

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

**CM-13722-CWP-2018 in/and
CWP No.14007 of 2018
Date of decision: 20.09.2018**

M/s Aries Corporate Services Pvt. Ltd.

... Petitioner

Versus

State of Haryana and others

... Respondents

**CORAM: HON'BLE MR. JUSTICE KRISHNA MURARI,
CHIEF JUSTICE
HON'BLE MR. JUSTICE ARUN PALLI, JUDGE**

Present: Mr. Saurabh Arora, Advocate for the petitioner.
Mr. Sharad Aggarwal, AAG, Haryana,
for respondent No.1.
Mr. Anil Shukla, Advocate for respondents No.2 & 3.

KRISHNA MURARI, C.J. (Oral)

An application has been filed by learned counsel for the petitioner to stay the operation of the impugned order. However, the main case is listed for 01.10.2018.

We have heard learned counsel for the parties and with their consent the main case is taken on board.

The challenge in this petition has been made to the order dated 31.01.2018 passed by the respondent-authority blacklisting the petitioner-company. The main ground of challenge is that the blacklisting is for an unlimited period and thus is totally illegal and against the pronouncement of the Hon'ble Apex Court in **Kulja Industries Limited v. Chief Gen. Manager W.T. Proj., BSNL and others**, 2014(14) SCC 731. The Division Bench judgment of this Court in the case of **M/s Zee Laboratories v. Union of India and others**, 2015 (47) RCR (Civil) 709 is also relied upon to

support the proposition. In the case of **Kulja Industries Ltd.** (supra), the Hon'ble Apex Court has held as under:

“24. Suffice it to say that ‘debarment’ is recognised and often used as an effective method for disciplining deviant suppliers/contractors who may have committed acts of omission and commission or frauds including misrepresentations, falsification of records and other breaches of the regulations under which such contracts were allotted. What is notable is that the ‘debarment’ is never permanent and the period of debarment would invariably depend upon the nature of the offence committed by the erring contractor.”

Learned counsel appearing for the respondent(s) does not dispute the legal proposition.

In view of the settled proposition of law, the impugned order blacklisting the petitioner-company for an unlimited period is not liable to be sustained and is hereby quashed. The matter stands remitted back to the authority concerned to take a fresh decision with respect to time period for which the petitioner-company is to be blacklisted. The decision may be taken keeping in view the attending facts and circumstances as also the gravity of the cause which led to passing of the blacklisting order, within a period of three weeks from the production of certified copy of this order.

The petition stands disposed of.

**(Krishna Murari)
Chief Justice**

**(Arun Palli)
Judge**

20.09.2018
Rajan

Whether speaking / reasoned:
Whether Reportable:

YES
NO