2026:CGHC:3760-DB

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 311 of 2026

M/s Abhinandan Kedia Through Partner - Abhinandan Kedia, Aged 39 Years, S/o Omprakash Kedia, In Front Of Railway Station, Baradwar, District - Janjgir - Champa (C.G.) 495687

... Petitioner(s)

versus

1 - Municipal Corporation, Korba Through - Commissioner, District - Korba (C.G.)

2 - Ganesha Construction Through - Amit Agrawal, Aged 48 Years, S/o Mr. Madan Lal Agrawal, R/o H. No. 69, Ward No. 06, Ganesha Coal, Main Road Korba, District - Korba (C.G.) **...Respondent(s)**

(Cause-title taken from Case Information System)

For Petitioner	:	Shri S Tehanguria, Advocate
For Respondents	:	Shri HB Agrawal, Senior Advocate with Shri Pankaj Agrawal, Advocate

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Hon'ble Shri Ramesh Sinha, Chief Justice
Hon'ble Shri Justice Ravindra Kumar Agrawal
Order on Board

Per Ramesh Sinha, Chief Justice
22.01.2026

Heard Shri S Tehanguria, learned counsel for the petitioner. Also heard Shri HB Agrawal, learned Senior Advocate with Shri Pankaj Agrawal, learned counsel for the respondents.

1. Petitioner has filed the present petition for the following reliefs:

“10.1 That the entire records pertaining to the case of the petitioner be called for perusal.

10.2 That, the respondent no.1 be directed to answer the representation of the petitioner before issuing work order. As after issuance of the work order, it would be difficult for the petitioner to challenge the miscarriage carried out against him.

10.3 That, the Hon’ble Court may kindly be pleased to direct to re-tender in the present case in the interest of justice, equity and good conscience.

10.4 That theHon’ble Court may kindly be pleased to grant any other relief, as it may deem fit and proper in the facts and circumstances of the case.

10.5 Cost of the petition.”

2. Petitioner is a firm which carries out civil and building works in various areas within the state of Chhattisgarh. Municipal Corporation, Korba CG had invited application forms (NIT) for tender bearing No.322/Kosabadi/2025, System Tender No.179579 on 14.11.2025 for “Revamping of Material Recovery Facility (MRF) including installation of Machinery and construction of Compost Plant in Municipal Areas of Korba, CG”, for which petitioner firm had applied but the application form of the petitioner has been rejected by the authorities without there being any reason.

3. Petitioner's claim is that on the same mistake, which is alleged to be committed by the petitioner, respondent-2 has been awarded the tender, which has been done only to facilitate respondent-2 for awarding the contract. He would draw attention of this Court to the document (Annexure P3), annexed with the petition at Page-140 to 145 to demonstrate the discrepancies in the documents of the parties.

4. During the course of hearing, learned counsel appearing for respondent-1 would place on record the document that after rejection of petitioner's bid, he has taken back his term deposit, which was deposited with respondent-1 at the time of submission of tender form, and thereby, he accepted his rejection. Said fact has also not been disputed by the petitioner that he has taken back the term deposit from respondent-1.

5. Learned counsel for respondent-1 would submit that petitioner could not explain the deficiency of their tender document that the affidavit of M/s Abhibnandan Kedia at page-141 bears date of 22.11.2025, and the place as -Baradwar, whereas, the said affidavit was sworn and notarized on 24.11.2025. Further, it was sworn and notarized at District-Korba, and not at Baradwar. When the document of petitioner itself is defective, he cannot claim that others bid should also be rejected. Particularly, in view of the fact that respondent-2 has rectified his defect in his affidavit at the time of submission of the documents physically, as has been stated by learned counsel for respondent-1.

6. It is settled law that if anything is to be done in a particular manner, it has to be done provided in it and not otherwise as has been held by the Hon'ble Supreme Court in the matter of **Meera Sahni v. Lieutenant Governor of Delhi and others**, reported in (2008) 9 SCC 177).

7. In **N.G. Projects Ltd. v. Vinod Kumar Jain**[1], the Hon'ble Supreme Court has observed as under:

> "22. The satisfaction whether a bidder satisfies the tender condition is primarily upon the authority inviting the bids. Such authority is aware of expectations from the tenderers while evaluating the consequences of non-performance. In the tender in question, there were 15 bidders. Bids of 13 tenderers were found to be unresponsive i.e., not satisfying the tender conditions. The writ petitioner was one of them. It is not the case of the writ petitioner that action of the Technical Evaluation Committee was actuated by extraneous considerations or was malafide. Therefore, on the same set of facts, different conclusions can be arrived at in a bona-fide manner by the Technical Evaluation Committee. Since the view of the Technical Evaluation Committee was not to the liking of the writ petitioner, such decision does

[1] (2022) 6 SCC 127

not warrant for interference in a grant of contract to a successful bidder.

