



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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Reserved on	30.07.2025
Pronounced on	26.08.2025

CORAM

THE HON'BLE MR.JUSTICE C. SARAVANAN

W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

and

**W.M.P.(MD) Nos.15603, 15605, 15615, 15617,
5667, 15669, 15611, 15612, 16164 & 16167 of 2025**

I.Kezhson

... Petitioner in all
W.Ps.

Vs.

1.The Director of Town Panchayat,
8th Floor,
Urban Administrative Office Campus,
Raja Annamalaipuram,
Chennai 600 028.

2.The District Collector,
Kanyakumari District
at Nagercoil.

3.The Executive Engineer,
Town Panchayat Department,
Tirunelveli Zone.

... R1 to R3 in all
W.Ps.

4.The Executive Officer,
Kadaya Selection Grade Town Panchayat,
Kadaya, Kanyakumari District.

... R4 in W.P.(MD)
No.20235 of 2025



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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- 5.The Executive Officer,
Edaicode Selection Grade Town Panchayat,
Edaicode, Kanyakumari District. ... R4 in W.P.(MD)
No.20236 of 2025
- 6.The Executive Officer,
Kulasekharam Selection Grade
Town Panchayat,
Kulasekharam,
Kanyakumari District. ... R4 in W.P.(MD)
No.20237 of 2025
- 7.The Executive Officer,
Ponmanai Selection Grade Town Panchayat,
Ponmanai, Kanyakumari District. ... R4 in W.P.(MD)
No.20238 of 2025
- 8.The Executive Officer,
Thiruvattar Town Panchayat,
Thiruvattar, Kanyakumari District. ... R4 in W.P.(MD)
No.20889 of 2025

Prayer in W.P.(MD) No.20235 of 2025 : Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, calling for the records pertaining to the tender summary report of the fourth respondent in Ref.No.165/2025/A1 titled Improvement of BT Road at Arunkani Anaimugam Road in Kadayal Town Panchayat, Kanyakumari District, TURIP 2025-26 dated 09.07.2025 and quashing the same and consequently directing the fourth respondent to open and include the price bid of the petitioner in the said tender in Ref.No. 165/2025/A1.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

Prayer in W.P.(MD) No.20236 of 2025 : Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, calling for the records pertaining to the tender summary report of the fourth respondent in Ref.No.21-2025A1 titled SFC Black topping at Attukonam Child Nursery Pilavilai to Mithappancode Road in Edaicode Town Panchayat dated 09.07.2025 and quashing the same and consequently directing the fourth respondent to open and include the price bid of the petitioner in the said tender in Ref.No.21-2025A1.

Prayer in W.P.(MD) No.20237 of 2025 : Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, calling for the records pertaining to the tender summary report of the fourth respondent in Ref.No.188/2025/A1 titled SPECIAL FUND 2025-2026 – Improvements CC Road at Ward No.10, Kokottumoolai Junction to Thetricode Road in Kulasekharam Town Panchayat dated 09.07.2025 and quashing the same and consequently directing the fourth respondent to open and include the price bid of the petitioner in the said tender in Ref.No.188/2025/A1.

Prayer in W.P.(MD) No.20238 of 2025 : Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, calling for the records pertaining to the tender summary report of the fourth respondent in Ref.No.274/2025/A1-1 titled SPECIAL FUND 2025-2026, Improvements of BT Road at Ariyambacode Shutter Road and Improvement of BT Road at Kuttiyani Putham Dam in Ponmanai Town Panchayat dated 04.07.2025 and quashing the same and consequently



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

directing the fourth respondent to open and include the price bid of the petitioner in the said tender in Ref.No.274/2025/A1-1.

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Prayer in W.P.(MD) No.20889 of 2025 : Writ Petition filed under Article 226 of the Constitution of India, for issuance of a Writ of Certiorarified Mandamus, calling for the records pertaining to the tender summary report of the fourth respondent in Ref.No.90/2025/A1 titled SPECIAL FUND 2025-2026 improving the Road at Thiruvattar Charoor in Thiruvattar Town Panchayat dated 17.07.2025 and quashing the same and consequently directing the fourth respondent to open and include the price bid of the petitioner in the said tender in Ref.No.90/2025/A1.

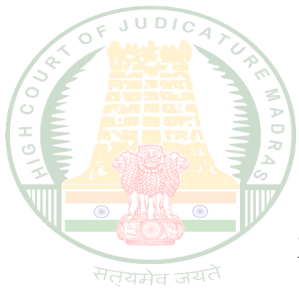
For Petitioner
in all W.Ps. : Mr.Puhazhgandhi

For R1 to R3
in all W.Ps. : Mr.Veerakathiravan
Additional Advocate General – II,
assisted by Mr.D.Ghandiraj
Special Government Pleader

For R4
in all W.Ps. : Mr.J.K.Jayaselan
Government Advocate

COMMON ORDER

By this common order, all these five Writ Petitions are being disposed of.

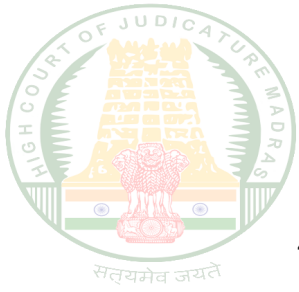


W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

2. In these Writ Petitions, the Petitioner has challenged the Tender Summary Reports. By the impugned Tender Summary Reports, the Petitioner's bids, in respect of the tenders floated by the respective Town Panchayats, were rejected during the technical evaluation.

3. The details of the tender notifications, dates and reference numbers of the Impugned Tender Report, reasons for rejection of the bids, and the names of the persons to whom the contracts have been awarded are detailed below:-

Sl. No	W.P. (MD) No.	Tender ID No.	Impugned Tender Summary Report		Reason for rejection	Name of the successful bidder
			Date	Reference No.		
1	20235/25	2025_DTP_567350_1	09.07.25	165/2025/A1	Sl.No.7, 8, 10, 12 properly not enclosed	MJD Construction and Engineering Contractors P. Ltd
2	20236/25	2025_DTP_564565_1	09.07.25	21-2025A1	Sl.No.7, 8, 10, 12 - properly not enclosed	-do-
3	20237/25	2025_DTP_564867_1	09.07.25	188/2025/A1	Reject	S.Peter
4	20238/25	2025_DTP_565210_1	04.07.25	274/2025/A1-1	Reject	MJD Construction and Engineering Contractors P. Ltd
5	20889/25	2025_DTP_565257_1	17.07.25	90/2025A1	Reject	-do-



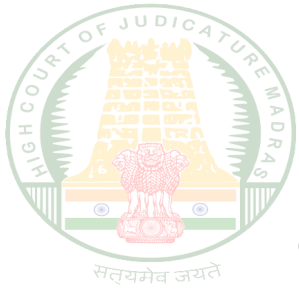
W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

4. These tenders were floated by the following Panchayats for the projects under the scheme mentioned below, on the respective dates:

Sl. No	W.P.(MD) No.	Panchayat Name	Date of Tender Notf	Name of the Projects
1	20235/25	Kadaya Town Panchayat	21.05.2025	Providing BT Road at Kattavilai Nanthankadavu Road in Kadaya Town Panchayat
2	20236/25	Edaicode Town Panchayat	30.05.2025	Black Topping at Attukonam Child Nursery Pilavilai to Mithappancode Road in Edaicode Town Panchayat
3	20237/25	Kulasekhar am Town Panchayat	02.06.2025	Improvements CC Road at Ward No.10 Kokottumoolai Junction to Thetricode Road in Kulasekharan Town Panchayat
4	20238/25	Ponmani Town Panchayat	02.06.2025	Improvements of BT Road at Ariyambacode Shutter Road and Improvement of BT Road at Kuttiyani Putham Dam in Ponmanai Town Panchayat
5	20889/25	Thiruvattar Town Panchayat	30.05.2025	Improving the Road at Thiruvattar Charoor in Thiruvattar Town Panchayat

SUBMISSIONS ON BEHALF OF THE PETITIONER:-

5. The specific case of the Petitioner is that the reasons for rejection of the bid in the tenders pertaining to W.P.(MD) Nos.20237, 20238 & 20889 of 2025 were not communicated to the Petitioner, and therefore, the same is in contravention of Rule 32A(4) of the Tamil Nadu Transparency in Tenders Rules, 2000 (hereinafter referred to as the 'Rules').



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

6. That apart, the further case of the Petitioner that the opening of the bid on the specified date was not done in the presence of the Petitioner and were thus in gross violation of Section 8 of the Tamil Nadu Transparency in Tenders Act, 1998 (hereinafter referred to as the 'Act'), read with Rule 21(1) and (3) of the Tamil Nadu Transparency in Tenders Rules, 2000.

7. That apart, it is submitted that, while opening the tender, the signature of the Petitioner was not obtained as is contemplated under the Act. It is further submitted that out of the three bidders involved in the tenders pertaining to W.P.(MD) Nos.20235 and 20236 of 2025, except for the Petitioner, the two other bidders, namely, Manikandan and MJD Construction and Engineering Contractors Private Limited belong to the same group.

