



2026:CGHC:24589-DB

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 2883 of 2026

Ms. Md. Akhtar Through Proprietor Md. Akhtar S/o Md. Abdul Abbas Aged About 48 Years R/o Kharsiya Naka, Ambikapur, Distt - Surguja (C.G.)

... Petitioner(s)

versus

1 - State Of Chhattisgarh Through The Secretary, Public Works Department, Mantralaya, Mahanadi Bhawan, Atal Nagar, Nawa Raipur, District - Raipur (C.G.)

2 - Chief Engineer (Central Tender Cell) Office Of Engineer In Chief P W D Nawa Raipur, District - Raipur (C.G.)

3 - Executive Engineer Public Works Department, Gaurela Devision, District - Gaurela-Pendra-Marwahi (C.G.)

... Respondent(s)

(Cause-title taken from Case Information System)

For Petitioner : Shri Yogendra Chaturvedi, Advocate
For Respondents/State : Shri Prasun Bhaduri, Dy AG

Hon'ble Shri Ramesh Sinha, Chief Justice
Hon'ble Shri Justice Ravindra Kumar Agrawal
Order on Board

Per Ramesh Sinha, Chief Justice
18.06.2026

Heard Shri Yogendra Chaturvedi, learned counsel for the petitioner and Shri Prasun Bhaduri, learned Dy AG for the State.

1. Petitioner has filed the present petition for the following reliefs:-

“10.1 That, this Hon’ble Court may kindly be pleased to set aside the impugned NIT No.214/TC/2026-2017 (e-procurement Tender Notice) dated 11.05.2026 (Annexure P1)

10.2 That, this Hon’ble Court may kindly be pleased to direct the respondent authorities to restore the tender process pursuant to NIT No.918/TC/2025-2026 dated 10.02.2026 (Annexure P2), and further direct them to consider and accept the financial bid of the petitioner (being the sole qualified bidder at 2.11% above SOR) and consequently award the contract to the Petitioner.

10.4 That, any other relief or reliefs may also be granted to the petitioner which this Hon’ble court deems fit and proper in the facts and circumstances of the case.”

2. The present writ petition is being preferred challenging the impugned NIT No. 214/TC/2026-2027 (e-Procurement Tender Notice) dated 11.05.2026 (Annexure P/1), whereby the respondent authorities invited online tenders (3rd Call) in Form ‘A’ (Percentage Rate Basis), along with the Bid Capacity Document, from contractors registered in ‘B’ Class and above under the Unified Registration System (E-Registration) of the Chhattisgarh Public Works Department, for the work of construction of a High-Level Bridge over Sondi Nala at Km 7/2 on the Gaurela–Venkatnagar Road, including approach roads, with an estimated cost of Rs. 238.60 lakhs. The petitioner firm, being an eligible contractor, submitted its bid pursuant to the aforesaid NIT. However, the respondent authorities, acting in an arbitrary, unreasonable and discriminatory manner, rejected the petitioner’s bid despite the petitioner being the sole participant in the tender process. The rejection was made solely on the

ground that the petitioner had quoted a rate of 2.11% above the Schedule of Rates (SOR).

3. Learned counsel for the petitioner would submit that petitioner was the sole bidder in the said tender process and, upon evaluation, was found technically and financially qualified. However, vide letter dated 04.05.2026 (Annexure P/3), the respondent authorities rejected the petitioner's bid solely on the ground that the quoted rate was higher than the tender rates generally accepted in the region. The said action of respondent authorities is arbitrary, unreasonable and contrary to the principles governing public procurement, particularly when the petitioner was the only eligible participant and no opportunity of hearing or clarification was afforded before rejection of the bid.

The impugned action is further vitiated by discrimination and unequal treatment, as the respondent authorities have, on several previous occasions, accepted substantially higher rates for similar works in the same region, including rates up to 4.99% above the SOR, as evidenced by the work allotment dated 28.11.2024 (Annexure P/4). Despite rejecting the petitioner's bid, the respondents proceeded to issue a fresh tender vide NIT No. 214/TC/2026-2027 dated 11.05.2026 (Annexure P/1), thereby rendering the rejection wholly unjustified and arbitrary. Aggrieved by the said action, the petitioner submitted a detailed representation dated 18.05.2026 (Annexure P/5), highlighting the discriminatory treatment and requesting reconsideration, however, the

respondents have neither considered nor decided the said representation, thereby compelling the petitioner to invoke the extraordinary jurisdiction of this Hon'ble Court.

