



**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CWP NO.13268 OF 2026 (O&M)

CJ DARCL Logistics Limited

...Petitioner

Versus

Food Corporation of India and another

...Respondents

1.	The date when the judgment is reserved	01.05.2026
2.	The date when the judgment is pronounced	14.05.2026
3.	The date when the judgment is uploaded	15.05.2026
4.	Whether only operative part of the judgment is pronounced or whether the full judgment is pronounced	Full
5.	The delay, if any of the pronouncement of full judgment, and reasons thereof	Not applicable

**CORAM : HON'BLE MR. JUSTICE DEEPAK SIBAL
HON'BLE MS. JUSTICE LAPITA BANERJI**

Present : Mr. Anil Goel, Advocate,
for the petitioner.

Ms. Ridhi Bansal, Advocate and
Mr. Viney Kumar, Advocate,
for the respondents.

LAPITA BANERJI, J.

Prayer in the present petition filed under Articles 226/227 of the Constitution of India, *inter-alia*, is for setting aside of the decision dated April 22, 2026 (Annexure P-8) and for issuance of a writ of mandamus directing the withdrawal of the petitioner's price bid dated February 23, 2026 (Annexure P-4). Furthermore, the petitioner company has prayed for release of the Earnest Money Deposit (EMD) amount of Rs. 13,67,780/-



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along with interest @ 12% per annum with effect from April 10, 2026 till the date of actual payment.

2. The brief facts of the case are as follows:

i) The petitioner is a company engaged in the business of providing logistics and transportation to various organisations.

ii) The respondent No.1- Food Corporation of India (FCI) issued a Notice Inviting Tender (NIT) dated February 02, 2026 for appointment of Handling and Transport Contractor (HTC) for a period of two years at FCI, Moonak Centre.

iii) The petitioner participated in the bidding process for Tender No.GEM/2026/B/7177761 as a general bidder. The technical evaluation was done on March 27, 2026 whereby the petitioner's bid was found to be technically responsive.

iv) On March 30, 2026, the financial bids were opened and the petitioner was declared to be the top bidder (L-1) by calculating the percentage offered *vis-à-vis* the base value. The base value for the tender was fixed at Rs.3,37,15,000/- and the tenderer was required to quote in its financial bid the offered percentage qua the base value, in the GEM portal of the respondents.

v) The petitioner gave a financial bid of the amount of Rs.4,34,92,350/- i.e. 1.29 times of the base value after considering the same to be 1. It is the petitioner's case that it intended to give a financial bid of 2.29 times considering the base value as 1. However, due to an inadvertent mistake by a Clerk working at the petitioner company, the financial bid was offered at 1.29 times the base value instead of 2.29 times the base value.



vi) After opening of the financial bids on March 30, 2026, the FCI accepted the financial bid of the petitioner. Thereafter, the petitioner sought to withdraw its bid and submitted a representation to that effect on April 10, 2026.

vii) The respondents decided the representation of the petitioner vide impugned order/decision dated April 22, 2026 and the competent authority refused to alter the bid made by the petitioner in GEM portal. While accepting the bid of the petitioner company for a period of two years, it intimated to the petitioner that the financial bid offered by the petitioner could not be corrected or altered after submission of the same, as per the accepted terms and conditions of the tender.

viii) Challenging the aforesaid order/decision dated April 22, 2026 the petitioner has approached this Court by filing the instant petition under Articles 226/227 of the Constitution of India.

3. Mr. Goel, learned Advocate appearing on behalf of the petitioner submits that the mistake in the financial bid was completely inadvertent. Instead of taking the base value at Rs.3,37,15,000/- and **adding** 1.29 times to the base value to make the bid 2.29 times of the base value ($1.29+1=2.29$), one Narinder Sharma, an employee of the petitioner company, **multiplied** 1.29 times to the base value i.e $1.29 \times 1=1.29$. Therefore, the petitioner inadvertently submitted a financial bid of 1.29 times of the base value instead of 2.29 times of the base value. The petitioner company has in the past entered into several contracts with the FCI and this is the first time such an inadvertent mistake has occurred for which it should not be penalised.



