

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.10591 of 2025

M/s Narotam Kumar through its sole Proprietor Narotam Kumar aged about 31 years, Male S/o Sri Kaushlendra Singh R/o Village Barah, P.O. -Bhuapur, District - Patna (Bihar)

... .. Petitioner

Versus

1. The State of Bihar through the Chief Secretary to the Government of Bihar, Patna.
2. The Principal Secretary to the Government of Bihar in the Department of Minor Water Resources Department, Bihar, Patna.
3. The Special Secretary to the Government of Bihar in the Department of Minor Water Resources Department, Bihar, Patna.
4. The Chief Engineer, Planning, Monitoring and Geology, Minor Water Resources Department, Bihar, Patna.
5. The Chief Engineer, Minor Water Resources Department, Government of Bihar, Patna.
6. The Superintending Engineer -cum- Technical Secretary, Minor Water Resources Department, Bihar, Patna.
7. The Executive Engineer, Minor irrigation Division, Nalanda.

... .. Respondents

Appearance :

For the Petitioner	:	Mr. Siddharth Prasad, Advocate Mr. Nitesh Kumar, Advocate
For the Respondents	:	Mr. AC to SC-11

CORAM: HONOURABLE MR. JUSTICE SUDHIR SINGH
and
HONOURABLE MR. JUSTICE RANJAN KUMAR JHA
ORAL JUDGMENT
(Per: HONOURABLE MR. JUSTICE SUDHIR SINGH)

Date : 24-06-2026

Heard learned counsel for the parties.

2. In the present writ petition, the petitioner has prayed
for the following relief(s):-

"A. For quashing of the Show Cause Notice dated 13.05.2025, issued by Respondent No. 4 (Chief Engineer), proposing to blacklist the Petitioner on



vague and unfounded grounds relating to Tools & Plants documents in respect of the 'Keshopur Payne Jeernodhar (renovation) Scheme'.

B. For quashing of the order dated 04.02.2025 passed by the departmental authorities, which directs to cancel the NIT No. 02/2021-22 and retender the same and also to proceed against the petitioner, without giving the Petitioner an opportunity of being heard or completing the procedure mandated by this Hon'ble Court's earlier order dated 20.09.2024 passed in CWJC No. 1320 of 2024.

C. For quashing the portion of the Order dated 09.01.2025 (Memo No. 68) whereby, despite acknowledging the forged nature of the MOA submitted by Mr. Vikash Raj of M/s Yuvraj Engicons Pvt. Ltd., the department proceeds to again seek verification of the Petitioner's own documents instead of facilitating execution of the pending agreement.

D. For a direction to the Respondents to forthwith execute the agreement with the Petitioner pursuant to the Work Order dated 19.05.2023 (Memo No. 1417) under Tender No. 02/2021-22 (Keshopur Payne Jeernodhar (renovation) Scheme), in compliance with the order dated 20.09.2024 passed in CWJC No. 1320 of 2024.

E. For a direction restraining the Respondents from taking any coercive or prejudicial action including blacklisting and to stay the order dated 4.2.2025 during the pendency of this writ application.



F. For any other relief(s) for which the Petitioner may be found entitled in law and equity in the facts and circumstances of this case."

3. The brief facts of the present case are that the petitioner was awarded a work order dated 19.05.2023 under Tender No.02/2021-22 for the Keshopur Payne Jeernodhar Scheme. Prior to execution of the agreement, a dispute arose regarding an alleged merger of the petitioner's firm with M/s Yuvraj Engicon Pvt. Ltd. on the basis of a Memorandum of Association (MOA) produced before the departmental authorities.

4. The petitioner had earlier approached this Court in CWJC No. 1320 of 2024, which was disposed of on 20.09.2024 with a direction to the competent authority to examine the matter and verify the authenticity of the said MOA. Pursuant thereto, the Chief Engineer passed Memo No.68 dated 09.01.2025 recording that the MOA relied upon by M/s Yuvraj Engicon Pvt. Ltd. was forged and fabricated.

5. Thereafter, by order dated 04.02.2025, the authorities cancelled NIT No.02/2021-22, directed re-tendering of the work and also directed initiation of proceedings against the petitioner. Subsequently, a show-cause notice dated 13.05.2025 proposing blacklisting of the petitioner was issued.



6. Learned counsel for the petitioner submits that the impugned order is wholly arbitrary and unsustainable in law. It is submitted that before recording adverse findings against the petitioner, cancelling the tender and directing initiation of proceedings against him, no show-cause notice was issued nor any opportunity of hearing was afforded to the petitioner.

7. It is further submitted that the impugned order has been passed without completing the exercise contemplated by the order dated 20.09.2024 passed by this Court in CWJC No.1320 of 2024. Learned counsel submits that there is no material on record to indicate that any verification was conducted by the Executive Engineer after issuance of Memo No.68 dated 09.01.2025 and, therefore, the decision-making process stands vitiated.

