IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) Nos.18134/2025, 8475/2025, 8484/2025, 8588/2025, 8597/2025, 8876/2025 and 18135/2025

(Applications under Articles 226 and 227 of the Constitution of India)

A.F.R. ***In W.P.(C) No.18134/2025***

M/s.Nitai Gaura Women's S.H.G., Bhadrak
... Petitioner

-versus-

State of Odisha & others ... Opposite Parties

Advocates appeared in the case through hybrid mode:

For Petitioners : Mr.B. Routray,
Sr. Advocate,
Mr. J. Biswal, Advocate
Mr. S.K.Samal, Advocate

-versus-

For Opposite Parties
: Mr. S.N.Patnaik, A.G.A

In W.P.(C) No.8475/2025

M/s.Maa Basulai Women Self Help Group and another ... Petitioners

-versus-

State of Odisha & others ... Opposite Parties

Advocates appeared in the case through hybrid mode:

For Petitioners : Mr. Amitav Das, Advocate
Mr. K.K.Patel, Advocate
Mr.Asok Mohanty,
Sr.Advocate
Mr.A.B.Parida, Advocate,
Mr. B. Pradhan, Advocate
Mr. S.P.Parida, Advocate

-versus-

For Opposite Parties : Mr. S.N. Patnaik, A.G.A.

In W.P.(C) No.8484/2025

M/s.Maa Basulai Women Self Help Group and another ... Petitioners

-versus-

State of Odisha & others ... Opposite Parties

Advocates appeared in the case through hybrid mode:

For Petitioners : Mr. Amitav Das, Advocate
Mr. K.K.Patel, Advocate
Mr.Asok Mohanty,
Sr.Advocate
Mr.A.B.Parida, Advocate,
Mr. B. Pradhan, Advocate
Mr. S.P.Parida, Advocate

-versus-

For Opposite Parties : Mr. S.N. Patnaik, A.G.A.

In W.P.(C) No.8588/2025

M/s.Biswonath Self Help Group and another ... Petitioners

-versus-

State of Odisha & others ... Opposite Parties

Advocates appeared in the case through hybrid mode:

For Petitioners :Mr. Asok Mohanty, Sr.Advocate
Mr. P.K.Rath, Sr.Advocate
Mr.D. Das, Advocate
Mr.A.B.Parida, Advocate,
Mr. L. Pradhan, Advocate
Mr. S.P.Parida, Advocate
Mr. L. Samantray,Advocate

-versus-

For Opposite Parties **:** Mr. S.N. Patnaik, A.G.A.

In W.P.(C) No.8597/2025

M/s.Himmat Self Help Group and another ... Petitioners

-versus-

State of Odisha & others ... Opposite Parties

Advocates appeared in the case through hybrid mode:

For Petitioners : Mr. Amitav Das, Advocate
Mr. K.K.Patel, Advocate
Mr. B. Pradhan, Advocate
Mr. A.K.Dash, Advocate

-versus-

For Opposite Parties : Mr. S.N. Patnaik, A.G.A.

In W.P.(C) No.8876/2025

M/s.Minara Self Help Group and another ... Petitioners

-versus-

State of Odisha & others ... Opposite Parties

Advocates appeared in the case through hybrid mode:

For Petitioners :Mr. S.K.Mishra,
Sr.Advocate
Mr.Asok Mohanty,
Sr. Advocate,
Mr. J.Pradhan, Advocate
Mr.S. Sahoo, Advocate
Mr. L. Pradhan, Advocate
Mr. S.P.Parida, Advocate
Mr. L. Samantray,Advocate
Mr. D. Das, Advocate
Mr.A. Priya

-versus-

For Opposite Parties : Mr. S.N. Patnaik, A.G.A.

In W.P.(C) No.18135/2025

M/s.Binapani Women's Self Help Group
... Petitioner

-versus-

State of Odisha & others ... Opposite Parties

Advocates appeared in the case through hybrid mode:

For Petitioners : Mr. J.K.Rath,Sr. Advocate
Mr. S.K.Samal, Advocate

-versus-

For Opposite Parties : Mr. S.N. Patnaik, A.G.A.

CORAM:
JUSTICE SASHIKANTA MISHRA

JUDGMENT
24.10.2025.

Sashikanta Mishra,J. All these Writ Petitions involve common questions of facts and law and being heard together, are disposed of by this common judgment.