4. In support of his contention, he relied on a Chart at para 9 of the writ petition, which is reproduced hereinafter:

S. No.	Tender working	Amount (in Rs.)	Ref.
1	Base Value as per Tender (1)	3,37,15,000	(I)
2	Bid submitted by mistake 1.29 times of base value (1x 1.29)	4,34,92,350	(II)
3	Actual Bid Rate of the Petitioner intended to be quoted (1+1.29 = 2.29)	7,72,07,350	(I+II)
4	GEM portal actual quoted rate by mistake by the petitioner (1.29 times of base value)	4,34,92,350	(II)
5	L-2 bidder rate	6,43,95,650	(III)
6	Quoted rate difference between L1 and L2 bidder	2,09,03,300	(II-III)

5. Relying on the Chart, the learned counsel submits that the L-2 quoted a price of Rs.6,43,95,650/- which is significantly higher than the petitioner's rate. Had the petitioner's rate been taken as 2.29 times of the base value, the quoted price would have amounted to Rs.7,72,07,350/-. There were two other bidders whose quoted price was more than Rs.7,72,07,350/- which indicated that 2.29 times of the base value was a reasonable estimate for performance of the work. The bid of 1.29 times of the base value was absurdly low and no reasonable person could perform the work in the afore-quoted price. Therefore, under no stretch of imagination can it be held that the petitioner offered to do the said work for a sum of Rs.4,34,92,350/-. The mistake was apparent on the face of the record and the writ Court should grant discretionary relief in favour of the petitioner company by holding that the bid of 1.29 times of the base value was an unrealistic one and by setting aside the order/decision dated April 22, 2026.



6. Mr. Goel relies on the judgment of Supreme Court in ***“Omsairam Steels and Alloys Private Limited v. Director of Mines and Geology, BBSR and others”*** reported in (2024) 9 SCC 697 to submit that on the principle of proportionality a balancing test has to be conducted by the Court and if onerous penalties are found to be imposed on a party, the same should be set-aside by the Court.

7. The next judgment relied upon by Mr. Goel is ***“ABCI Infrastructures Private Limited v. Union of India and others”*** reported in (2025) 6 SCC 813, to submit that where the mistake in bid/figure is unrealistic, equitable relief must be granted to the bidder.

8. Ms. Bansal, learned Advocate appearing on behalf of the respondents submits that there was no infirmity in the decision dated April 22, 2026 whereby respondent No.1-FCI decided to award the contract in favour of the petitioner company relying on the financial bid submitted by the petitioner on the GEM portal. In the event the petitioner chose not to accept the same it had to face the consequences as per the terms of the tender.

9. It is brought to this Court's notice that Clause 8 (1) of the Model Tender Form (MTF) provides that no opportunity shall be given to the bidder to alter, modify or withdraw an offer at any stage after submission of the tender. Sufficient time i.e 21 days after opening of the tender, was granted to the bidder/petitioner to understand the tender conditions before submission of its bid. The bidding process on GEM portal is a self declaratory and a conscious act and no alteration of the offer by



revision of rates could be allowed since it would tantamount to vitiating the tendering process.

10. This Court has heard learned counsel for the parties and perused the material on record.

11. Admittedly, the petitioner was associated in a business relationship with the respondents-FCI for several years and has been providing logistics and transportation services to the FCI. Therefore, it is not lost upon the mind of this court that the petitioner company was well aware of the mandatory conditions of the MTF and the usual bidding process of the FCI. Being a seasoned commercial entity it was incumbent upon the petitioner to minutely peruse the terms of the bid documents before making a business decision. The petitioner after weighing the pros and cons of its financial bid quoted a rate of 1.29 times of the base value while tendering its financial bid. After opening of the financial bids on March 30, 2026 when it realised that L-2 quoted a much higher price, it tried to wriggle out of the terms and conditions of the NIT by seeking to project a case that instead of 1.29 times of the base value it had intended to quote 2.29 times of the base value.