8. It is submitted that the said Manikandan is the husband of Mrs.D.Janaga Jebangalin, who is none other than the shareholder and Managing Director of the said MJD Construction and Engineering Contractors Private Limited.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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9. It is therefore submitted that awarding of contract is contrary to a series of guidelines issued by the Central Government, which are applicable to the State Government, as these projects are funded by the Central Government. It is submitted that it has resulted in a single effective bid being considered, in violation of the CBC Guidelines issued by the National Rural Road Development Agency, Ministry of Rural Development, Government of India, in P17025/33/2011/P-1/RC dated 15.01.2013.

10. It is further submitted that the Courts have repeatedly frowned upon the practice of accepting a single tender, as reiterated by this Court in *Kandasami vs. The Commissioner of Rural Development and Panchayat Raj Department and others*, in W.P.(MD) No.13508 of 2023, MANU/TN/3202/2023 *vide* Order dated 09.06.2023.

11. The learned counsel for the Petitioner drew attention to the definition of "**single tender**" as per the aforementioned guideline of the Central Government.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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12. It is further submitted that apart from the tenders pertaining to W.P.(MD) Nos. 20235 and 20236 of 2025, the bids of the same MJD Construction and Engineering Contractors Private Limited were the only ones accepted in the tenders pertaining to W.P.(MD) Nos. 20238 and 20889 of 2025. It is further submitted that the bid of one Mr.S.Peter was accepted in the tender pertaining to W.P.(MD) No.20237 of 2025.

13. It is submitted that the tender process was orchestrated only to award contracts to the said MJD Construction and Engineering Contractors Private Limited in respect of four tenders and to Mr.S.Peter in respect of one tender and thereby defeating the very object of fair competition.

14. It is submitted that although the dates for opening the bids were fixed as on **17.06.2025** in respect of the tenders which are the subject matter of W.P.(MD) Nos.20235, 20236, and 20889 of 2025 and **20.06.2025** in respect of the tenders which are the subject matter of W.P. (MD) Nos.20237 and 20238 of 2025, the bids were eventually opened on **09.07.2025** without informing the bidders, thereby violating Rules 21 and 22 of the Tamil Nadu Transparency in Tenders Rules, 2000.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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15. Taking through the records filed in support of these Writ Petitions, the learned counsel for the Petitioner submits that, although the documents required under Annexures A to F were not in the prescribed format, all relevant information were indeed uploaded in the form of annexures to the Statement of Accounts, duly certified by the Chartered Accountant, which had been filed before the Income Tax Authorities. It is further submitted that Annexures G and H in any event were filed.

16. It is submitted by the learned counsel for the Petitioner that, if there is substantial compliance with the tender documents, the bid cannot be rejected. In this connection, reference is made to Clauses 23.1 and 23.2 of the Tender Document, as per which, prior to the detailed evaluation of the Technical Bids, the Tender Scrutiny Committee shall determine whether each bid is substantially responsive to the requirements of the Bid Documents.

17. As per Clauses 23.1 and 23.2 of the Tender Document, it is clear that a substantially responsive bid is one which conforms to all the terms, conditions, and specifications of the Bid Documents without

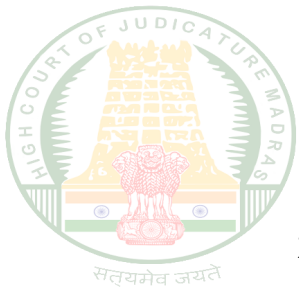


W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

material deviation or reservation. A material deviation or reservation is one which, in any substantial way, affects the scope, quality, or performance of the works; or limits, in any substantial way, inconsistent with the Bidding Documents, the employer's rights or the bidder's obligations under the contract; or is such that its rectification would unfairly affect the competitive position of other bidders submitting substantially responsive bids.

18. That apart that the so-called work orders, which were issued during the pendency of the present Writ Petitions, cannot be countenanced in view of Clause F of the Tender Document.

19. As far as W.P.(MD) No.20237 of 2025 is concerned, the rejection of the Petitioner's bid was based on reasons not contemplated in the Tender documents. It is submitted that no reason has been given in the impugned tender summary reports, as far as W.P.(MD) Nos.20237, 20238 & 20289 of 2025. It is further submitted that although the bid of Mr.S.Peter had not filed any of the required documents yet the contract has been awarded to him.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

20. It is further submitted by the learned counsel for the Petitioner that since the tender was opened only on **09.07.2025**, two work orders could not have been issued on **10.07.2025**, as appears to be predated. This is because the procedural requirements for issuing the work order would require a minimal but reasonable amount of time to complete.

21. It is submitted that there is an embargo on the Respondents from accepting the bid of Mr.Manikandan and M/s.MJD Construction and Engineering Contractors Private Limited. It is submitted in terms of the Order dated 28.04.2025 passed by this Court in ***K.Manikandan vs. The District Collector, Kanyakumari District and another***, in W.P.(MD) Nos. 19664 and 20084 to 20086 of 2023. A specific reference is made to paragraph 17 of the said Order dated 28.04.2025.

22. In ***K.Manikandan vs. The District Collector, Kanyakumari District and another***, in W.P.(MD) Nos.19664 and 20084 to 20086 of 2023, it was observed as under:

“17. However, in the instant case, having allowed the petitioner as well as the construction company in which the petitioner as well as his wife, Mrs.D.Janaka Jebangalin, are equal equity shareholders, the respondents have failed in ensuring a level playing field



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

preventing potential manipulation of the bidding process. In line with the order passed by this Court in W.P.(MD)No.2166 of 2023 dated 23.03.2023, I hereby reiterate the order of this Court again by directing the respondents to prevent the writ petitioner as well as his wife in the name of MJD Construction and Engineering Contractors Private Limited in participating in the same tender process in future.”

23. It was however informed that these Writ Appeals are pending before the Division Bench in W.A.(MD) Nos.1683 to 1686 of 2025. After this case was reserved 'For Orders' on 30.07.2025, W.A.(MD) Nos.1683 to 1686 of 2025 were partly allowed by the Division Bench vide its Order dated 04.08.2025.

24. The observation in Paragraph 17 of Order dated 28.04.2025 in ***K.Manikandan vs. The District Collector, Kanyakumari District and another***, in W.P.(MD) Nos.19664 and 20084 to 20086 of 2023 dated 28.04.2025 has been set aside by the Division Bench vide Order dated 04.08.2025 with the following observation:-

“5.We carefully considered the rival contentions and went through the materials on record. We note that the appellant had challenged the impugned tender processes on the grounds set out in the affidavits filed in support of the writ petitions. As already mentioned, we do not propose to interfere with the order of the



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

learned Single Judge dismissing the writ petitions. **However, in Paragraph 17, the learned Single Judge has passed an adverse direction not only against the appellant but also against his wife Ms.D.Janaka Jebangalin and the company MJD Construction and Engineering Contractors P Ltd.** Neither the appellant's wife nor the said company were parties to the writ proceedings. **We are therefore of the view that making an adverse observation or direction against them would be in breach of the principles of natural justice.** Ms.D.Janaka Jebangalin is no doubt the wife of the appellant. No order or observation can be passed without specifically impleading her. A woman on account of becoming wife does not lose her independent status. She continues to retain her personality. **But whether on account of the statutory rules, her acts would attract any disqualification is a matter to be decided in her presence and after putting her on notice.** Feminists take exception even to the employment of the expression “husband/wife”. Spouse/partner/marital partner are the preferred terms of usage to discourage such relationships.

6. It is for this reason, we set aside the adverse observation and direction set out in Para 17 and elsewhere of the order of the learned Single Judge. At the same time, the larger issues raised by the impleaded private respondent cannot be lost sight of. Even while sustaining the order of dismissal passed by the learned Single Judge, we remand this issue regarding confidentiality and conflict of interest among the tenderers/bidders for determination to the file of the fifth respondent.

7. We are constrained to make an order of remand for more reasons than one. While according to the respondents, the appellant is having 50% shareholding in the company, the appellant denies the same. According to him, he had relinquished all his



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

*share-holdings almost two decades ago. The case on hand involves a company. While there is a specific disqualification provision in Tamil Nadu Tender Transparency (Public Private Partnership Procurement) Rules 2012, under the parent Act as well as in the Tamil Nadu Transparency in Tenders Rules, 2000, there is no corresponding provision. It is true that the Hon'ble First Bench in **Kumbhat Holographics v. State of Tamilnadu**, appears to have placed reliance on the said Rule. But in that case, it was a partnership firm that was involved. **In the case on hand, there is an incorporated limited company.** In any event, we do not want to go into the merits of the rival contentions. **It is for the government to take a call in the first instance.** Thereafter, in exercise of judicial review, the correctness of the stand taken by the fifth respondent can be examined.*

*8. We are conscious that the fifth respondent is not the appellate authority but considering the public importance of the issue and its application for the entire State, **we direct the fifth respondent to issue notice to the appellant, his spouse Ms. Janaka Jebangalin as well as MJD Construction and Engineering Contractors P Ltd, the impleaded respondent R4 herein and other stakeholders and take a call on merits and in accordance with law as expeditiously as possible.** We hope and trust that final decision on the issue will be taken within four weeks from today.*

9. These writ appeals are partly allowed. No costs. Connected miscellaneous petitions are closed.”

25. The learned counsel for the Petitioner also placed reliance on the decision of this Court in **Kandasami Vs. The Commissioner of Rural**



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

Development and Panchayat Raj Department and Ors.,

MANU/TN/3202/2023.

