



2026:DHC:5201-DB



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

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Judgment reserved on: 14.05.2026

Judgment pronounced on: 01.07.2026

Judgment uploaded on: 01.07.2026

+ W.P.(C) 18124/2025, CM APPL. 74988/2025

GAURAV ENTERPRISES

.....Petitioner

Through: Mr. Ramesh Singh, Sr. Adv.
along with Mr. Harshit Singh
and Ms. Hage Nanya, Advs.

versus

LADY HARDINGE MEDICAL COLLEGE & ORS.

.....Respondents

Through: Mr. Shashank Bajpai, CGSC
along with Ms. Aandrita Deb,
GP, Ms. Aashna Mehra, Mr.
Vatsal Tripathi and Mr. Govind
Singh Chauhan, Advs. for R-1
& 2.
Mr. Hanu Bhaskar and Mr.
Harish Saini, Advs. for R-3.

CORAM:

HON'BLE MR. JUSTICE ANIL KSHETARPAL

HON'BLE MR. JUSTICE AMIT MAHAJAN

J U D G M E N T

ANIL KSHETARPAL, J.:

1. Through the present Writ Petition filed under Article 226 of the Constitution of India, the Petitioner assails GeM Bid No. GEM/2024/B/5021037 dated 16.07.2024, floated by Lady Hardinge Medical College and Smt. Sucheta Kriplani Hospital, New Delhi, for outsourcing security manpower services. The Petitioner also assails



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the consequential GeM Contract dated 03.11.2025 and the Letter of Award issued in favour of Respondent No. 3.

2. The challenge, as ultimately pressed, rests on two principal grounds. The first is that the Letter of Award was issued by the Tendering Authority after expiry of the original bid-offer validity period. The second is that the bid and the contract, as originally framed, did not provide the requisite number of security supervisors under Rule 10 of the Delhi Private Security Agencies (Regulation) Rules, 2023.

3. The bid was issued on 16.07.2024 for a period of one year. The manpower requisitioned under the bid comprised 449 security personnel, namely, 18 security supervisors, 369 male unarmed security guards and 62 female unarmed security guards. The bid document provided the bid-offer validity as 180 days from the bid end date.

4. As per the stand of Respondent Nos. 1 and 2 (hereinafter referred to as the 'Official Respondents'), the bid-offer validity was up to 25.01.2025. The technical bids were opened on 31.07.2024. It is stated that 190 bidders participated in the tender process. Upon technical evaluation, 16 bidders were found technically qualified.

5. The financial bids were opened on 02.01.2025. All 16 technically qualified bidders, including the Petitioner and Respondent No.3, were found to be L-1 bidders, having regard to the same total bid value of Rs. 2021 Lakhs (Rs. 20.21 Crores). In view thereof, the Financial Evaluation Committee used the Auto Run L-1/Run L-1



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Selection functionality on the GeM portal, whereupon Respondent No.3, M/s Isha Protectional Security Guard Pvt. Ltd., was selected by the GeM system.

6. Since the estimated value of the procurement was above Rs. 20 crores, Respondent No.1 forwarded the proposal to the Ministry of Health and Family Welfare on 29.01.2025 for approval of the competent authority. The approval was conveyed on 24.10.2025.

7. Thereafter, on 03.11.2025, the GeM contract was generated in favour of Respondent No.3. The contract was accepted by Respondent No.3 on the same date. Thereafter, a Letter of Award dated 08.11.2025 was issued by the Official Respondents in favour of Respondent No.3, M/s Isha Protectional Security Guard Pvt. Ltd, and the contract period was fixed from 01.12.2025 to 30.11.2026.

8. During the pendency of the present Petition, the Official Respondents have filed an affidavit placing on record a subsequent work order dated 11.05.2026. By the said work order, the manpower was redistributed so as to provide 35 security supervisors for 524 security guards. The said redistribution was stated to have been undertaken to bring the deployment in conformity with Rule 10 of the 2023 Rules.

9. In this backdrop, the controversy which survives for consideration is whether, in the facts of the present case, this Court ought to interfere with an ongoing hospital-security contract on the ground that the formal contract was generated after expiry of the original bid-offer validity period of 180 days, and on the further



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ground that the original supervisor deployment was deficient, though subsequently corrected.

SUBMISSIONS ON BEHALF OF THE PETITIONER

10. Learned Senior counsel appearing for the Petitioner submits that the bid-offer validity expired on 25.01.2025, whereas the GeM contract was generated only on 03.11.2025 and the Letter of Award was issued on 08.11.2025. It is urged that a bidder's offer remains open only during the period of bid validity, and therefore, the Tendering Authority was required to conclude the award within that period.

