THE GAUHATE HIGH COURT (THE HIGH TOURT OF ASSAM, NAGALAND, MIZORAM & ARUNACHAL PRADESH)

CAV JUDGMENT AND ORDER IM

MP (C) No. 413 (AP) OF 2018

M/s. Kaleum Enterprises,

Opp. Govt. ME School, D Sector, Itanagar,
Distract- Papumpare, Acadachal Pradesh,
Represented by Shri Ruchin Bagnang,
S/o Lt. Shri Talu Bagara; of Village Jayanag Bangang,
PS/PO Chayang Tajo, Elist Kameng District, Arunachal Pradesh,
who is authorised by its proprietor Smti Bengia Yanang, W/okame Bengia, S/o Shri Bengia Taka, D. Sector, Itanagar, PO/PSItanagar, District- Papur, pare, Arunachal Pradesh.

Pelitioner

-VERSUS -

- The State of Arunachal Pradesh, Represented by the Secretary of RWD, Govt. of Arunachal Pradesh, Itanagar.
- 2. The Chief Locutive Officer, ARRD (Arunachal Roral Development Agency), RWD Govt. o Arunachal Pradesh, Itanagar.
- 3. The Chairman, Tender Evaluation Board Committee, Department of RWD, Govt. of Arunachal Pradesh, Itanagar.
- The Superintendent Engineer, Rupa Circle, West Kameng, DPIU-II, RWD Chayangtajo, East Kamen Seppa, Arunachal Pradesh.
- 5. The Executive Engineer, DPIU II, RWD Chayangtajo East Kament, Seppa, Arunachal Endesh.

- 6. M/s. HP Enterprises, Palin, PO/PS- Palin, Kra Daadi District, Arunachal Pradesh through its Proprietor, Shri Heri Kaha, S/o- Lt. Heri Tachung, Vill- Joru, PO/PS Palin, District Kra Daadi, Arunachal Pradesh.
- 7. M/s. T.K. Engineering Enterprises, Model Village, PS/PO- Naharlagun through its Proprietor, Smti Techi Juiw, D/o Ratu Techi, Vill & PO- Naharlagun, Estrict- Papumpare, Arunachal Pradesh.

.....Respondents

Advocate for the Petitioner:

P. Taffo, S. Wanglat, N. Khote, A. Ribe, B. Sonam, S. Tsering, Ms. N. Danggen,

..... Advocates.

Advocate for the Respondents

Mr. K. Ete, Sr. Addl. AG, Arunachal Pradesh G.A. (AP), D. Khamduk, K. Eshi, L. Jilan,

Mr. T.T. Tava, K. Jini, D. Loyi, B. Picha, D. Jini, G. Bam, M. Rim¹e, For Respondent No. 6,

Mr. R. Sonar, L. Tapa, T. Devi, R. Rute K. Diyum, G. Jini,

G. Tarak, 5C (PWI) For Respondent No. 7

...... Advocates

BEFORE

HON BLE MR. JUSTICE NELSON SAILO

Date of hearing

: 19.11.2018

Date of judgment & order : C. 6 /11/2018

JUDGMENT & ORDER (CAV)

Heard Ms. N. Danggen, the learned counsel appearing for the petitioner and Mr. K. Ete, the learned Senior Additional Advocate General, Assisted by Mr. G. Tarak, learned Standing counsel for the official respondents (Respondents No. 1 to 5).

- I have also heard Mr. T.T. Tara, the learned counsel for 2. the respondent No. 6 and Mr. R. Sonar, learned counsel for the respondent No. 7.
- I.A.(C) No. 165 (AP)/2018 is filed by the respondent No. 3] 6 for alteration/ modification/ vacation of the interim order dated

28.08.2018 passed in writ petition, while IA (C) No. 206 (AP)/2018 is filed by the petitioner seeking deletion of the respondent No. 6 as a party respondent in the main writ petition. However, instead of considering the 2 (two) interlocutory applications, as agreed to by the learned counsel appearing for the parties, the main writ petition is taken up for final disposal.