SUBMISSIONS ON BEHALF OF THE RESPONDENTS:-

26. On the other hand, the learned Additional Advocate General appearing on behalf of the 1st to 3rd Respondents submits that none of the required documents for proceeding with the tender bid were uploaded by the Petitioner. It is submitted that Annexures that were uploaded by the Petitioner were without any details and that therefore during the technical evaluation, the bids of the Petitioner were rejected.

27. Further, it is submitted by the learned Additional Advocate General for the 1st to 3rd Respondents that opening of the tender was duly informed to each of the applicants. It is submitted they who were free to verify the reasons given for the rejection of their bids. Moreover, it is submitted by the Respondents that Annexures A to H, which were mandatory to be submitted along with the tender documents, were left blank by the Petitioner. It is submitted that on this ground alone, the tender was rejected during the technical evaluation on 09.07.2025 as per the impugned Tender Report dated 09.07.2025.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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28. The learned Additional Advocate General for the 1st to 3rd Respondents further submits that the documents filed by the Petitioner were blank and incomplete, leading the tender evaluation authority to reject the petitioner's offer in the bid dated 09.07.2025.

29. It is further submitted by the learned Additional Advocate General for the 1st to 3rd Respondents that after the tender was opened on 09.07.2025, the work orders were issued on 10.07.2025, 10.07.2025, 22.07.2025, 04.07.2025 & 01.07.2025, thereby, creating third-party rights in favour of M.J.D. Construction and another. It is submitted that the Petitioner has not taken any steps to implead these parties, who are likely to be affected, if these Writ Petitions are allowed. Therefore, it is submitted that the Writ Petitions are liable to be dismissed on this ground as well.

30. It is further submitted by the learned Additional Advocate General for the 1st to 3rd Respondents that the case does not pertain to a 'single tender'. It is submitted that the concept of 'single tender' applies only where there are no participants. In the present case, there were at



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

least three or four bidders in respect to the respective tender and two of them were selected following evaluation at the technical stage and thereafter after the price bid was opened.

31. The learned Additional Advocate General further submits that the tender was floated electronically, i.e., through e-tender, and therefore, there is no requirement for physical presence. Hence, the objection of the Petitioner that they were not present or not intimated cannot be countenanced. It is submitted that all information is communicated electronically, and it is open to the Petitioner to check their emails to ascertain the status.

32. In this connection, the learned Additional Advocate General relied on the following decisions:

- i. ***Tata Motors Limited vs. The Brihan Mumbai Electric Supply and Transport Undertaking (Best) and others***, 2023 LiveLaw (SC) 467.
- ii. ***Jagdish Mandal vs. State of Orissa and others***, (2007) 14 SCC 517.
- iii. ***N.G.Projects Limited vs. Vinod Kumar Jain and others***, (2022) 6 SCC 127.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

WEB COPY 33. By way of rejoinder, it is submitted by the learned counsel for the Petitioner that, as per Clause 28.4 of the Tender Document, a successful bidder is required to pay an amount equivalent to 2% of the contract value within a period of 7 days from the date of receipt of the Letter of Acceptance, and further, as per Clause 31.3, to sign the agreement within a period of 15 days from the date of issuance of the Letter of Acceptance. Only thereafter can a formal work order be issued. Therefore, no work order could have been issued.

DISCUSSION:

34. I have considered the arguments advanced by the learned counsel for the Petitioner and the learned Additional Advocate General appearing for the 1st to 3rd Respondents and the learned Government Advocate for the 4th Respondent.

35. Before proceeding further, I shall refer to a few decisions of the Court, some of which were also cited during the course of hearing.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

WEB COPY **Scope of Judicial Review in tender matters**

36. The Hon'ble Supreme Court in ***Jagdish Mandal v. State of***

Orissa., (2007) 14 SCC 517 held as under:

*“22. Judicial review of administrative action is intended to prevent arbitrariness, irrationality, unreasonableness, bias and mala fides. Its purpose is to check whether choice or decision is made ‘lawfully’ and not to check whether choice or decision is ‘sound’. When the power of judicial review is invoked in matters relating to tenders or award of contracts, certain special features should be borne in mind. A contract is a commercial transaction. Evaluating tenders and awarding contracts are essentially commercial functions. Principles of equity and natural justice stay at a distance. If the decision relating to award of contract is bona fide and is in public interest, courts will not, in exercise of power of judicial review, interfere even if a procedural aberration or error in assessment or prejudice to a tenderer, is made out. The power of judicial review will not be permitted to be invoked to protect private interest at the cost of public interest, or to decide contractual disputes. The tenderer or contractor with a grievance can always seek damages in a civil court. Attempts by unsuccessful tenderers with imaginary grievances, wounded pride and business rivalry, to make mountains out of molehills of some technical/procedural violation or some prejudice to self, and persuade courts to interfere by exercising power of judicial review, should be resisted. Such interferences, either interim or final, may hold up public works for years, or delay relief and succour to thousands and millions and may increase the project cost manifold. **Therefore, a court before***



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

interfering in tender or contractual matters in exercise of power of judicial review, should pose to itself the following questions:

(i) Whether the process adopted or decision made by the authority is mala fide or intended to favour someone;

OR

Whether the process adopted or decision made is so arbitrary and irrational that the court can say: ‘the decision is such that no responsible authority acting reasonably and in accordance with relevant law could have reached’;

(ii) Whether public interest is affected.

If the answers are in the negative, there should be no interference under Article 226. Cases involving blacklisting or imposition of penal consequences on a tenderer/contractor or distribution of State largesse (allotment of sites/shops, grant of licences, dealerships and franchises) stand on a different footing as they may require a higher degree of fairness in action.”

37. The Hon'ble Supreme Court in ***Michigan Rubber (India) Ltd.***

v. State of Karnataka, (2012) 8 SCC 216, relying on its earlier decisions

once again held as under:

“23. From the above decisions, the following principles emerge:

(a) The basic requirement of Article 14 is fairness in action by the State, and non-arbitrariness in essence and substance is the heartbeat of fair



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

play. These actions are amenable to judicial review only to the extent that the State must act validly for a discernible reason and not whimsically for any ulterior purpose. If the State acts within the bounds of reasonableness, it would be legitimate to take into consideration the national priorities;

- (b) Fixation of a value of the tender is entirely within the purview of the executive and the courts hardly have any role to play in this process except for striking down such action of the executive as is proved to be arbitrary or unreasonable. If the Government acts in conformity with certain healthy standards and norms such as awarding of contracts by inviting tenders, in those circumstances, the interference by courts is very limited;*
- (c) In the matter of formulating conditions of a tender document and awarding a contract, greater latitude is required to be conceded to the State authorities unless the action of the tendering authority is found to be malicious and a misuse of its statutory powers, interference by courts is not warranted;*
- (d) Certain preconditions or qualifications for tenders have to be laid down to ensure that the contractor has the capacity and the resources to successfully execute the work; and*
- (e) If the State or its instrumentalities act reasonably, fairly and in public interest in awarding contract, here again, interference by court is very restrictive since no person can claim a fundamental right to carry on business with the Government.*

24. *Therefore, a court before interfering in tender or contractual matters, in exercise of power of judicial review, should pose to itself the following questions:*



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

i. *Whether the process adopted or decision made by the authority is mala fide or intended to favour someone; or whether the process adopted or decision made is so arbitrary and irrational that the court can say:*

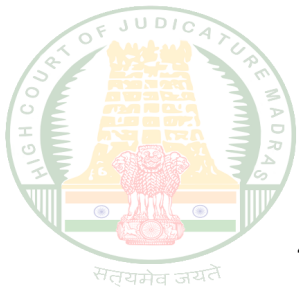
“the decision is such that no responsible authority acting reasonably and in accordance with relevant law could have reached”? And

ii. *Whether the public interest is affected?*

If the answers to the above questions are in the negative, then there should be no interference under Article 226.”

38. Same principle was reiterated by the Hon'ble Supreme Court in ***Tejas Constructions & Infrastructure (P) Ltd. v. Municipal Council, Sendhwa.***, (2012) 6 SCC 464.

39. In ***Uflex Limited v. Government of Tamil Nadu.***, in Civil Appeal Nos. 4862- 4863 of 2021 dated 17th September 2021, the Hon'ble Supreme Court examined various decisions on the scope of judicial review and observed that the courts can interfere with the contractual matters, to prevent arbitrariness, irrationality, unreasonableness, bias and mala fide.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

40. It held that the Division Bench in ***Kumbhat Holographics v.***

Government of Tamil Nadu., 2021 SCC Online Mad 1724 committed an error by almost sitting as an appellate authority on technological and commercial expediency, which was not the role which a court ought to play.

