

(2026) 01 OHC CK 1769
In the Orissa High Court
Case No : Writ Petition (C) No. 30243 Of 2025

Trinath Shakti Group (SHG)	Vs	APPELLANT
State Of Odisha & Others		RESPONDENT

Date of Decision : 16-01-2026

Acts Referred:

Constitution Of India, 1950 — Article 226

Citation : (2026) 01 OHC CK 1769

Hon'ble Judges : Sashikanta Mishra, J

Bench : Single Bench

Advocate : Sameer Kumar Mishra, P.S Mohanty, J. Pradhan, S.P. Parida, S. Sahoo, B. Routray, P.K Rath, S. Rath, A. Behera, S.K. Behera, S. Das, G. Lenka, A. Mohanty, S. Chandan, S. Mohapatra, A. Biswal, S.N Pattnaik

Final Decision : Dismissed

Judgement

Sashikanta Mishra, J

1. This writ application has been filed by the petitioner, Trinath Shakti Group (SHG), assailing the order dated 14.10.2025 passed by the Director, ICDS & Social Welfare, Women and Child Development Department, Government of Odisha, whereby the appeal preferred by the petitioner was rejected and the order of the Collector, Bhadrak dated 20.09.2019, disengaging the petitioner from the preparation and supply of Take Home Ration (THR/Chhatua) under the Chandbali-II ICDS Project, was confirmed.

Case of the Petitioner

2. The petitioner is a registered Self Help Group situated at Orasahi under Chandbali Block in the district of Bhadrak. It holds a valid food licence issued under the provisions of the Food Safety and Standards Act, 2006 for manufacture and supply of Take Home Ration (THR) Chhatua. Pursuant to agreements executed with the Child Development Project Officer (CDPO), Chandbali-II ICDS Project, the petitioner had been engaged for preparation and supply of THR

(Chhatua) under the Supplementary Nutrition Programme (SNP) since the year 2011. The agreements were renewed from time to time in accordance with the applicable guidelines. During the period from 2011 till October, 2019, the petitioner's unit was subjected to periodical inspections by various inspecting teams. The inspection reports placed on record indicate that the quality of THR supplied by the petitioner and its performance under the ICDS Project were found satisfactory. No adverse communication relating to quality, hygiene or delay in supply was issued to the petitioner during the said period. On 10.09.2019, a District Level Enquiry Team headed by the Tahasildar, Chandbali conducted an enquiry into the functioning of the petitioner SHG and submitted a report. The report recorded certain observations relating to non-installation of a roasting machine, cash transactions and maintenance of cash book and pass book.

On the basis of the aforesaid enquiry report dated 10.09.2019, the Collector, Bhadrak issued letter No.1971 dated 20.09.2019 directing rescission of the agreement with the petitioner and initiation of the process for selection of a new SHG under the Chandbali-II ICDS Project. Before issuance of the said letter, no show cause notice was issued to the petitioner and no opportunity of explanation or hearing was afforded. Aggrieved by the enquiry report dated 10.09.2019 and the consequential order dated 20.09.2019 passed by the Collector, Bhadrak, the petitioner approached this Court by filing W.P.(C) No.19269 of 2019. By judgment dated 06.05.2025, this Court disposed of the writ petition directing the petitioner to prefer an appeal before the Director, ICDS & Social Welfare, Odisha. Pursuant to the aforesaid direction, the petitioner preferred an appeal before the Director, ICDS & Social Welfare. Notice of hearing was issued fixing the appeal for hearing on 26.08.2025 at the Conference Hall of the Women and Child Development Department. On the day of hearing, the Secretary of the petitioner SHG was unable to attend the hearing due to illness and authorised the Cashier of the SHG to appear on her behalf. The authorised representative appeared in the Secretariat on the scheduled date along with her Advocate and her husband.

It is stated in the additional affidavit filed on behalf of the petitioner that while gate passes were issued to the authorised representative and her husband, the Advocate of the Cashier was not issued a gate pass and was not permitted to enter the conference hall. It is further stated that though the husband of the authorised representative was issued a pass, he was not allowed to enter the conference hall to assist her during the hearing. It is further stated that despite repeated requests made by the authorised representative, the appellate authority did not permit the Advocate or her husband to participate in the hearing and proceeded with the hearing in the presence of departmental officials. The hearing concluded on the same day.

3. The Director, ICDS & Social Welfare, by order dated 14.10.2025, rejected the appeal preferred by the petitioner and confirmed the order dated 20.09.2019 passed by the Collector, Bhadrak, observing inter alia that continuation of the

petitioner was detrimental to public interest. Consequent upon the appellate order, by order dated 15.10.2025, the Collector, Bhadrak engaged Maa Basulai WSHG for preparation and supply of THR (Chhatua) under the Chandbali-II ICDS Project in place of the petitioner.

