



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 18-11-2025

CORAM

THE HONOURABLE MR.JUSTICE V. LAKSHMINARAYANAN

**WP No. 5607 of 2025
and WMP Nos. 6185 & 6187 of 2025**

K.Banupriya Thiyagu

Petitioner(s)

Vs

1. The Block Development Officer(BP)
K.V.Kuppam Block, Vellore.

2.M/s.Beemji Enterprises
No.25, VTK Nagar,
Valliyammal Road, Katpadi, Vellore-
632 007.

Respondent(s)

PRAYER

to call for the records on the file of the 1st respondent in Na.Ka.A3/2446/2024 dated 2.1.2025 and quash the same as illegal, incompetent and without jurisdiction and further direct the 1st respondent conduct fresh tender as per the



guidelines issued by the Rural development and Panchayat Raj Department

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For Petitioner(s): M/s.S.N.Kirubanandam
B.Balamurugan
N.R.Saigoutham

For Respondent(s): M/s.S.J.Mohamed Sathik-GA(R1)
M/s. T.P.Prabakaran,(R2)

ORDER

The petitioner is the President of Kalampattu Village Panchayat, which is situated in Vellore District. A tender was called by the 1st respondent under the “ekf;F ehk jpl;lk; 2024-2025”. The purpose of the Tender was for construction of a Health Sub Centre at the said village.

2. The petitioner relies upon an order passed by this Court in W.P. No. 36431 of 2024 and W.P. No. 36948 of 2024 dated 20.01.2025, to plead that the 2nd respondent is ineligible to participate in the Tender, as his Registration Certificate, as well as, Solvency Certificate had not been renewed. In addition, the petitioner pleads that the 2nd respondent is a defaulter at any work that has



been tendered to him. She relies upon the proceedings of K.V.Kuppam Panchayat Union to show that the 2nd respondent has never completed his contractual obligations with the local authority.

3. In addition, Mr.S.M.Kirubanandam pleads that the registration of the 2nd respondent as a Class-III contractor is contrary to the guidelines that have been issued by the Rural Development and Panchayat Raj Department. He further points out that the District Collector had recommended that the 2nd respondent may be proceeded against for not completion of the earlier works. He further adds that the 2nd respondent has no construction experience, and has only laid pavements and done activities, which are connected not with the erection of buildings. Consequently, the submission of Mr.S.N.Kirubanandam is that the award of Tender in favour of the 2nd respondent requires to be set aside.

4. Mr.S.J.Mohamed Sathik, appearing for the 1st respondent points out that the nature of work being carried on by the 2nd respondent is an essential work. The Tender was called for constructing a Health Sub Centre. Consequent



to the administrative sanction issued by the District Collector, Vellore, on 02.12.2024, tender was called on 17.12.2024. Totally, there were three bidders in the Tender called for, and the petitioner quoted a lowest amount of Rs.39,46,857.50. Hence, the work order was issued for him on 02.01.2025.

5. The 1st respondent further states that the 2nd respondent was a registered Class-III Contractor for the period from 12.12.2023 to 12.12.2024 and that the Director of Rural Development and Panchayat Raj had issued proceedings on 25.09.2024, permitting a 90 days cooling-off period for renewal of contractor registrations.

6. He has further pleaded that though the Solvency Certificate had not been issued by the 2nd respondent, the 2nd respondent had paid a Tender fee of Rs.83,877/-, and had also furnished an Encumbrance Certificate for a property worth Rs.30,00,000/-. He relies on the guidelines dated 25.09.2024 in order to plead that production of Solvency Certificate for new contractor Registrations do not govern the tendering process or the documents produced therein.



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7. He further submits that the work for the Health Sub Center has commenced by constructing the basement and placing re-enforcement charges for erecting the pillars. He states that since the interim order of *status quo* was granted on 24.02.2025, the construction has not proceeded further. He further pleads that the construction of the Health Sub Center is essential for the health of the local population and therefore, the interim order, as well as, the writ petition deserves to be dismissed to enable the completion of work.

