

**IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI****Bench
Sr.No:-27
[3579]****WRIT APPEAL NO: 703 of 2026**

Sri Venkateshwara Association

...Appellant

Vs.

The State of A.P. and others

...Respondent(s)

1	Reserved for orders on:	17.06.2026
2	Pronounced on:	10.07.2026
3	Whether only operative part of the judgment is pronounced or whether full judgment is pronounced:	FULL

**CORAM : Hon'ble The CHIEF JUSTICE Smt. LISA GILL
Hon'ble Sri JUSTICE NINALA JAYASURYA**Present:-

Advocate for Appellant:

Mr. S. Sriram, Id. Senior Counsel representing
Mr. Javvaji Sarath Chandra

Advocate(s) for Respondent(s):

Mr. Posani Venkateswarlu, Id. Senior Counsel
representing Mr. Vubbara Dushyanth Reddy –
R7,
GP for Medical Health & FW – R1 to R5**LISA GILL, CJ:**

Prayer in this appeal is for setting aside judgment and order dated 07.05.2026, passed in W.P.No.35483 of 2025, whereby writ petition filed by present appellant has been dismissed by learned Single Bench.

2. Appellant/Writ petitioner claims to be an Association registered under the Societies Registration Act, 1860, engaged in the business of supply of diet

services to patients and duty doctors in Hospitals and was providing diet supply services to inpatients and duty doctors in Government General Hospital, Ongole, since 2010.

3. Writ Petition No. 35483 of 2025 was filed by writ petitioner for declaring the action of respondent Nos.2 to 4 in selecting respondent Nos.6 to 8 as successful bidders in respect of tender notification dated 23.09.2025, for award of contract for supply of diet to inpatients and duty doctors in Government General Hospital, Ongole to be illegal and arbitrary while disregarding complaint dated 10.12.2025 and subsequent representation dated 16.12.2025, submitted by writ petitioner. It was prayed that allotment of tender to respondent Nos.6 to 8 should thus be set aside and complaint dated 10.12.2025 and subsequent representation dated 16.12.2025 submitted by petitioner should be considered in accordance with law.

4. Learned Single Bench upon considering the facts and circumstances, did not find any ground to cause interference and writ petition was accordingly dismissed. Aggrieved therefrom, present writ appeal has been filed.

5. It is a matter of record that tender notification dated 23.09.2025, as detailed above, was issued. Last date for submission of bids was 07.10.2025 and opening of bids was scheduled for 08.10.2025. Six bidders, including the petitioner, participated in the tender process by submitting their technical and financial bids. Pre-bid meeting was notified and scheduled for 27.09.2025, at 11:00 AM to enable prospective bidders to seek clarifications, raise queries or

express any objections with regard to the tender conditions. No bidder chose to attend the said pre-bid meeting. Both technical and financial bids were opened on 08.10.2025 in the presence of all bidders. Five bidders, including petitioner, were found to be qualified.

6. Writ Petition No.27573 of 2025 was filed by present writ petitioner challenging the issuance of tender notification dated 22.09.2025, that is notification in question and tender document dated 23.09.2025, being illegal, arbitrary, and in violation of provisions of the Constitution of India. Petitioner in the said writ petition sought a direction to the respondents to extend the contract of writ petitioner executed on 01.11.2024. It is to be noted at this stage that on earlier occasion contract of similar nature was awarded in favour of M/s. Koduri Suresh Babu, Guntur (from 01.07.2023 to 29.02.2024), M/s. Anu Mess and Bakery (from 01.03.2024 to 31.10.2024 and present appellant/writ petitioner with effect from 01.11.2024 to 30.06.2025); thus dividing the period between 01.07.2023 to 30.06.2025 between writ petitioner and two others. M/s. Anu Mess and Bakery failed to supply diet as per contract, therefore, the same was awarded in petitioner's favour on 30.05.2024 and was continued till completion of original awarded period i.e. 01.11.2024 to 30.06.2025.

7. Subsequently, *vide* proceedings dated 01.07.2025, competent authority allowed the writ petitioner to supply diet to patients and doctors, till such time fresh tenders were finalized by respondent hospital. Petitioner had sought

extension of lease period *vide* representation dated 23.09.2025, by another year which was not considered, leading to filing of Writ Petition No.27573 of 2025. This writ petition was dismissed, while taking note of the fact that fresh tenders had been floated; opened with petitioner having participated therein.

8. District Diet Management Committee, in its meeting held on 16.12.2025, decided to adopt the lottery system; split the tender and curtail the contract period. This meeting was attended by all five qualified bidders, including the petitioner.