2. These Writ Petitions, seven in number, can be categorized into two batches-W.P.(C) Nos.8475,

8484,8597,8588 and 8876 of 2025 forming the first batch while W.P.(C) Nos.18134 and 18135 of 2025, the second batch.

3. For brevity and convenience, the facts of one Writ Petition of each batch are taken up for consideration. As such, the facts of W.P.(C) No.8588/2025 of the first batch and W.P.(C) No.18134/2025 of the second batch are considered.

4. The Petitioner-M/s.Biswonath Self Help Group, Bhadrak(Petitioner SHG) was established in the year 2004 being registered under the Societies Registration Act, 1860. Having fulfilled the eligibility criteria, it was issued with a food safety license under Regulation 2.1.4(6) of the Food Safety and Security (FSS) Act, 2006. It was engaged for preparation and distribution of Take Home Ration (THR) material in the Bhandaripokhari ICDS Project in the district of Bhadrak in the year 2011 by executing an agreement as per the prevailing guidelines. Take Home Ration (THR) is provided to pregnant and lactating women,

children aged between 6 months to 3 years and mal-nourished children on daily basis. The Government of Odisha, acting in terms of the relevant guidelines of the Government of India has adopted a principle of Ready To Eat (RTE) food (Chhatua) for all eligible beneficiaries. As per the instructions of the Government, rice-based or rice/wheat-based Chhatua shall be prepared by SHGs operating in the locality having all necessary infrastructure for drying, grinding and packaging equipment. The Government of Odisha in Women and Child Development (W & C.D) Department issued the revised guidelines for implementation of Take Home Ration, 2018 (2018 guidelines). As per Clause-7 of the said guidelines, only graded SHGs having experience in preparation of Chhatua along with necessary equipment are to be given preference in selection. Clause-12(ii) of the guidelines provides that before the end of one year a review of the performance of the SHG shall be made by the Collector after which a decision is to be taken either to renew or rescind the contract. In view of

satisfactory performance as certified by the Food Testing Laboratory, the Petitioner SHG's contract was renewed from time to time since 2011. The latest contract was due to expire on 31.3.2025, but no process of assessment of performance was initiated as contemplated in the guidelines. On the contrary, the Collector, Bhadrak by letter dtd.19.3.2025 instructed all the CDPOs to publish fresh notification for the year 2025-26. Accordingly, an advertisement was issued by the CDPO on 20.3.2025 inviting applications from the eligible and willing SHGs for preparation and distribution of THR material. According to the Petitioner SHG, publication of advertisement is not contemplated in the guidelines and is therefore, bad in law. Moreover, no steps being taken to assess the performance of the unit and there also not being anything adverse against the Petitioner SHG, the issuance of the advertisement instead of renewing the contract with it cannot be sustained. On such facts, basically, the Petitioner SHG has filed W.P.(C) No.8588/2025 with the following prayer;

"It is therefore, most humbly and respectfully prayed that this Hon'ble Court may be graciously pleased to issue Rule NISI calling upon the Opp. Parties to show cause as to why (i) the advertisement dtd.20.3.2025 under Annexure-6 shall not be quashed after declaring the same as illegal and (ii) direction shall not be issued to the Opp.Party No.2 i.e., the Collector, Bhadrak to take steps to assess the performance of the Petitioners SHG and renew their contract with effect from 1.4.2025 to 31.3.2026 as contemplated under Clause-12(ii) of the Revised Guidelines, 2018 keeping in view Annexure-8 series within a stipulated period."

5. Be it noted that during pendency of these Writ Petitions, as per decision taken by the Government, all the existing contracts with SHG's scheduled to expire on 31.3.2025 have been extended initially till 30th June, 2025 and thereafter till 30th September, 2025. Presently, the contract stands extended till 31st December, 2025. The stand of the State Government as reflected in its counter affidavit is that the Petitioner SHG's contract was rescinded earlier on 10.9.2019 because of an adverse report of Block Level Committee but it had been allowed by the District Level Committee to avoid interruption of feeding programme. It is further stated that though there is a provision in the guideline to renew the contract after assessing the performance of the SHG but in this case, the Collector

decided to go for a fresh tender to offer an even-playing field to all interested bidders as complaints/allegations were being raised during grievance hearing in different blocks and the Petitioner SHG has been engaged for a long period of 15 years. The advertisement was issued by the CDPO in the larger interest of the beneficiaries of the project due to public dissatisfaction over supply of poor quality of Chhatua, as noticed by the Collector in the field-level grievance cell camps. There is no question of harassing any WSHG, rather it is intended to give an opportunity to other WSHGs to improve their economic status as the present WSHG has already been engaged for more than 15 years. Therefore, an open tender was floated to have more competition among WSHG and to provide a level playing field to others. The Petitioner SHG is not debarred to participate in the open tender.