41. In ***Uflex Limited v. Government of Tamil Nadu.***, in Civil Appeal Nos. 4862-4863 of 2021 dated 17th September 2021, the Court held as under:

*“49. A lot of emphasis has been placed by the Courts below in seeking to go into the financial linkages between the two companies, i.e., Uflex and Montage. The correct way of examining this issue should have been that whether under the terms of the NIT, any of the aspects which were examined by the Courts could be said to be a disqualification. In our view, the answer to the same was in the negative. **One company had invested in another through certain preference shares without having any controlling interest**, this cannot be the basis of judicial scrutiny. The present case is not one of an intercorporate battle or of minority shareholders claiming the rights or any debts due, where the principle of lifting the corporate veil should be applied. What one may have said in some income tax proceedings, whether a small percentage of the funds of one company have been utilized as investment in the other are hardly the principles which should come into play in such a tender matter.*



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

50. *We are thus unequivocally of the view that the impugned order cannot be sustained for all the aforesaid reasons and must be set aside and the appeals are accordingly allowed.”*

42. It is also relevant to note that the Hon'ble Supreme Court, in ***State of Punjab and others vs. Mehar Din***, (2022) 5 SCC 648 has reiterated that the scope of judicial review in the matters of tenders/public auction where allegations of illegality, irrationality and procedural impropriety is true, it would be sufficient for Courts to assume jurisdiction and remedy such ills.

43. The Court in ***State of Punjab and others vs. Mehar Din***, referred to supra further held that the acceptance of the highest bid or highest bidder is always subject to conditions of holding public auction and the right of the highest bidder is always provisional to be examined in the context in different conditions in which the auction has been held.

44. In ***Sterling Computers Ltd Vs. M & N Publications Ltd.***, (1993) 1 SCC 445, it was held by the Hon'ble Supreme Court in Paragraph 12 as under:



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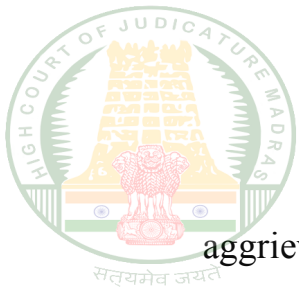


W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

“Under some special circumstances a discretion has to be conceded to the authorities who have to enter into contract giving them liberty to assess the overall situation for purpose of taking a decision as to whom the contract be awarded and at what terms. If the decisions have been taken in bona fide manner although not strictly following the norms laid down by the Courts, such decisions are upheld on the principle laid down by Justice Holmes, that Courts while judging the constitutional validity of executive decisions must grant certain measure of freedom of play in the joints to the executive.”

45. Though each of the decisions referred to *supra* bring out the legal position, it is evident that application of these principles has to be held that they were given in the facts and circumstances of those cases. Therefore, there is no one correct answer, as the Courts have intervened in certain cases and in certain other cases the Courts have not intervened in awarding tender to the successful bidder at the behest of the party who was eliminated.

46. However, what is discernible is that if the procedure followed in awarding the tender to a contract or elimination of a bidder has been unfairly done, it can be a subject matter of a judicial review under Article 226 of the Constitution of India notwithstanding the fact that the



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

aggrieved party can be relegated to work out the alternate remedy by way of an appeal under Section 11 of the Act.

47. The general law applicable as settled by the Hon'ble Supreme Court in ***Tata Cellular vs. Union of India***, (1994) 6 SCC 651 is relevant. The Hon'ble Supreme Court in ***Tata Cellular vs. Union of India*** referred to *supra* in Paragraph 94 of the Judgement laid down the key principles for judicial review of administrative action. Paragraph No. 94 of the Judgement reads as under:-

“94. The principles deducible from the above are:

- 1. The modern trend points to judicial restraint in administrative action.*
- 2. The court does not sit as a court of appeal but merely reviews the manner in which the decision was made.*
- 3. The court does not have the expertise to correct the administrative decision. If a review of the administrative decision is permitted it will be substituting its own decision, without the necessary expertise which itself may be fallible.*
- 4. The terms of the invitation to tender cannot be open to judicial scrutiny because the invitation to tender is in the realm of contract. Normally, the decision to accept the tender or award the contract is reached by process of negotiations*



WEB COPY



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

through several tiers. More often than not, such decisions are made qualitatively by experts.

5. *The Government must have freedom of contract. In other words, a fair play in the joints is a necessary concomitant for an administrative body functioning in an administrative sphere or quasi-administrative sphere. However, the decision must not only be tested by the application of Wednesbury principle of reasonableness (including its other facts pointed out above) but must be free from arbitrariness not affected by bias or actuated by mala fides.”*

48. Before proceeding further to the discussion, it will be useful to refer to certain provisions of the Tamil Nadu Transparency in Tenders Act, 1998 and the Rules framed thereunder, i.e., the Tamil Nadu Transparency in Tenders Rules, 2000, the Tamil Nadu Transparency in Tenders (Public Private Partnership Procurement) Rules, 2012 and the relevant clauses from the Tender Document.

49. As per Section 4 of the Tamil Nadu Transparency in Tenders Act, 1998, Rule 4-A of the Tamil Nadu Transparency in Tenders Rules, 2000 was inserted into the Tamil Nadu Transparency in Tenders Rules, 2000, *vide* G.O.Ms.No.93, Finance (Salaries) Department, dated 30.03.2023, which came into effect on the same date.



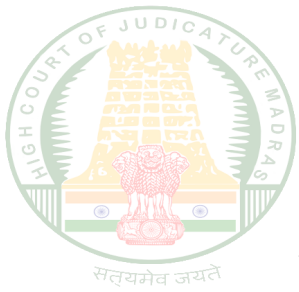
W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

WEB COPY 50. Rule 4-A of the Tamil Nadu Transparency in Tenders Rules, 2000 mandates that all tendering activities for government procurements may be conducted as specified by order. The Government of Tamil Nadu is to conduct through electronic mode via its web portal [<https://tntenders.gov.in>].

51. Rule 4-A of the Tamil Nadu Transparency in Tenders Rules, 2000 reads as under:

“4-A. The Government may mandate procuring entities to do procurement through electronic mode through web portal as may be specified by order.”

52. Rule 4-A of the Tamil Nadu Transparency in Tenders Rules, 2000 would therefore cover all stages of procurement i.e., from the stage of floating the bid to issuing the Letter of Award. Therefore, any procedure is followed outside the online portal after the specified date has to be considered to have been followed in violations of the prescribed procedure.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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53. Section 10 of the Tamil Nadu Transparency in Tenders Act, 1998 deals with evaluation and acceptance of tender which reads as under:

“10. Evaluation and Acceptance of Tender.-

(1) The Tender Accepting Authority shall cause an objective evaluation of the tenders taking into consideration the schedule of rates as mentioned in the tender document and the prevailing market rate for procurement and comparison of the tenders in accordance with the procedure and criteria specified in the tender document.

(2) After evaluation and comparison of tenders as specified in sub-section (1), the Tender Accepting Authority shall accept the lowest ascertained on the basis of objective and quantifiable factors specified in the tender document and giving relative weights among them:

Provided that the Tender Accepting Authority shall accept the tender of domestic enterprises, not being the lowest tender, upon satisfaction of such conditions as may be prescribed, in respect only of goods manufactured or produced and services provided or rendered by them, and only to the extent of not exceeding twenty five per cent of the total requirement in that procurement, if such domestic enterprise is willing to match the price of the lowest tender:

Provided further that the Tender Accepting Authority shall accept the tender of a department of Government, Public Sector Undertaking, Statutory Board and other similar institutions as may be notified, not being the lowest tender, upon satisfaction of such conditions as may be prescribed, in respect only of



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

goods manufactured or produced and services provided or rendered by them, and only to the extent of not exceeding forty per cent of the total requirement in that procurement, if such tenderer is willing to match the price of the lowest tender:

Provided also that in case of a single procurement, the total procurement under the above two provisos shall not exceed forty percent of the total requirement in that procurement.

(3) Notwithstanding anything contained in sub-section (2), if the Tender Accepting Authority decides that the price of the lowest tender is higher with reference to the prevailing market rate or the schedule of rates, the said authority may negotiate for a reduction of price with that tenderer.

(4) If at any time before the acceptance of tender, the Tender Accepting Authority receives information that a tenderer who has submitted tender has been banned by any Procuring Entity, the said authority shall not accept the tender of that tenderer even if it may be the lowest tender.

(5) In case where two or more tenderers quoted the same price, the Tender Accepting Authority shall split the procurement among such tenderers taking into consideration the experience and credentials of such tenderers. Where such splitting is not possible or could not be done equally, the said authority shall record reasons for the same.

(6) If the Tender Accepting Authority proposes to accept the tender as per the provisions of this section, the said authority shall pass orders accepting the tender together with reasons for such acceptance:



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

Provided that if the tenderer is unable to supply the entire quantity required, the Tender Accepting Authority may follow the fixed rate contract procedure as may be prescribed.

(7) The Tender Accepting Authority shall intimate the information regarding the name and address of the tenderer whose tender has been accepted along with the reasons for rejection of other tenders to the appropriate Tender Bulletin Officers.”

54. Section 8 of the Tamil Nadu Transparency in Tenders Act, 1998 deals with the Opening of Tender which is reproduced below:-

“8. Opening of Tender.-

The Tender Accepting Authority or any other officer authorised by it, shall open the tenders in the presence of tenderers present and who have submitted tenders in such time and in such place as may be specified in the tender document.”

