



IN THE HIGH COURT OF JUDICATURE OF BOMBAY  
BENCH AT AURANGABAD

7 WRIT PETITION NO. 3466 OF 2026

S C T C I Joint Venture

....Petitioner

VERSUS

The State of Maharashtra & others

.....Respondents

Mr. D. P. Palodkar, Advocate holding for Mr. S. S. Khoche, Advocate  
for the Petitioner.

Mr. S. B. Narwade, AGP for the State.

Mr. T. Y. Sayyed, Advocate for Respondent No. 5.

Mr. Ajinkya Reddy, Advocate for Respondent No. 6.

**CORAM : SMT VIBHA KANKANWADI  
& NEERAJ P. DHOTE, JJ.**

DATE : 15<sup>th</sup> APRIL, 2026.

PER COURT :

1. This petition has been filed initially for quashment and setting aside Corrigendum dated 28.02.2026 issued by Respondent No. 5 thereby cancelling earlier tender process in respect of Tender ID No. 2026\_DMA\_1277022\_I and to direct Respondent No. 5 to continue with the said tender process. Other alternate prayers were made however, by way of amendment, the Petitioner has prayed for quashment and setting aside decision of Respondent No. 5 declaring technical bid of the Petitioner as disqualified vide technical bid summary dated 30.03.2026 including opening of financial bid and issuance of work order.

2. Petitioner is coming with a case that Petitioner is a Joint Venture (JV) which is incorporated by virtue of Joint Venture agreement dated 19.02.2026. The members of the Petitioner are engaged in the business of construction and infrastructure development in the State of Maharashtra. Respondent No. 5 has issued notice bearing E-Tender ID No. 2026\_DMA\_1277022\_1 thereby inviting bids for work of "Construction of Various Works in Beed City belonging to Municipal Council Area under District Planning Committee Scheme 2025-2026 (30 Works)" (the impugned bid work) (hereinafter stated as 'bid work'). The booklet containing eligibility conditions were published. Certain eligibility conditions regarding machinery and equipment requirements so also the work experience to be possessed by the bidders for execution of the work were found arbitrary by the Petitioner and other bidders. The various bidders have suggested the Tendering Authority that the eligibility criteria regarding having ownership of 07 Transit Mixtures with Scada Certificate may be relaxed with the ownership or hired. Similarly, the hired Tippers/Trucks or Static Rollers may be permitted in place of owned Tippers/Trucks. The other suggestions were also given. Infact, by way of the said E-Tender, Joint Venture was not allowed to participate and when there was pre-bidding

meeting, all these factors were brought to the notice of the Chief Officer and thereafter Addendum was published. Joint Venture was then allowed. However, all of a sudden, by Corrigendum dated 20.02.2026, the said E-Tender bid work was cancelled for technical reasons. Thereafter once again E-tender was issued for the same work with more stringent eligibility conditions particularly relating to machinery requirements and technical criteria. However, again Joint Venture was not allowed as per tender condition No. 4.3. Petitioner had participated in the earlier round and in the second round also the Petitioner participated. In all four bidders had taken part in the tender process. When the Petitioner tried to access the documents of the other bidders after bid submission confirmation, it was not visible and therefore, by communications dated 24.03.2026 and 28.03.2026, the Petitioner had requested the Respondent/Tendering Authority to make those documents available for perusal. The technical envelop No. 1 was opened and the Petitioner was held to be not eligible in view of the fact that it was a Joint Venture. The checklist described participation of the Petitioner under the caption "NA (Not Applicable)". A note was placed with in accordance with the tender conditions specified in Clause No. 4.3, which expressly prohibits Joint Venture and thus, the bid submitted by the

Petitioner /Joint Venture stands disqualified from the further procurement process.

3. Petitioner alleges that the action of the Tendering Authority of not allowing Joint Venture to participate is arbitrary and all the steps those have been taken of not allowing the Petitioner to access the documents of co-bidders is tainted with malafides. Cancellation by way of Corrigendum on technical reason is also arbitrary. The Respondent/authorities have prescribed the tender conditions in such a manner so as to ensure participation of only selected bidders and to eliminate fair competition. Though earlier, some condition i.e. Clause No. 4.3 was relaxed, there was no necessity to impose same condition again and therefore, the action taken by Respondent/authorities is violative of Article 14 of the Constitution of India, which requires interference by this Court.

4. Heard learned Advocate for the Petitioner. He has taken us through all the documents. He also tenders rejoinder thereby submitting a document wherein the present successful bidder has been allotted work by the same Municipal Council in the year 2022 when it had taken part in the said bid as Joint Venture. By pointing

out letter dated 20.02.2026 by the President, Municipal Council, Beed, he submits that infact there was no technical reason behind issuing the Corrigendum of cancellation of bid process but it was this letter given by the President. This letter appears to have been given for political reason and also to give favour to some contractors. When the President, Municipal Council, Beed, has stated in her letter that she had received some complaints from the contractors that the Joint Ventures have not done their work in the past properly, there are no instances quoted by the Respondent/authority. He further submits that the action on the part of the Tendering Authority is arbitrary. When decision was taken to allow Joint Venture to participate and even the word 'Joint Venture' was defined, there was no necessity to debar the Joint Venture from participating in the tender process when some works were to be got done under the same name with same valuation. When all other terms were same, it can certainly be seen that the act was done with malafides. Further, the malafides could be considered when the documents were not made visible to the Petitioner.