6. The Petitioner has filed a rejoinder affidavit enclosing copy of enquiry report dtd.4.2.2025 by a committee headed by the Sub-Collector, Bhadrak. In

the said inquiry, the beneficiaries and Anganwadi Workers have given statements that they are getting good quality and proper quantity of Chhatua from the Petitioner SHG. The Petitioner SHG protested against the false allegations by submitting a complaint to the Director, W & C.D. Department. As per the order of the Department, the Collector conducted a detailed inquiry and nothing adverse was reported against the Petitioner SHG in his report dtd.24.7.2025 submitted to the Government. It is further stated that there is no provision in the guidelines to issue an advertisement. It is also stated that the contracts of similarly placed SHGs in Bargarh, Jajpur and Keonjhar districts have been renewed.

7. In course of hearing, the Petitioner SHG has brought on record the test reports issued by the Food Testing Laboratory in its favour from time to time.

8. The Petitioner-M/s. Nitai Gaura Women's SHG (Petitioner group) in W.P.(C) No.18134/2025 is a Self Help Group established in the year 2011 for

preparation and distribution of THR/Chhatua. Pursuant to letter dtd.19.3.2025 of the Collector, Bhadrak, the CDPO issued advertisement on 20.3.2025 inviting applications from the WSHGs. The Petitioner group submitted its application as it fulfilled all the eligibility criteria. By order dated 08.4.2025, the Collector, Bhadrak directed all the B.D.O-cum-Chairman of Block Level committee of the concerned ICDS Project regarding verification of infrastructure of the SHGs (applicants) pursuant to the advertisement and for submission of feasibility report. Accordingly, the concerned authorities visited the premises of the Petitioner group on 15.4.2025 and inspected the infrastructure, plant and machinery. The verification process was completed and report was submitted to the Collector on 15.4.2025. In view of the interlocutory order passed by this Court in W.P.(C) No.8588/2025 on 9.4.2025, the selection process pursuant to the advertisement has not been finalized. The Petitioner group has invested more than Rs.50,00,000/- in setting up manufacturing unit and installed plant and

machinery. It has also obtained a Food Safety License. Thus, despite fulfilling all eligibility criteria, the Petitioner group is unable to be selected pursuant to the advertisement because of the interlocutory order passed by this Court in the above mentioned Writ Petition. The contract with Biswonath WSHG has expired since long, but it has been allowed to continue by virtue of order passed by this Court. On such facts, the Writ Petition has been filed by the Petitioner group with the following prayer;

> *"It is therefore, most humbly prayed that this Hon'ble Court be graciously pleased to:*
> *i) Admit the writ petition.*
> *ii) Call for the record.*
> *iii) Issue a writ in the nature of mandamus or any other writ/writs direction/directions directing the opposite parties particularly the opp party No-2 i.e the Collector & District Magistrate, Bhadrak to take render Anneyaume-3 necessary steps to finalize the selection process of Women Self Help Group those who have applied pursuant to the advertisement dtd. 20.03.2025 for supply of THR (Chhatua) under SNP Programme for the year 2025-26 within a reasonable time to be stipulated by this Hon'ble Court in the interest of justice.*
> *iv) And/or pass such other order/orders, direction/directions as this Hon'ble Court may deems fit and proper for the ends of justice.*
>
> *And for the said act of kindness, the petitioner as in duty bound shall ever pray."*

9. Counter affidavit has been filed by Biswonath WSHG (Opp.Party No.5), inter alia, stating that the revised guidelines do not empower the Collector to issue advertisement for which such advertisement issued on 20.3.2025 has been challenged in the Writ Petition filed by it in W.P.(C) No.8588/2025 seeking quashment of the same. Since the notification itself is illegal, the writ Petitioner cannot claim any right under it. Moreover, when the performance of the answering Opp.Party was certified as good, the Collector, instead of renewing the contract decided to go for a fresh advertisement, though in other districts the contracts of existing SHGs have been renewed. The writ Petitioner has no locus standi in the matter as it has not yet been selected pursuant to the advertisement, which is under challenge. There is nothing adverse against the answering Opp.Party (Biswonath WSHG). On the contrary, the samples tested by the Food Testing Laboratory were found to be satisfactory. In the inquiry conducted on the order of the Collector, the

beneficiaries have certified the performance of Biswonath WSHG to be satisfactory. Some persons having vested interest have been trying to oust it from the contract.

