2026:DHC:4296-DB

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

% ***Date of Decision: 14th May, 2026***

\+ W.P.(C) 6569/2026 & CM APPL. 32376/2026

WORLD CLASS SERVICES LTD .....Petitioner

Through: Mr. Tushar Kumar, Mr. Junaid Qureshi and Ms. Daraksha Parveen, Advocates.

versus

NATIONAL SAMPLE SURVEY OFFICE & ORS. .....Respondents

Through: Ms. Shweta Bharti, Mr. Anil Tiwari, Ms. Tejaswini Chandrashekhar, Mr. Sidharth Sharma and Ms. Bushra Alam, Advocates for R-3.
Mr. Vaibhav Vats and Ms. Sadhna Sharma, Advocates for R-4.

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MR. JUSTICE AMIT MAHAJAN

<u>J U D G M E N T (ORAL)</u>

<u>AMIT MAHAJAN, J.</u>

1. The present petition is filed under Article 226 of the Constitution of India seeking quashing of award of public contracts under Bid Nos. GEM/2025/B/7005488 and GEM/2025/B/7004775 in favour of Respondent No.5.

2. Succinctly stated, Respondent No.1 floated the subject tenders seeking to outsource manpower services for the National Sample Survey Office, across multiple zones in India. The Petitioner and Respondent No.5 participated in the tender process and Respondent No.5 was declared the successful bidder.

3. The Request for Proposal (RFP) pertaining to the subject tenders prescribed the scoring criteria to be adopted for technical evaluation in relation to Business Turnover, which is reproduced hereinbelow:

Sr. No.	*Parameter*	*Supporting Document*	*Maximum Marks*	*Marking Criteria*
1.	*Business Turnover: Average of annual turnover for prescribed period (2022-23, 2023-24 and 2024-25) from activity of manpower providing services.*	*A Certificate issued by the Chartered Accountant explicitly & separately showing source activity of turnover.*	*15 Marks*	i. *Turnover more than 100 crores: 15 Marks;* ii. *Turnover between Rs. 75 crores to 100 crores- 12 marks* iii. *Turnover between Rs. 50 crores to 75 crores - 09 marks* iv. *iv. Turnover less than Rs. 50 crores - 03 marks.*

4. The Petitioner, being aggrieved by the award of the subject tenders in favour of Respondent No.5, issued a legal notice dated 01.04.2026 to the Respondents seeking cancellation of the award and blacklisting of Respondent No.5. The principal allegation of the Petitioner was that Respondent No.5 had misrepresented its turnover in the Chartered Accountant's Certificate submitted during the bid process and that the said discrepancy was apparent from its audited balance sheet.

5. Respondent No.1, *vide* reply dated 08.04.2026, responded to the

aforesaid legal notice and stated that no preferential advantage had been extended to Respondent No.5 on account of the turnover figure disclosed in its CA Certificate. It was specifically stated that Respondent No.5 had been awarded marks strictly in accordance with its eligibility and had only been granted 9 marks under the turnover criterion.

6. Dissatisfied with the aforesaid response, the Petitioner addressed another communication dated 09.04.2026 to Respondent No.1 contending that the tender conditions contemplated disqualification on the very act of misrepresentation and that it was immaterial whether any actual advantage had accrued to Respondent No.5 on account thereof. Respondent No.1, however, *vide* reply dated 20.04.2026, reiterated its earlier stand and maintained that no preferential treatment had been accorded to Respondent No.5.

7. It is the case of the Petitioner that Respondent No.5, as part of its bid submission, furnished a Chartered Accountant's Certificate as well as a self-declaration indicating its turnover for the financial year 2024-25 as ₹10,98,54,61,729/-. According to the Petitioner, the audited balance sheet of Respondent No.5 reflected its turnover as only ₹1,09,85,617/-, thereby demonstrating that Respondent No.5 had deliberately inflated its turnover with a view to secure participation in, and eventual award of, the subject tenders.

