

RESERVED ON 21.04.2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 8TH DAY OF JULY, 2026

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MR. JUSTICE C.M. POONACHA

WRIT APPEAL NO. 2140 OF 2025 (GM-RES)



BETWEEN:

1. M/S. RAMALINGAM CONSTRUCTION
COMPANY PVT. LTD.
A COMPANY REGISTERED UNDER
THE COMPANIES ACT 2013
HAVING ITS REGISTERED OFFICE AT:
NO.1, NR TOWER, BINNY MILL ROAD
K.H. RANGANATHA COLONY
BENGALURU - 560 023
REPRESENTED BY AUTHORIZED SIGNATORY
...APPELLANT

(BY SRI PRABHULING K. NAVADGI, SENIOR ADVOCATE FOR
SRI ASHWIN C., ADVOCATE)

AND:

1. THE STATE OF KARNATAKA
PUBLIC WORKS DEPARTMENT
ROOM NO. 335, 3RD FLOOR
VIKAS SOUDHA
BANGALORE - 560 001
REPRESENTED BY ITS UNDER SECRETARY
2. KARNATAKA ROAD DEVELOPMENT
CORPORATION LTD.



NO.8, SAMPARKA SOUDHA
DR. RAJKUMAR ROAD
RAJAJINAGAR
BENGALURU - 560 010
REPRESENTED BY ITS
MANAGING DIRECTOR

3. MP 24 CONSTRUCTION COMPANY PVT. LTD.
NO. 95, HADENAHALLI
CHANNARAYAPATNA
SHRAVANABELAGOLA ROAD
HASSAN, KARNATAKA - 573 135
REPRESENTED BY
ITS PROPRIETOR
KANTHARAJA H.M.

...RESPONDENTS

(BY SRI KIRAN V. RON, AAG A/W
SMT. NAMITHA MAHESH B.G., AGA FOR R-1 &
SRI VEERESH R. BUDIHAL, ADVOCATE FOR C/R-2)

THIS WRIT APPEAL FILED UNDER SECTION 4 OF THE KARNATAKA HIGH COURT ACT PRAYING TO ALLOW THE PRESENT APPEAL BY SETTING ASIDE THE FINAL ORDER/JUDGMENT DATED 09.12.2025 IN W.P. No. 24912 OF 2025 AND CONSEQUENTLY QUASH THE GOVERNMENT ORDER No. PWD 203 BMS 2025, BENGALURU DATED 13.08.2025 AT ANNEXURE-A IN SO FAR AS THE APPELLANT IS CONCERNED & ETC.

THIS WRIT APPEAL HAVING BEEN HEARD AND RESERVED FOR JUDGMENT, COMING ON FOR PRONOUNCEMENT THIS DAY, JUDGMENT WAS PRONOUNCED AS UNDER:

CORAM: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE
and
HON'BLE MR. JUSTICE C.M. POONACHA

C.A.V. JUDGMENT

(PER: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE)

1. This intra-court appeal arises from the order dated 09.12.2025 [the impugned order] passed by the learned Single Judge of this Court in W.P.No.24912 of 2025 (GM-RES), captioned “*M/s. Ramalingam Construction Company Pvt. Ltd. v. State of Karnataka and Others*”, whereby the said writ petition came to be dismissed. While disposing of W.P.No.24912 of 2025, the learned Single Judge expressly observed that the reasons assigned in the common order disposing of W.P.No.25668 of 2025 and connected matters were to be read along with the impugned order, the writ petitioner herein having been arrayed as the third respondent in those connected petitions.

2. The appellant, M/s Ramalingam Construction Company Pvt. Ltd. [RCCL], is a company incorporated under the Companies Act, 1956 and is engaged in the infrastructure sector. RCCL was a member of a consortium, with M/S MP24 Construction Company

[MP24] as the lead member, constituted to participate in the tender hereinafter described.

3. The respondents include the State of Karnataka, represented by the Public Works Department [**the State**]; the Karnataka Road Development Corporation Limited [**KRDCL**], the procuring entity for the tender; and MP24, arrayed as the third respondent.

