

**HIGH COURT OF JAMMU & KASHMIR AND LADAKH
ATJAMMU**

WP (C) No. 806/2026
CM No. 1827/2026

Reserved on: 04.08.2026
Date of pronouncement: 18.08.2026
Date of uploading: 18.08.2026

**Rajinder Sharma, aged 69 years,
S/o Sh. Dwarka Nath,
R/o Quarter No. 174-A, Rehari Colony,
Jammu-180005**

.....Applicant(s)/Petitioner(s)

Through :- Mr. Amit Gupta, Sr. Advocate with
Mr. Abhay Tandon, Advocate &
Mr. Gaurav Sadotra, Advocate

v/s

- 1. UT of J&K through
Principal Secretary to the Government
Finance Department, Civil Secretariat,
Jammu.
Email: psfinance-jk@nic.in**
- 2. Excise Commissioner,
Excise Department, Excise and Taxation
Complex,
Rail Head Complex, Panama Chowk,
Jammu-180012.**
- 3. Deputy Excise Commissioner (Executive)
Jammu.**
- 4. Excise & Taxation Officer,
Excise Range, Samba.**

.....Respondent(s)

Through :- Ms. Monika Kohli, Sr. AAG with
Ms. Nazia Fazal, Advocate

CORAM: HON'BLE MR. JUSTICE SANJAY PARIHAR, JUDGE

J U D G M E N T

- The respondents issued a Notice Inviting Tender (NIT) for allotment of liquor vends through e-auction. Pursuant thereto, the petitioner participated in the e-auction conducted on 26.02.2026 in respect of the liquor vend falling under Excise Range Samba-10 (Panchayat Chak Nazar Nandpur). According to the petitioner, the bid log reflects that the final H1 bid of Rs.

1,16,50,000/- was accepted at timestamp 18:24:59:096, whereas another bid of Rs. 1,15,50,000/- came to be accepted subsequently at timestamp 18:24:59:467. On the strength of the aforesaid entries, the petitioner alleges an apparent inconsistency in the sequencing and processing of the bids, inasmuch as a lower bid appears to have been processed subsequent to the acceptance of an earlier higher bid, albeit within a span of milliseconds.

2. The case set up by the petitioner is that the e-auction process conducted by the respondents suffered from technical glitches. It is pleaded that immediately upon being declared the H1 bidder, the petitioner brought the alleged technical discrepancy to the notice of the respondents through e-mails dated 26.02.2026 and 06.03.2026. In the said communications, the petitioner asserted that he had intended to bid only up to Rs. 55.00 lakhs and that, in terms of the applicable policy, successive bids were required to be enhanced in increments of Rs. 1,00,000/-. According to him, his last intended bid was Rs. 55.00 lakhs; however, within a short span of time, the bid amount displayed against him abruptly escalated to Rs. 1.155 crore, which, according to the petitioner, indicated a discrepancy in the sequencing and acceptance of bids during the closing moments of the auction. The petitioner further pleaded that he was not financially capable of operating the vend at such an enhanced amount and that the bid ultimately reflected by the system did not correspond to the bid intended to be submitted by him.
3. On the aforesaid premise, the petitioner asserted that the final bid attributed to him was the consequence of a technical/system error occurring during the concluding seconds of the bidding process. He, accordingly, requested

the respondents to cancel the bid attributed to him and to allot the vend to the H2 bidder. The grievance of the petitioner, however, is that the respondents declined to accede to his request and informed him that, in the event of his failure to honour the bid, his Earnest Money Deposit (EMD) amounting to Rs. 50.00 lakhs would be forfeited and he would also be liable to be blacklisted from participating in future auctions. Faced with the aforesaid consequences, the petitioner claims to have deposited the requisite bid amount under protest, which protest, according to him, was also recorded in his communication dated 09.03.2026 submitted at the time of deposit.