10. Heard Mr.S.K.Mishra, learned Senior counsel, Mr. P.K.Rath, learned Senior counsel, Mr. Asok Mohanty, learned Senior counsel, and Mr.Amitav Das, learned counsel for the Petitioners in the first batch of the Writ Petitions and Mr. B. Routray, learned Senior counsel, Mr. J.K.Rath, learned Senior counsel and Mr. S.K.Samal, learned counsel for the Petitioners in the second batch of Writ Petition. Also heard Mr. S.N.Patnaik, learned Addl. Government Advocate for the State.

11. Both the Senior counsel Mr. S.K.Mishra and Mr. P.K.Rath have made similar arguments, the gist of which is as follows:

There is no provision whatsoever in the 2018 guidelines for selection of WSHGs by issuing

advertisement. Clause-7 provides the method of selection of SHGs while Clause-12 provides that before the end of one year, the performance of the SHG should be reviewed by the Collector and thereafter a decision is to be taken either to renew or rescind the contract. Mr. Mishra has also referred to an executive instruction vide letter dtd.25.7.2019 issued by the Director through ICDS and D.S.W.O. to all Collectors reiterating the provision in the contract for renewal or rescission of contract by the Collector. In the said instructions, it has been reiterated that the decision of the Collector for renewal or rescission of the contract has to be based on a review of the performance of the SHGs and by taking inputs from other stakeholders. On such basis, Mr. Mishra would argue that the Collector has no power to straightaway issue advertisement without following the process mentioned in Clause-12(ii) of the guidelines. The advertisement, according to Mr. Mishra, is entirely unsustainable in the eye of law.

12. Mr. Amitav Das while adopting the above arguments would further submit that not only did the Collector exceed his jurisdiction by deciding to issue advertisement ignoring the guidelines but fact also remains that the performance of the existing SHGs have been found to be satisfactory as per the report submitted by the State Testing Laboratory. Mr. Das draws attention of this Court to an earlier instruction issued by the Commissioner-cum-Secretary to Government in W & C.D. Department vide letter dtd.8.6.2012 wherein it is clearly stipulated that unless a particular SHG is found to have been supplying substandard Chhatua or not conforming to Government guidelines for Chhatua processing, there is no need to replace that SHG. In case it is necessary to replace a SHG, a thorough verification of its performance should be done and approved at the district level. It is also mentioned therein that systematically replacing existing SHGs with new SHGs without any concrete reason would negatively impact the SNP programme.

13. Mr. B. Routray, learned Senior counsel, on the other hand, would argue that the Writ Petition filed by the Petitioner is not maintainable since it is a dispute arising out of a contract for which civil remedies are available. He further argues that renewal of contract is not a vested right and is subject to performance review and lies within the discretion of the Collector under Clause-12(ii) of the 2018 guidelines. Mr. Routray also argues that the employer/authority has the discretion to determine criteria for selection as long as it is non-arbitrary and transparent. The Collector exercising his discretion has issued an open advertisement which ensure transparency and fairness in line with Article 14. On the other hand, the Petitioner claims automatic renewal of contract which is contrary to the principle of equality under Article 14. It is further submitted that in all the THR processing unit, the existing WSHG's have been engaged for over a decade and therefore issuance of a fresh advertisement to select the best among the WSHGs cannot be faulted. The underlying objective of formation of WSHGs is

promote economic empowerment by providing opportunities to different groups, if the same set of WSHGs are continued indefinitely without opening up opportunities to new ones, the very purpose of the scheme would be frustrated.