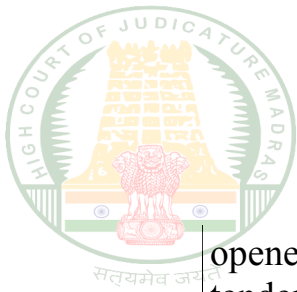
55. Rule 21 and 22 of the Tamil Nadu Transparency in Tenders Rules, 2000 have to be read along with Rule 4A of the Rules. Rule 21 and 22 of the Rules further deals with the Opening of Tender and procedure to be followed during tender opening. They are reproduced below:



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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<i>Rule 21 of the Tamil Nadu Transparency in Tenders Rules, 2000</i>	<i>Rule 22 of the Tamil Nadu Transparency in Tenders Rules, 2000</i>
21. Opening of Tenders.- (1) All the tenders received by the Tender Inviting Authority shall be opened at the time and venue specified in the Notice Inviting Tenders and in cases where an extension of time for the submission of tenders has been given subsequent to the original Notice Inviting Tenders in accordance with sub-rule (5) of rule 18 at the time so specified subsequently. The e-submitted tenders may be permitted to be opened by a Tender Inviting Authority or a member of the Tender Scrutiny Committee from their new location if they are transferred after the issue of Notice Inviting Tender and before tender opening and where the new incumbent is yet to obtain his digital signature certified. (2) The time specified for the opening of tenders shall be immediately after the closing time specified for the receipt of tenders allowing a reasonable period, not exceeding one hour, for the transportation of the tenders received to the place they are to be	22. Procedure to be followed at tender opening.- The following procedure shall be followed at the tender opening.- (a) All the envelopes containing tenders and the tenders received through the electronic mail in the designated website shall be counted. (b) All the tenders received in time shall be opened. (c) Any tender received subsequently shall not be opened and shall be returned unopened to the tenderer and in the case of tenders submitted through electronic mail in the designated website, a report on the late submission of tenders shall be generated and the same shall be sent to the tenderers concerned. (d) On opening of the tender, the members of the Tender Scrutiny Committee shall initial the main bid including the prices and any corrections. (e) A record of the corrections



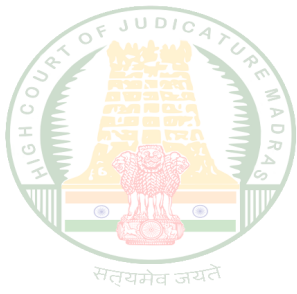
W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

opened in the presence of the tenderers who choose to be present.	noticed at the time of the bid opening shall be maintained.
(3) The tenders will be opened in the presence of the tenderers or one representative of the tenderer who chooses to be present.	(f) The name of the tenderers and the quoted prices should be read out aloud. (g) the fact whether earnest money deposit has been submitted and other documents required produced may be indicated, but this shall be merely an examination of the documents and not an evaluation. (h) Minutes of the tender opening shall be recorded. (i) The signatures of all the tenderers present shall be obtained and if any of the tenderers or his representative refuses to sign the minutes, the same shall be recorded.

56. Rule 32-A(4) of the Tamil Nadu Transparency in Tenders Rules, 2000 deals with Pre-qualification with multi-stage tendering. It reads as under:

“32-A. Pre-qualification with Multi-stage Tendering.-

(4) At the conclusion of the first stage, the Tender Accepting Authority shall pre-qualify the tenderers that fulfill the eligibility criteria, and promptly notify each



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

tenderer whether or not it has been pre-qualified and shall upon request communicate to the tenderers that have not been pre-qualified the reasons therefor:

Provided that if the Tender Accepting Authority is of the view that the number of pre-qualified Tenderers is too small to have an effective competition, the authority may decide not to proceed further with the Tender.”

57. The point for consideration in these Writ Petitions are as under:-

- (a) What is the scope of Judicial review in Tender matters?
- (b) Whether failure on the part of the Petitioner to upload the documents/necessary information as per the format prescribed in the tender document was fatal?
- (c) Whether failure on part of the Respondents to open the tender in the presence of the bidders is fatal and whether E-tenders are also to be opened in the presence of the bidders only. If so, whether it is feasible?
- (d) Whether postponement of the opening date of the tender by the Respondents from 17.06.2023/26.06.2023 to 09.07.2023 without prior intimation to the Petitioner and other bidders can be construed to be fatal?
- (e) Whether in the facts and circumstances of the present case, it could be construed to fall within the ambit of 'single tender', considering the fact the MJD Construction and Engineering Contractors Private Limited and the other bidder, namely Manikandan are closely related to each other?
- (f) Whether the decision of the Division Bench in W.A. (MD). Nos. 1683 to 1686 of 2025 vide its Order dated 04.08.2025 between the parties involved



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

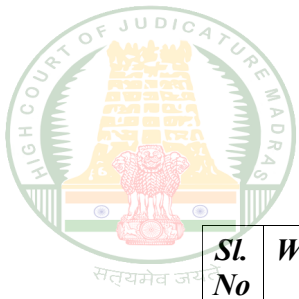
herein has any bearing on the tender that was floated by the 4th Respondent?

- (g) Whether the issuance of 'Work Orders' on 10.07.2025 immediately after opening of the Tender on 09.07.2025 is contrary to the tender process stipulated under the Act and Rules?

58. Facts on record reveal that after the bids were opened and there were technical evaluations of bid followed by evaluation of the price bid and thereafter works orders have been issued on the following dates to the successful bidders as detailed below:

Sl. No	W.P.(MD) No.	Panchayat Name	Date of work order	Name of the successful bidder
1	20235/25	Kadaiyal Town Panchayat	10.07.2025	MJD Construction and Engineering Contractors P. Ltd
2	20236/25	Edaicode Town Panchayat	10.07.2025	MJD Construction and Engineering Contractors P. Ltd
3	20237/25	Kulasekharam Town Panchayat	22.07.2025	S.Peter
4	20238/25	Ponmani Town Panchayat	04.07.2025	MJD Construction and Engineering Contractors P. Ltd
5	20889/25	Thiruvattar Town Panchayat	01.07.2025	MJD Construction and Engineering Contractors P. Ltd

59. Though, the details of the tenders have been tabulated in the beginning of this Order, it will be useful to once again refer to the crucial dates.

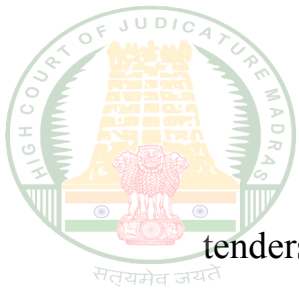


W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

Sl. No	W.P.(MD) No.	Panchayat Name	Date of Tender Not.	Date of opening of Tender as per Tender document	Actual date of opening of Tender
1	20235/25	Kadayal Town Panchayat	21.05.2025	17.06.2025	09.07.2025
2	20236/25	Edaicode Town Panchayat	30.05.2025	17.06.2025	09.07.2025
3	20237/25	Kulasekharam Town Panchayat	02.06.2025	20.06.2025	09.07.2025
4	20238/25	Ponmani Town Panchayat	02.06.2025	20.06.2025	09.07.2025
5	20889/25	Thiruvattar Town Panchayat	30.05.2025	17.06.2025	09.07.2025

60. In this case, the procedure under Rule 32A(2) of the Rules has been followed as the first stage was technical evaluation of the bids of the respective bidders. In this case, the Petitioner has been eliminated during the technical evaluation of the bids for the reasons that were explained in the beginning of the Order.

61. In this case, there are sufficient indicators that the Petitioner has made out a case for this Court to examine the procedure adopted by the Tender inviting authority up to the stage of elimination of the Petitioner at the stage of technical evaluation of the bid and undue alacrity showed in issuing the work order to the aforesaid parties, the successful bidders in



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

tenders which are the subject matter of these Writ Petitions. Therefore, the alternate remedy under Section 11 cannot be put against the Petitioner to work out the remedy before the appellate authority.

62. In this case, admittedly the tender notification was floated on the online portal therefore, all the proceedings that is uploading of the bids i.e., tender documents and communication of the decision to postpone the opening date to a subsequent date has to be through the web portal and to the designated email ids of the respective bidders who have responded to the tender notification.

Whether failure on the part of the Petitioner to upload the documents/necessary information as per the format prescribed in the tender documents was fatal?

63. The Hon'ble Supreme Court in ***Laxmi Sales Corpn. v. Bolangir Trading Co.***, (2005) 3 SCC 157 held that documents/ information to be supplied in support of Government contracts as a precondition or qualifications for tenders is mandatory, where the Rules and conditions governing tender and advertisement calling therefor make it mandatory to supply certain information/document by the bidders.



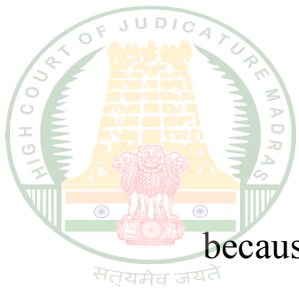
W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

64. There the Court had held that the High Court was not justified in coming to the conclusion that production of said documents was not mandatory. Thus, the Court held that this finding of the High Court was contrary to records and was an error apparent on face of record. The Court further held that moreover, material later supplied by Respondent to establish that he met the preconditions/qualifications did not really establish the same.

65. As mentioned above, in a case where a procuring authority invokes the multi-stage tendering process and calls for initial submissions containing their applications or proposals without a financial bid, the Bid shall contain the following items, namely:

- (a) proposals relating to the technical, quality or performance characteristics of the subject matter of the procurement;
- (b) contractual terms and conditions of supply;
- (c) where relevant, the professional and technical competence, experience and qualifications of the tenderers.

