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W.P.No.4625 of 2026



IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 20.02.2026

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THE HONOURABLE Ms. JUSTICE P.T. ASHA

W.P.No. 4625 of 2026
&
W.M.P.Nos. 5147, 5152 & 5155 of 2026

Subaya Construction Company Ltd.

Represented by its Director S. Chandragandhimathi

No. 21 (Old No. 26), Soundarapandian Street,

Ashok Nagar, Chennai – 600 083.

...Petitioner

Vs.

The Commissioner,

Mangadu Municipality,

No 5, Vaigundaperumal Koil Street,

Mangadu,

Chennai 600 122.

...respondents

Prayer: Writ Petition is filed under Section 226 of the Constitution of India for issue of Writ of Certiorarified Mandamus, calling for the records of the respondent in the impugned order dated 04.02.2026 relating to the works of "Providing Comprehensive Underground Sewerage Scheme to Mangadu Municipality - Tender Ref No 3141/2025/E1 bearing Tender ID No 2025_MAWS_589498_1 and

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QUASH the same and consequently direct the respondent to open the price bid of the petitioner in respect of the works related to "Providing Comprehensive Underground Sewerage Scheme to Mangadu Municipality - Contract No 3141/2025/E1 vide Tender Notification dated 30.01.2025" and process the same in accordance with law.

For Petitioner : Mr. S.R.Rajagopal
Senior Counsel

For Mr. P.J.Rishikesh

For respondents : Mr. M.Suresh Kumar
Additional Advocate General

Assisted by
Mr. V.Jeevagiridharan
Additional Government Pleader.

ORDER

This writ petition is filed for the following relief:

“To call for the records of the respondent in the impugned order dated 04.02.2026 relating to the works of "Providing Comprehensive Underground Sewerage Scheme to Mangadu Municipality - Tender Ref No 3141/2025/E1 bearing Tender ID No 2025_MAWS_589498_1 and QUASH the same and consequently direct the respondent to open



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the price bid of the petitioner in respect of the works related to "Providing Comprehensive Underground Sewerage Scheme to Mangadu Municipality - Contract No 3141/2025/E1 vide Tender Notification dated 30.01.2025" and process the same in accordance with law"

2. The case of the petitioner is that they are a reputed Class I contractor with extensive experience in executing infrastructure projects across the State of Tamil Nadu. The respondent municipality which comes within the Kancheepuram District, had floated a tender for works related to “Providing Comprehensive Underground Sewerage Scheme to the Mangadu Municipality” vide Tender Notification dated 30.01.2025.

3. The petitioner had submitted its technical and financial bids fully satisfying the technical parameters on 31.10.2025. The petitioner would submit that they had encountered certain problems with the Salem City Municipal Corporation and they had attempted to unlawfully disqualify the petitioner. The petitioner would also submit



that they had arbitral claims before the Arbitral Tribunal against other municipalities seeking to enforce their rights and dues. The petitioner by way of abundant caution had sent a communication dated 12.12.2025, informing the respondent that if they entertained any doubt they could seek clarification from the petitioner instead of summarily rejecting the bid.

4. The respondent had addressed a letter dated 18.12.2025, to all the bidders requesting submission of the Environment, Social, Health and Safety (ESHS) methodology and the petitioner had submitted the requisite documents on 22.12.2025. The petitioner had also filed a series of RTI applications before the authorities under whom they had worked enquiring if the respondent had made enquiries about the petitioner's track record with them. They were informed that the authorities had already dispatched the "Genuineness Certificate" to the respondent confirming the petitioner's successful track record and their expertise in the field.



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5. Along with the tender, the petitioner had also submitted a detailed representation on 22.12.2025, setting out their credentials, financial capability, ongoing works, bid capacity, litigation history and legal standing. However, the petitioner received an e-mail from the respondent about the purported “shortfall”, however, with no details of the shortfall. The petitioner, while in their reply had asked for details of the shortfall, had also enclosed the documents submitted along with the tender once again. Thereafter, on 29.12.2025, the respondent had addressed all the bidders seeking clarifications which was also provided by the petitioner vide letter dated 04.01.2026. This was followed by a letter dated 21.01.2026 stating that the petitioner had failed to furnish the litigation history. In their reply dated 23.01.2026, the petitioner highlighted the fact that the same formed a part of their documents. They also clarified the matters regarding the old litigation particularly the dispute with Salem Municipality. However, to the petitioner’s shock by a communication dated 04.02.2026 that was posted in the official website the remarks against the petitioner’s bid was “Rejected Technical” and “Not Responsive”. The communication stated that



the financial bid would be opened on 04.02.2026.

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6. The petitioner vide their e-mail dated 04.02.2026, had raised strong objections to the impugned communication and challenging the same the petitioner is before this Court.

