IN THE HIGH COURT OF JHARKHAND AT RANCHI

W.P.(C) No. 7558 of 2025

M/s Narayan Horticultural Nursery, Dahutoli, Kanke Road, Hatma, Ranchi through its Proprietor Pradip Maity, aged about 58 years, son of late Naren Maity, resident of Dahu Toil, Hatma, Kanke Road, P.O. Ranchi University, P.S. Gonda, District Ranchi.

... Petitioner

Versus

1. The State of Jharkhand.
2. Director, Directorate of Horticulture, Govt. of Jharkhand, Department of Agriculture, Animal Husbandry & Cooperative, Jharkhand having its office at Krishi Bhawan, Kanke Road, P.O. Ranchi University, P.S. Gonda, District Ranchi.
3. Joint Director, Directorate of Horticulture, Govt. of Jharkhand, Department of Agriculture, Animal Husbandry & Cooperative, Jharkhand having its office at Krishi Bhawan, Kanke Road, P.O. Ranchi University, P.S. Gonda, District Ranchi.
4. Deputy Director, Directorate Horticulture, Govt. of Jharkhand, Department of Agriculture, Animal Husbandry & Cooperative, Jharkhand having its office at Krishi Bhawan, Kanke Road, P.O. Ranchi University, P.S. Gonda, District Ranchi.

... Respondents

CORAM: HON'BLE THE CHIEF JUSTICE
HON'BLE MR. JUSTICE RAJESH SHANKAR

For the Petitioner: Mr Dilip Kumar Chakravarty, Advocate
For the Respondents: Ms Neeharika Mazumdar, A.C. to A.G.

07/Dated: 15.09.2026

1. Heard Mr Dilip Kumar Chakravarty, learned counsel for the petitioner, and Ms Neeharika Mazumdar, learned A.C. to A.G., 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 rejection of his tender application in pursuance of notice inviting tender bearing No. Horti-03/2025-26 dated 03.12.2025, *inter alia* on the ground that the

petitioner had not fulfilled clause 3.0 of the Jharkhand Procurement Policy, 2014 (as amended vide memo No. 1342 dated 16.07.2019) [in short “said Policy”].

4. Mr Chakravarty, the learned counsel for the petitioner, by relying upon the UDYAM Registration Certificate bearing No. UDYAM-WB-18-0055699, submitted that the petitioner fulfilled the applicability criteria prescribed in clause 3.0 of the said Policy and therefore, the Bid Evaluation Committee was not justified in rejecting the petitioner’s bid. He also referred to the DIC certificate dated 01.11.2025 and the Under Secretary’s letter dated 12.12.2025, submitting that the rejection of the petitioner’s bid on the ground of non-fulfilment of the requirements under clause 3.0 of the said Policy was patently erroneous. Accordingly, he submitted that the Court should interfere with the rejection of the petitioner’s bid and direct the respondents to consider the petitioner’s bid and proceed in accordance with law.

5. Ms Neeharika Mazumdar, learned A.C. to A.G., submitted that the petitioner did not fulfil the eligibility criteria prescribed under clause 3.0 of the said Policy, which was admittedly binding upon all the bidders. She submitted that the Bid Evaluation Committee, comprising almost 10 technical experts, after examining the documents submitted by the petitioner, including the UDYAM certificate and the DIC certificate, held that the petitioner did not fulfil the criteria under clause 3.0 of the said Policy.

6. Ms Mazumdar submitted that the Under Secretary's letter, apart from being without jurisdiction, at best represented the *Under Secretary's ex post facto* opinion. She pointed out that the Bid Evaluation Committee met and rejected the petitioner's bid on 03.12.2025, and the Under Secretary's letter was issued on 12.12.2025. Accordingly, she submitted that there was no error in rejecting the petitioner's technical bid.

7. Ms Mazumdar submitted that, in such matters, the Courts' interference should be minimal. She submitted that the Bid Evaluation Committee, comprising experts, examined the matter in substantial detail, and that its interpretation of the tender terms and the documents submitted by the parties was correct. In any event, she submitted that their interpretation was reasonable and, in terms of the decisions of the Hon'ble Supreme Court, this Court should defer to it.

8. For the above reasons, Ms Mazumdar submitted that this petition may be dismissed.

9. The rival contentions now fall for our determination.

10. In this case, the petitioner has not disputed the applicability of clause 3.0 of the Policy which specifies the eligibility criteria for consideration of bids. Though the applicability is not disputed, its interpretation is.

