

IN THE HIGH COURT OF JUDICATURE AT PATNA

Civil Writ Jurisdiction Case No. 1926 of 2026

Sindhuja Engineer and Contractor having its Principal Place of Business at village Mow, P. S. Tekari, District Gaya, Bihar through its Authorized Signatory, Sushil Kumar, aged about 53 years, Male, Son of Jitendra Sharma, Resident of Flat No. 201, 2nd floor, Yamuna Block-6 Sector- D6 Vasant Kunj, P.S. Vasant Kunj, District South West Delhi, Delhi.

... .. Petitioner/s

Versus

1. The State of Bihar through the Principal Secretary, Public Health and Engineering Department, Government of Bihar, Patna.
2. The Engineer in Chief, Public Health and Engineering Department, Government of Bihar, Patna.
3. The Chief Engineer (Urban) cum Registering Authority, Public Health and Engineering Department, Government of Bihar, Patna.
4. The Executive Engineer, Public Health Division, Banka, District Banka, Bihar.

... .. Respondent/s

Appearance:

For the Petitioner/s : Mr. Prabhat Ranjan, Advocate
Mr. Shubham Prakash, Advocate
For the Respondent/s : Mr. Yogendra Pd. Sinha, AAG 7

CORAM: HONOURABLE MR. JUSTICE MOHIT KUMAR SHAH

and

HONOURABLE MR. JUSTICE ARUN KUMAR JHA

ORAL JUDGMENT

(Per: HONOURABLE MR. JUSTICE MOHIT KUMAR SHAH)

Date: 18-04-2026

The present writ petition has been filed for quashing of the Office Order No. 164 dated 29.12.2025, as contained in Memo No.3940, in connection with Agreement No. SBD-21/2018-19, whereby and whereunder the Executive Engineer, Public Health



Division, Banka, *i.e.* the respondent No.4 has debarred the petitioner firm. The petitioner has also prayed for quashing of the letter dated 14.01.2026, issued by the respondent No.4 whereby the petitioner has been directed to make payment of the electricity bills within 24 hours, failing which process shall be initiated for debarment/rescindment of the contract.

2. The brief facts of the case, according to the petitioner are that the petitioner is a registered Class I contractor under the provisions of the Bihar Contractors Registration Rules, 2007 (hereinafter referred to as the 'Rules, 2007'). The petitioner was granted certificate of registration dated 26.08.2020, as a Contractor of Public Health Engineering Department by the Chief Engineer (Urban), Public Health Engineering Department, Government of Bihar, Patna, *i.e.* the respondent No.3 for a period of five years. The petitioner is stated to have participated in a tender process relating to *Mukhya Mantri Peyjal Nischay Yojana* for the District of Banka relating to the work of management of safe and pure drinking water for the areas which were affected by High Floride content in the water by establishing / construction of Floride Removal / Treatment Unit along with five years operation and maintenance. The said tender was awarded to the petitioner, leading to execution of an Agreement bearing No. SBD-21/2018-



19 in between the petitioner and the respondent No.4 as also issuance of work order on 08.03.2019. The petitioner is stated to have completed the work.

3. It is the further case of the petitioner that subsequently the respondent No.4, *vide* Office Order dated 17.12.2025 had directed the petitioner to pay the up to date electricity bills by means of receipt failing which it was contemplated that the bills would be paid from the amount payable to the petitioner from the concerned work division and further action for debarment/blacklisting/rescindment of agreement etc. shall be taken in terms of the agreement and in accordance with law. Thereafter, the respondent No.4 has issued the impugned Office Order dated 29.12.2025, debarring the petitioner indefinitely.

