IN THE HIGH COURT OF MADHYA PRADESH AT JABALPUR

BEFORE

HON'BLE SHRI JUSTICE VIVEK RUSIA

&

HON'BLE SHRI JUSTICE PRADEEP MITTAL

ON THE 17th OF NOVEMBER, 2025

WRIT PETITION No. 39844 of 2025

OJAS CONSTRUCTION THROUGH ITS PARTNER RACHNA PATHAK

Versus

THE STATE OF MADHYA PRADESH AND OTHERS

Appearance:

Shri Rakesh Dwivedi - Advocate for the petitioner.

Shri Rajvardhan Dutt Padraha- Government Advocate for respondent/State.

ORDER

Per. Justice Vivek Rusia

The petitioner has filed the present petition seeking following relief(s):-

> *"7.1 Issue a writ, of Mandamus, directing the Respondents to reimburse/refund to the Petitioner the additional GST @ 6% (beyond 12%) borne and deposited by the Petitioner under Agreement No. 07/D.L./2022-23, in terms of parity with other similarly situated contractors;*
>
> *7.2 Issue an appropriate writ or direction commanding the Respondent No.4 to consider and decide the Petitioner's pending*

representations/applications dated 08.04.2025 and 29.09.2025 (Annexure-P/4) and to grant the reimbursement claim of the Petitioner;

7.3 Issue any other writ order or direction as this Hon'ble Court deems fit and proper, in the interest of justice."

2. The petitioner was awarded a contract by executing an agreement dated 17.08.2022 for the work of construction of a dam and canal under Dharampura Jalashay Yojna. At the time of execution of the agreement, the applicable GST rate was 12%. The Central Government vide notification dated 18.07.2022 enhanced the rate from 12% to 18%. The petitioner submitted a representation to the respondent seeking enhancement of the GST rate from 12% to 18%.

3. Clause 25, which deals with the taxes, is reproduced below:

"25.1 The rates quoted by the Contractor shall be deemed to be inclusive of the GST and other levies, duties, cess, toll, taxes of Central' and State Governments, local bodies and authorities.

25.2 The liability, if any, on account of increase in. all types of taxes GST, IncomeTax, Labour Cess, royalties, all types of fees of Central and State Government, local bodies and authorities whatsoever on-all Works, contract services, labour, material and equipment that the contractor will procure for the performance of this contract, shall be borne by the contractor except GST.

25.3 If during the implementation of the contract, the rate of GST on works contract service is reduced from the prevailing rate *(on the last date of submission of bid) then the difference of GST on work contracts service rates will be recovered from the date on which the reduction in GST rates shall be effective. If GST rates increases, the additional increased amount as per actual, will be paid to the agency.*

25.4 Any changes. in the taxes due to change in legislation or for any other reason shall not be payable to the contractor."

4. As per Clause 25.3, the rate of GST on contract service is reduced during the implementation of the contract, then the difference of GST on work contract service rates will be recovered from the date on which the reduction in GST rates shall be effective. There is no agreement in respect of enhancement; there is a situation of enhancement of service tax in the agreement; therefore, the conditions enumerated in the *bi-parte* contract cannot be changed after awarding of the contract and during execution of the work. Hence, no case for issuance of writ is made out. The petitioner may avail remedy under the dispute resolution forum.

With the aforesaid, this writ petition is dismissed.

(VIVEK RUSIA)
JUDGE

(PRADEEP MITTAL)
JUDGE

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