Stand of the Opposite Party No.2

4. Though no counter has been filed by the State, however, the written instruction intimated to the Advocate General's Office have been filed, which states that the Director, ICDS & SW had intimated the Secretary of the petitioner SHG for a personal hearing on 26.08.2025 at 4.00 P.M. at the conference hall of the W & CD Department, in accordance with the order of the Hon'ble Court dated 06.05.2015 passed in WP(C) No. 19269 of 2019.

On the scheduled date of personal hearing, both the Secretary and the President of the petitioner SHG authorized the SHG's cashier to appear on their behalf, citing self-illness, without any valid medical prescription to substantiate their claimed illness. Neither of them informed the Department, by mail or any other mode of communication, of their inability to attend. Moreover, the said authorization letter did not contain any request to permit the authorized representative's husband or her advocate to represent her at the hearing.

Stand of the Opposite Party No.7

5. Counter affidavit has been filed by Opposite Party No. 7 opposing the writ application of the petitioner and claiming engagement in the preparation and distribution of Take Home Ration (THR) Chhatua and other products under the ICDS Scheme since the year 2011. Opposite Party No. 7 states that prior to the engagement of the petitioner, it was entrusted with the preparation and distribution of THR in six out of eight sectors under the Chandbali-II ICDS Project and had been discharging its responsibilities satisfactorily. Opposite Party No. 7 also states that the petitioner was disengaged on the basis of enquiry reports pointing out deficiencies in its functioning, including issues relating to quality, hygiene, and compliance with prescribed standards, and that such disengagement was effected in accordance with the Revised Guidelines governing the SNP.

Opposite Party No. 7 also contends that after the disengagement of the petitioner, it was engaged in terms of Clause 7.2 of the Revised Guidelines, which emphasises entrustment of the preparation and distribution of THR to a single SHG for the entire block, pursuant to which agreements were executed between Opposite Party No. 7 and the CDPO, Chandbali-II, from time to time. Opposite Party No. 7 asserts that it has consistently maintained a satisfactory performance record, as reflected in the annual performance reviews conducted by the Block Level Committee for the relevant years, and that no adverse report has been recorded against it. Opposite Party No. 7 maintains that its engagement pursuant to the orders of the Collector, Bhadrak, and the CDPO is a consequential administrative action, which has been confirmed by the appellate authority by

order dated 14.10.2025.

Submissions

6. Heard Mr. S.K.Mishra, learned Senior Counsel appearing along with Ms. P.S. Mohanty, learned counsel for the petitioner; Mr. B. Routray, learned Senior Counsel and Mr. P.K. Rath, learned Senior Counsel appearing along with Mr. A. Biswal, learned counsel for opposite party No. 7; and Mr. S. N. Patnaik, learned Additional Government Advocate for the State.

7. Mr. S. K. Mishra would argue that the impugned orders are vitiated by gross violation of the principles of natural justice. It was contended that the disengagement of the petitioner pursuant to the order dated 20.09.2019 passed by the Collector, Bhadrak was founded solely on the enquiry report dated 10.09.2019, even though the petitioner was neither issued any prior notice nor associated with the enquiry proceedings, and no show-cause notice or opportunity of hearing was afforded before rescission of the agreement. He further submits that the alleged deficiencies recorded in the enquiry report pertain primarily to maintenance of accounts and certain procedural aspects, and there was no finding of supply of sub-standard or unhygienic THR. It was urged that during the long period of engagement since 2011, the petitioner's performance had repeatedly been found satisfactory in inspection reports and no adverse communication relating to quality or delay in supply had ever been issued to the petitioner.

8. It is also submitted that even subsequent to the enquiry report, the petitioner's engagement had been renewed from time to time, which itself demonstrates that the authorities were satisfied with the petitioner's performance.

According to him, the abrupt disengagement of the petitioner without adherence to the procedure prescribed under the Revised Guidelines governing the SNP renders the action arbitrary and unsustainable.

9. With regard to the appellate proceedings, he submits that the hearing before the Director, ICDS & Social Welfare was illusory and not in compliance with the direction of this Court passed in W.P.(C) No.19269 of 2019. He argues that although the petitioner was entitled to a opportunity of hearing, the Advocate engaged by the petitioner was not permitted to participate in the hearing and the authorised representative was also denied assistance, resulting in denial of effective representation. In such regard he submits that the Secretary of the petitioner SHG, being unwell, authorised the cashier to appear on its behalf. The authorised cashier was not very literate and lacked the capacity to place the factual and legal aspects of the case before the appellate authority in an effective manner. Refusal to permit assistance of the petitioner's husband and the Advocate seriously prejudiced the petitioner and rendered the hearing ineffective, thereby violating the principles of natural justice.