12. At this juncture, it is necessary to rely on Clauses 8 (1) and 6(i) of the MTF which are reproduced hereinafter:

“Clause 8(1) “It should be clearly understood by the Tenderer that no opportunity shall be given to them to alter, modify or with-draw any offer at any stage after submission of the tender.”

Clause 6(i) "the Tenderer shall be permitted to bid on the express condition that in case he resiles, or modifies his offer, or terms & conditions thereof, after submitting his tender, for any reason whatsoever during the tender process, or any of the



information furnished by him/her is found to be incorrect or false, the Earnest Money Deposited by him shall stand forfeited, without prejudice to any other rights and remedies of the Corporation under the Contract and Law, and the Tenderer will be liable for any loss suffered by the Corporation on account of its withdrawal/modification etc. besides forfeiture of EMD. He will also be debarred from participating in any other Tender Enquiry with FCI for a period of two years."

13. From a perusal of the above said clauses, it unequivocally emerges that no opportunity would be given to a bidder to alter, modify or withdraw any offer, at any stage, after submission of the bids. Furthermore, the tenderer was only permitted to bid on the express condition that in case it resiles or seeks to modify its offer after submission of its tender, the earnest money deposited by him would stand forfeited.

14. The cases relied on by Mr. Goel merits a discussion at this stage.

15. The facts of ***Omsairam case*** (*supra*) are completely distinguishable from the facts of the present case. In that case the auction process for a mining contract lasted for almost seven hours and in that period the bidders went on enhancing their bids by a minimum margin of 0.05% every time. In 136th attempt, the margin was 104.05% of the stipulated floor price and the appellant intended to increase the bid by a minimum margin of 0.05% which would amount to 104.10% in the 137th attempt. Instead, in 137th attempt, it inadvertently made an offer of 140.10% on the online portal. The e-auction was concluded with the last bid recorded as 140.10% given by the appellant. Having realised its mistake, the appellant made frantic phone calls and also sent an e-mail to the respondent within four minutes of giving the said bid.



16. In that context, the Hon'ble Apex Court in exercise of powers under Article 142 of the Constitution of India, held that instead of forfeiture of the entire security deposit of Rs.9,12,21,315/-, a penalty of Rs.3,00,00,000/- is to be paid by the appellant on account of the appellant's failure to act with the required degree of care which not only had the effect of delaying the mining project but had also cost the respondents and other participants' precious time, effort and money.

17. In the present case only after opening of the financial bids and after realising that L-2 had made a substantially higher bid, the petitioner sought to withdraw its financial bid which was not allowed by the respondents-FCI. Thereafter, the petitioner approached this Court.

18. In *ABCI's case (supra)*, short question before the Apex Court was that whether the respondent was justified in choosing and accepting the bid of Rs.1569 which on the face of it was absurd, where the estimated cost of the project was Rs.1504.64 crores. The Apex Court held that the mistake was unintentional and obvious as for the estimated value of a contract of more than 1500 crores, the appellant intended to quote Rs.1569 crores instead of Rs.1569/- only. Therefore, it directed the respondent to return the appellant's original bank guarantee/demand draft to the tune of Rs.15.04 crores upon payment of Rs.1 crore to it. The facts of *ABCI's case (supra)* have no manner of application to the present case and does not aid the petitioner's case in anyway.

19. Upon perusal of the clauses of the MTF and the law governing field, this Court has no hesitation to hold that the petitioner company by filing the present writ petition is only seeking refund of its security deposit



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dehors the terms of the NIT. Accordingly, it holds that there is no merit in the same and the writ petition being CWP No.13268 of 2026 is **dismissed**, without any order as to costs.

20. Connected application(s), if any, shall also stand disposed of accordingly.

(DEEPAK SIBAL)
JUDGE

(LAPITA BANERJI)
JUDGE

MAY 14, 2026
Shalini

Whether speaking/reasoned:
Whether reportable:

Yes/No
Yes/No