



2026:CGHC:18851-DB

NAFR**HIGH COURT OF CHHATTISGARH AT BILASPUR****WPC No. 1968 of 2026**

M/s Shring Constructions Through Its Proprietor/ Partner Amit Jaiswal
S/o Late Gyan Prakash Jaiswal, Age 43 Years, Address G-04,
Haridevendram Colony, Banaras Road, Ambikapur, Registered Class-A
Contractor, P.W.D., Registration No. C.G.Er06806, Gstin
22abufs1906l1zu, Head Office Shree Kalyan Traders, Banaras Road,
Gandhinagar, Ambikapur, Surguja (C.G.)

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

1 - State Of Chhattisgarh Through The Principal Secretary / Secretary,
Public Works Department, Mantralaya, Mahanadi Bhawan, Atal Nagar,
Nava Raipur Chhattisgarh

2 - Engineer-In-Chief, P.W.D., Raipur District Raipur Chhattisgarh

3 - Engineer-In-Chief, Water Resources Department, Raipur District
Raipur, Chhattisgarh

4 - The Appeal Committee Constituted Under Clause 7.3 Of The Unified
Registration System-E-Registration, Through Its Chairman /
Chairperson And Member Secretary, Office Of The Public Workds
Department, Raipur Chhattisgarh.

... Respondent(s)

For Petitioner(s) : Mr. Manoj Paranjpe, Sr. Advocate along
with Mr. Anshul Tiwari, Advocate



For Respondent(s) : Mr. Praveen Das, Addl. A.G.

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

Order on Board

Per Ramesh Sinha, Chief Justice

24/04/2026

1. Heard Mr. Manoj Paranjpe, Sr. Advocate along with Mr. Anshul Tiwari, learned counsel for the petitioner. Also heard Mr. Praveen Das. Addl. Advocate General for the Respondent/ State.
2. The present petition has been filed by the petitioner seeking the following reliefs:-

“1] That, this Hon'ble Court may kindly be pleased to issue an appropriate writ, order or direction, quashing and setting aside the impugned order dated 30.03.2026 (Annexure P/1), whereby the Petitioner has been downgraded from Class "A" contractor to Class "B" contractor for a period of one year, being arbitrary, illegal and contrary to law.

2] That, this Hon'ble Court may kindly be pleased to direct the Respondents to restore the registration status of the Petitioner as a Class "A" contractor forthwith, along with all consequential benefits, including eligibility to participate in all tenders applicable to Class "A" category.

3] That, this Hon'ble Court may kindly be pleased to grant any other relief(s), which is deemed fit and proper in the aforesaid facts and circumstances of the case.”

3. The brief facts of the case are that the petitioner is a registered Class “A” contractor under the PWD Department bearing



Registration No. CGeR06806, valid from 10.11.2020 to 09.11.2025. A show cause notice dated 08.05.2025 was issued to the petitioner alleging non-disclosure of “sublet work in hand” in certain tenders pertaining to the Water Resources Department, proposing action under Clause 7.1 of the Guidelines dated 29.10.2014. The petitioner submitted a detailed reply on 21.05.2025 stating that the applicable tender format did not require such disclosure and that the requirement was introduced only subsequently on 16.04.2025. However, disregarding the said explanation, the Engineer-in-Chief, PWD passed an order dated 25.11.2025 directing non-renewal of the petitioner’s registration for a period of two years.

4. Aggrieved by the aforesaid order, the petitioner preferred an appeal under Clause 7.3 of the Unified Registration System, wherein the appellate authority, by order dated 30.03.2026, partly allowed the appeal by setting aside the earlier order but downgraded the petitioner from Class “A” to Class “B” contractor for a period of one year. Notably, the appellate authority itself recorded that the lapse on the part of the petitioner was merely a human error without any intention to conceal material facts, yet proceeded to impose the penalty.
5. Learned counsel for the petitioner would submit that the impugned order dated 30.03.2026 is ex facie illegal, arbitrary, and unsustainable in law, as the respondent authority, despite



