

S/L 13
15.06.2026
Court. No. 25
Sourav

WPA 27682 of 2025

Sri Subhra Sekhar Ghosal
Vs.
Union of India & Ors.

Mr. Amales Ray, Sr. Adv.
Ms. Mousumi Bhowal
Mr. Aman Gupta
Mr. Ishan Bhattacharya

...for the petitioner.

Mr. Subrata Roy
Mr. Guddu Singh

...for the Union of India.

1. The petitioner has filed the present writ application challenging the impugned order dated November 17, 2025 issued by the Executive Engineer (SG) (QS &C), Joint Director (Contracts) for the Chief Engineer by removing the name of the petitioner from the approved list of the contractors of the Head Quarter with immediate effect.
2. The petitioner is the approved contractor under the Military Engineering Services and was awarded with all the works as described in schedule as appear in Page No. 79 of the present writ application. On May 13, 2025, the Chief Engineer has issued show-cause notice to the petitioner on the allegation that the petitioner has submitted four fake bills of M/s. Paul Automobile and M/s. Ajay Battery and accordingly, the petitioner is directed to show-cause why the petitioner's name shall not be removed from the approved list of the contractors.
3. The petitioner has submitted a reply on May 20, 2025 informing that the materials which have been supplied by the petitioner is of the approved make and even till date no complaint has been received against the materials supplied. The materials supplied by the petitioner is

genuine. The staff of the petitioner has purchased the said materials from the local shop and unable to deliver the genuine bills and the petitioner was not aware that the staff of the petitioner has submitted the bills from the local market. On receipt of the show-cause reply submitted by the petitioner, the authorities have recorded the proceeding by recommending for suspension of the business of the petitioner for a definite period not for lifetime. Subsequent to the resolution taken by the authorities, the impugned order is passed.

4. Learned counsel for the petitioner submits that in the resolution, the authorities have admitted that the contractor had attended all the complaint instantly and even on night or during storm/rainy season, made the equipment in serviceable condition. To run the equipment in urgent basis obviously either he had to procure the materials from the local market or he had used the materials which were held with him but without genuine purchase voucher. It is also recorded that perhaps procuring of materials from dealer may delay to the users and may result darkness of the particular area for a long time, due to which the petitioner has procured the materials from the local market. In the recommendation, it is also held that the petitioner is a hard worker, technically and financially sound, intended to complete the work in before time, always ready for execution of any kind of difficult work and not a litigated minded.
5. Learned counsel for the petitioner submits that there is no allegation that the materials which have been supplied by the petitioner are not genuine one or not up to the mark.

The only allegation is that the petitioner has submitted the vouchers from the local market instead of from the authorized agents in terms of the special condition of the contracts. Learned counsel for the petitioner submits that the only allegation with regard to producing of the vouchers from the local market and not from the authorized agents, the respondent authorities cannot remove the name of the petitioner from the approved list of the contractors.

6. The petitioner in support of his submission has relied upon the judgment in the case of ***State of Odisha and Others Vs. Panda Infraproject Limited*** reported in **(2022) 4 SCC 393** and submits that debarment can never be permanent and the period of debarment would invariably depend upon the nature of the offence committed by the erring contractor. By referring the said judgment, the petitioner submits that in the present case, the only allegation is that three false bills have been submitted by the petitioner from the local market instead of the authorized agents but the materials supplied by the petitioner is upto the mark. There is no allegation that the materials supplied by the petitioner is degraded but the respondent authorities have removed the name of the petitioner from the approved list permanently which is not sustainable under law.
7. Per contra, learned counsel appearing for the respondent authorities submits that the petitioner has violated the special condition of the contract. He further submits that as per the contract, the contractor has to produce the vouchers/invoices from the manufacturer or their

authorized agents for full quantity of the materials but in the present case, the petitioner has submitted the false vouchers from the local market and as such, the petitioner has violated the terms and condition of the contract.

8. Learned counsel for the respondent has further relied upon the instruction submitted by the authorities wherein it is mentioned that the Military Engineering Services (MES) provides strategic engineering support to the Indian Army, Navy and Air Force. The department cannot place its trust in a contractor whose integrity is compromised, particularly when executing works inside the sensitive defence installations. Deploying substandard or unverified equipment in such zones poses a direct security hazard to the nation.
9. By referring the said clause, the respondent authorities have further relied upon the guidelines for suspension, debarment, demotion and removal of MES contractor wherein Clause d(ii) provides that the cancellation of enlistment can be done for violation of any condition of the contract and the contractor fails to abide by the condition of enlistment. By relying upon the said document, the respondent submits that the petitioner by submitting the fake document has violated the terms and conditions of the contract and as such, the authorities have rightly removed the name of the petitioner from the approved list of the contractor.
10. Heard the learned counsel for the respective parties. Perused the materials on record.
11. The respondent authorities have issued the show-cause notice to the petitioner on the ground that the petitioner

has submitted the bill of M/s. Paul Automobile and M/s. Ajal Battery dated April 15, 2023, June 5, 2023, August 5, 2023 and August 10, 2023 which are fake. On receipt of the show-cause of notice, the petitioner has submitted his reply. In the reply the petitioner has categorically stated that the employees of the petitioner purchased the materials from the local market and unable to deliver the genuine bills and have produced the bills from the local market not from the authorized agencies or manufacturers.

