



2026:CGHC:20082-DB

NAFR**HIGH COURT OF CHHATTISGARH AT BILASPUR****WPC No. 2064 of 2026**

M/s. Vineet Singh Construction Company Pvt. Ltd. Through- Its General Manager Vineet Singh, S/o Late Sudhish Singh, Aged Bout 50 Years, Maharana Pratap Colony, Yadunandan Nagar, Tifra, Bilaspur District - Bilaspur C.G.

... Petitioner(s)**versus**

1. State of Chhattisgarh Through Its Secretary, Department of Water Resources, Mahanadi Bhawan, P.S. Rakhi Atal Nagar Nava Raipur Distt. Raipur C.G.
2. Engineer In Chief, Water Resources Department, Shivnath Bhawan Atal Nagar, Nava Raipur District Raipur C.G.
3. The Chief Engineer, Hasdeo Basin Water Resources Department, Bilaspur District -Bilaspur C.G.
4. The Executive Engineer, Water Resources Division Kota Distt. Bilaspur C.G.
5. Superintending Engineer, Water Resources Circle, Water Resources Department, Bilaspur Distt.- Bilaspur C.G.

...Respondent(s)

(Cause-title taken from Case Information System)

For Petitioner	:	Mr. Parag Kotecha, Advocate.
For Respondent/State	:	Mr. Shashank Thakur, Additional Advocate General.



Hon'ble Shri Ramesh Sinha, Chief Justice
Hon'ble Shri Ravindra Kumar Agrawal, Judge
Order on Board

Per Ramesh Sinha, Chief Justice

30.04.2026

1. Heard Mr. Parag Kotecha, learned counsel for the petitioner. Also heard Mr. Shashank Thakur, learned Additional Advocate General, appearing for the State.
2. The present petition has been filed by the petitioner with the following prayers:

“i. That, this Hon’ble Court may kindly be pleased to call for entire records of the case.

ii. That, this Hon’ble Court may kindly be pleased to quash/set aside the order dated 27.03.2026 (Annexure P/1).

iii. That, this Hon’ble Court may kindly be pleased to directed to the respondent authority to award the work of contract in respect of the NIT No. 11/SAC/e-procurement/2025-26 dated 06.01.2026, System Tender No. 183190 (Second-Call).

iv. That, any other relief or reliefs, which this Hon’ble Court deems fit and proper in view of the facts and circumstances of the case, may also be granted.”



3. Learned counsel for the petitioner submits that the petitioner is a duly registered company incorporated under the Companies Act, 1956 in the name and style of Vineet Singh Construction Company Private Limited and is also registered as an A-5 Class Contractor with the State Government. The petitioner has successfully executed several works contracts of similar nature for the Water Resources Department in the past and possesses the requisite technical and financial capacity to undertake the present work.

4. It is further submitted by the learned counsel, appearing for the petitioner that the State Government, Water Resources Department, invited tender vide NIT dated 17.09.2025 for construction of Gondaiya Anicut in Bilha Block, District Bilaspur. The petitioner participated in the said tender after submitting all requisite documents along with earnest money deposit within the prescribed time. He also submits that upon opening of the bids in the first call, the petitioner was found to be the lowest bidder (L-1) quoting 18% above the Schedule of Rates, whereas other bidders quoted significantly higher rates. The petitioner was declared technically qualified, and its bid was duly recommended for approval by the Executive Engineer, Superintending Engineer, and Engineer-in-Chief.

5. Learned counsel for the petitioner would submit that despite the petitioner being 'L-1' and fully eligible, the Tender Valuation Committee arbitrarily rejected the petitioner's bid without assigning any reasons and recommended re-tendering. Such rejection was done in a mechanical manner, ignoring the consistent recommendations of all



competent technical authorities. He further contended that in the second call of the tender, the petitioner again participated and was once more declared 'L-1', quoting 18% above, while the only other eligible bidder quoted a substantially higher rate of about 29.07% above. Even in the second round, the petitioner's bid was recommended by all concerned authorities including the Engineer-in-Chief. However, the respondent authorities again rejected the petitioner's tender without disclosing any justification whatsoever and proceeded to recall the tender, which clearly reflects arbitrariness and lack of transparency in the decision-making process.

