IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.16712 of 2026

CNR No. BRHC011155142026

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M/s NATURALS DAIRY (P) LTD., a company registered under the Companies Act, 1956, having its registered office at Plot No. NS-11, Patliputra Industrial Area, 1st Plot at BIADA Gate No. 5, Town and District Patna, through its authorised representative Sri Chanakya Vishnugupta, aged about 55 years, Gender - Male, s/o Shri Krishna Chaitanya Jaiswal, r/o Flat No. 301, Sumitra Enclave, Road No. 8B, Rajendranagar, Patna-800016.

... ... Petitioner/s

Versus

1. The Union of India through the Secretary, Ministry of Petroleum and Natural Gas, Government of India, Shastri Bhawan, New Delhi.
2. The Secretary, Ministry of Petroleum and Natural Gas, Government of India, Shastri Bhawan, New Delhi.
3. Bharat Petroleum Corporation Limited, Bharat Bhawan, 4 and 6 Currimbhoy Road, Ballard Estate, Mumbai, through its Chairman-cum-Managing Director.
4. The Executive Director Biofuels (Retail), HQ, Bharat Petroleum Corporation Limited, 4 and 6 Currimbhoy Road, Ballard Estate, Mumbai.
5. The Procurement Leader - Group 8, Central Procurement Organization (Marketing), Bharat Petroleum Corporation Limited, A Installation, Sewree Fort Road, Sewree (East), Mumbai 400015.
6. Indian Oil Corporation Limited, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai - 400051, through its Chairman-cum-Managing Director.
7. The Chief General Manager - Biofuels, HO, Indian Oil Corporation Limited, G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai 400051.
8. Hindustan Petroleum Corporation Limited, Petroleum House, 17, Jamshedji Tata Road, Mumbai 400020, through its Chairman-cum-Managing Director.
9. The Chief General Manager SOD, ECZ, Hindustan Petroleum Corporation Limited (Biofuels), Petroleum House, 17, Jamshedji Tata Road, Mumbai - 400020.

... ... Respondent/s

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Appearance :
For the Petitioner/s : Mr. Sanjay Singh, Sr. Advocate
Mr. Nikhil Kumar Agrawal, Advocate
Mrs. Aditi Hansaria, Advocate
Ms. Chitra Dwivedi, Advocate
For the Union of India : Mr. Aarsh Kumar, CGC
For the OMC : Mr. Ankit Katriar, Advocate

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CORAM: HONOURABLE THE CHIEF JUSTICE
and
HONOURABLE MR. JUSTICE PARTHA SARTHY

ORAL JUDGMENT
(Per: HONOURABLE THE CHIEF JUSTICE)

Date : 29-10-2026

This petition has been filed with the prayer to quash the action of Respondent Nos. 3 to 9 for excluding the petitioner from the list of registered vendors and thereby shutting the petitioner out of the Quantity Bid Tender for supply of around 1100 crore litres of Denatured Anhydrous Ethanol for the Ethanol Supply Year (ESY) 2026-2027, Tender ID 26985 without any notice, hearing or written order and to issue an appropriate writ, order or directions in the nature of *mandamus* commanding the respondents to treat the petitioner as a registered vendor and to permit it to participate in the aforesaid tender and for a direction that the termination Letter dated 28.02.2025 having been set aside by this Court vide Order dated 06.05.2026 cannot be made the basis for denying vendor registration or tender participation to the petitioner and for a further issuance of writ of *mandamus* commanding the respondents to consider and decide the petitioner's

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representation dated 26.10.2026 by a reasoned order and to issue a writ of *certiorari* quashing the OMCs dated 12.10.2026 in so far as it rejects the petitioner's request for extension of the date of commencement of commercial supply under the Long Term Offtake Agreement dated 13.01.2022.

2. The facts to be noted are that the petitioner was shortlisted, pursuant to EOI Tender floated by BPCL on behalf of IOCL, BPCL and HPCL for establishment of Dedicated Ethanol Plants (DEPs) in ethanol-deficit States pursuant to the Letter of Intent dated 13.11.2021. The petitioner entered into Long Term Offtake Agreement (LTOA) dated 13.01.2022 for supply of Denatured Anhydrous Ethanol from the proposed 100 KLPD grain-based DEP at Village Panapur, Motipur, District Muzaffarpur, Bihar. Under the LTOA, commercial supply was to commence within the stipulated period from the effective dated of LTOA. The original commencement date was thereafter extended by the OMCs on two occasions with the final extended deadline expiring on 31.03.2024. The company's further request dated 31.03.2024 was pending and subsequently, considered by this Court in the earlier round of litigation being CWJC No. 5685 of 2025, which was disposed of on 06.05.2026, whereby this Court has in Paragraph No.28 stated as under:

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> *"28. Having regard to the above mentioned facts and circumstances, both the impugned order of termination dated 28.02.2025 and the order of rejection dated 09.06.2025 are set aside, the respondent authorities are directed to reconsider the application for extension of time made by the petitioner afresh duly taking into consideration the stage of completion of the project, the time for starting the commercial production and pass a reasoned order. The authority shall take the decision as expeditiously as possible preferably within a period of four weeks from the date of receipt of a copy of this order. The petitioner is also given liberty to file necessary documents/photos or any other supporting material to evidence the stage of project and also given an undertaking before the authority with regard to the time required for completing the project and starting of the commercial production."*

3. Pursuant thereto, the respondents have passed the order dated 12.10.2026, which is also under challenge. The respondents have in Paragraph No. 11 stated as under:

> *"10. Finding*
> *Upon an overall consideration of the directions of the Hon'ble High Court, the present representation dated 20.08.2026, the additional communication dated 21.09.2026 and documents submitted pursuant thereto, the Proceedings of the*

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personal hearing dated 21.09.2026, the updated project status report dated 21.09.2026, the oral submissions made during the hearing, the undertaking to commence commercial supply by 31.03.2027, the financing submissions and IREDA's letter dated 31.08.2026, the DFPD notification relied upon, and the present procurement circumstances, the OMCs find that the Company's submissions and circumstances have been duly considered but do not justify grant of the further extension sought.

The OMCs have consciously considered the stage of completion and the time proposed for commercial production, as directed by the Hon'ble High Court. The latest project consultant's report records mechanical completion proposed by 31.12.2026, trial runs during January 2027, tentative commercial production from 15.02.2027 and commercial commencement, as a precaution and safety measure, by 31.03.2027. The decision is based on the present facts of the petitioner's case, the material actually placed on record, the submissions made during the hearing, the updated project report and the current procurement circumstances, and not on the

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earlier reasons which were set aside by the Hon'ble Court. The substantial investment and progress of the project, the reasons for delay recorded in the updated report, IREDA's financial exposure and the financing hardship asserted by the Company have been duly recognized and considered, but they do not, in the circumstances of the present case, establish a sufficient basis for preserving the preferential offtake commitment under the LTOA after expiry of the twice-extended deadline. The separate request concerning participation in the forthcoming Annual Allocation Bid and exemption from CTO/PESO submission at the bidding stage is subject to the applicable bid conditions and statutory requirements and is not granted through this order.

11. Decision

In view of the foregoing, and after fresh and case-specific consideration in compliance with the order dated 06.05.2026 passed by the Hon'ble High Court of Judicature at Patna in CWJC No. 5685 of 2025, the Company's request for extension of the date for commencement of commercial supply under the LTOA dated 13.01.2022, as amended on 14.04.2023, up to 31.03.2027 is hereby rejected.

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The request for execution of a modified Tripartite Agreement with IREDA, insofar as it is premised upon continuation/ extension of the LTOA, is also not acceded to. The Company and IREDA may, subject to applicable policy, tender conditions, statutory approvals and the requirements of the financing institution, pursue such other financing and ethanol procurement arrangements as may be available to them. The Company's request for participation in the forthcoming Annual Allocation Bid with exemption from final CTO & PESO approvals at the bidding stage cannot be granted by this order as the same shall be governed by the applicable Annual Allocation Bid/tender conditions and statutory requirements".

4. Today, having noted the prayers for which the petition has been filed, we find the submission of learned Senior counsel is primarily in equity. Though the learned Senior Counsel for the petitioner made submissions on merits of the order, he also states that the petitioner is invoking the equitable jurisdiction of this Court under Article 226 of the Constitution of India. He would submit that if the period till 31.03.2027 is not extended, then a lot of hardship shall be caused to the petitioner. It would be ultimately a case where the petitioner

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suffers financially.

5. On the other hand, the petition is being contested by the learned counsel for the respondents by filing a note of preliminary submissions.

6. Having considered the stand taken by the parties, we are of the view that the respondents have pursuant to the judgment of this Court passed a detailed order rejecting the request made by the petitioner for extension till 31.03.2027. The same cannot be interfered with as the same is for good and valid reasons, we note even after more than four years, the production has not started.

7. The grievance of the petitioner is also against the tender inviting applications for supply of Denatured Anhydrous Ethanol to oil companies provided they have all necessary approvals for production and storage of ethanol in hand. Though, the learned Senior Counsel for the petitioner says that it has all the approvals; in the given facts, we are of the view that the respondents having rejected the request of the petitioner in terms of the decision dated 12.10.2026, which we have reproduced above, the very basis for submitting application for supply of Ethanol does not exist. It follows this Court in the facts would not like to exercise its jurisdiction under Article 226

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of the Constitution of India and dismiss the petition. It is ordered accordingly.

8. Pending application(s), if any, shall also stand disposed of.

(V. Kameswar Rao, CJ)

(Partha Sarthy, J)

shailendra/-

AFR/NAFR	
CAV DATE	
Uploading Date	03.11.2026
Transmission Date	

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