2026:CGHC:17344-DB

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NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 1749 of 2026

Nilesh Patel S/o- Baldau Prasad Patel Aged About 35 Years R/o- Village-Tendua, Post-Deorbija, District- Bemetara (C.G.)

... Petitioner

versus

1 - Chhattisgarh State Power Distribution Company Limited Through The Superintending Engineer, Cspdcl Circle Durg, District-Durg (C.G.)

2 - Executive Engineer, Chhattisgarh State Power Distribution Company Limited (O And M) Division Saja, District-Bemetara (C.G.)

3 - M/s W N Electricals, Through Its Proprietor, Shoeb Mohammad Khan S/o Wahab Khan, Aged About 35 Years, R/o- Village- Karwa, District-Bilaspur (C.G.)

... Respondents

(Cause-title taken from Case Information System)

For Petitioner	**:**	Mr. Veer Verma, Advocate
For Respondents No.1 & 2	**:**	Mr. Shashwat Rai, Advocate

Hon'ble Shri Ramesh Sinha, Chief Justice
Hon'ble Shri Ravindra Kumar Agrawal, Judge

Order on Board

***Per* Ramesh Sinha, Chief Justice**

16.04.2026

1. Heard Mr. Veer Verma, learned counsel for the petitioner as well as Mr. Shashwat Rai, learned counsel appearing for respondents No.1 and 2

2. By filing the present petition, the petitioner has prayed for following

relief(s) :-

> "*10.1 That, this Hon'ble Court may kindly be pleased to issue a writ of mandamus directing the Respondent Nos. 1 and 2 to conduct a detailed inquiry into the entire tender process under Tender No. 5313 dated 23.02.2026, particularly regarding the completeness and validity of documents submitted by Respondent No.3, the criteria and procedure adopted for evaluation, compliance_with tender conditions and whether a level playing field was ensured for all bidders, and to submit the inquiry report before this Hon'ble Court within such time as may be deemed fit.*
>
> *10.2 That, this Hon'ble Court may kindly be pleased to issue a writ of mandamus directing Respondent Nos. 1 and 2 to withhold the issuance of the work order in favour of private Respondent No.3 till the completion of the inquiry and till further orders of this Hon'ble Court.*
>
> *10.3 That, the Hon'ble Court may kindly be pleased to grant any other relief, as it may deems fit and appropriate.*"

3. Facts of the case are that the Respondent Company, namely Chhattisgarh State Power Distribution Company Limited (CSPDCL), is an undertaking of the State of Chhattisgarh. On 23.02.2026, Respondent No. 1 issued a tender notice inviting e-bids under Tender No. 5313 dated 23.02.2026 from interested individuals/agencies for engagement of manpower through outsourcing for the Deorbija Distribution Center under

Respondent No. 2, i.e., Executive Engineer (O&M), CSPDCL Division, Saja, District Bemetara (C.G.). The last date and time for submission of e-bids was 14.03.2026 at 5:00 PM, and the date of opening of the bids was 15.03.2026. Only those contractors possessing valid GST registration were eligible to participate in the said e-tender process through the online e-bidding portal of CSPDCL. Manual tenders were not accepted.

4. The the Petitioner, being eligible, participated in the aforesaid tender process and duly submitted his bid through the prescribed e-bidding procedure. On 15.03.2026, the tender was opened by the respondent authorities. However, the process was not conducted in a transparent manner, and the contract was arbitrarily awarded to the private Respondent No. 3. The tender process conducted by the respondents lacked transparency, and the Petitioner has a reasonable apprehension that the documents submitted by Respondent No. 3 were either incomplete or invalid, and/or that the evaluation criteria and procedure were not followed in a fair, transparent, and impartial manner.

5. On 08.04.2026, the Petitioner submitted a written complaint to Respondent No. 1 seeking an inquiry into the aforesaid tender process. In the complaint, the Petitioner stated that under Tender No. 10-30/2025-26/PUR/5313 dated 23.02.2026, the private Respondent No. 3, namely M/s W N Electricals, had been declared as L1 (lowest bidder). The Petitioner raised concerns

requiring clarification to ensure transparency and fairness, including:

(i) whether the documents submitted by Respondent No. 3 were complete and valid;

(ii) the criteria and procedure adopted during the tender evaluation process;

(iii) whether all applicable rules and conditions were duly complied with while determining eligibility; and

(iv) whether a level playing field was ensured for all participants.

6. The Petitioner further requested that an inquiry be conducted and that, pending such inquiry, appropriate steps be taken, including withholding issuance of the work order. The Petitioner participated in the e-tender process in a bona fide manner and submitted all requisite documents as per the tender conditions. However, the Respondents have acted in an arbitrary and high-handed manner by not disclosing the basis for declaring Respondent No. 3 as the L1 bidder. Hence, the present petition is being filed.

7. Learned counsel for the petitioner submits that the entire tender process initiated by the respondent authorities stands vitiated on account of lack of transparency, fairness and adherence to the prescribed procedure. It is contended that although the petitioner duly participated in the e-tender process by submitting all requisite documents within the stipulated time, the respondents, in a wholly arbitrary and non-transparent manner, have declared the private

respondent No.3 as L1 without disclosing the basis or evaluation criteria adopted for such determination. Such action, it is argued, is in clear violation of the mandate of Article 14 of the Constitution of India, which obligates the State and its instrumentalities to act in a fair, reasonable and non-arbitrary manner in matters of public contracts. He further submits that there exists a reasonable and bona fide apprehension that the bid submitted by respondent No.3 may not have fulfilled the eligibility conditions or may have been deficient in material particulars, yet the same has been accepted without proper scrutiny. It is argued that the respondents have failed to ensure a level playing field amongst all participating bidders, thereby defeating the very object of competitive bidding, which is to secure fairness, transparency and protection of public exchequer. The non-disclosure of evaluation methodology and absence of comparative assessment further renders the process arbitrary and liable to be interfered with.