4. The learned counsel for the petitioner submits that the debarment cannot be for an indefinite period in view of the law laid down by the Hon'ble Apex Court in the case of ***Khulja Industries Limited vs. Chief General Manager, Western Telecom Project Bharat Sanchar Nigam Limited and Others***, reported in (2014) 14 SCC 731, paragraph No.25 whereof is reproduced in herein below:

“25. Suffice it to say that “debarment” is recognised and often used as an effective method for disciplining deviant suppliers/contractors who may have committed acts of omission



and commission or frauds including misrepresentations, falsification of records and other breaches of the regulations under which such contracts were allotted. What is notable is that the “debarment” is never permanent and the period of debarment would invariably depend upon the nature of the offence committed by the erring contractor.”

5. The learned counsel for the petitioner has next submitted that the impugned order dated 29.12.2025 has been issued by an incompetent authority inasmuch as the respondent No.4 is not the authority who had registered the firm of the petitioner. It is thus submitted that only the respondent No.3 could have either issued the show cause notice to the petitioner or the order of debarment/blacklisting *qua* the petitioner. In this regard, reference has been made to Rule 11 (d) of the Rules, 2007, which is reproduced herein below:-

“(d) The order of blacklisting/suspension shall be passed by the officer who is competent to register the contractor or by the officer under whom the registering officer works.”

Thus, it is submitted that since the respondent No.3 *i.e.* the Chief Engineer (Urban)-cum-Registering Authority, Public Health and Engineering Department, Government of Bihar, Patna is the registering authority of the firm of the petitioner, he was only authorized to either issue show cause notice to the petitioner or pass any order of debarment/blacklisting.



6. *Per contra*, the learned counsel for the respondent-State has submitted that the respondent No.4 had issued show cause notices dated 16.09.2025, 19.11.2025, 24.11.2025, 01.12.2025 and 17.12.2025, apart from other notices before passing the impugned order dated 29.12.2025, hence the principles of natural justice have been complied with before passing of the impugned order dated 29.12.2025. Nonetheless, the learned counsel for the respondent-State has not been able to show from the records or from the Rules, 2007 that the respondent No.4 is the competent authority to either issue show cause notice to the petitioner, prior to passing of the order for debarment/ blacklisting or pass an order of debarment/ blacklisting itself.

7. We have heard the learned counsel for the parties and gone through the materials on record. We find from the records that the show cause notices as also the order of debarment of the petitioner firm have been issued by the respondent No.4, who is not the registering authority in the present case inasmuch as a bare perusal of the certificate of registration, annexed as Annexure P/1 to the present writ petition would show that the registering authority is the respondent No.3, *i.e.* the Chief Engineer (Urban)-cum-Registering Authority, Public Health and Engineering Department, Government of Bihar, Patna, hence it is only the



respondent No.3 who is/was authorized to issue show cause notice for debarment/ blacklisting as also pass an order of debarment/ blacklisting. Thus, a debarment or blacklisting order passed without a valid show cause notice is not only invalid but also violates the principles of natural justice, hence is liable to be quashed on this ground alone.

8. We further find that it is a well settled law that an order of debarment/blacklisting passed for an indefinite period is legally unsustainable, as it violates the principles of natural justice, the doctrine of proportionality, and the fundamental right to carry on trade. In the present case, by the impugned order dated 29.12.2025, the petitioner firm has been debarred for an indefinite period. The law in this regard is no longer *res integra* inasmuch as the Hon'ble Apex Court in the case of ***Khulja Industries Limited*** (*supra*) has held that debarment can never be permanent. Thus, on this score as well the impugned order dated 29.12.2025 is unsustainable in the eyes of law.

9. Having regard to the facts and circumstances of the case and for the foregoing reasons, we deem it fit and proper to quash the impugned Office Order dated 29.12.2025 and remand the matter back to the respondent No.3 who shall issue fresh show cause notice to the petitioner and after inviting his objections shall



pass a reasoned and a speaking order, in accordance with law and the agreement entered into between the parties.

10. Accordingly, the present writ petition stands allowed.

(Mohit Kumar Shah, J)

(Arun Kumar Jha, J)

GAURAV S./-

AFR/NAFR	AFR
CAV DATE	NA
Uploading Date	25.04.2026
Transmission Date	NA

