

**HIGH COURT OF JUDICATURE FOR RAJASTHAN AT
JODHPUR**

S.B. Civil Writ Petition No. 8069/2025

M/s Tirupati Cement Products, having its registered office located at C-60, Community Centre, Janakpuri, New Delhi-110058, Through Its Authorized Signatory, Mr. Kailash Gaur, Son Of Rameshwar Lal Gaur Aged About 56 Years Resident Of 46, Tirupati Nagar, Opp Br Birla School, Jodhpur-342008

-----Petitioner

Versus

1. State of Rajasthan, through the Principal Secretary, Public Health Engineering Department, Jaipur Rajasthan
2. The Office of the Chief Engineer Project, Public Health Engineering Department, Jal Bhawan, Basni, Jodhpur-342005, Rajasthan
3. The Office of the Superintending Engineer, Public Health Engineering Department, Project Circle Pokhran, Village Biliya-345021, District- Jaisalmer, Rajasthan.
4. The Office of the Additional Chief Engineer Project, Public Health Engineering Department, Barmer.
5. The Office of the Executive Engineer (Project), Public Health Engineering Department, Project Division- Balotra, District- Barmer

-----Respondents

Connected With

S.B. Civil Writ Petition No. 1398/2024

M/s Vishnu Prakash R Punglia Ltd., Through Its Authorized Signatory Dinesh Chandra Purohit, Aged About 65 Years, Having Its Office At B-31-32, II Floor, Industrial Estate, New Power House Road, Jodhpur, Rajasthan- 342003

-----Petitioner

Versus

1. The State Of Rajasthan, through The Executive Engineer 23Rd Division, IGNP, Mohangarh.
2. The Additional Chief Engineer, Indira Gandhi Nahar Project, Jaisalmer.

3. Superintending Engineer, Second Stage Circle No III,
IGNP Jaisalmer.

-----Respondents

S.B. Civil Writ Petition No. 7349/2024

Vishnu Prakash R Punglia Ltd., Through Its Authorized
Signatory Dipanshu Punglia S/o Manohar Lal Punglia, Aged About
29 Years, Having Its Office At B-31-32, Second Floor, Industrial
Estate, New Power House Road, Jodhpur, Rajasthan

-----Petitioner

Versus

1. The State Of Rajasthan, Through Chief Engineer, Public
Health Engineering Department, Jodhpur, Rajasthan.
2. The Additional Chief Engineer, Public Health Engineering
Department, RGLC Project, Jodhpur, Rajasthan
3. The Superintending Engineer, PHED, Project Circle,
Jodhpur
4. The Executive Engineer, Public Health Engineering
Department, City Division-III, Jodhpur, Rajasthan
5. The Bank Of Baroda Through Its Manger, M.i. Branch, II
Phase, Basni, Jodhpur (Raj.).

-----Respondents

S.B. Civil Writ Petition No. 7362/2024

Vishnu Prakash R Punglia Ltd., Through Its Chief Manager
Projects, Dipanshu Punglia S/o Manohar Lal Punglia, Aged About
29 Years, Having Its Office At, B-31-32, Second Floor, Industrial
Estate, New Power House Road, Jodhpur, Rajasthan.

-----Petitioner

Versus

1. The State Of Rajasthan, Through Chief Engineer, Public
Health Engineering Department, Jodhpur, Rajasthan.
2. The Additional Chief Engineer, Public Health Engineering
Department, RGLC Project, Jodhpur, Rajasthan.
3. The Superintending Engineer, PHED, Project Circle,
Jodhpur
4. The Executive Engineer, Public Health Engineering

Department, City Division-III, Jodhpur, Rajasthan.

5. The Bank Of Baroda, Through Its Manger, M.I. Branch, II Phase, Basni, Jodhpur (Raj.)

-----Respondents

S.B. Civil Writ Petition No. 7363/2024

Vishnu Prakash R Pungalia Ltd., Through Its Chief Manager Projects Dipanshu Punglia S/o Manohar Lal Punglia, Having Its Office At, B-31-32, Second Floor, Industrial Estate, New Power House Road, Jodhpur, Rajasthan.