9. Writ Petition No.35483 of 2025 was filed on 18.12.2025 with the allegation that six bidders had participated in the tender process, including the petitioner. Opening of tenders was postponed initially and that bids were eventually opened on 16.12.2025. Specific plea was taken by respondents that writ petitioner has concealed material facts inasmuch as filing of Writ Petition No.27573 of 2025 was not revealed and it was incorrectly stated that tender was opened on 16.12.2025 whereas tender was opened on 08.10.2025 in the presence of writ petitioner and others, and no such objection had been raised by writ petitioner at that point of time.

10. Learned counsel for appellant vociferously and vehemently argued that learned Single Bench has been incorrectly swayed by the allegation of suppression of facts. Earlier Writ Petition No.27573 of 2025 filed by the petitioner was in respect to a different cause of action inasmuch as the writ petitioner sought extension of the earlier contract for supply of diet which was

awarded to it, while in subsequent petition (W.P. No. 35483 of 2025), which is the subject matter of present proceedings, writ petitioner had raised a plea that procedure adopted by authorities in splitting the tender and limiting the period thereof is incorrect and impermissible. Learned Single Bench, it was argued, should have adjudicated on legality or otherwise of the procedure rather than deciding on the basis of alleged suppression of facts. Non-mention of earlier writ petition cannot be fatal to proceedings. Moreover, omission if any, is clearly accidental. In the absence of prescribed criteria, respondent authorities, it was submitted, cannot resort to drawal of lots. It has been incorrectly held by learned Single Bench that the same is an acceptable method; the authority at best could have resorted to Clause 5 of the terms and conditions of the tender. It is thus prayed that impugned order should be set aside and writ petition be allowed as prayed for.

11. Learned counsel for respondents had opposed the writ appeal while submitting that learned Single Bench has correctly appreciated the controversy at hand and rightly dismissed the Writ Petition. Dismissal of Writ Appeal is sought.

12. We have heard learned counsel for parties and perused the file with their able assistance.

13. It is a matter of record that notification dated 23.09.2025 was issued for providing of diet to inpatients and duty doctors in Government General Hospital, Ongole. Last date for submission of bids was 07.10.2025, with

opening thereof scheduled for 08.10.2025. It is not denied that none attended the pre-bid meeting on 27.09.2025. Bids were opened on 08.10.2025, in the presence of all bidders.

14. We have perused the material papers attached with writ petition and find that it was indeed both technical and financial bids, which were opened on 08.10.2025, in the presence of all bidders, including the authorized representative of the present petitioner.

15. Decision to go for lottery system was taken in the meeting held by Diet Tender Committee on 16.12.2025, in which all successful bidders, including the writ petitioner, were present.

16. It is to be noted at this stage that writ petitioner had earlier also been granted tender for the very same work. It was previously selected by the same Tender Committee on the basis of a drawal of lots. In fact, the petitioner filed Writ Petition No.27573 of 2025, seeking extension of the period of the said earlier contract. This writ petition was admittedly dismissed on 14.10.2025. Writ Petition No.35483 of 2025 was then filed on 18.12.2025, with the prayer as detailed above.

17. Admittedly, writ petitioner did not mention the filing of earlier writ petition, seeking extension of the earlier contract. Perusal of the writ affidavit reveals that while writ petitioner stated that it had rendered uninterrupted and satisfactory service for supply of diet in G.G.H., Ongole, since 2010 and held a

valid contract from 01.11.2024 to 30.06.2025, extendable by one year, it selectively chose not to mention filing of earlier writ petition.

18. In the given factual matrix, learned Single Bench correctly held that there is suppression of material fact by writ petitioner. We do not find any merit in the plea raised by learned counsel for appellant/writ petitioner that non-disclosure of Writ Petition No.27573 of 2025 is not material and pertains to a separate cause of action. It may be that writ petitioner in the said petition was seeking extension of earlier contract in its favor, however, fact remains that said writ petition was actuated by floating of subsequent tender dated 23.09.2025, and that writ petitioner had duly participated in the proceedings subsequent to the said tender. It is indeed a material fact, which should have been mentioned in the present proceedings.

19. Furthermore, it is borne out from the record that writ petitioner has been given the opportunity to participate in the proceedings at all relevant occasions. Technical and financial bids were indeed opened on 08.10.2025, but this was not so stated in the writ petition. To the contrary, it has been mentioned in paragraph 4 of writ affidavit, as reproduced in the impugned order, that bids were opened on 16.12.2025 wherein writ petitioner had qualified in technical and financial bid, emerging as one of the five qualified bidders.

20. It is further to be noted at this stage that on earlier occasion, such a course of action had duly been adopted and was never objected to by writ petitioner, who had in fact benefited from the same. Though the writ petition

could have been dismissed merely on the ground of suppression of facts, learned Single Judge has proceeded to observe that procedure adopted cannot be termed illegal or arbitrary and especially keeping in view that there was consent of majority of the qualified bidders. It is correctly held by learned Single Bench that interference of Courts in tender matters has to be minimal.

