



CWP-20692-2024 -1-

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARHCWP-20692-2024Date of decision: 10.09.2024

M/s Svasca Industries (India) Ltd.

....Petitioner

Versus

Punjab State Power Corporation Ltd., and another

....Respondents

CORAM: HON'BLE MR. JUSTICE ARUN PALLI
HON'BLE MR. JUSTICE VIKRAM AGGARWALPresent: Mr. Ashwani Talwar, Advocate, and
Mr. Sahej Mahajan, Advocate,
for the petitioner.Mr. Gurminder Singh, Advocate General, Punjab, with
Mr. Jastej Singh, Deputy Advocate General, Punjab, and
Mr. Gurkamal Singh Kandhola, Advocate,
for the respondents.

ARUN PALLI, J. (Oral)

Pursuant to the Repair Contract No.QW-05/PO-W, dated 12.07.2001, the petitioner-firm was assigned the work of repair of aluminum wound conventional type distribution transformers damaged outside warranty period of rating 25, 63 and 100 KVA. For the petitioner-firm failed to return 33 transformers, that were already lifted within warranty period, and similarly, failed to lift 64 damaged transformers within the warranty period, it was blacklisted in perpetuity, vide order dated 26.02.2021 (P-13). Being aggrieved, the petitioner-firm approached this Court vide CWP-27168-2022. And, since the order of blacklisting for an indefinite period was indefensible, it was agreed between the parties that the petitioner would move the respondent authorities by filing a representation for modification of the said order, which shall be considered and decided by the authorities, as expeditiously as possible. And, vide order dated 06.07.2023, the petition was dismissed as withdrawn. Accordingly, the matter was re-examined by the Whole Time Directors (WTDs), vide impugned order dated 19.03.2024 (P-18), and the

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order of blacklisting has been modified. Resultantly, the blacklisting period has since been curtailed to five years, w.e.f. 26.02.2021.

Learned counsel for the petitioner submits that apparently, the impugned order is harsh and arbitrary, for the contract relates to the year 2001-02, whereas, the initial order of blacklisting was passed after over two decades on 26.02.2021. Further, post order dated 06.07.2023, passed by this Court, the respondent-Corporation took eight months to pass the impugned order on 19.03.2024. Accordingly, he submits that even the period of five year is unduly excessive. It is urged that since the order of blacklisting was passed on 26.02.2021, the petitioner has already suffered for nearly 3½ years. And, thus, its survival and business interests have been gravely impaired. Not just that, as a result of arbitral proceedings between the parties, vide award dated 06.09.2018 (P-5), the respondent-Corporation has since been awarded Rs.52,44,341/- against the petitioner, on account of non-return of transformers etc. And, the objections filed by the petitioner against the said award, under Section 34 of the Arbitration and Conciliation Act, 1996, are pending consideration.

Given the circumstances the petitioner is faced with, we had asked learned Advocate General, Punjab, if the period of blacklisting could be further curtailed, to balance the equities and provide a quietus to the matter. In response, on instructions, he, as always, fairly submits that taking into account the totality of facts and circumstances, in the event, the petitioner, once again, moves the respondent-Corporation, vide a comprehensive representation, the same shall be taken cognizance of and appropriate orders, shall be passed thereon, in accordance with law. Further, before any such orders are passed, the petitioner, through its authorized representative(s), shall be heard, for which, a formal communication shall be issued, well in advance.

That being so, learned counsel for the petitioner submits that the petitioner shall file the representation within two weeks from today.

To which, learned Advocate General submits that in the event any such representation is received, the same shall be considered and the necessary orders, as indicated above, shall be passed thereon, within a further period of two weeks thereafter.



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In the wake of the above, and in terms of the statements made by learned counsel for the parties, the petition is accordingly disposed of.

This Court is sanguine that the authorities shall look into the matter in the right earnest. And the appropriate orders shall be passed within the time indicated by the learned Advocate General.

(ARUN PALLI)
JUDGE

(VIKRAM AGGARWAL)
JUDGE

10.09.2024
Ak Sharma

Whether speaking/reasoned	Yes
Whether reportable	Yes/No