8. Mr.T.P.Prabakaran, appearing for 2nd respondent has filed a counter stating that the Joint Director of Rural Development, Vellore, in his proceedings dated 14.12.2024, has renewed the Registration of the 2nd respondent as a contractor for the period 2024-2025, and that the same is valid till 31.03.2027.

9. Mr.T.P.Prabakaran, adds that he had applied for Solvency Certificate on 23.12.2024, which was much before the opening of the Tender on 30.12.2024 and due to administrative delay, the Certificate was issued only on 04.03.2025.



He states that enclosing a Solvency Certificate is not necessary as it is not the condition in terms of the Tender.

10. In any event, in order to show that he is a person having financial worth, he had submitted an Encumbrance Certificate to the satisfaction of the 2nd respondent.

11. Mr.T.P.Prabakaran orally submits that the work has commenced and it was stopped halfway, on account of the interim order granted by this Court. He pleads that he is perfectly entitled to participate in the auction and that the writ petition deserves to be dismissed.

12. I have carefully considered the submissions of both sides and I have gone through the records.

13. The following facts are not in dispute. The petitioner was granted the contract by the 1st respondent for construction of a Public Health Centre. The



petitioner did not produce the Solvency Certificate in order to show that he is a registered contractor, entitled to take the contract. Now, he has enclosed a Solvency Certificate for the purpose of proving his solvency. The issue is whether the failure to produce these two documents is on the date on which the invitation of tender was called for, fatal to the case.

14. As rightly contended by Mr.Mohamed Sathik, the Government has issued guidelines on 25.09.2024, permitting a 90 days cooling-off period for renewal of registration. Admittedly, the 2nd respondent's registration had expired on 12.12.2024. Applying the directions given by the Director of Rural Development and Panchayat Raj Department to the facts of the present case, the petitioner had time till 11.03.2025 to get his registration renewed. Much before the expiry, it had been renewed by the Joint Director of Vellore District, stating that the petitioner is a Class-III contractor, entitled to take works above Rs.2 crores and upto Rs.5 crores. This certification is sufficient for the first submission of Mr.S.N.Kirubanandam to fail, for according to him, Class-III contractors can take tenders upto Rs.50 lakhs. When the appropriate authority



has certified that Class-III contractors can take works up-to Rs.5 crores, I do not find any reason to reject the Certificate and accept the arguments of the petitioner.

15. Insofar as the production of Solvency Certificate is concerned, a perusal of the terms and conditions of the Tender issued by the Block Development Officer, K.V.Kuppam, Vellore District shows that it is not an essential document to participate in the pre-qualification bid. This is because, as per the check-list issued by the said authorities, the 2nd respondent would necessarily have to produce an audited financial statement showing the profit and loss, balance sheet, and enclose the latest Income-Tax Returns filed along with VAT Returns. When the petitioner called upon the 2nd respondent to produce the Solvency Certificate, the reliance of the petitioner on the note appended to Clause No.2 is of no weight. If the Solvency Certificate was a requirement under the Tender and had the 2nd respondent not produced the same, perhaps the petitioner would have had a case. As it is concluded that it is not an essential enclosure, this point urged by the petitioner fails.



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16. Insofar as the plea of Mr.S.N.Kirubanandam that the 2nd respondent is a regular defaulter in construction, who takes up tenders and continues to default in finishing the work, is concerned, this is an issue, which the 1st respondent would have to deal with. Instead of cancelling the award, as sought by the petitioner, there can always be a direction issued to the 1st respondent to supervise the work that has to be carried out by the 2nd respondent, and ensure that the timelines are maintained, and that the people of Kalampattu do not suffer due to the lack of a Public Health Center.

17. In the light of the above discussion, the writ petition is dismissed. No costs. Consequently, connected miscellaneous petitions are closed.

18. The 1st respondent is directed to ensure that the timelines for construction of the Health Sub Center at Kalampattu Village are maintained by the 2nd respondent. The 1st respondent shall ensure that the timelines are met by the 2nd respondent, and in case, if he does not do so, appropriate action shall be



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initiated against him.

18-11-2025

Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No

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To

1. The Block Development Officer(BP)
K.V.Kuppam Block, Vellore.



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V.LAKSHMINARAYANAN J.

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