



2026:GAU-AS:14767

THE GAUHATI HIGH COURT
(HIGH COURT OF ASSAM, NAGALAND, MIZORAM AND ARUNACHAL
PRADESH)

Case No. : WP(C)/2747/2026

GAMAN SARKAR

SON OF LATE SARAT CHANDRA SARKAR, RESIDENT OF JANAKI
BHAWAN, ANANDA NAGAR, LOKHRA ROAD, LALGANESH,
GUWAHATI- 781034

VERSUS

THE UNION OF INDIA

THROUGH THE MINISTRY OF PETROLEUM AND NATURAL GAS
THROUGH ITS SECRETARY, A-WING, SHASTRI BHAWAN, DR.
RAJENDRA PRASAD ROAD, NEW DELHI 110001.

2:THE INDIAN OIL CORPORATION LIMITED IOCL
THROUGH THE CHIEF GENERAL MANAGER
INDIAN OIL CORPORATION LIMITED IOCL
INDIAN OIL AOD STATE OFFICE
SECTOR-III
NOONMATI
GUWAHATI
ASSAM-781020.

3:THE GENERAL MANAGER

LPG OPERATIONS
INDIAN OIL CORPORATION LIMITED IOCL
INDIAN OIL AOD STATE OFFICE
SECTOR-III
NOONMATI

GUWAHATI
ASSAM- 781020.

4:THE DEPUTY GENERAL MANAGER

LPG OPERATIONS
INDIAN OIL CORPORATION LIMITED IOCL
INDIAN OIL AOD STATE OFFICE
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ASSAM-781020

5:THE MANAGER
LPG OS
INDIAN OIL CORPORATION LIMITED IOCL
INDIAN OIL AOD STATE OFFICE
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GUWAHATI
ASSAM- 781020.

6:THE DEPUTY MANAGER LPG FINANCE
LPG FINANCE
INDIAN OIL CORPORATION LIMITED IOCL
INDIAN OIL AOD STATE OFFICE
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NOONMATI
GUWAHATI
ASSAM- 781020

7:THE DEPUTY MANAGER
LPG SALES

INDIAN OIL CORPORATION LIMITED IOCL
INDIAN OIL AOD STATE OFFICE
SECTOR-III
NOONMATI
GUWAHATI
ASSAM- 78102

Advocate for the Petitioner : MR K TALUKDAR, MS C DAS

Advocate for the Respondent : DY.S.G.I., SC, I O C

Linked Case : **WP(C)/2753/2026**

LAXMI TRANSPORT
REPRESENTED BY ITS PARTNER SHRI. ASHOK DAS

AGED ABOUT 71 YEARS
SON OF LATE MATHURA DAS
HAVING MY OFFICE AT SUPREME MOTORS
A T ROAD
PALTAN BAZAR
GUWAHATI
ASSAM - 781001.

2: SHRI ASHOK DAS

S/O LATE MATHURA DAS
HAVING MY OFFICE AT SUPREME MOTORS. A.T ROAD
PALTAN BAZAR
GUWAHATI ASSAM 781001
VERSUS

THE UNION OF INDIA
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DR. RAJENDRA PRASAD ROAD
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ASSAM- 781020

Advocate for : MR K TALUKDAR
Advocate for : DY.S.G.I. appearing for THE UNION OF INDIA

Linked Case : **WP(C)/2750/2026**

BALO RAM KAIBARTA
SON OF MR. BANTI RAM KAIBARTA
RESIDENT OF MRD ROAD
SILPUKHURI
GUWAHATI
ASSAM- 781003

VERSUS

THE UNION OF INDIA
THROUGH THE MINISTRY OF PETROLEUM AND NATURAL GAS
THROUGH ITS SECRETARY
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ASSAM- 781020

Advocate for : MR K TALUKDAR

Advocate for : DY.S.G.I. appearing for THE UNION OF INDIA

Linked Case : **WP(C)/2754/2026**

JURI THAKURIA
DAUGHTER OF LATE JATIN BHARALI
RESIDENT OF HOUSE NO. 1
MONALISHA PATH
ZOO NARENGI ROAD
GUWAHATI
ASSAM-781024

VERSUS

THE UNION OF INDIA
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ASSAM- 781020

Advocate for : MR K TALUKDAR
Advocate for : DY.S.G.I. appearing for THE UNION OF INDIA

Linked Case : **WP(C)/2749/2026**

RAMKRISHNA SUTRADHAR
SON OF LATE HIRALAL SUTRADHAR
RESIDENT OF HOUSE NO. 4
BAPUJI PATH
ITA NAGAR
DHIRENPARA
GUWAHATI- 781025.