4. The petitioner further claims that the bid log was enclosed with the aforesaid communications and that he repeatedly apprised the respondents of his inability to operate the liquor vend at the bid amount reflected by the system, maintaining that the escalation to such an exorbitant amount was attributable to a technical/system error in the e-auction process. As his representations failed to yield the desired result and the respondents proceeded with the allotment, the petitioner invoked the writ jurisdiction of this Court under Article 226 of the Constitution of India.
5. Through the instant writ petition, the petitioner seeks, inter alia, issuance of a writ in the nature of certiorari for quashing the acceptance/allotment arising out of the e-auction held on 26.02.2026, whereby he was declared the H1 bidder at Rs. 1,16,50,000/-, primarily on the ground that the said bid was the result of an alleged technical malfunction and, therefore, the action of the respondents in acting upon the same is arbitrary and unsustainable in law. A consequential writ of mandamus is also sought directing the

respondents to refund the licence fee amounting to Rs. 76,50,000/-, along with interest, as also the Earnest Money Deposit. The petitioner has further prayed for cancellation of the allotment of the vend in his favour and for its allotment to the H2 bidder. In the alternative, he seeks refund of the licence fee deposited by him in excess of Rs. 55,50,000/-, together with the Earnest Money Deposit, or adjustment of the excess amount against the EMD payable by him in future auctions.

6. The respondents have resisted the writ petition, inter alia, on the ground that no constitutional, statutory or legal right of the petitioner has been infringed so as to warrant interference in exercise of the writ jurisdiction of this Court. It is pleaded that the e-auction process was conducted strictly in accordance with the applicable Excise Policy, which, according to the respondents, stands validated by the judgment of this Court rendered in LPA No. 11/2017, titled “Sandhya Devi and Others v. State of J&K and Others.” It is further submitted that, pursuant to the said policy, the Government has been notifying locations for allotment of JKEL-2 vends from time to time and, for the Excise Year 2026-2027, as many as 305 JKEL-2 vends were notified for allotment.
7. The respondents submit that, upon closure of the bidding process, the petitioner was declared the H1 bidder by the system-generated mechanism against the final bid amount of Rs. 1,16,50,000/-. Upon receipt of representations from the petitioner alleging a technical flaw in the e-auction process resulting in an abrupt escalation of the bid amount within milliseconds, the matter was taken up with the J&K Bank authorities, which were responsible for the technical handling of the e-auction platform. The

Bank, vide e-mail dated 05.03.2026, is stated to have confirmed that there was no technical glitch affecting the integrity of the auction process. According to the respondents, the petitioner had selected the bid amount and kept the bid-submission pop-up open without immediately submitting the bid, thereby leaving the screen idle for approximately five minutes. During this interval, the prevailing highest bid had already reached Rs. 94,50,000/-, whereas the bid of Rs. 55,50,000/- subsequently submitted by the petitioner came to be rejected. It is further pleaded that the final bids were placed during the last one to one-and-a-half seconds of the auction and that the petitioner submitted two bids in quick succession, within milliseconds of each other, apparently in an attempt to secure the H1 position and thereby obtain allotment of the JKEL-2 vend.

8. The respondents further maintain that, though the escalation in the bid amount was steep, the same was attributable to the petitioner's own actions during the bidding process and not to any defect in the e-auction platform. Their specific stand is that, while the petitioner kept his bid-submission window idle, the highest prevailing bid continued to increase and had reached Rs. 94,50,000/-. The allegation of a technical/system error has, therefore, been specifically denied. It is further contended that, having accepted the H1 bid amount, deposited the requisite amount and acted upon the allotment, the petitioner cannot subsequently resile from the consequences flowing from his own bidding activity by attributing the same to a technical malfunction, particularly in the absence of any cogent material establishing such malfunction.

