



\$~175

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

+ **W.P.(C) 17078/2024 & CM APPLs. 72437-72438/2024**

M/S BHAVNA ENTERPRISES

.....Petitioner

Through: Mr. Vinod Pant, Advocate.

versus

UNION OF INDIA & ORS.

.....Respondents

Through: Mr. Anuj Aggarwal, Standing
Counsel with Mr. Yash Upadhyay
and Mr. Siddhant Dutt, Advocates for
R-2 & 3.

CORAM:

HON'BLE MR. JUSTICE SANJEEV NARULA

ORDER

%

10.12.2024

1. The Petitioner is engaged in supply of medical articles to Government medical institutes and hospitals. They are aggrieved by the impugned order dated 17th October, 2023 whereby the alleged item namely "Welpro Disposable Surgical Rubber Gloves" supplied by Petitioner, was found to be of sub-standard quality and on this ground, Petitioner has been debarred from participating in any procurement process for supply at Deen Dayal Upadhyay Hospital, Respondent No. 3, till further orders.
2. Counsel for Petitioner submits that the impugned order is untenable as it was not preceded by a show cause notice and in fact, a show cause notice was served after one year of debarment, on 07th August, 2024. He further submits that a reply to the show cause notice has been sent on 16th August, 2024 and the matter is still pending consideration before Respondent No. 3.



3. Having considered the facts and contentions advanced by the parties, it is evident that no prior show cause notice was issued by the Respondents. The impugned order is thus, violative of principles of natural justice as observed by the Supreme Court in *M/s Erusian Equipment & Chemicals Ltd. v. State of West Bengal & Another*¹ and by this Court in *TR Chadha and Co. LLP v. REC Limited*.² Further, the impugned order does not specify the term of blacklisting period and is thus, in perpetuity which is in conflict with judgment of the Supreme Court in *M/s Chauhan Builders Raibareli v. State of Uttar Pradesh*.³
4. In view of the foregoing, the impugned order dated 17th October, 2023 is set aside. Respondents shall now consider Petitioner's response to the show cause notice dated 07th August, 2024 and take a decision thereon, in accordance with law.
5. It is clarified that the Court has not examined the merits of the case and all rights and contentions of parties are reserved.
6. Disposed of, along with pending application.

SANJEEV NARULA, J

DECEMBER 10, 2024
d.negi

¹ (1975) 1 SCC 70

² 2024:DHC:9358

³ SLP (C) No. 32840/2018 decided on 16th August, 2022.