



**HIGH COURT OF JUDICATURE FOR RAJASTHAN  
BENCH AT JAIPUR**

**S.B. Civil Writ Petition No. 5442/2026**

M/s. Sahara Ex Servicemen Welfare Co-Operative Society Limited, 304, 54 R.k. Puram Naxgar, Near Khirni Phatak, Khatipura Jaipur Through Its President Samandar Singh Choudhary S/o Shri Sukhram Singh Choudhary Aged 72 Years, R/o 54, R.k. Puram White Temple, Khatipura, Vaishali Nagar, Jaipur.

-----Petitioner

Versus

1. Jaipur Development Authority, Ram Kishore Vyas Bhawan, Indira Circle, Jawhar Lal Nehru Marg, Jaipur Through Its Commissioner
2. Deputy Commissioner (Administration) Jaipur Development Authority, Room No.15 M.b., Ram Kishore Vyas Bhawan, Indira Circle, Jawhar Lal Nehru Marg, Jaipur
3. Additional Commissioner Administration, Jaipur Development Authority, Ram Kishore Vyas Bhawan, Indira Circle, Jawhar Lal Nehru Marg, Jaipur.

-----Respondents

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For Petitioner(s) : Mr. Jagmohan Saxena with  
Mr. Khushal Singh Rathore  
For Respondent(s) : Ms. Ambika Sharma

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**HON'BLE MR. JUSTICE SAMEER JAIN  
Judgment**

1	Arguments concluded on	27/04/2026
2	Judgment Reserved on	27/04/2026
3	Full Judgment or Operative Part Pronounced	Full Judgment
4	Pronounced on	29/04/2026

**REPORTABLE :**

1. The present writ petition has been filed invoking the extraordinary writ jurisdiction of this Court under Article 226 of the Constitution of India. The petitioner is aggrieved by the impugned cancellation order dated 18.03.2026 passed by respondent No.3, whereby the work order and the agreement

dated 24.11.2025 issued in favor of the petitioner were cancelled on account of the submission of a false and concocted affidavit at the time of submitting the bid.

**FACTUAL MATRIX OF THE LIS AT HAND**

2. The factual matrix culminating in the present adjudication, in a nutshell, is delineated as under:

2.1 The respondent No.1-Jaipur Development Authority (for short, 'JDA') issued a Notice Inviting Bid (for short, 'NIB' or 'Tender Document') dated 08.08.2025 (Annexure-3), *inter alia* inviting online applications for providing various services such as Securitymen Supervisor (Highly Skilled), Security Men (Skilled), and IV Class (Unskilled Labour) services for a period of one year.

2.2 The petitioner, in pursuance of the said NIB, claiming to possess the requisite eligibility, submitted its bid along with a duly notarized affidavit dated 27.08.2025 (Annexure-4). In the said affidavit, it was categorically sworn and stated that the petitioner has never been debarred, blacklisted, or declared a defaulter by any government department, board, corporation, authority, council, hospital, semi-government department, or co-operative unit, and none of the office bearers of the petitioner had been convicted by any Court of Law.

2.3 Consequent to the opening of the bids, the petitioner was declared as the successful bidder. Pursuant thereto, the work order dated 24.11.2025 (Annexure-5) came to be issued in favour of the petitioner, and thereafter the contract dated 24.11.2025 (Annexure-6) was executed *inter se* the parties.

2.4 The genesis of the dispute *inter se* the parties arose upon the receipt of a Show Cause Notice (for short, 'SCN') dated 02.02.2026 (Annexure-7) issued by respondent No.3 which included a copy of an office order dated 09.12.2024 issued by the Sawai Mansingh Hospital, Jaipur (for short, 'SMS Hospital'). The SCN alleged that the petitioner secured the said work order by submitting a false and concocted affidavit in gross violation of the technical eligibility enshrined under Point No. 13 of Annexure-I, Part-A of the Technical Bid, suppressing its prior debarment by the SMS Hospital.

2.5 Finding the reply to the SCN to be evasive and unsatisfactory, respondent No.3, vide order dated 18.03.2026 (Annexure-10), cancelled the work order and the contract *qua* the petitioner, along with forfeiture of the bank guarantee, and further debarred the petitioner from taking part in future NIBs for a period of six months on account of procuring the work order through fraudulent means.

### **SUBMISSIONS PUT FORTH ON BEHALF OF THE PARTIES**

3. At the outset, Mr. Jagmohan Saxena, learned counsel appearing on behalf of the petitioner, submitted that the impugned cancellation order is *ex facie* illegal and suffers from patent arbitrariness. The primary contention advanced by the petitioner is anchored on the timeline of the debarment. It was apprised to this Court that the petitioner was debarred by the SMS Hospital for a limited period of six months, spanning from 09.12.2024 to 06.06.2025. It was next submitted that the present NIB was issued subsequently on 08.08.2025, and the petitioner submitted

its bid on 27.08.2025, and that the petitioner was not actively debarred at the time of submission of the bid. Thus, operating under the *bona fide* belief that past debarments did not disqualify the bidder, the petitioner did not disclose the same.

