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\* IN THE HIGH COURT OF DELHI AT NEW DELHI

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Date of Decision: 30.10.2025

+ W.P.(C) 16409/2025, CMAPPL.67231/2025, CM APPL.67232/2025

RAM KRIPAL SINGH CONSTRUCTION PVT. LTD .....Petitioner

Through: Mr. Amit Pawan, Mr. Hassan Zubair Waris, Mr. Arun, Ms. Aastha and Ms. Shivangi Singh Rawat, Advocates.

versus

UNION OF INDIA & ORS.

.....Respondents

Through: Ms. Saumya Tandon, CGSC along with Mr. Gaurav Singh Sengar, Advocates for R-1 and R-2.

Ms. Pallavi Talwar, Advocate (GP).

Mr. Santosh Kumar, SC along with Mr. Ritik Dwivedi and Mr. Devansh Malhotra, Advocates for R-3.

**CORAM:**

**HON'BLE MR. JUSTICE SACHIN DATTA**

**SACHIN DATTA, J. (Oral)**

1. The present petition has been filed by the petitioner assailing a show cause notice dated 11.08.2025, issued by the respondent no.3 (NHAI).
2. By way of the said notice, the petitioner has been asked to show cause as to why action should not be taken against the petitioner under Article 3(2) of the Integrity Pact executed between the parties and the General Financial Rules, 2017.
3. It is pointed out that the petitioner entered into a contract with the respondent no.3 on 27.11.2018 for the development of 'the newly declared NH-527c from Majhauri to Charout Section to 2 lane with paved shoulder National Highway Standard in the State of Bihar on Engineering



Procurement and Construction (EPC) basis' (First Contract). By 01.04.2025, substantial part of the said project was completed.

4. Subsequently, the petitioner, through a Special Purpose Vehicle, entered into a second concession agreement with NHAI on 08.08.2022 for construction of 'four lane access controlled greenfield national highway from Balbhadarpur (Ch. 47+000) to Bela Nawada (Ch. 89+210), at NH-119D under Bharatmala Pariyojna in the State of Bihar (Amas – Darbhanga Package-4 of 42.210 km) on Hybrid Annuity Mode' (Second Contract).

5. It is pointed out that on 22.03.2025, the CBI registered an FIR alleging that the petitioner had offered bribes to NHAI officials in connection with the Second Contract. Subsequently, a charge-sheet was filed by the CBI on 19.05.2025.

6. It is case of the petitioner that the charge-sheet contains no findings or evidence linking the petitioner to any wrongdoing in relation to the Second Contract. Instead, the investigation appears to pertain to the First Contract, with allegation that bribes were made to expedite the billing procedures.

7. In the above backdrop of the aforesaid circumstances, attention is also drawn to the following provisions of the Integrity Pact executed between the parties in the context of Tender No.NHAI/HQ/Tech/BH/Amas-Darbhangha/PKG-IV/2021 dated 03.02.2022, which reads as under:

**Article - 2: Commitments of the Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s).**

The Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s) commit himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender process and during the contract execution.

- a) The Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s) will not, directly or through any other person or firm, offer, promise or give to any of the Principal's employees involved in the tender process or the execution of the contract or to any third person any material or other benefit which he/she is not legally entitled to, in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.
- b) The Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) will not enter with other Bidders into any undisclosed agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contract, submission or non-submission of bids or any other actions to restrict competitiveness or to introduce cartelization in the bidding process.
- c) The Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) will not commit any offence under the relevant IPC/PC Act and other Statutory Acts; further the Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) will not use improperly, for purposes of completion or personal gain, or pass on to others, any information or document provided by the Principal as part of the business relationship, regarding plans, technical proposals and business details, including information contained or transmitted electronically.
- d) The Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) of foreign origin shall disclose the name and address of the Agents/ Representatives in India, if any. Similarly, the Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s) of Indian Nationality shall furnish the name and address of the foreign principals, if any. Further, details as mentioned in the 'Guidelines on Indian Agents of Foreign Suppliers' shall be disclosed by the Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s). Further, all the payments made to the Indian Agent/Representative have to be Indian Rupees only.
- e) The Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract. He shall also disclose the details of services agreed upon for such payments.
- f) The Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) will not instigate third persons to commit offences outlined above or be an accessory to such offences.
- g) The Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) will not bring any outside influence through any Govt. bodies/quarters directly or indirectly on the bidding process in furtherance of his bid.
- h) The Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) who have signed a Integrity pact shall not approach the court while representing the matter to IEMs and shall wait for their decision in the matter.