4. On the other hand, learned State counsel would submit that the petitioner has no vested or indefeasible right to claim award of the contract merely because it was the sole bidder or because its bid was found technically responsive. It is well settled that the employer retains the discretion to accept or reject any tender in the larger public interest, keeping in view financial prudence, competitiveness, and the requirement of securing the most economical rates for public works. The decision to reject the petitioner's bid was taken after due consideration by the competent authority, which found the quoted rate of 2.11% above the Schedule of Rates (SOR) to be commercially enviable and higher than the rates generally accepted for similar works in the concerned region. The action was taken in accordance with the terms and conditions of the tender and the applicable procurement policy and does not suffer from any arbitrariness, *mala fides*, or procedural irregularity. Issuance of a fresh tender notice after cancellation of the earlier tender process was undertaken solely to ensure wider competition and to secure more advantageous rates in the interest of public funds. The instances relied upon by the petitioner, wherein higher rates were allegedly accepted in other works, relate to different projects executed under distinct factual, geographical, technical, and financial considerations and therefore, cannot form the basis of a claim of parity. Each tender process

constitutes an independent transaction and must be evaluated on its own merits. The petitioner's representation was duly examined by the competent authority however, no case for interference with the administrative decision was found.

Further, learned counsel for the respondents would submit that the relief sought by the petitioner is with respect to alleged contractual obligations between the parties and involves disputed questions of fact requiring detailed examination of records. It is well settled that writ jurisdiction ought not to be invoked for enforcement of contractual claims, particularly where factual adjudication is required.

In the absence of any violation of statutory provisions, mala fide exercise of power, or manifest arbitrariness, the writ petition is devoid of merit and is liable to be dismissed.

5. We have heard learned counsel for the parties and perused the material annexed with the petition.

6. The Hon'ble Supreme Court in the case of **Tata Motors Limited v The Brihan Mumbai Electric Supply & Transport Undertaking (Best) and Others** passed in Civil Appeal No. 3897 of 2023 vide judgment dated 19.05.2023 held as follows :

“48. This Court being the guardian of fundamental rights is duty-bound to interfere when there is arbitrariness, irrationality, mala fides and bias. However, this Court has

cautioned time and again that courts should exercise a lot of restraint while exercising their powers of judicial review in contractual or commercial matters. This Court is normally loathe to interfere in contractual matters unless a clear-cut case of arbitrariness or mala fides or bias or irrationality is made out. One must remember that today many public sector undertakings compete with the private industry. The contracts entered into between private parties are not subject to scrutiny under writ jurisdiction. No doubt, the bodies which are State within the meaning of Article 12 of the Constitution are bound to act fairly and are amenable to the writ jurisdiction of superior courts but this discretionary power must be exercised with a great deal of restraint and caution. The courts must realise their limitations and the havoc which needless interference in commercial matters can cause. In contracts involving technical issues the courts should be even more reluctant because most of us in Judges' robes do not have the necessary expertise to adjudicate upon technical issues beyond our domain. The courts should not use a magnifying glass while scanning the tenders and make every small mistake appear like a big blunder. In fact, the courts must give "fair play in the joints" to the government and public sector undertakings in matters of contract. Courts must also not interfere where such interference will cause unnecessary loss to the public exchequer. (See: *Silppi Constructions Contractors v. Union of India*, (2020) 16 SCC 489).

52. Ordinarily, a writ court should refrain itself from imposing its decision over the decision of the employer as to whether or not to accept the bid of a tenderer unless something very gross or palpable is pointed out. The court ordinarily should not interfere in matters relating to tender or contract. To set at naught the entire tender process at the stage when the contract is well underway, would not be in public interest. Initiating a fresh tender process at this stage may consume lot of time and also loss to the public exchequer to the tune of crores of rupees. The financial burden/implications on the public exchequer that the State may have to meet with if the Court directs issue of a fresh tender notice, should be one of the guiding factors that the Court should keep in mind. This is evident from a three-Judge Bench decision of this Court in *Association of Registration Plates v. Union of India and Others*, reported in (2005) 1 SCC 679.

