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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Judgment reserved on:09.04.2026

Judgment pronounced on: 16 .04.2026

\+ **W.P.(C) 3989/2026 & CM APPL. 19590/2026**

MS TEKRAM ENTERPRISES ....Petitioner

Through: Mr. Deepak Mehra, Mr. Vikas Kumar, Mr. Vikshit Kumar, Advs.

versus

DELHI DEVELOPMENT AUTHORITY ....Respondent

Through: Ms. Kritika Gupta

CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH

J U D G M E N T

1. By way of this writ petition, the petitioner has approached this Court to challenge the disqualification of the petitioner from participation in the tender process ***("Impugned decision")*** for all sports complexes where it has participated.

FACTUAL BACKGROUND

2. The petitioner namely, M/s Tekram Enterprises is a sole proprietorship concern of Ms. Arpana Tiwari, which is engaged in the business of running and maintenance of swimming pools.

3. Ms. Arpana Tiwari, has been working since 2015 as a receptionist in the Paschim Vihar Sports Complex hired on temporary outsource/private

basis and at present is working for the contractor i.e., M/s Rajsheel Enterprises.

4. For the sake of brevity and clarity, the term "petitioner" is used interchangeably for M/s Tekram Enterprises (petitioner enterprise) and its sole proprietor i.e., Ms. Arpana Tiwari.

5. The respondent namely, Delhi Development Authority ***("DDA")*** invited 11 tenders by issuing notice inviting tender ***("NIT")*** for hiring contractors for maintenance and other ancillary functions of its swimming pools at various sport centres in DDA complexes.

6. The petitioner participated in 10 tenders and was duly qualified for participation for PDKP Sports Complex, Chilla Sports Complex, Yamuna Sports Complex. However, the petitioner received an email dated 25.03.2026 disqualifying the petitioner just two days prior to the scheduled draw of lots from the said tender process on the ground of violation of Clause Nos. 47 and 77 of the NIT. The disqualification email is reproduced as under:

(TRUE TYPED COPY OF EMAIL FOR DISQUALIFICATION)

From: swcoordination123@yahoo.com

To: Yamuna Sports Complex, Visc Dda, RSKP Pitampura Dda Hosc RSC DDA and 12 more...

Cc Commissioner Sports Official

1. Refer subject line.

2. During technical scrutiny of documents submitted by M/s Tekram Enterprises in NIT No. 06/PVSC/DDA/2025-26, it has come to light that Proprietor of the ibid Agency is a contractual employee deployed as office staff in PVSC.

3. The above situation is in contravention to the conditions of clauses as under

a) Clause 47. There should be no relationship between the contractor and officer/officials working in the concerned Sports Complex. In case of any concealment of facts, necessary action will be initiated against the agency as per terms & conditions of CRB, DDA.

b) Clause 77. Any person who is in government service or an employee of DDA or on contract with DDA should not be made a partner to the contract by the Contractor directly, or indirectly in any manner whatsoever.

4. The Agency i.e. M/s Tekram Enterprises stands disqualified from all Sports Complexes where it has a participated in light of ensuring fairness and to prevent any conflict of interest.

Coordination Cell (Sports), DDA

Siri Fort Complex, August Kranti Marg.

7. Hence, the present petition impugning the said disqualification action has been filed by the petitioner.

8. This Court *vide* Order dated 27.03.2026, issued notice in the main petition and after taking a *prima facie* view passed an interim Order staying the effect and operation of the impugned decision i.e., disqualification email dated 25.03.2026.

9. Pursuant to the Order of this Court, the petitioner participated in the scheduled draw of lots on 31.03.2026 and 01.04.2026 and has turned out to be the successful bidder for Hari Nagar sports complex and Yamuna sports complex. However, the petitioner has not been assigned the works because this disqualification subsists against it.

SUBMISSIONS ON BEHALF OF THE PETITIONER

10. Mr. Mehra, learned counsel for the petitioner, submits that the impugned decision is in teeth of Article 14 and 19(1)(g) of the Constitution of India on the ground that the said action is arbitrary and unreasonably curtail the petitioner's right to carry on lawful business and profession.

11. The respondent in the present case where petitioner is only working as an outsource staff has wrongly relied on Clause Nos. 47 and 77 of the NIT, and illegally disqualified the petitioner from all tender processes.