4. *Per contra*, Ms. Ambika Sharma, learned counsel appearing on behalf of the respondents, vehemently opposed the present petition. It was stoutly contended by the learned counsel that the petitioner deliberately concealed the material fact *qua* its debarment by the SMS Hospital. It was submitted that by doing so, the petitioner submitted a false and concocted affidavit in order to unlawfully gain the work order. It was urged that this active suppression is in gross violation of Point No. 13 of Annexure-I, Part-A of the Technical Bid, and therefore, the respondents have rightly issued the impugned cancellation order in accordance with the provisions enshrined under Clause 13 of the Tender Document.

#### **DISCUSSION AND FINDINGS**

5. Having heard the submissions advanced by the learned counsel for the parties and upon an assiduous perusal of the material available on record, including but not limited to the affidavit dated 27.08.2025 furnished by the petitioner and the office order dated 09.12.2024 issued by the SMS Hospital, the sole issue for determination before this Court is whether the suppression of the past debarment by the petitioner-society by way of furnishing a duly notarized affidavit warranted the issuance of the impugned cancellation order.

6. It is an admitted position that the petitioner, in pursuance of the NIB in question, submitted its bid along with a duly notarized affidavit dated 27.08.2025, wherein it was categorically stated that the petitioner had never been debarred, blacklisted, or declared a defaulter by any government department, board, corporation, authority, council, hospital, semi-government department, or co-operative unit, and none of the office bearers of the petitioner had been convicted by any Court of Law. It is pertinent to note that the petitioner, by way of the said affidavit, had undertaken that if any of the conditions enshrined under the Tender Document is violated, the bid of the petitioner will be cancelled.

7. It is equally undisputed that vide the impugned cancellation order dated 18.03.2026, the contract and the work order *qua* the petitioner have been cancelled by respondent No.3 on account of furnishing a false and concocted affidavit.

8. At this stage, it is apposite to refer to the provisions under which the cancellation order *qua* the petitioner has been issued by the respondents.

9. It is the case of the respondents that as per the technical eligibility enshrined under Point No. 13 of Annexure-I, Part-A of the Technical Bid, every bidder at the time of submission of its bid is under a mandatory obligation to declare by way of an affidavit that the bidder is not blacklisted or declared defaulter by any government department, board, corporation. The said eligibility is reproduced as under:

13.	बोलीदाता फर्म के किसी राजकीय संस्था/बोर्ड/कॉरपोरेशन से ब्लेक-लिस्टेड अथवा डिफाल्टर नहीं होना चाहिए।	बोलीदाता द्वारा इस सम्बन्ध में रुपये 100.00 के नॉन-ज्यूडिशियल स्टाम्प पर शपथ-पत्र प्रस्तुत करना है।
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10. Moreover, Annexure A of the Tender Document, Compliance with the Code of Integrity and No Conflict of Interest Clause, sub-clause (b), also imposes a mandatory condition upon the petitioner to not misrepresent or mislead the respondents to gain any benefit, and sub-clause (h) casts an obligation to disclose any debarment by any other procuring entity. The said clauses are reproduced as under:

*“...(b) Not misrepresent or omit that misleads or attempts to mislead so as to obtain a financial or other benefit or avoid an obligation;*

*(h) Disclose any previous transgressions with any entity in India or any other country during the last three years or any debarment by any other procuring entity...”*

*(emphasis supplied)*

11. The respondents, *prima facie*, established their case by pointing out a manifest incongruity in the said affidavit furnished by the petitioner. The nitty-gritty of the instant dispute reveals that upon a bare perusal of the affidavit, it was categorically sworn that the petitioner had never been debarred, blacklisted, or declared a defaulter till the date of furnishing the said affidavit. However, the order dated 09.12.2024 issued by the SMS Hospital explicitly states that the petitioner had been debarred from taking part in the tender process for a period of six months. This overlap, coupled with the active suppression of a transgression that fell within the restrictive 3-year window outlined in Annexure A(h),

casts a serious shadow of doubt on the authenticity and legal validity of the said affidavit.