9. The respondents have also disputed the petitioner's interpretation of the bid log. According to them, the bid log does not establish the existence of any technical glitch. Rather, the clarification furnished by J&K Bank, which monitored and managed the e-auction process at the back end, indicates that the steep escalation occurred because the petitioner had kept his screen idle for approximately five minutes, during which period competing bids continued to be submitted. It is explained that the last two bids submitted by the petitioner were successfully validated by the system; however, while updating the corresponding entries in the database, a time gap of a few milliseconds occurred, resulting in the apparent discrepancy in the bid history. The Bank is stated to have clarified that such difference in the timestamps had no bearing either on the determination of the final H1 bidder or on the final H1 bid amount.
10. Learned counsel appearing for the petitioner, while reiterating the averments made in the writ petition, has drawn the attention of the Court to the bid log produced on record. It is submitted that the petitioner initially placed a bid of Rs. 47,50,000/- at 17:32:35:507, which was thereafter enhanced to Rs. 48,50,000/- at 17:56:41:206, followed by another incremental bid of Rs. 49,50,000/- at 17:56:41:822. The petitioner thereafter submitted a bid of Rs. 53,50,000/- at 18:15:11:232, which was subsequently enhanced to Rs. 55,50,000/- at 18:24:58:308. According to learned counsel, the petitioner expected the bidding process to proceed through corresponding incremental bids; however, after the bid of Rs. 55,50,000/- was submitted, the screen allegedly became unresponsive and did not reflect the corresponding bids of the competing bidders. It is

contended that the petitioner could not reasonably have anticipated that the bid amount would abruptly escalate to more than Rs. 1.16 crore.

11. Learned counsel for the petitioner further submits that, although the bid log records the bid of Rs. 55,50,000/- submitted at 18:24:58:308 as having been rejected by the system, such rejection was not contemporaneously reflected on the petitioner's screen. Referring to the sequence of entries in the bid log, it is argued that the competing bidder submitted a bid of Rs. 1,14,50,000/-, whereafter a bid of Rs. 1,15,50,000/- came to be processed. The petitioner lays particular emphasis on the timestamp entries pertaining to the concluding bids and contends that he was ultimately declared the H1 bidder at Rs. 1,16,50,000/- on the basis of an entry which, according to him, does not follow the chronological sequence reflected in the bid log. The apparent incongruity in the timestamps is relied upon to contend that the e-auction platform suffered from a technical malfunction, the financial consequences whereof could not legally be fastened upon the petitioner. The respondents, however, allegedly compelled the petitioner to honour the bid by informing him that failure to do so would entail forfeiture of his Earnest Money Deposit and blacklisting from participation in future auctions. The submission, thus, is that the petitioner ought not to be made to suffer financially for an error attributable to the technical system employed by the respondents.

12. *Per contra*, Ld. Sr. AAG appearing for the respondents, has controverted the aforesaid submissions and maintained that there was no technical malfunction in the e-auction process. According to her, the petitioner kept the bidding screen idle for approximately five minutes and thereafter

submitted two bids in quick succession within a span of milliseconds. It is contended that, by that stage, the competing bidder had already submitted a substantially higher bid and the petitioner appears to have submitted his concluding bids upon noticing the prevailing bid position. Learned Senior AAG submits that the e-auction system operates through a predefined validation process and, where successive bids are submitted within milliseconds, some time is necessarily consumed in validation and updation of the corresponding entries in the database. In the present case, both the concluding bids were successfully validated; however, a gap of a few milliseconds occurred at the stage of database updation, which explains the apparent discrepancy in the bid history. Such discrepancy, it is urged, neither affected the integrity of the auction nor the determination of the H1 bidder and the final bid amount.

13. Placing reliance upon the terms and conditions of the Excise Policy governing the e-auction, learned counsel for the respondents submits that the writ petition is liable to be dismissed. It is contended that the petitioner voluntarily participated in the auction process, submitted the bids attributed to him, emerged as the H1 bidder and thereafter deposited the requisite amount and operated the liquor vend pursuant to the allotment. Having accepted and acted upon the allotment, the petitioner, according to the respondents, cannot subsequently approbate and reprobate by seeking a writ of mandamus for refund of the amount deposited or by seeking to avoid the consequences of the bid voluntarily submitted by him. It is, therefore, submitted that the petitioner, having consciously participated in the bidding process and thereafter acted upon the allotment made in his

favour, cannot be permitted to avoid his contractual obligations merely by attributing the escalation in the bid amount to an alleged technical error which, according to the respondents, stands specifically negated by the technical clarification furnished by J&K Bank.

