



2026:CGHC:2729-DB

NAFR

**HIGH COURT OF CHHATTISGARH AT BILASPUR****WPC No. 6582 of 2025**

M/s Lupin Gases Pvt. Ltd. A Company Incorporated Under The Companies Act, 1956, Having Its Registered Office At R-8, Anupam Nagar, Raipur-492007 (C.G.) Through Its Authorized Signatory.

Petitioner(s)**Versus**

- 1 - South East Central Railway Through Its General Manager, General Managers Office, Bilaspur- 495004 (C.G.)**
- 2 - The Deputy Chief Materials Manager/ Hq, South East Central Railway, Bilaspur- 495004 (C.G.)**
- 3 - M/s Hitech Industries Limited, Having Its Registered Office At 315-16, Industrial Area, Phase-9, Mohali- 160062 (Punjab)**

Respondent(s)**(Cause-title taken from Case Information System)**

For Petitioner(s) : Mr. Amit Agrawal, Advocate through VC
For Resp. No. 1 & 2 : Mr. R.K. Mishra, DSGI and Mr. Neeraj Baghel, Advocate

Hon'ble Shri Ramesh Sinha, Chief Justice**Hon'ble Shri Bibhu Datta Guru, Judge****Order on Board****Per Bibhu Datta Guru, J****16/01/2026**

1. The instant Writ Petition under Article 226 of the Constitution of India has been filed for the following reliefs:-

“A. Issue a writ in the nature of Certiorari or any other appropriate writ, order, or direction quashing and setting aside the award of contract under Tender No. 08252035A to the Respondent No. 3 (M/s Hitech Industries Limited).

B. Issue a writ in the nature of Mandamus or any other appropriate writ, order, or direction commanding the Respondent Nos. 1 to 2 to produce the complete records and provide the detailed reasons, including the relevant file notings, for the cancellation of Tender No. 08252035, in which the Petitioner was the L-1 bidder.

C. Issue a writ in the nature of Mandamus or any other appropriate writ, order, or direction commanding the Respondent Nos. 1 to 3 to conduct a high-level, time-bound inquiry into the fraudulent and illegal supply practices of Respondent No. 3 and, upon finding the allegations to be true, to forthwith terminate the contract awarded to them and initiate appropriate blacklisting proceedings against them in accordance with the law.

D. In the alternative to prayer (3), issue a writ in the nature of Mandamus directing the Respondent Nos. 1 to 2 to consider and decide the Petitioner's pending representations dated 02.12.2025, 10.01.2025, and 24.01.2025 by way of a reasons and speaking order within a stipulated time frame as deemed by this Hon'ble Court.

E. Award the costs of this petition in favour of the Petitioner.

F. Pass any other order or direction as this Hon'ble Court deem fit and proper in the facts and circumstances of the and in the interest of justice."

2. According to the Petitioner, the present matter pertains to arbitrary and illegal action on the part of the Respondent authorities in the process of public procurement. It is stated that Tender No. 08252035 was floated by the Respondents, in which the Petitioner was declared the L-1 bidder on 18.09.2025. Thereafter, without assigning any reason and after opening of the financial bids, the said tender was cancelled, allegedly causing prejudice to the Petitioner by exposing its pricing structure. It is further stated that an identical re-tender bearing No. 08252035A was thereafter issued, wherein Respondent No. 3, who had been a distant L-4 bidder in the earlier tender, substantially reduced its quoted price and was declared L-1 bidder. According to the Petitioner, the award of contract in favour of Respondent No. 3 is illegal and in violation of Clause 4 of the Tender Document prescribing essential eligibility conditions relating to manufacturing and supply. It is further stated that despite representations dated 10.01.2025, 24.01.2025 and 02.12.2025, as well as a legal notice, no action was taken by the Respondents, compelling the Petitioner to file the present petition.

3. Learned counsel for the Petitioner submits that the Respondent authorities acted arbitrarily in cancelling Tender No. 08252035 after opening of the financial bids and without assigning any reasons. It is contended that the Petitioner, despite being declared the L-1 bidder, suffered prejudice due to disclosure of its financial bid, which allegedly enabled a competing bidder to

quote a lower price in the subsequent re-tender. It is further submitted that the award of the contract to Respondent No. 3 is contrary to Clause 4 of the Tender Document, as the said respondent allegedly failed to supply material from its declared manufacturing unit. Learned counsel submits that documentary material, including an E-way bill, was brought to the notice of the Respondent authorities through representations, but no action was taken thereon. On these grounds, interference of this Court under Article 226 of the Constitution of India is sought.

4. Per contra, learned counsel appearing for Respondent Nos. 1 and 2 submits that the Petitioner has no vested or enforceable right merely on being declared the L-1 bidder, and that the Respondent authorities are competent to cancel a tender in accordance with law and administrative exigencies. It is contended that the cancellation of Tender No. 08252035 was *bona fide* and in exercise of administrative discretion. Learned counsel further submits that the allegations of arbitrariness and favoritism are denied, and that the re-tender process was conducted in a transparent and competitive manner. It is also submitted that Respondent No. 3 was declared L-1 strictly in accordance with the tender conditions after due evaluation.

5. We have heard learned counsel for the parties and perused the material available on record.

6. From the pleadings and the reliefs sought, it is evident that the petitioner has not challenged the cancellation of the earlier tender, in which he claims to have been declared L-1. The real grievance of the Petitioner is against the

award of contract in favour of Respondent No. 3 pursuant to the subsequent tender process. The Petitioner does not lay any substantive or independent challenge to the decision of cancellation of the earlier tender so as to establish subsisting legal rights flowing therefrom.

7. It is settled law that a bidder, even after being declared L-1, does not acquire any vested or indefeasible right to claim reward of contract. The tendering authority is entitled to cancel a tender in exercise of its administrative discretion, unless such decision is shown to be arbitrary, *mala fide* or contrary to statutory provisions. In the present case, the Petitioner has failed to demonstrate that the cancellation of the earlier tender suffered from any such infirmity.

8. So far as the challenge to the award of contract pursuant to the subsequent tender is concerned, the issues raised by the petitioner pertain to seeking an inquiry into the alleged fraudulent and illegal supply practices of Respondent No. 3 and for termination of the contract awarded in its favour, after initiating appropriate proceedings for blacklisting. Such matters cannot be adjudicated in the exercise of writ jurisdiction under Article 226 of the Constitution of India.

9. In the absence of any enforceable right flowing from the earlier tender and keeping in view the limited scope of judicial review in contractual matters, this Court is of the considered opinion that the Petitioner has failed to make out a case for interference.

10. For the foregoing reasons and in the absence of any sustainable challenge to the cancellation of the earlier tender, the writ petition does not warrant interference under Article 226 of the Constitution of India and is accordingly **dismissed**.

Sd/-

(Bibhu Datta Guru)
Judge

Sd/-

(Ramesh Sinha)
Chief Justice

Rahul