53. The law relating to award of contract by the State and public sector corporations was reviewed in *Air India Ltd. v. Cochin International Airport Ltd.*, reported in (2000) 2 SCC 617 and it was held that the award of a contract, whether by a private party or by a State, is essentially a commercial transaction. It can choose its own method to arrive at a decision and it is free to grant any relaxation for bona fide reasons, if the tender conditions permit such a relaxation. It was further held that the State, its corporations, instrumentalities and

agencies have the public duty to be fair to all concerned. Even when some defect is found in the decision-making process, the court must exercise its discretionary powers under Article 226 with great caution and should exercise it only in furtherance of public interest and not merely on the making out of a legal point. The court should always keep the larger public interest in mind in order to decide whether its intervention is called for or not. Only when it comes to a conclusion that overwhelming public interest requires interference, the court should interfere.

54. As observed by this Court in *Jagdish Mandal v. State of Orissa and Others*, reported in (2007) 14 SCC 517, that while invoking power of judicial review in matters as to tenders or award of contracts, certain special features should be borne in mind that evaluations of tenders and awarding of contracts are essentially commercial functions and principles of equity and natural justice stay at a distance in such matters. If the decision relating to award of contract is bona fide and is in public interest, courts will not interfere by exercising powers of judicial review even if a procedural aberration or error in assessment or prejudice to a tenderer, is made out. Power of judicial review will not be invoked to protect private interest at the cost of public interest, or to decide contractual disputes.”

7. Upon perusal of the judgment passed by the Hon’ble Supreme Court in **Tata Motors Limited** (Supra), as the Apex Court has

categorically held that judicial review in contractual and tender matters must be exercised with great restraint and only in cases where clear arbitrariness, *mala fides*, bias or irrationality is demonstrated.

8. The petitioner has filed the present writ petition assailing the action of the respondent authorities in rejecting its bid submitted pursuant to NIT No. 214/TC/2026-2027 dated 11.05.2026 for construction of a High-Level Bridge over Sondi Nala on the Gaurela-Venkatnagar Road, despite the petitioner being the sole bidder and having been found technically and financially qualified. The petitioner's bid was rejected on the ground that the quoted rate was 2.11% above the Schedule of Rates (SOR) and higher than the rates generally accepted in the region. According to the petitioner, the rejection is arbitrary, unreasonable and discriminatory, particularly when the respondents had, in similar works, accepted bids at rates substantially higher than the SOR, including up to 4.99% above the SOR. It is further contended that after rejecting the petitioner's bid, the respondents issued a fresh tender for the same work, thereby rendering the impugned action unjustified. Aggrieved thereby, the petitioner submitted a representation dated 18.05.2026 seeking reconsideration of the decision; however, the same has not been considered by the respondent authorities.

9. The scope of judicial review in contractual and tender matters is limited and the Court ordinarily does not interfere unless the decision-making process is found to be arbitrary, irrational or contrary to law, which

is not established in the present case. Hence, in light of the settled legal position, the present petition for setting aside the impugned NIT No.214/TC/2026-2017 (e-procurement Tender Notice) dated 11.05.2026 (Annexure P1), and to direct the respondent authorities to restore the tender process pursuant to NIT No.918/TC/2025-2026 dated 10.02.2026 (Annexure P2), and further direct them to consider and accept the financial bid of the petitioner (being the sole qualified bidder at 2.11% above SOR) and consequently award the contract to the petitioner is misconceived, devoid of merit, and liable to be dismissed.

10. Accordingly, the writ petition being devoid of merit, is liable to be and is hereby dismissed. However, liberty is reserved in favour of the petitioner to take recourse to other alternate remedies available to him under the law. No cost(s).

Sd/-
(Ravindra Kumar Agrawal)
Judge

Sd/-
(Ramesh Sinha)
Chief Justice