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W.P.No.2126 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated 28.01.2025

CORAM:

THE HONOURABLE MR.JUSTICE S.SOUNTHAR

W.P.No.2126 of 2025 and
WMP No.2488 of 2025

A.K.Steel

... Petitioner

Vs.

1. The Executive Engineer,
Building Maintenance Division,
Public Works Department, Egmore,
Chennai 600 008.

2. The Secretary, Building Maintenance Division,
Public Works Department, Egmore,
Chennai 600 008.

... Respondents

Prayer: Writ petition filed under Article 226 of Constitution of India seeking for issuance of Writ of Certiorarified Mandamus, calling for the records of the proceedings by the first respondent in letter No..Ka.en.169mA/vapi/va a/ko-25/2204 dated 25.11.2024 and quash the same and consequently direct the respondent to hand over all the three buildings in vacant condition and allow the petitioner to demolish the structures as per tender dated 15.09.2023.

For Petitioner : Mr.M.S.Viswanathan



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For Respondents : Mr.G.Ameedias, Govt. Advocate
for respondents 1 and 2.

ORDER

The writ petition is filed challenging the order passed by the first respondent, cancelling the earlier auction proceedings and acceptance of the petitioner's bid.

2. The first respondent invited tender for dismantling of old diabetic block building for construction of new block-II at Government Kilpauk Medical College Hospital campus, Chennai and the petitioner was declared as a successful bidder and he received a confirmation letter dated 22.09.2023 from them. Further, the petitioner paid Earnest Money Deposit (EMD) of Rs.4,500/- and Caution Deposit of Rs.2,12,000/- on 22.09.2023. It is the case of the petitioner that he made a request to the respondents on 25.09.2023 to give time to remit the bid amount till the building is vacated and made ready for demolition. According to the petitioner, the respondents gave assurance that the vacation of the building will be completed within two weeks. Subsequently, on 27.09.2024, the respondents informed the petitioner

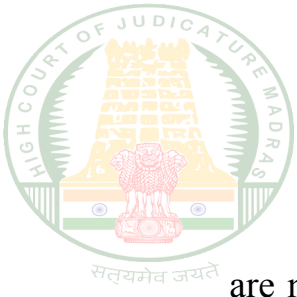


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about the vacation of one of the three buildings and requested the petitioner to pay the full payment of the bid amount, namely Rs.92,60,000/- + Rs.16,66,800/- for GST. The petitioner made a request to the respondents to accept the proportionate payment of the bid amount corresponding to the vacated building. However, the respondents have not replied to the said request made by the petitioner. Subsequently, the respondents issued a letter to the petitioner on 25.11.2024 stating that the petitioner failed to pay the amount within seven days from the date of work order, as per the conditions mentioned in the work order. Thereafter, the first respondent passed the impugned order, cancelling the acceptance of the bid submitted by the petitioner on the ground that the petitioner failed to pay the bid amount within seven days from the date of work order. Aggrieved by the same, the petitioner has come before this court.

3. The learned counsel for the petitioner vehemently contended that out of three buildings meant for demolition, the respondents vacated only one building and the other two buildings are still in their occupation and not ready for demolition. Therefore, the respondents



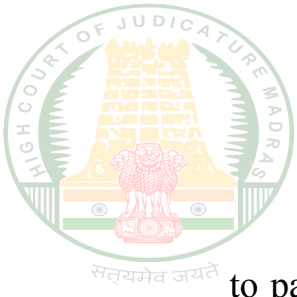
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are not justified in insisting the payment of the bid amount, as per the work order.

4. Mr.G.Ameedias, learned Government Advocate, who takes notice for the respondents, on instructions, would submit that subsequent to the impugned order, a fresh tender was issued for dismantling the old buildings in medical store block and the same was completed successfully.

5. From the above submission, it is clear that subsequent to the impugned order, demolition of buildings in one block was completed. It is not in dispute that as per the conditions in the work order, the petitioner is bound to deposit the bid amount, within seven days from the date of receipt of the work order. A perusal of the work order issued to the petitioner by the respondent in Letter No. DB/JDO/T.No.192m/2023/ dated 22.09.2023 would make it clear that the petitioner was directed to pay sum of Rs.92,60,000/- together with GST, within seven days from the date of receipt of the letter. The said letter was received by the petitioner on 29.09.2024. However, he failed



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to pay the amount, within seven days, as mentioned in the work order.

In such circumstances, the first respondent is justified in cancelling the work order and going for a fresh tender. Therefore I do not find any error in the impugned order passed by the first respondent and hence, the writ petition is liable to be dismissed.

6. Accordingly, the writ petition is dismissed. There shall be no order as to costs. Connected miscellaneous petition is closed.

28.01.2025

Index:Yes/No
Internet:Yes/No
mst

To

1. The Executive Engineer,
Building Maintenance Division,
Public Works Department, Egmore,
Chennai 600 008.
2. The Secretary, Building Maintenance Division,
Public Works Department, Egmore,
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S.SOUNTHAR, J.

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