



\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**  
% Judgment reserved on: 15.09.2025  
Judgment delivered on: 14.10.2025  
+ W.P.(C) 909/2024, CM APPL. 3774/2024 & CM. APPL. 11535/2024  
WRITER BUSINESS SERVICES PVT. LTD .....Petitioner  
versus

UNIQUE IDENTIFICATION AUTHORITY OF INDIA.....Respondent

**Advocates who appeared in this case:**

For the Petitioner: Mr. Sandeep Sethi, Senior Advocate with Mr. Achyuth Ajith Kumar, Mr. Shyam Gopal, Mr. Sumer Seth and Ms. Riya Kumar, Advocates

For the Respondent: Mr. Darpan Wadhwa, Senior Advocate with Ms. Shraddha Deshmukh, Mr. Utkarsh, Mr. Sanchit Singh, Ms. Divita Vyas, Mr. Rakesh Kumar (SPC) and Mr. Sunil, Advocates

**CORAM:**

**HON'BLE THE CHIEF JUSTICE**

**HON'BLE MR. JUSTICE TUSHAR RAO GEDELA**

**J U D G M E N T**

**TUSHAR RAO GEDELA, J.**

1. Present petition has been filed under Article 226 of the Constitution of India, seeking setting aside of the award under the Request for Proposal bearing No. GEM/2022/B/2690078 dated 04.11.2022 (hereinafter referred to as “RFP”) floated by the respondent authority, to any other entity apart from the petitioner, and to stay the said RFP/tender process. The petitioner also seeks a direction to the respondent authority to declare the petitioner, which is the L-1 bidder, as a successful bidder and award the work under the said RFP to the petitioner by issuing a Letter of Intent and executing an Agreement for the said work, and further declare the action of the respondent authority as



illegal and arbitrary.

2. The brief facts, peculiar and germane to the present *lis* leading to the filing of the present instant petition are as under:-

(i) Petitioner is a company duly incorporated under the provisions of the Companies Act, 1956, and claims to be engaged in the business of providing diverse document management, Business Process Services (BPO), Cloud and Data Centre Services, digital storage solutions, and digitization services across the country. The petitioner claims to have successfully provided BPO/digitization services in numerous large-scale projects for various governments, public sector undertakings, and private organisations.

(ii) The respondent is the Unique Identification Authority of India, which is a statutory authority established under the Aadhaar Act, 2016, by the Government of India (hereinafter referred to as “*Aadhaar Authority*”).

(iii) Earlier RFP was floated by the Aadhaar Authority bearing No. F.No.4(4)/57/331/2017/UIDAI-E&UI dated 22.12.2017, and was awarded to the petitioner. Consequently, an agreement dated 24.07.2018 was entered into between the petitioner and the Aadhaar Authority for providing services for two years, which was extended from time to time. Thereafter, the Aadhaar Authority floated another RFP bearing No. 4(4)/57/418/2020-E&U-II dated 23.03.2020, and the said RFP was also awarded to the petitioner as the petitioner was declared as L-1. Accordingly, an agreement dated 09.07.2021 was executed between the petitioner and the Aadhaar Authority for similar services for two years. *Vide* a Corrigendum dated 13.07.2023, the said agreement took effect and was made valid up to 08.07.2024, or until the operations commence



by the service provider appointed through the RFP.

(iv) Pursuant to the agreement dated 09.07.2021, the Aadhaar Authority had issued the RFP dated 04.11.2022. According to the scope of work specified in the RFP, bidders were required to perform two processes: i.e., Quality Check with documents along with Online document verification ('Digital Process') and Quality Check with documents without Online document verification ('Physical Process').

(v) It is stated that the petitioner emerged as the highest-scoring bidder (T-1) in the technical bid of the RFP, followed by the opening of the financial/commercial bid. However, a technical error on the GeM portal prevented the financial/commercial bids of the bidders from being displayed. Several correspondences were exchanged between the petitioner and the Aadhaar Authority regarding the technical glitch and the bid validity period of the petitioner, which was later extended up to 16.10.2023.

(vi) *Vide* an email dated 06.07.2023, Aadhaar Authority informed the petitioner that the financial/commercial bids were scheduled to be opened physically on 07.07.2023 at the conference hall of the Aadhaar Authority, which was attended by the representative of the petitioner. On 07.07.2023, the petitioner was declared as the L-1 bidder (bidder with the lowest "*rate per packet*").

(vii) On 18.07.2023, the Aadhaar Authority sought clarification from the petitioner with respect to the financial/commercial bid submitted by it, as the price quoted by the petitioner was "*abnormally low*". In response, the petitioner had assured the Aadhaar Authority of certain facts and the procedure to be followed in case the bids quoted by the bidders were "*abnormally low*".



(viii) Despite the said response, the Aadhaar Authority *vide* letter dated 01.08.2023 requested a comprehensive, point-by-point response to the letter dated 18.07.2023. *Vide* the response letter dated 07.08.2023, the petitioner sought to assuage every concern raised by the Aadhaar Authority.

(ix) It is stated that the petitioner had not received any communication from the Aadhaar Authority after providing the clarification letter dated 07.08.2023. The petitioner addressed its concerns *vide* letters dated 28.11.2023 and 29.12.2023 seeking an update on the status of its bid, however, no response was received from the respondent authority.

(x) Being aggrieved by the alleged arbitrary conduct of the Aadhaar Authority in refusing to issue a Letter of Intent to the petitioner and awarding the contract to another bidder, without issuing any notice to the petitioner, the petitioner has invoked jurisdiction of this Court under Article 226 of the Constitution of India, 1950.

### **CONTENTIONS OF THE PETITIONER:-**

3. Mr. Sandeep Sethi, learned Senior Counsel appearing for the petitioner, submitted at the outset, that the petitioner has been executing similar contracts on behalf of the Aadhaar Authority for the last six years. He submitted that by way of the present RFP, the Aadhaar Authority has introduced the digital element of verification of documents in addition to the physical verification of the documents, which was being executed by the petitioner in the previous contracts. He submitted that the RFP postulated two bid process, namely, the Technical Bid and Financial/Commercial Bid. He clarified that the technical bid of the bidders was to be evaluated on a score of 100, and so was the



financial/commercial bid. He further submitted that the clauses of the RFP also indicated that the contract was to be executed in two packets. One packet envisaged verification of documents for the purpose of the Aadhaar Card by means of comparison of the documents through online verification i.e., digital process (hereinafter referred to as “*Packet-1*”), and the other packet envisaged verification of the same documents without online verification i.e., through physical process (hereinafter referred to as “*Packet-2*”). He submitted that for the financial/commercial bid evaluation, both categories of packets would be given equal weightage to identify the lowest evaluated commercial proposal. That particular lowest evaluated commercial proposal, was to be given the maximum financial score out of 100 points. According to learned senior counsel, the RFP also contemplated the manner in which the scores in the technical bid, as also the financial/commercial bid, would be given due weightage. As per the RFP condition, the technical score based on the technical evaluation would be given a weightage of 70% and the commercial score would be given a weightage of 30%.