8. Learned counsel further submits that the authorities have proceeded against the petitioner despite the findings already recorded by the competent authority with respect to the document which formed the basis of the dispute. According to the petitioner, the impugned action is founded upon unverified allegations and suffers from non-application of mind.

9. Learned counsel further submits that the entire exercise is tainted by *mala fides* and bias. It is submitted that the action has been initiated at the instance of officers against whom the petitioner had earlier raised grievances and, therefore, the



proceedings are actuated by personal vendetta rather than any bona fide administrative consideration. On the aforesaid grounds, it is submitted that the impugned order as well as the consequential proceedings are liable to be set aside.

10. *Per contra*, learned counsel for the respondents submits that the competent committee, in its meeting held on 04.02.2025, took a decision to cancel the tender. It is submitted that under Clause 39 of NIT No.02/2021-22, the department reserved the right to cancel the tender without assigning any reason and, therefore, no prior show-cause notice or opportunity of hearing was required before cancelling the tender. It is thus submitted that the impugned decision has been taken in accordance with the terms of the NIT and warrants no interference.

11. The limited issue which arises for consideration is as to whether the order dated 04.02.2025, whereby adverse findings have been recorded against the petitioner, the tender has been cancelled and departmental action has been directed against him, can sustain in law in absence of any prior notice or opportunity of hearing and without completion of the exercise directed by this Court vide order dated 20.09.2024 passed in CWJC No. 1320 of 2024.

12. This Court has considered the rival submissions and perused the materials available on record.



13. The principal contention of the respondents is that in view of Clause 39 of N.I.T. No. 02/2021-22, the authority was entitled to cancel the tender without assigning any reason and, therefore, no prior notice or opportunity of hearing was required to be afforded to the petitioner. Clause 39 of the N.I.T. reads as follows:-

“बिना कारण बताये एवं बिना पूर्व सूचना के पूरी निविदा अथवा इसके किसी खास अंश को किसी भी स्तर पर रद्द करने एवं विस्तारित करने का अधिकार अधोहस्ताक्षरी / सक्षम पदाधिकारी को सुरक्षित होगा।”

14. A plain reading of the aforesaid clause would show that the employer has reserved unto itself the right to cancel the tender process at any stage without assigning any reason. There can be no quarrel with the proposition that where the terms of the tender so permit, the authority may, in an appropriate case, cancel the tender process in exercise of such reserved power. The existence of such power is not under challenge before this Court.

15. The issue, however, is not whether the respondents possessed the power to cancel the N.I.T., but whether, while exercising such power, they could record findings imputing misconduct to the petitioner and direct consequential action against him without first affording him an opportunity of hearing.



16. For appreciating the aforesaid issue, it would be apposite to notice the relevant portion of the proceedings dated 04.02.2025:-

"मुख्य अभियंता का कार्यालय

लघु जल संसाधन विभाग, पटना।

सं0सं0-मु0अ0ल0ज0सं0 / यो0-11(खण्ड-2) / 2022

लघु सिंचाई प्रमंडल, नालन्दा अन्तर्गत निविदा आमंत्रण सूचना सं0-02/2021-22 गुप सं0-02 केशोपुर पर्ईन योजना का जीर्णोद्धार कार्य का एकरारनामा करने पर विचारण एवं निर्णय हेतु दिनांक-04.02.2025 को मुख्य अभियंता, लघु जल संसाधन विभाग, पटना की अध्यक्षता में आहूत बैठक की कार्यवाही:-