VERSUS

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THROUGH ITS SECRETARY
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Advocate for : MR K TALUKDAR
Advocate for : DY.S.G.I. appearing for THE UNION OF INDIA

Linked Case : **WP(C)/2755/2026**

SURESH RABHA
SON OF LATE RAJEN RABHA
RESIDENT OF . CHOUDHURY COLONY
DR. B. K. KAKATI ROAD
ULLUBARI
GUWAHATI
ASSAM-781007

VERSUS

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Advocate for : MR K TALUKDAR
Advocate for : DY.S.G.I. appearing for THE UNION OF INDIA

Linked Case : **WP(C)/2751/2026**

M/S PALLAB SAIKIA
REPRESENTED BY ITS SOLE PROPRIETOR MR. PALLAB SAIKIA
AGED ABOUT 63 YEARS OLD
SON OF LATE MOHAN SAIKIA
RESIDENT OF PACHIM BONGAL PUKHURI
JORHAT EAST
ASSAM785001.

VERSUS

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Advocate for : MR K TALUKDAR
Advocate for : DY.S.G.I. appearing for THE UNION OF INDIA

-BEFORE-

HONOURABLE MR. JUSTICE KAUSHIK GOSWAMI

JUDGMENT & ORDER (ORAL)

05.10.2026

Heard Mr. K Talukdar, learned counsel for the petitioners. Also heard Mr. S S Roy, learned Dy. S.G.I. for the respondent Union of India as well as Mr. M Sharma, learned Standing counsel, IOCL for the respondent Nos. 2 to 7.

2. By way of these petitions under Article 226 of the Constitution of India, the petitioners are assailing the impugned termination order dated 11.05.2026 whereby the work orders issued to them pursuant to the Letters of Acceptance (hereinafter referred to as LOA) issued in relation to the NIT No. LPG/BULK/TT/IOC/AS/2025-30 dated 01.03.2025 for transportation of bulk LPG in the States of Assam and Meghalaya were suspended.

3. The brief facts of the case are that the respondent IOCL had issued the said tender on 01.03.2025 for transportation of bulk LPG in the States of Assam and Meghalaya. Under the said NIT, the respondent IOCL issued Corrigendum No. 3 dated 04.04.2025, whereby for the first time, the concept/category namely, Agreement to Sale (hereinafter referred to as ATS) was introduced, whereunder a bidder purchaser was also permitted to purchase Tank Trucks (hereinafter referred to as TTs) from a contractor/transporter

operating under the then existing contracts, subject to transfer of ownership of the vehicle, i.e., Registration Certificate (hereinafter referred to as RC) in favor of the bidder purchaser and amendment of the Petroleum, Explosives Safety Organization License (hereinafter referred to as PESO) etc. within a period of four months from the date of issuance of Letters of Acceptance (hereinafter referred to as LoA).

4. The petitioners in the present batch of writ petitions having emerged as one of the successful bidders, LoAs were issued thereof on 16.09.2025 to them. Accordingly, the RC and PESO license were required to be submitted on or before 15.01.2026, i.e., from the date of LoA. Subsequently, work orders were also issued in favor of them, whereafter they started operating. However, despite operational, their work orders having been terminated by issuing orders dated 11.05.2026 to each bidder; the present writ petitions have been filed.

5. The present seven writ petitions involving the challenge of the termination orders issued to the petitioners herein arising out of the same NIT in question, is taken up together and disposed of by this common judgment.

6. Mr. K. Talukdar, learned counsel for the petitioners submits that the show-cause notices were issued belatedly and as an afterthought, particularly when the petitioners had submitted the RCs and amended PESO licenses after 15.01.2026 but before 31.01.2026. The said documents were accepted by the respondents, and the petitioners were thereafter permitted to continue their operations.

7. He further submits that, owing to the two extensions granted to the existing transporters up to 31.12.2025, the effective period available to the petitioners for submission of the RCs and amended PESO certificates was reduced from four months to approximately fifteen days. According to him, the impugned termination orders are therefore unsustainable both in law and on facts.

8. It is further submitted that the impugned orders themselves acknowledge the operational and practical difficulties faced by the petitioners in obtaining the requisite RCs and amended PESO licenses, yet the contracts were proceeded to be terminated. Learned counsel submits that the NIT did not mandate that the RCs and amended PESO licenses had to be submitted strictly within four months from the date of issuance of the LoA, as is also evident from IOCL's own e-mail dated 15.01.2026.

