



2026:AHC-LKO:42106-DB

**HIGH COURT OF JUDICATURE AT ALLAHABAD
LUCKNOW**

WRIT - C No. - 6505 of 2024

M/S Rajasthan Electronics And Instruments Ltd.
Rajasthan Thru. Auth. Signatory Shri Deepak
GuptaPetitioner(s)

Versus

State Of U.P. Thru. Addl. Chief Secy. , Addl.
Sources Energy Civil Sectr. Lko. And AnotherRespondent(s)

Counsel for Petitioner(s)	:	Prashant Chaurasia
Counsel for Respondent(s)	:	C.S.C., Nishant Shukla

CONNECTED WITH

WRIT - C No. - 6197 of 2026

M/S Rajasthan Electronics And Instruments Limited
Thru. Authorized Signatory Avinash Kumar YadavPetitioner(s)

Versus

State Of U.P. Thru. Addl. Chief Secy. And
Chairman Deptt. Of Addl. Sources Of Energy And
AnotherRespondent(s)

Counsel for Petitioner(s)	:	Devansh Singh Chauhan, Ankur Kuwar Pandey
Counsel for Respondent(s)	:	C.S.C., Nishant Shukla

Court No. - 2

**HON'BLE PANKAJ BHATIA, J.
HON'BLE AMITABH KUMAR RAI, J.**

1. Both the petitions are being decided simultaneously by this common order.
2. Heard learned counsel for the petitioners and Shri Nishant Shukla, learned counsel for respondent no.2.
3. Writ - C No.6505 of 2024 has been filed by the petitioner challenging

an order dated 18.02.2021 whereby the petitioner was placed under the blacklist category.

Writ - C No.6197 of 2026 has been filed by the petitioner stating that the respondents should be restrained from not permitting the petitioner to participate in the tendering process.

4. The facts, in brief, are that the petitioner was awarded some contract by the respondents, however, subsequently, an order came to be passed placing the petitioner under blacklist category; no term of blacklisting was prescribed in the order dated 18.02.2021, thus, the blacklisting order has continued since 18.02.2021.

5. Neat submission of learned counsel for the petitioner is that the blacklisting order cannot continue indefinitely as has been done by means of the impugned order and the said is clearly disproportionate and violates the rights of the petitioner.

6. A perusal of the order impugned reveals that the order was passed mainly on the ground that the petitioner had not completed the work satisfactorily and despite reminders did not complete the work for which the award was given in favour of the petitioner. Reference was also made to Article 2.1 of the contract/agreement which empowers the respondents to demand liquidated damages. By passing the said order, the performance bank guarantee submitted by the petitioner was attached and encashed and simultaneously the petitioner was placed under the category of blacklisted contractors.

7. Perusal of the order reveals that there is no reasoning recorded in the order imposing such a harsh order which is *prima-facie* disproportionate to the allegations levelled with regard to non performance of the contract for which the performance bank guarantee was also encashed.

8. Learned counsel for the petitioner places reliance on the judgment of the Supreme Court in the case of ***Vetindia Pharmaceuticals Limited v. State of Uttar Pradesh and Anr.; 2020 INSC 639*** wherein the Supreme Court had the occasion to consider the earlier judgment of the Supreme Court in the case of ***Kulja Industries Limited v. Chief General Manager,***

Western Telecom Project Bharat Sanchar Nigam Limited and ors.; (2014) 14 SCC 731 wherein the order of blacklisting for a term of five years was found to be disproportionate.

9. In the present case, the order of blacklisting was passed in the year 2021 and has continued till date. Clearly the order without disclosing the period and continuing indefinitely is violative of Art. 14 of the Constitution that too on the basis of allegations referred to in the order.

10. In view thereof, order of blacklisting is held to be disproportionate, as such, impugned order dated 18.02.2021 insofar as it relates to blacklisting of the petitioner stands quashed.

11. Writ - C No.6505 of 2024 is accordingly ***allowed***.

12. Writ - C No.6197 of 2026 is ***disposed off*** holding that the petitioner would be entitled to participate in the tender bidding process if he is so entitled in accordance with law.

(Amitabh Kumar Rai,J.) (Pankaj Bhatia,J.)

June 25, 2026

nishant