PREFATORY FACTS

4. KRDCL, a wholly-owned company of the Government of Karnataka, issued a Request for Proposal dated 25.02.2025 [**the RFP**] inviting bids for the development of road from Devanahalli-Vemagal-Kolar (from 0.000 km to 49.284 km) of State Highway-96, of design length 48.20 km, in the State of Karnataka, on PPP-DBFOMT-Hybrid Annuity Mode [**the project**], at an estimated value of ₹762,86,00,000/-. The bid was administered through the Karnataka Public Procurement Portal. By a Memorandum of Understanding dated 02.04.2025 [**the MoU**], RCCL agreed to participate in the tender as a member of a consortium with MP24 under the name and style of “MP24CC-RCCL JV” [**the consortium**]. It was agreed that MP24 would be the Lead Member. According to RCCL, its role was that of a non-active partner providing only

advisory support, with a 26% participation share. The consortium was formalised by a Joint Bidding Agreement dated 11.04.2025 [**the JBA**] and a Power of Attorney dated 11.04.2025 [**the POA**] in favour of MP24. (Both the JBA and the POA were executed on a stamp paper purchased on 07.04.2025.)

5. RCCL states that it sent an e-mail to MP24 at 02:37 PM on 16.04.2025—that is, a few hours before the closing of bid submission—informing MP24 of its withdrawal from the consortium and the JBA. MP24 states that it responded by e-mail at 04:07 PM, rejecting the withdrawal as unacceptable and contrary to the binding consortium arrangements. It is RCCL's case that the said e-mail was occasioned by MP24's failure to share the bid-related documents with RCCL and the resulting issues between the parties; that since the e-mail was an internal communication, it was not marked to KRDCL; that RCCL had no knowledge, at that stage or until 19.05.2025, the uploading of any fabricated document by MP24; and that the consortium stood dissolved prior to the opening of the Technical Bid.

6. MP24 submitted the bid on behalf of the consortium on 16.04.2025, with RCCL listed as a member. Four (4) Bids were

received. The Technical Bids were opened on 19.04.2025 and all four bidders were declared technically qualified. The Financial Bids were opened on 16.05.2025, and the consortium's bid was the lowest (L1).

7. RCCL caused a legal notice dated 27.04.2025 to be sent to MP24, terminating the MoU and revoking the POA, on the grounds set out therein, namely MP24's continued misuse of RCCL's credentials in the bid process, despite the withdrawal mail sent by RCCL on 16.04.2025.

8. On 19.05.2025, M/s Bharat Vanijya Eastern Pvt. Ltd. [BVEPL], the second-lowest (L2) bidder, addressed a complaint to KRDCL and the State alleging that the consortium had furnished fabricated documents and, in particular, a work-experience certificate purportedly issued by the Andhra Pradesh Water Resources Department [the APWRD]. Thereafter, by a letter dated 22.05.2025 bearing reference No.RCCL/KARO/KRDCL/2025-26-01 (received by KRDCL through e-mail on 26.05.2025), RCCL formally communicated to KRDCL that MP24 had participated in the tender by illegally using RCCL's credentials without its consent, and

requested KRDCL to reject the bid submitted in the name of the consortium.

9. The enquiries with the APWRD confirmed that the certificate purportedly issued by it was bogus and forged. The matter was placed before the Board of KRDCL and, on the recommendation of the Tender Evaluation Committee [**TEC**], before the State Government.

10. The State issued a notice dated 24.07.2025 (received by RCCL by e-mail on 30.07.2025) regarding the fraudulent submission of fake documents by the consortium and calling upon RCCL to appear before the State Level Debarment Committee [**the SLDC**] on 01.08.2025.

11. RCCL appeared on 01.08.2025 and filed a preliminary response of even date. RCCL furnished its preliminary response dated 01.08.2025, inter alia, stating that it had withdrawn from the consortium on 16.04.2025 by e-mail; that MP24 had failed to respond to that e-mail and had misused RCCL's credentials to upload the bid documents as a consortium; that RCCL had thereafter, through its Advocate, issued the legal notice dated 27.04.2025, terminating the MoU and revoking the POA; and that,

accordingly, the alleged fraudulent acts of MP24 were committed without RCCL's knowledge or consent.

