



CNR: KAHC010504892026

NC: 2026:KHC:48537-DB
WA No. 1803 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 8TH DAY OF SEPTEMBER, 2026

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MRS. JUSTICE K.S. HEMALEKHA

WRIT APPEAL NO. 1803 OF 2026 (GM-TEN)

BETWEEN:

1. M/S INDIAN OIL CORPORATION LIMITED
A MAHARATNA COMPANY
HAVING ITS BANGALORE DIVISIONAL OFFICE AT
INDIAN OIL BHAVAN, NO. 29
KALINGA RAO ROAD, MISSION ROAD
BENGALURU - 560 027
REPRESENTED BY
DIVISIONAL RETAIL HEAD
MR. MAHESH S

...APPELLANT

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

AND:

1. HMT MACHINE TOOLS LTD.
HAVING ITS REGIONAL OFFICE AT
BANGALORE COMPLEX, JALAHALLI PO
BENGALURU - 560 013



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REPRESENTED BY GM
MR. SUMIT SADYA

2. HINDUSTAN PETROLEUM CORPORATION LTD.
HAVING ITS BANGALORE RETAIL
REGIONAL OFFICE AT
1ST FLOOR, BSNL CACT, DOORAVANINAGARA
KRISHNARAJAPURAM
BANGALORE - 560 016
REPRESENTED BY ITS
CHIEF REGIONAL MANAGER AND
DULY CONSTITUTED ATTORNEY
MR. BHUVAN SOOD

...RESPONDENTS

(BY SRI SHRINIVAS B.S., ADVOCATE FOR R-1,
SRI VIKRAM HUILGOL, SENIOR ADVOCATE FOR
SRI SANDEEP LAHARI, ADVOCATE AND
SMT. DEEPIKA JOSHI, ADVOCATE FOR R-2)

THIS WRIT APPEAL IS FILED UNDER SECTION 4 OF THE
KARNATAKA HIGH COURT ACT, 1961 READ WITH RULE 27 OF
WRIT PROCEEDING RULES, 1977 PRAYING TO SET ASIDE THE
SAID IMPUGNED JUDGMENT OF THE HON'BLE SINGLE JUDGE
DATED 24.06.2026 IN WRIT PETITION No. 16403/2025 & ETC.

THIS APPEAL, COMING ON FOR PRELIMINARY HEARING,
THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:



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CORAM: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE
and
HON'BLE MRS. JUSTICE K.S. HEMALEKHA

ORAL JUDGMENT

(PER: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE)

1. The appellant, M/s.Indian Oil Corporation Limited [**IOCL**], has filed the present appeal impugning an order dated 24.06.2026 passed by the learned Single Judge in W.P.No.16403/2025 (GM-TEN).

2. IOCL filed the said petition impugning a notice inviting tender dated 24.05.2025 issued by respondent No.1, Hindustan Machine Tools Limited [**HMT**], as also the letter dated 10.05.2025 by which HMT had closed the earlier offer process. HMT issued the said notice inviting sealed offers for licensing of an open space of land admeasuring 15,000 square feet forming part of the 'Open Air Auditorium' premises in Survey No.7, Myakalachannenhalli, Jalahalli, Bengaluru [**the subject land**] for setting up a retail petroleum outlet.

3. IOCL states that HMT issued a notice in January 2025 inviting proposals from a few oil marketing companies to set up a



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petroleum outlet on the subject land, as mentioned above. But, it was not informed about the said tender and therefore, could not participate. However, on becoming aware of the same, IOCL approached HMT with a request that it also be permitted to participate. HMT acceded to the said request and by its letter dated 21.02.2025, invited IOCL to participate and convey its expression of interest. IOCL conveyed its interest by its letter dated 04.03.2025, requesting HMT to permit IOCL to participate in the tender process and furnish its expression of interest. HMT complied with the said request and furnished the tender documents to IOCL. HMT also extended the last date for furnishing the bid (which was on 20.03.2025) to 10.04.2025. IOCL furnished its bid and claims it was the highest.

4. Notwithstanding the above, HMT issued a notice inviting fresh tenders on 24.05.2025 on terms and conditions similar to the earlier notice. IOCL challenged the notice by filing W.P.No.16403/2025 (GM-TEN). According to IOCL, since its bid was the highest, there was no need to issue further tenders.



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5. HMT filed its statement of objections stating that it had issued a limited invitation to submit offers on 28.11.2024, which was confined to two oil marketing companies-Bharat Petroleum Corporation Limited [**BPCL**] and respondent No.2-Hindustan Petroleum Corporation Limited [**HPCL**]. HMT claimed that this limited invitation was neither discriminatory nor arbitrary as IOCL already operated a petroleum outlet in the vicinity of the subject land. The time for furnishing of the bids was extended to 10.01.2025 and the bids were also opened on 20.01.2025. HPCL had quoted a sum of ₹59 per square feet and BPCL had quoted an amount of ₹49 per square feet. Thus, HPCL's offer was the highest.

6. However, IOCL becoming aware of the same had approached HMT with a request to be included in the bidding process and therefore, HMT had acceded to the said request. IOCL's bid of ₹60.93 per square feet was higher than the bids submitted by BPCL and HPCL. HMT claimed that IOCL's offer was a strategic offer as IOCL had become aware of these bids submitted by the other participating companies. The other participating companies raised an objection regarding IOCL being permitted to furnish its bid after they had submitted their bids;



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therefore, HMT cancelled the earlier notice and issued a fresh tender notice dated 24.05.2025.

7. The learned Single Judge referred to clause 9 of the General Terms and Conditions for licensing dated 05.03.2025, which reserved HMT the right to accept or reject any or all offers without assigning any reason. IOCL had participated in the earlier process on the basis of the said terms and conditions, which included the said clause, without any reservations.

8. It is also relevant to note that IOCL had participated in the fresh tender, which is challenged in W.P.No.16403/2025, and was not successful since HPCL's bid was found to be highest.

9. We find no infirmity in the learned Single Judge's decision rejecting IOCL's writ petition. Plainly, IOCL has no vested right to have been granted the subject land merely because it had furnished a bid. We find that HMT cancelled the earlier tender for duly substantiated reasons.

10. At this stage, the learned counsel for IOCL submits that IOCL had been initially excluded from the tender process on the ground



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that it had operated a petrol pump in the vicinity. He submits that this could not possibly be a ground for excluding IOCL in the first place and the same is discriminatory and violative of Article 14 of the Constitution of India.

11. *Prima facie*, we find little merit in the aforesaid contention. It was open to HMT to take into consideration the fact that IOCL already had a petroleum outlet in the immediate vicinity. HMT's reasoning that it did not consider it in the public interest to permit multiple retail outlets of the same company in proximity and preferred that the customers have a choice, cannot be said to be arbitrary or unreasonable. However, it is not necessary to examine this question in detail. There is no justification for raising this contention at this stage. We say so because IOCL requested HMT to permit it to participate in the tender process, and HMT duly permitted it. Thereafter, this grievance does not survive.

12. In view of the above, the present appeal is dismissed with costs quantified at ₹10,000/-. The costs shall be deposited by the appellant with the Karnataka State Legal Services Authority (KSLSA), Bengaluru, within a period of two weeks from date.



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13. In view of dismissal of the appeal, the pending interlocutory application stands disposed of.

**Sd/-
(VIBHU BAKHRU)
CHIEF JUSTICE**

**Sd/-
(K.S. HEMALEKHA)
JUDGE**

KPS
List No.: 2 Sl No.: 9