HC-KAR

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 10TH DAY OF JUNE, 2026

BEFORE

THE HON'BLE MR. JUSTICE M.G.S. KAMAL

WRIT PETITION NO. 17302 OF 2022 (GM-RES)

C/W

WRIT PETITION NO. 17361 OF 2022 (GM-RES)

IN WP No. 17302/2022

BETWEEN:

M/S. HYDERABAD SCRAP METAL TRADERS
A PROPRIETORSHIP CONCERNED,
NO. 19-1-1888/2, BAHADURPURA,
HYDERABAD-500 064,
REPRESENTED BY ITS PROPRIETOR,
SRI. MIRZA YASEEN BAIG.

...PETITIONER

(BY SRI. KAMALUDDIN.,ADVOCATE)

Digitally signed by SUMA B N
Location: HIGH COURT OF KARNATAKA

AND:

1. M/S. MSTC LIMITED
   19/5 AND 19/6, 3RD FLOOR,
   KAREEM TOWERS,
   CUNNINGHAM ROAD,
   BANGALORE-560 052,
   REPRESENTED BY ITS DEPUTY MANAGER.
   (CENTRAL PUBLIC SECTOR UNDERTAKING)

2. THE KALYANA KARNATAKA ROAD TRANSPORT
   CORPORATION, CENTRAL OFFICE,
   SARIGE SADANA, MAIN ROAD,
   KALBURGI-585 102.

REP. BY ITS CHAIRMAN.

…RESPONDENTS

(BY SRI. H.M. MURALIDHAR.,ADVOCATE FOR R1)

THIS WRIT PETITION IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA, PRAYING TO DIRECT THE RESPONDENTS TO CONSIDER THE REPRESENTATION OF THE PETITIONER DATED 16.08.2022, SENT BY THE PETITIONER FROM HIS EMAIL ADDRESS OF THE R1 MSTCBLY(a)MSTECOMMERCE.COM, TO RETURN/REFUND THE EARNEST MONEY DEPOSIT/SECURITY DEPOSIT OF RS.17,40,000/- PAID BY THE PETITIONER TO THE R1 ANNEXURE-A AND ETC.

IN WP NO. 17361/2022

BETWEEN:

M/S. M. N. STEEL TRADERS
A PROPRIETORSHIP CONCERNED,
NO. 19-1-188/1/2/A,
INSIDE DARGAH SIDDIQ GULSHAN,
BAHADURPURA,
HYDERABAD-500 064,
REPRESENTED BY ITS PROPRIETOR,
SRI. MIRZA YASEEN BAIG.

...PETITIONER

(BY SRI. KAMALUDDIN.,ADVOCATE)

AND:

1. M/S. MSTC LIMITED
   19/5 AND 19/6, 3RD FLOOR,
   KAREEM TOWERS,
   CUNNINGHAM ROAD,
   BANGALORE-560 052,
   REPRESENTED BY ITS
   DEPUTY MANAGER.
   (CENTRAL PUBLIC SECTOR
   UNDERTAKING UNDER

MINISTRY OF STEEL,
GOVERNMENT OF INDIA)

2. THE KALYANA KARNATAKA
ROAD TRANSPORT CORPORATION
CENTRAL OFFICE,
SARIGE SADANA, MAIN ROAD,
KALBURGI-585 102.
(UNDERTAKING OWNED
BY STATE GOVERNMENT,
GOVERNMENT OF KARNATAKA)

...RESPONDENTS

(BY SRI. H.M. MURALIDHAR.,ADVOCATE FOR R1)

THIS WRIT PETITION IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA, PRAYING TO DIRECT THE RESPONDENT TO CONSIDER THE REPRESENTATION OF THE PETITIONER DATED 16.08.2022 SENT BY THE PETITIONER FROM HIS EMAIL ADDRESS TO THE EMAIL ADDRESS OF THE R1 mstcblr@mstcecommerce.COM TO RETURN/REFUND THE EARNEST MONEY DEPOSIT/SECURITY DEPOSIT OF RS.10,20,000/- PAID BY THE PETITIONER TO THE R1(ANNEXURE-A) AND ETC.