4. Mr. Sethi submitted that undisputedly, the petitioner scored 96.5% marks in the technical score, which was the highest amongst all the bidders and was declared as L-1 after the evaluation of the financial/commercial bid. He submitted that at the time when the petitioner was declared as L-1, its financial/commercial bid was lower than that of L-2 by almost Rs.200 Crores. Subsequently, the Financial Evaluation Committee (hereinafter referred to as “*FEC*”) vide its Evaluation Report dated 18.08.2023 did not consider the petitioner’s bid on the basis that its bid was “abnormally low”. His primary contention is that the Aadhaar Authority did not have any right, authority, or jurisdiction to disqualify the petitioner’s bid on the basis of it being “abnormally low”. Adverting to the said contention, he referred to Clause



2.1.19 of the RFP respecting “Disqualification” to submit that disqualification on the basis of “abnormally low” bid was conspicuous by its absence in the said clause. He contended that sub-clauses (i) to (viii) of Clause 2.1.19(1) referred to various reasons to disqualify a bidder, and there was no reference to disqualification on the basis of an “abnormally low” bid. According to the learned senior counsel, the impugned disqualification, on the basis of a ground not available to the Aadhaar Authority, needs to be quashed and set-aside.

5. Learned senior counsel submitted that it is intriguing as to why the petitioner’s bid was disqualified, particularly, when the petitioner was found to be technically compliant and had obtained the highest technical score at 96.5%. He also contended that the Aadhaar Authority did not cast any doubt on the petitioner’s ability to complete the work. He also submitted that it was for the first time, that too, only through its counter affidavit, the Aadhaar Authority falsely stated the petitioner’s lack of understanding and its inexperience in providing services for Packet-1. He submitted that the petitioner had been executing the previous contracts for the last six years, doing the very same thing without even a single complaint during the execution. He stated that in fact, the original contract awarded in the year 2017 was extended twice on the satisfactory execution and completion of the previous contract, which itself is a testament to the technical capability of the petitioner.

6. Learned senior counsel painstakingly and copiously referred to various clauses of the RFP to submit as to how the petitioner was not only found technically compliant, but also its financial/commercial bid was found fully compliant with the RFP. Based thereon, the petitioner was declared L-1. He submitted that for some unknown reason, the Aadhaar Authority issued a



letter dated 18.07.2023 seeking clarification and justification of its financial/commercial bid in respect of Packet-1, wherein the price bid of Rs.1.92 per packet was quoted. According to him, by the letter dated 23.07.2023, sufficient clarification and justification for the bid price were furnished to the Aadhaar Authority. However, without applying its mind, and without considering the clarification tendered, the FEC unilaterally decided that the clarification was not justified. Surprisingly, *vide* the letter dated 01.08.2023, the Aadhaar Authority sought further clarification, which was adequately responded to by the petitioner *vide* the letter dated 07.08.2023, informing the Authority that it had years of experience in handling Packet-2 and its staff and other employees were well trained and well entrenched in the business. So far as the time to be spent on Packet-1 is concerned, learned senior counsel submitted that the petitioner had provided a detailed explanation not only as to how the time to handle one assignment would be within 45 seconds but also gave details of the manner in which calculations were made to arrive at the figure of Rs.1.92. On the strength of these clarificatory letters, he contended that without seeking any further audience or clarification, the FEC of the Aadhaar Authority unilaterally disqualified the petitioner's bid as "abnormally low".

7. Learned senior counsel next vehemently contended that while the FEC evaluated the financial/commercial bid of other bidders in accordance with sub-clause (c) of Clause 2.4.3 of the RFP which provided that for evaluation of financial/commercial bid, both the packets will be given equal weightage to identify the lowest evaluated financial/commercial bid, yet when it came to the petitioner, only the price of Rs.1.92 for Packet-1 was taken into consideration to declare the said bid as "abnormally low" and disentitled the petitioner from the consideration zone itself.



8. Learned senior counsel forcefully contended that the Aadhaar Authority breached its own Clause 2.4.4 of the RFP. According to him, the said clause envisaged the adoption of an evaluation methodology whereby the technical score would get a weightage of 70% and the commercial score a weightage of 30%. He stoutly contended that if the Aadhaar Authority had correctly followed the methodology provided in the RFP, then in no way the financial/commercial bid of the petitioner could have been eschewed from consideration. He argued that the Aadhaar Authority conjured a novel way of disentitling the petitioner's bid from consideration by evaluating the price bid of only one packet, i.e., Packet-1, quoting price of Rs.1.92 and cleverly overlooked the price bid of Packet-2, which was furnished at Rs.4.55. Whereas, Clause 2.4.3 mandated the Aadhaar Authority to give equal weightage to price bid of both packets to identify the lowest evaluated commercial proposal which would be given the maximum financial score of 100 points and would be declared L-1. Predicated thereon, he contended that having failed in complying with its own mandate, the Aadhaar Authority could not have thrown the petitioner's financial/commercial bid at the threshold itself.

9. In support of and to buttress the aforesaid contention, Mr. Sethi invited our attention to the clarificatory letter dated 07.08.2023 of the petitioner which gave lucid details of the queries sought by the Aadhaar Authority. He invited the attention of this Court to various points, including the fact that the previous contracts, having been executed at 56% lower than the RFP Value in the year 2017, 45% lower than the RFP Value in the year 2020, and 42% lower than the RFP Value in the year 2022, were also pointed out. His contention is that the price bid submitted under the subject RFP being 58% lower, is no surprise or new to the Aadhaar Authority to now make an issue





out of it. He further contended that the offer of lower prices was in terms of Rule 170 of the General Financial Rules (hereafter “*the GFR*”), which was duly accepted by the Aadhaar Authority.