12. He states that the Clause No. 47 could only have been invoked, if at all, to disqualify the petitioner from only the concerned sports complex i.e., Paschim Vihar sports complex, where the proprietor is working and the disqualification from participation for all other sports complex is arbitrary and illegal.

13. Clause No. 77 finds no application to the case of the petitioner as the petitioner is neither an employee of DDA/any government agency nor under any contractual relationship with the DDA. The petitioner is only engaged at the Paschim Vihar sports complex in outsourced/temporary capacity under M/s Rajsheel Enterprises, who is a private contractor. Thus, the petitioner cannot be characterised as an employee of DDA.

14. He further states that the impugned decision was taken in blatant violation of principles of natural justice without any show cause notice or

opportunity of hearing. Reliance is placed on *Erusian Equipment & Chemicals Ltd. v. State of West Bengal*[1].

15. The petitioner also contends that the impugned decision is violative of the doctrine of legitimate expectation as the petitioner qualified for participation in all the tenders and is expecting the award of the same. Reliance is placed on *Navjyoti Coop. Group Housing Society v. Union of India*[2].

SUBMISSIONS OF BEHALF OF THE RESPONDENT

16. Ms. Gupta, learned counsel for the respondent, submits that it is undisputed fact that Ms. Arpana Tiwari and Mr. Krishnanand Tiwari i.e., father of Ms. Tiwari, have been contractual employees of DDA for a considerable period of time and have deep links within the sports centre network. Hence, the petitioner was disqualified from participating in the tender process *vide* email dated 25.03.2026.

17. Ms. Gupta, to buttress her submissions before this Court places reliance on the Clause Nos. 47 and 77 of NIT and states that the said clauses squarely applies to case the petitioner. Thus, the impugned decision is taken in accordance with the law.

18. It is also submitted by Ms. Gupta, that the action of the respondent is in accordance with law and it is the tender issuing authority which is the best judge for its eligibility conditions. Thus, the contentions of the petitioner should not be accepted. She also states that when the factual matrix is clear and only one conclusion is possible, no show cause notice or opportunity of being heard is required.

ANALYSIS AND FINDINGS

[1](1975) 1 SCC 70.
[2] (1992) 4 SCC 477.

19. I have heard the learned counsel for the parties and perused the material and documents placed on record.

Principles of Natural Justice

20. At the outset, it is imperative for this Court to examine the matter on the issue of compliance of principles of natural justice by the respondent before wielding the disqualification axe.

21. The disqualification email was addressed to the respondent merely two days before the scheduled draw of lots, without affording any opportunity of being heard or even a procedural show cause notice.

22. To my mind, harsh actions like debarment/disqualification carry profound civil consequences and procedural fairness is the *sine qua non* for its legitimacy and legality.

23. The Hon'ble Supreme Court in the judgment of ***UMC Technologies (P) Ltd. v. Food Corpn. of India***[3]**,** summarised the position of law with respect to show cause notice/opportunity of hearing and stated the principles of natural justice to be the first principles of civilised jurisprudence. The relevant paragraph of the judgment reads as under:

> *"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*

[3] (2021) 2 SCC 551.

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."

(Emphasis Supplied)

24. Applying the aforesaid settled position of law on the facts at hand, the respondent's ex-parte disqualification through an email constitute violation of principles of natural justice. Therefore, the impugned decision conveyed by the email is *ipso facto* void.

25. Ms. Gupta, learned counsel for the respondent, states that in the present case, show cause notice or grant of an opportunity of hearing was not warranted as there existed no disputed questions of fact requiring any response from the petitioner. Even if such an opportunity had been afforded, the decision of the DDA or the outcome would not have changed, since, in case of violation of aforesaid clauses and the undisputed factual matrix, there is only one conclusion possible i.e., disqualification of the petitioner from the said tender processes.

26. I am unable to agree with this contention of the respondent, as this contention is based on the assumption that factual situation in the present case is undisputed and admitted. However, this assumption does not hold good in the present case. The impugned decision is based on both the interpretation and applicability of Clause Nos. 47 and 77 of the NIT on facts of the case of the petitioner, which to my mind is a disputed factual situation necessitating an opportunity of hearing. The respondent has without even affording an opportunity to the petitioner of being heard, already assumed and interpreted clause Nos. 47 and 77 of the NIT to the detriment of the petitioner.