14. Heard both the counsels at length.
15. The petitioner claims that his grievance did not receive due and meaningful consideration at the hands of the respondents. His case is that, after submitting a bid of Rs. 53,50,000/- at 18:15:11:232 hours, the e-auction portal became non-responsive, whereupon he waited for the portal to reflect the competing bids so as to enable him to assess the prevailing bid position and take an informed decision regarding his further participation in the auction. According to the petitioner, during the period between 18:15:11:232 and 18:24:58:308 hours, the portal did not reflect any intervening or competing bids. However, when he subsequently submitted a bid of Rs. 55,50,000/- at 18:24:58:308 hours, the bid amount, within a matter of seconds, allegedly escalated to more than twice the amount intended by him. It is on this basis that the petitioner contends that the final bid attributed to him was wholly disproportionate to the bid intended to be submitted. He further claims that, on the very day of the auction itself, he immediately apprised the respondents that he was not willing to take the vend at such an exorbitant price and was financially incapable of operating the same at the escalated bid amount.
16. The principal contention of the petitioner is that the bid amount ultimately reflected against him did not correspond with the bid intended to be submitted and that such anomalous escalation appears to have occurred on

account of a technical or systemic flaw in the e-auction process. Significantly, the communications addressed by the petitioner to the respondents on 26.02.2026, 06.03.2026 and 09.03.2026 indicate that, right from the date of the auction and until he was called upon to deposit the bid amount, the petitioner consistently sought withdrawal from the bid and requested that the liquor vend be offered to the H2 bidder. The grievance of the petitioner is that these representations were not considered by the respondents at the relevant point of time. The record further reveals that, after institution of the present writ petition, this Court, vide order dated 01.04.2026, directed the respondents to accord consideration to the representations submitted by the petitioner. It was thereafter, during the pendency of the writ petition, that the respondents proceeded to consider and reject the petitioner's claim.

17. At this stage, reference may be made to the judgment of the Hon'ble Supreme Court in "National Highways Authority of India v. Ganga Enterprises and Another", (2003) 7 SCC 410. In the said case, the bidder withdrew its bid before expiry of the stipulated validity period of 120 days. As a consequence of such withdrawal, the performance guarantee was not furnished and the agreement between the parties did not come to be executed, whereupon the National Highways Authority of India invoked the bid security/bank guarantee furnished by the bidder.
18. Aggrieved by the encashment of the bank guarantee, the bidder approached the High Court seeking refund of the amount. The High Court proceeded on the premise that, since the offer had been withdrawn before its acceptance, no concluded contract had come into existence and, in law, it

was open to a party to withdraw its offer before acceptance. On that reasoning, the High Court held the encashment of the bank guarantee to be illegal. The matter, however, was carried to the Hon'ble Supreme Court. The Apex Court noticed that the bidder was fully aware of the stipulated bid-validity period of 120 days and, therefore, knew that acceptance of the bid could take place at any time during the bid period. The contention that the bidder had been compelled to withdraw its offer on account of alleged inaction or negligence on the part of the employer and, therefore, could not be subjected to forfeiture was not accepted. The Supreme Court held, in substance, that the bid security had been furnished against a specified contingency, namely, non-withdrawal of the offer during the stipulated period of 120 days, and once that contingency occurred, the employer became entitled to invoke the bid security in accordance with the terms governing the tender.

19. Reference may next be made to “Bharat Coking Coal Ltd. and Others v. Dev Prabha and Others”, 2020 INSC 307. The dispute therein arose out of an online e-reverse auction in which it was stipulated that the auction would automatically conclude if a particular bid remained unresponded to for a period of 30 minutes. Though the auction had initially proceeded in the ordinary course, connectivity problems arose during the bidding process. The employer, being conscious of the technical difficulty, took a decision to resume/restart the auction process, which thereafter continued for an extended period. One of the participating bidders subsequently approached the High Court of Jharkhand at Ranchi seeking, inter alia, a declaration that it had emerged as the successful L1 bidder and quashing of

the Letter of Acceptance issued in favour of another bidder, while also relying upon the technical difficulties that had led to resumption of the auction.