10. Learned senior counsel explained and attempted to demonstrate as to how the Packet-1, requiring digital verification of the documents, was to be executed. According to him, once the basic inputs of the customer’s credentials are entered, the operator of the bidder is to gain access to such documents from the digilocker. Once the operator accesses the digilocker of the customer, he would compare the details already available on the digilocker with the one available with the operator. He contended that the documents available in the digilocker of the customer are already verified and authenticated by the government agencies and it is not the mandate of the bidder to check the correctness of the documents available in the digilocker. On the said basis, he contended that the time spent for this purpose was reckoned by the technical team of the petitioner, with which the Aadhaar Authority did not agree. He also pointed out that the table drawn up by the petitioner regarding year-wise assumption of the packet-wise distribution was assessed on the basis of its earlier experience. He submitted that the petitioner also made calculations based on the RFP Model of 50:50 distribution, too. He stated that based on such calculations, the packet-wise price of Rs.1.92 for Packet-1 and Rs.4.55 for Packet-2 was justified. He vehemently contended that without considering the aforesaid calculations and without inviting petitioner to clarify how such assessments were reckoned, the FEC unilaterally rejected the financial/commercial bid by considering only Rs.1.92 and holding the same as “abnormally low”. He also submitted that despite the petitioner’s follow-up efforts *vide* an emails dated 28.11.2023 and 29.12.2023, wherein the petitioner sought an update on the status of its bid



from the Aadhaar Authority, the Authority remained non-responsive to these letters and proceeded with the award of work contract to another bidder.

**CONTENTIONS OF THE RESPONDENT:-**

11. Mr. Darpan Wadhwa, learned Senior Counsel appearing for the respondent, submitted that the arguments of the petitioner are premised on a faulty understanding of the RFP itself.

12. Opening for the Aadhaar Authority, Mr. Wadhwa, learned senior counsel drew our attention to the scope of work as per the RFP, the bidder was to undertake the Quality Check and Quality Audit Work related to processing the application of residence for Aadhaar enrolment and update their Aadhaar-related demographic data and photo recorded with it. Four agencies were to execute the said project. According to the learned senior counsel, one of the bidders was to be declared as L-1 based on the technical score in the technical evaluation and commercial score in respect of the financial/commercial bid. Once the L-1 is declared, then the other three bidders would be asked to match up with the finalised bid of the L-1 bidder. Thereafter, the four agencies were to execute the project in accordance with the terms of the RFP. Referring to various relevant clauses of the RFP, he submitted that the commercial quote was in respect of two types of verification i.e., Packet-1 and Packet-2. He also drew our attention to Clause 4.1.2 of the RFP, particularly to sub-clauses (3), (4), (5) and (6) to explain the manner in which the Quality Check is to be conducted by the service provider and as to the arduous nature of document verification that is sought to be conducted. He was at pains to explain that so far as Packet-2 is concerned, the task may not be that difficult having regard to the fact that the applicant/client would furnish the original documents to the operator for verification purposes. He emphasized that it is only Packet-1 that requires a greater level



of care and scrutiny by the operator. Mr. Wadhwa, by handing over a set of documents, explained the step-wise manner in which Packet-1 is required to be carried out. It is in respect of the financial/commercial bid regarding packet-1 submitted by the petitioner that is in question. The entire controversy revolved around the abysmally low price quoted for Packet-1 by the petitioner. Explaining Clause 4.1.3 of the RFP, learned senior counsel explained the distribution of packets amongst the four proposed agencies. The L-1 bidder was to be awarded 40% share of the Quality Check packets, L-2 with 30%, L-3 with 30% and L-4 with 10% Quality Check packets, and also all the Quality Audit packets. He stated that a demonstration of the Quality Check was also to be provided during the pre-bid meeting so as to ensure that the bidders are aware of such process and estimate the time taken accordingly.

13. Mr. Wadhwa also explained as to how Packet-1 was to be conducted step-wise which is available in Clause 4.1.6 of the RFP. He explained that as per Clause 2.4.3 of the RFP, the financial/commercial bid proposal of only those bidders who qualified the technical evaluation was required to be opened and considered. He submitted that as per Clause 5.1.7 - Annexure-VII: Form-7 of the RFP, the bidders were required to submit their financial/commercial bid for both Packet-1 and Packet-2. In other words, two separate rates were to be quoted for both the packets. He further explained that as per Clause 2.4.4 the Final Total Score for each bid proposal was to be completed after taking technical score at 70% and financial score at 30%. After combining both, the L-1 bidder was to be declared. Post such declaration, the other three agencies were required to match their prices with that of L-1 bidder.

14. Having explained the aforesaid relevant clauses of the RFP, Mr. Wadhwa thereafter referred to the facts which, according to him, are germane



to the dispute. He submitted that when the financial/commercial bids were opened, the Aadhaar Authority by the letter dated 18.07.2023 required the petitioner to explain the unit price quoted by it for “*Quality Check with documents alongwith Online document verification rate per packet including taxes*” at Rs.1.92, which the respondent found to be “abnormally low” as compared to the estimated value of the contract. According to the respondent, the said quote was approximately 58% lower for Packet-1 as compared to Packet-2. The petitioner was to submit a detailed price analysis justifying the “abnormally low” unit price. He submitted that *vide* the letter dated 23.07.2023, though the petitioner had furnished some clarification, yet, the FEC did not find it satisfactory. Learned senior counsel read the letter dated 23.07.2023 to impress upon us as to how from the said letter, it was apparent that the petitioner had not understood the requirements under the RFP. According to learned senior counsel, the petitioner oversimplified the process involved in Packet-1. He emphasized that the petitioner has not understood the requirements of Packet-1 and based its responses on a total misunderstanding of the services required.

15. In order to buttress the aforesaid submission, he referred to the FEC report dated 18.08.2023, which after having perused the entire responses, recommended that the petitioner has substantially failed to demonstrate its capability to deliver the contract at the offered price. The committee further recommended that the unit price quoted by the other bidders may be taken into consideration for further evaluation. Learned senior counsel forcefully contended that the committee did not find the explanation rendered by the petitioner in respect of unit price quoted at Rs.1.92 as satisfactory and in fact, had opined that the explanation offered is neither feasible nor workable. He stoutly contended that it was on the rational basis of the report submitted by



the FEC that the financial/commercial bid of the petitioner was not even placed for consideration alongwith other bidders for the aforesaid reasons. Referring to the said report, learned senior counsel painstakingly took us through the said report and invited our attention to the table contained in para 5 of the said report to submit that the average price bid of the other bidders alongwith their financial score was taken into consideration and consequently M/s. Tech Mahindra Limited at Rs.5.88 was declared as L-1 and other three agencies as L-2, L-3 and L-4 who had to match with the bid of L-1.

16. In order to substantiate the submission that the FEC had minutely deliberated and considered the explanation offered by the petitioner in the letter dated 23.07.2023, learned senior counsel invited attention to Annexure-I to the FEC report. He read through the said document to impress upon this Court that each and every clarification/explanation offered by the petitioner was examined threadbare, and only then was it concluded that the unit price analysis of the petitioner is not satisfactory. He also vehemently contended that the Aadhaar Authority has complied with the principles of natural justice and has also been fair and transparent in their dealings with the petitioner.

