



IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No. 25285 of 2026 (ODHC010591432026)

W.P.(C) No. 3585 of 2024 (ODHC010114782024)

W.P.(C) No. 14157 of 2026 (ODHC010338492026)

***M/s. Bhabani Security Agencies,
Bhadrak***

....

Petitioner

Mr. Chitta Ranjan Pattnaik, Advocate
-versus-

State of Odisha and others

....

Opposite Parties

Mr. Sanjay Rath, Additional Government Advocate
Mr. Subir Palit, Senior Advocate
assisted by Mr. Rakesh Behera, Advocate

**CORAM:
HON'BLE THE CHIEF JUSTICE
AND
HON'BLE MR JUSTICE CHITTARANJAN DASH**

Order No.

**ORDER
20.08.2026**

- 02.**
1. All the writ petitions are taken up together, as the issues involved therein are intertwined with each other. These writ petitions are at the behest of the common writ petitioner challenging the action of the authority in relation to the services provided in the Health Department and the interim orders are being passed therein, which impede any further action to be taken by the authorities.
 2. While the instant writ petition, being W.P.(C) No.25285 of 2026, has been filed by the petitioner praying for quashing of Advertisement No.6/26 dated 29.04.2026 as well as the order of



disengagement dated 30.07.2026 issued by the Chief District Medical & Public Health Officer, Bhadrak, in W.P.(C) No.3585 of 2024, the petitioner had earlier challenged the legality of the letter dated 30.12.2023 issued by the said authority. In W.P.(C) No.14157 of 2026, the petitioner challenged Advertisement No.6 of 2026 dated 29.04.2026 issued by the District Medical & Public Health Officer, Bhadrak, and further sought a direction to the authority to allow him to continue his work till completion of his tenure, i.e., three years from the date of actual commencement of operation, i.e., from 01.10.2023 till 30.09.2026.

3. Needless to mention that the Petitioner has been disengaged from the contract with effect from 31.07.2026.

4. A point is taken by the petitioner that during the subsistence of a service contract, the authorities cannot float the tender, which does not appear to hold water for the simple reason that preemptive steps can be taken by the authorities and the existing contractor does not have the perennial right if the contract is for a limited period. There is no fetter on the part of the authorities to float the tender, so that upon expiration of the period of the contract, the deployment can be made. The reason for such action can further be fortified that it relates to the services in the health sector and the disruption in security would be regarded as serious lapses and in order to maintain the continuity in the said services, we do not find any hindrance on the part of the authorities to float the tender during the currency of the contract as a preemptive measure.



5. The dispute now centres on the point whether a service provider can be disengaged by a stroke of the pen during the subsistence of a contract without terminating the contract itself. The tenor of the letter dated 27th September, 2023, issued to the Petitioner by the Chief District Medical & Public Health Officer, Bhadrak, does not suggest that the contract awarded to the Petitioner was terminated. However, the parties are not in unison so far as the starting point of the contract awarded to the Petitioner is concerned. Such confusion appears to have been created because of the interdict in relation to some of the writ petitions filed by the third party and, after such impasse had been removed, the letter dated 27th September, 2023 was issued indicating the commencement of the services with effect from 1st October, 2023, with the rider that the said services will be terminated after the selection of a new security agency as per the revised RFP.

6. Though the agreement was entered into on 16th March, 2023, wherein the duration of the said service is indicated to be three (03) years, subject to satisfactory performance, with the further right vested in the authority to extend the same for another two (02) years if the performance of the service provider appears to be satisfactory.

7. Thus, the initial period of the said agreement can be reasonably inferred to be for a period of three (03) years, but because the commencement date was postponed and the authorities have accepted the same as 1st October, 2023, the period of the agreement,



which is fixed and certain, is three (03) years and will expire at midnight on 30th September, 2026.

8. The authorities cannot whittle down the period of the engagement except by way of an express termination of the said contract and, therefore, the letter dated 30th July, 2026, which is the subject matter of challenge in one of the writ petitions, cannot be said to be in consonance with the agreement. The content of the said letter does not convey any sense that the contract has been terminated by the parties and, during the subsistence of the contract, the decision for disengagement cannot be said to be proper and legal.

9. We are given to understand that a third-party right has already been created, the third party also being arraigned as a party in the instant proceedings, and claims to have deployed its workers and rendered services thereat from 1st August, 2026. Though the Petitioner is at variance so far as the deployment by the third party is concerned, we do not indulge in going into the above aspect, as we find that such agreement is determinable in nature. The only remedy which is available to the person is to claim compensation. Since the Petitioner is deprived of continuing to render the services for the months of August and September in terms of the said agreement, we find that such disengagement is contrary to the said agreement and the action of the authorities cannot be supported.

10. We are conscious of the proposition of law that the writ Court should not interfere mechanically in relation to contractual matters. However, there is no absolute fetter on the High Court to



interfere in contractual matters in deserving cases, as held by the Hon'ble Supreme Court in *ABL International Limited v. Export Credit Guarantee Corporation of India Limited*, reported in (2004) 3 SCC 553.

11. Considering the nature of the services in the health sector, where a large number of the people visit, the security and the safety are indispensable. Any disruption in this regard should be guarded against and, therefore, we do not interfere with the letter dated 30th July, 2026 but equally, we hold that the petitioner is entitled to a compensation of two months.

12. We, thus, direct the petitioner to approach the authorities with the documents submitted for the month of July, 2026 and the expected loss of profit, which he earns every month for rendering such services, shall be ascertained and/or determined, and the State is directed to pay the said amount to the petitioner within four weeks from the date of the determination thereof.

(Harish Tandon)
Chief Justice

(Chittaranjan Dash)
Judge

S. Behera

Signature Not Verified

Digitally Signed
Signed by: SUMANTA BEHERA
Reason: Authentication
Location: High Court of Orissa, Cuttack
Date: 21-Aug-2026 11:59:40

