

IN THE PUNJAB & HARYANA HIGH COURT AT CHANDIGARH

CWP No.1665 of 2015

Date of Decision: 27.03.2015

M/s Muralage

...Petitioner

Versus

Punjab Agricultural University & others

...Respondents

CORAM: HON'BLE MR. JUSTICE HEMANT GUPTA
HON'BLE MRS. JUSTICE LISA GILL

Present: Mr. Jasmeet Singh Bhatia, Advocate, for the petitioner.

Mr. H.N.S.Gill, Advocate, for the respondents.

HEMANT GUPTA, J.

Challenge in the present writ petition is to the communication dated 29.08.2014 (Annexure P-2) and to the reply to the legal notice dated 05.11.2014 (Annexure P-4), whereby the petitioner-Firm, engaged in providing Architectural Consultancy Services, was black-listed in the future projects of the respondent-University.

The Architectural Consultancy contract was granted to the petitioner on 08.09.2008 for the purpose of Auditorium building of the Punjab Agricultural University, Ludhiana. The stand of the respondents-University is that the petitioner failed to provide the consultancy services despite notices appended with the written statement as Annexures R-1 to R-3. The respondent-University has black-listed the petitioner on its failure to provide consultancy services vide agreement Annexure R-4.

Learned counsel for the petitioner has argued that the petitioner has been black-listed without giving any show cause notice and that too for unlimited period. Reliance is placed upon the judgment of Hon'ble Supreme

Court in Gorkha Security Services Vs. Government (NCT of Delhi) & others
(2014) 9 SCC 105.

We have heard learned counsel for the parties and find that the notices Annexures R-1 to R-3 were only to call upon the petitioner to perform its obligation under the contract and that penal action will be taken in case of failure to perform the contractual obligations. There is no specific show cause notice proposing black-listing of the petitioner. There is no fix time for black-listing of the petitioner as well. In response to the legal notice served by the petitioner after the order of black-listing was passed, the same stand has been reiterated, as has been taken in the written statement.

Since the order of black-listing of the petitioner has been passed without issuing any show cause notice and for an unlimited period, we find that such order violates the principles of natural justice. Consequently, the order dated 29.08.2014 is set aside with liberty to the respondent-University to pass a fresh order in accordance with law.

Disposed of accordingly.

(HEMANT GUPTA)
JUDGE

27.03.2015
Vimal

(LISA GILL)
JUDGE