12. It is not the case of the authorities that the bills which have been submitted by the petitioner have not been issued by M/s. Paul Automobile or M/s. Ajay Battery. It is the specific case of the respondent authorities that the petitioner instead of submitting the bills from the authorized agents or manufacturer has submitted the bills from the local market. Thus, it cannot be said that the petitioner has submitted the fake bills. Only the petitioner has not submitted the bills from the authorized agents or manufacturer, had submitted the bills from the local market. On receipt of the show-cause notice, the authorities have taken a resolution which reads as follows:-

“The subject work was an emergent nature of work. Importance of PMS is too much being existence of 17 Corps. A numbers of regiment alongwith vital/important installation are in PMS. To continue the enhanced security, continuous power supply is warranted even in breakdown from state electricity board for which DG sets are to be run instantly and continuously. The said Contractor had attending all the complaint instantly and even on night or during storm/rainy season, made the equipment in serviceable condition by hook & Crook. To run the

equipment in urgent basis obviously either he had to procure the materials from local market or he had used the materials which were held with him, but without genuine purchase voucher. Perhaps procuring or material from dealer may delay to the users and may result darkness of the particular area for a long time. However, whatever he had done, the contract admitted his fault and the same is punishable offence.

Recommendation:- the contractor M/s United Builders is a hard worker, technically & financially sound, intend to complete the work in before time, always ready for execution of any kind of difficult work and not a litigated minded. The Contractor M/s United Builders has admitted the allegation and given his assurance for not repeating of such mistake vide his letter No. Nil dated 20th May 2025. Keeping in views, the undersigned recommended for suspension of business dealing for a definite period, not for lifetime.”

13. In the resolution, the authorities have admitted that the petitioner is working as a contractor under the respondent authorities for the several years and the petitioner is attending all the complaint instantly and even in the night or during storm/rainy season and made the equipment in serviceable condition. It is also recorded that the petitioner might have been borrowed the materials supplied by the petitioner either from the local market or from his stock. In the resolution, it is not the case made out by the respondent authorities that the bills submitted by the petitioner with regard to the M/s. Paul Automobile or M/s. Ajay Battery are fake one. Only in the show-cause notice, the authorities have used the word ‘fake’ but It is not the

case that the said bills were not issued by the M/s. Paul Automobile or M/s. Ajay Battery.

14. The special terms and conditions of the contract, Clause 17.7 reads as follows:

“Contractor shall produce vouchers/invoices from the manufacturers and/or their authorized agents for the full quantity of the materials, as applicable as a pre-requisite before submitting claim for payment for advances on account of the work done and/or materials collected in accordance with Condition 64 of General Conditions of Contracts IAFW-2249. Production of vouchers by the contractor shall be his MANDATORY contractual obligations and shall be fulfilled by him for claiming any payment. Contractor is required to produce purchase vouchers for materials appearing in the BOQ from the list of materials requiring purchase vouchers as appended below:-

- (a) PCC/RCC*
- (b) Painting*
- (c) GI Tubing*
- (d) PVC (SWR) Pipe*
- (e) PVC Bend*
- (f) Water Proofing Compound*
- (g) Sanitary Fittings*
- (h) PVC frame and Shutter”*

15. As per the said Clause, the petitioner has to submit the voucher/invoice from the manufacturer or the authorized agent but the petitioner has not submitted the same. Thus, if the materials which have been supplied by the petitioner is a genuine one and there is no allegation that the materials which have been supplied by the petitioner is degraded or not from the branded company, the only allegation with regard to the bills submitted by the petitioner from the local market, the authorities cannot

pass the bills raised by the petitioner but the authorities cannot take severe action by removing the name of the petitioner from the approved list of the contractor.

16. The terms and conditions for cancellation of the enlistment provides that violate any condition of the contract or fails to abide by the condition of the enlistment. If the petitioner has not produced the bills from the manufacturer or the authorized agent, but the materials supplied by the petitioner is not defective. The authorities cannot pass the bills of the petitioner till the petitioner not produces bills/vouchers from manufacturer or authorized agent but it cannot say that the petitioner has submitted fake bill.
17. It is not the case that M/s. Pal Automobiles or M/s. Ajay Battery have not issued the said bill and the petitioner has forged the said bill.
18. As per the condition of the enlistment, the competent authority may suspend, remove or blacklist the contractor for submission of non-bona fide tenders or for technical or other delinquency and in the resolution it is recommended for suspension of business dealing for a definite period, not for lifetime but the impugned order is for the lifetime and not for any definite period.
19. This Court finds that while imposing penalty of removal of the petitioner from approved list of contract, the competent authority failed to consider the recommendation wherein it is categorically recorded that to run the equipment in urgent basis either he had to procure the materials from local market or had used the materials which were held with him but without genuine purchase vouchers. It is also recorded that procured

materials from dealer may delay the users and may result darkness of a particular area for a long time.

20. Taking into consideration, this Court finds that it is admitted case of the authorities that the petitioner has executed work in urgent basis to avoid darkness in the area and produce bills from local market, thus, the impugned order cannot sustain. The impugned order dated November 17, 2025 is set aside and quashed.
21. **WPA 27682 of 2025** is allowed.
22. Urgent photostat certified copies of this order, if applied for, be supplied to the parties upon compliance with all the necessary formalities.

(Krishna Rao, J.)