6. It is further stated by the learned counsel, appearing for the petitioner that the action of the respondents is further discriminatory inasmuch as in other similar works of identical nature, tenders with much higher rates—far exceeding the petitioner's quoted rate—have been accepted by the same authorities. The petitioner's bid at 18% above, being substantially lower, could not have been rejected on the same yardstick. He also stated that in accordance with Clause 10 of the tender conditions, submitted a representation seeking negotiation of rates; however, the said representation has not been considered till date, further demonstrating the unfair approach adopted by the respondents. The petitioner has fulfilled all eligibility criteria, has been declared 'L-1' in both calls of the tender process, and has received consistent recommendations from the competent engineering authorities. In such circumstances, rejection of the petitioner's bid without assigning any reasons is wholly arbitrary, unjust, and violative of



principles of fairness and transparency in public procurement. Thus, the the impugned action of the respondents suffers from non-application of mind, arbitrariness, and discriminatory treatment, and therefore deserves to be interfered with by this Hon'ble Court.

7. On the other hand, learned State counsel submits that the impugned decision has been taken by the competent Tender Evaluation Committee after due application of mind in its meeting dated 25.03.2026, wherein the entire record, including the recommendation of the Chief Engineer, was duly considered. It is submitted that although the petitioner was declared 'L-1', its quoted rate of 18% above the estimated cost was found to be on the higher side and not in consonance with prevailing market trends and rates received in similar works, and therefore, was not found acceptable in the financial interest of the State.

8. It is further submitted by the learned State counsel that the recommendation of the Chief Engineer is only recommendatory in nature and not binding upon the Committee, which is the final authority to take an independent decision. Upon such objective assessment, the Committee found the recommendation to be inconsistent with current tender trends and, therefore, rejected the tender and recommended issuance of a fresh NIT (second call) for the same work so as to ensure wider participation and more competitive rates.

9. It is thus submitted that the decision to reject the petitioner's bid and to re-invite the tender is a bona fide and reasoned administrative



decision taken in public interest to secure an economically viable outcome, and the same does not suffer from any arbitrariness or illegality warranting interference by this Hon'ble Court.

10. We have heard learned counsel for the parties at length and have carefully perused the material available on record.

11. It is not in dispute that the petitioner was declared 'L-1' in both the first as well as the second call of the tender process and was found technically qualified by the competent authorities. The record further reveals that the petitioner's bid was consistently recommended for approval by the Executive Engineer, Superintending Engineer and the Engineer-in-Chief. Despite this, the Tender Evaluation Committee chose to reject the petitioner's bid on both occasions.

12. While it is well settled that the State is not bound to accept the lowest tender and retains the discretion to reject any bid in public interest, such discretion is not unfettered and must be exercised in a fair, transparent and reasoned manner. In the present case, the rejection of the petitioner's bid rests on a vague and generalized observation that the quoted rate of 18% above the estimated cost was on the higher side and not in consonance with prevailing trends. However, no comparative data, material particulars or objective criteria have been placed on record to justify such conclusion. Further, the petitioner's specific plea that in similar works higher rates have been accepted by the respondents has remained unrebutted, thereby lending credence to the allegation of discriminatory treatment.



13. The repeated rejection of the petitioner's bid, despite its status as 'L-1' in both rounds and in the face of consistent recommendations of the competent technical authorities, clearly reflects arbitrariness and non-application of mind. The decision-making process adopted by the respondents does not satisfy the requirement of reasonableness and transparency, which are essential facets of Article 14 of the Constitution of India. At the same time, this Court is conscious of the limited scope of judicial review in contractual matters and does not deem it appropriate to compel the respondents to accept the petitioner's bid. However, the manner in which the petitioner has been subjected to an unfair and arbitrary process warrants appropriate relief.

14. Accordingly, in order to balance the equities and to subserve the ends of justice, this Court directs the respondent No. 1 to pay a sum of **Rs.1,00,000/-** to the petitioner as compensation within a period of three weeks from the date of receipt of a certified copy of this order.

15. The petition stands disposed of in the aforesaid terms. No order as to costs.

**Sd/-
(Ravindra Kumar Agrawal)
Judge**

**Sd/-
(Ramesh Sinha)
Chief Justice**