27. Even though the petition needs to be allowed on this ground alone, I am inclined to consider the merits of the matter as well.

Scope of Judicial Interference

28. At this stage, the preliminary question before this Court is the confines of its jurisdiction under Article 226 of the Constitution of India. The Court under its writ jurisdiction is having limited scope of interference with administrative decisions requiring technical expertise, especially in matters of tender evaluation and award of contracts but at the same time this court is to ensure that no such action of any administrative authority suffers from the vice of arbitrariness or unreasonableness. The scope of judicial review of administrative decision pertaining to tender process is well settled by the Hon'ble Supreme Court in the case of ***Tata Cellular v. Union of India***[4]**,** which was relied upon and summarised by the Hon'ble Division Bench of this Court in the Case of ***Vision Diagnostic India***

[4] (1994) 6 SCC 651.

Private Limited v. All India Institute Of Medical Sciences & Anr.[5]**,** the relevant paragraphs of which read as under:

> *"58. Now the question is whether the respondents are justified in prescribing the qualification criteria that no criminal proceedings/FIRs should be pending against the bidders. Suffice it to state, the Tender Inviting Authority is entitled to prescribe Tender conditions it deems fit and necessary to ensure sanctity of the Tendering process. The court only examines the decision making process, and does not sit in appeal to review the merits of such decision. However, when the process or the decision is vitiated by arbitrariness, unfairness, illegality, irrationality or the principle of Wednesbury unreasonableness, the same can be subjected to judicial review. The law in this regard is well-settled by the judgment of the Supreme Court in Tata Cellular (supra) wherein it has been observed as under:*
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> > *"94. The principles deducible from the above are:*
> >
> > *(1) The modern trend points to judicial restraint in administrative action.*
> >
> > *(2) The court does not sit as a court of appeal but merely reviews the manner in which the decision was made. (3) The court does not have the expertise to correct the administrative decision. If a review of the administrative decision is permitted it will be substituting its own decision, without the necessary expertise which itself may be fallible.*

[5]2026 SCC OnLine Del 545.

(4) The terms of the invitation to tender cannot be open to judicial scrutiny because the invitation to tender is in the realm of contract.

Normally speaking, the decision to accept the tender or award the contract is reached by process of negotiations through several tiers. More often than not, such decisions are made qualitatively by experts.

(5) The Government must have freedom of contract. In other words, a fair play in the joints is a necessary concomitant for an administrative body functioning in an administrative sphere or quasi-administrative sphere. However, the decision must not only be tested by the application of Wednesbury principle of reasonableness (including its other facts pointed out above) but must be free from arbitrariness not affected by bias or actuated by mala fides.

(6) Quashing decisions may impose heavy administrative burden on the administration and lead to increased and unbudgeted expenditure."

(emphasis supplied)

59. Further, in the judgment titled Erusian Equipment & Chemicals Limited (supra), the Supreme Court has held that the activities of the government, having a public element, should be undertaken with great fairness and equality. It observed that the State need not enter into any contract with anyone, but if it does, it must do so in a fair manner without any discrimination."

(Emphasis Supplied)

29. In another judgment of the Hon'ble Division Bench of this Court titled ***Ozar Homes LLP v. DDA***[6], the settled position of law was summarised by placing reliance on ***Jaipur Vidyut Vitran Nigam Ltd. v. MB Power (M.P.) Ltd.***[7], in the following words:

> *"18…*
>
> *a. The Hon'ble Supreme Court in the case of Jaipur Vidyut Vitran Nigam Ltd. v. MB Power (M.P.) Ltd.,(2024) 8 SCC 513, after referring to an earlier judgment in Air India Ltd. v. Cochin International Airport Ltd., (2000) 2 SCC 617 and Tata Cellular v. Union of India, (1994) 6 SCC 651, has held that unless the Court finds that decision making process is vitiated by arbitrariness, malafides or irrationality, it will not be permissible for the Court to interfere with the same. Paragraphs 136 to 138 of the Jaipur Vidyut Vitran Nigam Ltd. (supra) are extracted herein below:*
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> > *"136. In any case, we find that the High Court was not justified in issuing the mandamus in the nature which it has issued. This Court in Air India Ltd. v. Cochin International Airport Ltd. [Air India Ltd. v. Cochin International Airport Ltd., (2000) 2 SCC 617 : 2000 INSC 39] has observed thus : (SCC pp. 623-24, para 7)*

[6] 2025 SCC OnLine Del 6210.
[7] (2024) 8 SCC 513.

