Saturday and 13.01.2019 was Sunday, on 14.01.2019 petitioner applied for FDR through Laxmi Vilas Bank for the above mentioned amount. But, for some technical reasons, the bank could not issue FDR on the same day, but issued on 16.01.2019, 15.01.2019 being a public holiday. Therefore, petitioner submitted the said FDR, as required by letter dated 05.01.2019. However, the same was not accepted by the respondents, compelling the petitioner to institute this Writ Petition.

3. The facts and the list of dates, noted above, are not in dispute. However, according to letter dated 05.01.2019, the

requirement was to submit the performance guarantee within seven days from the date of issue of letter. Apparently, the letter was received by the petitioner only on 12.01.2019. Till the letter was served on petitioner, it cannot be said that he was required to submit the performance guarantee and therefore no adverse decision can be taken based on what is mentioned in the letter even before the letter was served. Further, immediately after receipt of the letter and on the next available day, petitioner applied for FDR and the same was issued on 16.01.2019. Thus, it is not a case of deliberate non-compliance of requirement by the petitioner warranting initiation of penal action against him.

4. From a reading of paragraph No.2 of letter, dated 05.01.2019, there is scope for extension of time with a condition that person should pay interest at 0.1% per day on performance guarantee amount.

5. Learned counsel for the petitioner fairly submits that petitioner is willing to pay interest at 0.1% per day on performance guarantee amount from 12.01.2019 to 16.01.2019.

6. Having regard to the submission, the Writ Petition is disposed of directing the respondents to accept the performance guarantee offered by the petitioner and process further for award of contract, subject to fulfillment of all other requirements. However, petitioner shall pay interest at 0.1% per day on performance guarantee amount from 12.01.2019 to 16.01.2019 within two weeks. Subject to satisfaction of all other requirements and if there is no other impediment, contract shall

be awarded to the petitioner within two weeks from the date of receipt of a copy of the order. There shall be no order as to costs. Pending Miscellaneous Petitions, if any, shall stand closed.

P. NAVEEN RAO, J

Date:27.03.2019

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