लघु सिंचाई प्रमंडल, नालन्दा अन्तर्गत निविदा आमंत्रण सूचना सं0-02/2021-22 गुप सं0-02 केशोपुर पर्ईन योजना का जीर्णोद्धार कार्य की निविदा का निष्पादन निविदादाता मेसर्स नरोत्तम कुमार के पक्ष में होने के पश्चात मुख्य अभियंता, लघु जल संसाधन विभाग, पटना के पत्रांक-1417 दिनांक-19.05.2023 द्वारा कार्यावटनादेश निर्गत किया गया था, परन्तु मेसर्स नरोत्तम कुमार के Assests and liabilities के मेसर्स युवराज इंजीकॉन प्रा0 लि0 में Merge होने से संबंधित मामले में दोनों पक्षों द्वारा विरोधाभाषी आवेदन समर्पित किये जाने के कारण कार्यावटनादेश निर्गत होने के पश्चात भी लम्बे समय तक एकरारनामा नहीं किया जा सका, जिसके कारण मेसर्स नरोत्तम कुमार द्वारा माननीय उच्च न्यायालय, पटना में समादेश याचिका सं0-1320/2024 मेसर्स नरोत्तम कुमार बनाम बिहार सरकार दायर किया गया। उक्त वाद में माननीय उच्च न्यायालय, पटना द्वारा दिनांक-20.09.2024 को पारित न्याय निर्णय के अनुपालन में मामले से संबंधित सभी तथ्यों के सम्यक समीक्षोपरान्त वादी मेसर्स नरोत्तम कुमार द्वारा उक्त योजना के जीर्णोद्धार कार्य की निविदा में अपलोड किये गये कागजातों/अभिलेखों के सत्यापनोपरान्त उक्त योजना का एकरारनामा मेसर्स नरोत्तम कुमार से करने हेतु मुख्य अभियंता, लघु जल संसाधन विभाग, पटना के आदेश ज्ञापांक-68 दिनांक- 09.01.2025 द्वारा निर्णय लिया गया, जिसके क्रम में अधीक्षण अभियंता, लघु सिंचाई अंचल, पटना के पत्रांक-167 दिनांक-23.01.2025 द्वारा प्रतिवेदित किया गया है कि सन्दर्भित योजना में संवेदक मेसर्स नरोत्तम कुमार द्वारा निविदा में अपलोड किये गये यंत्र संयंत्र का कागजात फर्जी पाया गया है, जिसके निविदा शर्तों के प्रतिकूल होने के कारण योजना का एकरारनामा मेसर्स नरोत्तम कुमार से किया जाना उचित प्रतीत नहीं होता है। उक्त परिप्रेक्ष्य में लघु सिंचाई प्रमंडल, नालन्दा अन्तर्गत निविदा आमंत्रण सूचना सं0-02/2021-22 गुप सं0-02 केशोपुर पर्ईन योजना का जीर्णोद्धार कार्य का एकरारनामा करने पर विचारण एवं निर्णय हेतु दिनांक-04.02.2025 को मुख्य अभियंता, लघु जल संसाधन विभाग, पटना की अध्यक्षता में



निविदा समिति की बैठक आयोजित की गयी, जिसमें कार्यपालक अभियंता, लघु सिंचाई प्रमंडल, नालन्दा, अधीक्षण अभियंता, लघु सिंचाई अंचल, पटना एवं अधीक्षण अभियंता-सह-तकनीकी सचिव, मुख्य अभियंता कार्यालय, लघु जल संसाधन विभाग, पटना सदस्य के रूप में सम्मिलित हुये। समिति द्वारा मामले से संबंधित सभी तथ्यों एवं अभिलेखों की समीक्षा की गयी एवं समीक्षोपरान्त पाया गया कि मेसर्स नरोत्तम कुमार द्वारा उक्त योजना की निविदा में यंत्र संयंत्र का फर्जी अभिलेख संलग्न किया गया है, जो निविदा आमंत्रण सूचना सं०-02/2021-22 में निहित शर्तों एवं बिहार ठेकेदारी निबंधन नियमावली-2007 में निहित प्रावधानों के प्रतिकूल है।

अतः उक्त वर्णित परिप्रेक्ष्य में सम्यक् विचारोपरान्त समिति द्वारा कार्यहित में निविदा को रद्द कर पुनर्निविदा आमंत्रित करने एवं संवेदक मेसर्स नरोत्तम कुमार के विरुद्ध नियमसम्मत कार्रवाई करने हेतु सर्वसम्मति से निर्णय लिया गया।

अन्त में बैठक सधन्यवाद समाप्त की गयी।

ह०/—	ह०/—	ह०/—
कार्यपालक अभियंता,	अधीक्षण अभियंता	अधीक्षण अभियंता-सह-तकनीकी
लघु सिंचाई प्रमंडल, नालन्दा	लघु सिंचाई अंचल, पटना।	सचिव, मुख्य अभियंता कार्यालय,
	ह०/—	लघु जल संसाधन विभाग, पटना।
	मुख्य अभियंता,	
	लघु जल संसाधन विभाग, पटना।"	

17. From perusal of the aforesaid proceedings, it is manifest that the committee did not merely decide to cancel the N.I.T. Rather, the committee proceeded to conclude that the petitioner had submitted forged/fabricated documents in connection with the tender process and, on the basis of such conclusion, resolved to initiate departmental action against him. Thus, the cancellation of the N.I.T. was not a standalone administrative decision; it was intrinsically founded upon allegations of misconduct attributed to the petitioner.

18. In the considered opinion of this Court, a clear distinction exists between a decision cancelling a tender in exercise of contractual powers and a decision which proceeds on a finding



that a bidder has indulged in forgery, fraud or other misconduct. While the former may fall within the realm of contractual discretion reserved under the tender conditions, the latter undoubtedly visits the affected person with adverse civil consequences and carries an element of stigma.