5. Learned Advocate for Respondent No. 5 relies on the affidavit-in-reply of Mr. Shailesh Digambarrao Fadse, Chief Officer, Beed

Municipal Council wherein he admits that cancellation of the first tender by Corrigendum was on 20.02.2026 and prior to that though initially Joint Venture was not allowed, it was thereafter allowed. The said Corrigendum was a bonafide administrative decision taken in the interest of the Municipal Council. It necessitated case of the formal objection raised and suggestions those were given by the President of the Municipal Council. Previous relaxation of allowing a Joint Venture and hire machinery were found to be detrimental to the quality and timely completion of public works which were highlighted by the President. The President of Beed Municipal Council is a directly elected representative. Section 58 of the Maharashtra Municipal Councils Act gives powers to the President of general supervision over administration of the Council. As the head of the Council and Ex-official Chairman of the Constituted Committee, the President has a fiduciary duty to ensure that the public exchequer is protected and infrastructure projects especially those done under the District Planning Committee Scheme are executed by most capable agencies. There is denial as regards the malafides alleged by the Petitioner. It is also then specifically stated that the exclusion of Joint Venture was the policy decision based on negative experience where JVs lacked coordination leading to abandoned or sub-standard

work. All the objections of the Petitioner have been dealt with. The Petitioner was disqualified solely because it applied as a Joint Venture which was expressly prohibited in Condition No.4.3 of the Tender Booklet.

6. Learned Advocate for Respondent No. 5 submits that all the actions have been taken in the interest of the Municipal Council. Though he has not annexed all the instances, yet he relies on the documents of affidavit-in-reply on behalf of Respondent No. 6 wherein notices were issued against the Petitioner on 04.06.2024, 28.05.2025 and 30.05.2025 in respect of other works which the Petitioner is carrying out as Joint Venture. Those works have not been completed. Even offence has been registered against the partner. He submits that the bid of the Petitioner has not been rejected on the ground of past experience but it is only on the ground that it is Joint Venture.

7. Learned Advocate for Respondent No. 6 has relied on the affidavit-in-reply of Mr. Ranjit Dilip Kshirsagar, who is the successful bidder. It is submitted that when the tender conditions specifically state that a Joint Venture is not allowed, the Petitioner now cannot challenge the entire process.

8. Before we proceed to consider the rival contentions, we would like to take note of the legal position and the scope of this Court to consider the matter in respect of tender.

9. The first and the foremost fact that is required to be considered is the law on the point governing the tender process. Hon'ble Supreme Court in case of M/s N. G. Projects Limited vs. M/s Vinod Kumar Jain and others, **(2022) LiveLaw (SC) 302**, has observed thus :-

“23. In view of the above judgments of this Court, the Writ Court should refrain itself from imposing its decision over the decision of the employer as to whether or not to accept the bid of a tenderer. The court does not have the expertise to examine the terms and conditions of the present-day economic activities of the State and this limitation should be kept in view. Courts should be even more reluctant in interfering with contracts involving technical issues as there is a requirement of the necessary expertise to adjudicate upon such issues. The approach of the Court should be not to find fault with magnifying glass in its hands, rather the Court should examine as to whether the decision making process is after complying with the procedure contemplated by the tender conditions. If the Court finds that there is total arbitrariness or that

the tender has been granted in a mala fide manner, still the Court should refrain from interfering in the grant of tender but instead relegate the parties to seek damages for the wrongful exclusion rather than to injunct the execution of the contract. The injunction or interference in the tenders leads to additional costs on the state and is also against public interest. Therefore, the State and its citizens suffer twice, firstly by paying escalation costs and secondly, by being deprived of the infrastructure for which they present-day Governments are expected to work.”

10. We are aware of the decision in Jagdish Mandal vs. State of Orissa, **(2007) 14 SCC 517**, wherein Hon’ble Supreme Court has held that :-