66. In this case, the Petitioner has filed all the documents required. However, they were not in the format prescribed in the tender document. The Petitioner has been disqualified by the tender accepting authority only



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

because the Petitioner failed to upload the documents in the formats. As per Clause 23.1 of the Tender document, prior to the detailed evaluation of technical bids, the Tender Scrutiny Committee will determine whether each Bid

- (a) meets the eligibility criteria defined in Clause 22.
- (b) has been properly signed.
- (c) is accompanied by the required securities, and
- (d) is substantially responsive to the requirements of the Bid documents.**

67. Even if the documents filed are insufficient as long as the bids satisfy the test of “substantially responsive” to the requirements of the Bid documents, the bid of a tenderer cannot be rejected, even in the case of the multi stage tendering. In fact, as per Clause 23(1) of the Tender document which is extracted above, the expression *substantially responsive* bid has also been defined in Clause 23.2 of the Tender document. Further, in accordance with Clause 23.3 of the Tender document, a bid can be rejected only if the bid is not substantially responsive it can be rejected.

68. Clause 23.2 and 23.3 of the Tender document are reproduced below:



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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Clause 23.2 of the Tender document	Clause 23.3 of the Tender document
A substantially responsive Bid is one which conforms to all the terms and conditions, and specifications of the bid documents without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality or performance of the Works (b) which limits any in substantial way, inconsistent with the Bidding documents, the Employer's right or the Bidder's obligations under the Contract or (c) whose rectification would affect unfairly the competitive position of other Bidders presenting substantially responsive Bids.	If a Bid is not substantially responsive, it will be rejected by the Employer, and may not subsequently be made responsive by correction or withdrawal of the non-conforming deviation or reservation

69. This Court while dealing with an issue pertaining to rejection of tender bid in *M. Vasudevan Vs. The CEO, CMDA, Chennai and others*, 2005 SCC OnLine Mad 154 based on the facts of that case held an order rejecting tender is not a quasi judicial order nor is it even an

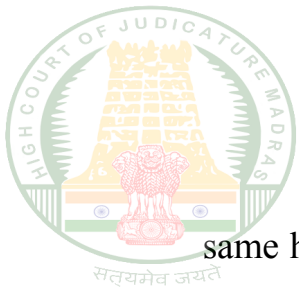


W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

administrative order which affects rights and liabilities, thus overruled the submissions of the Writ Petitioner that no reasons were given in the order rejecting the petitioner's tender.

70. The Court further held that neither reasons have to be given in the said order nor opportunity of hearing has to be given before passing the said order. This decision was rendered prior to the insertion of Rule 32-A to Rules. Perhaps, it is for this reason, Rule 32-A was inserted into Rules vide G.O.Ms.No.425 dated 11.12.2012 which mandates furnishing of reasons where a bid is rejected in case of multi stage tenders.

71. Therefore, based on the Division Bench of this Court in ***Vasudevan Vs. The CEO, CMDA, Chennai and others***, (cited *supra*), the argument that the impugned Tender Summary Report was not furnished with the reasons has to be viewed from the perspective of Rule 32-A of the Rules. Suffice to state that a Tender Inviting Authority is not required to furnish the reasons for rejecting a bid at the time of rejecting a bid. There should be sufficient reasons for a Tender Inviting Authority to reject a bid of a bidder during the technical evaluation or financial evaluation of the bid. However, in case a bidder seeks for reasons the



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

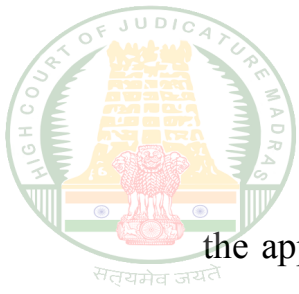
same has to be provided to the bidder in terms of Rule 32-A of the Rules,

content of which has been extracted above.

72. However, prior to the detailed evaluation of technical bids, the above procedure in Clause 23.1 of the Tender document ought to have been followed. In this case, the 4th Respondent as Tender Inviting Authority has mechanically rejected the bid of the Petitioner. Thus, the rejection of the bid of the Petitioner warrants interference.

Whether failure on part of the Respondents to open the tender in the presence of the bidders is fatal and whether E-tenders are also to be opened in the presence of the bidders only, if yes, whether it is feasible?

73. In this case, admittedly the procedure has not been followed. Clause 22.1 of the Tender document states that the Tender Inviting Authority (Executive Officer) will open all the Technical Bids, subscribed as Technical Bid/received (except those received late), including modifications made pursuant to Clause 21, in the presence of the Bidders or their representatives who choose to attend at 3.30 P.M. on 17.06.2025 at Town Panchayat Office, Kadayal and that in the event of the specified date of Bid opening being declared a holiday, the Bids will be opened at



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

the appointed time and location on the next working day. This would be

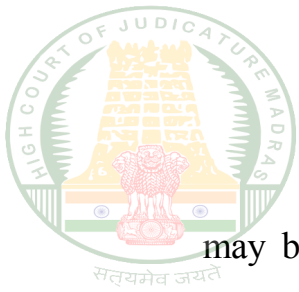
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inconsonance with Rule 21(3) of the Rules.

74. Text of Clause 22(3) and 22(4) of the Tender document are reproduced below:

<i>Clause 22.3 of the Tender document</i>	<i>Clause 22.4 of the Tender document</i>
The Bidders' names, the Bid withdrawals/Modifications, the presence or absence of Bid security and such other details as the Tender Inviting Authority (Executive Officer) may consider appropriate, will be announced by the Tender Inviting Authority (Executive Officer) at the opening Bids sent pursuant to Clause 21 that are not opened and read out at bid opening will not be considered for further evaluation regardless of the circumstances	The Tender Inviting Authority (Executive Officer) shall prepare the minutes of the Bid opening including the information disclosed in those present in accordance with Sub-Clause 22.3

75. Even if the tender is to be opened by the Tender Inviting Authority or the member of the tender scrutiny committee from a remote location after issuance of the Tender notification, the opening of the tender is to be in a particular location where all tenderers or one representative of the tenderers are physically present. Thereafter, the bid



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

may be opened virtually however, it has to be at a particular time and place where each of the bidders are physically present.

76. This would be from a harmonious reading of Rule 21(1), 21(2) and 21(3) of the Rules. Mere communication of the time for opening the bid electronically through email is not sufficient. A venue has to be fixed where the bidders/tenderers can be present, even if the Tender Inviting Authority / Tender Scrutiny Committee opens the bid from a remote location after their transfer i.e., after the issuance of the Tender notification and before the tender opening date, where the new incumbent is yet to obtain his digital signature certified.

Whether postponement of the opening date of the Tender by the Respondents from 17.06.2025/20.06.2025 to 09.07.2025 without prior intimation to the Petitioner and other bidders can be construed to be fatal?

77. As per the Rules, the Tender Inviting Authority is empowered to postpone the dates for reopening of the bid. However, while postponing the date, the Tender Inviting Authority has to inform the bidders/tenderers. In this case, the initial date fixed for opening the bid was postponed which is in contravention of the Rules. Incidentally,



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

recently interpreting Rule 11 of the Rules, this Court has explained the scope of the scheme in ***Sree Krishna Constructions and others Vs. The Commissioner, Rural Development and Panchayat Raj Department and another***, vide order dated 15.07.2025 rendered in W.P.(MD) Nos. 15275, 14753 & 14744 of 2025. Relevant Paragraphs are extracted hereunder:

“17. As far as the purpose of enacting the Tamil Nadu Transparency in Tender Act, 1998 (hereinafter referred to as ‘the Act’) is concerned, it is provided for transparency in public procurement and to regulate the procedure for inviting and accepting tenders and the matters connected therewith or incidentally thereto. This founds in the preamble to the Act. Further objective of the enactment of the Act is under:

“WHEREAS to maximise economy and efficiency in Government procurement;

AND WHEREAS to foster and encourage effective participation by tenderers in the process of tenders;

AND WHEREAS to promote healthy competition among tenderers;

AND WHEREAS to provide for fair and equitable treatment of all tenderers;

AND WHEREAS it is expedient to eliminate irregularities, interference and corrupt practices in the matters relating to tender processes by providing transparency in such matters;

AND WHEREAS to promote the integrity of the process of tenders and to promote fairness and public confidence in the processing of tenders by ensuring transparency in the procedure relating to procurement;”



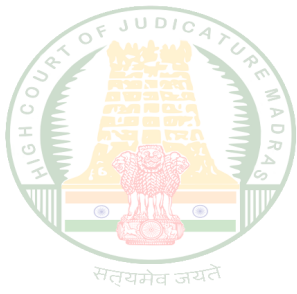
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18. To give effect to the provisions of the Act, the Rules has also been conferred, in the exercise of power under Section 22(1) of the Act. The object of the Act and the Rules made thereunder are laudable and intended to ensure that there is a fair play in public participation in the tenders, so that there is no arbitrary, awarding of the contract as was done prior to enactments, which are made to several work orders being awarded to the contractors to be cancelled as arbitrary.

19. Rule 20 of the Rules contemplates that minimum period shall be given to prospective bidders (tenderers) to make their bids. In case Tender Notification has to be issued for the tender upto Rs.10 crore, minimum 15 days has to be given and in case Tender Notification has to be issued for the tender for excess Rs.10 crore, minimum 30 days has to be given.

