IN THE HIGH COURT OF JHARKHAND AT RANCHI
W.P.(C) No. 5270 of 2026

M/s Koleshwari Infracons Pvt. Ltd., a duly registered Company under the Companies Act, having its office At H.I.-39, Harmu Housing Colony, P.O. & P.S. Argora, District Ranchi, through its Authorized Signatory, Prashant Kumar Singh, aged about 29 years, son of Ram Bharosh Singh, resident of 827, Devi Mandap Road, Post- Ranchi University, P.S. Bariatu, District, Ranchi.

….. …. Petitioner

Versus

1. The State of Jharkhand.
2. The Secretary, Rural Works Department, Government of Jharkhand, having its office at F.F.P. Building, Project Building, P.O. & P.S. Dhurwa, District- Ranchi.
3. The Engineer in Chief, Rural Works Department, Government of Jharkhand, having its office at F.F.P. Building, Project Building, P.O. & P.S. Dhurwa, District Ranchi.
4. The Chief Engineer, Jharkhand State Rural Roads Development Authority (JSRRDA), having its office at F.F.P. Building, Project Building, P.O. & P.S. Dhurwa, District Ranchi.
5. The Executive Engineer, Rural Works Department, Works Division, Chakradharpur, having its office at P.O. & P.S. Chakradharpur, District West Singhbhum.
6. The Divisional Forest Officer (DFO), Kolhan Forest Division, having its office at P.O. & P.S. Chaibasa, District West Singhbhum.
7. Divisional Forest Officer (DFO), Saranda Forest Division, having its office at P.O., P.S. & District West Singhbhum.

…. …. Respondents

CORAM : HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE MANOJ PRASAD

For the Petitioner	:	Mr Mahesh Tewari, Advocate Mr Krishna Murari, Advocate Mr Jayesh Anand, Advocate Mr Ritesh Pathak, Advocate Mr Rajvardhan, Advocate
For the Respondents	:	Ms Neeharika Mazumdar, AC to AG

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04 /Dated: 30.09.2026

1. Heard Mr Mahesh Tewari, appearing for the petitioner, and Ms Neeharika Mazumdar, learned AC to AG, for the respondents.

2. Rule. The Rule is made returnable immediately at the request of and with the consent of the learned counsel for the parties.

3. The petitioner challenges the communication dated 07.07.2026, whereby its registration as a Contractor has been suspended until completion

of the work of construction and maintenance of the road from L039-Sarbil to Patung road.

4. Mr Tewari states that the impugned communication amounts to debarment of the petitioner from undertaking any works based on the registration, which is now suspended. He submits that such debarment should have been preceded by a specific show-cause notice, which, according to him, is absent in this case. He relies on ***Gorkha Security Services v. Govt. (NCT of Delhi)***, (2014) 9 SCC 105; ***UMC Technologies (P) Ltd. v. Food Corpn. of India***, (2021) 2 SCC 551; and ***Vetindia Pharmaceuticals Ltd. v. State of U.P.***, (2021) 1 SCC 804 to support this contention. In addition, he relies on ***Raider Security Services Private Limited v. State of Jharkhand & Ors***., W.P.(C) No. 1867 of 2023, decided on 30.06.2026, to support his contention.

5. Ms Neeharika Mazumdar referred to the notice dated 28.10.2023, which referred to a fundamental breach of contract by the petitioner, and the petitioner was informed that a recommendation would be made to include the petitioner in the debarred contractors list. He submitted that several notices were issued to the petitioner for completion of the works and, despite all such notices, the petitioner failed to complete the works. She submitted that the notice dated 20.10.2023, read along with the subsequent notices preceding the impugned communication dated 07.07.2026, cumulatively evinces the intention to debar the petitioner.

6. She submitted that even in ***Gorkha Security Services*** (*supra*), it is provided that the intention of blacklisting would be either expressed or implied. Therefore, she submits that this petition should be dismissed.

7. The rival contentions now fall for our determination.

8. In this case, we are not concerned with the ultimate decision but with the decision-making process. Therefore, we are not to test the decision on its merits, but only to determine whether principles of natural justice and a fair procedure were followed before reaching the impugned decision.