The facts of the case as projected by the petitioner is that Notice Inviting Tender (NIT) was floated by the respondent authorities on 12.07.2018 for construction of road at different places in the District of Kameng in the State of Arunachal Pradesh. For the purpose of the present writ petition, we are concerned with the construction of road from L034 to Tansang, Yongfo [stage-(i)] under Package No. AR/03/03/044. The estimated cost for construction of the road is Rs. 1348.97 lakhs with the completion time as 18 months. As per NIT, the technical bids were to be opened on lineon 07.08.2018 at 10.30 hours. In terms of the NIT, the petitioner alongwith other isidders, including the respondent Nos. 6 and 7 submitted their respective bids. The technical bid was opened not on

o7.08.2018 but op. 20.08.2018. Amongst the total 8 bidders, only the respondent Nos. 3 and 7 were found to have submitted responsive bids and vide the recommendation of the technical evaluation dated 20.03.2018, which was issued on 21.08.2018, the technical bid of the petitioner was rejected. The ground for rejection was that clause 1.3.3 of Section 3 of the conditions stipulated in the Standard Bid Document (SBD) was violated by the petitioner. It was remarked that the petitioner concealed information of bid capacity regarding existing commitment and ongoing construction viorks. Secondly, it was remarked that the petitioner made misleading or false representation in the forms, statements and affidavits and attachments, the eby violating clause 4.7 (i) of the SBD.

Being highly aggrieved, the petitioner submitted representation to the Superintending Engineer, Ruppa Circle, West Kameng, DPIU II, RWD Chayang Tajo, East Kameng, Seppa, Arunachal Pradesh (Respondent No. 4). As per the representation, complaint was made against the respondent No. 7 to the effect that the respondent No. 7 furnished forged and fake documents. Likewise,

the petitioner submitted representation on the same date against the respondent No. 6 as well alleging that the respondent No. 6 furnished incorrect and for red documents. However, despite the complaints submitted by the petitioner, the respondent authorities having taken any action, the petitioner has filed the present writ petition.

6] Appearing for the petitioner, Ms. N. Danggen, the learned submits that despite the complaints/ representations counsel submitted by the petitioner, the respondent authorities have turned a blind eye to the inadequacy of the documents submitted by the private responder. By referring to paragraph 7 of the writ petition, the learned council submitted that despite the stipulation in the SBD. that a prospective tenderer should submit an affidavit on a nonjudicial stamp paper worth Rs. 10.00 and attested by a Magistrate/Sub-Judge/Notary Public, the respondent No. 6 submitted an affidavit on plain paper by pasting court fee stamp worth Rs. 10.00. The learned counsel further submits that although NFT was issued on 12.07.2018 and the last date for submitting bid documents was 01.08.2018, the respondent No. 6 submitted a list of lab equipments and at affidavit declaring the respondent No. 6 to be the sole Proprietor of Di/s. H.B. Enterprises which were signed as far back as on 27.02.2017 and 18.01.2917 respectively. The learned counsel also submits that the registration certificate of the Dumper vehicle owned by the respondent No. 6 was no longer valid when the IRIT was floated on 30.04.2018. Likewise, the registration of other vehicles such as Tata 407 and JCB Excavator claimed to be owned by the respondent Do. 6 had also expired. The learned counsel also submits that the certificate dated 15.07.2015 submitted by the respondent No. 6 in support of experience on work is also fake and thus, clause 4.7 of the SBD was clearly violated.

7] Ms. M. Danggen further submits that in respect of the respondent No. 7, registration of its vehicle i.e. tractor was not valid since it expire I way back on 30.11.2012. Likewise, the insurance policy of most of its vehicles were not valid either. The respondent No. 7 also submitted a pan card with signature of the Proprietor which did not match with the signature given in the bid documents. Therefore, the respondent No. 7 having submitted fake documents,

the same is in violation of clause 4.7 of the SBD. The learned counsel submits that the registration certificate of the vehicle bearing ARO1-0001 submitted by the respondent No. 7 in fact is a Government vehicle i.e. ford endeavor 4x4 model and further, as per the insurance certificate, it is shown as a crawler bulldozer. Lastly, the respondent No. 7 failed to disclose the information about the eprocurement of L026, Chayamgtajo, Yangfo Road to Wada Bagan thereby, clause 1.3.3 of Section 3 of the SBD was violated. The learned counsel by referring to Annexure-A of the counter affidavit filed by the State respondents submits that the petitioner clearly displayed the work performed as a prime contractor for the last five years was worth Rs. 21 crores and therefore, clause 1.3.3 of the SBD was clearly compred with. Thus, the rejection of the technical bid of the petitioner by the respondent authorities cannot be sustained. She submits that by overlooking a number of discrepancies found in the technical bid of the respondent Nos. 6 and 7, while rejecting the technical bid of the petitioner in the above manner only amounts to violation of the petitioner's right under Article 14 of the Constitution abmits that the respondent authorities have only of India. She

The support of the submission, the learned counsel relies upon the decision of the Apex Court rendered in Ramana Dayaram Shetty Vs.

