

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

Civil Writ Petition No. 6124 of 2022 (O&M)

Date of decision:- 25.05.2022

M/s Jindal Industrial Corporation and anotherPetitioner

Versus

Union of India and another ...Respondents

**CORAM: HON'BLE MR. JUSTICE RAVI SHANKER JHA, CHIEF JUSTICE
HON'BLE MR. JUSTICE ARUN PALLI, JUDGE.**

Present:- Mr. S.K.Garg Narwana, Senior Advocate with
Mr. Satish Kumar Garg, Advocate, for the petitioner.

Mr. Pankaj Gupta, Sr. Panel Counsel for the UOI.

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RAVI SHANKER JHA, CHIEF JUSTICE (oral)

This petition has been filed by the petitioners being aggrieved by an order dated 23.03.2021 (Annexure P-9) by which the respondent-authorities have passed an order temporarily suspending the execution of the work awarded to the petitioner as well as business with the petitioners.

Learned senior counsel for the petitioners submits that the impugned order has been passed by the respondent-authorities without issuing any show cause notice or giving any opportunity of hearing, which, he asserts, is contrary to their own circular dated 11.06.2019. He further submits that the order has been passed referring to the provisions of amended Sections 7, 7-A and 8 of the Prevention of Corruption Act and 120-B of the Indian Penal Code whereas there is no such provision mentioned by the respondent-authorities in the impugned order which requires suspension of business or banning of further business with the petitioners. Rather, the

impugned order/action of the authorities amounts to black-listing for an indefinite period.

Learned senior counsel for the petitioners has relied upon the decisions of the Supreme Court rendered in *Deafodills Pharmaceuticals Ld. And another vs. State of Uttar Pradesh and another* 2020(18) SCC 550 and *UMC Technologies Private Ltd. vs. Food Corporation of India and another* 2021(2) SCC 551.

Learned counsel appearing for the respondent-Union of India while taking this Court through the impugned order as well as reply/written statement filed by them submits that though there are several issues that he has raised and argued before this Court but none of those find mention in the reply/written statement or the impugned order passed by the respondent-authorities. He further submits that the petitioners were caught in a bribery case and therefore, a charge-sheet has been filed in the trial Court and the matter is pending before Ms. Harinder Sidhu, Special Judge, CBI Court, SAS Nagar, Mohali. It is submitted that in such circumstances, the authorities have not banned the petitioners for life but has temporarily suspended business with them till further orders or conclusion of the trial before the CBI Court. He fairly submits that the authorities while passing the impugned order clearly mentioned that no show cause notice is warranted in view of clear provisions of the Prevention of Corruption Act which in fact cannot be found in the statute book. In these circumstances, he submits that the impugned order shall be treated/termed as nonest and the authorities shall pass a fresh speaking order in the matter and before doing so they would also issue a show cause notice and afford an opportunity of hearing to the petitioners.

In view of the statement made by learned counsel for the respondent-Union of India, the petition filed by the petitioners is disposed of with a direction to the respondent-authorities to issue a show cause notice to the petitioners and also afford an opportunity of hearing and thereafter pass a fresh speaking order in accordance with law within a period of two months.

(RAVI SHANKER JHA)
CHIEF JUSTICE

(ARUN PALLI)
JUDGE

25.05.2022
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Whether speaking/reasoned	Yes/No
Whether reportable	Yes/No