12. By the Government Order bearing No.PWD 203 BMS 2025 dated 13.08.2025 [**the impugned debarment order**], issued under Section 14-A(2) of the Karnataka Transparency in Public Procurements Act, 1999 [**the KTPP Act**] read with Rule 26-B of the Karnataka Transparency in Public Procurements Rules, 2000 [**the KTPP Rules**], the State debarred MP24 for three years from all works in the State of Karnataka and RCCL for two years from all PWD works in the State of Karnataka. It is material to note that RCCL was debarred "for deliberate connivance", the State having found that RCCL had "failed to make any report against his partner till complaint". The State held that RCCL "should be treated as abettor in the FIR".¹

13. Aggrieved by the impugned debarment order, RCCL instituted W.P.No.24912 of 2025 before this Court, inter alia, seeking the quashing of the said order insofar as it debarred RCCL. By order dated 18.08.2025, the learned Single Judge granted an interim

¹In the impugned debarment Order, the expression "Respondent 1" denotes MP24 and the expression "Respondent 2" denotes RCCL, in accordance with the array of parties before the State Level Debarment Committee.

order staying the operation of the impugned debarment order insofar as it related to RCCL. The said order was operative till the dismissal of the writ petition.

14. By order dated 05.11.2025, W.P.No.24912 of 2025 was de-linked from the connected petitions filed by MP24 and directed to be heard separately. By the impugned order dated 09.12.2025, the learned Single Judge dismissed W.P.No.24912 of 2025, with the express observation that the reasons recorded in the common order in W.P.No.25668 of 2025 and connected matters were to be read along with the impugned order.

15. The relief sought by RCCL in W.P.No.24912 of 2025 was the quashing of the impugned debarment order dated 13.08.2025, insofar as it debarred RCCL for a period of two years from all PWD works in the State of Karnataka for the alleged submission of fake documents in the tender for the project.

IMPUGNED ORDER

16. The learned Single Judge framed the following question for consideration: “whether blacklisting of the petitioner by the respondent No.1 as per Annexure-A, requires interference by this Court?”

17. The learned Single Judge observed that the terms and conditions of the RFP play a vital role in assessing the credibility of a bidder, and extracted Sections 2.1.9, 2.1.15(f) and (g), 2.2.1(a) and (b), 2.6.2, 2.11.2, 2.11.5, 3.2.1(e) and 4.1 of the RFP, together with Section 5 of Appendix-V (the Joint Bidding Agreement format), which embodies the principle of joint and several liability of the parties for all obligations and liabilities relating to the project till the achievement of Financial Close.

18. On the relationship between RCCL and MP24, the learned Single Judge observed that, upon the formation of the consortium and participation in the bidding process, the members are bound by the principle of joint and several liability; that “each member of the consortium, irrespective of their active / non-active / limited / lead bidder / advisory or any of incidental nature of participation would suffer penalty of disqualification, being a member of the consortium”; and that, as per Section 2 of Appendix-V, once the consortium is formed and has participated in the bidding process, the members are barred from revoking the joint venture/the POA/ MoU.

19. The learned Single Judge accordingly held that the alleged unilateral withdrawal of RCCL from the consortium by the e-mail dated 16.04.2025 could not absolve RCCL, for the reasons that: (i) the said e-mail was not marked or sent to KRDCL; (ii) KRDCL was informed of RCCL's withdrawal by the letter dated 22.05.2025, which was after the opening of both the Technical Bid (on 19.04.2025) and the Financial Bid (on 16.05.2025); (iii) had RCCL been more cautious, nothing prevented it from informing KRDCL on 16.04.2025 itself; and (iv) the conduct of RCCL in this regard was deserving of deprecation. The learned Single Judge further observed that the conduct of RCCL was that of a "fence sitter", awaiting the outcome of the Technical Bid before disclosing the alleged misconduct of MP24.