8. Learned counsel appearing for the Petitioner submits that the aforesaid conduct of Respondent No.5 is in direct contravention of Clauses 8.4.1(v), 8.4.2(v), 19(3) and 20(vii) of the RFP, which provide for rejection of bids and discontinuation of contracts in cases involving

submission of false information or misrepresentation. It is contended that Respondent No.1, by failing to enforce the aforesaid provisions, has acted in derogation of its own tender conditions.

9. *Per contra*, learned counsel appearing for the Respondents submits that Respondent No.5, being a Micro and Small Enterprise (MSE), was independently entitled to a minimum of 9 marks under the turnover criterion irrespective of its actual turnover, in terms of Clause 8.4.1(iv) of the RFP. The relevant clause reads as under:

> *iv. Micro & Small Enterprises (MSE) and startups are exempted for years of experience and prior turnover parameters and shall be allotted minimum 09 marks (60% of maximum marks i.e. 15) each in technical evaluation parameter Srl No. 1 (Business Turnover) and Srl No. 5 (Survey related Experience), subject to meeting of quality and technical specifications.*

10. It has further been brought to the notice of this Court that Respondent No.1, *vide* email dated 02.04.2026, sought clarification from Respondent No.5 regarding the turnover disclosed in the CA Certificate for the financial year 2024-25. In response thereto, Respondent No.5 furnished a clarification issued by its Chartered Accountant stating that, due to an inadvertent typographical error committed by the accounts staff, an extra digit "4" had mistakenly been inserted while recording the annual turnover, resulting in the turnover being wrongly reflected as ₹10,98,54,61,729/- instead of the correct figure of ₹1,09,85,61,729/-.

11. The clarification further stated that the correct turnover was duly reflected in the audited financial statements, including the Balance Sheet and Profit & Loss Account, and that upon discovery of the error, a corrected certificate dated 06.01.2026 had already been issued and

uploaded on the ICAI UDIN portal. It was additionally clarified that the figures in the audited financial statements had been presented in hundreds and rounded off in accordance with applicable ROC guidelines. The Chartered Accountant categorically affirmed that the discrepancy had arisen purely on account of a clerical and typographical error.

12. This Court finds merit in the explanation furnished by the Respondents. Even upon correction of the typographical error, the turnover of Respondent No.5 admittedly remained above ₹100 crores, thereby entitling it to the maximum 15 marks under the turnover criterion, while it has been submitted that Respondent No.5 has only been awarded the minimum of 9 marks as applicable to MSEs. In such circumstances, the discrepancy cannot be construed as a deliberate or mala fide misrepresentation intended to secure any undue advantage in the tender process.

13. This Court further finds that the Petitioner has fundamentally misread the financial statements of Respondent No.5. A conjoint reading of the audited balance sheet along with the Director's Report clearly demonstrates that the figures contained therein are represented in "₹ in 00". Consequently, the turnover reflected in the balance sheet corresponds to approximately ₹1,09,85,61,700/-, which is fully consistent with the corrected turnover disclosed by Respondent No.5 and squarely falls within the category attracting 15 marks under the RFP.

14. It is also pertinent to note that Respondent No.1, upon noticing the discrepancy, sought clarification from Respondent No.5 and duly

considered the explanation furnished by its Chartered Accountant before proceeding further. Thus, the decision-making process adopted by Respondent No.1 cannot be said to suffer from arbitrariness, irrationality or procedural impropriety warranting interference by this Court in exercise of its writ jurisdiction.

15. This Court is, therefore, of the considered opinion that the present petition has been instituted on the basis of an erroneous interpretation of the financial statements of Respondent No.5 and no case for interference is made out. It is also pertinent to note that the Petitioner admittedly was not L1 and had raised the grievance and filed the petition without due diligence on a misreading of the documents. Such practice out to be deprecated. Thus, in the opinion of this Court equities will be met if the Petitioner is put to cost.

16. Accordingly, the present petition is dismissed with costs of ₹20,000/- to be deposited by the Petitioner with DHCLSC within a period of two weeks.

AMIT MAHAJAN, J

ANIL KSHETARPAL, J

MAY 14, 2026
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