17. Referring to the letter dated 07.08.2023, Mr. Wadhwa submitted that the petitioner had again offered further clarifications. Reading through the said letter, he submitted that the assessment carried out by the petitioner is on a basis which does not find any foundation in the RFP. As an example, he referred to sub-para (d) of point 2 of the said letter, wherein the petitioner rendered the clarification on the basis of Clause 4.1.9 of the RFP, assuming that the ratio of 50:50 was the best business strategy for the distribution of two sets of packets. That apart, the petitioner in the Table under sub-para (d) inserted ratios of distribution which were not envisaged by the RFP itself. In other words, learned senior counsel contended vehemently that the application



of variable ratios is not stipulated by the RFP, resulting in skewed conclusions and unit prices. Likewise, he also referred to various paragraphs and contents of the letter to explain as to why the Aadhaar Authority or the FEC, concluded that the petitioner has not understood the services required to be performed. As a further example, he invited the attention of this Court to the Table at page 263, which is the part of the same letter. He stated that in the Table at page 263 in the Column “Total Effort with Quality Check with documents alongwith Online document verification”, the petitioner under the head “Total Estimated AHT” gave a total time of 112 seconds for completion of one packet, whereas, in the previous clarificatory letter dated 07.08.2023, it submitted a total time of 45 seconds for the same process. He stoutly contended that the aforesaid two examples are some of the many lacunae and contradictions that the petitioner brought out in its clarificatory letter dated 07.08.2023.

18. Mr. Wadhwa submitted that only with a view to ensure that the principles of natural justice are complied with, the FEC yet again considered the further clarification furnished by the petitioner *vide* the letter dated 07.08.2023. He referred to the report of the committee annexed at page 447 of the Paper Book as Annexure-II. He copiously read the entire report of the committee to demonstrate that the FEC had yet again minutely scrutinized each and every explanation and clarification offered by the petitioner before finally concluding that the petitioner’s clarifications are not satisfactory.

19. From the aforesaid narration of facts and figures, learned senior counsel stoutly opposed and refuted the submissions made on behalf of the petitioner. He submitted that the constitutional Court, while examining or exercising its power of judicial review concerns itself with the decision making process alone and not the decision itself. To substantiate his argument on the limited



scope of judicial review in contractual matters of the State, learned senior counsel placed reliance on the following judgments of the Hon'ble Supreme Court, which are as follows:

- a. ***Bharat Coking Coal Limited & Ors. vs. AMR Dev Prabha & Ors.:***  
***(2020) 16 SCC 759***
- b. ***Tata Motors vs. Brihan Mumbai Electric Supply Undertaking:***  
***2023 SCC OnLine SC 671***

20. He emphatically contended that the deliberations and considerations of the FEC clearly demonstrate that the Aadhaar Authority had scrupulously complied with the tender conditions and had not violated any of such clauses while arriving at the decision. He contended that while the decision itself may not be palatable to the petitioner, it would be precluded from challenging the said decision. According to him, so far as the Aadhaar Authority is concerned, the fact that the other bidders were unwilling to match the “abnormally low” unit price of Rs.1.92 offered by the petitioner, too, was a relevant consideration for the said Authority to negate the price bid of the petitioner. He also contended that though the decision of rejecting the financial bid of the petitioner was taken in the month of October, 2023, no action to challenge the same was taken by the petitioner till the filing of the present writ petition on 22.01.2024. He submitted that during this period, the tender process continued and reached its logical conclusion and not only declaration of one of the bidders as L-1, but also declaration of the other three agencies as L-2, L-3 and L-4 was complete. Not only that, he stated that, the bidders at L-2, L-3 and L-4 also have matched their bid price with that of L-1. In that view of the progress that the tender process had reached, he forcefully contended that this Court may not interfere with the tender process. As a matter of fact, learned senior counsel on instructions submitted that the contract has already been



awarded and is being implemented.

**REJOINDER OF PETITIONER:**

21. In rejoinder, Mr. Sandeep Sethi, learned senior counsel reiterated the arguments urged and additionally submitted that the public exchequer would be benefitted by a saving of Rs. 200 crores on account of the financial/commercial bid submitted by the petitioner. That apart, according to him, on account of a higher price bid the public interest is surely jeopardised. He reiterated that the capability of the petitioner is not denied, rather, admitted. He also submitted that the Aadhaar authority never passed an order of rejection.

22. While handing over a photocopy of certain relevant clauses of the Manual For Procurement of Goods (Updated June, 2022) of the Government of India, learned senior counsel invited the attention of this Court to Clause 7.5.7. His contention based on the said clause is that the rejection on the ground of “abnormally low” bid is not available to the Aadhaar Authority inasmuch as the said clause permitted in compelling circumstances to require the bidder to furnish Additional Security Deposit/Bank Guarantee subject to the approval of the next higher authority competent to finalize the tender. In other words, learned senior counsel contended that having regard to the admission that the petitioner is a qualified bidder, and bearing in mind that the financial/commercial bid of the petitioner was 58% lower than the estimated cost, the Aadhaar Authority could have easily directed the petitioner to furnish Additional Security Deposit/Bank Guarantee. He vociferously contended that the provision of clause 7.5.7 of the Procurement Manual when read with Clauses 2.1.18 and 2.1.19 of the RFP, wherein rejection of a bid on the ground of “abnormally low” quote was not available, the rejection of the financial bid of the petitioner is contrary to the Procurement Manual and the





RFP, and thus, is invalid and *non est* in law.

23. Mr. Sethi, learned senior counsel, relied on the following judgments:

- a. ***Dutta Associates Pvt. Ltd. vs. Indo Merchantiles Pvt. Ltd.: (1997) 1 SCC 53***
- b. ***W.B. State Electricity Board vs. Patel Engineering Co.: (2001) 2 SCC 451***
- c. ***IRCTC vs. Doshion Veolia Water Solutions: (2010) 13 SCC 364***
- d. ***M/s Star Enterprises vs. City & Industrial Development Corp, Maharashtra: (1990) 3 SCC 280***

24. Predicated on the aforesaid arguments as also the judgments referred to, learned senior counsel prayed that the petition be allowed.

#### **ANALYSIS AND CONCLUSION:-**

25. We have heard the learned senior counsel for the respective parties and minutely examined the documents on record and considered the judgments relied on.