20. The learned Single Judge placed reliance upon paragraph 10 of RCCL's preliminary response dated 01.08.2025 to hold that RCCL had itself admitted that MP24 had uploaded fabricated documents using its credentials, and that the said admission was conclusive against RCCL. The court also referred to the decisions in

Nagindas Ramdas v. Dalpatram Ichharam alias Brijram² and Sangramsinh P. Gaekwad v. Shantadevi P. Gaekwad³.

21. The learned Single Judge rejected the contention that the principles of natural justice were violated. The court observed that the parameters of fairness were duly met inasmuch as a show-cause notice dated 24.07.2025 (received by RCCL on 30.07.2025) had been issued and the preliminary response dated 01.08.2025 had been filed and considered. The court also held that, having regard to the joint and several liability of the consortium members, the “end result would be the same” — namely, the debarment of RCCL — even if a further opportunity of personal hearing had been afforded. Such an opportunity would be an “empty formality”.

22. The learned Single Judge also held that RCCL had not approached the Court with clean hands, in view of the averments in paragraphs 12 to 14 of W.P.No.24912 of 2025, which were read as being contrary to RCCL’s own e-mail dated 16.04.2025. The court applied the principle laid down in **Amar Singh v. Union of India⁴** and held that RCCL was not entitled to relief under Article 226 of the Constitution.

² (1974) 1 SCC 242

³ (2005) 11 SCC 314

⁴ (2011) 7 SCC 69

23. The learned Single Judge also observed that the judgments relied upon by Senior Counsel for RCCL — namely **Managing Director, ECIL, Hyderabad v. B. Karunakar**⁵, **Chintamanrao v. State of Madhya Pradesh**⁶, **Vetindia Pharmaceuticals Limited v. State of Uttar Pradesh**⁷, and **Charan Lal Sahu v. Giani Zail Singh**⁸, — were not applicable to the facts, in view of the admission made by RCCL and its conduct as a member of the consortium.

24. Accordingly, the learned Single Judge held that W.P.No.24912 of 2025 was devoid of merits and liable to be rejected, and that the reasons assigned in the common order in W.P.No.25668 of 2025 and connected matters were to be read along with the impugned order. The writ petition was dismissed accordingly.

25. Thereafter, on 23.12.2025, RCCL instituted the present appeal, W.A. No.2140 of 2025, before this Court, seeking the setting aside of the impugned order dated 09.12.2025 in W.P.No.24912 of 2025.

⁵ 1994 Supp (2) SCC 391

⁶ 1950 SCC OnLine SC 34

⁷ (2021) 1 SCC 804

⁸ (1984) 1 SCC 390

SUBMISSIONS OF THE PARTIES

26. The learned Senior Counsel appearing on behalf of RCCL submitted that: (i) the impugned Government Order does not attribute a single act of fraud to RCCL, and the alleged fabricated documents were work-done certificates pertaining to MP24 and RCCL was not concerned with that certificate; (ii) culpability in a penal debarment must be assessed individually, and a consortium member cannot be visited with vicarious penal liability in the absence of evidence of connivance, knowledge or active involvement; (iii) the principle of joint and several liability under Section 5 of Appendix-V relates to the performance of contractual obligations post-award and cannot be extended to penal liability for fraud; (iv) paragraph 10 of RCCL's preliminary response attributed the act of uploading to MP24 and did not amount to an admission of joint culpability; (v) the impugned debarment order was passed without the approval of the Minister concerned and was, therefore, contrary to Rule 17 of the Karnataka Government (Transaction of Business) Rules, 1977; and (vi) the RFP and the JBA contemplate only disqualification from the subject bid, a contractual consequence which RCCL did not contest, and could not furnish the foundation for statutory debarment from all PWD works under the KTPP Act. He

contended that the learned Single Judge had conflated disqualification with debarment.