11. It is further submitted that the selection of Respondent No.3 through the GeM Auto Run mechanism on 02.01.2025 cannot be equated with award of contract. According to the Petitioner, the actual contract came into existence only on 03.11.2025, long after the bid had lapsed.

12. Learned Senior counsel also relies on the GeM Helpdesk clarification dated 01.12.2025 to submit that the Authority is required to award the order within the bid-offer validity period. It is submitted that the subsequent acceptance by Respondent No.3 on 03.11.2025 cannot revive a bid which had already expired several months earlier.

13. The second part of challenge by the Petitioner is founded on Rule 10 of the Delhi Private Security Agencies (Regulation) Rules, 2023. It is submitted that the original bid and contract contemplated only 18 supervisors for 431 security guards. According to the



Petitioner, this was contrary even to the ratio of one supervisor for every fifteen guards under Rule 10(1), and *a fortiori* contrary to Rule 10(2), which requires one supervisor for every six guards where guards are deployed in different premises.

14. Learned senior counsel for the Petitioner submits that the subsequent work order dated 11.05.2026, whereby the manpower was redistributed, is itself an admission that the original bid and contract were not compliant with the statutory requirement. It is urged that the defect was not merely operational, but went to the legality of the bid and the Award itself.

15. Learned Senior counsel further relies on the judgment in *Gaurav Enterprises v. Municipal Corporation of Delhi*, W.P.(C) 18585/2025, decided on 02.02.2026, which was also rendered at the instance of the present Petitioner. It is submitted that this Court, while considering Rule 10 of the 2023 Rules, directed the procuring authority to ensure, prior to awarding the contract, that the mandatory number of security supervisors is requisitioned for deployment. On this basis, it is urged that the present bid and Award, which were originally deficient in the number of supervisors, are liable to be set aside.

SUBMISSIONS ON BEHALF OF THE RESPONDENTS

16. *Per contra*, learned counsel for the Official Respondents submits that the Petitioner participated in the tender process and was one of the sixteen (16) L-1 bidders. It is submitted that the Petitioner cannot, after participating in the process, challenge the tender



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conditions merely because the contract was ultimately not awarded in its favour.

17. Learned counsel further submits that Respondent No.3 was not manually selected by the procuring authority. All 16 financially qualified bidders had the same total bid price and were ranked L-1. In such circumstances, the GeM Auto Run L-1 functionality was used, and Respondent No.3 was selected by the GeM system on 02.01.2025, within the original bid validity period.

18. On the issue of bid validity, learned counsel for the Official Respondents submits that Clause 4(xiii)(f) of the General Terms and Conditions on GeM permits bid validity to be extended with mutual consent between the buyer and seller. It is submitted that after approval was received from the competent authority, the process was undertaken on the GeM portal on 03.11.2025, and Respondent No.3 accepted the order on the same date.

19. It is further submitted that the delay after 02.01.2025 was not attributable to favouritism or *mala fides*. Since the procurement value exceeded Rs. 20 crores, approval of the Ministry of Health and Family Welfare was required. The proposal was sent for approval and, after approval was conveyed on 24.10.2025, the contract was generated through the GeM portal.

20. On the issue of supervisors, learned counsel submits that the security personnel are deployed within the same hospital premises and, therefore, Rule 10(1), and not Rule 10(2), would apply. It is further submitted that, in any event, the manpower has now been



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redistributed and 35 supervisors are deployed for 524 security guards, thereby satisfying the statutory requirement.

21. Respondent No.3 adopts the submissions advanced on behalf of the Official Respondents. It is additionally submitted that Respondent No.3 has been performing the contract since 01.12.2025 and has deployed manpower and resources at the hospital. The allegations regarding alleged agents or persons collecting money in the name of Respondent No.3 are denied. It is submitted that no disqualification, blacklisting, or cancellation of licence has been placed on record against Respondent No.3.

22. The Respondents rely on the decisions in *Tata Motors Ltd. v. Brihan Mumbai Electric Supply and Transport Undertaking*¹, *Agmatel India Pvt. Ltd. v. Resoursys Telecom*², *Well Protect Manpower Services Pvt. Ltd. v. Baba Sahab Ambedkar Hospital & Ors.*³ to submit that this Court ought not to interdict an ongoing public contract, particularly when the selection was GeM system-driven, no *mala fides* are established, and statutory compliance has now been ensured.