10. He further submits that the appellate authority failed to independently examine the procedural lapses committed at the stage of disengagement and mechanically affirmed the order of the Collector without considering the petitioner's contentions, documents, and inspection reports placed on record.

11. Lastly, he submits that subsequent engagement of Opposite Party No.7 cannot validate an action which is otherwise procedurally illegal and that the impugned orders are liable to be quashed on the ground of violation of natural justice alone, with a consequential direction to restore the petitioner's engagement.

12. Mr. B. Routray would argue that the petitioner has no enforceable or vested right to continue as a supplier under the ICDS Scheme. He argues that engagement of a Self Help Group for preparation and supply of Take Home Ration (THR) Chhatua is purely contractual in nature and governed by the Revised Guidelines under the SNP. He submits that the petitioner was disengaged pursuant to the order dated 20.09.2019 passed by the Collector, Bhadrak on the basis of a district level enquiry report pointing out deficiencies in the functioning of the petitioner SHG, including issues relating to infrastructure and maintenance of accounts. He submits that this was effected in accordance with the relevant guidelines and in the interest of effective implementation of the scheme. He further submits that the agreement of the petitioner for supply of THR (Chhatua) was subsisting only for the period from 28.09.2018 to 27.09.2019. After completion of the enquiry, an advertisement for selection of a new SHG consequent upon rescission of the petitioner's contract was issued on 20.09.2019, providing a period of two months for completion of the selection process. It was contended that since the selection was not made forthwith and the contractual tenure of the petitioner was nearing expiry, there was no requirement to issue a show cause notice, as the petitioner had no right to seek renewal beyond the agreed contractual period. He also submits that there was no re- engagement or continuation of the petitioner after expiry of its contractual term, and any supply of THR made thereafter was solely by virtue of interim orders granted by this Court. He argues that continuation of the petitioner in supplying THR during the periods ending on 30.06.2025, 31.08.2025 and 30.09.2025 was not pursuant to any renewal or extension of contract, but only on account of interim directions issued by this Court in W.P.(C) No.19269 of 2019 by order dated 23.07.2024. No vested or accrued right can flow from such interim arrangements. He also states that Opposite Party No.7 was engaged strictly in terms of Clause 7.2 of the Revised Guidelines, which contemplates entrustment of preparation and distribution of THR to a single SHG for the entire block, and that such engagement, having been confirmed by the appellate authority, does not warrant interference under Article 226 of the Constitution.

13. Mr. P. K. Rath supplements the arguments made by Mr. Routray by arguing that the allegations of violation of the principles of natural justice are unfounded. He argues that pursuant to the direction of this Court in W.P.(C) No. 19269 of

2019, the petitioner was afforded full opportunity of hearing before the Director, ICDS & Social Welfare. He submits that the petitioner had expressly authorised only the cashier of the SHG to appear and represent it before the appellate authority, without granting authorisation to any Advocate or to the husband of the authorised representative. In the absence of any such authorisation, the cashier could not have sub-delegated authority, and therefore non-participation of the Advocate or any other person cannot be construed as denial of a fair or reasonable opportunity of hearing. He also submits that Opposite Party No.7 has been associated with preparation and distribution of THR since 2011 and had earlier been entrusted with supply in six out of eight sectors under Chandbali-II ICDS Project. The performance of Opposite Party No.7 has consistently been found satisfactory in the annual performance reviews conducted by the Block Level Committee, and no adverse report has been recorded against it.

14. Mr. S. N. Patnaik, would argue that the impugned orders do not suffer from any illegality, arbitrariness or procedural impropriety warranting interference under Article 226 of the Constitution. He submits that the authorities acted strictly in compliance with the directions issued by this Court in the earlier round of litigation. He further submits that pursuant to the judgment dated 06.05.2025 passed by this Court in W.P.(C) No.19269 of 2019, the Director, ICDS & Social Welfare, Odisha, issued notice fixing the appeal for personal hearing on 26.08.2025 at the Conference Hall of the Women and Child Development Department. The said notice was duly communicated to the petitioner SHG, thereby affording it an opportunity of hearing as directed by this Court. On the scheduled date of hearing, neither the Secretary nor the President of the petitioner SHG appeared before the appellate authority, and both of them authorised the cashier of the SHG to represent the petitioner, citing illness without enclosing any medical document in support thereof. He also submits that the authorisation letter did not contain any request for permitting representation through an Advocate or for allowing the husband of the authorised representative to assist during the hearing. The order dated 14.10.2025 passed by the Director, ICDS & Social Welfare reflects due consideration of the enquiry report, the relevant guidelines governing the SNP and the materials placed on record. The appellate authority, upon such consideration, found no justification to interfere with the order dated 20.09.2019 passed by the Collector, Bhadrak.