26. Undisputedly, the petitioner has been executing contracts of services in the nature of those being sought in Packet-2 in the present RFP. Undeniably, from the year 2017, the services in the nature of Packet-2 were being provided by the petitioner to the Aadhaar Authority which has been extended from time to time in the year 2020 and lastly in the month of December, 2022. Such services were being provided by the petitioner at the initial bid estimate in the year 2017 at 56% lower than the estimated cost as per the RFP. Similarly, in the year 2020, the extension granted was at 45% lower than the estimated cost, and in the year 2022, at 42% lower than the estimated cost of the RFP. It is thus clear that the Aadhaar Authority was in the know of the petitioner quoting a lower price bid than the estimated cost. Whether the said bid is addressed as “lower price” bid or “abnormally low” would not be of much



relevance in the present case, as the tender issuing authority had full knowledge of the same. The Aadhaar Authority, thus, was not a stranger to the low price bid quoted by the petitioner in the past as well.

27. Significantly, the petitioner had been executing services for the Aadhaar Authority for the last almost six years in the nature of services sought in Packet-2 in the present RFP. No document worth its salt in the nature of any complaint or any deficiency in the nature of services provided by the petitioner has either been placed on record or canvassed on behalf of the Aadhaar Authority. We are referring to the past conduct and successful implementation of the previous projects by the petitioner, only for the reason that the petitioner appears to be undeniably technically qualified to execute such projects. The aforesaid inference is fortified by the fact that even in the present tender process, the technical score of the petitioner is rated at 96.5% which is claimed to be the highest score. Moreover, the technical evaluation has been conducted by the Aadhaar Authorities' own Technical Evaluation Committee.

28. From our observations and analysis in paragraphs 26 and 27 above, two aspects can be safely inferred. One, that Aadhaar Authority is no stranger to the "low price" bid or, in other words, "abnormally low" bid quoted by the petitioner, and two, there is no doubt about the technical capability of the petitioner to execute the services required under the RFP, particularly, Packet-2.

29. Though, the learned senior counsel for the respective parties had painstakingly not only alluded to various clauses of the RFP but also the objections raised by FEC; the clarificatory letters submitted by the petitioner and; the detailed summary reports of the FEC, yet, from the overall conspectus of the matter before us, we are of the considered opinion that the



following questions arise for consideration.

- i) whether the evaluation of the bid of the petitioner by the FEC was conducted in accordance with Clauses 2.4.3 and 2.4.4 of the RFP?
- ii) whether the FEC did not commit an error by considering the price bid quoted by the petitioner at Rs.1.92 for Packet-1 without taking into consideration the price bid of Rs.4.55 quoted for Packet-2, particularly when sub-clause (c) of Clause 2.4.3(2) of the RFP mandated that for the commercial bid evaluation, both category of packets will be given equal weightage to identify the lowest evaluated commercial proposal?
- iii) whether the FEC could have concluded that the petitioner's financial/commercial bid was not even worth consideration based only on the price quoted at Rs.1.92 for Packet-1 overlooking the mandate in Clause 2.4.3 of the RFP?
- iv) whether the FEC was not wrong in taking into consideration the price quoted at Rs.1.92 for Packet-1 submitted by the petitioner at the time of commercial evaluation while at the same time, the FEC evaluated the bids of other bidders by considering the combined average quote of Packet-1 and Packet-2 ?

30. Since all the aforesaid questions are interrelated and intrinsically intertwined, they are being taken up together for consideration.

31. In support of the disqualification of the petitioner's financial/commercial bid, Mr. Wadhwa, learned senior counsel vehemently argued and painstakingly referred to i) the conclusion of the FEC based on the overall consideration of the clarificatory letters dated 23.07.2023 and 07.08.2023 furnished by the petitioner which were not found satisfactory; and ii) the FEC not finding sufficient justification for the "abnormally low" bid of the petitioner in respect of Packet-1 as compared to the estimated value of the



contract published on the GeM Portal.

32. According to us, the conclusion reached by the Aadhaar Authority that the petitioner's financial/commercial bid is "abnormally low" and that the justification provided by the petitioner in the letters dated 23.07.2023 and 07.08.2023 is not satisfactory, does not seem to be the correct interpretation of Clauses 2.4.3 and 2.4.4. To understand the aforesaid issue, it would be relevant to extract Clauses 2.4.3 and 2.4.4 of the RFP:

***"2.4.3 Evaluation of Commercial Bid Proposals***

- 1. The Commercial Bid Proposal of only those Bidders who qualify in the Technical Evaluation will be opened.*
- 2. The Bidder's Technical Proposal will be evaluated as per the criteria specified herein:-*
  - a. Bidder's needs to provide their commercial bid as per the format provided in the RFP (Annexure-VI and VII)*
  - b. All Bidders will be required to submit Commercial Bid Proposal for both category of Quality Check of packets on commercial form BOQ\_XXXX.xls.*
  - c. For the commercial bid evaluation both the category of packets will be given equal weightage to identify the lowest evaluated Commercial Proposal (Fm) and this lowest evaluated Commercial Proposal (Fm) will be given the maximum financial score (FS) of 100 points and will be placed at L1 (i.e. at lowest cost), L2 and so on.*
  - d. The rates quoted must be inclusive of the following:*
    - (i) Cost for all the activities/scope of work as mentioned in the RFP document;*
    - (ii) No extra item will be considered for payment including Cost of material, manpower, transportation, equipment's, tools etc.*
    - (iii) Any other cost direct or hidden, not mentioned in the Proposal;*
- 3. Final Selection would be on the basis of Quality cum Cost based Selection (QCBS).*

***2.4.4 Quality cum Cost Based Selection (QCBS)***

- 1. The evaluation methodology to be adopted by the Purchaser will be Quality cum Cost Based System (QCBS) method of evaluation where Technical Score (denoted by TS) will get a weightage of*



- 70%(denoted by T) and Commercial Score (denoted by FS) a weightage of 30% (denoted by C)
2. Description of variables used: “TS” is the Technical Score for each Bid Proposal as calculated out of 100 “FS” is Total Commercial Score for each Bid Proposal as calculated out of 100 “T” is weight given to technical score which is 70% “C” is weight given to Commercial score which is 30%
  3. Bid Proposals will be ranked according to their weighted Technical Score “TS” and weighted Financial Score “FS”.
  4. Final Total Score for each Bid Proposal shall be computed as follows:

$$\text{Final Total Score (FTS)} = \text{TS} * \text{T} (\%) + \text{FS} * \text{C} (\%)$$

5. The Bidder having the Highest Final Total Score (FTS) shall be selected as “Lowest and successful Bidder”(L1) and “Rate per packet” as quoted by lowest and successful Bidder as the “Discovered Rate” for ADOCSA. All other Bidders shall be designated as L2, L3 etc in decreasing order of Final Total Score. Eg. Bidder having the next highest Final Total Score (FTS) shall be L2 etc.”