27. On the finding of "connivance", RCCL submitted that there can be no automatic attribution of knowledge of forgery without specific evidence, and that mere consent to join a consortium does not amount to connivance, placing reliance on **Charan Lal Sahu** (Supra) and **Anvar P.V. v. P.K. Basheer**⁹. On the question of penalty, RCCL submitted that a two-year debarment was disproportionate to the alleged delinquency – that is, mere participation in the consortium, without any direct involvement. The learned senior counsel referred to **Vetindia Pharmaceuticals Limited** (Supra) and contended that an order entailing serious civil consequences must satisfy the proportionality test. He relied on the decision in **Chintamanrao** (Supra) and submitted that, absent an express statutory provision, the requirement to afford a fair opportunity is implicit.

28. The learned AAG countered the aforesaid submissions. He argued that RCCL, being a member of the consortium which had uploaded a fabricated document, was liable to debarment along with

⁹ (2014) 10 SCC 473

MP24; that the joint and several liability of the members of the consortium extended not merely to the performance of post-award obligations but to the veracity and authenticity of the documents submitted in support of the bid. He submitted that a consortium is a relationship of mutual agency analogous to a partnership, in which the fraud of one member is also imputed to the others. He referred to the decision of the Supreme Court in **New Horizons Ltd. v. Union of India**¹⁰. He also emphasised that under Section 2 of Appendix-V, members of a consortium are barred from revoking the joint venture, the POA, or MoU once the tender document has been filed.

29. He submitted that the principles of natural justice were duly complied with. Notices were issued to RCCL, it had responded to the notices and was also afforded an opportunity to be heard.

REASONS AND CONCLUSION:

30. RCCL has challenged the impugned debarment order on several grounds, which are similar to the grounds advanced by MP24 in its writ appeals (W.A. 2026/2025 and W.A. 2028/2025).

¹⁰ (1995) 1 SCC 478

31. The contentions that the impugned debarment order is passed in violation of the principles of natural justice; that the impugned debarment order is contrary to Rule 26-B of the KTPP Rules as the State Government has not independently evaluated the recommendations of the SLDC; and that the impugned debarment order has not been issued by a person authorized under the Karnataka Government (Transaction of Business) Rules, 1977, are covered by the decision rendered in the connected appeals (W.A.No.2026/2025 and W.A.No.2028/2025). These contentions are rejected for the reasons set out in the said decision, which may be read as a part of the present judgment.

32. RCCL's principal defence against its debarment is that it was not liable for furnishing a false certificate as the bid documents were furnished by MP24 without sharing the same with it; and that the submission of the tender on its behalf was unauthorised, as it had withdrawn from the consortium prior to furnishing the said bid. KRDCL, as well as the SLDC, did not accept that RCCL could absolve itself of the liability for furnishing a false certificate, primarily because the bid was also submitted on RCCL's behalf, and it had not communicated any reservations as to the bid to KRDCL prior to the opening of the technical bid.

33. The tender documents expressly provide that the joint venture members would be jointly and severally responsible for the correctness, veracity and authenticity of the documents and information submitted in support of the bid.

34. Clause 2.1.15 of the RFP expressly required the consortium members to enter into a Joint Bidding Agreement substantially in the form stipulated in Appendix V of the RFP. Paragraph 2.1.15(g) of the RFP is relevant and is set out below:

"(g) members of the Consortium shall enter into a binding Joint Bidding Agreement, substantially in the form specified at Appendix-V (the "Jt. Bidding Agreement"), for the purpose of submitting a Bid. The Jt. Bidding Agreement, to be submitted along with the Application, shall, inter alia:

- i. convey the intent to form an SPV, solely for the purpose of domiciling the Project and no other purpose, with shareholding/ownership equity commitment(s) in accordance with this RFP, which would enter into the Concession Agreement and subsequently perform all the obligations of the Concessionaire in terms of the Concession Agreement, in case the concession to undertake the Project is awarded to the Consortium;
- ii. clearly outline the proposed roles and responsibilities, if any, of each member;
- iii. commit the minimum equity stake to be held by each member;
- iv. commit that each of the members, whose experience will be evaluated for the purposes of this RFP, shall subscribe to 26% (twenty six per

cent) or more of the paid up and subscribed equity of the SPV and shall further commit that each such member shall, for a period of 2 (two) years from the date of commercial operation of the Project, hold equity share capital not less than: (i) 26% (twenty six per cent) of the subscribed and paid up equity share capital of the SPV; and (ii) 5% (five per cent) of the Total Project Cost specified in the Concession Agreement;

