



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF JUNE, 2026

BEFORE

THE HON'BLE MR. JUSTICE D K SINGH

WRIT PETITION NO. 16403 OF 2025 (GM-TEN)

BETWEEN:

1. INDIAN OIL CORPORATION LTD.,
A MAHARATNA COMPANY.
A COMPANY REGISTERED UNDER COMPANIES
ACT 1958
HAVING ITS BANGALORE DIVISIONAL OFFICE AT
'INDIAN OIL BHAVAN', NO. 29,
KALINGA RAO ROAD,
MISSION ROAD,
BENGALURU 560027
REPRESENTED BY ITS AUTHORISED
REPRESENTATIVE,
MR. MAHESH S.,
DIVISIONAL RETAIL HEAD,
BANGALORE

...PETITIONER

(BY SRI. VACHAN H.U, ADVOCATE FOR
MS. KAVITHA DAMODARAN., ADVOCATE)

AND:

1. HMT MACHINE TOOLS LTD
A GOVT. OF INDIA ENTERPRISE, HAVING ITS
REGIONAL OFFICE AT
BANGALORE COMPLEX, JALAHALLI PO,
BENGALURU - 560013
REPRESENTED BY ITS
MANAGING DIRECTOR
2. HINDUSTAN PETROLEUM
CORPORATION LIMITED
HAVING ITS BANGALORE RETAIL

Digitally
signed by
VASANTHA
KUMARY B K
Location:
HIGH
COURT OF
KARNATAKA



REGIONAL OFFICE AT
1ST FLOOR, BSNL CACT,
DOORAVANINAGAR,
K R PURAM, BANGALORE.

...RESPONDENTS

(BY SRI. SHRINIVAS B S., ADVOCATE FOR R1;
SRI. VIKRAM HUILGOL, SENIOR ADVOCATE FOR
SRI. PROMOD ADVOCATE FOR R2)

THIS WP IS FILED UNDER ARTICLE 226 OF THE
CONSTITUTION OF INDIA, PRAYING TO QUASH THE TENDER
DTD 24.05.2025 VIDE LETTER BEARING REF NO.
HMT/AST/LSG/OAA/25-26/108 ISSUED BY THE RESPONDENT
FOR THE SAID OPEN SPACE ANNEX-B COLLY, ETC.

THIS PETITION, COMING ON FOR ORDERS, THIS DAY,
ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE D K SINGH

ORAL ORDER

Heard Sri Vachan H.U., learned counsel for the petitioner
and Sri Shrinivas B. S, learned counsel for respondent No.1 and
Sri Vikram Huilgol, learned Senior Counsel for respondent No.2
I.A.No.4/2025 for Impleading proposed respondent No.2 is
allowed.

2. The petitioner is before this Court impugning the
tender notice dated 24.05.2025 issued by respondent No.1-
Hindustan Machine Tools for the grant of open space land for
setting up a petrol pump. The petitioner has further impugned



the decision of the respondent No.1-HMT in canceling the earlier tender process, in which the petitioner was the highest bidder having offered the highest lease/rent.

3. It is not in dispute that in the earlier tender notice dated 05.03.2025, the offer was not initially extended to the petitioner and however, based on its representation the petitioner was subsequently included in the tender process. By that time, the other oil companies had already submitted their offer, which may have been known to the petitioner. Therefore, in its wisdom and in exercise of its power under Clause-9 of the tender conditions, the HMT cancelled the earlier tender process and invited fresh bids for allotment of the site for setting up of petrol pump by all the Central Public Sector Undertakings. In the second tender process, the Hindustan Petroleum Corporation Limited (HPCL) being the highest bidder was offered the letter of Intent dated 04.07.2025.

4. Learned counsel for the petitioner submits that the cancellation of the first tender was an illegal exercise. The petitioner was the highest bidder for allotment of the site by HMT, and there was no occasion to not allot the site to the



petitioner and call for a second tender. The submission is that calling for the second tender is not a valid and legal exercise. Therefore, the second tendering process should be cancelled and the petitioner to be declared as a successful bidder in light of the fact that it was the highest bidder in the first tender process.

5. Clause-9 of the tender conditions itself provides that it is the absolute discretion of HMT to accept or reject any or all tenders without assigning any reason. It is also not in dispute that the petitioner's bid for allotment of the site after the other oil companies had already submitted their bids, raised an apprehension for HMT that the prices offered by the other oil companies might have been known to the petitioner. Therefore, in their wisdom, they cancelled the first tender. The petitioner participated in the second tendering process in view of the liberty granted by this Court. However, after becoming unsuccessful inasmuch as he was not the highest bidder in the second tendering process, the petitioner has challenged the second tendering process by filing this writ petition.



6. This Court has taken note of Clause-9 of the tender, which reads as under:

"9. **Acceptance/Rejection of Offers**

HMT Machine Tools Lts. reserves the right to accept or reject any or all offers without assigning any reason."

7. It is always open to the tendering authority to accept, reject or cancel the tender process. Such cancellation cannot be called in question. The second tender process cannot be said to be unfair or not transparent when there is no allegation of *mala fides* or arbitrariness in selecting HPCL in the second tender process. The HPCL has offered the highest lease/rent. Therefore, this Court finds no reason to interfere with the decision and the letter of Intent issued in favour of the HPCL. In view thereof, the writ petition lacks merit and is accordingly **dismissed**.

**Sd/-
(D K SINGH)
JUDGE**