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

% Judgment delivered on: 17.02.2022

+ W.P.(C) 3008/2022 & CM. APPLS. 8704-05/2022

INDIAN RAILWAY MOBILE CATERERS ASSOCIATION

..... Petitioner

versus

UNION OF INDIA & ORS.

..... Respondent

Advocates who appeared in this case:

For the Petitioner: Mr. Rajeshkhar Rao, Senior Advocate with Mr. Jasmeet Singh, Mr. Umang Raj, Mr. Divjot Singh Bhatia, Mr. Saif Ali, Mr. Pushpendra Singh Bhadoriya, Ms. Ruhsheet Saluja, Mr. Anurag Sarda, Ms. Sonal Sarda, Advocates.

For the Respondent: Mr. Harish Vaidyanathan Shankar, CGSC with Ms. S. Bushra Kazim and Mr. Karan Chhibber and Mr. Zeeshan Rizvi, Advocates for UOI.

Mr. Jagjit Singh, Senior Standing Counsel for Railways with Mr. Preet Singh and Ms. Kalyani Arora, Advocates.

Mr. Saurav Aggarwal and Anshuman Chaudhary, Advocates for respondent No.3.

CORAM:-**HON'BLE MR. JUSTICE SANJEEV SACHDEVA****JUDGMENT****SANJEEV SACHDEVA, J. (ORAL)**

1. The hearing was conducted through video conferencing.
2. Petitioner, who claims to be an association of catering service providers, has filed this petition *inter alia* raising a grievance with



regard to the rider contained in Clause 3 of the Office Memorandum dated 12.11.2020, issued by the Government of India, Ministry of Finance, wherein it is stipulated that the performance guarantee to be submitted by the contractors on existing contracts be reduced from 5-10 % to 3%.

3. The rider stipulates that the benefit of reduced performance guarantee will not be given in contracts under dispute where arbitration/court proceedings have already been started or are contemplated.

4. It is submitted by learned senior counsel for the petitioner that there is no clarity insofar as the rider is concerned, for the reason that it does not stipulate the nature of dispute.

5. It is contended that there may be possibilities where the claim is of the contractor and not the authority and nonetheless, the same would constitute a dispute in terms of the rider to Clause-3.

6. It is further contended that to overcome the clause, there is also a possibility that cases where there are no disputes are shown as if there are disputes pending or contemplated so as to deprive the contractors of the benefit of the said clause.

7. Learned senior counsel submits that clarity needs to be provided by the Ministry of Finance with regard to the nature of



disputes that would prevent the contracted from availing the benefit of the Office Memorandum.

8. In view of the above, this petition is disposed of with a direction that the petition be treated as a representation by the Ministry of Finance, Government of India.

9. The representation be expeditiously considered and disposed of in accordance with law.

10. It is further clarified that if there is any individual dispute of a particular contractor, it would be open to the contractor to raise the dispute in accordance with law before appropriate forum.

11. Learned counsel appearing for respondent No.3 under instructions submits that the petitioner-Association is not recognized by them. The issue of recognition of the Association is left open.

12. Copy of the order be uploaded on the High Court website and be also forwarded to learned counsels through e-mail by the Court Master.

SANJEEV SACHDEVA, J

FEBRUARY 17, 2022

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