THESE PETITIONS, COMING ON FOR PRELIMINARY HEARING IN 'B' GROUP, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE M.G.S. KAMAL

ORAL ORDER

Petitioners are before this Court seeking following reliefs;

"In W.P.No.17302/2022

i. Direct the Respondents to consider the representation of the petitioner dated 16.08.2022 sent by the Petitioner from his email address to the email address of the 1st Respondent mstcblr@mstcecommerce.com, to return/refund the Earnest Money Deposit/Security Deposit of Rs.17,40,000/- paid by the Petitioner to the 1st Respondent (Annexure-A);

ii. Direct the Respondents to return/refund the Earnest Money Deposit/Security Deposit of Rs.17,40,000/- paid by the Petitioner to the 1st Respondent;

iii. Pass such other order/directions or grant such other reliefs as this Hon'ble Court may deem fit in the interest of justice and equity.

In W.P.No.17361/2022

i. Direct the Respondents to consider the representation of the petitioner dated 16.08.2022 sent by the Petitioner from his email address to the email address of the 1st Respondent mstcblr@mstcecommerce.com, to return/refund the Earnest Money Deposit/Security Deposit of Rs.10,20,000/- paid by the Petitioner to the 1st Respondent (Annexure-A);

ii. Direct the Respondents to return/refund the Earnest Money Deposit/Security Deposit of Rs.10,20,000/- paid by the Petitioner to the 1st Respondent;

iii. Pass such other order/directions or grant such other reliefs as this Hon'ble Court may deem fit in the interest of justice and equity."

2. Learned counsel for the petitioners submits;

(a) that petitioners are the scrap material dealers who had participated in the e-Auction process floated by respondent No.1 for sale of scrapped vehicle and lot of different items like Tyres, Mild Steel, Aluminum, Auto Grade-I and Grade-II etc. Petitioner in W.P.No.17302/2022 had paid EMD amount of Rs.17,40,000/- and petitioner in W.P.No.17361/2022 had paid the EMD amount of Rs.10,20,000/- respectively before the e-Auction and the said amounts were paid into the accounts of respondent No.1.

(b) that in terms of clause (2) of the tender documents produced at Annexure-B in these petitions, all bids will be valid for acceptance by the Seller/MSTC for a period of 60 (sixty) days from the date of closing of the E-Auction (excluding the date of closing of e-Auction). In case the 60th day falls on a holiday or remains closed for Seller/MSTC, such bids shall automatically extend to be valid upto the next working day of Seller/MSTC.

(c) that as per clause (6) of the terms and conditions of e-Auction, on completion of e-Auction, respondent No.1 is required to issue acceptance letter/sale order.

(d) that as per clause (15) of the Buyer Specific Terms and Conditions (BSTC) as per Annexure-B1, the actual contract between the respondent No.1 and buyer would be deemed to have been concluded only after ink signed copy of acceptance letter/sale order has been issued by the respondent No.1.

(e) that in the instant case, even after expiry of 60 days, no action has been taken for acceptance of the tender document. Petitioners therefore made representations on 16.08.2022 through their emails seeking refund of the EMD amounts as per Annexure-A in both the petitions.

(f) that non-acceptance of tender within the time stipulated has resulted in financial loss to the petitioners and despite petitioners making several representations, the same have not been considered favourably. Hence, the petitions.

3. Learned counsel for the respondents in response submits given some time representations of the petitioners would be considered in accordance with law.

4. Submission is taken on record.

5. In view of the aforesaid factual aspect of the matter, following;

ORDER

(i) Petitions are ***partly allowed*****.**

(ii) Respondent No.1 is directed to consider the representations of the petitioners dated 16.08.2022 as per Annexure-A in both the writ petitions and pass appropriate order thereon, within an outer limit of 8 weeks from the date of receipt of certified copy of this order.

Sd/-
(M.G.S. KAMAL)
JUDGE

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List No.: 1 Sl No.: 39