(emphasis supplied)

33. Before we address the provisions of the aforesaid clauses of the RFP, it would be pertinent to bear in mind that the petitioner, insofar as the technical evaluation is concerned, obtained a technical score of 96.5%. It is also significant to note that the Aadhaar Authority does not dispute this position, rather, admits that this is the highest technical score. Additionally, the petitioner’s technical capability at least in so far as Packet-2 is concerned, is not questionable, keeping in view the past services successfully rendered in the previous tenders. While evaluating the financial/commercial bids of the bidders, as per Clause 2.4.3 of the RFP, sub-clause 2(c) appears to be a mandatory provision. It stipulates that for the purposes of evaluation of financial/commercial bids, both the category of packets i.e. Packet-1 and Packet-2 will cumulatively be given equal weightage so as to identify the lowest evaluated commercial proposal. It further provided that the said lowest evaluated commercial proposal would be given the maximum financial score



of 100 points and would be placed at L-1. It further provided in sub-clause (3) that the final selection would be on the basis of Quality cum Cost Based Selection (QCBS). The manner of evaluation on the basis QCBS was provided in Clause 2.4.4, particularly, sub-clause (1) mandating that the technical score would get a weightage of 70% and commercial score (financial score) would get a weightage of 30%. Sub-clause (4) of Clause 2.4.4 of the RFP provided for the formula as to how the Final Total Score for each bid proposal would be computed. Sub-clause (5) provided that the bidder having highest Final Total Score would be selected as the Lowest and Successful Bidder (L-1), and the “Rate Per Packet” as quoted by the lowest and successful bidder would be the “Discovered Rate” for Aadhaar Data Quality Check Service Agency. The remaining bidders were to be designated as L-2, L-3 and so on, in the decreasing order of the Final Total Score.

34. In the aforesaid context, while analysing the provisions of Clauses 2.4.3 and 2.4.4, it would be pertinent to consider the provisions of Clause 2.4.5 of the RFP also. The same reads thus:

**“2.4.5 Contract Finalization and Award**

1. The L1 Bidder identified will be awarded the Contract Agreement; the Bidder at L2, L3, L4, L5, L6, L7, and L8 will be given first rights to match the L1 Rate per packet. L2, L3, L4 Bidders matching the L1 Rate per packet will be awarded the Contract for carrying out the Services, while the L5, L6, L7, L8 Bidders matching the L1 Rate per packet will be empanelled for carrying out the Services (if required) during the duration of the Contract Agreement.
2. In case, L2, L3, L4 are unable to match the Rate per packet quoted by L1, the option shall be passed to L5 and this process will be repeated moving from L5 to L6 and so on, till 4 more successful Bidder emerges, offering the Services at the Discovered Rate. Similar process will be followed to identify the Bidders for empanelment.
3. In the interest of time, the Bidders from L2 to the highest will be asked to match the Discovered Rate simultaneously, or express



inability to do so within 3 (three) days of such written notice. In case of more than one Bidder willing to match the L1 price, the Bidder with the highest Final Total Score (FTS) would have the first right. E.g. if L2, L3, L4 and L5 both agree to match L1 price, Bidder L2, L3, L4 would have the first right.

4. *In case the bidding process is unable to identify 4 successful bidders, UIDAI reserves the right to issue the Contract to less number of selected bidders.”*

(emphasis supplied)

35. Clause 2.4.5 of the RFP is in respect of award of the contract to the successful bidders. According to sub-clause (1), the successful bidder who is identified as L-1 would be awarded the contract and the bidders from L-2 to L-8 would be given the first right to match the L-1 “*rate per packet*” and so on. Sub-clauses (2) and (3) stipulate the manner of award of contract and in case of failure of L-2 to L-4 to match the “*rate per packet*” of L-1, the option would be passed on to L-5 and so on. As per sub-clause (3), in order to save time, the bidders from L-2 to the highest bidder would be asked to match the *Discovered Rate* simultaneously or express inability to do so within three days of such written notice. As per sub-clause (4), the Aadhaar Authority reserves the right to issue contract to less number of selected bidders in case in the bidding process, it is unable to identify four successful bidders.

36. The aforesaid Clause 2.4.5 of the RFP gathers great significance in the present case inasmuch as though Clauses 2.4.3 and 2.4.4 stipulate the methodology and manner in which Packet-1 and Packet-2 will be given equal weightage as also the manner in which the Final Total Score is to be arrived at by employing the formula given in sub-clause (4) of the Clause 2.4.4, the award of contract significantly refers to such award only at the “*rate per packet*”. In other words, the bidders from L-2 to the highest bidder are required to match with the “*rate per packet*” as quoted by the L-1 bidder.



37. From the above, we understand that the underlying purpose and mandate of Clauses 2.4.3 and 2.4.4 on the one hand, and Clause 2.4.5 on the other, are significantly different. In that, Clauses 2.4.3 and 2.4.4 employ a methodology only to determine as to which of the bidders would be declared as L-1 by comparing and evaluating the average bid price of both, Packet-1 and Packet-2. Having determined the L-1 bidder, by virtue of Clause 2.4.5, the remaining bidders would be designated as L-2, L-3 etc., in the decreasing order of Final Total Score. Thus, the import and purport of Clauses 2.4.3 and 2.4.4 cumulatively, is only to the extent of determining the status of bidders as L-1 and L-2 onwards on the basis of the Final Total Score worked out on the formula contained therein predicated on the average bid price of both the packets.

However, Clause 2.4.5 describes the manner in which a contract would be awarded to L-1 and, thereafter to L-2, L-3, L-4 and beyond, by asking L-2 to L-4 to match with the “*rate per packet*” quoted by L-1. In case of agreement or disagreement to match the “*rate per packet*” of L-1, such bidders were required to express their inability to do so within three days of written notice. In case of inability to match the “*rate per packet*”, the offer was to be extended to the bidders from L-5 onwards and so on and so forth. Thus, the actual award of contract to execute the project was determined by the outcome of the determination under Clause 2.4.5 of the RFP.

38. Having regard to the purpose of Clauses 2.4.3 and 2.4.4 on the one hand and the effect of Clause 2.4.5 of the RFP on the other, what appears from the records is that the petitioner was declared as L-1 by the FEC based on the average bid price of Rs.3.24, while the other bidders were placed as L-2 onwards, premised on the average bid price being higher than Rs.3.24 arrived at as per Clause 2.4.4 of the RFP. However, it appears that the





Aadhaar Authority did not complete the process involved in Clause 2.4.4, particularly para (5) whereby it was to determine the “*Discovered rate*”. Ostensibly, so far as Packet 1 is concerned, the “*Discovered Rate*” would be Rs.1.92 as quoted by the petitioner, which then, was to be put to L-2, L-3 and L-4, in accordance with Clause 2.4.5 to match their quotes accordingly. It was only after the “*rate per packet*” or the “*discovered rate*” was put to the L-2, L-3 and L-4, and either agreed or refused to match with the said rate within the time stipulated, that the next step of offering it to L-5 and beyond was to be undertaken. This would be in alignment with the purport of Clause 2.4.5. However, nothing has been placed on record to establish or demonstrate that this was followed. No document has been placed on record to demonstrate as to whether the FEC had determined the “*rate per packet*” or “*discovered rate*” and thereafter issued notice to L-2, L-3 and L-4 to consent to or disagree with such rate.