**Article- 3 Disqualification from tender process and exclusion from future contracts.**

- 1) If the Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s), before award or during execution has committed a transgression through a violation of any provision of Article- 2, above or in any other form such as to put his reliability or credibility in question, the Principal is entitled to disqualify the Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) from the tender process.
- 2) If the Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) has committed a transgression through a violation of Article-2 such as to put his reliability or credibility into question, the Principal shall be entitled to exclude including blacklist and put on holiday the Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s) for any future tenders/ contract award process. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the Principal taking into consideration the full facts and circumstances of each case particularly taking into account the number of transgressions, the position of the transgressors within the company hierarchy of the Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s) and the amount of the damage. The exclusion will be imposed for a maximum of 1 year.
- 3) A transgression is considered to have occurred if the Principal after due consideration of the available evidence concludes that "On the basis of facts available there are no material doubts".
- 4) The Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) with its free consent and without any influence agrees and undertakes to respect and uphold the Principal's absolute rights to resort to and impose such exclusion and further accepts and undertakes not to challenge or question such exclusion on any ground, including the lack of any hearing before the decision to resort to such exclusion is taken. This undertaking is given freely and after obtaining independent legal advice.
- 5) The decision of the Principal to the effect that a breach of the provisions of this Integrity Pact has been committed by the Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) shall be final and binding on the Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s), however, the Bidder(s)/Contractor(s)/Concessionaire(s)/Consultant(s) can approach IEM(s) appointed for the purpose of this Pact.
- 6) On occurrence of any sanctions/ disqualification etc. arising out from violation of integrity pact, the Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s) shall not be entitled for any compensation on this account.
- 7) Subject to full satisfaction of the Principal, the exclusion of the Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s) could be revoked by the Principal if the Bidder(s)/ Contractor(s)/ Concessionaire(s)/ Consultant(s) can prove that he has restored/ recouped the damage caused by him and has installed a suitable corruption prevention system in his organization.

8. In the above conspectus, the petitioner assails the show cause notice dated 11.08.2025 raising the following contentions:-

- i. It is urged that while issuing show cause notice dated 11.08.2025, the



factum of the petitioner having committed transgression under the second contract has been assumed. The language of the show cause notice reflects a preconceived opinion on the part of the Issuing Authority, and as such, there is an apprehension that the concerned authority, may not objectively consider whether any transgression was committed by the petitioner in connection with the Second Contract;

- ii. It is submitted that the show cause notice suffers from a serious infirmity, as there is utter confusion as to the contract with respect to which the petitioner has been sought to be penalized. The charge-sheet filed by the CBI pertains to the First Contract, whereas the show cause notice is predicated on the Second Contract alone.
- iii. It is submitted that the relevant contractual provisions envisage that in the event of any controversy between the parties, as regards any transgression/s, the petitioner is entitled to refer the matter to the Independent External Monitors (IEM) for deciding this aspect of the matter. It is submitted that the same is sought to be foreclosed by taking action against the petitioner pursuant to the show cause notice;
- iv. Lastly, it is submitted that certain documents referred to in one of the orders passed by the respondent no.2 have not been provided to the petitioner.

9. Respective counsel for the parties have been heard at some length. It is noticed that the matter is presently at the stage of adjudication of the show cause notice. At this stage, this Court is not inclined to interdict with the show cause proceedings, except to request the respondent no.2 to carefully consider the contentions raised by the petitioner while adjudicating the said



show cause notice.

10. Needless to say, if merit is found in any of the petitioner's contentions, respondent no.2 shall pass appropriate orders / take remedial steps.

11. It is further directed that the respondent no.2 shall afford an opportunity of hearing to the petitioner on the above aspects, for which a hearing will be scheduled by the respondent no.2.

12. The petition is disposed of in the above terms. Pending applications also stand disposed of.

13. All contentions of the parties are left open.

14. Needless to say, if the petitioner is aggrieved with the outcome of the aforesaid exercise, it shall be at liberty to avail appropriate remedies under law.

**SACHIN DATTA, J**

**OCTOBER 30, 2025/r**