“22. Judicial review of administrative action is intended to prevent arbitrariness, irrationality; unreasonableness, bias and malafides. Its purpose is to check whether choice or decision is made “lawfully” and not to check whether choice or decision is “sound”. When the power of judicial review is invoked in matters relating to tenders or award of contracts, certain special features should be borne in mind. A contract is a commercial transaction. Evaluating tenders and awarding contracts are essentially commercial functions. Principles of equity and natural justice stay at a distance. If the decision relating to award of contract is bona fide and is in public

interest, courts will not, in exercise of power of judicial review, interfere even if a procedural aberration or error in assessment or prejudice to a tenderer, is made out. The power of judicial review will not be permitted to be invoked to protect private interest at the cost of public interest, or to decide contractual disputes. The tenderer or contractor with a grievance can always seek damages in a civil Court. Attempts by unsuccessful tenderers with imaginary grievances, wounded pride and business rivalry, to make mountains out of molehills of some technical/procedural violation or some prejudice to self, and persuade courts to interfere by exercising power of judicial review, should be resisted. Such interferences, either interim or final, may hold up public works for years, or delay relief and succour to thousands and millions and may increase the project cost manifold. Therefore, a Court before interfering in tender or contractual matters in exercise of power of judicial review, should pose to itself the following questions :

(i) Whether the process adopted or decision made by the authority is mala fide or intended to favour someone;  
or

Whether the process adopted or decision made is so arbitrary and irrational that the court can say : “the decision is such that no responsible authority acting reasonably and in accordance with relevant law could have reached”;

(ii) Whether public interest is affected.

If the answers are in the negative, there should be no interference under Article 226. Cases involving blacklisting or imposition of penal consequences on a tenderer/contractor or distribution of State largesse (allotment of sites/shops, grant of licences, dealerships and franchises) stand on a different footing as they may require a higher degree of fairness in action.”

11. Here, we go by the facts first. Initially, when the tender was published, at that time also, Joint Venture was not allowed in view of Condition No. 4.3. Thereafter in the pre-bid meeting, it appears that not only the Petitioner but other bidders also raised objection and then certain deviations were given under the Addendum. The word “Joint Venture” was then defined and the Joint Venture then was allowed to participate. The Petitioner participated the same as Joint Venture however, the entire process came to be cancelled by a Corrigendum dated 20.02.2026. Here it is to be noted that the said Corrigendum was not immediately challenged by anybody including the Petitioner. Of course, the reason that was given for cancellation was due to technical reason. Now, after much water has flown thereafter, in the present petition, the said Corrigendum has been challenged.

12. In the second round thereafter, the E-Tender was published again and at that time, once again Condition No. 4.3 was introduced which was in respect of not allowing a Joint Venture to participate in the tender process. It is stated that the Chief Officer was absent on 16.03.2026 due to he being busy in training. However, the objections those were received were rejected by the Deputy Engineer of the Municipal Council on the same day. Even Petitioner states that once again he had raised written objection regarding not allowing a Joint Venture. However, it is stated that the Chief Officer has rejected the said request on 19.03.2026. That means the Respondents were not ready to change the conditions to the notice inviting tenders. Then it appears that still the Petitioner participated in the capacity as Joint Venture and the Petitioner's tender has been rejected on the said ground. Which conditions should be included can be decided by the Tendering Authority and this Court has limited power only to go into that aspect. In order to show the malafides, no documents have been produced by the Petitioner. However, the Petitioner has pointed out the letter written by the President of Municipal Council on 20.02.2026 and the Corrigendum of cancellation pertaining to the same date. This cannot be taken as malafide or to limit participation in the E-Tender process. We may consider letter written by the

President of the Municipal Council, Beed, where she speaks about the allegations by some contractors. She also speaks about the past experience with the Joint Venture. She has stated that certain works from Joint Venture have remained incomplete and giving relaxation in respect of certain machinery would affect the work and the quality thereof. Here, considering the past experience, if tender itself is cancelled, we cannot say that it amounts to malafides and the instances of Joint Venture given by way of rejoinder by the Petitioner are of the year 2022. Certainly, there is no evidence and most probably neither the present Chief Officer nor the present President would have been there in the year 2022. We may also then take note of the fact that the Petitioner has received certain other contracts as Joint Venture and the notices issued by Municipal Council to it on 04.06.2024, 28.05.2025 and 30.05.2025 would show that those works have not yet been completed when the work order for the same appears to have been given on 19.10.2023. If this past experience is counted in respect of Joint Venture, then the President, Municipal Council would be justified in giving letter dated 28.02.2026. Certainly the element of supervising the work and the duty thereof lies with the President and if Respondent No. 5 was convinced with the change that was required then the Corrigendum cannot be said

to be arbitrary and tainted with malafides. The other three bidders were still in the run and out of them, Respondent No. 6 appears to be a successful bidder.

13. Thus, taking into consideration the limited scope that is available for interference in the administrative action, we do not find that a case is made out to infer that there is violation of Article 14 of the Constitution of India and therefore, no interference is required under Article 226 of the Constitution of India. Hence, petition stands dismissed.

14. After the order was dictated in the Court hall, learned Advocate for the Petitioner seeks continuation of the interim relief granted on 02.04.2026. However, when we have dealt with all the points, there is no necessity to stop the Respondents from issuing work order. Hence, oral request for continuation of interim protection stands rejected.

( NEERAJ P. DHOTE )  
JUDGE

( SMT. VIBHA KANKANWADI )  
JUDGE

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