

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP No. 7803 of 2016 (O&M)

Date of decision: 14.9.2016

Panchayati Raj Contractors Union

.. Petitioner

v.

State of Punjab and others

.. Respondents

CORAM: HON'BLE MR. JUSTICE RAJESH BINDAL
HON'BLE MR. JUSTICE DARSHAN SINGH

Present: Mr. Rishabh Gupta, Advocate for the petitioner.
Mr. Jagmohan Bansal, Addl. Advocate General, Punjab.

...

Rajesh Bindal J.

Challenge in the present petition filed by Panchayati Raj Contractors Union is to the notification dated 2.10.2014, whereby it has been provided that all unskilled works of any amount and skilled works of upto ₹ 40,00,000/- will be given only to the societies. The stand of the petitioner is that the condition imposed is arbitrary as the contractors other than societies cannot even file tenders, even though their rates may be competitive.

The stand taken by learned counsel for the State is that a similar condition was earlier put vide notification dated 23.4.1990, whereby limit was increased from ₹ 5,00,000/- to ₹ 10,00,000/- for award of contracts to the societies. The same was upheld by a Division Bench judgment of this Court in M/s Maya Construction Company, Mohali and others v. State of Punjab and others, 2003(4) RCR (Civil) 840. Subsequently, the limit was increased to ₹ 30,00,000/- vide notification dated 11.7.2011. The same was

challenged before this Court. The condition was upheld by this Court in CWP No. 7082 of 2013—M/s J.S.T. Engineers and Contractors v. Punjab State Power Corporation Limited and others, decided on 23.5.2013. It is further submitted that with the increase in prices, the amount has been increased from ₹ 30,00,000/- to ₹ 40,00,000/-. There is no other change. Once in principle, this court had already accepted that preferential rights can be given to the co-operative societies for award of tender, mere increase in the earlier amount with increase in the prices will not give a fresh cause of action to the petitioner to challenge the notification.

After hearing learned counsel for the parties and considering the judgments of this Court in M/s Maya Construction Company, Mohali and others and M/s J. S. T. Engineers and Contractors' cases (supra), where challenge to the earlier notifications providing for the condition of award of contract on preferential basis to the co-operative societies upto a certain limit was upheld and in the present impugned notification, only the amount has been increased, we do not find any reason to interfere in the present petition.

Accordingly, the petition is dismissed.

(Rajesh Bindal)
Judge

(Darshan Singh)
Judge

14.9.2016
mk

Whether speaking/reasoned:	Yes/No
Whether reportable:	Yes/No