



WEB COPY

WP No. 8840 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-03-2026

CORAM

THE HON'BLE MR JUSTICE M.DHANDAPANI

**WP No. 8840 of 2026
and WMP.Nos.9520 and 9521 of 2026**

M.Basul Ashaf
S/o. Mohamed Rabi,
The Proprietor,
Basul Ashaf Construction and Suppliers,
No. 65/11, Pallavan Nagar, Main Road,
P.P. Savadi,
Madurai.

..Petitioner(s)

Vs

1. The Chairman,
O/o. TANGEDCO,
N.P.K.R.R. Maaligai,
144 Anna salai,
Chennai 600 002
2. The Chief Engineer/Distribution,
O/o. TANGEDCO,
Erode Region,
No. 948 EVN Road,
Erode District.
3. The Superintending Engineer
O/o. TANGEDCO,
Erode Electricity Distribution Circle,
No. 848 EVN Road,
Erode District.

..Respondent(s)

Writ Petition filed under Article 226 of the Constitution of India, seeking Writ of Certiorarified Mandamus, to call for the records pertaining to the impugned order passed by Respondent No.3 vide Specn-Scrap SETA01/25-26D.1064/26 dated 22.01.2026 and quash the same as illegal, arbitrary and



consequently direct the Respondent No. 2 and 3 to revert back and reconfirmed the status of successful bidder to the petitioner for the allotted Lot No. 2, 3, 4 bearing Specn-Scrap SETA01/25-26D.No.504,505,506 dated 07.08.2025 which was taken already by petitioner during E-Tender cum auction with forward bidding SPECN.NO.SCRAP SETA01/2025-26 dated 12.06.2025 within stipulated time frame by this Honble Court.

For Petitioner(s): Mr.A.Abdul Hasan

For Respondent(s): Mr.I.Syed Sibghatulla

ORDER

This Writ Petition has been filed seeking to quash the impugned order passed by Respondent No.3 vide Specn-Scrap SETA01/25-26D.1064/26 dated 22.01.2026 and consequently to direct the respondents 2 and 3 to revert back and reconfirm the status of of the petitioner as the successful bidder in respect of Lot No. 2, 3, 4 under Specn-Scrap SETA01/25-26D.No.504,505,506 dated 07.08.2025.

2. The case of the petitioner is that the petitioner is a proprietary concern carrying on business under the name and style of M/s.Basul Ashaf Construction and Suppliers and has been engaged in scrap dealing and participation in Government e-tenders since 2018. The respondents issued a tender notification dated 14.05.2025 for disposal of scrap materials through the Government e-procurement portal, adopting a “Two Cover” system. The petitioner submitted its bid within the stipulated time and deposited 5% EMD in compliance with the



tender conditions. Upon evaluation of the bids, the petitioner was declared as the highest bidder (H1) for Lot Nos.1, 2, 3 and 4 and therefore, the petitioner remitted the balance EMD. Owing to unforeseen market deflation in scrap value and financial constraints, respondents granted two extensions of 30 days each to remit the sale consideration.

3. Thereafter, the petitioner remitted the entire sale consideration for Lot No.1 with penal interest, pursuant to which, a release order was issued and the materials were lifted. However, before the petitioner could remit the sale amount for Lot Nos.2, 3 and 4 within the extended period, the third respondent issued letters forfeiting the EMD already paid, without affording any prior show cause notice or opportunity of hearing.

4. The petitioner submitted a representation seeking further extension of time to remit the sale consideration along with 22% penal interest as permitted under Clause 13.0 of the tender conditions. While the said representation was pending, the respondents initiated a fresh e-tender-cum-auction proceedings in respect of Lot Nos.2, 3 and 4. Challenging the same, the present Writ Petition has been filed.

5. The learned counsel for the petitioner relying on clause 13 of the tender conditions, submitted that the petitioner may be permitted to remit the sale



consideration in respect of Lot No.2, 3 and 4 along with 22% penal interest for the delayed payment.

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6. Per contra, learned counsel for the respondent submitted that since the petitioner failed to remit the sale consideration for Lot No.2, 3 and 4 within the stipulated time even after the extensions granted, a fresh tender was floated on 18.12.2025.

7. At this juncture, the learned counsel for the petitioner submitted that at least the EMD amount paid by the petitioner in respect of the Lot Nos.2, 3 and 4 may be directed to be refunded.

8. In response, learned counsel for the respondent, relying on Clause 16 (d) of the tender conditions, submitted that if the entire sale consideration is not paid by the successful tenderer within the stipulated time, the EMD amount is liable to be forfeited.

9. Clause 16 (d) of the tender conditions reads as follows:

“16.0 Payments and Delivery:

.....

d. If the entire amount is not paid by the successful Tenderer within



the time stipulated above or the successful Tenderer backs out, EMD amount will be forfeited without further relevance to them. No plea for non-remittance of the amount in time will be entertained and partial remittance is also not permitted.”

10. Heard the learned counsel for the petitioner and the learned counsel for the respondents and perused the materials available on record.

11. The facts in the present case are not in dispute. The petitioner was declared the successful bidder for Lot Nos.1, 2, 3 and 4. In respect of Lot No.1, after payment of entire sale consideration with penal interest, a release order was issued and the materials were lifted by the petitioner. However, in respect of Lot Nos.2, 3 and 4, the petitioner failed to remit the sale consideration even after two extensions were granted. Thereafter, the respondents have floated a fresh tender. In such circumstances, the petitioner's request for further extension of time cannot be considered at this stage.

12. Insofar as the request for refund of EMD amount in respect of the Lot Nos.2, 3 and 4 is concerned, Clause 16 (d) of the tender conditions clearly stipulates that if the entire amount is not paid by the successful tenderer within the stipulated time, the EMD amount shall be forfeited. Therefore, the petitioner is not entitled to seek refund of the EMD amount.



13. In view of the above discussions, this Writ Petition is liable to be dismissed. Accordingly, the Writ Petition is dismissed. No costs. Consequently, connected miscellaneous petitions are closed.

03-03-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
PVS

To

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