14. With regard to the case of the Petitioner (Nitai Goura) in W.P.(C) No.18134/2025, Mr. Routray, learned Senior counsel, would argue that the Petitioner having fulfilled the eligibility criteria has participated in the open tender process pursuant to the advertisement but the selection process has been stalled because of an interlocutory order passed by this Court in the connected Writ Petitions. The Addl. Secretary to Government has no power to extend the contract unilaterally beyond the contract period. In the process, the fair and transparent process of selection undertaken by the Collector has been unnecessarily interfered with.

15. Mr. S.N.Patnaik, learned Addl. Government Advocate would argue that no party to a contract can

claim automatic renewal of contract indefinitely. Renewal of contract is always based on review of performance. Several complaints were received against Biswonath WSHG and the testing reports were also found to be adverse. Though there is no specific provision in the guidelines, the Collector, in order to ensure a level-playing field for all eligible WSHGs decided to float an open advertisement. Such decision was not actuated by any malafides. Moreover, it offers right of participation to all eligible SHGs including the Petitioners.

16. The question of maintainability of the Writ Petition having been raised, it would be apposite to first deal with it. In this context, as already stated, learned Senior counsel Mr. Routrary has forcefully argued that the disputes arising out of contracts cannot be adjudicated by the High Court in its writ jurisdiction under Article 226 of the Constitution. The case at hand is one in which there is allegation of breach of contract by the Collector and therefore, the

same cannot be brought within the purview of inquiry by the Writ Court. Mr. Routray has relied upon the judgments of the Supreme Court in the case of ***Joshi Technologies International Inc. v. Union of India,*** [1]and ***Radha Krishan Industries v. State of H.P., (2021) 6 SCC 771***[2]. In the former case, the Supreme Court reiterated that disputes arising purely out of contracts, especially when factual issues or alternative remedies are available must be relegated to civil proceedings. In the latter case, the Supreme Court clarified that the writ is not an alternative to statutory/civil remedies when disputed facts are involved.

There can be no quarrel with regard to the propositions laid in the above quoted decisions. It is true that ordinarily, the Writ Court would not interfere in purely contractual disputes. There are, however, certain exceptions to this general rule as highlighted by the Supreme Court in the case of ***Tata Motors Ltd.***

[1] ***(2015) 7 SCC 728***
[2] ***(2021) 6 SCC 771***

v. Brihan Mumbai Electric Supply & Transport Undertaking,[3] wherein the following was observed;

> *"**50.** 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.*
>
> *xxx xxx xxx xxx xxx xxx xxx*
>
> *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."*

Even in **Radha Krishan Industries (supra)**, the Supreme Court held as follows;

> *"The High Court under Article 226 of the Constitution, ordinarily does not entertain a writ petition where an effective alternative remedy exists, except in cases involving enforcement of fundamental rights, violation of natural justice, lack of jurisdiction, or challenges to the vires of legislation. While the rule of exhausting statutory remedies is one of policy and discretion, the High Court retains the powers to exercise writ jurisdiction whenever the nature of the case so demanded."*

[3] ***(2023) 19 SCC 1***

17. Having said so, this Court finds that the dispute in the present case is not so much regarding the breach of contract or any dispute per se arising out of the contract but one which relates specifically to violation of the 2018 guidelines. If the contentions raised by the Petitioners in the first batch of Writ Petitions were to be accepted, it would imply that Clause-12(ii) of the 2018 guidelines stood violated. The contract flows from the guidelines and therefore cannot be treated in isolation. The Writ Petition seeks to examine this aspect and not any violation per se of the terms of the contract. To such extent therefore, the argument advanced by the learned Senior counsel is not acceptable.

18. Having held the Writ Petition as maintainable, this Court shall now proceed to deal with the rival contentions advanced with regard to the merits of the case.

The facts of the case are not disputed inasmuch as Biswonath WSHG has been engaged to manufacture

and supply THR (Chhatua) to the beneficiaries since 2011 by signing contract. Such contract has been renewed from year to year, the last of which was valid till 31.3.2025. As already stated, by way of administrative orders, the contract period have been extended till 31st December, 2025. The bone of contention between the parties in this case is issuance of the advertisement on the directions of the Collector, by the CDPO on 20.3.2025. It has been forcefully contended on behalf of the petitioners in the first batch of writ petitions that the advertisement is without jurisdiction as the guidelines do not confer any power on the Collector to take such a decision. On the contrary, it has been argued by learned counsel for the petitioners in the second batch of writ petitions that the Collector was well within his right to go for an advertisement in order to ensure a level-playing field for all eligible WSHGs and to select a suitable WSHG in a fair and transparent manner consistent with the principles underlying Article 14 of the Constitution of India.