20. The learned Single Judge dismissed the writ petition, inter alia, upon finding that a level playing field had been afforded to all participating bidders; that a connectivity issue had indeed arisen; and that the subsequent resumption of the auction was permissible under the terms of the NIT. The Division Bench, however, reversed the decision and held the consequential proceedings to be invalid, principally on the ground that the technical glitch had impaired the sanctity of the auction process and raised concerns regarding procedural propriety and arbitrariness in the decision-making process.
21. Upon the matter reaching the Hon'ble Supreme Court, the Apex Court reiterated the limited scope of judicial review in contractual and tender matters. It was observed, in essence, that even if there were minor deviations from the express terms of the NIT, such deviations, by themselves and in the absence of mala fides or demonstrable arbitrariness, would not furnish sufficient ground for a constitutional Court to interfere with and set aside the tender process at the instance of an unsuccessful bidder. The emphasis was thus placed upon examining the fairness and legality of the decision-making process rather than substituting the Court's view for that of the tendering authority.
22. Of particular relevance to the controversy at hand is the decision of the Hon'ble Supreme Court in "Om Sairam Steels & Alloys Pvt. Ltd. v. Director of Mines and Geology, BBSR and Others", 2024 INSC 520. In

that case, during the course of an online auction, the bidders progressively enhanced their bids and, by 06:09 PM, the bid had increased from 84% to 104.05% after as many as 136 bidding attempts. At about 06:13 PM, the appellant, intending to improve upon the prevailing bid by the prescribed minimum increment of 0.05%, once again accessed the online portal. Instead of entering the intended bid of 104.10%, however, it inadvertently entered 140.10% at the 137th bidding attempt. As no competing bidder bettered the said bid, the e-auction concluded at about 06:17 PM, with the appellant's bid of 140.10% being recorded as the highest bid. Upon noticing the error, the appellant immediately attempted to bring the mistake to the notice of the authorities and sought rectification thereof.

23. Subsequently, vide communication dated 24.03.2023, the competent authority informed the appellant that its bid of 140.10%, being the highest bid, had been accepted and that it stood declared as the Preferred Bidder, requiring it to deposit the first instalment of the upfront amount. Aggrieved thereby, the appellant invoked the writ jurisdiction of the High Court, asserting that the entry of 140.10% instead of 104.10% was a bona fide and inadvertent human error. It accordingly sought quashing of the impugned communication and recommencement of the e-auction process for grant of the mining lease. The High Court declined to interfere, reasoning that, once the appellant admitted having entered the bid of 140.10%, it could not subsequently avoid the consequences thereof by pleading mistake. The matter was thereafter carried to the Hon'ble Supreme Court, which examined the controversy in the context of the peculiar bidding pattern, the immediately preceding bid, the magnitude of the unintended escalation and

the conduct of the bidder upon discovering the mistake, and proceeded to hold as under:

“We can safely conclude, having regard to the trend of rate of enhancement of bid by the appellant [i.e., the appellant enhanced the prevailing bid 47(forty seven) out of 137 (one hundred thirty seven) times and its enhancement ranged between 0.05% and 2.00%] and the fact that the bidders were playing safe by marginally increasing the prevailing bid price to test each other leading to increase of the Floor Price from 84.00% to a highest of 104.05% after 7 (seven) hours of bidding, the appellant did not intend to enhance the bid by 36.05%. Even otherwise, it seems to make little commercial sense for any intending bidder to outrun the other bidders by jumping from 104.05% to make an exorbitant bid of 140.10% when, till the preceding bid, each one of them had evidently been crawling. In view of the clear nature of error or mistake committed by the appellant and the disproportionate punishment that awaits it, if interference is declined by us, we are of the opinion that the path of rendering justice to the parties has to be treaded carefully to ensure that the interests of both the respondents and the appellant do not suffer disproportionately.”

