

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)**

**WEDNESDAY, THE SIXTH DAY OF MAY
TWO THOUSAND AND TWENTY SIX**

PRESENT

THE HONOURABLE MRS JUSTICE SUREPALLI NANDA

WP.Nos.14823 OF 2026

Between:

M/s. Kendriya Bhandar, (A welfare project under the aegis of the Government of India, Ministry of Personnel, P.G & Pensions), Represented by its Regional Manager A. V. Ramana Murthy, S/o. A.Appa Rao, Aged about 57 years, Kendriya Bhandar, Room No.20-21, MCH Complex, Sultan Bazar, Hyderabad - 500 095.

...PETITIONER

AND

1. The State of Telangana, Represented by its Principal Secretary, Agriculture and Cooperation Department, Secretariat Building, Hyderabad - 500 022.
2. The Telangana State Co-operative Marketing Federation Ltd., Represented by its Managing Director, 5-2-68, 3rd Floor, Mahatma Gandhi Markfed Bhavan. Jambhahg, Hyderabad 500 095.

...RESPONDENTS

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to pass an order(s), direction or writ, more particularly one in the nature of Writ of Mandamus

- a) To declare the Impugned Proceedings dated 28/04/2026 issued by Respondent No.2, whereby the bid submitted by the Petitioner under e-Tender ID No. 692946 for disposal, of Maize (Vanakalam/Kharif 2025-26) has been declared non-responsive and rejected, as illegal, arbitrary, violative of Articles 14 and 19(1)(g) of the Constitution of India, and principles of natural justice and consequently set aside the same,

I.A. NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to suspend the operation of the Impugned Proceedings dated 28/04/2026 issued by Respondent No.2, and consequently direct the Respondent No.2 to consider the bid submitted by the Petitioner under e-Tender ID No. 692946, subject to the outcome of the present Writ Petition, pending disposal of the above writ petition

**Counsel for the Petitioner : SRI D. PRAKASH REDDY, SENIOR COUNSEL
REPRESENTING FOR SMT. D. MADHAVI**

Counsel for the Respondent No.1: GP FOR COOPERATION

Counsel for the Respondent No.2: SRI POLE VISHNU, SC FOR TSCMFL

The Court made the following: ORDER

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

HON'BLE MRS. JUSTICE SUREPALLI NANDA

WRIT PETITION No.14823 OF 2026

DATE: 06.05.2026

Between :

M/s. Kendriya Bhandar

...Petitioner

And

The State of Telangana,
Represented by its Principal Secretary,
Agriculture & Cooperation Department,
Secretariat Building, Hyderabad-500 022
and others

...Respondents

ORDER

**Head Sri D.Prakash Reddy, learned Senior
Designated Counsel representing Smt. D.Madhavi,
learned counsel appearing on behalf of the petitioner
on record, learned Government Pleader for
Cooperation appearing on behalf of the respondent
No.1 and Sri Pole Vishnu, learned Standing Counsel
for Telangana State Co-operative Marketing**

Federation Limited appearing on behalf of the respondent No.2.

2. The petitioner approached the Court seeking prayer as under:

"...to pass an order(s), direction or writ, more particularly one in the nature of **Writ of Mandamus**

a) To declare the Impugned Proceedings dated 28.04.2026 issued by Respondent No.2 whereby the bid submitted by the Petitioner under e-Tender ID No.692946 for disposal of Maize (Vanakalam/Kharif 2025-26) has been declared non-responsive and rejected, as illegal, arbitrary, violative of Articles 14 and 19(1)(g) of the Constitution of India, and principles of natural justice and consequently set aside the same;

b) To pass such other order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case."

3. The case of the petitioner in brief as per the averments made in the affidavit filed by the petitioner in support of the present Writ Petition is as under:-

- i) The Petitioner, namely Kendriya Bhandar, a Multi-State Consumer Cooperative Society, participated under e-Tender ID No.692946 in response to Tender Notice issued by Respondent No.2 for disposal of Maize (Vanakalam/Kharif 2025-26) procured by Telangana MARKFED under MSP through e Tender Platform of Government of Telangana and submitted petitioner's bid along with the required EMD.
- ii) During evaluation of the bid, Respondent No.2 issued a notice dated 27.04.2026 seeking clarification regarding certain allegations relating to the Petitioner's past performance and alleged blacklisting.
- iii) The Petitioner submitted a detailed reply clarifying that there was no subsisting blacklisting and that the issues referred to were contractual disputes pending consideration. However, without properly considering the explanation furnished by the Petitioner, Respondent No.2 issued the impugned proceedings dated 28.04.2026 rejecting the Petitioner's bid as non-responsive. Aggrieved by the same, the petitioner approached this Court by filing the present writ petition.

