

IN THE HIGH COURT OF JHARKHAND AT RANCHI

W.P. (C) No. 2864 of 2025

SANMAT, having its regional office at Uma Bhawan, Road No. 5B,
Ashok Nagar, Ranchi, through its Secretary, Nitesh Kumar, S/o
Nageshwar Prasad Sinha, R/o Shalimar Bag, P.O.-GPO, P.S.-
Jagannathpur, District-Ranchi Petitioner

Versus

1. The State of Jharkhand
 2. The Deputy Commissioner, Deoghar
 3. The Civil Surgeon-cum-Chief Medical Officer, Deoghar
- Respondents

CORAM

HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE RAJESH SHANKAR

For the Petitioner: Mr. Afsar Raza, Advocate
For the Respondents: Mr. Gaurav Raj, A.C. to A.A.G.-II

03/20.01.2026

1. Heard learned counsel for the parties.
2. This writ petition challenges the communication dated 08.02.2025 issued by the Civil Surgeon-cum-Chief Medical Officer, Deoghar (Respondent No. 3) cancelling the work order issued to the petitioner for renovation and upgradation of blood bank as a Model Centre in Deoghar.
3. Mr. Afsar Raza, learned counsel for the petitioner, submits that in terms of the work order, the petitioner was granted time up to 14.02.2025 to complete the work. He submits that the work order was prematurely cancelled on 08.02.2025 on the incorrect premise that there was no progress at the site and therefore it would not have been possible for the petitioner to complete the work by 14.02.2025. He referred us a document at page 32, which is a purchase order and based upon the same, submitted that the petitioner had purchased 70% of the equipment for the work of renovation and upgradation of the blood bank. He also referred us

to the photographs annexed to the rejoinder. He submitted that the termination was arbitrary and therefore this Court should quash the communication dated 08.02.2025 and reinstate the petitioner's work order so that it can complete the work.

4. Learned counsel for the petitioner relied on ***Subodh Kumar Singh Rathour vs. Chief Executive Officer & Others*** reported in ***2024 SCC OnLine SC 1682*** to submit that cancellations of contracts should not be lightly resorted to and arbitrary terminations of contracts create uncertainty, thereby discouraging public participation in the tendering process.
5. Mr. Gaurav Raj, learned A.C. to A.A.G.-II, submitted that despite opportunities, the petitioner was not proceeding with the awarded work. After it was realised during the inspections that the petitioner could not complete the work by 14.02.2025, the impugned communication was issued to enable the work to be completed expeditiously through another agency. He further submits that there is no arbitrariness in the impugned termination, and in any event, this writ petition raises highly disputed questions of fact. He also submits that this is a case of a non-statutory contract and the petitioner is virtually seeking specific performance, which perhaps even the Civil Court would not be in a position to grant. For these reasons, he submitted that this writ petition be dismissed and the petitioner be relegated to resort to the ordinary remedies available under the law.
6. The rival contentions of the parties now fall for our determination.
7. The petitioner was issued a work order for the upgradation and renovation of the blood bank into a Model Centre in Deoghar at an

estimated cost of Rs. 45 lakhs. In terms of the work order, the work had to be completed by 14.02.2025.

8. The impugned termination/cancellation/communication states that the work was inspected from time to time and that, only after it was realised that hardly any work had been carried out, it became impossible for the petitioner to complete the work within the prescribed period, and that the contract was cancelled.
9. The petitioner and the respondents have their own versions. The petitioner contends that it had procured about 70% of the materials and therefore was in a position to complete the work by the appointed date. Learned counsel for the petitioner also referred us to photographs filed along with the rejoinder affidavit in addition to some purchase orders placed on record.
10. On the other hand, the respondents have their own version of events, namely that, despite opportunities, the work was not proceeding at the desired pace, thereby rendering it impossible to complete by the appointed date, i.e., 14.02.2025.
11. The issues raised by either party would involve the adjudication of highly disputed questions of fact, requiring perhaps oral as well as documentary evidence. That is not an exercise which this Court normally undertakes under its extraordinary jurisdiction. At this stage, we do not wish to prejudice either of the parties by commenting upon the merits or demerits of their contentions. Such comments might prejudice the parties, including more particularly the petitioner herein, if it decides to avail of the ordinary remedies, like that of the civil suit, to prove its claim.

12. The petitioner, by invoking the extraordinary remedy under Article 226, is virtually seeking specific relief of the contract which was awarded to it. Again, the issue of whether the specific relief under such a contract can be granted or whether the petitioner's claim would lie in damages is highly debatable and best decided by the Civil Court, or, if there is an arbitration clause, by resort to the arbitration proceedings.
13. In short, the issues raised in this writ petition, which concern the cancellation of a non-statutory contract, would involve adjudication of highly disputed questions of fact, even to determine whether there was any unfairness or unreasonableness in the respondents' action. For these reasons, and not because we are either against or for the petitioner on the merits of the matter, we declined to admit this writ petition and exercise our extraordinary jurisdiction.
14. The position in ***Subodh Kumar Singh Rathour*** (supra) was entirely different. In that case, the petitioner had been awarded a contract for maintenance works. However, after the petitioner commenced the maintenance works, the KMDA, which was a State under Article 12 of the Constitution, summarily cancelled the contract on the ground that the tender under which the contract was awarded had a technical fault, was non-specific and poorly defined, thereby creating ambiguity. Another reason for the unilateral cancellation of the contract was that the KMDA was incurring financial loss.
15. In the above fact situation, the Hon'ble Supreme Court held that the cancellation was ex facie arbitrary, observing that it was at the behest of none other than the concerned Minister-in-Charge. No

such facts are presented in the present matter. The observations made in paragraphs 128 and 129, relied upon by learned counsel for the petitioner, have to be construed in the context of the gross fact situation that obtained in the case before the Hon'ble Supreme Court.

16. For all the above reasons, we decline to entertain the present writ petition and dismiss the same. However, we leave it open to the petitioner to avail of the alternative remedy or to resort to the ordinary civil remedies available to it. All parties' contentions on the merits remain open. Nothing in this order is intended to even remotely influence the decision-making process, should the parties resort to the ordinary remedies available under law.

17. The present writ petition is accordingly dismissed with liberty in the above terms.

18. No costs.

(M. S. Sonak, C.J.)

(RAJESH SHANKAR, J.)

20.01.2026
Satish/Vikas/