23. Having heard learned counsel for the parties and having perused the record, the following issues arise for consideration:

- i. Whether the generation of the GeM contract on 03.11.2025, after expiry of the original bid-offer validity period, warrants interference under Article 226 of the Constitution, and

¹ 2023 SCC OnLine SC 671

² (2022) 5 SCC 362

³ 2024:DHC:8653-DB



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ii. Whether the initial deficiency in the number of supervisors under Rule 10 of the Delhi Private Security Agencies (Regulation) Rules, 2023 requires quashing of the bid or contract despite subsequent compliance.

ANALYSIS AND FINDINGS

24. At the outset, it may be noticed that all 16 technically qualified bidders, including the Petitioner and Respondent No.3, were found to be L-1 bidders. Thereafter, Respondent No.3 came to be selected through the Auto Run L-1/Run L-1 Selection functionality on the GeM portal on 02.01.2025. The Petitioner's surviving grievance, therefore, is not directed against any manual choice between competing L-1 bidders, but against the subsequent generation of the contract after expiry of bid validity and the non-compliance with Rule 10 of the 2023 Rules.

25. The principal challenge of the Petitioner concerns the date on which the GeM contract came to be generated. The bid-offer validity, even as per the Official Respondents, was up to 25.01.2025. The GeM Contract, however, was generated only on 03.11.2025 and accepted by Respondent No.3 on the same date. The contract period was thereafter fixed from 01.12.2025 to 30.11.2026.

26. Since the issue turns on bid validity under the GeM framework, it would be apposite to reproduce the relevant portion of Clause 4(xiii)(f) of the General Terms and Conditions on GeM 4.0, which reads as under:



“4. Enabling provisions of Rule 149 of General Financial Rules-2017

xiii. e-Bidding and Reverse Auction (RA) on GeM

(f) The Seller participating in the e-bidding/RA may offer any one of their product(s) already listed on GeM. The bid submitted under:

i) e-Bidding shall remain valid for 15 days (or as stipulated by the Buyer in the bid document) from the Bid Opening Date (till 24.00 Hrs IST).

ii) RA in Bid to RA case, where the bid offer validity is less than 30 days, will be extended to 30 days including the RA initiation date.

Bid Validity can be further extended with mutual consent between Buyer and Seller. The products offered in e-Bidding/RA cannot be withdrawn by the Sellers from GeM during the bid validity period. However, in case there has been some technical issues in extending bid validity online on GeM portal and the buyer has in compliance with Clause 3(B)(b)(ix) communicated its intention to award the contract or awarded the contract to the successful bidder in writing, through any means and mode, outside GeM portal before the expiry of the bid validity, then in such circumstances, for the purposes of resolution of any such technical issues and/or necessary regularization, the bid validity shall be deemed to be extended until such issue is resolved/regularized by GeM.”

(Emphasis supplied)

27. The clause contains two parts which are relevant for the present case. The first part states that bid validity can be further extended with mutual consent between the buyer and the seller. The second part deals with a specific situation where there is some technical issue in extending bid validity online on the GeM portal, but the buyer has, before expiry of bid validity, communicated its intention to award the contract or has awarded the contract to the successful bidder in writing. In that situation, the bid validity is deemed to be extended until the issue is resolved or regularised by GeM.

28. The Petitioner is right in submitting that bid validity is not an empty formality. It represents the period during which the seller’s



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offer remains open for acceptance by the buyer. The GeM Helpdesk Email clarification dated 01.12.2025 clarified that bid-offer validity is the period during which the seller's offer is valid from the bid end date, and that the buyer needs to award the order within the bid-offer validity period.

29. The said clarification also explained the process for seeking offer-validity extension at the bid stage or demand stage. However, it did not, in express terms, answer whether a bid whose original validity had expired on 25.01.2025 could be acted upon after approval of the competent authority was received several months later.

30. The Official Respondents have also relied upon the communication dated 12.12.2025 issued by the Director, Category Management (Health), GeM. The said communication refers to Clause 4(xiii)(f) and states that bid validity can be further extended with mutual consent between the buyer and seller. However, the said communication also does not expressly certify the validity of the contract in question.

31. Thus, neither the Helpdesk clarification dated 01.12.2025 nor the communication dated 12.12.2025 can be treated as a conclusive adjudication of the present controversy. The former emphasized that the order should ordinarily be awarded within the bid-offer validity period. The latter referred to the power of extension by mutual consent.