11. Accordingly, we transcribe clause 3.0 of the said Policy below for the convenience of reference: -

> **"3.0 Applicability**
>
> *Jharkhand Procurement Policy 2014 shall be applicable to such Micro and Small Units (MSEs-as defined under MSME Act 2006 of Govt of India and JIP-2012) of the*

State and other units/enterprises of the state which fulfill all the following criteria:

(i) The manufacturing or Service unit is located within the State of Jharkhand.

(ii) The Head Office or Corporate Office of such registered unit/company/enterprise is within the territorial jurisdiction of Jharkhand.

(iii) "MSE is registered with the Directorate of Industries/District Industries Centre, Khadi and Village Industries Board, Directorate of Handloom, Sericulture and Handicraft of Jharkhand Govt, Industrial Area Development Authorities and National Small Industries Corporation Ltd or any other body specified by Directorate of Industries, Jharkhand Govt from time to time and other industrial units/enterprises which have submitted IBM and been issued Date of Production (DOP) certificate by GM, DIC/MD, Industrial Area Development Authorities/Director, Industries, GoJ or MSEs having Udyog Aadhar Number issued by Ministry of Micro, Small and Medium Enterprises, GoJ to be duly verified, whether unit is existing/functional and doing regular production at what capacity by GM, DIC/MD, Industrial Area Development Authorities/Director, Industries, GoJ".

(iv) The MSEs/other Enterprises and units must be registered under Jharkhand Goods and Services Tax (JGST) Act-2017 or The Central Goods & Services Tax (CGST) Act 2017.

(v) The MSE/other enterprise and unit must have encouraged local people in employment.

(vi) The MSE/other enterprise and unit must have complied with all statutory and legal formalities of concerned regulators/Act.

(vii) The MSE Unit availing preferential treatment will give an undertaking with respect to (i) to (vi) above including a categorical statement that the product/services being supplied to Govt. Deptt. or

> *its agencies has been manufactured/created by the unit located in Jharkhand only, giving details of batch no./date or any other identifiable tag (GSI etc) as per prevalent established practice and will have to submit compulsorily duly signed copy of Form GSTR-9C (For units having aggregate yearly turnover of more than 2 crores) as prescribed under JGST Act-2017". However, in case of VAT products/services, Form JVAT-409 (For units having of gross yearly turnover more than 60 lacs) issued by deptt. of Commercial taxes, Govt. of Jharkhand."*

12. From the perusal of the aforesaid, it is quite clear, and it was not even seriously disputed, that a bidder, in order to be adjudged eligible, must fulfil all the conditions/criteria set out in sub-clauses (i) to (vii) of clause 3.0 of the said Policy.

13. The petitioner submitted, along with his bid, two documents to support his case that he fulfilled the above-referred conditions/criteria. They are as follows: -

(i) UDYAM Registration Certificate (Annexure B to the supplementary affidavit filed by the petitioner on 20.08.2026)

(ii) Certificate dated 01.11.2025 issued by the District Industry Centre (DIC), Ranchi (Annexure-C at page 16 to the supplementary affidavit filed by the petitioner on 20.08.2026).

14. Upon analysis of the UDYAM Certificate, we find nothing to indicate that the head office or corporate office of the petitioner is situated within the territorial jurisdiction of Jharkhand. On the contrary, the certificate shows that the head office or corporate

office of the petitioner is situated at Sukdebpur, P.S. Bishnupur, District South 24 Parganas, State of West Bengal, PIN - 743503, which is admittedly not within the territorial jurisdiction of Jharkhand.

15. The UDYAM **c**ertificate no doubt indicates that the petitioner has two units. The first such unit is situated in the State of West Bengal, and the second at Dahutoli, Hatma, Kanke, Ranchi. Thus, even on a very liberal construction of the UDYAM **c**ertificate, it could be said that one of the manufacturing or service units of the petitioner is located within the State of Jharkhand and the petitioner fulfils the condition prescribed in clause 3(i). However, based on the UDYAM certificate, there is no scope to hold that the petitioner's head office or corporate office is within the territorial jurisdiction of Jharkhand as required by Clause 3(ii).

16. By filing counter affidavits and supplementary affidavits, the respondents have disputed that the petitioner’s unit situated at Ranchi is a manufacturing unit or a service unit. The respondents have also contended that the petitioner’s bid was rejected for several other non-compliances as well. However, we do not propose to enter into those controversies because we are satisfied that the petitioner did not fulfil the condition under clause 3(ii).