39. While this may be so, on the basis of the documents placed on record by the parties it appears that in response to the opening of financial/commercial bids of the bidders, certain bidders like IDEMIA, Tech Mahindra (L-1) and BLS International (L-4) had raised objections on the ground that the said rate of Rs.1.92/Rs.1.63 for Packet-1 quoted by the petitioner (L-1 bidder) seem to be abysmally low and does not qualify the test of reasonable and competitive pricing. These letters were sent to the Aadhaar Authority on various dates like 07.07.2023 and 11.07.2023 by the aforesaid three entities. It appears that on the basis of such objections of the purported “abysmally low” or “abnormally low” price for Packet-1, the Aadhaar Authority sought clarifications from the petitioner *vide* its letter dated 18.07.2023.

40. Though the petitioner by its clarificatory letters dated 23.07.2023 and



07.08.2023 gave detailed explanations and justification of its price of Packet-1 at Rs.1.92, the FEC was neither convinced nor satisfied with such justification. Apart from the fact that the FEC in its wisdom felt that the explanation tendered was not justified on the premise that the petitioner has not understood the scope of work involved in Packet-1, it also appears that the objections raised by the other bidders in respect of the “abnormally low” bid price in respect of Packet-1, which in sum and substance could not be matched by those bidders, the FEC found it appropriate to not consider the bid prices quoted by the petitioner at all.

41. Though, it appears from the appreciation of the Clauses 2.4.3 to 2.4.5, that the FEC has apparently not correctly followed the conditions of Clauses 2.4.3 and 2.4.4 of the RFP, yet, when we consider the issue of determination required in Clause 2.4.5, predicated on the refusal or objection of the remaining bidders to match with the “*rate per packet*”, particularly that of the Packet-1 quoted by the petitioner, it appears to us that the FEC had no choice other than to reject the financial/commercial bid of the petitioner in the interest of the tender process as also in public interest. We have arrived at such an opinion predicated on the inference that in case no other bidder would be able to match the price of the petitioner i.e. the “*rate per packet*” particularly Packet-1, the entire tender process shall be rendered nugatory and frustrated.

42. It is critical and crucial to note that the subject RFP is not a tender process where only one bidder was to be declared as L-1; rather, it envisaged multiple service providers, one out of whom would be declared as L-1, with the mandate that the bidders at L-2, L-3 and L-4 were required to match with the “*rate per packet*” or “*discovered rate*” as quoted by L-1 for both the packets. In case of failure by L-2, L-3 and L-4, the tendering authority was



mandated to offer it to other bidders from L-5 downwards. However, in order to save time, as per Clause 2.4.5, the tender issuing authority was entitled to seek price matching from all the remaining bidders from L-2 downwards simultaneously. From what is available on record, it is clear that none of the other remaining bidders from L-2 downwards, agreed to match with the “*rate per packet*” of Packet-1 as quoted by the petitioner. If that were so, we have no doubt whatsoever that the RFP and the tender process would have got frustrated which would be clearly contrary to the public interest. We are acutely conscious of the fact that the purpose of the Aadhaar Authority in notifying the subject RFP would surely have been defeated and frustrated.

43. Yet another aspect that we are conscious of is that in such circumstances, as noted in the paragraph 38 above, the Aadhaar Authority could have annulled the subject tender process and issued a fresh tender, however, there could be no guarantee keeping in view the present facts that the fresh tender process also may not have got frustrated due to similar situation. As observed in the preceding paragraphs, it would have been altogether a different situation had the RFP envisaged execution of the Project by a single bidder. Thus, the decision of the Aadhaar Authority appears to have been taken in the interest of the project and paramount public interest. We are fortified in our view with the ratio laid down in ***Pace Digitek Private Limited vs. Bharat Sanchar Nigam Limited & Ors.***, W.P.(C)15518/2024 dated 02.07.2025, wherein this Court had, despite noting that the tender issuing authority had committed certain errors, did not interfere or interdict the tender process or the execution of the contract purely in public interest and in the interest of the project. It would be worthwhile to reproduce the relevant paragraphs of Pace Digitek (*supra*) which read thus:

“74. The aforesaid judgments relied upon by the respondents lay down the



law that a Constitutional Court may interfere to the extent of examining the decision making process and has complete jurisdiction to interfere provided such decision making process is found to be vitiated by malafides, unreasonableness and arbitrariness. It appears that the Hon'ble Supreme Court was anxious to ensure and declare that while a State has complete discretion while entering into contracts through public tenders, it and its instrumentalities have a public duty and responsibility to be fair to all concerned parties to such public tenders. Of course, this is not to disregard that the primary objective of a Court is to be acutely aware of the paramount public interest which may be involved, while proposing to interfere or interdict a tender process.

75. That said, this Court is acutely aware of the fact that no stay or any interim order was passed during the pendency of the present writ petition which resulted in the tender process being proceeded with and declaration of certain bidders as L1 who also furnished PBGs. Further it appears that BSNL has disbursed advance money to certain L1 bidders. Interfering with the tender at this stage and that too having wide amplitude and of such huge amount may create a rippling effect across the 16 packages involved in the tender process. Moreover, the tender and the project it implements is greatly significant and of paramount national importance and interference at this stage may not be conducive to the nation itself keeping in view that the whole nation and every village is being united by OFC which would undoubtedly enhance communication and connectivity and cannot be undermined. Furthermore, as enunciated by the Hon'ble Supreme Court in **Jagdish Mandal** (supra); **Tata Cellular** (supra); and **Raunaq International** (supra), the Constitutional Courts ought to consider whether interference in such matters would be in public interest and in the absence whereof, even if there is an element of error, Courts would do well not to interdict tender process. [See para: 72 and 73 above]. The Hon'ble Supreme Court in **R D Shetty** (supra) also held that even though there was reason to interfere in the dispute arising in that case, yet, refrained from passing any order in favour of the petitioners. Our interference would surely not serve any public interest since there are a number of bidders who have been declared as successful L-1 Bidders; many of them have already been awarded contracts; furnished their PBGs to the extent of more than Rs.700 crores; and BSNL appears to have disbursed advance money to the extent of more than Rs.800 crores and some respondents also claim to have commenced the works too. In contradistinction, our interdiction would create a rippling effect on all the 16 packages and have a nationwide impact on all those bidders who may be otherwise successful on their own merits. It may further cause an unending



