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

+ W.P.(C) 16048/2024, CM APPL. 67413/2024 & CM APPL.
67414/2024

NISARG AGRIPRENEURSHIP

.....Petitioner

Through: Ms. Jayashree Shukla Dasgupta, Ms.
Rishika Ahuja, Mr. Shivam Nayyar,
Advocates

versus

UNION OF INDIA AND ORS

.....Respondents

Through: Mr. Rohan Jaitley, CGSC with Mr.
Dev Pratap Shahi, Mr. Yogya Bhatia,
Ms. Ranjana Jetley, Advocates for
UOI

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

20.11.2024

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1. The Petitioner has filed the instant petition impugning the decision of Respondent No. 1/ Ministry of Micro, Small & Medium Enterprises, Government of India,¹ communicated to the Petitioner through Respondent No. 2, through communication dated 24th October, 2024, whereby the Petitioner has been debarred from any projects/schemes under MoMSME either as a Nodal Agency (NA), Technical Agency (TA), Implementing Agency (IA) or Special Purpose Vehicle (SPV).

2. The aforementioned decision has purportedly been rendered pursuant to a notice dated 16th December, 2022 issued by the MoMSME, whereby the Petitioner was called upon to give their response with respect to an enquiry pertaining to Moringa Value Chain and Vermicomposting Cluster, Vidisha,

¹ "MoMSME"



Madhya Pradesh.

3. The said communication, however, does not indicate the proposed action of debarring the Petitioner. The notice merely solicited the Petitioner's response to the enquiry, without apprising them of the potential consequence of debarment.

4. Without going into the merits of the case, the Court is of the opinion that the Respondent's action of debarring the Petitioner, without informing them of such a consequence in the impugned notice, is in violation of the principles of natural justice. This Court in *Benzy Tours and Travels Private Limited v. Union of India*² and *M/s Hule Constructions Pvt Ltd v. Union of India*,³ has emphasised that the action of debarment must be preceded with adequate notice specifying the proposed action of debarment, enabling the concerned parties to put forth their stand, and failure to do would violate the principles of natural justice.

5. In light of the foregoing, without going to the merits of the case, the impugned order dated 18th September, 2024, and the communication dated 24th October, 2024 are set aside.

6. The Respondents are directed to issue a fresh show cause notice, if so advised, clearly specifying the proposed action intended to be taken against the Petitioner, within a period of four weeks from today.

7. The Petitioner is permitted to provide a response thereto, within a period of four weeks thereafter. Respondents shall, thereafter, render a decision after considering the Petitioner's response, in accordance with law.

8. All rights and contentions of the parties are left open.

² W.P.(C) 10971/2024 and connected matters, decided on 18th September, 2024.

³ W.P.(C) 14228/2024, decided on 14th October, 2024.



9. The present petition is disposed of along with pending applications.

SANJEEV NARULA, J

NOVEMBER 20, 2024/ab