

HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

S.B. Civil Writ Petition No. 8120/2025

JCL Infra Private Limited
-----Petitioner
Versus
Jaipur Development Authority
-----Respondent

Connected With
S.B. Civil Writ Petition No. 17571/2024
JCL Infra Private Limited
-----Petitioner
Versus
Jaipur Development Authority
-----Respondent

For Petitioner(s)	:	Mr. S.S. Hora with Mr. Adesh Arora
For Respondent(s)	:	Mr. Amit Kuri with Mr. Ayush Sharma Mr. Sanjeevan Jain, Executive Engineer (Traffic Works)

HON'BLE MR. JUSTICE SAMEER JAIN

Order

18/04/2026

1. In continuation of the earlier proceedings, and in the backdrop of the orders dated 10.04.2026 and 17.04.2026, arguments were advanced at length by the learned counsel for the petitioner.
2. It is vehemently contended by Mr. S.S. Hora, learned counsel appearing for the petitioner, that the cause of action arises from the impugned order dated 24.04.2024. It is submitted that the petitioner was successfully declared as the lowest (L-1) bidder, pursuant to which a formal work order and contract were executed. It is next submitted that the prescribed contract period

commenced on 06.01.2023 and was stipulated to be completed by 05.01.2024, with time being the essence of the contract.

3. Learned counsel submits that the over a dozens of representations and letters have been submitted on behalf of the petitioner to the respondent-authorities requesting the supply of necessary drawings, unhindered site access, and other requisite clearances for the execution of the work. It is next submitted that acknowledging that the delay in execution was entirely attributable to the administrative lapses of the respondents, the authorities themselves extended the completion date prior to its expiry, granting an extension up to 30.04.2024.

4. It is next contended that despite the aforesaid extension, the respondents abruptly invoked Clause 32 and arbitrarily withdrew the allotted work order. It is argued that the mandatory prerequisites for invoking Clause 32 were flouted in letter and spirit, as the impugned action was taken without recording any reasons in writing, without issuing the requisite notice, and in gross violation of the principles of natural justice and *audi alteram partem*.

5. To substantiate the *bona fides* of the petitioner, it is highlighted that the respondent-authorities unconditionally released the petitioner's Bank Guarantee vide letter dated 29.08.2024, without any forfeiture and after duly carrying out the required adjustments and set-offs. It is averred that the said released of the Bank Guarantee unequivocally demonstrates that there were no lapses attributable to the petitioner. It is next submitted that the petitioner has suffered immense financial prejudice, having already invested over Rs. 20 crores towards the

procurement of steel, payment of stamp duty charges/GST, and consultant fees.

6. Learned counsel further contends that the reply filed by the respondent-JDA reflects arbitrariness of the highest order, tainted with *mala fides*. The reply explicitly connotes that the concluded open contract was withdrawn merely on account of a 'change in Government'. In this regard, reliance is placed by the learned counsel for the petitioner upon the settled position of law, as enunciated by the Hon'ble Supreme Court in the case of **State of T.N. Vs. K. Shyam Sunder** reported in **(2011) 8 SCC 737**, **State of Karnataka & Another Vs. All India Manufacturers Organization & Others** reported in **(2006) 4 SCC 683**, **ABL International Ltd. & Anr. Vs. Export Credit Guarantee Corporation of India Ltd. & Ors.** reported in **(2004) 3 SCC 553**, **Subodh Kumar Singh Rathour Vs. Chief Executive Officer & Others** reported in **2024 SCC OnLine SC 1682**, & **State of Uttar Pradesh Vs. Sudhir Kumar Singh & Ors.** reported in **(2021) 19 SCC 706** wherein it is categorically held that a mere change in the executive cannot be a justifiable ground to unilaterally reverse established policies or terminate an already allotted and concluded contract. It is further submitted that the scope of judicial review under Article 226 of the Constitution of India is entirely permissible in contractual disputes when the State acts unfairly, unreasonably, and in violation of Article 14.

7. The concerned Officer-in-Charge has marked his presence before the Court and submitted the original records before this Court. Upon a *prima facie* perusal, the records appear to corroborate the contentions advanced by the petitioner.

9. However, at this juncture, the counsel appearing on behalf of Mr. Amit Kuri, learned standing counsel for the respondent-JDA, seeks a short accommodation on the ground that the arguing counsel is presently engaged in another Court.

10. Having heard the submissions advanced by the learned counsel and taking note of the urgency of the matter, this Court deems it appropriate to grant a short adjournment.

11. Considering the serious allegations of arbitrary termination involved in the present matter, the Director (Engineering), JDA, is directed to remain present before this Court on the next date of hearing, along with the entire relevant records, to elucidate and substantiate the decision-making process and justify the stand of the respondents.

12. List the matter for further hearing on 22.04.2026 at 11:00 A.M. in the supplementary cause list.

(SAMEER JAIN),J