

Manasvi Security Service & Ors vs Union Of India & Ors on 5 September, 2023

Author: Satish Chandra Sharma

Bench: Chief Justice, Sanjeev Narula

\$~28.

*

+

IN THE HIGH COURT OF DELHI AT NEW DELHI
LPA 619/2023 & CM APPL. 45946/2023, CM A
MANASVI SECURITY SERVICE & ORS.

versus

UNION OF INDIA & ORS.

CORAM:

HON'BLE THE CHIEF JUSTICE

HON'BLE MR. JUSTICE SANJEEV NARULA

% 05.09.2023

1. The present Letters Patent Appeal (LPA) arises out of order dated 17.08.2023 passed by the Learned Single Judge in W.P.(C). No.10599/2023 titled Manasvi Security Services & Ors. vs. Union of India & Ors. (the "Impugned Order"). The Appellants herein/Petitioners are four security agencies that are currently empanelled with the Official Liquidator (the "OL") under the Selection, Empanelment and Appointment of Security Agencies, 2010 (the "Scheme"). Aggrieved by the outstanding dues owed to them by the OL, the Appellants preferred the underlying writ petition seeking issuance of directives against the OL to (i) release all outstanding This is a digitally signed order.

The authenticity of the order can be re-verified from Delhi High Court Order Portal by scanning the QR code shown above. The Order is downloaded from the DHC Server on 16/09/2023 at 15:20:56 payments to the Appellants; (ii) comply with the Scheme to the extent of their duty to process invoices and make payments in a time bound manner; and (iii) formulate a concrete payment mechanism in consultation with the Appellants before empanelment of fresh agencies is constituted.

2. Vide the Impugned Order, the Learned Single Judge noted that a writ petition seeking release of

all outstanding dues owed by the OL to empanelled security agencies would not be maintainable. The Court opined that each security agency should approach the Court separately for relief, producing details regarding inter-alia the actual number of guards deployed and the duration for which payment is to be recovered.

3. Learned Counsel for the Respondent No. 3/ OL draws the attention of this Court to the Agreement entered into between the Security Agencies and the OL at the time of deployment at each site (the "Agreement") which provides that the security agency is required to submit details of each guard including their photographs and permanent residential address, to the local police station at the site and to the OL before any claim for payment in respect of guards deployed at the site can be made. Learned Counsel for the OL contends that this pre-condition has not been fulfilled by the Appellant i.e., no documents in this regard have been submitted to the OL by the Appellants. Conversely, Learned Counsel for the Appellants contends that the Appellants have furnished requisite documents to the OL.

4. It is pertinent to note that as the Agreement is entered into under Clause 10 of the Scheme, the terms of the Agreement are incorporated into the Scheme. Therefore, in the considered opinion of this Court, the Appellants must show bona fide compliance with their obligations under the This is a digitally signed order.

The authenticity of the order can be re-verified from Delhi High Court Order Portal by scanning the QR code shown above. The Order is downloaded from the DHC Server on 16/09/2023 at 15:20:56 Agreement and consequently, the Scheme, in order to seek compliance of the OL under the Scheme.

5. Accordingly, Learned Counsel for the Appellant is granted 3 weeks' time to submit a comprehensive report detailing their compliance with the Agreement, to this Court. A copy thereof also to be supplied to the Respondents before the next date of hearing.

6. List on 06.10.2023.

SATISH CHANDRA SHARMA, CJ SANJEEV NARULA, J SEPTEMBER 5, 2023/N.Khanna This is a digitally signed order.

The authenticity of the order can be re-verified from Delhi High Court Order Portal by scanning the QR code shown above. The Order is downloaded from the DHC Server on 16/09/2023 at 15:20:56