"7. The law relating to award of a contract by the State, its corporations and bodies acting as instrumentalities and agencies of the Government has been settled by the decision of this Court in Ramana Dayaram Shetty v. International Airport Authority of India [Ramana Dayaram Shetty v. International Airport Authority of India, (1979) 3 SCC 489], Fertilizer Corpn. Kamgar Union v. Union of India [Fertilizer Corpn. Kamgar Union v. Union of India, (1981) 1 SCC 568], CCE v. Dunlop India Ltd. [CCE v. Dunlop India Ltd., (1985) 1 SCC 260], Tata Cellular v. Union of India [Tata Cellular v. Union of India, (1994) 6 SCC 651 : 1994 INSC 283], Ramniklal N. Bhutta v. State of Maharashtra [Ramniklal N. Bhutta v. State of Maharashtra, (1997) 1 SCC 134] and Raunaq International Ltd. v. I.V.R. Construction Ltd. [Raunaq International Ltd. v. I.V.R. Construction Ltd., (1999) 1 SCC 492] The award of a contract, whether it is by a private party or by a public body or the State, is essentially a commercial transaction. In arriving at a commercial decision considerations which are paramount are commercial considerations. The State can choose its own method to arrive at a decision. It can fix its own terms of invitation to tender and that is not open to judicial scrutiny. It

can enter into negotiations before finally deciding to accept one of the offers made to it. Price need not always be the sole criterion for awarding a contract. It is free to grant any relaxation, for bona fide reasons, if the tender conditions permit such a relaxation. It may not accept the offer even though it happens to be the highest or the lowest. But the State, its corporations, instrumentalities and agencies are bound to adhere to the norms, standards and procedures laid down by them and cannot depart from them arbitrarily. Though that decision is not amenable to judicial review, the court can examine the decision-making process and interfere if it is found vitiated by mala fides, unreasonableness and arbitrariness. The State, its corporations, instrumentalities and agencies have the public duty to be fair to all concerned. Even when some defect is found in the decision-making process the court must exercise its discretionary power under Article 226 with great caution and should exercise it only in furtherance of public interest and not merely on the making out of a legal point. The court should always keep the larger public interest in mind in order to decide whether its intervention is called for or not. Only when it comes to a conclusion

that overwhelming public interest requires interference, the court should intervene."

....

138. As has been held by this Court in Tata Cellular [Tata Cellular v. Union of India, (1994) 6 SCC 651 : 1994 INSC 283], the Court is not only concerned with the merits of the decision but also with the decision-making process. Unless the Court finds that the decision-making process is vitiated by arbitrariness, mala fides, irrationality, it will not be permissible for the Court to interfere with the same."

(Emphasis Supplied)

30. From a conspectus of the aforementioned judgments it is clear that the Court cannot interfere with administrative decisions in a routine manner and should exercise its judicial wisdom to interfere with great circumspection. While the administrative decisions involving technical expertise are not amenable to scrutiny, the decision making process can always be subjected to the same. The Court does not sit in appeal/review over those decisions, and it is only the decision making process which needs to be tested on the touchstones of irrationality, mala fides and arbitrariness, while being subjected to judicial scrutiny.

31. With the above scope of interference in mind, I shall now deal with rival contentions to decide, if at all, any interference by this Court is warranted.

Interpretation of Clause No. 47 of the NIT

32. At this stage, it is relevant to see Clause No. 47 of the NIT, which reads as under:

"There should be no relationship between the contractor and officer/officials working in the concerned sports complex. In case of any concealment of facts, necessary action will be initiated against the agency as per terms & conditions of CRB, DDA."

33. At the outset, the petitioner is neither a contractor nor an officer but an outsourced employee of the contractor namely, M/s Rajsheel Enterprises, even otherwise assuming that the said Clause No. 47 would be applicable, to a person like the petitioner, a plain reading of the aforesaid Clause makes it evident that it is not placing any general or omnibus embargo. This prohibition Clause is undoubtedly and clearly directed against existence of any relationship between the contractor and the officials working in the *"**concerned** sports complex".*

34. The respondent by disqualifying the petitioner from participating in all of the tender processes, has rendered the expression *"concerned sports complex"* otiose. By this impugned decision, the respondent has enlarged the scope of the said Clause beyond the reasonable and plain meaning.