- v. members of the Consortium undertake that they shall collectively hold at least 51% (fifty one per cent) of the subscribed and paid up equity of the SPV at all times until two years of the commercial operation date of the Project; and
- vi. include a statement to the effect that all members of the Consortium shall be liable jointly and severally for all obligations of the Concessionaire in relation to the Project until the Financial Close of the Project is achieved in accordance with the Concession Agreement; and

[emphasis added]

35. Section 2.1.9 of the RFP also expressly provides that, if the bidder is a consortium, the members would be required to furnish the POA in favour of any member, who would be identified as the lead member. The said paragraph is set out below:

"2.1.9 In case the Bidder is a Consortium, the Members thereof should furnish a Power of Attorney in favour of any Member, which Member shall thereafter be identified as the Lead Member, in the format at Appendix IV. In case the Bidder is a Consortium, Joint Bidding Agreement in the format at Appendix V shall be submitted by the Bidder."

36. In terms of the RFP documents, MP24 and RCCL had entered into a JBA, and RCCL had furnished the POA in favour of MP24, which was identified as the Lead Member.

37. The JBA also clearly stipulated that the parties would be jointly and severally responsible for all obligations and liabilities relating to the Project and in accordance with the terms of the RFP.

38. Clause 5 of the JBA is reproduced below:

"5. Joint and Several Liability

The Parties do hereby undertake to be jointly and severally responsible for all obligations and liabilities relating to the Project and in accordance with the terms of the RFP and the Concession Agreement, till such time as the Financial Close for the Project is achieved under and in accordance with the Concession Agreement."

39. The bid was submitted pursuant to the POA granted by RCCL in favour of MP24. Plainly, the same is binding on RCCL. Although RCCL claims to have revoked the POA, the formal revocation, by way of legal notice dated 27.04.2025, came after the bid was submitted and the technical bids were opened. The POA was valid and subsisting on the day of submission of the bid.

40. Although RCCL claims that it had withdrawn MP24's authority to furnish the bid by an e-mail dated 16.04.2025, no such intimation

was furnished to KRDCL. RCCL claims that it issued a legal notice dated 27.04.2025 terminating the MoU with MP24 dated 02.04.2025 and also revoked the POA. This too was not communicated to KRDCL at the material time. The technical bids were opened on 19.04.2025. Even at that stage, RCCL did not inform KRDCL that it was not standing by the consortium's bid or that it had any reservations regarding the documents submitted with the bid. The financial bid was opened on 16.05.2025. On 19.05.2025, KRDCL received BVEPL's complaint regarding furnishing of a false work experience certificate. Thereafter, RCCL issued a letter dated 22.05.2025 requesting that the tender submitted by MP24 be rejected, as it was submitted without the consent or knowledge of RCCL.

41. KRDCL was neither informed of any fraudulent submission of documents nor of the withdrawal of MP24's authority to submit a bid prior to the opening of the bids.

42. On the facts, the KRDCL and the SLDC rejected the contention that RCCL was absolved of accountability for the bid furnished by the consortium.

43. Therefore, we find no fault with the conclusion of KRDCCL and the SLDC that RCCL is also accountable for the consortium's bid.¹¹

44. We may note that the SLDC has also made an allowance for the relatively lesser role attributed to RCCL in furnishing the false certificate and restricted the debarment to a period of two years only for PWD works in the State of Karnataka instead of three years for all works in the State of Karnataka, as was done in the case of MP24.

45. We find no grounds to interfere with the decision of the learned Single Judge.

46. The appeal is, accordingly, dismissed.

**Sd/-
(VIBHU BAKHRU)
CHIEF JUSTICE**

**Sd/-
(C.M. POONACHA)
JUDGE**

KPS/KMV

¹¹ Section 208 of the Indian Contract Act, 1872