19. The Government of Orissa in the Department of W and C. D. issued a set of guidelines titled 'Revised Guidelines for Implementation of Take Home Ration, 2018' (Supplementary Nutrition Programme of ICDS and Scheme for adolescent Girls) [2018 Guidelines]. Under the said guidelines, the Supplementary Nutrition Programme (SNP) aims to improve the health and nutritional status of children, pregnant women and lactating mothers. Children in the age group of 6 months to 6 years, pregnant women and lactating mothers are given nutritional support for 300 days a year. Each beneficiary is given nutritious food as part of morning snacks, hot cooked meals and Take Home Ration under the programme. Take Home Ration is given to pregnant and lactating mothers and to children from 6 months to 3 years as they do not attend the Anganwadi Center (AWC) on a daily basis. Severely underweight children (3- 6 years) are also given THR in addition to hot cooked meal. Clause-6(iii) of the guidelines provides that under Take Home Ration (Chhatua), dry ration such as halwa, groundnut

rasi, jagerri ladu or chikki, besan and atta/ragi and besan ladu shall be given to ensure that (i) proper nutritional inputs are provided (ii) quality is maintained and (iii) the product can be checked by any monitoring authority either at preparation, distribution or consumption stage.

20. Clause-7 deals with selection of SHG for preparation and distribution of THR and is reproduced below:

> *"**7. Selection of SHGs for preparation and distribution of THR***
>
> - *Take Home ration (Chhatua), Dry ration for halwa, Badam & Raasi Chikki and Ragi and Besan/Atta and Besan Ladoo) Is to be prepared and supplied by Women Self Help groups/ S6H Federations only.*
> - *In order to ensure uniformity and quality it is better that a single SHG supplies to the whole Block/Project. If that is not feasible, the Collector may assign maximum two SHGs to prepare Chhatua in a Block/Project. However, division of a Block/Project among more than one SHG should be avoided as far as practicable.*
> - *A separate SHG level may be engaged at the GP level for production and supply of Dry ration for Halwa, Badam and Raasi Chikki and Ragi & Besan/ Atta & Besan Ladoo.*
> - *Grading norms should be followed for selection of the SHG(s). Only graded SHG(s) that have experience of preparation of Chhatua and having equipment's for roasting, drying, grinding and packaging should be selected as the first preference. Therafter graded SHG(s) having experience in grinding other condiments like haldi etc. and having the equipment*

should be selected. Only if none of the above Is available, a graded SHG with experience of processing should be selected.

- *The manufacturing units of the SHG should be located within the assigned ICDS project area/GP area. The ownership of die machineries should t)e In the name of the SHGS/SHG Federation. Land, building for the production unit of the SHG should be owned, leased or rented (with proper records) by the SHGs/SHG Federation.*
- *Collectors should take the help of personnel of Mission Shakti, Tripti, ORMAS, NRLM, OTELP, WORLP etc. to identify good SHGs and also to install ready to eat plants. Wherever required, for SHG(s).”*

Contract conditions have been provided under Clause-12 as follows:

*“**12. Contract conditions***

i) A contract should be signed between the CDPO and the SHG(s) laying down the terms and conditions of preparation and supply. Normally, the contract should be for a period of one year only. Draft Contract at Annexure-VII.

ii) Before the end of one year a review of the SHG(s) performance should be made by the Collector after which a decision can be taken to either renew or rescind the contract.

iii) In case any SHG (s) is found to have deviated from the guidelines and made Chhatua/ Ladoo that has less protein and calorie than prescribed or has sold the Chhatua Ladoo in the market by misutilizing government money, strictest possible action should be taken against the SHG(s). This would entail termination of the contract, stoppage of micro credit support by the department to the SHG(s). A fine can also be enforced on the SHG(s). Proper procedure ensuring natural justice should be followed before taking any action.

The following penalties may be imposed in case of violation or lapses observed with the SHGs engaged for production and supply of THR.