24. Reference may also be made to the judgment of the Hon'ble Supreme Court in “Kumari Shrilekha Vidyarthi and Others v. State of U.P. and Others”, (1991) 1 SCC 212, wherein the Apex Court emphasized that the concept of unfettered discretion is fundamentally incompatible with the exercise of power by a public authority, since every such power is conferred to be exercised for a public purpose and in furtherance of public interest. The principle is not confined merely to any particular sphere of governmental or administrative activity but extends to every field in which discretion is vested in a public authority for achieving a public purpose. The Supreme Court further underscored that, just as unfettered discretion is antithetical to the rule of law, the notion of an administrative action being

wholly immune from judicial review is equally untenable. Irrespective of the nature of the activity undertaken by the State or its instrumentalities, their actions must satisfy the constitutional mandate of fairness, reasonableness and non-arbitrariness embodied in Article 14 of the Constitution of India. In this context, the Hon'ble Supreme Court observed as under:-

“Conferment of the power together with the discretion which goes with it to enable proper exercise of the power is coupled with the duty to shun arbitrariness in its exercise and to promote the object for which the power is conferred, which undoubtedly is public interest and not individual or private gain, whim or caprice of any individual. All persons entrusted with any such power have to bear in mind its necessary concomitant which alone justified conferment of power under the rule of law. This was apparently lost sight of in the present case while issuing the impugned circular.

Arbitrariness is writ large in the impugned circular dated 6.2.1990 issued by the State of Uttar Pradesh. It gives the impression that this action was taken under the mistaken belief of applicability of "spoils system" under our Constitution and the cavalier fashion in which the action has been taken gives it the colour of treating the posts of D.G.Cs. as bounty to be distributed by the appointing authority at its sweet will. Such a change even by a private party is made keeping in view his own interest when he finds that the existing lawyer is not suitable for the assignment and, therefore, without making the change he incurs the risk of some loss. In the case of the State, it is the public interest which should be the prime guiding consideration to judge the suitability of the appointee but it appears that the impugned State action was taken in the present case with only one object in view, that is, to terminate all existing appointments

irrespective of the subsistence or expiry of the tenure or suitability of the existing incumbents.”

25. Keeping in view the principles of law enunciated in the aforesaid judicial precedents, this Court now proceeds to examine the controversy on its merits. The respondents have categorically denied the existence of any technical glitch in the e-auction process. The petitioner, however, during the course of hearing, invited the attention of this Court to the stand taken by the respondents themselves and, more particularly, to the correspondence exchanged with the Government Digital Initiative, Zonal Office Jammu-Central, J&K Bank Ltd., which was associated with the technical management of the e-auction platform. The relevant clarification furnished by the Bank, in substance, records the following:

- i. *The petitioner had selected the bid increment and kept the bid-submission pop-up ready, but did not immediately submit the bid and, consequently, kept the screen idle for approximately five minutes.*
- ii. *With reference to Bid No. 20, the bid of Rs. 55,50,000/- was rejected, whereas, at the relevant point of time, the prevailing H1 bid had already reached Rs. 94,50,000/-.*
- iii. *At the time when the aforesaid bid came to be rejected, only about one to one-and-a-half seconds remained before closure of the auction.*
- iv. *It was possible that, owing to the limited time available, the petitioner submitted two bids in quick succession in an attempt to emerge as the H1 bidder.*
- v. *Where successive bids are submitted within milliseconds, each bid first reaches the application server and undergoes validation. Upon successful validation, the data is stored in the database and thereafter reflected in the bid history. In this process, a time gap of a few milliseconds may occur between validation of the bid and updation of the corresponding database record.*

- vi. *In the present case, both the bids submitted by the petitioner were successfully validated; however, a gap of a few milliseconds occurred at the stage of database updation, resulting in the discrepancy visible in the bid history.*
- vii. *The Bank nevertheless maintained that the aforesaid discrepancy had no impact upon either the determination of the final H1 bidder or the final H1 price, which stood identified at Rs. 1,16,50,000/-.*