9. He further submits that the extensions granted to the earlier transporters had a direct bearing on the contracts subsequently awarded to the petitioners, as the same vehicles/TTs were involved. It is contended that termination of the contracts entails civil consequences and, therefore, before passing orders of termination, the respondent authorities were required to take into consideration all relevant facts and materials placed before them. On this premise, it is submitted that the impugned termination orders are vitiated in law.

10. Learned counsel further submits that the State is under an obligation to act fairly even in contractual matters and that any action of the State which is arbitrary or lacking in fairness is amenable to judicial review by the writ Court in exercise of its extraordinary jurisdiction. In support of the aforesaid submission, he relies upon the decision of the Apex Court in **MP Power Management Company Limited v. Sky Power Southeast Solar India Private Limited and Others**, reported in **(2023) 2 SCC 703**.

11. *Per contra*, Mr. M Sharma, learned Standing Counsel appearing for IOCL submits that, since the petitioners failed to obtain and submit the requisite RCs and amended PESO licenses in terms of Corrigendum No. 3 dated 04.04.2025, the termination orders issued by the respondent authorities do not warrant interference by this Court in exercise of its extraordinary writ jurisdiction.

12. He further submits that, despite several reminders issued to the petitioners requiring them to upload the RCs and PESO licenses by 15.01.2026, the petitioners failed to do so. Consequently, the respondent authorities cannot be faulted for enforcing the mandatory terms and conditions of the NIT. According to him, the respondents have not acted in an unfair or arbitrary manner in terminating the work orders issued to the petitioners for their failure to comply with the four month period stipulated under Corrigendum No. 3 dated 04.04.2025, which mandated submission of the RCs and amended PESO licenses in respect of the ATS vehicles within the prescribed period.

13. Learned Standing Counsel further submits that the Corrigendum forms part of the contractual terms and conditions and that the same cannot be reinterpreted or relaxed by this Court in exercise of its extraordinary writ jurisdiction. According to him, the terms and conditions governing the contract, including the stipulations contained in the Corrigendum, are required to be strictly complied with.

14. He further submits that the contractual arrangement between IOCL and the earlier subsisting contractor was distinct and separate from the contractual arrangement between IOCL and the petitioners. Therefore, the petitioners cannot rely upon the extension granted under the earlier contract to seek relaxation of the conditions stipulated in the NIT dated 01.03.2025 read with Corrigendum No. 3 dated 04.04.2025.

15. It is further submitted that the provisional extension offered to the earlier contractor was subject to the consent of the said contractor and was a voluntary arrangement on its part. According to the respondents, IOCL had not unilaterally imposed such extension under the earlier contract. Learned Standing Counsel submits that the LoAs dated 16.09.2025 issued in favour of the petitioners were expressly

conditional upon their compliance with the terms and conditions contained in the NIT read with the subject Corrigendum.

16. He further submits that, even prior to the issuance of the show-cause notices, IOCL had repeatedly reminded the petitioners through a series of e-mails to comply with the terms and conditions of the NIT dated 01.03.2025 and Corrigendum No. 3 dated 04.04.2025. Therefore, the delay, if any, in issuance of the show-cause notices cannot, according to him, be construed as a waiver of the contractual requirements by the Corporation.

17. In support of his submissions, learned Standing Counsel relies upon the following decisions:

(i) ***Meerut Development Authority -Vs- Pawan Kumar Agarwal***, reported in ***(2009) 6 SCC 171***.

(ii) ***Ramana Dayaram Shetty -Vs- International Airport Authority of India and Ors.*** , reported in ***(1979) 3 SCC 489***.

(iii) ***N. G. Projects Limited -Vs- Vinod Kumar Jain and Ors.*** , reported in ***(2022) 6 SCC 127***.

(iv) ***Afcons Infrastructure Limited -Vs- Nagpur Metro Rail Corporation Limited and Anr.*** , reported in ***(2016) 16 SCC 818***.

(v) ***M/s Swati Logistics and Ors. -Vs- Union of India and Ors.***, reported in ***2026:GAU-AS:10174*** ; and

(vi) ***Dresser Rand S.A. -Vs- Bindal Agro Chem Limited and Anr.***, reported in ***(2006) 1 SCC 751***.

18. I have given my due considerations to the arguments advanced by the learned counsels appearing for the contending parties and have perused the materials available on record. I have also duly considered the case laws cited at the bar.

19. It appears that respondent No. 2 issued the aforesaid NIT for the transportation of bulk LPG by road in the States of Assam and Meghalaya under a two bid system. Pursuant thereto, by Corrigendum No. 3 dated 04.04.2025, respondent No. 2 introduced the concept/category of ATS as a transitional mechanism. It further appears that the object of introducing the said mechanism was to address the practical situation where tank trucks operating under the existing contract could not complete the formal transfer of ownership before the due date of the new tender.