-----Petitioner

Versus

1. The State Of Rajasthan, Through Chief Engineer (S.P.) Public Health Engineering Department, Jaipur, Rajasthan
2. The Additional Chief Engineer, PHED, Region Kota, Kota.
3. The Superintending Engineer, PHED, Project Circle Jhalawar, Jhalawar.
4. The Executive Engineer, Public Health Engineering Department, Project Division-II, Jhalawar, Jhalawar, Rajasthan.

-----Respondents

S.B. Civil Writ Petition No. 7366/2024

VPRPL-PEL JV, Through Its Authorized Signatory Dipanshu Punglia S/o Manohar Lal Punglia, Aged About 29 Years, Having Its Office At, B-31-32, Second Floor, Industrial Estate, New Power House Road, Jodhpur, Rajasthan

-----Petitioner

Versus

1. The State Of Rajasthan, Through Chief Engineer (S.P.) Public Health Engineering Department, Jaipur, Rajasthan.
2. The Additional Chief Engineer, PHED, Region Kota, Kota.
3. The Superintending Engineer, PHED, Project Circle Jhalawar, Jhalawar.
4. The Executive Engineer, Public Health Engineering Department, Project Division - Bundi, Bundi, Rajasthan.

-----Respondents

S.B. Civil Writ Petition No. 7375/2024

VPRPL-SSNR JV, Through Its Authorized Signatory Dipanshu Punglia S/o Manohar Lal Pngalia, Aged About 29 Years, Having Its Office At, B-31-32, Second Floor, Industrial Estate, New Power House Road, Jodhpur, Rajasthan

-----Petitioner

Versus

1. The State Of Rajasthan, Through Chief Engineer, Water Recourses Zone, Jodhpur
2. The Superintending Engineer, Water Resources, Circle Pali, Pali.
3. The Executive Engineer, Jawai Canal Division, Sumerpur (Pali), District-Pali.

-----Respondents

S.B. Civil Writ Petition No. 8945/2024

VPRPL-VI, Bhilwara (JV) Through Its Authorized Signatory Dipanshu Punglia S/o Manohar Lal Punglia, Aged About 29 Years, Having Its Office At, B-31-32, Second Floor, Industrial Estate, New Power House Road, Jodhpur, Rajasthan.

-----Petitioner

Versus

1. The State Of Rajasthan, Through Chief Engineer, Project, Public Health Engineering Department, Jodhpur, Rajasthan.
2. The Additional Chief Engineer, Phed, Project Region, Ajmer
3. The Superintending Engineer, PHED, Circle-II, Bhilwara
4. The Executive Engineer, Public Health Engineering Department, Project Division Asind, Bhilwara, Rajasthan

-----Respondents

S.B. Civil Writ Petition No. 17150/2024

GA Infra Pvt. Ltd., Having Its Registered Address Address At Plot No 61, Keshav Nagar, Hawa Sadak, Jaipur, Jaipur, Rajasthan, India, 302006, Through Its Authorized Signatory Kanhaiya Lal Sharma, Son Of Late Shri Prem Lal Sharma Aged About 59 Years

Resident Of Plot No. 70, Mehant Colony, Khatipura, Jaipur, Rajasthan.

-----Petitioner

Versus

1. State Of Rajasthan, Through The Principal Secretary, Public Health Engineering Department, Jaipur (Raj.).
2. The Office Of The Additional Chief Engineer (Project), PHED, Udaipur Region, RMV Road, Gulab Bagh, Nearby Hotel Flowreance, Udaipur- 313003.
3. The Superintending Engineer, PHED, Project Circle, Banswara, Distt. Banswara (Raj.).
4. The Executive Engineer, PHED Project Division-II, Banswara (Raj.).

-----Respondents

S.B. Civil Writ Petition No. 17391/2024

GA Infra Pvt. Ltd., Having Its Registered Address At Plot No 61, Keshav Nagar, Hawa Sadak, Jaipur, Jaipur, Rajasthan, India, 302006, Through Its Authorized Signatory Kanhaiya Lal Sharma, Son Of Late Shri Prem Ral Sharma Aged About 59 Years, Resident Of Plot No. 70, Mehant Colony, Khatipura, Jaipur, Rajasthan.