26. A perusal of the bid history reveals that the petitioner initially laid a bid of Rs. 47,50,000/- at 17:43:47:003, followed by a bid of Rs. 48,50,000/- at 17:56:41:206 and thereafter another bid of Rs. 49,50,000/- at 17:56:41:822. Subsequently, upon noticing the corresponding incremental increase in the competing bids, the petitioner raised bid of Rs. 53,50,000/- at 18:15:11:232 hours, followed by a bid of Rs. 55,50,000/- at 18:24:58:308 hours. The bidding pattern attributable to the petitioner up to that stage, therefore, indicates that he had ordinarily been enhancing his bids in increments ranging between Rs. 1 lakh and Rs. 2 lakhs, save for the intervening progression reflected in the bid history. What assumes significance is that the petitioner's bid of Rs. 55,50,000/- is stated to have been rejected by the system on the ground that, by then, the prevailing highest bid had already reached Rs. 94,50,000/-. The bid history further reflects that, at 18:24:58:918 hours, the competing bidder submitted a bid of Rs. 1,14,50,000/-. Thus, within the concluding moments of the auction, there was a substantial escalation in the prevailing bid amount, which forms the core of the controversy raised by the petitioner.
27. The petitioner has placed considerable reliance upon the sequence reflected in the bid log. According to him, the bidding history demonstrates that the bids had initially progressed through relatively modest incremental

increases; however, during the brief interval between approximately 18:24:56 and 18:24:59 hours, the amount escalated dramatically, ultimately reaching Rs. 1,15,50,000/- and Rs. 1,16,50,000/-. His further contention is that the bid of Rs. 1,15,50,000/-, though shown to have been successfully accepted, bears a timestamp subsequent to the bid of Rs. 1,16,50,000/-, which was ultimately treated as the final H1 bid. According to the petitioner, this apparent inversion in the chronological sequence of the concluding bids lends support to his allegation that the e-auction process suffered from a technical or systemic irregularity.

28. The respondents have sought to explain the abrupt escalation by contending that the competing bidder had submitted a bid of Rs. 1,14,50,000/- at 18:24:58:918 hours, whereupon the petitioner, after noticing the competing bid, submitted two bids in rapid succession in an attempt to secure the H1 position. The explanation offered by the respondents cannot be said to be wholly implausible. Nevertheless, when examined in the backdrop of the bid history and the technical clarification itself, certain aspects remain insufficiently explained. For the petitioner to consciously respond to the competing bid of Rs. 1,14,50,000/-, such bid ought necessarily to have been displayed on his interface in sufficient time to enable him to perceive the same, determine the next permissible bid and thereafter submit successive bids before closure of the auction.
29. Significantly, the respondents themselves acknowledge that the petitioner had kept the screen idle for approximately five minutes. The material placed before this Court, however, does not satisfactorily explain whether, during this period, the petitioner's interface was contemporaneously

displaying the intervening bids or the prevailing H1 amount. The petitioner's consistent case is that, after submitting the bid of Rs.53,50,000/- at 18:15:11:232 hours, the portal did not display the competing bids and that he thereafter submitted the bid of Rs. 55,50,000/- at 18:24:58:308 hours under the impression that the auction was progressing through the incremental bidding pattern previously visible to him. This circumstance assumes relevance because, had the prevailing H1 bid of Rs. 94,50,000/-, or the subsequent competing bid of Rs. 1,14,50,000/-, been duly and contemporaneously displayed on the petitioner's screen, there was no apparent reason for him to submit a bid of merely Rs. 55,50,000/- at such a late stage of the auction.

30. There is yet another aspect which cannot be altogether ignored. The respondents, on the basis of the technical clarification furnished by J&K Bank, themselves acknowledge that the petitioner's last two bids were successfully validated but that, owing to a gap of a few milliseconds between validation and database updation, a discrepancy came to be reflected in the bid history. Thus, while the respondents deny that there was any technical glitch affecting the outcome of the auction, the existence of a discrepancy in the chronological reflection of the concluding bids is not in dispute. The controversy, therefore, is not founded merely upon an unsubstantiated assertion of the petitioner but also upon an admitted anomaly in the manner in which the concluding bid entries came to be recorded in the bid history.
31. This Court is conscious of the limitations of judicial review in matters involving specialised technical processes and does not possess the expertise