32. The Court must, therefore, look at the entire factual setting. Respondent No.3 was selected through the GeM Auto Run L-1



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mechanism on 02.01.2025, *i.e.* within the original bid-offer validity period.

33. The delay thereafter arose because the procurement value exceeded Rs. 20 crores and the proposal had to be placed before the Ministry of Health and Family Welfare for approval of the competent authority. The proposal was sent on 29.01.2025. Approval was conveyed on 24.10.2025. Thereafter, the GeM process for contract generation was undertaken on 03.11.2025 and the contract was accepted by Respondent No.3 on the same date.

34. This Court is conscious that the course adopted by the Official Respondents is not one which should be treated as a model procurement practice. Public procurement authorities are expected to act with sufficient expedition and must ordinarily ensure that the award is concluded within the bid-offer validity period, or within a validity duly extended at the appropriate stage.

35. However, the present case does not disclose a manual preference in favour of Respondent No.3. Nor does it disclose that the delay was engineered to favour Respondent No.3. The selection was made through the GeM system within the original validity period, the delay thereafter was referable to the process of obtaining approval from the competent authority, the contract was thereafter generated on the GeM portal and Respondent No.3 accepted the order.

36. At this stage, the contract has already been in operation since 01.12.2025 and is to remain in force till 30.11.2026. It is a contract concerning deployment of security personnel in public medical



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college for women and its associated hospital. Interfering with the contract midway would have consequences not merely for the contracting parties, but also for continuity of security services at the institution.

37. Having regard to the above circumstances, this Court is not persuaded to annul the ongoing contract merely on the ground that the formal contract was generated after expiry of the original bid-offer validity period. Given the peculiar facts of the present case, particularly when Respondent No. 3 is not objecting and is continuing to perform. It is not the case of the Petitioner that rates for the supply of manpower, security personnel have come down. Therefore, it would not be in the public interest to interdict the ongoing contract already under performance.

38. It is clarified that this Court is not laying down any general proposition that an expired bid can be revived after lapse of time as a matter of course. Bid validity serves a definite public procurement purpose, and future procurement processes must be conducted with due regard to the time limits prescribed under the bid and the GeM framework.

39. The next objection concerns the number of supervisors contemplated under the bid and the contract. The GeM contract dated 03.11.2025 records the deployment of 18 security supervisors, 369 male unarmed security guards and 62 female unarmed security guards. Thus, originally, the contract provided 18 supervisors for 431 security guards.



40. Since the objection is founded on Rule 10 of the Delhi Private Security Agencies (Regulation) Rules, 2023, the same may be reproduced:

“10. Provision for Supervisors -

(1) There shall be one supervisor to supervise the work of not more than fifteen private security guards.

(2) In case the private security guards are on security duty in different premises and it is not practical to supervise their work by one supervisor, the agency shall depute more number of supervisors so that at least for every six private security guards there is one supervisor available for assistance, advice and supervision.”

41. The structure of the rule is plain. Sub-rule (1) prescribes the ordinary ratio of one supervisor for not more than fifteen private security guards. Sub-rule (2) applies where the security guards are deployed in different premises and it is not practical for one supervisor to supervise their work. In that situation, the stricter ratio of one supervisor for every six private security guards is attracted.

42. The Official Respondents have taken the stand that the security personnel are deployed within the same hospital premises and, therefore, Rule 10(1) applies. The Petitioner disputes this position and contends that Lady Hardinge Medical College and its associated hospitals comprise a large institutional establishment with distinct units/premises and, therefore, cannot be treated as one compact premises for the purpose of Rule 10.

43. Even if the stand of the Official Respondents is accepted and Rule 10 (1) alone is applied, the original contract was deficient. Eighteen supervisors for 431 security guards did not satisfy the ratio of one supervisor for not more than fifteen guards.



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44. The shortage of supervisors became more apparent when additional security guards were deployed under the 25% tolerance clause. The work order dated 11.05.2026 records that the then existing deployment comprised 561 personnel, namely, 18 supervisors and 543 security guards. This was plainly below the requirement under Rule 10(1).

45. During the pendency of the present Petition, the Respondents issued the aforesaid work order dated 11.05.2026, by which the manpower was redistributed. Through the said work order, 17 additional supervisors were to be deployed, and 19 security guards were to be withdrawn, resulting in 35 supervisors and 524 security guards.

46. On the ratio prescribed under Rule 10(1), 35 supervisors for 524 security guards satisfy the requirement of one supervisor for not more than fifteen guards. The subsequent affidavit filed by the Official Respondents, therefore, shows that the statutory deficiency, at least on the application of Rule 10(1), has been corrected during the pendency of the present Writ Petition.