-----Petitioner

Versus

1. State Of Rajasthan, Through Principal Secretary, Public Health Engineering Department, Government Of Rajasthan, Jaipur.
2. The Office Of The Chief Engineer (Project), Public Health Engineering Department, Jodhpur, Jal Bhawan, Pali Road, Near Krishi Upaj Mandi, Basni, 1St Phase, Jodhpur, Rajasthan- 342005
3. The Office Of The Superintending Engineer, Public Health Engineering Department, Project Circle Pali, PHED Campus, Tagore Nagar, Pali Rajasthan- 306401.
4. The Office Of The Executive Engineer, Public Health Engineering Department Project Division-Sirohi, Rajasthan.

-----Respondents

S.B. Civil Writ Petition No. 17396/2024

Ga Infra Pvt. Ltd., Having Its Registered Address At Plot No 61, Keshav Nagar, Hawa Sadak, Jaipur, Jaipur, Rajasthan, India, 302006, Through Its Authorized Signatory Shri Kanhaiya Lal Sharma S/o Late Shri Prem Raj Sharma Age 59 Years.

-----Petitioner

Versus

1. State Of Rajasthan, Through Principal Secretary, Public Health Engineering Department, Government Of Rajasthan, Jaipur.
2. The Office Of The Chief Engineer (Project), Public Health Engineering Department, Jodhpur, Rajasthan.
3. The Office Of The Superintending Engineer, Public Health Engineering Department, Project Circle Pali, PHED Campus, Tagore Nagar, Pali Rajasthan- 306401.
4. The Office Of The Executive Engineer, Public Health Engineering Department Project Division-Sirohi, Rajasthan.

-----Respondents

S.B. Civil Writ Petition No. 19321/2024

M/s Jagdish Prasad Agarwal, Through Its Authorized Signatory Nishant Jain S/o Mahaveer Prasad Jain, Aged About 31 Years, Having Its Office Situated At 9/10, New Housing Board, Banswara, Rajasthan.

-----Petitioner

Versus

1. The State Of Rajasthan, Through Additional Chief Engineer (SP) And In-Charge, Public Health Engineering Department, Projection Region, Jaipur, Rajasthan.
2. Chief Engineer, (SP-JJM-QC), PHED, Rajasthan, Jaipur.
3. The Superintending Engineer, PHED, Project Circle, Jaipur, Rajasthan.
4. The Executive Engineer, Public Health Engineering Department, Project Division - Niwai, District Tonk, Rajasthan.

-----Respondents

S.B. Civil Writ Petition No. 19957/2024

M/s BRCCPL-JPA (JV), (A Joint Venture Of M/s Bhoorathnom Construction Company Pvt. Ltd.- M/s Jagdish Prashad Agarwal) Through Its Authorized Signatory Nishant Jain S/o Mahaveer Prasad Jain, Aged About 31 Years, Having Its Office Situated At 9/10, New Housing Board, Banswara, Rajasthan.

-----Petitioner

Versus

1. The State Of Rajasthan, Through Chief Engineer (SP/JJM/QC), Public Health Engineering Department, Jaipur, Rajasthan.
2. The Additional Chief Engineer, Public Health Engineering Department, Project Region, Udaipur, Rajasthan.
3. The Superintending Engineer, PHED, Project Circle Banswara, District Banswara, Rajasthan.
4. The Executive Engineer, Public Health Engineering Department, Project Division -I, Banswara, Rajasthan.

-----Respondents

S.B. Civil Writ Petition No. 20599/2024

Ga Infra Pvt. Ltd., Having Its Registered Address At Plot No. 61, Keshav Nagar, Hawa Sadak, Jaipur, Rajasthan, India, 302006, Through Its Authorized Signatory Kanhaiya Lal Sharma, Son Of Late Shri Prem Lal Sharma Aged About 59 Year Resident Of Plot No. 70 Mehant Colony, Khatipura, Jaipur, Rajasthan.

-----Petitioner

Versus

1. State Of Rajasthan, Through Principal Secretary, Public Health Engineering Department, Government Of Rajasthan, Jaipur.
2. The Office Of The Additional Chief Engineer, Public Health Engineering Department, Region Udaipur, Patel Circle, Udaipur, Rajasthan.
3. The Office Of The Additional Chief Engineer, Public Health Engineering Department, Banswara.
4. The Superintending Engineer, Public Health Engineering Department, Circle Dungarpur.

