



CNR: KAHC010628942026

NC: 2026:KHC:49180
WP No. 28592 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 9TH DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE C.M. POONACHA

WRIT PETITION NO. 28592 OF 2026 (GM-TEN)

BETWEEN:

M/S CANWORK AMENITIES PRIVATE LIMITED
REGISTERED UNDER COMPANIES ACT, 2013
HAVING ITS REGISTERED OFFICE AT:
2/110 A, KARIPPAYI ROAD
RAJAGIRI P.O., KALAMASSERY
ENRAKULAM DISTRICT
KERALA - 683 104
REPRESENTED BY ITS AUTHORISED SIGNATORY
SRI. ANTONY THARU

...PETITIONER

(BY SRI. BAPAT SAMPATH VINAYAKA RAO, ADVOCATE)

AND:

1. UNION OF INDIA
REPRESENTED BY ITS SECRETARY
MINISTRY OF RAILWAYS
RAILWAY BOARD
RAIL BHAVAN,
NEW DELHI - 110 001
2. THE GENERAL MANAGER
SOUTH WESTERN RAILWAY
RAIL SADAN, GADAG ROAD
HUBBALLI - 580 020

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signed by
BHARATHI S
Location:
HIGH
COURT OF
KARNATAKA



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3. THE DIVISIONAL RAILWAY MANAGER
BENGALURU DIVISION
SOUTH WESTERN RAILWAY
WORKS BRANCH
BENGALURU - 560 023.
4. THE SENIOR DIVISIONAL MECHANICAL ENGINEER
SOUTH WESTERN RAILWAY
BENGALURU DIVISION
BENGALURU - 560 023
5. THE TENDER COMMITTEE
SOUTH WESTERN RAILWAY
BENGALURU DIVISION
BENGALURU - 560 023

...RESPONDENTS

(BY SRI. ARAVIND KAMATH, ADDL. SOLICITOR GENERAL, AND
SRI. VINAY VENUGOPAL, ADVOCATE)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF
THE CONSTITUTION OF INDIA PRAYING TO DIRECTING
RESPONDENT NOS. 2 TO 5 TO RECONSIDER REJECTION OF
PETITIONERS TECHNICAL BID IN EVALUATION OF GEM BID
NO. GEM/2026/B/7607219 DATED 05.06.2026 VIDE
ANNEXURE-A AND GRANT SUCH OTHER RELIEFS AS THIS
HON'BLE COURT DEEMS FIT IN THE FACTS AND
CIRCUMSTANCES OF THE CASE, IN THE INTEREST OF JUSTICE.

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



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CORAM: HON'BLE MR. JUSTICE C.M. POONACHA

ORAL ORDER

The present writ petition is filed seeking the following reliefs.

"a) issue a writ of Mandamus directing Respondent Nos. 2 to 5 to reconsider rejection of petitioners technical bid in evaluation of GEM Bid No. GEM/2026/B/7607219 dated 05.06.2026 vide Annexure-A; and Grant such other reliefs as this Hon'ble Court deems fit in the facts and circumstances of the case, in the interest of justice."

2. Heard the learned counsel appearing for the petitioner and learned Additional Solicitor General for the official respondents.

3. The petitioner has participated in the tender floated (Annexure -A to the writ petition) by the respondent No.4 for providing "Linen Distribution Services in AC Coaches of Primary Trains at YPR Coaching Depot, Bengaluru Division, for a period of four (4) years on Manpower Basis", for a total value of Rs.45,53,71,361/-.

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4. The bid of the petitioner was disqualified vide communication dated 31.08.2026 (Annexure-G to the writ petition). The rejection was primarily on two grounds: i) that the power of attorney submitted by the bidder is not valid and enforceable; ii) that the bidder failed to fulfill the technical eligibility condition of T2 liquidity.

5. With regard to the first condition, it is the contention of the petitioner that the Special Power of Attorney dated 24.06.2026 (Annexure-B to the Writ Petition) was furnished. Consequent to the same, the respondent-authority vide communication dated 05.08.2026, (Annexure-E to the writ petition) has sought clarification from the advocate and the notary who attested the special power of attorney as to whether, the said SPA¹ was insufficiently stamped. An E-mail dated 07.08.2026 (Annexure-F to the writ petition) has been issued in response to the said clarification.

¹ Special Power of Attorney



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6. With regard to the liquidity certificate, the bidders were required to furnish a bank certificate, a sample format of which was furnished along with the tender documents. The said sample format reads as under:

"SAMPLE FORMAT FOR BANKING ENCE FOR LIQUIDITY

BANK CERTIFICATE

This is to certify that M/s..... is reputed company with a good financial standing. If the contract for the work, namely..... is awarded to the above firm, we shall be willing to provide overdraft credit facilities to the extent of Rs.....to meet their working capital requirements for securing the above contract.

Signature with date:.....

Designation:.....

Name of Bank:.....

Address of the Bank:.....