International Airport Authority of India and others, reported in (1979)

3 SCC 489.

Appearing for the official respondents, Mr. K. Ete, learned Senior Additional Advocate General, Aruanchal Pradesh submits that the petitioner only appears to be aggrieved by the defects in the tender of the private respondent instead of asserting that the petitioner in spite of having fulfilled all the conditions of the NIT, was wrongly rejected. By referring to clause 22.6 of the SBD, the tearned senior counsel submits that after the result of the technical bid opening was made public by e-procurement system, five working days was allowed for any bidders to submit their complaint. However, though the recommendation of the technical evaluation was published on \$1.08.2018, the petitioner surprisingly submitted its complaints even before the publication of the result on 20.08.2018. In this connection, he referrers to a decision of a co-ordinate Bench

of this Court rendered in WP (C) No. 412 (AP)/2018 (M/s. B.B. Enterprises Vs. the Secretary of RWD, Govt. of Arunachal Prodesh and others). He submits that this Court while considering a similar issue involved was of the view that representation submitted before the stipulated time only amounts to violation of the terms of the contract. Therefore, the said finding was one of the ground for dismissing the wno petition. He therefore submits that the same being the case in the present case as well, the writ petition is only to the rejected.

Of the SBD cannot be read in isolation with the stipulation made in clause 4.6 of the SBD. The bid capacity of each of the tenderers including the writ petitioner were duly calculated as per the calculation method provided in clause 4.6 of the SBD by experts. It was only after such calculation that the petitioner was found not to have the bid capacity. Consequently, the technical bid of the petitioner was accordingly rejected. By referring to paragraph No. 6 of the counter effidavit filed by the State respondents, the learned

senior counsel further submits that the petitioner also concealed the fact that it was undertaking a construction work of RCC Bridge over Dirang at the cost of Rs. 18,55,00,000.00. Besides this, against the stipulation in clause 4.4 (B) of the SBD for having a lab technician with three years' experience amongst the technical personnels of the contractor concerned, the petitioner submitted a certificate of Field Laboratory Technician of its employee issued by the Sikim Manipal University of Health, Medical and Technical Sciences. He submits that the Medical Laboratory Technician certificate has no relevance in the construction of road and therefore, it does not meet the requirement provided in clause 4.7(i) of the SBD. Considering the vital discrepancies in the technical bid of the petitioner, its bid was rightly rejected by the respondent authorities. The petitioner merely by pointing out lacunae in the tender bids of other participants cannot claim the right to be selected for the contract work. He submits that the petitioner must succeed on the strength of its own case and not on the weakness of the opposite parties. In this connection he refers to the decision of a co-ordinate Bench of this Court in the case of Larsing M -versus- Meghalaya Tourism Development Corporation reported in 2008 (2) GLT 564. Learned senior counsel lastly submits that the High Cours unless comes to a finding that there was gross illegality and irrelevant consideration coupled with the malafide exercise of powers by the authorities cannot interfere in matters relating to contracts and tenders. He submits that the scope of interference of the High Court is very limited and the Court cannot act as an appellate Court to review the evaluation of the tender as it would amount to going against the opinion of the experts. The respondents afte: carefully examining the technical bids of all the participants found the bid of the petitioner amongst others not to be responsive as indicated in the recommendation of the technical evaluation dated 21.08.2018 and as such, Court may not interfere with the decision. In this connection, he relies upon the decision of the Apex Court acadered in the case of Municipal Corporation, Hijain and another Vs. 37/G India Limited and Ors, reported in (2018) 5 SCC 462. Mr. Ete has also perused the records of the tender process.