5. The Office Of The Executive Engineer, Public Health Engineering Department, Division Dungarpur.

-----Respondents

S.B. Civil Writ Petition No. 21839/2024

Om Infra Limited, Nbcc Plaza, Tower-3, 4Th Floor, Sector-5, Pushp Vihar, New Delhi-110017, Partner In Hcc-Omil (Joint Venture) Having Registered Office At Second Floor, A-Block, Om Tower, Church Road, M.i. Road, Jaipur-302001 (Raj.) Through Its Authorized Signatory Subharanjan Bhattacharya, General Manager - Projects.

-----Petitioner

Versus

1. The State Of Rajasthan, Through Principal Secretary, Public Health And Engineering Department, Government Of Rajasthan, Secretariat, Jaipur.
2. The Additional Chief Engineer (Project), PHED, Churu, Bhaleri Road, Churu (Raj.)
3. Superintending Engineer, PHED, Project Circle, Churu.
4. Executive Engineer, PHED, Project Division, Bikaner, Rajasthan.

-----Respondents

S.B. Civil Writ Petition No. 21841/2024

Om Infra Limited, Nbcc Plaza, Tower-3, 4Th Floor, Sector-5, Pushp Vihar, New Delhi-110017, Partner In Brccpl-Omil-Dara (Joint Venture) Having Registered Office At Second Floor, A-Block, Om Tower, Church Road, M.i. Road, Jaipur-302001 (Raj.) Through Its Authorized Signatory Subharanjan Bhattacharya, General Manager - Projects.

-----Petitioner

Versus

1. The State Of Rajasthan, Through Principal Secretary, Public Health And Engineering Department, Government Of Rajasthan, Secretariat, Jaipur.
2. The Additional Chief Engineer (Project), PHED, Churu, Bhaleri Road, Churu (Raj.)

3. Superintending Engineer, PHED, Project Circle, Churu, Rajasthan.
4. Executive Engineer, PHED, Project Division, Bikaner, Rajasthan.

-----Respondents

S.B. Civil Writ Petition No. 2966/2025

M/s Devendra Construction Company, Having Office Ummed Bhawan Road , Jodhpur - 342006, Rajasthan Through Its Authorized Representative Shri Devendra Vishnoi S/o Shri Hari Ram Vishnoi , Aged About 59 Years R/o 41 B, Ummed Bhawan Poad , Rai Ka Bagh , Jodhpur , Rajasthan

-----Petitioner

Versus

1. The State Of Rajasthan, Public Health And Engineering Department Rajasthan, Jaipur
2. Chief Engineer, Project Region, phed , Jodhpur
3. Executive Engineer, PHED, Project Division, Pali, Rajasthan .
4. Superintending Engineer, PHED, Project Circile, Pali, Rajasthan
5. Additional Chief Engineer, (RGLC-P), PHED, Jodhpur , Rajasthan

-----Respondents

S.B. Civil Writ Petition No. 2993/2025

M/s Devendra Construction Company, Office At 41-B, Ummed Bhawan Road, Jodhpur -342006, Rajasthan Through Its Authorized Representative Shri Devendra Vishnoi S/o Shri Hari Ram Vishnoi Aged About 59 Yrs. R/o 41 B, Ummed Bhawan Road , Rai Ka Bagh, Jodhpur , Rajasthan.

-----Petitioner

Versus

1. The State Of Rajasthan, Chief Secretary Public Health And Engineering Department Rajasthan, Jaipur
2. Chief Engineer, Project Region, PHED , Jodhpur
3. Executive Engineer, PHED, Project Division, Phalodi,



Rajasthan.

4. Additional Chief Engineer (RGLC-P), Jodhpur Rajasthan .

-----Respondents

S.B. Civil Writ Petition No. 4794/2025

M/s. Grg Rean Jv, (Joint Venture Of Firm M/s Grg Infra And M/s. Rean Watertech Pvt. Ltd.) Having Its Registered Office At F-121, Cine Star, Central Spine, Vidhyadhar Nagar, Jaipur - 302039 (Rajasthan) Through Its Authorized Signatory Hemant Goyal S/o Shri Ghasiram Goyal Aged 47 Years.