20. In this case, although the intention was to comply with the requirement of the Rule 20 of the Act by making a paper publication on 30.04.2025 by giving the period for downloading the tender documents and for prescribing last date for making the bid as 16.05.2025, the Tender Notification was uploaded in the web site only on 12.05.2025 with the last date as 16.05.2025 and thus, only four days were given. Thereafter, further extension was given upto 23.05.2025 and thereafter, upto 29.05.2025.

21. A reading of Rule 17(1) of the Rules indicates that at any time after the issue of the tender documents and before the opening of the tender, the Tender Inviting Authority may make any changes, modifications or amendments to the tender documents and shall send intimation of such change to all those who have purchased the original tender documents and



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

upload corrigendum for the information of those who have downloaded the tender documents from the web site.

22. This Rule 17(1) of the Rules would apply to the situations where the tender document is issued and the time line prescribed under Rule 20 has been followed. This would also apply to the situations where the offers are being received and therefore, changes are being incorporated in the timelines and therefore, this situations would not apply to these cases under consideration.

23. As per Rule 17(2) of the Rules, in case any tenderer asks for a clarification on the tender documents before 48 hours of the opening of the tender, the Tender Inviting Authority shall ensure that a reply is sent and copies of the reply to the clarification sought shall be communicated to all those who have purchased the tender documents without identifying the source of the query and upload such clarification to the designated website for the information of those who have downloaded the tender documents from the website, without identifying the source of the query.

24. Thus, Rules 17(2) of the Rules will only apply where the changes are made before the opening of the tender warranting modification or amendment to the tender documents. The Tender-Inviting Authority is expected to send intimation of changes to those who have purchased original tender documents and uploaded corrigendum for the information to those who have downloaded the tender documents from the web site.

25. Rule 18 of the Rules, on the other hand, deals in Chapter 5 of the Rules, is regarding receipt of tender and opening of tender. As per Rule 18(1) of the Rules, Tender Inviting Authority has to ensure that adequate



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

arrangements are made for proper receipt and safe custody of the tender for the receipt of tender.

26. As far as Rule 18(5) of the Rules is concerned, the Tender Inviting Authority can extend the last date and time for receiving the tender, which has to be published in the designated web site also after giving adequate notice to all the intending tenderers in cases where,

(a) the publication of the tender notice has been delayed;

(b) the communication of changes, in the tender documents to the prospective tenderers under sub-rule (1) of rule 17 took time;

(c) any of the tenderers requested clarifications, the communication of which took time to all the tenderers; and

(d) any other reasonable grounds exist, for such extension which shall be recorded in writing by the Tender Inviting Authority.

(e) in the case of tenders not submitted electronically, the tenderer shall ensure that all the pages are serially numbered and the submitted tender documents are properly stitched and bound.”

78. In the present case, there was no prior intimation to the Petitioner and other bidders that the initial dates fixed for opening of the bid were postponed to 09.07.2025. Therefore, in this case also it has to be held that rejection of the bid on the technical evaluation was arbitrary as it has been done behind the back of the Petitioner.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

Whether in the facts and circumstances of the present case, would it fall under the ambit of “single tender”?

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79. In ***Kandasami Vs. The Commissioner of Rural Development and Panchayat Raj Department and Ors.***, MANU/TN/3202/2023 case referred to *supra* dealt with it was observed as under:

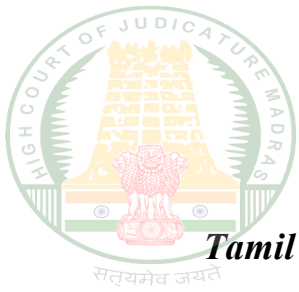
"13.In the said guideline with respect to determination of a single tender and with respect to opening of single bid tendered, it had been provided as follows:-

“A. Definition of Single Tender: If, consequent to invitation of tenders/bids for any package, only one bid/tender is received or consequent to technical evaluation if only one bid/tender is found eligible, such bids/tenders shall be termed as single tenders for the purposes of PMGSY.*

B. Opening of Single Bids/Tenders: If in the first invitation/call, single bid is received, the State Rural Roads Development Agency (SRRDA) or authority inviting the tenders/bids shall not open the bid. In such cases the bids shall be re-invited. Modification in the e-procurement software shall be made by the NIC to delete the bid (while maintaining the data in the data base) from the server after the date of opening of bids and generate appropriate reports in this regard.”

** Pradhan Mantri Gram Sadak Yojana*

80. This Court while dealing with the relationship between two different parties participating in the tender in ***P. Ravishankar Vs. State of***



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

Tamil Nadu, 2021 SCC OnLine Mad 5965 dealt with a situation where

four bidders participated in the bids for the works under Package Nos.59

and 60. The technical bids of the 4th and 5th Respondents there were

accepted. There the 5th Respondent was a partnership firm whose partners

were the wife and son of the 4th Respondent in W.P.13481 of 2021. The 5th

Respondent in W.P.No.13488 of 2021 was a firm (actually should have

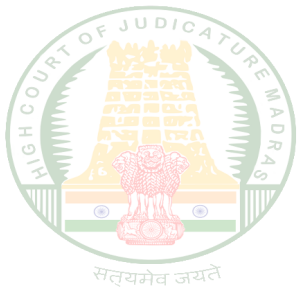
been a company) whose Managing Director was the son of the 4th

Respondent. Following the views of the Hon'ble Supreme Court in **Uflex**

Limited Vs. Government of Tamil Nadu (cited *supra*), this Court in

P.Ravishankar Vs. State of Tamil Nadu (cited *supra*) held as follows:

“51. A cursory glance at the decision extracted above would reveal that the supreme court commented upon the decision of the Division Bench of this court with respect to the issue dealing with technological and commercial expediency of the companies. After having found that the objective set out by the Government in the said case was relating to use of technology as would prevent spurious liquor from being sold, the supreme court has observed that it must be left to the state Government to see how best to maximize its revenue and what is the technology to be utilized to prevent situations like spurious liquor, which in turn would impede revenue collection, apart from causing damage to the consumers. It was further observed by the supreme court that in every tender, there are certain qualifying parameters whether it be technology or turnover; the court cannot sit over in judgment on what should be the turnover required for



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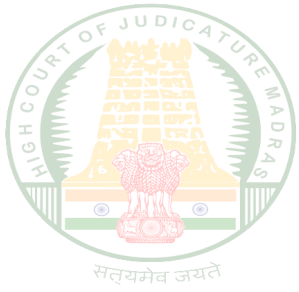


W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

an entity to participate; that, it is not really the function of the court to vet the terms of the notice inviting tender, as it is the decisionmaking process, which can be reviewed in judicial scrutiny. Ultimately, the supreme court has set aside the Division Bench judgment and accordingly, allowed the appeals. Whereas, in the instant case, the petitioner raised a plea of conflict of interest as the respondents 4 and 5 in both the cases are closely related to each other, though they are doing business by establishing separate entities, besides challenging the tender process on the ground of arbitrariness, malafide and violative of the mandatory requirements as laid down under the Rules and hence, the facts obtaining herein are clearly distinguishable from the case decided by the supreme court.

52. Thus, for the aforemade discussions, this court is of the considered opinion that the conflict of interest is against the principle of fairness and hence, the close relationship between the respondents 4 and 5 in both the cases, assumes great significance as it undermines the tender process and hence, the same cannot be disregarded in judicial review.”

81. In the present case, it is noticed that out of the three bidders involved in the tenders pertaining to W.P. (MD) Nos.20235 and 20236 of 2025 except for the Petitioner, the two other bidders namely, Mr.Manikandan and the successful bidder in this batch of Writ Petitions except in the W.P.(MD) No.20237 of 2025, namely MJD Construction and Engineering Contractors Private Limited were closely related.

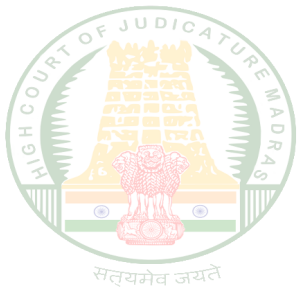


W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

82. Further, the said Mr. Manikandan was allowed to participate in the bid even though there was a restraining order of the Court in ***M.Manikandan Vs. District Collector & Ors*** vide Order dated 28.04.2024 in W.P.(MD) Nos.19664 and 20084 to 20086 of 2023 relating to tender for the work namely setting up the Kuzhivilai Melandukodu Kattukulam Salai, Parayan Vilai Thala Veettu Vilai Salai, Kuzhiyalvilai Tharisu Vilai Salai, Kuppottukulam Ooralivilai Salai, Thengangudal Vilai, Mathiravilagam Salai, Kavankulam Kovil Vattam Salai and Sivankovil Mattrathu Vilai Salai providing Cement Stone.