7. The respondent would counter the allegations made by the petitioner by contending that the petitioner had been declared “Non-Responsive” as the petitioner had violated the provisions of Clause 4 (i) of the Bid document, which made it mandatory for all the bidders to disclose information regarding litigation or arbitration resulting from contracts executed by the bidders in the last eight years or currently under execution. The respondent’s contention is that the Clause required disclosure of the names of parties concerned, disputed amount, cause of litigation and matter in dispute. The petitioner who had a total of 33 litigations pending had only disclosed 19 of them in their technical bid and it was only from the further communications with the petitioner that the respondent had come to know about the same. Therefore, the petitioner had suppressed 14 litigations, which is a



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substantial portion of the litigations. Further, the respondent had received an e-mail from other urban local bodies like Vellore and Trichy that there were 2 litigations pending against the petitioner which were not disclosed. These litigations arose only of contracts executed by the petitioner and squarely fall within the mandate of Clause 4 (i).

8. The respondent quoting Clause 26 of the Bid document would contend that the suppression of the litigation history rendered the petitioner's bid as Non-Responsive and prayed for the dismissal of the writ petition.

9. Mr.S.R.Rajagopal, learned Senior Counsel appearing for the petitioner and the learned Additional Advocate General made elaborate submissions on Clauses 4 (i), 25, 26, exchange of correspondence between the parties and provisions the Tamil Nadu Transparency In Tender Act and the Rules.

10. From the aforesaid arguments, it would be necessary to extract the relevant Clauses of the Bid document.



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“4 (i) - *Information regarding any litigation or arbitration resulting from contracts executed by the Bidder in the last eight years or currently under execution. The information shall include the names of the parties concerned, the disputed amount, cause of litigation, and matter in dispute;*

26 - *Examination of Bids and Determination of Responsiveness*

Prior to the detailed evaluation of Bids, the Employer will determine whether each Bid (a) meets the eligibility criteria defined in Clause 3; (b) has been properly digitally signed using DSC token including document uploaded by Mangadu Municipality; (c) is accompanied by the required securities and; (d) is substantially responsive to the requirements of the Bidding documents

A substantially responsive Bid is one which conforms to all the terms, conditions and specifications of the



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Bidding documents, without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality, or performance of the works; (b) which limits in any substantial way, inconsistent with the Bidding documents, the Employer's rights or the Bidder's obligations under the Contract; or (c) whose rectification would affect unfairly the competitive position of other Bidders presenting substantially responsive Bids.

If a Bid is not substantially responsive, it will be rejected by the Employer, and may not subsequently be made responsive by correction or withdrawal of the non-conforming deviation or reservation.

In evaluating the Bids, the Employer will determine for each Bid the evaluated Bid Price by adjusting the Bid Price as follows: (a) making any correction for errors pursuant to Clause 27;



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37 - Corrupt or Fraudulent Practices

The Employer requires that Bidders observe the highest standard of ethics during the evaluation and execution of such contracts. In pursuance of this policy, the Employer:

(a) defines, for the purposes of this provision, the terms set forth below as follows:

(i) “corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the evaluation process or in contract execution; and

(ii) “fraudulent practice” means a misrepresentation of facts in order to influence the evaluation process or the execution of a contract to the detriment of the Employer and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Employer of the benefits of free and open competition.



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11. From the counter affidavit and the arguments of the learned Additional Advocate General, it is clear that the petitioner's bid has been declared "Not Responsive" only on the ground that the petitioner has violated the mandate of Clause 4 (i) by not giving details of their pending litigation / arbitration.

12. The learned Senior Counsel for the petitioner would contend that as per Clause 4 (i) only those litigations / arbitration pertaining to contracts executed eight years prior to the bid was required to be disclosed. However, the learned Additional Advocate General would interpret the Clause to mean litigation / arbitration pending in the last eight years.

13. A reading of Clause 4 (i) extracted supra would indicate that the information regarding litigation / arbitration should relate to contracts executed by the petitioner in the last eight years and with reference to contracts which are currently in operation. The use of the adjective "resulting" gives rise to only such an interpretation as the



word “resulting” relates to the contract and not the litigation. In other words, if the petitioner was facing a litigation or arbitral proceedings from out of contracts from August 2017 such proceedings will fall within Clause 4 (i). That the respondent has also understood Clause 4 (i) to mean so, is evident from a reading of paragraph No.5 of the counter affidavit, where the respondent has stated as follows:

“5.I submit that as per Clause 4 (i) of the Bid document, every bidder is mandatorily required to enclose information regarding any litigation or arbitration resulting from contracts executed by the bidder in the last eight years or currently under execution. The clause specifically requires disclosure of the names of parties concerned, disputed amount, cause of litigation, and the matter in dispute and it requires disclosure of all litigations without exception.”