17. Now coming to the certificate issued by the District Industry Centre, Ranchi, we note that it only states that the petitioner’s unit office and nursery were at Kanke, Ranchi. This certificate

does not state that the head office or the corporate office of the petitioner was within the territorial jurisdiction of Jharkhand.

18. The Bid Evaluation Committee has correctly interpreted clause 3.0 of the Policy by holding that all the conditions/criteria prescribed under sub-clauses (i) to (vii) had to be fulfilled by the bidder and further, based upon the documents produced by the petitioner, the petitioner did not fulfil the conditions/criterial prescribed under clause 3(ii) of the said Policy.

19. Neither the UDYAM certificate relied upon by the petitioner and considered by the Bid Evaluation Committee nor the certificate issued by the District Industry Centre, Ranchi, shows that the petitioner's head office or corporate office was situated within the territorial limits of Jharkhand. Accordingly, we are satisfied that the petitioner did not fulfil the criteria prescribed under clause 3(ii) of the said Policy, and that the Bid Evaluation Committee's view on this issue was correct and, in any event, neither unreasonable nor patently illegal.

20. In the case of ***Afcons Infrastructure Ltd. v. Nagpur Metro Rail Corpn. Ltd., (2016) 16 SCC 818,*** the Hon'ble Supreme Court held that even when interpreting tender conditions, interference is permissible if the decision is arbitrary or irrational, or if no responsible authority acting reasonably and in accordance with law could have reached it. Further, perversity of the decision-making process or the decision, not merely a faulty or erroneous decision, is a ground for interference by the courts. Constitutional Courts are expected to exercise restraint

in interfering with administrative decisions and ought not to substitute their view for that of the administrative authority.

21. The Hon'ble Supreme Court has further held that a mere disagreement with the decision-making process or the decision of the administrative authority is no reason for a Constitutional Court to interfere. The Constitutional Courts must defer to the authority's understanding and appreciation of the tender documents, unless there is mala fide intent or perversity in the understanding or appreciation, or in the application of the terms of the tender conditions. A different interpretation given by the authority, which is not acceptable to the court, is no ground for a Constitutional Court to interfere with the authority's interpretation unless it is proved to be perverse or mala fide or intended to favour a particular bidder.

22. In the present case, there are hardly any pleadings of *mala fides* or favouritism. In any event, no *mala fides*, favouritism, or nepotism has been established based on the material on record. The plea of *mala fide* or nepotism was, quite correctly, not even argued before us. Therefore, following the principle laid down in **Afcons Infrastructure Ltd (supra)**, we find no ground to interfere with the decision of the Bid Evaluation Committee, which, in this case, comprised 10 members, including experts.

23. The Under Secretary's letter dated 12.12.2025 was issued after the Bid Evaluation Committee met on 03.12.2025 and rejected the petitioner's bid. That letter was not before the Bid Evaluation Committee when it decided to reject the petitioner's bid. In any

event, under the notice inviting tenders, we fail to understand the authority under which the Under Secretary, while disagreeing with the views of the 10-member Bid Evaluation Committee, observed that the petitioner was incorrectly disqualified.

24. If the Hon'ble Supreme Court has advised even the constitutional courts to exercise restraint, we fail to understand how an Under Secretary, who, under the scheme of the notice inviting tenders, has no role to play, can proceed to disagree with the decision of the 10-member Bid Evaluation Committee and hold that the petitioner was wrongly disqualified.

25. In any event, the Under Secretary's opinion certainly does not bind this Court. It rests on a misreading of clause 3.0 of the said Policy and of the two main documents furnished by the petitioner with his bid. The Under Secretary's letter does not even refer to the requirement under clause 3(ii) of the said Policy, which requires the corporate or head office of a bidder to be within the territorial jurisdiction of Jharkhand.

26. The Under Secretary, perhaps, seems to be under the impression that if even one of the conditions/criteria prescribed under sub-clauses (i) to (vii) or at least (i) to (iii) is satisfied, then the bidder can be adjudged as eligible. This is a gross misreading of clause 3.0 of the said Policy, which is admitted to be the clause prescribing the eligibility criteria for a bidder.

27. Therefore, based on the Under Secretary's *post facto* communication dated 12.12.2025, we cannot be persuaded to

hold that the petitioner was in fact qualified and the rejection of his bid suffered from any perversity.

28. For the above reasons, we dismiss this petition without any order for costs. The rule is discharged. Pending Interlocutory Applications, if any, will not survive and are hereby disposed of.

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

(Rajesh Shankar, J.)

September 15, 2026

N.A.F.R.

APK/VK

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