



W.P.No.33998 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.10.2025

CORAM :

THE HONOURABLE MR. JUSTICE M. DHANDAPANI

W.P.No.33998 of 2025
and
W.M.P.No.38158 of 2025

CR Catering Co-Malda,
Represented by its Proprietor Chandan Raj,
Subhashpally, Station Road,
Jhalijhalia, Malda,
West Bengal – 732 102.

... Petitioner

Vs.

1.Union of India,
Through the Chairman and Chief Executive Officer,
Railway Board, Ministry of Railways,
Room No.256-A, Rail Bhavan,
Raisina Road, New Delhi – 110 001.

2.Southern Railway,
Represented by the Senior Divisional Commercial Manager,
Divisional Railway Manager's Office,
Commercial Branch, Park Town,
Chennai – 600 003.

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of a Writ of Certiorarified Mandamus, calling for the records relating to the impugned letter dated 26.05.2025 bearing reference number M/C.79/Catering/MMPS-07/PER/Termination, issued by the Respondent No.2 and quash the same and consequently direct the



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respondent No.2 to refund Rs.50,000/- paid by the petitioner as a penalty on 25.06.2025.

For Petitioner : Mr.R.Abishek
for M/s.Anirudh Krishnan
For Respondents : Mr.AR.L.Sundaresan
Senior Counsel
Assisted by Ms.P.J.Anitha
Senior Panel Central
Government Counsel

ORDER

The petitioner has filed this Writ Petition seeking a Writ of Certiorarified Mandamus, to call for the records relating to the impugned letter dated 26.05.2025 bearing reference number M/C.79/Catering/MMPS-07/PER/Termination, issued by the 2nd respondent and quash the same and consequently, to direct the 2nd respondent to refund Rs.50,000/- paid by the petitioner as a penalty on 25.06.2025.

2. The petitioner is a sole proprietor of CR Catering Co – Malda engaged in the business of catering services and has about 200 persons employed under him. The 2nd respondent has issued a tender dated 08.06.2022 for the license for sale of milk and milk products at Perambur Railway Station to the petitioner, pursuant to which, the petitioner has



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participated in the tender and he was the successful bidder. Subsequently, the petitioner and the 2nd respondent entered into Milk and Milk Product Stall License Agreement (Master License Agreement) on 31.08.2023. Whiles, on 24.05.2025, a vigilance inspection was conducted at the petitioner's milk stall, pursuant to which, it was alleged that an item prohibited by the Railway Rules was found at the milk stall of the petitioner. Pursuant to the inspection, the 2nd respondent has issued the impugned letter dated 26.05.2025, terminating the license of the petitioner, and also, debarring the petitioner from participating in any catering or milk stall contracts across the Indian Railways for a period of five years, without issuing any prior notice to the petitioner. A penalty of Rs.50,000/- was also imposed, which was also paid by the petitioner. Challenging the impugned order passed by the 2nd respondent, the petitioner has filed this writ petition before this Court.

3. The learned counsel appearing for the petitioner submitted that the seizure of the banned product from the petitioner's stall itself is disputed by the petitioner, since the same was kept by some other person without the knowledge of the incharge of the petitioner's stall. Without conducting any enquiry against the petitioner, the 2nd respondent has



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straight away passed the impugned order within two days from the inspection, which is wholly unsustainable. As per the agreement, the 2nd respondent is entitled to terminate the license only in respect of a particular stall, however debarring the petitioner from participating in any catering or milk stall contracts across the Indian Railways is *per se* unsustainable, which is a clear violation of principles of natural justice. Hence, on instructions, he submitted that in respect of termination of license, he seeks permission of this Court to workout the remedy before the competent Civil Court. Accordingly, he prays for appropriate orders.

4. The learned Additional Solicitor General appearing for the respondents, on instructions, submitted that cancellation of license of the petitioner is in terms of clause 6.16 of the Master License Agreement dated 31.08.2023, which does not warrant any interference. However, with regard to debarring the petitioner, the 2nd respondent ought to have issued notice to the petitioner before passing the impugned order. In the present case, without issuing notice to the petitioner, the 2nd respondent has passed the impugned debarring the petitioner. Hence, this Court may set aside that portion of the impugned order and grant liberty to the respondents to proceed the procedure of debarring the petitioner from



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participating in the future tenders in the manner known to law.

Accordingly, he prays for appropriate orders.

5. In view of the above submissions made by the learned counsel appearing for the parties, the impugned order terminating the license of the petitioner is hereby confirmed. However, liberty is granted to the petitioner to approach the competent Civil Court in this regard. Further, the impugned order debarring the petitioner from participating in any catering or milk stall contracts across Indian Railways, including IRCTC for a period of five years is hereby set aside. The respondents shall proceed the matter in respect of debarring the petitioner in the manner known to law.

6. The Writ Petition is disposed of in the above terms. No costs. Consequently, the connected miscellaneous petition is closed.

10.10.2025

Index : Yes / No
Speaking order / Non-speaking order
Neutral Citation Case : Yes / No
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M.DHANDAPANI, J.



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- To
- 1.The Chairman and Chief Executive Officer,
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