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

% ***Date of Decision: October 6th, 2026***

CNR No. DLHC010358252026

+ **W.P.(C) 11136/2026 & CM APPL. 51535/2026**

ANV DIGI SOLUTIONS PVT. LTD.Petitioner
Through: Mr. Vikash Kumar, Adv.

versus

GOVERNMENT E-MARKETPLACE THROUGH ITS CEO
.....Respondent
Through: Mr. Akshay Sharma, Mr.
Vishal & Ms. Khushbu, Advs.

CNR No. DLHC010362682026

+ **W.P.(C) 11277/2026 & CM APPL. 52186/2026**

AUTOMATION HOUSEPetitioner
Through: Mr. Vikash Kumar, Adv.

versus

GOVERNMENT E-MARKETPLACE THROUGH ITS CEO
.....Respondent
Through: Mr. Akshay Sharma, Mr.
Vishal & Ms. Khushbu, Advs.

CORAM:

HON'BLE MR. JUSTICE AMIT MAHAJAN

AMIT MAHAJAN, J. (Oral)

1. By the present petitions, the petitioners seek quashing of the respective suspension orders dated 02.03.2026 (in W.P.(C) 11136/2026) and 09.03.2026 (in W.P.(C) 11277/2026) whereby the petitioners in the respective petitions were suspended for a period of



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365 days for repeated violation of the Clause 29 of the Government e-Marketplace, General Terms and Conditions ('**GeM GTC**').

2. Briefly stated, the facts as discernible from the pleadings are that the petitioners in the respective petitions are sellers registered on the GeM platform. It is the case of the respondent that the petitioners had participated in twenty eight common bids and had shared a common mobile number associated with their respective GeM Seller IDs. It is further the case of the respondent that such sharing of common mobile number raised serious concerns pertaining to the independence of the bidders and the integrity of the bidding process. The sum and substance of the allegations against the petitioners thus is that the petitioners had indulged in anti-competitive behaviour and had consequently violated the requirement contained in Clause 29 of the GeM GTC which stipulates that a bidder shall only submit *one* bid in a particular bidding process.

3. Consequently, show cause notices were issued to the petitioners on 26.11.2025.

4. The petitioners submitted their respective responses to the Show Cause Notices wherein it was stated that the entities are fully independent and autonomous business enterprises. The petitioners, in their respective replies dated 05.12.2025, further stated that they had not indulged in any anti-competitive behaviour or cartel formation, and the departure, if any, was unintentional and inadvertent.

5. Upon consideration of the respective replies furnished by the petitioners, and finding the same to be unsatisfactory, the respondent found the deviation of the petitioners to be *grave* and consequently



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imposed a suspension of 365 days upon each petitioner.

6. Aggrieved by the same, the petitioners have filed the present petitions.

7. The learned counsel for the petitioners, at the outset, submits that the petitioners do not seek any adjudication upon the merits of the alleged deviation and only wish to confine their challenge to the quantum of punishment.

8. In doing so, the learned counsel for the petitioners' submits that the petitioners would abide by the consequence of the alleged violation and do not seek to press their challenge to the merits thereof if the period of suspension is reduced to 90 days in accordance with the policies.

9. He submits that the alleged infraction committed by the petitioners is referable to Clause 29 of the GTC, and as per the respondent's own Incident Management Policy at Serial No. 55 of Annexure 1 titled "*incident reasons*", the violation of Clause 29 is categorised as a "*severe deviation*". He submits that for a severe deviation, the Incident Management Policy prescribes suspension for a period of 60 days for the first and second deviation and a suspension of 90 days for the third and subsequent deviations. He consequently submits that the suspension of the petitioners in the present case be reduced from 365 days to 90 days in accordance with the policies of the respondent.

10. On the other hand, the learned counsel for the respondent urged that the impugned orders are well merited and warrant no interference by this Court. It has been emphasised that the petitioners participated



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in 28 common bids with a common mobile numbers. He submits that the same is a grave deviation under Clause 14 of the Incident Management Policy for which a suspension of 365 days is reasonable.

11. I have heard the counsel and perused the record.

12. Before this Court adverts to delve into the merits of the relief sought by the petitioners, it is pertinent to note that this Court is conscious of the intent of the requirement stipulated under Clause 29 and the GTC, and that the purpose of the said clause is to ensure fairness in the bidding process. This Court is further conscious that the respondent authorities are vested with the administration of the GeM platform and are also authorised to take appropriate measures when the circumstances so warrant.