9. The notice dated 28.10.2023, no doubt, informs the petitioner of the alleged fundamental breach of contract and then states that, if the breaches are not cured, a recommendation would be made to place the petitioner in the list of debarred contractors. Therefore, strictly speaking, this communication cannot be treated as a show cause notice from the decision maker requiring the petitioner to show cause as to why it should not be debarred.

10. Apparently, by the notice dated 28.10.2023, the Executive Engineer merely stated that he would recommend such a proposal to the appropriate authorities with the authority to make the debarment orders.

11. The subsequent correspondence does not indicate that the Executive Engineer made any such recommendation to the authorities competent to make a debarment order. The subsequent notices again called upon the petitioner to complete the incomplete works and stated that, if the works were not completed, punitive action, in accordance with law, would be taken against the petitioner.

12. On a combined reading of these notices, it is apparent that no specific show cause notice was issued regarding blacklisting or even suspension of the registration, which virtually amounts to blacklisting or debarment. ***In Gorkha Security Services*** (*supra*), the Hon'ble Supreme Court held that a valid show cause notice is a *sine qua non* for sustaining an action of debarment or blacklisting. Further, the valid show cause notice must clearly indicate the precise action proposed, including blacklisting, either expressly or by

necessary implication. This is because blacklisting carries serious civil and commercial consequences, and the failure to specify it in the notice deprives the affected party of a meaningful opportunity to respond.

13. In ***UMC Technologies (P) Ltd. v. Food Corpn. of India***, (2021) 2 SCC 551, the Hon'ble Supreme Court reiterated that blacklisting carries serious civil consequences and therefore requires strict adherence to the principles of natural justice. A show cause notice must therefore specifically identify the proposed action of blacklisting, and a vague or general notice stating that action would be taken, or that punitive action would be taken in accordance with law, is insufficient. This principle was again reiterated in ***Vetindia Pharmaceuticals Ltd. (supra)*** and ***A.K.G. Construction & Developers (P) Ltd. v. State of Jharkhand***, 2026 SCC OnLine SC 520.

14. Ms Mazumdar's argument that the notices, by implication, indicate that blacklisting/debarment was intended also cannot be accepted in the facts of the present case. Firstly, the notice dated 28.10.2023 states that a recommendation for debarment would be made to the competent authority. Second, the impugned action was taken on 07.07.2026, i.e., almost three years after the notice dated 28.10.2023. In the interim, notices were issued that did not refer to any blacklisting or debarment. The notice dated 28.10.2023, apart from being stale, was not even acted upon by the person who issued it.

15. The subsequent notices mainly called upon the petitioner to complete the incomplete works, failing which punitive action in accordance with law was proposed. Now such punitive action may take several forms. Unless there is a clear intention evinced that blacklisting or debarment was proposed to be resorted to, the petitioner would be deprived of opportunity to respond to the issue as to why no such action should be taken. That is the import of the several

decisions of the Hon'ble Supreme Court referred to above. Therefore, based solely on the notice of 28.10.2023, in which debarment was proposed to be recommended and not actually imposed, we cannot accept that the principles of natural justice or the mandate of the binding precedents emanating from the Hon'ble Supreme Court on the issue at hand were complied with, and we cannot sustain the impugned communication.

16. Therefore, on the ground of breach of the principles of natural justice, and without referring to the merits and demerits of the rival contentions regarding completion or non-completion of the works, we set aside the impugned communication dated 07.07.2026 to the extent that it suspends the petitioner's registration until completion of the works. Since we are setting aside this portion of the impugned communication dated 07.07.2026 only on the ground of breach of natural justice, we clarify that it would be open to the respondents to issue a fresh show cause notice to the petitioner specifying the proposed action and, upon receipt of a response from the petitioner, to take such action as would be permissible under the law.

17. The petition is disposed of in the above terms and clarification, without any order for costs.

18. The Rule is made absolute to the above extent. Pending I.As., if any, will not survive and are disposed of.

(M.S. Sonak, C.J.)

(Manoj Prasad, J.)

September 30, 2026
Ranjeet / R.Kr.
AFR
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