-----Petitioner

Versus

1. State Of Rajasthan, Through Principal Secretary, Public Health Engineering Department, Government Of Rajasthan, Jaipur.
2. The Office Of Chief Engineer Project, Public Health Engineering Department, Jodhpur, Rajasthan.
3. The Additional Chief Engineer (Project), Public Health Engineering Department Region Barmer, Barmer.
4. The Superintending Engineer (Project), Public Health Engineering Department Circle Pokaran, Jaisalmer.
5. The Executive Engineer, Public Health Engineering Department, Project Division, Pokaran, District Jaisalmer.
6. The Mission Director, Jal Jeevan Mission, Jal Jeevan Mission Office, Mandrampur, Civil Lines, Jaipur.

-----Respondents

For Petitioner(s) : Mr. B.S.Sandhu
Mr. Gopal Sandu
Mr. Divik Mathur
Mr. Sunil Nath, through VC
Mr. Himanshu Choudhary
Ms. Nandini Bhowan, through VC
Mr. Siddharth Bapna, through VC

For Respondent(s) : Mr. Sajjan Singh Rathore, AAG with
Mr. Mehali Mehta
Mr. Lalit K. Purohit, Dy. G.C.

HON'BLE MR. JUSTICE MUNNURI LAXMAN

Order

22/05/2025

- 1) Arguments were heard on the application for vacation of the interim orders.
- 2) All these writ petitions have been filed challenging the action of the respondents in deducting liquidated damages/ compensation/penalty from the running bills or final bills.
- 3) The respondents' action is based on Clause 2 of the tender document, which reads as follows:-

"Clause 2: Compensation for delay

The time allowed for carrying out the work (21 months), as entered in the tender, shall be strictly observed by the Contractor and shall be reckoned from the 10th day after the date of written order to commence the work is given to the Contractor. If the Contractor does not commence the work within the period specified in the work order, he shall stand liable for the forfeiture of the amount of Bid security and Security Deposit. Besides, appropriate action may be taken by the Engineer-in-Charge/ competent authority to debar him from taking part in future tenders for a specified period or black list him. The work shall, throughout the stipulated period of completion of the contract, be proceeded with all due diligence, time being essence of the contract, on the part of the Contractor To ensure good progress during the execution of work, the contractor shall be bound, in all cases in which the time allowed for any work exceeds one month (save for special jobs), to complete 1/8th of the whole of the work before 1/4th of the whole time allowed under the contract has elapsed, 3/8th of the work before 1/2 of such time has elapsed and 3/4th of work before 3/4th of such time has elapsed. If the contractor fails to complete the work in accordance with this time schedule in terms of cost in money, and the delay in execution of work is attributable to the contractor, the contractor shall be liable to pay compensation to the Government at every time span as below: -

A.	Time Span of full stipulated period	1/4th	1/2th	3/4th	Full
B.	Work to be completed in terms of money	1/8th	3/8th	3/4th	Full
		(Rs.)	(Rs.)	(Rs.)	(Rs.)
C.	Compensation payable by the contractor for delay attributable to the contractor at the stage of :	Delay up to one fourth period of the prescribed time span - 2.5% of the work remained unexecuted			
		Delay exceeding one fourth period but not exceeding half of the prescribed time span - 5% of the work remained unexecuted.			

		Delay exceeding half of the prescribed but not exceeding three fourth of the time span – 7.5% of the work remained unexecuted
		Delay exceeding three fourth of the prescribed time span – 10% of the work remained unexecuted

Note:- In case delayed period over a particular span is split up and is jointly attributable to Government and contractor, the competent authority may reduce the compensation, in proportion of delay attributable to Government over entire delayed period over that span after clubbing up the, split delays attributable to Government and this reduced compensation would be applicable over the entire delayed period without paying any escalation.

Following illustrations is given:-

(1) First time span is 6 months, delay is of 30 days which is split over as under:-

days (attributable to Government) + 5 days (attributable to contractor) + 5 days (attributable to Government) + 5 days (attributable to contractor) + 5 days (attributable to Government) + 5 days (attributable to contractor)

Total delay is thus clubbed to 15 days (attributable to Government) and 15 days (attributable to contractor).

