

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

**CWP 8160/2020 (O&M)
Date of decision:16.06.2020**

Mandeep Singh Suri and others

.....Petitioners

v.

Union of India and another

.....Respondents

**Coram: Hon'ble Mr.Justice Jaswant Singh
 Hon'ble Mr.Justice Sant Parkash**

Present:- Mr.Atul Nanda, Senior Advocate assisted by
 Mr.Sangram Singh Saron,Advocate for the petitioners

Mr.Satyapal Jain, Additional Solicitor General for
Union of India-respondent no.1.

Mr.Vikas Bahl, Senior Advocate assisted by
Mr.Utkarsh,Advocate and Ms.Akriti,Advocate
for respondent no.2-Regulatory Board.

Jaswant Singh,J(Oral).

Heard through Video Conferencing.

Petitioner no.1-Mandeep Singh Suri is Director of
petitioner no.2 and 3 companies namely- M/s Jay Madhok Energy
Pvt.Ltd., and Jay Madhok Holdings Pvt.Ltd., respectively. Under the
consortium led by petitioner no.2 Company (for short JMEPL) upon
acceptance of their bid by the Petroleum and Natural Gas Regulatory
Board (for short the Board)-respondent no.2, petitioners no. 2 and 3
were granted authorisation for dispensing CNG in respect of City of
Jalandhar on 6.9.2013 and in respect of Cities of Ludhiana and Kutch
(Gujarat) on 25.6.2015 and 12.3.2015 respectively. The Consortium-

JMEPL was issued a composite Show Cause Notice (SCN) dated 26.3.2019 (P-7 colly.) under Section 23 of the Petroleum and Natural Gas Regulatory Board Act, 2006 (for short the 2006 Act) by the Board for suspension and cancellation of the authorisation due to suppression / concealment of material facts / documents in order to secure the bid/contracts; failure to comply with the conditions of authorisation; as also under Regulation 16 of Petroleum and Natural Gas Regulation Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Network) Regulations 2008 for encashing the performance Bank Guarantee due to deficiency in meeting the targets.

Petitioners filed CWP 11783 of 2019 before this Court challenging the alleged mala fide SCN dated 26.3.2019 (P-7), wherein an interim order dated 10.5.2019 (P-8) was passed, permitting the dispensation of CNG from its outlets. The said writ petition was finally disposed of vide order dated 6.2.2020 (P-9) with permission to file replies to the SCN (P-7) and a further direction to the respondent-Board for affording personal hearing and to decide the SCN (P-7) within four weeks. Since the response could not be filed within time, petitioners were constrained to file another CWP 7512 of 2020, which was disposed of vide order dated 27.5.2020 (P-11) granting last opportunity to the petitioners to file reply to the aforesaid SCN (P-7) before 5.6.2020 with a further direction to the Board to proceed with the hearing irrespective of filing of reply or not.

The date of hearing of the SCN (P-7) before the Board is stated to be fixed for today i.e. 16.6.2020 through Video

Conferencing inspite of petitioners having filed Memo dated 12.6.2020 (P-12) seeking postponement of the hearing, in view of lack of quorum; as also absence of Member (Legal).

In the present writ petition, prayer is for setting aside the notification dated 28.4.2020 (P-1), whereby amendment has been made to Regulation 7 of the Petroleum and Natural Gas Regulatory Board (Meetings of the Board) Regulations, 2007, *inter alia*, providing for two members to constitute the quorum for transaction of business at the meeting, being in violation of the various provisions of the 2006 Act. Further prayer is for restraining the Board from conducting the hearing / proceedings pursuant to SCN (P-7) for lack of quorum including the mandatory presence of Member (Legal) in view of provisions of Section 3 sub-section(3) read with Section 8 sub-section (3) and Section 24 sub-section (1) of the 2006 Act.

At the time of commencement of hearing, learned counsel for the Board has pointed out that in view of amendment (Annexure P-1) two members can constitute a valid quorum for conducting the meeting of the Board for transacting business including the hearing fixed today wherein the petitioners have already participated. He further submits that with regard to issue of quorum, it is apparent from the Email (P-13) sent by the Board that the same may be raised during the hearing before the Board scheduled on 16.6.2020, which is bound to be decided by the Authority/Board while adjudicating the SCN (P-7). He submits that as such except challenge to Notification (P-1), the relief claimed is premature.

Learned counsel for the petitioners, after having argued

at some length, prays for permission to withdraw the writ petition with liberty to raise the plea of quorum before the Board while reserving the right to challenge the validity of the amendment in regulation 7 vide P-1, at a later stage, if considered necessary, in accordance with law.

In view of the above, the present writ petition is dismissed as withdrawn with liberty to petitioners to raise all the pleas before the Board while further permitting them to reserve their right to challenge the validity of Notification P-1 at a later stage.

(Jaswant Singh)
Judge

16.06.2020.
joshi

(Sant Parkash)
Judge

Whether Speaking/reasoned	Yes/No
Whether Reportable	Yes/No