21. Hon'ble the Supreme Court in **Jagdish Mandal v. State of Orissa (2007) 14 SCC 517**, has held:

“22. Judicial review of administrative action is intended to prevent arbitrariness, irrationality, unreasonableness, bias and mala fides. Its purpose is to check whether choice or decision is made “lawfully” and not to check whether choice or decision is “sound”. When the power of judicial review is invoked in matters relating to tenders or award of contracts, certain special features should be borne in mind. A contract is a commercial transaction. Evaluating tenders and awarding contracts are essentially commercial functions. Principles of equity and natural justice stay at a distance. If the decision relating to award of contract is bona fide and is in public interest, courts will not, in exercise of power of judicial review, interfere even if a procedural aberration or error in assessment or prejudice to a tenderer, is made out. The power of judicial review will not be permitted to be invoked to protect private interest at the cost of public interest, or to decide contractual disputes. The tenderer or contractor with a grievance can always seek damages in a civil court. Attempts by unsuccessful tenderers with imaginary grievances, wounded pride and business rivalry, to make mountains out of molehills of some technical/procedural violation or some prejudice to self, and persuade courts to interfere by exercising power of judicial review, should be resisted. Such interferences, either interim or final, may hold up public works for years, or delay relief and

succour to thousands and millions and may increase the project cost manifold. Therefore, a court before interfering in tender or contractual matters in exercise of power of judicial review, should pose to itself the following questions:

(i) Whether the process adopted or decision made by the authority is mala fide or intended to favour someone;

or

Whether the process adopted or decision made is so arbitrary and irrational that the court can say: "the decision is such that no responsible authority acting reasonably and in accordance with relevant law could have reached";

(ii) Whether public interest is affected.

If the answers are in the negative, there should be no interference under Article 226. Cases involving blacklisting or imposition of penal consequences on a tenderer/contractor or distribution of State largesse (allotment of sites/shops, grant of licences, dealerships and franchises) stand on a different footing as they may require a higher degree of fairness in action."

22. In the case of **Michigan Rubber (India) Ltd. v. State of Karnataka, (2012) 8 SCC 216**, Hon'ble the Supreme Court held as under:

"23. From the above decisions, the following principles emerge:

(a) The basic requirement of Article 14 is fairness in action by the State, and non-arbitrariness in essence and substance is the heartbeat of fair play. These actions are amenable to the judicial review only to the extent that the State must act validly for a discernible reason and not whimsically for any ulterior purpose. If the State acts within

the bounds of reasonableness, it would be legitimate to take into consideration the national priorities;

(b) Fixation of a value of the tender is entirely within the purview of the executive and the courts hardly have any role to play in this process except for striking down such action of the executive as is proved to be arbitrary or unreasonable. If the Government acts in conformity with certain healthy standards and norms such as awarding of contracts by inviting tenders, in those circumstances, the interference by courts is very limited;

(c) In the matter of formulating conditions of a tender document and awarding a contract, greater latitude is required to be conceded to the State authorities unless the action of the tendering authority is found to be malicious and a misuse of its statutory powers, interference by courts is not warranted;

(d) Certain preconditions or qualifications for tenders have to be laid down to ensure that the contractor has the capacity and the resources to successfully execute the work; and

(e) If the State or its instrumentalities act reasonably, fairly and in public interest in awarding contract, here again, interference by court is very restrictive since no person can claim a fundamental right to carry on business with the Government.”

23. Learned counsel for appellant was unable to deny that appellant had indeed been associated with the tender process, in accordance with law, at all stages. Technical and financial bids were both opened on 08.10.2025, in presence of all bidders, including writ petitioner and decision for drawal of lots was taken on 16.12.2025. Factual details are not being reproduced for the

sake of brevity. Suffice it to say that no ground is made out to cause interference in the given factual matrix.

24. Learned Single Bench after referring to various judgments of Hon'ble the Supreme Court, including the one in **Durgawathi Devi v. Union of India THR, Its Secretary, Ministry and others** passed in Special Leave Petition (C) No.37479 of 2016 and **Jagdish Mandal v. State of Orissa, (2007) 14 SCC 517** and others, has correctly refrained from interfering in the matter.

25. Learned counsel for appellant was unable to point out any ground whatsoever which calls for interference by this Court in exercise of appellate jurisdiction.

26. We do not find any illegality, infirmity or irregularity in the impugned order. The same is accordingly upheld. Writ Appeal is accordingly dismissed being devoid of any merit.

No costs. Pending miscellaneous application(s), if any, also stand(s) disposed of accordingly.

LISA GILL, CJ.

Date: 10th July, 2026.

NINALA JAYASURYA, J.

SSN

Uploaded on : 10th July, 2026.

Whether the order is Speaking/Reasoned : Yes

Whether the order is Reportable : Yes