Relevant portion of the said Corrigendum reads as under:

“In case of TTs operating in the existing contract whose ownership cannot be transferred during the pendency of the existing contract and hence the formalities for transfer or ownership could not be completed as on due date of the new tender, such vehicles can be sold through an Agreement to Sale (ATS) and both the seller and the purchaser (bidder) shall have to submit affidavit as per the attached annexures (Annexure - 40 & 41) along with the valid Registration document and PESO license in the name of the seller.

Such trucks shall be considered as owned trucks of the bidder for bid qualification and allocation purpose.

For such cases, bidders have to submit caution money of Rs. 1 lakh per truck up to a maximum of Rs. 10 lakh per tender along with the bid, Bidders shall submit caution money separately and should not combine the amount with EMD value. The details of caution money like UTR no, etc, shall be mentioned in Annexure no 42 enclosed. Wherever caution money is not submitted before the due date of the tender then such TT(s) shall not be considered.

Caution money shall be refunded after submission of requisite documents in the name of the successful bidder and Induction of truck. In case of unsuccessful bidders, caution money will be refunded after the finalization of tender.

In case the bidder fails to submit the required documents with change of name, etc. within 4 months of issue of ‘LOI’,

suitable penal action shall be taken, which may include EMD forfeiture, caution money forfeiture, termination of order of such TTs and blacklisting of such TTs,. Under no circumstances will the above-mentioned timeline be extended. In such cases, the contracting Corporation reserves the right and shall be liberty to induct. TTs as per the methodology mentioned in the tender to fulfil the shortfall arising thereof.”

20. A reading of the aforesaid provision makes it apparent that, under the ATS mechanism, a bidder was permitted to purchase tank trucks operating under the then existing contract, subject to completion of the requisite formalities for transfer of ownership, including transfer of the RC in favour of the purchaser bidder and amendment of the PESO license. In particular, where an existing contractor intended to sell its tank trucks, such transfer could be effected through an ATS in favour of a bidder under the subject NIT. Since ownership of the vehicles could not be transferred during the subsistence of the earlier contract, the NIT permitted such vehicles to be offered by way of ATS upon submission of the prescribed affidavits, valid RC and PESO license, together with the requisite caution money and EMD.

21. It further appears that the transfer of the RC and amendment of the PESO license were required to be completed within four months from the date of issuance of the LoA, failing which the NIT contemplated penal consequences, including forfeiture of the EMD and caution money and termination of the order in respect of such TTs, as the case may be. Thus, under the ATS mechanism, the respondent Corporation permitted such tank trucks to be treated as the bidder's own trucks for the purposes of bid qualification and allocation, subject to compliance with the aforesaid conditions.

22. It appears that, pursuant to the said NIT, the petitioners submitted their tenders offering both their own vehicles as well as

vehicles under the ATS mechanism. In respect of the ATS vehicles, an extension was granted on 29.08.2025 to the existing transporters up to 31.10.2025, whereafter the LoAs were issued in favour of the petitioners on 16.09.2025. Consequently, in terms of Corrigendum No. 3 dated 04.04.2025, the petitioners were required to submit the RCs and amended PESO licenses in respect of the ATS vehicles by 15.01.2026.

23. Thereafter, work orders were issued to the petitioners. Subsequent thereto, on 31.10.2025, a second extension was granted to the existing transporters up to 31.12.2025. As the petitioners had not submitted the requisite RCs and amended PESO licenses, the respondents, on 08.12.2025, issued a reminder to the petitioners and other similarly situated bidders requiring them to strictly adhere to the prescribed timeline under the Corrigendum and to complete the requisite formalities without delay, so that the work orders could be amended accordingly.

24. The said reminder was followed by further e-mails dated 11.12.2025 and 07.01.2026. Significantly, by the reminder e-mail dated 11.12.2025, the petitioners and other similarly situated bidders were specifically called upon to complete all formalities relating to transfer of ownership/change of name and amendment of the PESO licenses by 31.12.2025, so as to ensure that the vehicles could be deployed for loading from January, 2026 onwards. They were also informed that no Loading Advices would be issued in respect of ATS category tank trucks from 15.12.2025 onwards and that the temporary suspension was intended to facilitate timely completion of the statutory and tender mandated formalities before the stipulated deadline.

25. Thereafter, on 15.01.2026, being the date by which the RCs and amended PESO licenses were required to be submitted in terms of the Corrigendum, the petitioners and other similarly situated bidders

had not, till the morning of the last day, submitted all the requisite documents. The respondent Corporation, therefore, issued a final reminder by e-mail dated 15.01.2026 requiring all bidders, including the petitioners, to submit their respective RCs and amended PESO licenses.