8. It is also contended that the petitioner, upon noticing the irregularities, promptly approached respondent No.1 by way of a detailed representation dated 08.04.2026 seeking an inquiry into the tender process and requesting that the issuance of work order be withheld till such inquiry is completed. However, despite lapse of considerable time, the respondent authorities have failed to take any action on the said complaint, thereby compelling the petitioner to invoke the extraordinary jurisdiction of this Court under Article 226 of the Constitution of India, there being no

efficacious alternative remedy available.

9. On the other hand, learned counsel appearing for respondents No.1 and 2 submits that the tender process in question has been conducted strictly in accordance with the terms and conditions of the tender document and the applicable rules governing public procurement. It is contended that the entire process was carried out through a transparent e-bidding system, ensuring fairness and equal opportunity to all eligible participants, including the petitioner. It is further submitted that the private respondent No.3 has been declared L1 on the basis of objective evaluation of bids and fulfillment of all eligibility criteria as prescribed in the tender. The allegation of arbitrariness or lack of transparency is wholly unfounded and unsupported by any cogent material. Learned counsel submits that mere non-selection of the petitioner does not give rise to any cause of action, especially in contractual matters where limited judicial interference is warranted. It is also contended that the petitioner has an alternative remedy under the tender conditions or relevant rules, and the present petition is premature and not maintainable. The representation submitted by the petitioner is under consideration, and no prejudice has been caused warranting interference by this Court at this stage. Hence, the petition deserves to be dismissed.

10. We have heard learned counsel for the parties, perused the tender notice dated 23.02.2026 (Annexure P/1), the documents appended with the writ petition including the petitioner's bid documents

(Annexure P/2) and the complaint dated 08.04.2026 (Annexure P/3), as well as the return filed by respondents No.1 and 2.

11. The principal issue which arises for consideration is whether the tender process undertaken by the respondent authorities for engagement of manpower through outsourcing under Tender No. 5313 dated 23.02.2026 has been conducted in a fair, transparent and non-arbitrary manner, particularly in declaring respondent No.3 as L1 (lowest bidder).

12. It is not in dispute that the tender in question was invited through an e-bidding process with specific eligibility conditions and evaluation criteria, and that all participating bidders, including the petitioner and respondent No.3, were required to submit their bids online within the stipulated time. The process, by its very nature, is designed to ensure transparency and objectivity in the award of public contracts.

13. This Court finds substance in the submission advanced by learned counsel for respondents No.1 and 2 that the bids received were evaluated by the competent authority in accordance with the terms and conditions of the tender document. The determination of L1 has been made on the basis of financial bids submitted by the eligible bidders, and such evaluation falls within the domain of the tendering authority.

14. In the present case, the petitioner has primarily raised apprehensions with regard to the alleged lack of transparency and has questioned the validity of the bid submitted by respondent No.3.

However, except for making general allegations, no specific material has been placed on record to demonstrate that respondent No.3 was ineligible or that the evaluation process suffered from any procedural irregularity or illegality.

15. Merely because the petitioner has participated in the tender process and has not been declared successful would not, by itself, be a ground to interfere with the decision of the respondents, unless it is shown that the process adopted was arbitrary, discriminatory or actuated by mala fides. The records placed before this Court do not indicate any such infirmity.

16. This Court also takes note of the fact that the petitioner has submitted a representation dated 08.04.2026 raising certain grievances; however, non-consideration of such representation at this stage would not ipso facto vitiate the entire tender process, particularly when the process has otherwise been conducted in accordance with the prescribed procedure.

17. The scope of judicial review in contractual and tender matters is limited. Unless the decision-making process is shown to be arbitrary, irrational, mala fide or in violation of the terms of the tender, interference under Article 226 of the Constitution of India is not warranted. The Court does not sit as an appellate authority to re-evaluate the bids or substitute its own decision for that of the tendering authority.

18. The Apex 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.*
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> *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 vs. M/s. M & N Publications Limited and Others***[1]*, 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)*

1 (1993) 1 SCC 445

> *"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 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***[2]*, this Court had laid down certain priniciples 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) 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

2 (1994) 6 SCC 651

> *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**[3], 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**[4], 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 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;"*
>
> *(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*

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3 (2004) 3 SCC 553

4 (2007) 14 SCC 517

> *footing as they may require a higher degree of fairness in action."*

*27. In **Mihan India Ltd. vs. GMR Airports Ltd. and Others**[5], 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 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**[6], 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:-*

> *"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 alsofrom 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*

5 (2022) SCC OnLine SC 574

6 (2016) 8 SCC 622

> *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].*
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> *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 thatdecision 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."*

19. Recently, the Apex Court in the matter of **M/S. Steag Energy Services (India) Pvt. Ltd. v. GSPC Pipavav Power Company Ltd. (GPPC) & Ors. {SLP (C) No(S).30209-30210 of 2025}, decided on 25.03.2026** held that the final choice is of the owner,

and it is for the owner to take the final decision with necessary flexibility and pragmatism. While exercising judicial review of contractual matters, constitutional courts do not exercise, should not exercise ex-ante jurisdiction to pre-empt executive actions. On this count, High Court has exceeded the first principle of judicial restraint in contractual matters.

20. Applying the well settled proposition of law to the facts of this case, we do not find any merit in this petition and the petitioner is not entitled to any relief as claimed in this petition. As such, the writ petition is **dismissed**. No order as to cost.

Sd/-

(Ravindra Kumar Agrawal)
Judge

Sd/-

(Ramesh Sinha)
Chief Justice

Bablu