83. In Paragraph No. 17 of the Order dated 28.04.2024 in ***M.Manikandan Vs. District Collector & Ors.***, there was an embargo on the Tender Accepting Authority, namely the fourth respondent, against permitting MJD Construction and Engineering Contractors Private Limited and M.Manikandan to submit their bid and participate in the tender process. Paragraph No.17 of the Order dated 28.04.2024 is extracted hereunder:-

“17. However, in the instant case, having allowed the petitioner as well as the construction company in which the petitioner as well as his wife, Mrs. D.Janaka Jebangalin, are equal equity shareholders, the respondents have failed in ensuring a level playing field



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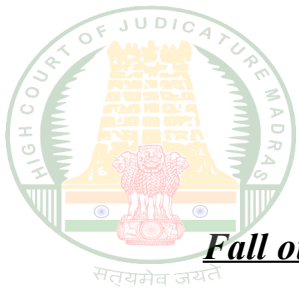


W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

preventing potential manipulation of the bidding process. In line with the order passed by this Court in W.P.(MD)No.2166 of 2023 dated 23.03.2023, I hereby reiterate the order of this Court again by directing the respondents to prevent the writ petitioner as well as his wife in the name of MJD Construction and Engineering Contractors Private Limited in participating in the same tender process in future.”

84. Even though Paragraph No. 17 of the Order dated 28.04.2024 in ***M.Manikandan Vs. District Collector & Ors*** in W.P.(MD) Nos.19664 and 20084 to 20086 of 2023 contained a negative injunction against the successful bidder, namely MJD Construction and Engineering Contractors Private Limited, in this batch of Writ Petitions except in the W.P. (MD) No.20237 of 2025, the bid of MJD Construction and Engineering Contractors Private Limited was, admitted, accepted, scrutinised and eventually awarded the work orders.

85. Therefore, the acceptance of the bid of these two persons was impermissible in the light of Paragraph No. 17 of the Order dated 28.04.2024 in ***M.Manikandan Vs. District Collector & Ors*** in W.P.(MD) Nos.19664 and 20084 to 20086 of 2023.



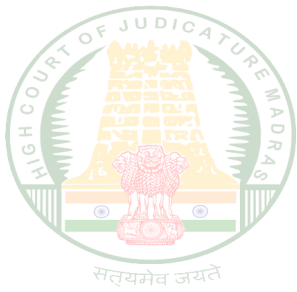
W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

Fall out of the Order of Division Bench:-

WEB COPY 86. The Division Bench of this Court *vide* Order dated 04.08.2025 in W.A.(MD) Nos.1683 to 1686 of 2025, while partly setting aside the above Order dated 28.04.2024 in ***M.Manikandan Vs. District Collector & Ors***, observed as under:

“6. It is for this reason, we set aside the adverse observation and direction set out in Para 17 and elsewhere of the order of the learned Single Judge. At the same time, the larger issues raised by the impleaded private respondent cannot be lost sight of. Even while sustaining the order of dismissal passed by the learned Single Judge, we remand this issue regarding confidentiality and conflict of interest among the tenderers/bidders for determination to the file of the fifth respondent.

7. We are constrained to make an order of remand for more reasons than one. While according to the respondents, the appellant is having 50% shareholding in the company, the appellant denies the same. According to him, he had relinquished all his share-holdings almost two decades ago. The case on hand involves a company. While there is a specific disqualification provision in Tamil Nadu Tender Transparency (Public Private Partnership Procurement) Rules 2012, under the parent Act as well as in the Tamil Nadu Transparency in Tenders Rules, 2000, there is no corresponding provision. We do not want to go into the merits of the rival contentions. It is for the government to take a call in the first instance. Thereafter, in exercise of judicial review, the correctness of the stand taken by the fifth respondent can be examined.



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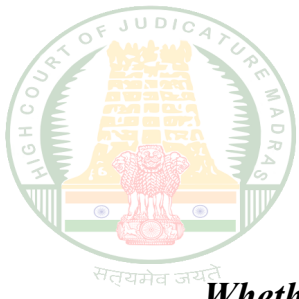
W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

8.We are conscious that the fifth respondent is not the appellate authority but considering the public importance of the issue and its application for the 7/9 entire State, we direct the fifth respondent to issue notice to the appellant, his spouse Ms.Janaka Jebangalin as well as MJD Construction and Engineering Contractors P Ltd, the impleaded respondent R4 herein and other stakeholders and take a call on merits and in accordance with law as expeditiously as possible. We hope and trust that final decision on the issue will be taken within four weeks from the date of receipt of copy of this order.

9.These writ appeals are partly allowed. No costs. Connected miscellaneous petitions are closed.”

87. The Division Bench has directed issuance of notice to the these two parties. In this case, this exercise could not be done as the Tender has already been floated on.

88. Since the Division Bench of this Court in W.A(MD) Nos.1683 to 1686 of 2025 has already held in Paragraph No.8 of Order dated 04.08.2025 as extracted above and in the beginning of the Order, the qualification of the two bidders namely., MJD Construction and Engineering Contractors Private Limited and Mr.Manikandan is required to be considered in the light of the observation of the Division Bench vide Order dated 04.08.2025, if this exercise has not been done.



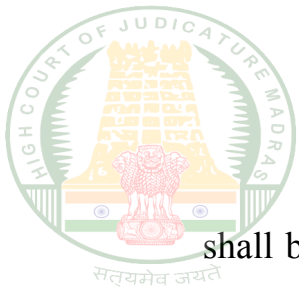
W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

Whether issuance of 'Work Order' immediately after opening of the Tender is fatal

89. That apart, the Respondents have proceeded to award the contract with alacrity and undue hurry on the following days vide Work Orders dated 10.07.2025, 10.07.2025, 22.07.2025, 04.07.2025 and 01.07.2025, though awarding of the contract would require further procedures to be complied by a person who crosses the first threshold of technical evaluation. Thus, it is evident that the Tender was floated only to award a contract to the successful parties. Therefore, on this count also the decision of the Tender inviting authority is liable to be interfered with.

90. As far as the rejection of the bid of the Petitioner during technical evaluation challenged in W.P.(MD) No.20237 of 2025 is concerned, the reasons for the rejection of the bid during the technical evaluation are not contemplated in the tender documents. Therefore, on this count also, the elimination of the Petition during technical evaluation is liable to be set aside and the Writ Petition deserves to be allowed.

91. Since the impugned tender summary reports rejecting the bids of the petitioner at the technical evaluation stage are being quashed, there



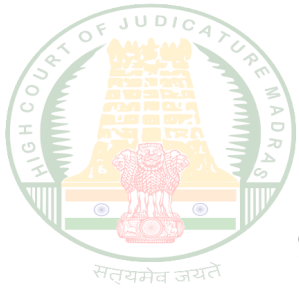
W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

shall be a direction to the 4th Respondent in the respective Writ Petitions,

WEB COPY i.e., the Executive Officer of the respective Selection Grade Town Panchayats, to accept the petitioner's bids at the stage of technical evaluation.

92. The 4th Respondent in the respective Writ Petitions is therefore directed to examine the offer of the petitioner and thereafter award the contract to the bidder whose bids meet the criteria under the respective Tender Notifications. This shall be after the Order of the Division Bench of this Court in W.A.(MD) Nos.1683 to 1686 of 2025 dated 04.08.2025 are complied. This exercise shall be completed within a period of two weeks from today.

93. In view of the above discussion, the objection of the Petitioner that there was effectively only a single tender, is left open to be decided by the Respondent, if fresh tenders are to be called for and if the two bidders namely, MJD Construction and Engineering Contractors Private Limited and Mr.Manikandan are found to be ineligible.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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94. In view of the above, the respective Work Orders dated 10.07.2025, 10.07.2025, 22.07.2025, 04.07.2025 and 01.07.2025 issued during the pendency of these Writ Petitions are quashed.

95. In the result, these Writ Petitions stand disposed of. No costs. Consequently, the connected Miscellaneous Petitions are closed.

26.08.2025

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Index : Yes

Internet : Yes

Neutral Citation : Yes

Issue Order copy on 28.08.2025

To

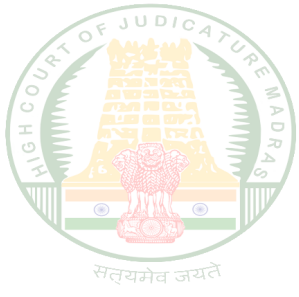
- 1.The Director of Town Panchayat,
8th Floor, Urban Administrative Office Campus,
Raja Annamalaipuram,
Chennai 600 028.
- 2.The District Collector,
Kanyakumari District
at Nagercoil.
- 3.The Executive Engineer,
Town Panchayat Department,
Tirunelveli Zone.
- 4.The Executive Officer,
Kadaya Selection Grade Town Panchayat,
Kadaya, Kanyakumari District.



W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

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- 5.The Executive Officer,
Edaicode Selection Grade Town Panchayat,
Edaicode, Kanyakumari District.
- 6.The Executive Officer,
Kulasekharam Selection Grade Town Panchayat,
Kulasekharam,
Kanyakumari District.
- 7.The Executive Officer,
Ponmanai Selection Grade Town Panchayat,
Ponmanai,
Kanyakumari District.
- 8.The Executive Officer,
Thiruvattar Town Panchayat,
Thiruvattar, Kanyakumari District.



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W.P.(MD) Nos.20235 to 20238 and 20889 of 2025

C.SARAVANAN, J.

JEN

Pre-Delivery Common Order made
in
W.P.(MD) Nos.20235 to 20238 and 20889 of 2025
and
W.M.P.(MD) Nos.15603, 15605, 15615, 15617,
15667, 15669, 15611, 15612, 16164 & 16167 of 2025

26.08.2025