23. In view of the above judgments of this Court, the Writ Court should refrain itself from imposing its decision over the decision of the employer as to whether or not to accept the bid of a tenderer. The Court does not have the expertise to examine the terms and conditions of the present day economic activities of the State and this limitation should be kept in view. Courts should be even more reluctant in interfering with contracts involving technical issues as there is a requirement of the necessary expertise to adjudicate upon such issues. The approach of the Court should be not to find fault with magnifying glass in its hands, rather the Court should examine as to whether the decision-making process is after complying with the procedure contemplated by the tender conditions. If the Court finds that there is total arbitrariness or that the tender has been granted in a malafide manner, still the Court should refrain from interfering in the grant of tender but instead relegate the parties to seek damages for the wrongful exclusion rather than to injunct the execution of the contract. The injunction or interference in the tender

leads to additional costs on the State and is also against public interest. Therefore, the State and its citizens suffer twice, firstly by paying escalation costs and secondly, by being deprived of the infrastructure for which the present-day Governments are expected to work."

8. Recently, the Hon'ble Supreme Court, in the matter of **Banshidhar Construction Pvt. Ltd. v. Bharat Coking Coal Ltd. & Others**, {Civil Appeal No. 11005 of 2024, decided on 04.10.2024}, taking note of the decisions rendered in various other celebrated judgments, observed as under:

> "21. There cannot be any disagreement to the legal proposition propounded in catena of decisions of this Court relied upon by the learned counsels for the Respondents to the effect that the Court does not sit as a Court of Appeal in the matter of award of contracts and it merely reviews the manner in which the decision was made; and that the Government and its instrumentalities must have a freedom of entering into the contracts. However, it is equally well settled that the decision of the government/ its instrumentalities must be free from arbitrariness and must not be affected by any bias or actuated by malafides. Government bodies being public authorities are expected to uphold fairness, equality and public interest even while dealing with contractual

matters. Right to equality under Article 14 abhors arbitrariness. Public authorities have to ensure that no bias, favouritism or arbitrariness are shown during the bidding process and that the entire bidding process is carried out in absolutely transparent manner.

22. At this juncture, we may reiterate the well-established tenets of law pertaining to the scope of judicial intervention in Government Contracts.

23. In **Sterling Computers Limited v. M/s. M & N Publications Limited and Others**[2], this Court while dealing with the scope of judicial review of award of contracts held: -

> "18. While exercising the power of judicial review, in respect of contracts entered into on behalf of the State, the Court is concerned primarily as to whether there has been any infirmity in the "decision making process". In this connection reference may be made to the case of Chief Constable of the North Wales Police v. Evans [(1982) 3 All ER 141] where it was said that: (p. 144a)
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> > "The purpose of judicial review is to ensure that the individual receives fair treatment, and not to ensure that the authority, after according fair treatment, reaches on a matter

[2](1993) 1 SCC 445

which it is authorised or enjoined by law to decide for itself a conclusion which is correct in the eyes of the court."

By way of judicial review the court cannot examine the details of the terms of the contract which have been entered into by the public bodies or the State. Courts have inherent limitations on the scope of any such enquiry. But at the same time as was said by the House of Lords in the aforesaid case, Chief Constable of the North Wales Police v. Evans [(1982) 3 All ER 141] the courts can certainly examine whether "decision-making process" was reasonable, rational, not arbitrary and violative of Article 14 of the Constitution."

24. In **Tata Cellular vs. Union of India**[3], this Court had laid down certain principles for the judicial review of administrative action.

"94. The principles deducible from the above are:

(1) The modern trend points to judicial restraint in administrative action.

(2) The court does not sit as a court of appeal but merely reviews the manner in which the decision was made.

[3](1994) 6 SCC 651

(3) The court does not have the expertise to correct the administrative decision. If a review of the administrative decision is permitted it will be substituting its own decision, without the necessary expertise which itself may be fallible.

(4) The terms of the invitation to tender cannot be open to judicial scrutiny because the invitation to tender is in the realm of contract. Normally speaking, the decision to accept the tender or award the contract is reached by process of negotiations through several tiers. More often than not, such decisions are made qualitatively by experts.

(5) The Government must have freedom of contract. In other words, a fair play in the joints is a necessary concomitant for an administrative body functioning in an administrative sphere or quasi-administrative sphere. However, the decision must not only be tested by the application of Wednesbury principle of reasonableness (including its other facts pointed out above) but must be free from arbitrariness not affected by bias or actuated by mala fides.

(6) Quashing decisions may impose heavy administrative burden on the administration and lead to increased and unbudgeted expenditure. Based on these principles we will examine the facts of this case since they commend to us as the correct principles."