categorically recording a finding that the alleged lapse on the part of the petitioner was merely a “human error” and not a deliberate act of suppression or misrepresentation, has nevertheless proceeded to impose the penalty of downgrading the petitioner from Class “A” to Class “B” contractor, which is wholly disproportionate and violative of the principles of natural justice. It is submitted that at the relevant time of submission of tenders, there was no mandatory requirement for disclosure of “sublet work in hand” in Annexure-III of the tender document, and such requirement was introduced only subsequently on 16.04.2025, thereby clearly establishing that no fault can be attributed to the petitioner. The impugned order further suffers from non-application of mind and is self-contradictory, inasmuch as it acknowledges absence of mens rea yet imposes a civil consequence affecting the petitioner’s business and reputation. It is further submitted that the appellate proceedings were vitiated due to procedural irregularities, including repeated non-appearance of the concerned authority, thereby depriving the petitioner of a fair and effective hearing. Therefore, the impugned action is liable to be set aside and the petitioner is entitled to restoration of its Class “A” registration with all consequential benefits.

6. Learned State counsel would support the action taken by the State authorities.
7. We have heard learned counsel for the parties and perused the



material annexed with the petition.

8. From the record, it is evident that the very foundation of the proceedings initiated against the petitioner rests upon the allegation of non-disclosure of “sublet work in hand” in certain tenders. However, it is not in dispute that at the time when the tenders in question were submitted, the prescribed format i.e. Annexure-III of the Item Rate Tender Form did not contain any column or mandate requiring disclosure of such sublet work. The material on record further demonstrates that the requirement of furnishing details of “sublet work in hand” was introduced for the first time only by way of amendment dated 16.04.2025. Thus, the petitioner cannot be faulted for non-compliance of a condition which was not in existence at the relevant time, and any action based on such subsequent amendment would amount to retrospective application of a condition, which is impermissible in law.
9. It is further significant to note that the appellate authority itself, after considering the reply and material placed by the petitioner, has recorded a categorical finding that the lapse on the part of the petitioner was not intentional and does not reflect any deliberate attempt to suppress or conceal information, but was merely a result of negligence or human error. Once such a finding has been returned by the competent authority, the very basis for imposition of any penalty stands substantially diluted. In absence of any element of *mens rea* or deliberate misrepresentation, the



imposition of penalty, particularly one having serious civil consequences affecting the petitioner's business, reputation and eligibility to participate in tenders, is wholly unjustified. The impugned order, therefore, suffers from inherent contradiction, inasmuch as it acknowledges absence of intent yet proceeds to punish the petitioner, which clearly reflects non-application of mind.

10. This Court also finds substance in the contention of the petitioner that the punishment imposed is disproportionate and arbitrary. The original authority had directed non-renewal for two years, whereas the recommending department had suggested a lesser penalty, and the appellate authority, while setting aside the earlier order, has imposed a different form of penalty by downgrading the petitioner's registration from Class "A" to Class "B" for a period of one year, without assigning cogent and convincing reasons. Such exercise of power, without proper justification and in the absence of established misconduct, is arbitrary and violative of the principles of natural justice. Furthermore, the proceedings are vitiated on account of procedural irregularity, as the concerned authority failed to appear before the appellate forum on multiple dates, thereby depriving the petitioner of a fair and effective opportunity of hearing.
11. In view of the aforesaid analysis, this Court is of the considered opinion that the impugned order dated 30.03.2026 cannot be sustained in law. The categorical observation of the authority itself



that there was no intention on the part of the petitioner to conceal its earlier work, coupled with the fact that no such clause existed in the tender document at the relevant time and was introduced only by amendment dated 16.04.2025, clearly renders the impugned action arbitrary and unsustainable. Accordingly, the writ petition deserves to be and is hereby allowed. The impugned order dated 30.03.2026 is quashed and set aside, and the respondents are directed to restore the petitioner's registration as a Class "A" contractor forthwith with all consequential benefits.

12. No order as to costs.

Sd/-
(Ravindra Kumar Agrawal)
Judge

Sd/-
(Ramesh Sinha)
Chief Justice