13. Having noted so, the limited question which arises for consideration is whether, in the facts of the case, the 365 day suspension imposed on each petitioner warrants interference by this Court.

14. As is borne out from the record, the petitioners are alleged to have violated Clause 29 of the GTC. Pertinently, Annexure 1 to the Incident Management Policy at Serial No. 55 classifies the violation of Clause 29 of the GTC as 'severe'. Furthermore, for Severe Deviation, the suspension under Clause 3.4 of the Incident Management Policy prescribes the following:

"60 Days — For 1st and 2nd deviations within a period of 180 calendar days.

90 Days – For 3rd and subsequent deviations within a period of 180 calendar days."

15. As is apparent from a reading of Clause 3.4 of the Incident



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Management Policy as quoted *supra*, for third and subsequent deviations within a period of 180 calendar days, the maximum suspension that could have been imposed on each petitioner for a severe deviation comes to 90 days and not 365 days as imposed by the respondent. It is not the case of the respondent that the deviations were outside a period of 180 days.

16. Much emphasis has been laid by the learned counsel for the respondent on Clause 14 of the Incident Management Policy to argue that the violation committed by the petitioners fell in the category of “grave deviation”. It is further contended that the petitioners had participated in twenty eight common bids for which a suspension of 365 days was merited.

17. In that regard, it is appropriate to take note of Clause 14 of the Incident Management Policy which reads as follows:

“14. Notwithstanding any clause in this policy, for cases reported by legal-team, vigilance-team, Verification Agency, or escalations from other government bodies, order of the Court, complaint received from any third party, notice or information received from police authorities or GeM etc. regarding submission of fake or forged documents/ false statement/ incorrect details or information and /or any other action by the Supplier which amounts to a deviation, GEM- admin may create Incidents against the sellers, even if the seller/SP has no catalog or has not participated in any bid/order. These Incidents can be created with available Incident reasons or with 'other' Incident reasons. The Incident will be escalated immediately, and action will be taken. SCN will be issued only if sufficient documentary evidence is not available. The Temporary Moratorium / Suspension period for such Incidents will be as stated in the Incident Management Policy which can further be increased to 2 years with the approval of the respective Chief Marketplace Officer in GEM. The applicability of this clause will be decided by GeM admin and such a decision will be final.”

18. On a plain reading of Clause 14 of the Incident Management



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Policy, the same does not appear to be a provision which, in ordinary cases of a violation of Clause 29 of the GTC detected from GeM bidding data, itself converted a specifically classified *Severe* deviation into a *Grave* deviation. Clause 14 deals with a distinct category of incidents and circumstances. No material has been brought forth to demonstrate that the present deviation committed by the petitioners fell within the specific category contemplated by Clause 14 of the Incident Management Policy.

19. Even otherwise, while this Court is conscious that the authorities can take into account aggravating circumstances when passing a suspension order or, where the policy so permits, enhance the period of suspension, however, in the facts and circumstances of the present case, where the policy clearly identifies violation of *Clause 29* of the GTC as a “*severe violation*” for which the maximum period of suspension for third or subsequent deviation is “90 days”, the impugned orders cannot be sustained.

20. In view of the aforesaid circumstances, the respective suspension orders dated 02.03.2026 (in W.P.(C) 11136/2026) and 09.03.2026 (in W.P.(C) 11277/2026) prescribing a suspension of 365 days on the respective petitioners is hereby modified and reduced to 90 days.

21. The modified period of suspension shall be reckoned from the respective dates on which the suspension commenced, that is, 02.03.2026 for the petitioner in W.P.(C) 11136/2026 and 09.03.2026 for the petitioner in W.P.(C) 11277/2026.

22. Since the respective period of 90 days already stand completed,



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the suspension of the petitioners shall stand treated as having run its course.

23. The respondent is accordingly directed to take appropriate steps in accordance with its policies for restoration of the Seller IDs of the petitioners.

24. It is clarified that this Court has not adjudicated upon the merits of the alleged violation of Clause 29, including the questions whether the petitioners constituted allied entities, whether the common mobile-number details established such relationship, or whether the participation in the 28 common bids amounted to collusive bidding.

25. The present petitions are partly allowed and disposed of in the aforesaid terms. Pending applications also stand disposed of.

26. A copy of the order passed today be kept in the connected matter.

AMIT MAHAJAN, J

OCTOBER 6, 2026

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