4. PERUSED THE RECORD:

A) This Court passed interim order in favour of the petitioner dated 30.04.2026 in I.A.No.1 of 2026 in W.P.No.14823 of 2026 and the same is extracted hereunder:

A bare perusal of the record indicates that in response to the notice, dated 27.04.2026 issued to the petitioner herein by the 2nd respondent herein, the petitioner submitted a detailed explanation, dated 28.04.2026 clarifying the allegations of blacklisting levelled against the petitioner's firm.

A bare perusal of the impugned rejection proceedings, dated 28.04.2026 of the 2nd respondent curiously does not discuss the several pleas put-forth by the petitioner herein, in petitioner's explanation, dated 28.04.2026 furnished to the 2nd respondent in response to the show-cause notice, dated 27.04.2026 issued by the 2nd respondent to the petitioner, but however on the ground that the security deposit of the petitioner's firm had been forfeited by the consumer Affairs, Food & Civil Supplies (CS.I.CRP) Department vide G.O.Ms.No.15, dated 09.09.2025, the impugned rejection proceedings, dated 28.04.2026 had been issued to the petitioner herein on the basis of complaint received pertaining to submission of documents and participation in the e-tender process for disposal of

Maize (vanakalam/Kharif 2025-26) under e-tender ID:692946.

Admittedly, as borne on record, it is evident that the specific pleas put-forth by the petitioner in the detailed explanation dated 28.04.2026 furnished by the petitioner in response to the show-cause notice, dated 27.04.2026 issued by the 2nd respondent herein had not been considered, since there is no reference in the impugned rejection proceedings, dated 28.04.2026 of the 2nd respondent herein pertaining to the same nor any discussion and solely only on the ground that the petitioner's firm security deposit had been forfeited by the consumer Affairs, Food & Civil Supplies (CS.I.CRP) Department vide G.O.Ms.No.15, dated 09.09.2025, the petitioner is informed that the bid submitted by the petitioner's firm under e-tender ID:692946 had been rejected.

This Court prima-facie opines the order impugned had been passed hastily, without application of mind, without taking into consideration the specific plea of the petitioner that the security deposit of the petitioner had been forfeited by the consumer Affairs, Food & Civil Supplies (CS.I.CRP) Department vide G.O.Ms.No.15, dated 09.09.2025 unilaterally without affording a reasonable opportunity to the petitioner to put-forth petitioner's defence, and the explanation furnished by the petitioner, dated 28.04.2026 in response to the show-cause notice, dated 27.04.2026 issued by the 2nd respondent had admittedly been totally ignored.

"This Court opines that the petitioner is entitled for the grant of interim relief as prayed for by the petitioner in the present writ petition and the respondent No.2 is directed to consider the bid submitted by the petitioner's firm under e-tender ID:692946 without reference to the impugned proceedings vide Rc.No./P&M/Disposal of Maize Vanakalam 2025-26, dated 28.04.2026 of the 2nd respondent. **However, the subject tender shall not be finalized till 06.05.2026.**"

DISCUSSION AND CONCLUSION:

5. Learned Senior Designated Counsel appearing on behalf of the petitioner mainly puts-forth the following submissions:-

- i) In response to the notice, dated 27.04.2026 issued by the respondent No.2 to the petitioner herein seeking certain clarification and documentary proof, the petitioner submitted a detailed explanation, dated 28.04.2026 to the 2nd respondent herein, duly enclosing relevant documents.**

ii) However without considering the petitioner's detailed explanation, dated 28.04.2026 submitted by the petitioner in response to the show-cause notice, dated 27.04.2026 issued to the petitioner herein, the impugned rejection proceedings vide Rc.No./P&M/Disposal of Maize Vanakalam 2025-26, dated 28.04.2026 had been passed by the 2nd respondent.

iii) The only ground raised in the said impugned rejection proceedings, dated 28.04.2026 is that the petitioner's firm's security deposit was forfeited by the consumer Affairs, Food & Civil Supplies (CS.I.CRP) Department vide G.O.Ms.No.15, dated 09.09.2025 and therefore, the bid submitted by the petitioner's firm under e-Tender ID:692946 had been rejected.