10] Mr. T.T. Tara, learned counsel appearing for the respondent No. 6 submits that his arguments are mostly covered by

the submission made by the learned Senior Additional Advocate General. By referring to paragraph No. 7 of the counter affidavit filed by State respondents, he submits that there is no requirement under the provision of the SBD that the affidavit filed by the technical person should be in a non-judicial stamp paper in particular. Only requirement is that the educational qualification and certificate are asked to be furnished as evidence. Therefore, there is nothing wrong in the acceptance of the affidavit of the private respondent. Mr. T.T. Tara further submits that the writ petition itself is not maintainable. By referring to the affidavit appended in the writ petition, he submits that the affidavit is sworn by one Sri Rugni Bagang claiming that he is authorized by the Proprietor Smti Bengia Yanang. In this connection, he submits that as per the letter of authorization given by the said Propeetor which is annexed to the writ petition as Annexure- 3, the authorization letter was signed on 23.08.2018 authorizing Rugni Bagang to pre-bid made and to receive and submit a document for the Proprietor. However, the technical bids were opened on 20.03.2018 and published on 21.08.2018 and therefore, authorization is only belated and an afterthought. He submits that even as per the withorization letter, Smti Rugni Bagang has not been authorized to file writ petition and in fact, it is only by way of executing power of attorney that the petitioner can file the writ petition. By referring to judgment and order dated 12.05.2017, passed in WP 1C; No. 96 (AP)/ 2017, Mr. T.T.Tara pubmits that coordinate Bench of this Court has clearly held that unless the writ petition is shown to have been filed by a constituted attorney or authorized person, the writ petition will not be maintainable. Therefore, the issue in the present writ petition, being similar and identical, the writ petition is only not maintainable even on this ground.

Mr. T.T. Tara further submits that pursuant to the filing of the writ petition, the final bid of the tenderers were opened on 27.08.2018 and the writ petitioner has not even challenged the same and therefore, the writ petition has only become infructuous. In this connection, he relies upon the decisions of this Court in the case of Ashish Kumar Chakraborty and others vs. Union of India and others reported in 2006 (4) GLT 246. Mr. T.T. Tara further submits that the

petitioner has prayed for issuance of a writ of Certiorari against its non-selection in the technical bid evaluation. However, in order to issue a writ of Certiorari, there must be a manifest error apparent on the face of the proceeding. It is only a patent error which can be corrected by way of Certiorari and not a wrong decision. The petitioner in the instant case has miserably failed to demonstrate that there was a patent error in the decision taken by the authority concerned and that being the position, the writ petition is only liable to be rejected an adismissed. To support this contention, he relies upon the decision of the Apex Court rendered in T.C. Basappa Vs. T. Nagappa and ancther, reported in AIR 1954 SC 440. He thus, submits that without there being any malafide established against the respondent authorities, it is only a fit case for dismissal of the writ petition.

Mr. R. Sonar, learned counsel, appearing for the respondent No. 7 submits that none of the fundamental rights of the petitioner has been violated and the petitioner cannot insist that it must be allowed to enter into a contract with the Government. He

submits that there are no statements in the writ petition whereby, the petitioner has contended that it's bid was complete and in order in all respect and was thus eligible to be selected. There are also no pleadings in the vrit petition alleging malafide, arbitrariness and unreasonableness. In absence of any such pleadings and without establishing the same, the writ petitioner has miserably failed to show that the interference of the Court is warranted. He also submits that in matters relating to contract and tender, there are invariable clements of public interest and therefore, without the petitioner having established that there is malafide on the part of the respondent authorities in rejecting its technical bid, there is no ground for this Court to entertain the writ petition and the same should be dismissed. Mr. Sonar also adopts arguments of the learned Senior counsel for the State respondents and respondent No. 6 with regard to there being no authorization for filing the writ petition. In so far as the registration of the crawler owned by the respondent No. 7, he submits that as per the clarification given by the Incurance Company, in order to insure vehicles which are more than a year old as the software used by the Insurance Company cannot accept unfilled columns, registration No. AR01-0001 has only been reflected and only in the insurance policy of the crawler belonging to the respondent No. 7. The respondent No. 7 otherwise has all the required machineries and equipments and therefore, its technical bid was accepted by the respondent authorities.