25. It has also been held in **ABL International Limited and Another vs. Export Credit Guarantee Corporation of India Limited and Others**[4], as under: -

"53. From the above, it is clear that when an instrumentality of the State acts contrary to public good and public interest, unfairly, unjustly and unreasonably, in its contractual, constitutional or statutory obligations, it really acts contrary to the constitutional guarantee found in Article 14 of the Constitution."

26. In **Jagdish Mandal vs. State of Orissa and Others**[5], this Court after discussing number of judgments laid down two tests to determine the extent of judicial interference in tender matters. They are: -

"22. (i) Whether the process adopted or decision made by the authority is mala fide or intended to favour someone; or Whether the process

[4](2004) 3 SCC 553

[5] (2007) 14 SCC 517

> adopted or decision made is so arbitrary and irrational that the court can say: "the decision is such that no responsible authority acting reasonably and in accordance with relevant law could have reached;"
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> (ii) Whether public interest is affected. If the answers are in the negative, there should be no interference under Article 226. Cases involving blacklisting or imposition of penal consequences on a tenderer/contractor or distribution of State largesse (allotment of sites/shops, grant of licences, dealerships and franchises) stand on a different footing as they may require a higher degree of fairness in action."

27. In **Mihan India Ltd. vs. GMR Airports Ltd. and Others**[6], while observing that the government contracts granted by the government bodies must uphold fairness, equality and rule of law while dealing with the contractual matters, it was observed in Para 50 as under: -

> "50. In view of the above, it is apparent that in government contracts, if granted by the government bodies, it is expected to uphold fairness, equality and rule of law while dealing with contractual matters. Right to equality under

[6] (2022) SCC OnLine SC 574

> Article 14 of the Constitution of India abhors arbitrariness. The transparent bidding process is favoured by the Court to ensure that constitutional requirements are satisfied. It is said that the constitutional guarantee as provided under Article 14 of the Constitution of India demands the State to act in a fair and reasonable manner unless public interest demands otherwise. It is expedient that the degree of compromise of any private legitimate interest must correspond proportionately to the public interest."

28. It was sought to be submitted by the learned Counsels for the Respondents relying upon the observations made in **Central Coalfields Limited and Another vs. SLL-SML (Joint Venture Consortium) and Others**[7], that whether a term of NIT is essential or not is a decision taken by the employer which should be respected. However, in the said judgment also it is observed that if the employer has exercised the inherent authority to deviate from the essential term, such deviation has to be made applicable to all the bidders and potential bidders. It was observed in Para 47 and 48 as under:-

[7] (2016) 8 SCC 622

"47. The result of this discussion is that the issue of the acceptance or rejection of a bid or a bidder should be looked at not only from the point of view of the unsuccessful party but also from the point of view of the employer. As held in Ramana Dayaram Shetty [Ramana Dayaram Shetty v. International Airport Authority of India, (1979) 3 SCC 489] the terms of NIT cannot be ignored as being redundant or superfluous. They must be given a meaning and the necessary significance. As pointed out in Tata Cellular [Tata Cellular v. Union of India, (1994) 6 SCC 651] there must be judicial restraint in interfering with administrative action. Ordinarily, the soundness of the decision taken by the employer ought not to be questioned but the decision-making process can certainly be subject to judicial review. The soundness of the decision may be questioned if it is irrational or mala fide or intended to favour someone or a decision "that no responsible authority acting reasonably and in accordance with relevant law could have reached" as held in Jagdish Mandal [Jagdish Mandal v. State of Orissa, (2007) 14 SCC 517] followed in Michigan Rubber [Michigan

Rubber (India) Ltd. v. State of Karnataka, (2012) 8 SCC 216].

48. Therefore, whether a term of NIT is essential or not is a decision taken by the employer which should be respected. Even if the term is essential, the employer has the inherent authority to deviate from it provided the deviation is made applicable to all bidders and potential bidders as held in Ramana Dayaram Shetty [Ramana Dayaram Shetty v.International Airport Authority of India, (1979) 3 SCC 489] . However, if the term is held by the employer to be ancillary or subsidiary, even that decision should be respected. The lawfulness of that decision can be questioned on very limited grounds, as mentioned in the various decisions discussed above, but the soundness of the decision cannot be questioned, otherwise this Court would be taking over the function of the tender issuing authority, which it cannot."

9. It is not a case where some favoritism is shown towards any particular bidder by the respondent authorities. If the authorities had found that there was some error in the documents submitted by the intending bidders which later came to their knowledge, then the

respondent authorities were justified in rejecting the bid of such bidder particularly when the bidder failed to explain the said discrepancy within time. More over, petitioner has taken back his term deposit, which was deposited with respondent-1 at the time of submission of tender form, and thereby, he accepted his rejection, which was not disputed by the petitioner.

10. In view of above discussion, we do not find any scope for interference in this petition, which is liable to be, and it is hereby dismissed.

Sd/-
(Ravindra Kumar Agrawal)
Judge

Sd/-
(Ramesh Sinha)
Chief Justice

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