Sl. No.	***Type of violation/lapses***	***Suggestive Penalties***
1	*Gap in infrastructure as specified in the Contract*	*Show cause notice and Termination of contract*

2	*Any deviation in agreed place of production or storage*	*Show cause notice and Termination of Contract*
3	*Variation in Physical Stock and Book of Accounts*	*Suspension and Termination of contract*
4	*Gap Accounts maintenance of Book of Accounts*	*Show cause notice*
5	*Less quantity of THR in packets*	*Cost Recovery, Forfeiture of Security Deposit and Termination of contract*
6	*Substandard quality on Chhatua as per nutritional norms*	*Show cause notice, Forfeiture of Security Deposit and Termination of contract*
7	*Samples found adulterated*	*Termination and Black listing for 5 years along with forfeiture of Security Deposit, Lodging of FIR*
8	*Samples sold in the market*	*Show cause notice and Termination of contract, cost recovery*
9	*Financial irregularity*	*Show cause notice, Forfeiture of Security Deposit and Termination.*

Another WSHG should be immediately engaged for preparation of THR so that there is no disruption in the supply in the AWCS."

21. From a reading of the aforequoted relevant clauses of the 2018 guidelines, the following facts emerge;

(i) Take Home Ration is intended to be provided to physically vulnerable sections of the community,

(ii) specific parameters and procedures have been provided for selection of suitable

SHGs to be engaged for preparation and supply of THR,

(iii) the selected SHG has to execute a contract with the CDPO laying down the terms and conditions of preparation and supply, valid for one year,

(iv) before the end of one year, the performance of the SHG has to be reviewed by the Collector,

(v) The decision to renew or rescind the contract shall be passed upon review of the SHG's performance,

(vi) specific penalties have been suggested for different types of violations, if noticed.

Thus, as it appears, the 2018 guidelines is a self-contained code governing each and every aspect of the Supplementary Nutrition Programme (SNP). It is also seen that the provision relating to selection of SHGs do not contemplate selection through open advertisement. It is admitted that the Collector, Bhadrak in his letter dtd.19.3.2025 instructed all

C.D.P.Os. to publish fresh notification for the year 2025-26. Accordingly, the C.D.P.O. vide Notification dtd.20.3.2025 issued advertisement inviting applications from the eligible and willing SHGs for preparation and distribution of THR material in Bhadrak ICDS Project. As already stated, there is no provision in the 2018 Guidelines empowering the Collector to adopt the above process for selection of the SHGs. In fact, issuance of the advertisement by itself runs contrary to the procedure for selection provided under Clause-7. Thus, there is clear violation of the guidelines. The State has not produced any material before this Court to show that the procedure contemplated under Clause-12 (ii) was undertaken prior to expiry of the latest contract on 31.3.2025. In other words, there is nothing on record to suggest that exercise contemplated under the aforesaid clause i.e. of conducting a review of the performance of SHG's was ever undertaken. It cannot be denied that the decision to renew or rescind the contract can only be taken on the basis of the review of the performance of the SHGs

concerned. This is also a violation of the provisions of the guidelines.

22. Now, the question arises as to what would be the effect of violation of these guidelines. In this context, learned Senior counsel and counsel appearing for the petitioners in the first batch of writ petitions have argued that the Collector has no power to act contrary to the provisions of the guidelines. On the other hand, learned State counsel as well as learned Senior counsel appearing for the petitioners in the second batch of writ petitions have argued that the Collector having adopted a fair and transparent procedure to select a SHG by providing a level-playing field to all eligible SHGs, the constitutional requirement of equality contemplated under Article 14 stands fulfilled. Therefore, the alleged so-called violation of the guidelines can have no impact. It is further argued by learned Senior counsel that the State/employer has the discretion to determine criteria for selection by going for open tender, advertisement or renewal as

long as it is non-arbitrary and transparent. Learned Senior counsel has relied upon the judgment of the Supreme Court in the case of ***Reliance Energy Ltd. v. Maharashtra State Road Development Corpn. Ltd., (2007) 8 SCC 1***[4], wherein the level-playing field doctrine was introduced to lay down that selection process must be transparent, but the authority retains discretion in fixing criteria.