14. It is a time tested principle that the rule of literal constitution has to be adopted. The Hon’ble Supreme Court in the case of ***Independent Sugar Corporation Ltd., Vs. Girish Sriram Juneja and***



others – 2025 (5) SCC 209 observed as follows in paragraph No.196:

“196.It is axiomatic that while applying the Rule of literal construction, the words of a statute are first understood in their natural, ordinary or popular sense, and phrases and sentences are constructed according to their grammatical meaning unless such construction leads to absurdity or unless there is something in the context or in the object of the statute to suggest the contrary Rule of interpretation.”

15. They had also quoted from the privy council’s judgement in paragraph No.199 as follows:

“199.In Corp of the City of Victoria Vs. Bishop of Vancouver Island, (1921) AC 2 384 the celebrated judgement, Lord Atkinson stated: “In the construction of statutes, their words must be interpreted in their ordinary grammatical sense, unless there be something in the context or in the object of the statute in which they occur, or in the circumstances in which they are used, to show



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that they were used in a special sense different from their ordinary grammatical sense. The literal interpretation leads to hardship, inconsistency or obstruct the accomplishment of the object of the statute steps in. In other words, the doctrine of purposive interpretation is taken recourse to for the purpose of giving full effect to the statutory provisions and the Courts must state what meaning the statute should bear rather than rendering the statute in nullity. A statute must be construed in such a manner as to make it workable.”

16. In the case on hand the interpretation of Clause 4 (i) does not lead to either hardship, inconsistency or defeats the working of the clause or defeats the object sought to be made. The literal interpretation of the clause does not result in any confusion or ambiguity.

17. It is therefore necessary to peruse the list of litigations that have been provided by the petitioner in the “Explanatory role to



pending litigation list” filed on 16.02.2026. Annexure I thereto is the list of the 33 cases. A perusal of the above list would clearly show that except for the 19 cases submitted along with the bid document all others do not come within the purview of Clause 4 (i). Further, with reference to the 14 cases which the respondent contends has been omitted 5 cases have been disclosed in the original list, 4 cases had concluded eight years back and 3 cases have ended in favour of the petitioner. Therefore, it is clear that the petitioner is compliant with Clause 4 (i)

18. The petitioner’s technical bid has been rejected on the ground that it is “Non Responsive”. Sub – para 2 of Clause 26 describes what a “*Substantially responsive bid*” as one which conforms to all the terms conditions and specifications of the Bidding documents without material deviation or reservation. In the light of the discussions supra it is clear that the petitioner has confirmed to all that terms and conditions and specifications of the Bidding documents. That apart, Sub – Para 2 qualifies what would amount to material deviation or reservation in the following manner:



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(a) which would substantially affect the scope, quality or performance of the works.

(b) limits on a substantial way, the employer's rights or the bidders obligation under the contract inconsistent with the bidding document and

(c) the rectification of the bid would unfairly affect the competitive position of other bidders who are substantially responsive.

19. The learned Additional Advocate General would submit that petitioner's bid on account of the non-disclosure as contemplated in Clause 4 (i) is material deviation (b) supra as it affects the respondent's ability to assess the petitioner. Such an argument cannot be countenanced since the petitioner has disclosed the litigations which fall within Clause 4 (i) and available for scrutiny. Therefore, there is no suppression on the part of the petitioner. Further no corrupt or fraudulent practice as contemplated in Clause 37 can be attributed to the petitioner.



20. Rule 28 of the Tamil Nadu Transparency in Tender Rules

2000 reads as follows:

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“28.Initial Examination to determine substantial responsiveness.

(1)The Tender Inviting Authority shall cause an initial examination of the tenders submitted to be carried out in order to determine their substantial responsiveness.

(2)The initial examination shall consider the following factors, namely:

(a)Whether the tenderer meets the eligibility criteria laid down in the tender documents;

(b)(i)Whether the crucial documents have been duly signed;

(ii)Whether the documents have been authenticated by digital signature, in the case of tenders submitted through electronic mail in the designated website

(c)Whether the requisite earnest money deposit has been furnished;

(d)Whether the tender is substantially responsive to the technical specifications, commercial conditions set out in the bidding documents including the testing of samples where required.

(3)Tenders which on initial examination are found not to be substantially responsive under any of the clauses



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under sub-rule (2) may be rejected by the Tender Accepting Authority.”

21. Therefore, even on this ground the rejection of the petitioner's bid as "Non Responsive" cannot be sustained.

22. In fine, this writ petition is allowed, the impugned order dated 04.02.2026 relating to the works of "Providing Comprehensive Underground Sewerage Scheme to Mangadu Municipality - Tender Ref No 3141/2025/E1 bearing Tender ID No 2025_MAWS_589498_1 is quashed and the respondent is directed to open the price bid submitted by the petitioner and the contract awarded to the petitioner if they are to be declared as Lowest One. Consequently, the connected miscellaneous petitions are closed. No costs.

20.02.2026

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To
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The Commissioner,
Mangadu Municipality,
No 5, Vaigundaperumal Koil Street,
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