The normal compensation of 30 days as per clause 2 of agreement is 2.5% which can be reduced as $2.5 \times 15 / 30 = 1.25\%$ over 30 days without any escalation by competent authority.

Note: The compensation, levied as above, shall be recoverable from the Running Account Bill to be paid immediately after the concerned time span. Total compensation for delays shall not exceed 10 percent of the total value of the work.

The contractor shall, further, be bound to carry out the work in accordance with the date and quantity entered in the progress statement attached to the tender.

In case the delay in execution of work is attributable to the contractor, the spanwise compensation, as laid down in this clause shall be mandatory. However, in case the slow progress in one time span is covered up within original stipulated period, then the amount of such compensation levied earlier shall be refunded. The Price escalation, if any, admissible under clause 45 of Conditions of Contract would be admissible only on such rates and cost of work, as would be admissible if work would have been carried out in that particular time span. The Engineer-in-Charge shall review the progress achieved in every time span, and grant stagewise extension in case of slow progress with compensation, if the delay is attributable to contractor, otherwise without compensation.

However, if for any special job, a time schedule has been submitted by the Contractor before execution of the agreement, and it is entered in agreement as well as same has been accepted by the Engineer-in-charge, the Contractor shall complete the work within the said time schedule. In the event of the Contractor failing to comply with this condition, he shall be liable to pay compensation as prescribed in forgoing paragraph of this clause provided that the entire amount of compensation to be levied under the provisions of this Clause shall not exceed 10% of the value of the contract. While granting extension in time

attributable to the Government, reasons shall be recorded for each delay.”

4) Similar issue came up for consideration before a coordinate Bench of this Court in S.B. Civil Writ Petition No. 12533/2024, titled “GVPR Engineers Ltd. vs. State of Rajasthan & Ors.” The coordinate Bench, vide order dated 29.07.2024, dismissed the writ petition, holding it to be not maintainable. The aggrieved party preferred a writ appeal before the Division Bench of this Court, registered as D.B. Special Appeal (Writ) No. 835/2024. The Division Bench, vide order dated 09.09.2024, set aside the order of the Single Bench and granted the following relief:-

“15. Quite apparently, the Chief Engineer (Project) did not even whisper about any laches on the part of the appellant-firm or, that, the delay in execution of the subject work under the NIB was totally attributable to the appellant-firm. The language employed under clause-2 clearly says that there should be a determination and finding recorded by the competent authority that the delay in execution of the work is solely attributable to the contractor. While recording that all rights are reserved with the department to recover compensation for delay, the Chief Engineer (Project) adopted a procedure which seriously violates the written terms of the agreement in question causing serious prejudice to the appellant-firm. This is well remembered that reason is the lifeline of any order, judicial or quasi-judicial. An order which ensues serious civil consequences must conform to the requirements of natural justice. Whereas, the order passed by the Chief Engineer (Project), Public Health Engineering Department (PHED), Jodhpur on 9th February 2024 is bereft of any reasons. Therefore, the latter part of the order dated 9th February 2024 wherein the Chief Engineer (Project) recorded that all rights are reserved with the department to recover compensation for delay, as admissible, is quashed and deductions from the running bills by virtue of the latter portion of the order dated 09th February 2024 are held illegal and arbitrary. The amount so deducted from the running bills allegedly kept in “security head” shall be refunded to the appellant-firm.

16. D.B. Special Appeal Writ No. 835/2024 is allowed in the aforesaid terms.”

5) The State of Rajasthan preferred a Special Leave Petition before the Hon'ble Supreme Court, registered as SLP (C) No. 30649/2024. The Hon'ble Supreme Court, while issuing notice on 03.01.2025, passed the following order:-

"The impugned judgment, in our opinion, requires examination and, hence, we issue notice in the present special leave petition, returnable in the week commencing 17.03.2025.

Notice is accepted by Mr. Ishaan George, learned counsel, who is present for the respondent on caveat/advance notice. Hence, 1 SLP(C) No. 30649/2024 notice need not be served. Counter affidavit/reply may be filed within three weeks from today. Rejoinder affidavit, if any, may be filed within three weeks from the date of service of the counter affidavit/reply.