iv) Forfeiture of Rs.65.90 crores from security deposit of the petitioner's firm for non lifting of auctioned paddy on pro-rata basis is an order passed in violation of principles of natural justice without prior notice to the petitioner herein and hence, the

said proceedings, dated 09.09.2025 cannot be the ground for issuing the impugned rejection proceedings, dated 28.04.2026.

v) The 2nd respondent had acted solely on the basis of allegations contained in the complaint, dated 24.04.2026 without undertaking any independent verification of the correctness authenticity or legal status of the said allegations.

vi) Petitioner stood as the highest bidder however in view of the interim orders of this Court, dated 30.04.2026 in I.A.No.01 of 2026 in present W.P.No.14823 of 2026, the respondents are not finalizing the subject Tender.

vii) The Respondent Authority has to decide the subject issue of finalization of the subject Tender on its own merits without reference to the impugned proceedings, dated 28.04.2026 of the 2nd respondent, hence the interim orders of this Court, dated 30.04.2026 in I.A.No.01 of 2026 in W.P.No.14823 of 2026 need to be modified.

Based on the aforesaid submissions, learned Senior Designated Counsel appearing on behalf of the petitioner contends that the petitioner is entitled for the relief as prayed for by the petitioner in the present writ petition.

6. Learned Standing Counsel appearing on behalf of the respondent No.2, placing reliance on the averments made at paragraph No.8 of the counter affidavit filed on behalf of the respondent No.2, submits that, upon opening the commercial bids, the petitioner emerged as H1 bidder for the respective schedules, however, in view of the interim orders dated 30.04.2026 passed by this Court in I.A. No.1 of 2026 in W.P. No.14823 of 2026, whereby specific directions were issued not to finalize the subject tender till 06.05.2026, the respondents were not in a position to proceed further in the matter.

7. TAKING INTO CONSIDERATION:

a) The aforesaid facts and circumstances of the case,

b) The submissions made by the learned Senior Designated Counsel appearing on behalf of the petitioner, learned Government Pleader for Cooperation appearing on behalf of the respondent No.1 and learned Standing Counsel for Telangana State Co-operative Marketing Federation Limited appearing on behalf of the respondent No.2,

c) The interim orders of this Court, dated 30.04.2026 passed in I.A.No.01 of 2026 in W.P.No.14823 of 2026 and the reasoning and conclusion as arrived at thereunder by this Court(referred to and extracted above)

d) The discussion and conclusion as arrived at paragraph Nos.5 and 6 of the present order,

The interim order of this Court dated 30.04.2026 passed in I.A. No.1 of 2026 in W.P. No.14823 of 2026 is modified, directing the respondents to proceed further in accordance to law in respect of the subject Tender Notice issued by respondent No.2 for disposal of Maize (Vanakalam/Kharif 2025-26) procured by

Telangana MARKFED under MSP through e Tender Platform of Government of Telangana and finalize the same on its own merits without reference to the impugned proceedings of the 2nd respondent, dated 28.04.2026, within a period of one (01) week from the date of receipt of copy of the order.

With the above observations, the writ petition is disposed of. There shall be no order as to costs.

Miscellaneous petitions, if any, pending in this Writ Petition, shall stand closed.

SD/-P.C. SULEKHA DEVI
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Principal Secretary, Agriculture and Cooperation Department, Secretariat Building, The State of Telangana, Hyderabad - 500 022.
2. The Managing Director, Telangana State Co-operative Marketing Federation Ltd., 5-2-68, 3rd Floor, Mahatma Gandhi Markfed Bhavan. Jambhahg, Hyderabad 500 095.
3. One CC to SMT. D, MADHAVI, Advocate [OPUC]
4. One CC to SRI POLE VISHNU, SC FOR TSCMFL, Advocate [OPUC]
5. Two CCs to GP FOR COOPERATION, High Court for the State of Telangana, at Hyderabad [OUT]
6. Two CD Copies

PVL

BS



HIGH COURT

CC-TODAY

DATED: 06/05/2026

ORDER

WP.Nos.14823 OF 2026



**DISPOSING OF THE WRIT PETITION
WITHOUT COSTS**

⑨ NT
14/5/26