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WP.No.23974 of 2025

In the High Court of Judicature at Madras

Reserved on 28.8.2025	Delivered on : 01.9.2025
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Coram :

The Honourable Mr.Justice N.ANAND VENKATESH

Writ Petition No.23974 of 2025
& WMP.No.26955 of 2025

M/s.Promedia Trading Private
Limited rep.by its Managing
Director

...Petitioner

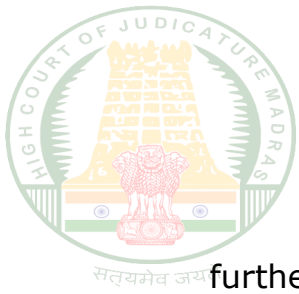
Vs

1.The Airports Authority of
India, Chennai International
Airport, Chennai-600016
rep.by the Airport Manager

2.The Joint General Manager
(Commercial), Airports Authority
of India, Chennai International
Airport, Chennai-600016.

...Respondents

PETITION under Article 226 of The Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus to call for the records pertaining to the impugned order passed in proceedings CL-13027/3/2019-APD-CHENNAI/603 dated 20.6.2025 and all its further proceedings on the file of the respondents herein, quash the same and



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further direct the 2nd respondent to award the contract to the petitioner being H1 bidder.

For Petitioner : Mr.Om Prakash, SC for
Mr.S.D.Ramalingam

For Respondents : Mr.Arun C.Mohan, assisted by
Mr.K.Venkatesan, Standing Counsel

ORDER

The writ petition has been filed challenging the communication dated 20.6.2025 issued by the second respondent intimating the petitioner that the Competent Authority decided to reject the bid submitted by the petitioner and for a consequential direction to the second respondent to award the contract to the petitioner.

2. Heard both.

3. The case of the petitioner is as follows :

(i) On behalf of the first respondent, the second respondent issued a tender notice inviting bids for the grant of licence to provide 'meet and greet services' at Chennai International Airport. The petitioner submitted their tender on 18.1.2025. On 24.1.2025, the



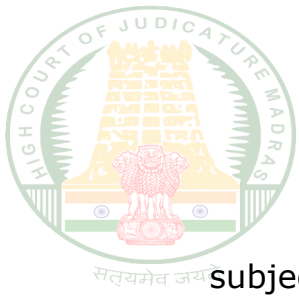
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respondents confirmed that the petitioner's bid had been duly admitted by the Committee. Further, the petitioner was advised to contact the Tender Inviting Authority for any information or clarification in relation to the bid process.

(ii) On 03.2.2025, the petitioner was requested to upload the requisite documents by using the 'shortfall document' option within the designated time frame. The petitioner promptly complied with the same by uploading necessary documents and it was duly accepted by the respondents. The petitioner was also informed that their bid has been duly accepted during the technical evaluation by the Committee so constituted. The opening of the financial bids was scheduled on 02.4.2025. The petitioner was the only bidder, who went upto the stage of financial evaluation and the other two tenders were rejected even at the stage of technical evaluation.

(iii) The financial bid was not opened for a considerable period of time and there was an undue delay. In view of the same, the petitioner submitted a representation to expedite the process and to open the financial bid at the earliest. Later, the petitioner came to understand that the Committee opened the financial bid of the petitioner on 11.6.2025, in which, the petitioner was H1 bidder for the



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subject tender. Even thereafter, there was a delay and no further action was taken.

(iv) The grievance of the petitioner is that they received the impugned communication from the second respondent informing the petitioner that the bid submitted by the petitioner has been rejected and that the tender itself stood cancelled. Aggrieved by that, the above writ petition has been filed.

4. The respondents filed a counter affidavit wherein they took the following stand :

(i) As per Clause 14.7 of the Tender Notice, the issuance of tender does not bind the AAI to select all the proposals and the AAI reserves the right to reject any or all bids without assigning any reason. In the case of the petitioner, when the bid was submitted on 17.1.2025, it was incomplete since the unconditional acceptance was not submitted by the petitioner. Hence, all the three bidders were given an opportunity on 03.2.2025 to submit their shortfall documents. This did not create any determinative conclusion on the part of the respondents.



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(ii) The petitioner re-uploaded the complete unconditional acceptance dated 04.2.2025. Thereafter, the petitioner was informed that the bid was under consideration and that it was admitted. However, before finalisation, the respondents became aware of the Airports Authority of India (AAI) Commercial Manual 2019, which mandates rejection of incomplete submission of the unconditional acceptance. Since the petitioner did not fulfil this mandate, the petitioner's bid was cancelled.

(iii) The bids submitted by two other bidders were also rejected on other grounds. Thus, all the three bids were rejected and a decision was taken to conduct a fresh tender process. In view of the same, the respondents sought for dismissal of this writ petition.

5. This Court has carefully considered the submissions made on either side and perused the materials available on record and more particularly the impugned communication.

6. It is not in dispute that the petitioner was required to submit the unconditional acceptance letter, which is a mandate under the e-Tender Notice.



