

HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

S. B. Civil Writ Petition No. 15399/2025
CNR: RJHC020870202025 | URN: CW / 34876U / 2025

M/s Pawan Kumar Singh Bhati, through its Sole Proprietor Mr. Pawan Kumar Singh R/o 605, Pinnacle Fs Realty, Sahakar Marg, Jaipur- 302005.

----Petitioner

Versus

1. Rajasthan State Mines and Minerals Limited, SBU & PC (Lignite), A Government of Rajasthan Enterprise, through Managing Director, Khanij Bhawan, Tilak Marg, Jaipur-302005, Rajasthan.
2. Head & In-Charge (Lignite), Rajasthan State Mines and Minerals Limited, SBU & PC (Lignite) Khanij Bhawan, Tilak Marg, Jaipur- 302005, Rajasthan.
3. Metal Scrap Trade Corporation Ltd., through Manager, Room No. 114, First Floor, BSNL Building, Lal Kothi, Behind Nagar Nigam, Jaipur- 302015, Rajasthan.

----Respondents

For Petitioner	:	Mr. Ajatshatru Mina Advocate.
For Respondents	:	Mr. Rajendra Prasad Advocate General assisted by Mr. Sheetanshu Sharma Advocate.

HON'BLE MR. JUSTICE ANAND SHARMA
Judgment

22/07/2026

1. By way of filing this writ petition, the petitioner has assailed order dated 25.08.2025 issued by Deputy General Manager, Rajasthan State Mines and Minerals Limited, whereby auction dated 30.05.2025 in respect of sale of Lignite from Giral and Sonari Mines, Barmer (hereinafter to be referred as 'the mines in question') has been cancelled for non-compliance of the provisions of e-auction bid documents.

2. The facts of the case, in brief, are that the petitioner participated in the e-auction process for sale of Lignite. After participating in the process, the petitioner was declared successful and accordingly, contract was awarded to the petitioner for sale and supply of Lignite from the mines in question.

3. It is admitted case of the petitioner that the contract was awarded for a limited period commencing from 01.06.2025 to 30.11.2025. Grievance of the petitioner is that the contract has been terminated at premature stage in quite arbitrary manner without even cancelling the purchase orders issued earlier. Learned counsel for the petitioner submits that once a concluded contract has been entered into pursuant to e-auction proceedings, procuring entity cannot annul the auction process without first terminating the concluded contract in accordance with law. In the instant case, impugned order has been passed in violation of Section 26 of the Rajasthan Transparency in Public Procurement Act, 2012. Learned counsel further submits that while cancelling auction vide order dated 25.08.2025, the reference of Clauses 14.6, 14.10 and 14.11 of e-auction document is totally misconceived and such provisions cannot be applied to cancel the auction proceedings. Abrupt cancellation of auction has caused serious prejudice and miscarriage of justice to the petitioner and in fact, cancellation has been done so as to benefit a third party by awarding contract to it. Learned counsel for the petitioner, in support of his arguments, has relied upon the decisions of the Hon'ble Supreme Court in the cases of **Subodh Kumar Singh Rathore vs. The Chief Executive Officer & Others, (2024) 1 SCC 461** and **M/s Lion Security Guard Services vs. The State of Bihar & Others, (Civil Appeal arising**

out of SLP (C) No. 12510/2025 & other connected matters decided on 07.10.2025).

4. Writ petition has been opposed by the respondent-State Government. Mr. Rajendra Prasad, learned Advocate General appearing on behalf of the respondent-State Government at the outset submitted that admittedly contractual period for which work of sale of Lignite for the mines in question was assigned to the petitioner was limited from 01.06.2025 to 30.11.2025. Even the original period of contract, if the petitioner would have been allowed to continue, had also expired on 30.11.2025. It is further submitted that after cancellation of petitioner's contract, the respondents conducted another e-auction for sale of 2 lacs Metric Tonnes of Lignite from Giral and Sonari Mines, Barmer and such subsequent contract was also valid only up to 31.12.2026. Even after expiry of tenure of subsequent contract, again a fresh e-auction was conducted in which the petitioner also participated and on remaining successful, the petitioner has been allowed to lift Lignite from the mines in question. Therefore, learned Advocate General has prayed for dismissal of the writ petition in the light of aforesaid facts.

5. Heard learned counsel for the parties and perused the material on record.

6. The facts narrated in the reply as well as oral submissions made by learned Advocate General qua the fact that the contract in question, earlier awarded to the petitioner, was for a limited period commencing from 01.06.2025 to 30.11.2025. After premature cancellation of contract of the petitioner, again e-auction was conducted for sale of Lignite from the aforesaid mines and such subsequent contract in respect of new e-auction had also expired on

31.12.2025. As informed by learned Advocate General and not controverted by learned counsel for the petitioner, even thereafter, a fresh auction has taken place for the work of sale and supply of Lignite. Under these circumstances, even if it is assumed that the petitioner's grievance against cancellation order dated 25.08.2025 is genuine (although no comments in this regard are being given on merits), even then, prayer made by the petitioner to continue the work order dated 30.05.2025, after expiry of original contract period on 30.11.2025, cannot be granted.

7. In the case of **Subodh Kumar Singh Rathore (supra)** as relied upon by learned counsel for the petitioner, from a bare reading of factual matrix, it becomes clear that in that case, the Hon'ble Supreme Court was considering a matter where a contract awarded for a period of ten years in the year 2022 was cancelled at premature stage and since the substantial remaining period was left pursuant to such contract which was to expire in the year 2032, therefore, under such circumstances, interference was made by the Hon'ble Supreme Court with direction to continue the contract. In the instant case, contractual period was only of six months and even the original contractual period has expired on 30.11.2025. Therefore, the aforesaid decision in the case of **Subodh Kumar Singh Rathore (supra)** relied upon by learned counsel for the petitioner is not applicable to the present case.

8. As regards, decision of the Hon'ble Supreme Court in the case of **M/s Lion Security Guard Services (supra)**, the petitioner could not indicate the nature of contract awarded in the said case. It is relevant to mention that interference in contractual matters is dependent upon the nature of work assigned through the work order.

In the instant matter, where admittedly, contract was for sale of Lignite, which is always based upon competitive rates of the goods and the rates prevailing at the relevant time may differ from current rates of sale of Lignite. It has also been informed by learned Advocate General that at present contract has been awarded at much higher rates, therefore, under these circumstances, the decision of the Hon'ble Supreme Court in the case of **M/s Lion Security Guard Services (supra)** is not applicable to the present case on account of being rendered in altogether different facts and circumstances.

9. In view of foregoing discussion, no interference in the impugned order is called for. Hence, writ petition filed by the petitioner is hereby dismissed.

10. However, it is made clear that dismissal of this writ petition for the reasons assigned hereinabove, would not curtail rights of the petitioner to avail other alternative remedies for redressal of alleged contractual wrong.

11. Pending applications, if any, stand disposed of.

(ANAND SHARMA),J