Note:

The audited balance sheet and/or banking reference certified by chartered accountant with her stamp, signature and member ship number shall be submitted by the bidder along with the bid.

*The bank Certificate shall be 5% of the advertised value of the bid. Banking reference should contain in clear terms the amount that bank will be in a position to lend for **this work to the applicant/** member of the Joint venture/consortium. In case the net current assets (as seen from the balance sheets) are negative only the banking references will be considered. Otherwise aggregate of the net current assets and submitted banking references will be considered for working out the liquidity. The banking reference should be from a scheduled bank in India and it should not be more than 3 months old as on date of submission of bid.*

*Name and Signature of the Tenderer
with the Seal and Date"*

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7. The petitioner has furnished a solvency certificate 22.06.2026 from its banker (Annexure-D to the writ petition). The said solvency certificate is extracted hereunder for a ready reference.

SOLVENCY CERTIFICATE

This is to state that to the best of our knowledge and Information CANWORK AMENITIES PRIVATE LIMITED, a customer of our tank, is respectable and can be treated good up to a sum of Rs 2,27,68,600- (Rupees Two Crore Twenty Seven Lakh and Six Hundred only). It is clarified that this information is furnished without any risk and responsibility on our part in any respect whatsoever more particularly either as guarantor or otherwise. This Certificate is issued at the specific request of the customer for producing to Indian Railway, Bangalore Division South Western Railway for the purpose of tender No. GUM/2026/3/7607219 for the work of Provision of Linen Distribution Services in AC Conches of Primary Trains at YPR Coaching Depot, Bengaluru Division, for a Period of Four (04) Years on Manpower Basis through GeM.

<i>For THE FEDERAL BANK LTD.</i>	<i>For THE FEDERAL BANK LTD</i>
<i>Sheelu Renjil (SP No:4867)</i>	<i>Merin P Jose (SP No. 8401)</i>
<i>Manager</i>	<i>AEVP & Branch Head</i>
<i>Name and Signtaure of Officer</i>	<i>Name & Signature of the</i>
	<i>Issuing Branch Hotel</i>

To

*Indian Railways,
Bangalore Division, South Western Railway
(Office Seal)*

For CANWORK AMENITIES PVT

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Place: KALAMASSERY

Date: 22/06/2026"

8. It is clear and forthcoming from a bare perusal of the said solvency certificate that the same is not in terms of the bank certificate as was stipulated to be furnished by the tenderers; in as much as under the bank certificate, the banker of the tenderer was required to undertake its willingness to provide overdraft/credit facilities to meet the working capital requirements for execution of the tender. However, the perusal of the solvency certificate would clearly indicate that the banker of the tenderer has not undertaken to furnish the said overdraft/credit facilities.

9. The learned counsel for the petitioner places reliance on the judgment of Supreme Court in the case of ***B.S.N. Joshi and Sons Ltd. Vs. Nair Coal Services Ltd and Others***², more particularly para 66 of the said judgment and contends that, as long as the essential conditions are adhered to the other conditions could be relaxed and

² (2006) 11 SCC 548



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compliance of the same could be furnished in due course.

Para 66 of the said judgment reads as under:

"66. We are also not shutting our eyes towards the new principles of judicial review which are being developed; but the law as it stands now having regard to the principles laid down in the aforementioned decisions may be summarised as under:

(i) if there are essential conditions, the same must be adhered to;

(ii) if there is no power of general relaxation, ordinarily the same shall not be exercised and the principle of strict compliance would be applied where it is possible for all the parties to comply with all such conditions fully;

(iii) if, however, a deviation is made in relation to all the parties in regard to any of such conditions, ordinarily again a power of relaxation may be held to be existing;

(iv) the parties who have taken the benefit of such relaxation should not ordinarily be allowed to take a different stand in relation to compliance with another part of tender contract, particularly when he was also not in a position to comply with all the conditions of tender fully, unless the court otherwise finds relaxation of a condition which being essential in nature could not be relaxed and thus the same was wholly illegal and without jurisdiction;

(v) when a decision is taken by the appropriate authority upon due consideration of the tender document submitted by all the tenderers on their own merits and if it is ultimately found that successful bidders had in fact substantially complied with the purport and object for which essential conditions were laid down, the same may not ordinarily be interfered with;

(vi) the contractors cannot form a cartel. If despite the same, their bids are considered and they are given an

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offer to match with the rates quoted by the lowest tenderer, public interest would be given priority;

(vii) where a decision has been taken purely on public interest, the court ordinarily should exercise judicial restraint."

10. The judgment in the case of **B.S.N Joshi²** would not aid the case of the petitioner inasmuch as the requirement of furnishing a bank certificate is an essential condition of the contract since the same would go to the root of the matter as to the ability of the tenderer to undertake due performance of the tender.

11. In view of the same the relief sought for by the petitioner in the present petition does not merit consideration.

12. Accordingly, the writ petition is dismissed as being devoid of merits.

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(C.M. POONACHA)
JUDGE