*chaos and multiple litigations, burdening the State unnecessarily. We have no doubt that it may further delay and protract the implementation of the tender, unnecessarily enhancing the project cost which is stated to be Rs.65,000 crores as of now.*

*76. Thus, balancing the controversy, though there has been a display of some error, we do not find any paramount public interest that may impel this Court to interfere or interdict either the tender process or the further award of contracts to the successful L-1 bidders across any of the packages.*

*77. It is trite that exercise of jurisdiction under Article 226 of the Constitution of India is discretionary and relief may not necessarily be granted in all cases. In particular, where public interest would far outweigh private interests, then, even where there is some infraction by the State, the Constitutional Courts may refuse to grant relief. Even when some defect is found in the decision-making process, the Court must exercise its discretionary powers 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. [See: Air India Limited (supra) and followed in Tata Motors Ltd. vs. Brihan Mumbai Electric Supply & Transport Undertaking; (2023) 19 SCC 1]. Applying the said principle in the present case, though we find errors in action of the BSNL, for the reasons and the conclusions drawn above in para 75 and 76, we are unable to grant any discretionary relief as sought in the present writ petition. The petition is thus dismissed. Pending applications, if any, too are disposed of.”*

(emphasis supplied)

44. We are also of the considered opinion that in the present case, despite the errors and flaws on the part of the Aadhaar Authority noted in the preceding paragraphs, it had provided the petitioner ample opportunity to explain and justify the objections raised by it. The petitioner had availed of such opportunities twice, by furnishing detailed reasons and justification *vide* the letters dated 23.07.2023 and 07.08.2023. The FEC dealt with each and every reason/explanation offered by the petitioner minutely with reasons of its own as to how such justification was not satisfactory. Apparently, the principles of natural justice as applicable to the administrative authorities,



appear to have been fully complied with by the Aadhaar Authority. Further, it appears that the Aadhaar Authority has already awarded the contract and has been implemented. Any interference at this stage may not be in the larger public interest.

45. Moreover, the Technical Evaluation Committee (TEC)/Financial Evaluation Committee are a committee consisting of experts on the subject which is highly technical. This Court cannot substitute or supplant the view taken or opinion rendered by the TEC/FEC with its own view. Thus, the decision as to whether the rate quoted by the petitioner is appropriate or not, the time projected for execution of each unit of the Packet 1 or Packet 2, the ratio of assignments expected in respect of both packets would remain constant or vary over the years etc., are not the domain of this Court (See: Paragraph 25 of the judgment of the Hon'ble Supreme Court in *M/s. Agmatel India Private Ltd vs. M/s Resoursys Telecom & Ors.: (2022) 5 SCC 362*; Paragraphs 14 to 22 in *Galaxy Transport Agencies vs. New J.K. Roadways, Fleet Owners & Transport Contractors: (2021) 16 SCC 808*; Paragraph 15 in *Afcons Infrastructure Ltd. vs. Nagpur Metro rail Corporation ltd.: (2016) 16 SCC 818*; and Paragraph 26 in *Montecarlo Ltd. vs. NTPC Ltd.; (2016) 15 SCC 272*).

46. In view of the aforesaid analysis, the argument of Mr. Sethi in respect of there being no ground of disqualification on the basis of “abnormally low” bid read with Clause 7.5.7 of the Procurement Manual pales into insignificance. The question is not as to whether the disqualification of the petitioner was predicated on “abnormally low” bid but the fact that no other bidder agreed to match the “rate per packet” of Packet-1 quoted by the petitioner that propelled the FEC to abstain from considering the financial/commercial bid of the petitioner. Though the summary report of the



FEC is not very clear in respect of the analysis as arrived at by us in the preceding paragraphs, the purport seems to be the same. It is trite that administrative decisions are not evaluated on the same pedestal as judgements of courts of law.

47. The petitioner had relied upon the judgments of ***Dutta Associates Pvt. Ltd.*** (*supra*), ***W.B. State Electricity Board*** (*supra*) and ***IRCTC*** (*supra*) for the proposition that no deviation from the proposed procedure in a tender is permissible and failure whereof would lay it susceptible to judicial review. We see no reason to differ with the legal principle laid in the aforesaid judgments, however, in the present case inspite of the Aadhaar Authority not properly following the procedure prescribed in Clause 2.4.4 of the RFP, the petitioner was afforded an opportunity to justify and explain the objections raised which were considered in accordance with law. We have also held above that the error in not following the prescribed procedure and the follow up action thereafter, does not render the actions undertaken, susceptible to interference by this Court. The judgment in ***M/s. Star Enterprises*** (*supra*) laid down the proposition that when a tendering authority rejects any bid or takes any similar action, the same has to be predicated upon reasons to be recorded and communicated. In the present case, the Aadhaar Authority did raise its objections to the “abnormally low” bid submitted by the petitioner which was communicated to and responded twice by the petitioner. From the record, it is also clear that the FEC did in fact, considered each and every explanation and justification furnished by the petitioner and the reasons for not finding the same satisfactory, were also noted in the summary report dated 18.08.2023. Since the FEC has recorded sufficient reasons, the proposition in ***M/s. Star Enterprises*** (*supra*) appears to have been satisfied.

48. So far as the judgments relied upon by the respondent is concerned, the



judgment in *Bharat Coking Coal Ltd. (supra)* and *Tata Motors (supra)* holds that the scope of interference by a Writ Court in contractual matters is limited. There is no quarrel with the ratio laid down in the aforesaid judgments, however, it is well settled that there is no complete bar or prohibition upon a constitutional Court exercising powers of judicial review even in contractual matters provided there is any violation of the conditions of the contract, or that the action is perverse or actuated with mala-fides. It is true that Court exercises very limited jurisdiction but there is no total prohibition either.

49. In *Jagdish Mandal vs. State of Orissa & Ors., (2007) 14 SCC 517*, the Hon'ble Supreme Court in para 28 upheld the decision of the committee constituted for scrutinizing the tenders whereby the tender of the 5<sup>th</sup> respondent therein was rejected on the ground of being unreasonably low and held that such rejection by assigning a reason which is neither irrational nor arbitrary should ordinarily not be interfered with, as if sitting in an appeal. In the present case, though we have found procedural errors, the reasons attributed by the FEC for rejection appear to be justified and in larger public interest and therefore, we decline to interfere in the impugned action.

50. In view of the above analysis, we find no merit in the writ petition and accordingly dismiss the same. Pending applications, if any, also stand disposed of.

**TUSHAR RAO GEDELA, J**

**DEVENDRA KUMAR UPADHYAYA, CJ**

**OCTOBER 14, 2025/rl**