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

+ **W.P.(C) 14170/2025 and CM APPL.58117/2025**

B M CONSTRUCTION COMPANY

.....Petitioner

Through: Mr. Himanshu Upadhyay, Mr. Ishaan Garg, Ms. Anjana Sharma, Mr. Suryansh Sharma and Ms. Ruby Sharma, Advs.

versus

UNION OF INDIA

.....Respondent

Through: Mr. Rohan Jaitley, CGSC, Mr. Dev Pratap Shahi, Mr. Varun Pratap Singh, Mr. Yogya Bhatia, Advs., Mr. Shiv Kumar, AXEN/C/SERD and Mr. Sujeet Kumar, SSE/W/C.

CORAM:

HON'BLE MR. JUSTICE SACHIN DATTA

ORDER

% **15.09.2025**

CM APPL.58116/2025 (Exemption)

1. Allowed, subject to all just exceptions.
2. Application stands disposed of.

W.P.(C) 14170/2025 and CM APPL.58117/2025

3. The present petition has been filed by the petitioner assailing a notice dated 08.09.2025, issued by the respondent. The said notice reads as under:



ANNEXURE P-1

NORTHERN RAILWAY

Office of the
Dy. Chief Engineer/Const.
State Entry Road, New Delhi

No. 220-Acs/1/1158/WL/STB/NDLS

Dated: 08.09.2025

M/s B. M. Construction Co.
107, Ansal Satyam Building RDC,
Raj Nagar, Ghaziabad - 201002

Sub: - 07 days' notice in c/w "Dismantling of pit lines and sewage systems with rebuilding of 2 washing lines with proper pits and sewage arrangement and other allied works such as repairing of washing line including assembling and linking of track and electrification work at Shatabdi Complex at New Delhi Railway Station (Composite Tender)."

Ref: - (i) This office letter of even no. dated 24.05.2025 and 23.06.2025.
(ii) M/s B.M. Construction Co. letter no. BMC/Gzb/WL/81 dated 10.07.2025.

Vide letter under reference (i), it was informed that the Vigilance Department is conducting an enquiry based on a complaint alleging a breach of the General Conditions of Contract (G.C.C.) by M/s B.M. Construction. The allegation pertains to the entire project being sublet to M/s Zetwerk manufacturing businesses Pvt. Ltd. without obtaining the requisite prior approval from the Chief Engineer, Railways.

In the same letter, you were requested to submit a detailed clarification at the earliest, along with a copy of the agreement between M/s B.M. Construction and M/s Zetwerk manufacturing businesses Pvt. Ltd, as well as details of financial transactions to vendors/petty contractors, so as to enable proper examination of the case.

In response, you submitted a reply vide letter under reference (ii). But in your reply, complete details of financial transactions with vendors/contractors are not available. Considering the details of transactions that you have submitted, prima facie, it appears that most of the work has been sub-let to M/s Zetwerk manufacturing businesses Pvt. Ltd.

In view of the above, you are hereby requested to submit all relevant details/facts to establish that the work was not sub-letted to M/s Zetwerk manufacturing businesses Pvt. Ltd.

This letter may be treated as a seven (7) days' notice in accordance with Clause 62 of the General Conditions of Contract.

*Received
10/9/2025*

08/09/2025
Dy. Chief Engineer/Const.-I
State Entry Road, New Delhi

Copy to:

CE/C/NC for kind information please

4. The above notice has been issued in the backdrop of contract awarded



to the petitioner for rebuilding of washing lines with proper pits, sewage arrangements, and other allied works at the Shatabdi Complex, New Delhi Railway Station. The Petitioner claims to have successfully executed approximately 99% of the work under the said contract.

5. It is the case of the petitioner that false allegations regarding sub-contracting of work to M/s Zetwerk Manufacturing Businesses Pvt. Ltd. have been levelled by the authorities of the Railways from time to time to which, the petitioner has duly responded. It is submitted that M/s Zetwerk Manufacturing Businesses Pvt. Ltd. is merely a vendor of the petitioner and not a sub-contractor.

6. A perusal of the notice dated 08.09.2025 reveals that by way thereof, the petitioner has only been requested to submit all relevant details / facts to establish that the contractual work awarded to the petitioner was not sub-let to M/s Zetwerk Manufacturing Businesses Pvt. Ltd.

7. The petitioner states that it has already submitted a reply to the said notice and further submits that all documents pertaining to the transactions/ dealings between the petitioner and M/s Zetwerk Manufacturing Businesses Pvt. Ltd. shall also be supplied to the respondent.

8. Learned counsel for the petitioner submits on instructions, that all relevant documents pertaining to the aforesaid transactions, including contracts and statements, shall also be provided by the petitioner.

9. Mr. Rohan Jaitley, learned Central Government Standing Counsel (CGSC), who appears on advance notice, fairly submits, on instructions, that in the event any termination action is proposed to be taken against the petitioner, a fresh notice shall be given in accordance with the contractual provisions, and an opportunity of hearing shall be afforded to the petitioner



prior to taking any such termination action.

10. In the circumstances, given that the impugned notice has not yet culminated in any adverse action, and in view of the aforesaid statement made on behalf of the respondent, no further orders are warranted at this stage.

11. Needless to say, in case any adverse action is taken by the respondent against the petitioner, (after adhering to the aforesaid procedural formalities), the petitioner shall be at liberty to avail appropriate contractual remedies, including invocation of the arbitration clause contained in the contract between the parties.

12. The petition is disposed of in the above terms.

SACHIN DATTA, J

SEPTEMBER 15, 2025/cl