35. I am of the view that Clause No. 47, is only intended to operate in relation to the specific sports complex where the alleged specific relationship exist between the contractor and the officer/officials working in the concerned sports complex.

36. In the factual matrix of the present case, it is an admitted fact that the petitioner, as of today, is a contractual employee of M/s Rajsheel Enterprises Ltd. and is working as a receptionist in Paschim Vihar Sports

Complex. It is also admitted that the petitioner has been a receptionist in the said sports complex for the more than 10 years now.

37. In this view of the matter, not even an iota of doubt exists that the Clause No. 47 could only be applicable to the case of the petitioner if the petitioner was participating in the tender process of Paschim Vihar sports complex. Once language of clause is clear, no external aid is required for its interpretation.

38. It is also not the case of the respondent nor could it plausibly be, that by being a receptionist at Paschim Vihar Sports Complex, the petitioner would be privy to the tender details of other sports complexes or sensitive details pertaining to other sports complexes such as tender quotations given by the other participants to the tender, thereby gaining any sort of unfair advantage therein.

39. Additionally, the NIT process envisages that where multiple bidders quote identical rates, the successful bidder is determined through a computerised draw of lots. Hence, it also cannot be said that the petitioner in its limited capacity of being a receptionist at Paschim Vihar Sports Complex could tamper with fair and free selection of the successful bidder in tender for unrelated sports complexes.

40. Therefore, the impugned decision disqualifying the petitioner based on Clause No. 47 is incorrect, based on erroneous and irrational interpretation of the Clause No. 47.

Interpretation of Clause No. 77 of the NIT

41. The Clause No. 77 of the NIT reads as under:

> *"Any person who is in government service or an employee of D.D.A. or on contract with D.D.A. should not be made a*

partner to the contract by the Contractor directly, or indirectly in any manner whatsoever."

42. The prohibitive ambit of the aforesaid Clause can be classified under three distinct heads namely;

a. Persons in service of government.
b. Employees of DDA.
c. Persons on contract with DDA.

43. Individuals falling in these three prohibited categories cannot be made partner to the awarded subject contract by the contractor, *"directly or indirectly"*. This expression *"directly or indirectly"* is used to exclude the aforesaid three prohibited categories of individuals from being directly or indirectly made a party to the awarded contract through the tender process for which the tender is invited by the NIT.

44. The respondent by invoking Clause No. 77 has erred in interpreting the relation of the proprietor of the petitioner with the DDA and enlarged the scope of the aforesaid Clause to include third party engagements through independent private contractors within the ambit of the aforesaid three prohibited categories. The proprietor of the petitioner is engaged by M/s Rajsheel Enterprises (independent private contractor) in an outsourced/private temporary capacity with no privity of contract whatsoever with the DDA.

45. Therefore, the petitioner in the aforesaid factual background does not qualify as falling in any of the three categories as stated above and the impugned decision by the respondent can be categorised as irrational and arbitrary.

46. Additionally during the course of hearing, Ms. Arpana Tiwari has handed over an affidavit that in order to put the controversy to rest, she will resign from the post within 2 months i.e., before June 2026.

CONCLUSION

47. In the light of the aforesaid discussion and interpretation of Clause Nos. 47 and 77, I am of the view that the even though the scope of judicial interference with administrative decision is narrow but the same is not barred when the decision making process is vitiated by reasons of irrationality and arbitrariness. Having held the decision making process of the respondent based on irrationality, arbitrariness and procedural impropriety, the decision making process is unconstitutional for being in violation of Article 14 of the Constitution of India.

48. Additionally the impugned decision undermines public interest by suppressing fair play in competition. The blanket disqualification from the process for all tenders, non-compliance with the principles of natural justice and the disproportionate overreach beyond the plain meaning of the Clauses of NIT collectively leads to this Conclusion that the impugned decision is arbitrary and thus, deserves to be set aside.

49. In this view of the matter, the impugned decision is quashed and set aside to the extent that the petitioner shall remain disqualified for participation in the tender process for Paschim Vihar Sports Complex.

50. The petition is allowed and disposed of, in the aforesaid terms, along with the pending applications, if any.

51. The affidavit furnished by Ms. Arpana Tiwari is taken on record.

JASMEET SINGH, J

APRIL 16, 2026/SS