The final reminder notice dated 15.01.2026 reads as under:

“FINAL REMINDER

Dear All,

This is a final reminder in continuation of our earlier communications regarding the Meghalaya, Manipur, Tripura & Nagaland", wherein the ATS (Agreement to Sale) tender "Bulk LPG Transportation Contract by Road for the States of Assam & clause was introduced vide corrigendum dated 06.04 2025.

As already informed, bidders who have quoted Tank Trucks (TTs) under the ATS category were required to submit all documents pertaining to ownership change/name transfer, etc. within four (04) months from the date of issue of LOI, failing which penal action is to be taken as per tender provisions, including forfeiture of caution money and termination of TTS.

The stipulated four-month timeline has already been completed. Therefore, immediate compliance is required.

In view of the above.

Bidders who have completed the ownership change process are hereby directed to submit all relevant documents latest by 2100 hrs today through the Google Form link given below, so that the issued Work Orders may be amended and caution money refunded, as applicable.

Bidders who have not completed the ownership change process within the stipulated timeline are hereby informed that caution money shall be forfeited and the concerned TTs shall be terminated, strictly in accordance with tender provisions, without any further notice

Google Form Link:

<https://docs.google.com/forms/d/1MPqNlzFtDvQjBI-A47u3KFKOzzaYhKcsf qxOK1pA/edit#settings>

Please note that no extension of time shall be granted under any circumstances.

Non-compliance beyond 2100 hrs today shall automatically invite action as per tender conditions.

Note:

1. In cases where only name change in the RC has been completed and application for PESO amendment has been submitted but the amended PESO certificate is yet to be received, bidders are requested to upload the updated RC along with a copy of the PESO amendment application.

2 In cases where only name change in the RC has been completed and PESO amendment has not yet been applied for, bidders are requested to upload the updated RC only No PESO document is required at this stage, however, the expected date of completion of PESO amendment must be clearly mentioned in the remarks column.

All concerned bidders are advised to take immediate and necessary action to avoid penal consequences.”

26. A reading of the final reminder dated 15.01.2026 indicates that, while the respondents categorically informed the petitioners and similarly situated bidders that non-submission of the RCs and amended PESO licenses could result in termination of the TTs in accordance with the tender provisions, certain exceptions were nevertheless carved out in cases where the change of name in the RC had already been completed.

27. It appears that where the application for amendment of the PESO license had already been submitted but the amended license had not yet been received, the bidder was permitted to upload the updated RC along with a copy of the PESO amendment application by 21:00 hours on 15.01.2026. Alternatively, where the PESO amendment application had not yet been submitted, the bidder was permitted to upload the updated RC alone and was required to clearly mention, in the remarks column, the expected date of completion of the PESO amendment. The note expressly stated that failure to take the aforesaid necessary steps would attract the penal consequences contemplated under the Corrigendum.

28. Though it did not extend the outer time limit beyond 21:00 hours on 15.01.2026, the respondent Corporation evidently afforded limited relaxation in respect of submission of the amended PESO licenses, subject to the bidder having completed the transfer of the RC in its own name within the stipulated period.

29. During the course of hearing, it was submitted at the bar that, on the basis of the aforesaid e-mail dated 15.01.2026, the petitioners in WP(C) Nos. 2749/2026, 2751/2026 and 2753/2026 uploaded their respective RCs along with the PESO amendment applications in respect of the ATS vehicles before expiry of the stipulated time.

30. It was further submitted that the petitioner in WP(C) No. 2755/2026 had offered two ATS vehicles under a common work order dated 27.09.2025. In respect of one of the vehicles, bearing registration No. AS 25 EC 9201, the RC as well as the amended PESO application were uploaded within the stipulated period. However, in respect of the other vehicle, the petitioner could not submit the RC within the prescribed period and subsequently submitted the same along with the amended PESO license after a delay of approximately four to five days.

31. Similarly, in respect of the vehicles offered by the petitioners in WP(C) Nos. 2750/2026 and 2754/2026, the updated RCs could not be submitted within the stipulated period but were subsequently submitted after delays ranging from one to three days.

32. It is, therefore, apparent that all the petitioners ultimately submitted the updated RCs along with the amended PESO licenses. However, while some of the petitioners were covered by the exception contemplated in the note appended to the e-mail dated 15.01.2026, others failed to comply with the conditions stipulated therein within the prescribed time.