12. As the said fact came into the knowledge of the respondents, and after issuance of the SCN dated 02.02.2026, the respondents invoked Clause 13 of the Tender Document, which reserves the right to terminate the contract, forfeit the bank guarantee, blacklist the bidder, and cancelled the contract and the work order of the petitioner on account of gross violation of the terms and conditions enshrined under the NIB. For a meticulous understanding of the case at hand, the said clause is reproduced as under:

“13-एजेन्सी का कार्य संतोषप्रद नहीं पाये जाने पर अथवा अनुबन्ध की शर्तों का उल्लंघन करने पर अनुबन्ध तुरन्त प्रभाव से समाप्त किया जा सकेगा एवं ऐसी एजेन्सी को नियमानुसार ब्लैक लिस्ट करने की कार्यवाही भी की जा सकेगी एवं कार्य सम्पादन प्रतिभूति राशि जब्त की जा सकेगी।”

*(emphasis supplied)*

13. In light of the above-mentioned provisions enshrined under the Tender Document, the respondents possess the indefeasible authority to cancel the work order of the bidder if the foundation of such work order is built upon false and concocted information. Therefore, it can be said that the respondents have the rightful authority to issue the cancellation order to any bidder if there is a violation of any of the above-mentioned provisions.

14. Thus, operating as the *sentinel on the qui vive* (watchful guardian of rights), this Court finds itself in complete consonance with the arguments advanced by the learned counsel for the respondents. The petitioner’s contention that the debarment period had expired prior to the NIB is legally hollow, inasmuch as

the Code of Integrity expressly mandated the disclosure of any previous transgressions within the last three years. The affidavit *qua* declaration of blacklisting, debarment, or being declared a defaulter by any procuring entity is required to analyze the past operational record and commercial integrity of the bidder, and therefore, the petitioner cannot escape from its liability by taking a plea that at the time of the submission of the bid, the petitioner was not actively debarred by any procuring entity.

15. The petitioner deliberately misrepresented and misled the respondents by concealing and suppressing the material fact of previous debarment by the SMS Hospital and furnished a false and concocted affidavit in order to gain an undue advantage by obtaining a work order from the respondents.

16. For the better adjudication of the case at hand, this Court places reliance upon the dictum encapsulated by the Hon'ble Supreme Court in ***The State of Madhya Pradesh v. U.P. State Bridge Corporation Limited***, reported in **2020 INSC 686**, wherein dealing with the issue *qua* suppression of material facts in a Tender Document, it was categorically held that the non-disclosure of an adverse order or an indictment constitutes a "fraudulent practice" aimed at influencing the bidding process. The relevant extract of the aforesaid dictum is reproduced as under:

*"19....Also, Shri Saurabh Mishra is correct in stating that "fraudulent practice", as defined in clause 4.3(b) of the N.I.T., would include an omission of facts or disclosure of incomplete facts in order to influence the bidding process. In the facts of the present case, there is clearly an omission of a most relevant fact and*

*suppression of the same fact, namely that an FIR had been lodged against UPSBC in respect of the construction of a bridge by it, which had collapsed, and in which a charge sheet had been lodged."*

*(emphasis supplied)*

17. Additionally, addressing the gravity of submitting false and concocted affidavits to secure commercial contracts, the Hon'ble Supreme Court in **M/s. Sciemed Overseas Inc. v. BOC India Limited & Ors.**, reported in **(2016) 3 SCC 70**, deprecated such practices, unequivocally laying down that the sanctity of affidavits must be preserved and protected. The relevant extract of the said dictum is reproduced as under:

*"2. A global search of cases pertaining to the filing of a false affidavit indicates that the number of such cases that are reported has shown an alarming increase in the last fifteen years as compared to the number of such cases prior to that. This 'trend' is certainly an unhealthy one that should be strongly discouraged, well before the filing of false affidavits gets to be treated as a routine and normal affair."*

*(emphasis supplied)*

### **PARTING NOTE AND CONCLUSION**

18. Relying upon the office order dated 09.12.2024 issued by the SMS Hospital, the respondents acted strictly in accordance with the provisions enshrined under the Tender Document, and rightly issued the impugned cancellation order dated 18.03.2026. The action of the respondents *inter alia* cancelling the work order of the petitioner, along with the forfeiture of the bank guarantee and debarment of the petitioner from taking part in the future NIBs for

a period of six months on account of the grave misconduct of procuring the work order through fraudulent means, was taken after providing opportunity of being heard, following the due procedure of law, and adhering to the principles of natural justice.

19. It is trite that if the seeds of a commercial relationship between a private entity and the State are planted in fraud, every subsequent offshoot that grows from such seeds, including the work order, the contract *inter se* the parties, and even subsequent work done under the said contract, is fatally infected with the poison of fraud. A product of fraud is fundamentally in conflict with the public policy of India, and the basic notions of morality and justice. Consequently, a tender issuing authority is entirely justified in terminating a contract and cancelling the work order the moment it is established that the successful bidder relied on a false representation to cross the threshold of technical or financial eligibility.

20. In view of the foregoing discussions, findings, and analysis, this Court is of the view that the petitioner has failed to establish any illegality, arbitrariness, or procedural irregularity in issuance of the cancellation order dated 18.03.2026 by the respondents. Thus, no interference is warranted upon the said impugned order by this Court.

21. Accordingly, the present writ petition, being bereft of any merit, stands **dismissed**. Pending applications, if any, shall stand disposed of. No order as to costs.

(SAMEER JAIN),J