



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH : NAGPUR

WRIT PETITION NO. 2694/2025

(Athithi Hospitality and Events Associates Vs. Union of India)

Office Notes, Office Memoranda of Coram,
appearances, Court's orders of directions
and Registrar's orders

Court's or Judge's orders

Mr. R. R. Dawda, Advocate for petitioner.

CORAM: ROHIT W. JOSHI, J.

DATED : 19/05/2025.

Heard.

2. The petitioner is executing contract for manpower and outsourcing with respondent No.2. On earlier two occasions, there has been a delay on part of the petitioner in making payment of wages of the employees. On third occasion, there is delay of one day in making payment of salary to one employee.

3. In view of above, the contract of the petitioner came to be terminated vide communication dated 29.04.2025. Clause 5(7) of the Contract reads as under:-

Sr. No.	Description	1 st instance	2 nd instance	3 rd instance
7	Delay in payment of take-home remuneration by the Service provider and deposit of EPF and ESI (both employee and employer share)	Rs.100 per day per resource, warning to Service Provider to deposit the said amount within 7 working days.	Rs.200 per day resource, hold on all type of payments to Service Provider till the said amount is deposited to respective stakeholders and proof of same is submitted to buyer	Cancellation of the contract with cancellation charges @ 10% of the order value

4. Learned counsel for petitioner has drawn attention to letters dated 07.02.2025 and 11.02.2025 issued by Mr. Chainlaly Udaylal Sahare who is the employee to him salary was paid one day after the stipulated day for payment of salary. Perusal of the letters indicate that initially the said Mr. Chainlaly Udaylal Sahare had requested to the petitioner to defer the payment of salary, since he wanted remittance of same in his new bank account. However, subsequently, vide letter dated 11.02.2025, the said employee requested the petitioner to make payment of salary in the old account in view of technical difficulties in relation to new account. By the impugned communication dated 29.04.2025, contract allotted to the petitioner has been terminated and sum of Rs. 10,07,778.20/- being amount to equal to 10% of the contract value is ordered to be recovered from the petitioner.

5. Learned counsel for petitioner makes a fair statement that the petitioner is not executing the contract after its termination which has taken effect. The petitioner states that termination of contract will have the effect excluding him from participating in any tender floated on GeM Portal.

6. In view of above, having regard to the fact that there is delay of one day only in making payment of salary to one employee out of total 26 employees employed by the petitioner, it will be expedient to grant stay to the effect and operation of the impugned communication dated 29.04.2025 to the limited extent that the same will not result in disqualification of the petitioner in participation other tender floated by GeM. It is clarified that termination of the contract in question which has already taken effect will not be affected by the present interim order. It is however clarified that the respondent No.2 shall not forfeit the amount of Rs. 10,07,778.20/- from the bill payable to the petitioner till further orders, although the said amount may be withheld for the present.

(ROHIT W. JOSHI, J.)