23. This takes the Court to the question as to if the level playing field doctrine would supersede the 2018 Guidelines.

24. Admittedly, there is no statutory enactment governing the field. It is only the 2018 guidelines that hold the field. The question whether a non-statutory guideline could be legally enforceable or binding was considered by the Supreme Court in the case of

[4] ***(2007) 8 SCC 1***

Narendra Kumar Maheshwari v. Union of India, 1990 Supp SCC 440[5];

> *"Guidelines are issued by Governments and statutory authorities in various types of situations. Where such guidelines are intended to clarify or implement the condition and requirements precedent to the exercise of certain rights conferred in favour of citizens or persons and a deviation therefrom directly affects the rights so vested the persons whose rights are affected have a clear right to approach the Court for relief.*
>
> *xxx xxx xxx xxx xxx xxx xxx xxx*
>
> *Judicial control takes over only where the deviation either involves arbitrariness or discrimination or is so fundamental as to undermine a basic public purpose which the guidelines and the statute under which they are issued are intended to achieve."*

25. In fact it has been held that where rules are silent, administrative instructions can be relied upon as was held by the Supreme Court in the case of ***E.S. Patangwala Industrial Estate v. Collector of Central Excise,***[6] and ***Nagpur Improvement Trust v. Yadaoro Jagannath Kumbhare,***[7]. It has also been held that the same principles of statutory

---

[5] ***1990 Supp SCC 440***

[6] ***(1998) 8 SCC 752***

[7] ***(1999) 8 SCC 99***

interpretation as are applicable to statutory enactments also apply to administrative instructions. Reference in this regard can be had to the judgment of the Supreme Court in the case of ***Director, C.B.I v. D.P.Singh, (2010) I SCC 647***[8]***.***

It has been a long settled position of law that when a statute prescribes a thing to be done in a particular manner, the same is to be done in that manner or not at all, as held in the case of ***Nazir Ahmad v. King-Emperor, 1936 SCC OnLine PC 41***[9].

26. Thus, from a reading of the case laws referred to above as juxtaposed with the findings of this Court regarding violation of Clauses-7 and 12(ii) of the 2018 guidelines, the irresistible conclusion available to be drawn is, the decision of the Collector and the consequential Notification issued by the CDPO floating an advertisement on 20.3.2025 cannot be sustained in the eye of law being *de hors* the guidelines.

---

[8] ***(2010) I SCC 647***
[9] ***1936 SCC OnLine PC 41***

27. This is being said for all the more reason that there is no evidence whatsoever of any review being conducted regarding the performance of concerned SHG nor of any clear-cut adverse report being submitted by the competent authority against it. Having held thus, this Court would hasten to add that no party to a contract can seek renewal of the contract as a matter of right. In fact, Clause-12(ii) so heavily relied upon by the petitioners in the first batch of writ petitions, itself says so. The argument that the petitioner SHG having been engaged in the work since 2011 and having created infrastructure by investing a lot of money and therefore has a legitimate expectation of its contract being renewed indefinitely cannot be accepted. This is for the same reason that the guidelines do not provide consideration of any aspect other than performance vis-a-vis the standards as the basis for renewal of contract.

28. As regards the argument that the contracts have been renewed in some other districts, this Court would

not be influenced by such renewal in view of what has been said hereinabove that renewal of contract is to be governed by the requirements of Clause-12 (ii) and nothing else. Once this Court holds that the impugned advertisement has no legal sanctity, it automatically nullifies the claim of the petitioners in the second batch of writ petitions for finalizing the selection process. The very foundation of their case rests on the validity of the advertisement, which this Court has found otherwise. As such, this Court holds that the petitioners of the second batch of writ petitions are not entitled to any relief whatsoever.

29. Thus, from a conspectus of the analysis of facts, law, contentions raised and the discussions made, this Court has no hesitation in holding that the petitioners of the first batch of writ petitions have made out a good case for interference. It is held that the impugned advertisement dtd.20.3.2025 cannot be sustained in the eye of law.

30. In the result, the first batch of Writ Petitions is allowed. The impugned advertisement dtd.20.3.2025 is hereby quashed. The Collector, Bhadrak is directed to act strictly in terms of the 2018 Guidelines for renewal/rescission of the existing contracts.

31. The second batch of Writ Petitions being devoid of merit is dismissed. There shall be no order as to costs.

.....
Sashikanta Mishra,
Judge

Ashok Kumar Behera

Signature Not Verified
Digitally Signed
Signed by: ASHOK KUMAR BEHERA
Reason: Authentication
Location: High Court of Orissa, Cuttack
Date: 24-Oct-2025 18:36:15