

(2006) 08 JH CK 0056
In the Jharkhand High Court

Sandeep Kumar Singh and Kunal Chandra	APPELLANT
Vs	
Bihar State Food and Civil Supplies Corporation Ltd. Ors.	RESPONDENT

Date of Decision : 08-08-2006

Acts Referred:

Citation : (2006) 4 JCR 522

Hon'ble Judges : M.Y. Eqbal, J

Bench : Single Bench

Final Decision : Dismissed

Judgement

M.Y. Eqbal, J.—Heard the parties.

2. In these two writ petitions, the petitioners have challenged the order by which respondent Nos. 5 and 6 (of WPC No. 3696 of 2006) have been allotted the work for transportation and handling of food grains, edible oil, cloth, sugar, etc. from one district to another district of the respondents-Bihar State Food and Civil Supplies Corporation Limited, despite the fact that petitioners were the lowest tenderers.

3. The respondents-Corporation published a tender inviting applications for the work of transportation and handling of food grains and other commodities from one district to another district of the Corporation and outside the State of Bihar. Pursuant to the said notice petitioners along with others submitted their tenders. It is stated that the petitioners were the lowest tenderers but the work order has been illegally allotted to respondent Nos. 5 and 6. It is alleged that respondent No. 2?The Managing Director. Bihar State Food and Civil Supplies Corporation Limited Patna, in most arbitrary manner, divided the work between respondent Nos. 5 and 6 whose names appear at serial No. 7.

4. The respondents-Corporation filed a counter affidavit wherein it is stated that as per the fixed procedure of the Corporation, the comparative rates were verified and prepared by the District Transport Committee which after thorough scrutiny recommended the names of suitable tenderers as transporting and

handling agents. The said recommendation, thereafter, came to the headquarter transport committee where appointments have been finalized. The respondents' case is that after scrutiny of the comparative chart prepared it was found that equal rate of various distance slab were quoted by the petitioners which was much less to the ceiling rate prescribed by the Corporation. The District Transport Committee while examining the various tenders also found the rate quoted by the petitioners not workable because of increase of petrol and diesel price as well as truck along with other various expenditures. Accordingly, the Transport Committee did not accept the tenders of the petitioners due to their low rates quoted which the Transport Committee felt not workable.

5. In course of argument it has not been disputed by the petitioners' counsels that the rates quoted by the petitioners were below the ceiling rate fixed by the respondents. Clauses 10 and 15 of the tender notice clearly provide that the Corporation is not bound to accept the lowest tender rate if it is not in the interest of the Corporation.

6. It is well settled that in public auction while dealing with the tenders. State is entitled to look for the best deal and for that it can even refuse to accept the highest bid, but while rejecting it must record reasons. *Star Enterprises and Others Vs. City and Industrial Development Corporation of Maharashtra Ltd. and Others*, .. It is equally well settled that the Corporation of the State has a right to reject the highest bidder if it is done in the public interest. The reason assigned by the committee of the respondents-Corporation in not accepting the lowest bid of the petitioners which was below the ceiling limit appears to be fully justified. I, therefore, in exercise of writ jurisdiction, do not find any grave illegality in the allotment of work to respondent Nos. 5 and 6. Accordingly, I do not find any merit in these writ petitions which are dismissed.