Giving a brief reply to the submission made by the counsel for the respondents, Ms. N. Danggen submits that since the petitioner already knew about the rejection of the technical bid of the petitioner, as it was posted online on 20.08.2018, there is nothing wrong in the petitioner filing its representation on 20.08.2018 itself. In so far as the afridavit filed in support of the pleadings in the writ petitions, he submits that as per the Chapter-IV of the High Count Rules, an affidavit may be filed by a person other than the plaintiff or defendant in a suit. By referring to the decision of the Division Bench of this Court in *Soneswar Gogoi Vs. State of Assam and Ors, reported in AIR 1989 (Ga.) 49,* she submits that it was held by this court that the best person to swear an affidavit is the petitioner himself but if

depute somebody alse who is in full knowledge of things and whose affidavit would satisfy the mind of the Court about the correctness of the averments made in the petition. In the present case as well, since it is clear from the affidavit that the petitioner was authorized by the Proprietor, there is no reason for rejecting the writ petition on this ground. In to far as the decisions of this Court in Benu Enterprises (Supra she submits that the same is only distinguishable and cannot apply to the present case. Lastly, by referring to the case. of Western Coal Field Ltd. Vs. State of Maharashtra and Ors, reported in 2004 (3) Born. CR 237, she submits that Bombay High Court by relying upon the Jecisions of the Apex Court in Central Coal Field Ud. *Vs. State of Maharashtra, reported in 1992 Supp.(3) SCC 133,* hald that it was mandatory for dumpers to be registered since the dumpers used in the mining areas are taxable as motor vehicles under the State law. Therefore, crawlers and other machineries owned by the private respondent cannot claim exemption from registration. Thus, under the facts and circumstances, she submits that the State respondents cannot justify the rejection of the technical bid of the petitioner while accepting the bids of the private respondent. As a result, Court may interfere in the matter by directing the respondent authorities to re-tender the construction work concerned.

- I have heard the submissions advanced by the leaned counsel for the rival parties. I have also perused the materials available on record including the record produced by Mr. K. Ete, learned Senior Additional Advocate General.
- From the case projected by the learned counsel for the parties, the issue to be decided is as to whether the petitioner's technical bid was wrongly rejected by the State respondents while declaring the technical bid of the two private respondents to be responsive. As may be noticed, the technical bid of the petitioner was rejected on two counts i. e. violation of clause 1.3.3 of the SBD and also for violation of clause 4.7 (i) of the SBD. Clause 1.3.3 of the SBD provides for information on bid capacity as on date of the bid. The prospective bidder is required to provide information regarding the existing commitment and engoing construction works. As may be

seen from the information provided by the petitioner, under the said clause which has been annexed to the State's counter affidavit dated 18.09.2018 at Annexure-A, the petitioner has firstly not provided the information as per the format given in the SBD. Secondly, the petitioner has failed to mention the ongoing construction work on RCC Bridge over Dirang to connect the Dirang Headquarters to Dirang township approach road amounting to Rs. 18,55,00,000/- This fact has been highlighted by the State respondents at paragraph 6 of their affidavit-in-exposition. The mentioning of existing commitment and ongoing construction works as contended by the State respondents has a material bearing on deciding the bid capacity of the bidder as provided under clause 4.6 of the SBD. Therefore, unless the bidder reveals its existing commitment, the same will not only amount to violation of clause 4.7 (i) of the SBD but also pose a difficulty in assessing the bid capacity of the petitioner. Besides this, experience of the petitioner of having undertaken similar nature of work was not found to be conducive by the respondents concerned. The Lab Technician Certificate produced by the petitioner which was issued by the Fealth, Medical and Technological Sciences from the Sikim Manipal University was also found to be misleading by the Technical Bid Evaluation Board. Therefore, the question is as to whether this Court in exercise of its writ jurisdiction under Article 226 of the Constitution of India can examine such a finding. The Apex Court in the case of Afcons Infrastructure Limited- versus- Nagpur Metro Rail Corporation Limited, reported in (2016) 16 SCC 818 held that the owner or the employer of a project, having authored the tender documents is the best person to understand and appreciate its requirements and interpret its documents. The constitutional courts must defer to this understanding and appreciation of the tender documents, unless there is malafide or perversity in the understanding et appreciation or in the application of the terms of the tender conditions. It is possible that the owner or employer of a project may give an interpretation to the tender documents that is not acceptable to the constitutional courts but that by itself is not a reason for interfering with the interpretation given.