15. He further submits that engagement of SHGs for preparation and supply of THR under the ICDS Scheme is governed by administrative guidelines and is subject to periodic review in public interest. The petitioner has no vested or statutory right to claim continuation or renewal of such engagement beyond the contractual period.

Analysis and Findings

16. Having gone through the rival contentions and the facts on record, this Court finds that it is not in dispute that the petitioner SHG was engaged for the preparation and supply of THR (Chhatua) under the SNP since the year 2011 and

that its engagement was renewed from time to time. It is also not disputed that a district-level enquiry was conducted on 10.09.2019 and on the basis of the enquiry report, the Collector, Bhadrak, issued the order dated 20.09.2019 rescinding the petitioner's agreement and initiating the process for selection of a new SHG. The record reveals that prior to issuance of the order dated 20.09.2019, no show cause notice was issued to the petitioner. The disengagement order was thus founded entirely on the enquiry report. While the deficiencies noted in the enquiry report relate to issues of infrastructure and maintenance of accounts, there is no categorical finding of supply of sub-standard or unhygienic THR. Nevertheless, it is well settled that where an administrative decision visits civil consequences, adherence to the principles of natural justice assumes significance, unless expressly excluded by statute or by necessary implication. At the same time, it is equally well settled that engagement of SHGs for supply of THR under the ICDS Scheme is contractual in nature and governed by executive guidelines. The petitioner's agreement, as borne out from the record, was subsisting only for the period from 28.09.2018 to 27.09.2019. Non-renewal of a contract upon expiry of its tenure, by itself, does not create an enforceable right in favour of the contractor, nor does it necessarily attract the requirement of a prior show cause notice, particularly when the governing guidelines do not provide for automatic renewal.

17. The fact that an advertisement for selection of a new SHG was issued on 20.09.2019 providing a period of two months for completion of the selection process further indicates that the authorities did not effect immediate substitution, but allowed the contractual tenure of the petitioner to run its course. In such circumstances, the contention that rescission of the contract per se created a vested right to renewal cannot be accepted.

18. Insofar as the appellate proceedings are concerned, this Court, by order dated 06.05.2025 in W.P.(C) No.19269 of 2019, directed the petitioner to avail the statutory remedy of appeal and mandated consideration by the Director, ICDS & Social Welfare. Pursuant thereto, notice of hearing dated 26.08.2025 was issued and communicated to the petitioner. The petitioner does not dispute receipt of such notice.

19. On the scheduled date of hearing, neither the Secretary nor the President of the petitioner SHG appeared before the appellate authority and both authorised the cashier to represent the SHG. The authorisation letter did not extend authority to any Advocate or to the husband of the authorised representative. In the absence of such authorisation, the appellate authority cannot be faulted for limiting participation to the authorised representative alone.

20. The contention raised on behalf of the petitioner that the authorised cashier was not very literate and therefore incapable of effectively presenting the case, though not insignificant, cannot by itself invalidate the appellate proceedings. Once the petitioner consciously chose to authorise a particular representative without seeking permission for legal representation, the consequences thereof

cannot be shifted to the appellate authority. Principles of natural justice require opportunity of hearing, not a guarantee of the most effective representation conceivable.

21. The appellate order dated 14.10.2025 reflects consideration of the enquiry report, the applicable guidelines and the materials placed on record. The appellate authority recorded its satisfaction that continuation of the petitioner was not in public interest and confirmed the order of the Collector. The scope of judicial review under Article 226 does not extend to reappreciation of such administrative decision unless it is shown to be perverse, mala fide or wholly unsupported by material on record.

22. The submission advanced on behalf of the petitioner regarding continuation of supply during subsequent periods also does not advance its case. The continuation of the petitioner in supplying THR during the periods ending on 30.06.2025, 31.08.2025 and 30.09.2025 was admittedly on account of interim orders granted by this Court. It is trite law that continuation under an interim order does not create any vested or accrued right nor does it revive a terminated contract.

23. The engagement of Opposite Party No.7 pursuant to the orders of the Collector and the Child Development Project Officer, and its confirmation by the appellate authority, appears to be in conformity with Clause 7.2 of the Revised Guidelines.

24. For the foregoing reasons, therefore, this Court finds no ground to interfere with the impugned actions of Opposite Party No.2 in exercise of its writ jurisdiction. The decision-making process, when viewed in its entirety, does not disclose any illegality, arbitrariness or procedural impropriety so as to warrant interference under Article 226 of the Constitution of India.

25. In the result, the Writ Petition is dismissed being devoid of merit.