to substitute its own technical assessment for that of the competent agency. Nevertheless, the Court is required to examine whether the decision-making process satisfies the constitutional requirements of fairness, reasonableness and non-arbitrariness. Viewed from that perspective, the bidding pattern, the abrupt escalation of the bid amount during the concluding seconds of the auction, the admitted discrepancy of a few milliseconds in the bid history and, importantly, the petitioner's immediate protest after conclusion of the auction constitutes circumstances which required meaningful consideration by the respondents. The petitioner's assertion that the final bid attributed to him did not represent the bid consciously intended by him cannot, in the peculiar facts of the case, be brushed aside merely by stating that both bids stood technically validated by the system.

32. The petitioner's conduct subsequent to the auction also assumes significance. He did not wait for any adverse consequence to ensue before raising the plea of technical malfunction. Rather, as noticed hereinabove, he approached the respondents immediately after the auction and consistently sought withdrawal from the allotment, requesting that the vend be offered to the H2 bidder. Such contemporaneous conduct, though not conclusive of the alleged technical malfunction, lends a degree of credibility to his assertion that the final bid amount did not reflect the bid he consciously intended to make.
33. Once a substantial and bona fide dispute concerning the integrity of the concluding bidding sequence had thus been brought to the notice of the respondents, they were required to examine the petitioner's grievance

objectively and to consider whether, in the peculiar circumstances obtaining on the record, he could reasonably be compelled to continue with the allotment at the disputed bid amount. The grievance could not, in these circumstances, have been rejected merely on the ground that the concluding bids stood technically validated by the electronic system. What required examination was whether the final bid represented a conscious and informed act on the petitioner's part and whether, having regard to the circumstances in which it came to be recorded, holding him irrevocably bound by that bid would entail consequences disproportionate to the circumstances disclosed by the record.

34. The petitioner was allotted the vend upon being declared the successful H1 bidder and commenced operations thereof with effect from 01.04.2026. The licence so granted is valid up to 31.03. 2027. In view of the aforesaid position, the bidding process culminated in a concluded contract between the parties and, therefore, they cannot now be restored to the position obtaining prior to the conduct of the bid on 26.02.2026. At the same time, it cannot be overlooked that the petitioner has not been accorded fair treatment and that the grievances raised by him have not received objective consideration at the hands of the respondents. The petitioner has been left to bear, entirely at his own cost, the consequences of circumstances which arose during the course of the bidding process itself. The respondents were, therefore, required to duly consider the specific case set up by the petitioner that, on account of a technical glitch during the bidding process, he was constrained to opt for a vend which was beyond his financial capacity and consequently exposed him to a substantial financial burden.

35. Having regard to the contractual obligations binding upon the parties, and bearing in mind that the licensing of the vend is also a source of substantial revenue to the State exchequer, this Court is of the considered view that, in order to balance the equities between the parties, the financial consequences flowing from the circumstances noticed hereinabove cannot justly be made to fall exclusively upon the petitioner. The burden arising therefrom, in the peculiar facts and circumstances of the case, ought to be apportioned between the parties in an equitable manner.
36. Accordingly, and for the reasons recorded hereinabove, the present writ petition is allowed. A writ of mandamus is hereby issued, directing and commanding the respondents to grant the petitioner a set-off to the extent of Rs. 50.00 lakhs in respect of the bid amount in question. Since the petitioner is required, during the subsistence of the licence, to make advance deposits towards the respondents in respect of the vend from time to time, the aforesaid amount of Rs. 50.00 lakhs shall be adjusted against the future dues, if any, payable by the petitioner during the currency of the licence. It is, however, clarified that the said amount shall not be refunded or paid to the petitioner, but shall stand adjusted only against the subsequent liabilities arising under the contract. ***Disposed of*** as such.

(Sanjay Parihar)
Judge

JAMMU
18.08.2026
Manik

Whether this order is speaking: Yes/No

Whether this order is reportable: Yes/No