33. It appears that all the petitioners continued to operate under their respective work orders until 31.03.2026. Thereafter, on 05.03.2026, show-cause notices were issued to the petitioners and their vehicles were suspended. The petitioners submitted their respective replies to the show-cause notices. The said show-cause notices were challenged before this Court in WP(C) No. 1526/2026. The writ petition was finally disposed of by order dated 27.04.2026, whereby the respondent authorities were directed to consider and dispose of the replies submitted by the petitioners within the stipulated period.

34. In compliance with the aforesaid direction, the respondent authorities, by the impugned orders dated 11.05.2026, terminated the contracts in respect of the aforesaid ATS tank trucks.

The grounds for termination read as under:

“i. Both the tenders under reference se tender of 2018 and 2025 are independent to each other and does not have any interlink. The extension of the previous contract was done with your prior consent and you accepted it. You were aware that you had applied for the new tender with the same trucks and there was the compulsion for you to accept the extension As the contractual requirement for tracks offered under ATS mechanism were pre disclosed in the tender and were accepted by you, there cannot be any escape souse for you upon violation of the stipulated terms and conditions.

ii. You had participated in the tender process with full knowledge of the ATS provisions, including the requirement to complete the statutory formalities within a fixed timeline Accordingly, the undertaking an per annexure 40 and 41 were also submitted by both buyer and seller. There is no provision in the tender to consider delay arising out of and declared holiday.

iii. No provision exists in the tender for deferment or recalculation of the said timeline on account of continuation of any previous contract. The reasons cited, therefore, reflect operational difficulty but do not establish any legal impossibility or circumstance that would justify non-compliance of an explicit contractual condition.

iv. At no point of time IOCI has received any request neither from you or from seller (existing transporter in old tender) for release of their tank trucks for such change of ownership wrt to RC and PESO. In fact reminders were sent to all such bidders including you to complete the formalities within timeline and it was asked that no action will be taken against any such bidders if their trucks remains not in operation during intervening period.

v. Various other bidders who had offered the TT's under the ATS mechanism and were also operating the TTs under the previous tender after the extension till 31 12.2025 were able to complete the requisite formalities and as such your submission that the completion of formalities was not practical within four months is not tenable.

vi. It is also noted that the you have subsequently completed the process of transfer of ownership and obtained the required statutory documents. While this indicates that the you ultimately complied with the requirement, such subsequent compliance cannot, by itself condone the delay unless the same is permissible under the terms of the contract.

vii. The tender condition in clear terms provides that the timeline shall not be extended under any circumstances Such a condition is intended to ensure uniformity, discipline, and a level playing field among all bidders. Granting extension in deviation of this express provision would not only be contrary to the terms of the tender but may also adversely impact the sanctity of the tender process. The grounds cited by the you, though indicative of certain practical difficulties, do not constitute exceptional circumstances warranting relaxation of a mandatory condition expressly prohibiting extension coupled with the fact that similarly placed bidders were able to complete the formalities within the prescribed timelines. Accordingly, the request for extension of time is not found acceptable.”

The respondents accordingly concluded that the practical difficulties cited by the petitioners did not constitute circumstances warranting relaxation of the mandatory contractual condition.

35. The short question which, therefore, arises for consideration is as to the legality and validity of the impugned orders of termination. The primary ground for termination is the alleged violation of the time limit prescribed under Corrigendum No. 3 dated 04.04.2025.

36. The Corrigendum required the RC and amended PESO licence to be submitted within four months from the date of issuance of the LoA. Since the LoAs were issued on 16.09.2025, the stipulated period expired on 15.01.2026.

37. At this stage, the note appended to the e-mail dated 15.01.2026 assumes important bearing in the issue in hand. The respondent Corporation, while issuing the final reminder, evidently took into consideration the practical difficulties involved in completing the PESO related formalities. Though no extension beyond 21:00 hours on 15.01.2026 was granted, an exception was made where the transfer of the RC in favour of the bidder had already been completed.

38. The note specifically contemplated that, where the RC had been transferred but the PESO amendment application had already been submitted and the amended license was awaited, the bidder could upload the updated RC along with the PESO amendment application. Where the PESO amendment application had not yet been submitted, the bidder could upload the updated RC and specify, in the remarks column, the expected date of completion of the PESO amendment.

39. It is, therefore, evident that the respondent Corporation, while maintaining the stipulated deadline for completion of the transfer of the RC, afforded a limited relaxation in respect of production of the amended PESO license. However, to avail the benefit of such relaxation, the bidder was required to have completed the transfer of the RC in respect of the ATS vehicle within the prescribed period and to have uploaded the updated RC within the stipulated time. In addition, the bidder was required either to upload the PESO amendment application or to specify the expected date of completion of the PESO amendment in the remarks column. Unless these

conditions were satisfied, the relaxation contemplated under the note would not be available to the bidder.

