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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% **Date of Decision: 29.04.2025**

+ W.P.(C) 5549/2025, CM APPL. 25285/2025 & CM APPL.  
25286/2025

M/S RAM NIWAS GOEL

.....Petitioner

Through: Mr. Avinash Trivedi, Mr. Rahul Aggarwal, Mr. A.K. Trivedi, Mr. Anurag Kaushik, Ms. Ritika Trivedi, Mr. Rhythem Nagpal and Mr. Jatin Arora, Advs.  
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versus

MUNICIPAL CORPORATION OF DELHI

.....Respondent

Through: Appearance not given

**CORAM:**

**HON'BLE MS. JUSTICE MINI PUSHKARNA**

**MINI PUSHKARNA, J (ORAL)**

1. The present writ petition has been filed seeking directions for setting aside of the impugned office order dated 15<sup>th</sup> October, 2024, thereby removing the petitioner from the approved list of contractors, and refusal on part of the respondent/ Municipal Corporation of Delhi ("MCD"), to re-validate the enlistment of the petitioner *vide* letter dated 17<sup>th</sup> March, 2025.
2. Learned counsel appearing on behalf of the petitioner submits that the impugned office order dated 15<sup>th</sup> October, 2024, was never served upon the petitioner and the petitioner became aware of the same, only when the same



was enclosed along with letter dated 17<sup>th</sup> March, 2025, issued by the respondent, which was served on 18<sup>th</sup> March, 2025. Thus, the present writ petition has been filed.

3. He submits that the said orders were served upon the petitioner only when the request for re-validation was rejected, on account of the office letter dated 15<sup>th</sup> October, 2024.

4. Learned counsel appearing for the petitioner submits that the impugned office order dated 15<sup>th</sup> October, 2024, by which the petitioner has been removed from the approved list of contractors of the MCD, has been issued, without any formal issuance of any Show Cause Notice prior to the action being taken. Thus, it is submitted that the impugned office order dated 15<sup>th</sup> October, 2024, was not even communicated to the petitioner earlier.

5. Learned counsel appearing for the petitioner further submits that the respondent has not taken into account the fact that whenever punitive actions were taken against the petitioner, the same have been set aside by the Civil Courts, while returning a finding that the respondent had committed breach of the agreement, and that the petitioner cannot be held liable for the delay in completion of the works.

6. Learned counsel also relies upon the fact that whenever a strict drastic action for issuance debarment or de-registration is taken, the aggrieved party ought to be given an opportunity of hearing, and representation against the proposed action.

7. He further relies upon the order dated 19<sup>th</sup> October, 2022, passed by this Court passed in *W.P.(C) 14775/2022*, titled as ***PRL Projects and Infrastructure Ltd. Versus Municipal Corporation of Delhi***, to submit that



in similar circumstances, the impugned order was set aside, since no Show Cause Notice, had been issued to the petitioner therein.

8. Issue notice. Notice is accepted by learned counsel appearing for the respondent/MCD, who submits that the petitioner has been suspended with effect from 06<sup>th</sup> October, 2024 to 05<sup>th</sup> October, 2025. Thus, he submits that when the petitioner has already been suspended and de-barred, there is no question of extension of his registration, as an approved contractor.

9. *Per contra*, learned counsel appearing for the petitioner submits that said orders of suspension/debarment, stand stayed by various Courts.

10. Having heard learned counsel for the parties, without going into the merits of the controversy, this Court notes the submission made by learned counsel appearing for the petitioner, that the impugned order, by which the re-validation of the enlistment of the petitioner as contractor has been rejected, has been passed without issuance of a formal Show Cause Notice to the petitioner.

11. This Court notes that the order dated 15<sup>th</sup> October, 2024, removing the petitioner from the approved list of contractors and the letter dated 17<sup>th</sup> March, 2025, refusing to re-validate the enlistment of the petitioner, were passed without issuing any Show Cause Notice to the petitioner.

12. Thus, this Court is of the considered opinion that in terms of the law laid down in a catena of judgments, that whenever such actions of de-registration, which is akin to debarment, are to be taken against a party, the said party ought to be served with a Show Cause Notice and granted an opportunity of hearing before passing of any such orders. Thus, this Court in the case of *State Engineers Versus Pragati Power Corporation Ltd., 2024 SCC OnLine Del 656*, has held as follows:



“xxx xxx xxx

11. It is not the case of the Respondent that violation of a term of contract would automatically result in debarment. **It is now well settled by the Apex Court in a number of judgments that before debarring any entity, a notice must be given to that entity informing that the entity would be debarred. Debarment without show cause notice cannot be sustained.**

12. The Apex Court in *UMC Technologies (supra)* has observed as under:

**“13. At the outset, it must be noted that it is the first principle of civilised jurisprudence that a person against whom any action is sought to be taken or whose right or interests are being affected should be given a reasonable opportunity to defend himself. The basic principle of natural justice is that before adjudication starts, the authority concerned should give to the affected party a notice of the case against him so that he can defend himself. Such notice should be adequate and the grounds necessitating action and the penalty/action proposed should be mentioned specifically and unambiguously. An order travelling beyond the bounds of notice is impermissible and without jurisdiction to that extent. This Court in *Nasir Ahmad v. Custodian General, Evacuee Property* [*Nasir Ahmad v. Custodian General, Evacuee Property*, (1980) 3 SCC 1] has held that it is essential for the notice to specify the particular grounds on the basis of which an action is proposed to be taken so as to enable the noticee to answer the case against him. If these conditions are not satisfied, the person cannot be said to have been granted any reasonable opportunity of being heard.**

xxx xxx xxx”

(Emphasis Supplied)

13. Accordingly, considering the discussion as above, the following directions are issued:

- i. The impugned order dated 15<sup>th</sup> October, 2024, and letter dated 17<sup>th</sup> March, 2025, are set aside.
- ii. In case the MCD intends to remove the petitioner from the approved list of contractors, a formal Show Cause Notice in this regard, shall be



issued by the MCD.

iii. The aforesaid Show Cause Notice shall be issued by the MCD within a period of one week from today.

iv. Upon receipt of the said Show Cause Notice, the petitioner shall file a reply thereto, within a period of two weeks, thereafter.

v. Upon filing of the reply by the petitioner, the petitioner shall be granted an opportunity of personal hearing by the concerned official of the respondent/MCD.

vi. Speaking order shall be passed by the MCD within a period of two weeks, after conclusion of the hearing, which is to be given to the petitioner.

vii. In case the petitioner is aggrieved by any speaking order that may be passed by the MCD, the petitioner shall be at liberty to seek his remedies, in accordance with law.

14. With the aforesaid directions, the present writ petition, along with the pending applications, stands disposed of.

**MINI PUSHKARNA, J**

**APRIL 29, 2025/kr**