IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No. 33913 of 2026
CNR No.ODHC010811742026

Aditya Dev Infratech Pvt. Ltd., Bhubaneswar .... ***Petitioner***

Mr. Krutibash Mohapatra, Advocate

-versus-

NBCC (India) Limited, Bhubaneswar and others .... ***Opposite parties***

Mr. Saroj Kumar Das, Advocate for O.Ps.1 & 2
Mr. Ramachandra Panigrahy, Advocate for O.P. 3

CORAM:
HON'BLE THE CHIEF JUSTICE
AND
HON'BLE MR JUSTICE CHITTARANJAN DASH

ORDER
28.10.2026

Order No.

01. **1.** Challenging the show cause notice dated 3rd August, 2026, the petitioner has expanded the horizon of the relief and prayed for other alternative substantial reliefs in the form of a writ of *mandamus* to be issued upon the authorities in terminating the contract forfeiting the Earnest Money Deposit, Security Deposit and Performance Guarantee and also restraining the authorities from invoking and/or encashing the Bank Guarantee.

2. The show cause notice was issued as far back as on 3rd August, 2026 and it is not in dispute that the petitioner responded to the said show cause notice. It is also not in dispute that the authorities have not taken any final decision in a proceeding

originated on the basis of the said show cause notice. Since another letter is issued signifying that the authorities may take shelter under different clauses of the contract and may terminate or invoke the Bank Guarantee, the petitioner has clandestinely chosen to make a primary relief of challenging the show cause notice with alternative and/or ancillary relief in the form of restraint against the authority in terminating the contract and also invoking the Bank Guarantee.

3. So far as the show cause notice is concerned, the authorities have vividly, explicitly and elucidately narrated the facts which led a decision to be taken in terms of the clauses appearing in the contract. The meaningful reading thereof exposits that the authorities are contemplating to held the petitioner liable for any loss or damage likely to be suffered and also to claim compensation from the petitioner.

4. So far as the challenge to the show cause notice is concerned, the Court should be slow and circumspect in interfering at the show cause stage, unless it is manifest from the bare look of the show cause notice that the ground narrated therein is ambiguous, incapable of reconciliation nor give a clear picture what the authorities intend to contend therein. It must also clearly and precisely indicate the proposed action to be taken against the person

upon whom the said show cause notice is issued. In the event the Court finds such element in the show cause notice, there is hardly any room for its interference.

5. The Court may also interfere at the show cause stage, if the authority issuing the show cause notice completely lacks competence in this regard. The reason for non-interference at the show cause stage is that the authorities have not taken a final decision as yet and may at times after considering the reply putting forth the defence may drop the proceedings. Mere anticipating that the authorities may take a harsh decision, does not invite the invocation of the extraordinary powers conferred upon the Court under Article 226 of the Constitution of India.

6. In the instant case, the authorities clearly narrated the facts that the petitioner has not started the work or completed the work in its entirety and for such reason, why the action should not be taken in terms of Clauses 11.1 and 13 of the contract.

7. The petitioner has already responded to the said show cause notice and it is expected that the authority would take a reasonable decision after affording an opportunity of hearing to the petitioner. We are conscious that the principle of natural justice is ingrained even in the administrative field and the action of the authorities in

defiance thereto is always frowned upon by the Courts and the interference becomes inevitable.

8. An interesting stand is taken by the petitioner that since a huge amount of money is lying with the authority towards the work already executed by the petitioner, which is undisputed but has not been paid, the work could not be commenced or be completed which, in our opinion, has nothing to do, so far as the validity, legality and the tenability of the show cause notice is concerned. It may be a valid defence in response to the show cause but the writ Court should not interfere with the proceedings initiated on the basis of the show cause. If the stand of the petitioner is accepted, the Court would be substituting itself into the armchair of the administrative authority and will be discharging the administrative functions at the expense of the judicial functions. We do not find any force in such stand, which warrants interference with the show cause notice and, therefore, discard the same.

9. There is no ingredient indicated in the writ petition with regard to the violation of the principle of natural justice which, in our opinion, is not available to the petitioner as well for the reason that the authorities have not taken any decision finally.

10. So far as the invocation of the Bank Guarantee or the termination of the contract is concerned, it stands on a separate and independent footing unconnected and unrelated with the show cause and, therefore, with the clever draftsmanship and creating an illusory cause of action, such relief under the shell of the primary relief is not tenable in the eye of law.

11. So far as the other reliefs are concerned, we do not find that any interference in this regard is called for at this stage. Since the petitioner has already filed a reply to the said show cause, he is precluded from challenging the show cause at such stage.

12. However, we hasten to add that the authorities, while taking a decision on the basis of the said show cause, will afford an opportunity of hearing and adhere to the principle of natural justice in this regard.

13. With these observations and direction, the instant writ petition is disposed of.

(Harish Tandon)
Chief Justice

(Chittaranjan Dash)
Judge

Sisira Signature Not Verified
Digitally Signed
Signed by: SISIRA KUMAR BEHERA
Designation: Junior Stenographer
Reason: Authentication
Location: High Court of Orissa, Cuttack
Date: 30-Oct-2026 16:20:36