47. The submission of the Petitioner that the subsequent work order cannot retrospectively validate the original deficiency deserves consideration. However, it is also required to consider the subsequent developments, the nature of the deficiency, the stage of performance of the contract, and whether cancellation of the contract at this stage would serve the larger public interest.



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48. In exercise of jurisdiction under Article 226, the Court is entitled to mould relief having regard to subsequent development, particularly where the deficiency pertains to the operational deployment of manpower, has been brought in line with the statutory ratio, and where cancellation of the contract at this stage would cause greater disruption than the defect now surviving for adjudication.

49. In *Well Protect Manpower Services Pvt. Ltd. (Supra)*, W.P.(C) 14441/2024, decided on 06.11.2024, this Court dealt with a similar objection that the tender had provided for fewer supervisors than what Rule 10 required. The Court accepted that where a contractual term is inconsistent with a statutory requirement, the statutory requirement must prevail. However, since the contract had already been awarded and compliance with Rule 10 had been undertaken by the successful bidder, the Court declined to interfere with the awarded contract.

50. The reliance placed by the Petitioner on *Gaurav Enterprises (Supra)* also requires consideration. The said judgment was rendered at the instance of the present Petitioner itself. In that case, this Court accepted that Rule 10 of the 2023 Rules had to be complied with and directed the procuring authority to ensure, prior to awarding the contract, that the mandatory number of security supervisors was requisitioned for deployment. However, the said judgment did not quash the bid. Rather, the Petition was disposed of by binding the Respondent therein to its stand and to the directions issued by the Court.



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51. In the present case, at least on the application of Rule 10(1) of the 2023 Rules, the deficiency has been addressed by the subsequent redistribution. The Court is, therefore, not persuaded to quash the bid or contract on this ground.

52. The Petitioner has also urged that the bid and the contract record Bonus and ESI as nil. The Official Respondents have explained that the wages payable to the security guards and supervisors are above Rs. 21,000/- and, therefore, the provisions relating to Bonus and ESI are not attracted in the manner asserted by the Petitioner. The GeM contract, in any event, contains provisions requiring compliance with applicable labour laws, including minimum wages, statutory wage revisions, EPF/ESI requirements wherever applicable, and other statutory obligations. No ground for quashing of the bid or contract is, therefore, made out on this score.

53. The Petitioner has also referred to allegations concerning persons who are stated to have collected money from job-seekers in the name of Respondent No.3. Respondent No.3 denies that such persons were its agents, representatives or employees. In the absence of any adjudicated disqualification, blacklisting, cancellation of licence, or established violation of any tender condition attributable to Respondent No.3, such disputed allegations cannot form the basis for setting aside an ongoing public contract in proceedings under Article 226.

54. The scope of judicial review in tender and contractual matters is well settled. The Court is not concerned with substituting its own



commercial assessment for that of the procuring authority. The inquiry is whether the decision-making process is vitiated by arbitrariness, *mala fides*, bias, irrationality, perversity, or procedural impropriety of a degree warranting interference.

55. In *Tata Motors Ltd. (Supra)*, the Supreme Court reiterated that courts should exercise restraint in contractual matters and should not interfere unless a clear case of arbitrariness, *mala fides*, bias or irrationality is made out. The Supreme Court also cautioned that setting aside an ongoing contract or requiring a fresh tender may not be in public interest where it would result in avoidable delay or loss to the public exchequer.

56. In *Agmatel India Pvt. Ltd. (Supra)*, the Supreme Court similarly held that the tendering authority is ordinarily best placed to understand and appreciate its requirements, and that interference by the writ court would arise only where the decision suffers from illegality, irrationality, *mala fides*, perversity, bias or procedural impropriety.

57. Tested on the aforesaid principles, this Court is not persuaded to quash the bid or the contract. The Petitioner has raised concerns which required examination, particularly on the issue of bid validity and the initial shortfall in the number of supervisors. At the same time, Respondent No. 3 was selected through the GeM Auto Run mechanism within the original validity period, the contract has been under performance for a substantial part of its term, the supervisor deployment has since been brought in conformity with Rule 10(1),



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and no circumstance has been shown which would justify unsettling the ongoing contract at this stage.

58. In view of the above discussion, the Writ Petition is dismissed. The pending applications shall stand closed.

ANIL KSHETARPAL, J.

AMIT MAHAJAN, J.

JULY 01, 2026

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