In the case of Jagdish Mandal versus State of Orissa, reported in (2007) 14 SCC 517 and the Case of Meerul Development

Authority -versus- Association of Management Studies, reported in (2009) 6 SCC 177 the Apex Court held that only when a decisionmaking process is so arbitrary or irrational that no responsible authority proceeding reasonably or lawfully could have arrived at such decisions, power of judicial review can be exercised. However, if it is bonafide and in public interest, the court will not interfere in the exercise of power of judicial review even if there is a procedural facuna. The principles of equity and natural justice do not operate in the field of commercial transactions. Whenever a decision has been taken appropriately in public interest, the court ordinarily should exercise judicial instraint. When a decision is taken by the authority concerned upon a re-consideration of the tender document submitted by all tenderers on their own merits and it is ultimately found that the successful bidder had in fact substantially complied with the purpose and object for which the essential conditions were laid down, the same may not ordinarily be interfered with.

17] The above two decisions of the Apex Court was also taken into account by the same Court in *Municipal Corporation, Uijain*

and another (sup) and it was ultimately held that unless the courts concludes that the decision-making process or the decision taken by the authority bristies with malafides, arbitrariness or perversity, or that the authority has contended to favour someone, the constitutional court will not interfere with the decision-making process or the decision. In the present case, it may be noticed that the petitioner has not taken any such a stand. All that the petitioner alleges is that the respondent Nos. 6 and 7 submitted their technical bids with gross eficiency and arbitrariness. To examine such a stand, this Court has carefully gone through the records produced by the learned Senor Additional Advocate General. One of the discrepancy raised by the petitioner is with regard to the registration certificate of cramer bulldozer submitted by the respondent No. 7. According to the petitioner the same has been shown to be registered as ABO1-0001 in the Insurance Certificate but however, the said registration number belongs to a Government vehicle and the model of the vehicle is ford endeavor 4x4 vehicles. This discrepancy has been explained by the respondent No. 7 in its affidavit filed or 06.10.2018 by obtaining a clarification from the Insurance Company concerned. The Insurance Company has certified that the said registration number was randomly entered for the crawler bulldozer ince their computer system did not accept vehicles which were more than a year old without registration number. It is also contention of the respondent No. 7 that in respect of such a vehicle used for construction purpose, registration is not required. Without entering into the veracity of this claim, it is seen from the record that the engine number and the chassis number as indicated in the Insurance policy in the tax invoice submitted by the respondent No. 7 are one and the same and the vehicle manufactured in the year 2012.

instead of on a non-judicial stamp paper, it is seen that the affidavits which were submitted not on non-judicial stamp papers are the declaration of the technical persons of the contractor concerned and there is no requirement in the SBD for such declaration to be only on non-judicial stamp paper. The format of the affidavit as referred to

by the learned counsel for the petitioner in the SBD is for a different purpose.

- This Court in the case of *Larsing M (supra)* by following the decisions of the Apex Court in this regard held that the petitioner must succeed in his case on the strength of his own case and not on the weakness of his opponent. Applying this ratio to the present case and also having considering the other authorities as mentioned hereinabove, I am not inclined to embark upon the examination of each and every objection raised by the petitioner against the bid documents submitted by the private respondents. The case of *RD Shetty (supra)* relied upon by the learned counsel for the petitioner also need not detain this court since the same was taken into consideration by a co-ordinate Bench of the Apex Court in *Numicipal corporation, Ujjain and another (supra)*. Therefore, I do not find any necessity to refer the same.
- The respondent authorities pursuant to the evaluation of the technical bids have also considered the financial bid submitted by the private respondents which otherwise have also not been challenged by the writ petitioner, though a mention has been made

in the additional affidavit filed by the petitioner on 05.09.2018. This Court is of the view that a challenge to the subsequent development in the tender process more particularly, the opening and the recommendation of the financial bid by the constituted Board cannot be done by way of an additional affidavit. Be that as it may, since this Court has not found merit in the challenge made to the decision of the Board on the technical bids, there is no necessity for examining the out-come of the financial bid opening.

Thus, upon considering the matter in its entirety, I do not find any merit in the writ petition and accordingly the same is dismissed. The interim order passed earlier shall stand merged with this judgment and order.

No costs.

JUDGE

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