The operation of the impugned judgment will remain stayed till the next date of hearing.

However, it shall be open to the respondent, GVPR Engineers Limited, to make a representation before the Committee, in terms of the contract/agreement, for payment of their claims, etc. If any such representation is made, notwithstanding the pendency of the present special leave petition and without taking into consideration the impugned judgment, the Committee may proceed in accordance with law and expeditiously. Any order passed by the Committee may be placed on record."

6) On the basis of the orders of the Hon'ble Supreme Court, Mr. Sajjan Singh Rathore, the learned Additional Advocate General appearing for the respondents, has either filed applications for vacation of the interim orders or has made oral request for disposal of the interim applications in light of the aforesaid Supreme Court orders.

7) The learned counsel appearing for the petitioners have contended that the ratio of the Division Bench, which set aside the orders of the Single Judge remains stand despite the interim orders passed by the Hon'ble Supreme Court, and continues to

operate until a final decision is made. Therefore, the stay cannot be vacated.

8) The learned Additional Advocate General appearing for the respondents-State has submitted that the effect of the interim stay granted by the Hon'ble Supreme Court in a similar matter rendered the Division Bench's order inoperative. As a result, the respondent authorities are entitled to proceed with their directions based on Clause-2 referred to in the tender document. The continuation of the interim orders, despite the interim stay granted by the Hon'ble Supreme Court, gives undue advantage to the persons before the Single Judge than the persons who have been denied any such kind of relief by the Hon'ble Supreme Court.

9) I have considered the arguments advanced by both the parties and carefully perused the material available on record.

10) It is an undisputed fact that the action of the respondent in deducting liquidated damages/compensation/penalty from the running bills was based on Clause-2 of the tender document. A similar action by the respondents was the subject matter of S.B. Civil Writ Petition No. 12533/2024, and considering the same Clause, the learned Single Judge dismissed the writ petition, holding that the writ court is not inclined to exercise its jurisdiction in contractual matters. This decision was made without delving into the merits of the case. The order of the coordinate Bench was reversed by the Division Bench in D.B. Special Appeal (Writ) No. 835/2024, which found that the writ petition is maintainable.

11) Looking at the orders of the Hon'ble Supreme Court, the operation of the judgment of the Division Bench was stayed. However, the respondent-petitioner in the said petition were given

liberty to make a representation before the Committee in terms of the contract/agreement, for payment of their claims; and such committee was directed to consider such a representation without prejudice by the impugned judgment. The effect of the said order is that the respondent-Department are not restrained from invoking their power basing on Clause-2 of the Tender Document. Though the ratio relating to the judgment cannot be said to be over turn for the reason that final decision has not yet been taken by Hon'ble Supreme Court, this does not mean that the orders in the pending writ petitions before this Court continue to operate, thereby restraining the respondents from taking any action based on the Clause under consideration by the Hon'ble Supreme Court. If the writ petitions are dismissed, there could indeed be prejudice to the petitioners, as the final decision on the ratio laid down by the Division Bench has not been overturned by the Hon'ble Supreme Court. However, the Hon'ble Supreme Court has not extended relief to the petitioners-contractors. The present petitioners cannot be given more advantage than the petitioners whose writ appeal was allowed. It would amount to granting more benefits to those whose writ petitions are still pending, compared to those whose writ petitions have been dismissed and whose writ appeal has been allowed, which orders are stayed. In such circumstances, this Court is not inclined to continue the interim orders. In view of the order of the Hon'ble Supreme Court, the writ petitions cannot be decided at this stage.

12) In the result, the interim orders granted by this Court stand vacated. The applications for vacation of stay order, if any, filed, are allowed accordingly. However, the petitioners shall be at

liberty to make a representation before the Committee, in accordance with the terms of the contract/agreement, setting out their grievance. If such a representation is filed, notwithstanding the vacation of the interim orders and the pendency of the present writ petitions, the Committee shall proceed in accordance with law expeditiously.

13) List these writ petitions after the decision of Hon'ble Supreme Court. Since no stay order has been granted in S.B. Civil Writ Petition No. 8945/2024, the matter is adjourned and may be listed along with the connected matters.

(MUNNURI LAXMAN),J

NK/-