40. The submission of learned Standing Counsel for IOCL that the four month period stipulated under the Corrigendum was mandatory and could not be relaxed by a subsequent note issued by the Corporation cannot, in the facts of the present case, be accepted in its entirety.

41. There is no quarrel with the proposition that contractual terms contained in the tender are ordinarily required to be strictly adhered to. However, in the present case, the respondent Corporation itself issued the final reminder dated 15.01.2026 after taking note of the practical difficulties involved in obtaining the amended PESO documentation. By the said communication, the Corporation expressly advised the bidders that, even if the amended PESO license was not available by the stipulated deadline, a bidder could avoid the contemplated penal consequences by uploading the updated RC along with the PESO amendment application or by furnishing the expected date of completion of the PESO amendment in the remarks column.

42. Thus, the respondent Corporation itself carved out a limited relaxation in respect of submission of the amended PESO licence, subject to fulfillment of the conditions specified in the said note.

43. Some of the petitioners admittedly acted upon the aforesaid relaxation and uploaded their updated RCs along with the PESO amendment applications within the stipulated time. The subsequent termination of their work orders without any consideration whatsoever of the aforesaid note, and without assigning any reason for disregarding the same, cannot be sustained.

44. The note dated 15.01.2026 has necessarily to be read conjointly with the Corrigendum and in the context in which it was issued. Having expressly afforded the aforesaid relaxation and having

called upon the bidders to act upon it, the respondent Corporation could not thereafter disregard the same while considering the petitioners' compliance.

45. The respondents cannot approbate and reprobate at the same time. The action of the Corporation in terminating the work orders of those petitioners who had complied with the conditions stipulated in the note, without considering the benefit of such relaxation, is therefore unreasonable and arbitrary.

46. In *Kumari Shrilekha Vidyarthi and Ors. -Vs- State of UP and Ors.*, reported in **(1991) 1 SCC 212**, the Apex Court has held that State action, even in the contractual sphere, is subject to the requirements of Article 14 of the Constitution and must satisfy the test of fairness, reasonableness and non-arbitrariness. The Apex Court has categorically held therein that the public character of the State does not disappear merely because the State enters into a contractual relationship.

47. The principle thus emerging from the aforesaid decision is that the State cannot, merely by entering into a contract, claim immunity from judicial scrutiny where its subsequent action is alleged to be arbitrary or unreasonable. The nature of the function, whether contractual or otherwise, does not by itself exclude the application of Article 14.

48. Likewise, in *MP Power Management Company Limited* (Supra), the Apex Court has reiterated the principles governing judicial review of State action in contractual matters. The Apex Court held that although writ jurisdiction is primarily a public law remedy and ordinarily disputed contractual claims may be relegated to the appropriate alternative forum, the existence of a contract does not shield State action from scrutiny under Article 14.

49. The Apex Court further held that the reach of Article 14 extends to arbitrary State action even after a contract has been entered into and that, in appropriate cases, a writ petition may be entertained where the impugned action is palpably unreasonable, irrational or otherwise inconsistent with the State's obligation to act fairly.

50. At the same time, the Apex Court has emphasized that every breach of contract by the State cannot be dressed up as arbitrary State action. The Court must examine the facts of each case and determine whether the impugned action is merely a contractual dispute or whether it involves an element of arbitrariness warranting exercise of constitutional jurisdiction.

51. Applying the aforesaid principles to the facts of the present case, it is apparent that, insofar as those petitioners who had uploaded the updated RC along with the PESO amendment application within the time stipulated under the Corrigendum read with the note dated 15.01.2026 are concerned, the impugned orders of termination suffer from non-application of mind.

52. The respondents have not dealt with the note dated 15.01.2026 either in the show-cause notices or in the impugned orders of termination. There is no consideration as to whether the concerned petitioners had complied with the conditions expressly stipulated in the said note. The impugned orders, therefore, proceed on the premise that the original four month requirement operated without any modification, notwithstanding the subsequent communication issued by the Corporation itself.

53. In respect of such petitioners, the failure of the respondents to consider the relaxation expressly granted by them renders the impugned termination orders arbitrary and unfair.

54. However, the position is different insofar as the remaining petitioners are concerned. Those petitioners who failed to upload the updated RC by 15.01.2026 did not satisfy the essential condition for availing the relaxation contemplated under the note. They consequently cannot claim the benefit of the said relaxation and, to that extent, failed to comply with the terms and conditions of the Corrigendum read with the note dated 15.01.2026.