19. The law in this regard is no longer res integra. In ***Gorkha Security Services v. Government (NCT of Delhi)***, reported in (2014) 9 SCC 105, the Hon'ble Supreme Court held that where an action entails civil consequences and may adversely affect the rights or reputation of a person, compliance with the principles of natural justice is an indispensable requirement. The relevant part of the said order reads as follows:

“Necessity of serving show-cause notice as a requisite of the principles of natural justice

16. It is a common case of the parties that the blacklisting has to be preceded by a show-cause notice. Law in this regard is firmly grounded and does not even demand much amplification. The necessity of compliance with the principles of natural justice by giving the opportunity to the person against whom action of blacklisting is sought to be taken has a valid and solid rationale behind it. With blacklisting, many civil and/or evil consequences follow. It is described as “civil death” of a person who is foisted with the order of blacklisting. Such an order is stigmatic in nature and debars such a person from participating in



government tenders which means precluding him from the award of government contracts.”

20. Similarly, in ***UMC Technologies Pvt. Ltd. v. Food Corporation of India***, reported in (2021) 2 SCC 551, the Hon’ble Supreme Court reiterated that before taking action founded on allegations of misconduct having the effect of stigmatizing or prejudicially affecting a contractor, a meaningful opportunity of hearing must be afforded. The relevant part of the said order reads as follows:

“13. At the outset, it must be noted that it is the first principle of civilised jurisprudence that a person against whom any action is sought to be taken or whose right or interests are being affected should be given a reasonable opportunity to defend himself. The basic principle of natural justice is that before adjudication starts, the authority concerned should give to the affected party a notice of the case against him so that he can defend himself. Such notice should be adequate and the grounds necessitating action and the penalty/action proposed should be mentioned specifically and unambiguously. An order travelling beyond the bounds of notice is impermissible and without jurisdiction to that extent. This Court in Nasir Ahmad v. Custodian General, Evacuee Property [Nasir Ahmad v. Custodian General, Evacuee Property, (1980) 3 SCC 1] has held that it is essential for the notice



to specify the particular grounds on the basis of which an action is proposed to be taken so as to enable the noticee to answer the case against him. If these conditions are not satisfied, the person cannot be said to have been granted any reasonable opportunity of being heard.”

21. In view of the aforesaid principles, the impugned proceedings cannot be sustained. Even assuming that Clause 39 empowered the respondents to cancel the N.I.T. without assigning reasons, the said clause cannot be construed as authorising the respondents to record findings of forgery against the petitioner and direct initiation of action against him without adhering to the minimum requirements of procedural fairness.

22. Once the authority chose to proceed on the premise that the petitioner had submitted forged documents, the matter travelled beyond the confines of a simple contractual decision. The findings recorded in the proceedings dated 04.02.2025 is clearly adverse to the petitioner, it is casting a stigma upon him and is capable of affecting his future participation in public contracts. In such circumstances, observance of the audi alteram partem rule was not a matter of discretion but a mandatory requirement.

23. Admittedly, no show-cause notice was issued to the petitioner and no opportunity was afforded to him before the



aforesaid findings came to be recorded. The respondents, therefore, could have cancelled the tender in exercise of the power reserved under Clause 39, but they could not have simultaneously returned findings adverse to the petitioner and directed action against him without first complying with the principles of natural justice.

24. The impugned proceedings dated 04.02.2025, therefore, stands vitiated on account of violation of the principles of natural justice and cannot be sustained in law.

25. Accordingly, for the reasons indicated hereinabove the impugned proceedings dated 04.02.2025 is hereby set aside.

26. The matter is remitted to the competent authority for fresh consideration. In the event the authority proposes to proceed on the allegations recorded in the proceedings dated 04.02.2025 and intends to cancel the N.I.T. on the basis of such allegations, it shall first issue an appropriate show-cause notice to the petitioner, clearly indicating the misconduct and the charges against him and afford him a reasonable opportunity of submitting his explanation. Thereafter, upon due consideration of the reply, if any, and after granting such opportunity as may be required in law, the authority shall pass a reasoned order in accordance with law.



27. It is, however, clarified that this Court has not expressed any opinion on the merits of the allegations levelled against the petitioner.

28. It is further clarified that if the competent authority proposes to cancel the N.I.T. purely in exercise of the power reserved under Clause 39 of the N.I.T. and without attributing any misconduct, forgery or other adverse conduct to the petitioner, it shall be at liberty to take such decision in accordance with the terms and conditions of the N.I.T. and the applicable rules. This clarification has been made only to delineate the distinction between a simple cancellation of tender and a cancellation founded upon findings adverse to the petitioner.

29. Accordingly, the present writ application stands allowed.

30. Pending application(s), if any, shall also stand disposed of.

(Sudhir Singh, J.)

(Ranjan Kumar Jha, J.)

*Gaurav Kumar,
Atul/-*

AFR/NAFR	A.F.R.
CAV DATE	N.A.
Uploading Date	29.06.2026
Transmission Date	N.A.