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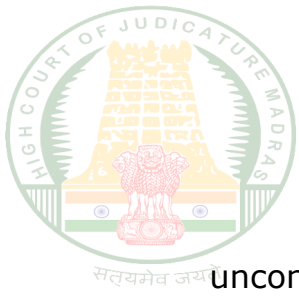
7. Clause 7.9.5 of the AAI Commercial Manual, 2019 was amended with effect from 03.9.2024. For proper appreciation, the amended Clause is extracted as hereunder :

"During scrutiny process, if it is observed that documents are deficient i.e. the party has not submitted documents as per NIT/Tender Document, or certain clarifications are required then, with the approval of NIT Approving Authority, copies of the said document(s) can be sought. But, in case EMD or tender fee or unconditional acceptance letter is not submitted by the party, then the said bid may be rejected straight away, without seeking any shortfall documents/ clarification.

The shortfall documents and clarifications thereof should only be sought through e-tender portal only in case of e-tenders.

Maximum two opportunities only should be given to the bidders to provide documents/ Clarifications."

8. The above extracted clause states that during the scrutiny process, leverage has been given for submitting the unsubmitted documents with the approval of the Authority concerned. However, this privilege is not available with respect to non submission of the



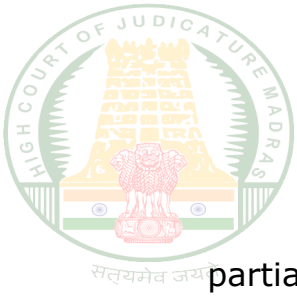
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unconditional acceptance letter, which entails the bid to be rejected straight away without seeking any shortfall documents/clarification. When the e-Tender Notice was issued in December 2024, this clause had already come into force. This was also available in the website.

9. The second respondent informed the petitioner through e-mail dated 03.2.2025 that the petitioner could upload the shortfall document by using the shortfall document option through the window within the period from 03.2.2025 at 4 PM to 08.2.2025 at 4 PM. Using this opportunity, the petitioner submitted the unconditional acceptance letter dated 04.2.2025. Thereafter, through the e-mail dated 01.4.2025, the petitioner was informed that the tender submitted by them had been accepted during the technical evaluation by the Committee and that the financial bid opening was fixed on 02.4.2025. The petitioner was also informed through the e-mail dated 11.6.2025 that their bid had been admitted by the Committee and that the petitioner was asked to get in touch with the Tender Inviting Authority.

10. On 20.6.2025, through the impugned communication, the petitioner was informed that while submitting the tender document, a



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partial unconditional acceptance letter dated 17.1.2025 was submitted, that the complete unconditional acceptance letter dated 04.2.2025 was submitted under the shortfall window and that in view of the same, the Competent Authority took a decision to reject the bid of the petitioner and cancel the subject tender.

11. The e-Tender Notice itself states that the AAI reserves the right to reject all or any of the tenders or bids without assigning any reasons. That apart, Clause 14.6 of the Tender Notice also makes it clear that the AAI reserves the right to seek for any clarification on the documents submitted at any stage and reject the conditional tenders without assigning any reason. The AAI had the power and jurisdiction to cancel/reject any bid.

12. The only issue that has to be considered in this writ petition is as to whether there was any arbitrariness on the part of the respondents while rejecting the bid of the petitioner after accepting the shortfall document namely the complete unconditional acceptance letter dated 04.2.2025.



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13. The respondents committed a mistake by accepting the complete unconditional acceptance letter dated 04.2.2025 since Clause 7.9.5 of the AAI Commercial Manual, 2019, as amended with effect from 03.9.2024 makes it clear that submission of the unconditional acceptance letter was mandatory, that it was not a curable defect and that based on that, the bid could be straight away rejected.

14. The learned Senior Counsel appearing on behalf of the petitioner submitted that the word used in Clause 7.9.5 of the amended AAI Commercial Manual, 2019 is "**may**" and not "**shall**" and that therefore, discretion was available for the respondents to accept the shortfall document.

15. The above submission made on behalf of the petitioner is not sustainable. This is in view of the fact that where the unconditional acceptance letter does not form part of the documents submitted at the time of submitting the technical bid, the respondents cannot even seek for uploading such a shortfall document. If such discretion is available to the respondents, there was no need for them to amend Clause 7.9.5 of the AAI Commercial Manual, 2019. The amendment



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has made it clear that in case the EMD or tender fee or unconditional acceptance letter is not submitted, the bid can be rejected straight away without even seeking for uploading the shortfall document.

16. In so far as the other shortfall documents are concerned, the Authority has been given the discretion to seek for the documents or necessary clarification during the process of scrutiny.

17. The respondents took a decision to reject the bid of the petitioner since the acceptance of the bid of the petitioner will become a subject matter of litigation even if the subsequent uploading is allowed and the unsuccessful bidders will obviously question the acceptance of the bid of the petitioner in spite of non compliance of a mandate, which automatically results in the rejection of the bid.

18. In the light of the above discussions, this Court holds that the decision taken by the second respondent does not suffer from any illegality warranting the interference of this Court.



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19. The learned Standing Counsel appearing for the respondents submitted that the respondents are ready to take immediate steps to float a fresh tender, in which, the petitioner can also participate.

20. Hence, the case in hand does not require exercising the discretionary power of this Court under Article 226 of The Constitution of India.

21. Accordingly, the writ petition is dismissed. There shall be a direction to the respondents to take immediate steps to float a fresh tender. It goes without saying that the petitioner can participate in the fresh tender once such tender notification is issued and bids are called for. No costs. Consequently, the connected WMP is also dismissed.

01.9.2025

To

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India, Chennai International
Airport, Chennai-600016
rep.by the Airport Manager

2.The Joint General Manager
(Commercial), Airports Authority

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of India, Chennai International
Airport, Chennai-600016.

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