55. It is well settled that a Court cannot rewrite the terms and conditions of a tender or contract, nor can it interpret such conditions merely to accommodate the convenience of a particular party. Contractual terms are ordinarily required to be adhered to and failure to comply with them would entail the consequences stipulated therein.

56. In ***Ramana Dayaram Shetty*** (Supra), the Apex Court has held that an administrative authority is bound by the norms, standards and procedures laid down by it and cannot depart therefrom arbitrarily. Any departure must be founded upon a rational, reasonable and non-discriminatory basis.

57. Likewise, in ***Central Coal Field Ltd –Vs.- SLL-SML (Joint Venture Consortium)*** reported in ***(2016) 8 SCC 622***, the Apex Court emphasized that the decision making process of the employer in tender matters should ordinarily not be interfered with by the Court. Interference is warranted only where the decision making process is vitiated by mala fides, intended to favour a particular party, or is so arbitrary or irrational that no reasonable authority acting in accordance with law could have arrived at such a decision.

58. The test, therefore, is not whether the decision is merely erroneous or capable of being viewed differently, but whether the decision making process or the decision itself is so perverse, arbitrary or irrational as to warrant judicial interference.

59. In the present case, the Corrigendum expressly prescribed the consequences, including termination, in the event the RC and PESO license were not submitted within the stipulated period of four months. The respondents had repeatedly reminded the petitioners to comply with the said requirement.

60. At the same time, on 15.01.2026, the respondents themselves issued a final reminder containing a specific relaxation for bidders who had completed the transfer of the RC in their names but were yet to complete the PESO related formalities. The purpose of the said relaxation was evidently to permit such bidders to continue under the work orders notwithstanding the fact that the amended PESO license had not yet been received, subject to compliance with the conditions expressly stipulated in the note.

61. Accordingly, the termination of the work orders of those petitioners who had complied with the aforesaid conditions cannot be sustained, as the impugned orders fail to consider the relaxation expressly granted by the respondent Corporation itself.

62. However, insofar as the petitioners who failed to upload the updated RC within the stipulated time are concerned, they did not satisfy the essential condition for availing the relaxation. Their failure constituted non-compliance with the tender conditions, and the consequences stipulated under the Corrigendum were attracted.

63. Insofar as these petitioners are concerned, there is no material before this Court to demonstrate manifest arbitrariness, mala fides, discrimination or favoritism in the decision making process. Nor can the impugned orders, in their case, be characterized as perverse merely because the petitioners subsequently completed the requisite formalities.

64. That apart, the submission of the learned counsel appearing for the petitioners, to the effect that the extensions granted to the earlier

transporters had a direct bearing on the contracts subsequently awarded to the petitioners as the same vehicles/TTs were involved, is of no consequence in the context of the present case. The provisional extensions granted to the earlier transporters were subject to their consent. Whereas, the LoAs dated 16.09.2025 issued in favor of the petitioners were independent of such contracts/provisional extensions and were expressly made conditional upon compliance with the terms and conditions stipulated in the subject NIT read with the subject Corrigendum. Since no such provisional extensions were contemplated or granted under the NIT in question, the aforesaid submission advanced on behalf of the petitioners cannot be accepted.

65. In view of the aforesaid discussion, the impugned orders of termination insofar as they relate to the petitioners who had complied with the conditions stipulated in the note dated 15.01.2026 cannot be sustained and warrant interference in exercise of the extraordinary writ jurisdiction of this Court.

66. However, insofar as the petitioners who failed to upload the updated RC within the stipulated period and consequently did not satisfy the conditions for availing the relaxation contained in the note dated 15.01.2026 are concerned, the impugned orders do not suffer from any such manifest arbitrariness or perversity as would warrant interference under Article 226 of the Constitution of India. The termination orders in respect of such petitioners, therefore, warrant no interference.

67. Accordingly, the respondent authorities are directed to verify the case of the petitioners as regards whether they have uploaded the RC either along with the amended PESO license or with the stipulated time within which such PESO License would be completed in terms of the note to the E-mail dated 15.01.2026 on or before 21:00 hours of 15.01.2026. Upon such verification being made, the petitioners who

have taken action in terms of the note contained in the E-mail dated 15.01.2026, the respondents shall revoke the termination orders issued to such petitioners in respect of such work orders. However, the termination orders in respect of the remaining petitioners who did not take action in terms of the said note, would continue to operate.

68. It is needless to be clarified that the above exercise shall be completed positively within a period of one month, from the date of receipt of certified copy of this Court's order.

69. With the above observations and directions, these writ petitions stands partly allowed and disposed of.

JUDGE

PKDeka

Pranab
Kumar
Deka

Digitally
signed by
Pranab Kumar
Deka
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