

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CWP No.23180 of 2023
Reserved on: 02.11.2023
Pronounced on : 26.02.2024

Sukhwinder Singh SainiPetitioner
V/s
State of Punjab and othersRespondents

**CORAM: HON'BLE MR. JUSTICE ARUN PALLI
HON'BLE MR. JUSTICE VIKRAM AGGARWAL**

Present: Mr. Khush Deep Mann, Advocate, for the petitioner.
Mr. V.G. Jauhar, Addl. Advocate General, Punjab.

VIKRAM AGGARWAL, J.

The petitioner herein prays for the issuance of a writ of certiorari, quashing the order dated 31.08.2023 (Annexure P-12), vide which the representation dated 25.04.2023 (Annexure P-11) moved by the petitioner was rejected and the financial bid submitted by him in respect of residential Plot No.5571, Block-F, measuring 289.15 sq. mtrs. situated in Aerocity, SAS Nagar, Mohali (hereinafter referred to as the “plot in question”), was not accepted.

2. The case set up by the petitioner is that the petitioner participated in an e-auction which was conducted by the respondents from 21.09.2017 to 11.10.2017. The petitioner was interested in purchasing the plot in question. He deposited a sum of Rs.2 lakhs on account of the eligibility fee and participated in the auction.

As per the petitioner, he gave a bid of Rs.29950/- per sq. mtr. against the reserve price of Rs.29900/-, but despite being the highest bidder, the plot was not allotted to him. The terms and conditions for the e-auction

have been annexed as Annexure P-1 and the bid report is Annexure P-4. The sum of Rs.2 lakhs was, however, refunded to the petitioner without assigning any reason. The petitioner visited the respondent-authority a number of times and submitted representations dated 22.11.2018, 13.02.2023 and 28.02.2023 (Annexure P-7 colly). Then in response to the information sought under the Right to Information Act, 2005, incomplete information was supplied to him vide Annexure P-8.

3. The petitioner filed a writ petition bearing CWP-8007-2023, titled as *Sukhwinder Singh Saini Vs. State of Punjab and others*, which was disposed of by a coordinate Bench of this Court on 19.04.2023 (Annexure P-10) and liberty was granted to the petitioner to file a detailed representation to the respondents and the respondents were directed to decide the same within a period of six weeks. The representation was decided by way of impugned order dated 31.08.2023 (Annexure P-12), which is now under challenge.

4. Learned counsel for the petitioner submitted that the respondents erred in not accepting the bid of the petitioner despite his having given a bid higher than the reserved price. It was submitted that the reason assigned in the impugned order that on account of a single bid having been received, the amount submitted by the petitioner was refunded, is not sustainable.

Learned counsel further submitted that once the petitioner had given the highest bid, the respondents were duty bound to accept the same and could not have rejected the bid on flimsy grounds.

5. On the other hand, learned Additional Advocate General, Punjab, who appeared on advance copy of the petition having been supplied to the State of Punjab, sought instructions in terms of the order dated

12.10.2023 and apprised the Court that in view of the fact that a single bid had been received, the same was not accepted and the site was put to auction again on 11.07.2019. The site was allotted to one Sunil Dutt Sharma and allotment letter dated 06.12.2019 was issued.

Learned counsel submitted that the impugned order does not suffer from any illegality and, therefore, the writ petition merits rejection.

6. Having considered the arguments advanced by learned counsel for the parties, we find the writ petition to be devoid of merit.

7. The sum of Rs.2 lakhs deposited by the petitioner was not the earnest money but was the eligibility fee which is clear from the terms and conditions of auction (Annexure P-1). Strangely, the petitioner has not bothered to annex the advertisement by way of which the sites were put to auction. Be that as it may, after the deposit of eligibility fee, the successful bidder was to deposit the remaining price as per the schedule given in clauses 4 and 5 of the terms and conditions of the auction.

8. The document Annexure P-3 shows that with regard to the plot in question, only one bid, i.e. bid of the petitioner was received, whereas for certain other plots, number of bids were received. Under the circumstances, plots were allotted to some persons (as has been averred in the writ petition), whereas no plot was allotted to the petitioner and the amount of Rs.2 lakhs was refunded.

As per the impugned order Annexure P-12, the bid of the petitioner was cancelled on account of the fact that only a single bid had been received. It has specifically been stated in the said order that the plot in question was accordingly withheld to be put for auction in the subsequent e-auction. It has been stated that the petitioner was shown as the highest bidder since he was the single bidder. However, he was never declared as the highest bidder by the office, nor was he called upon to deposit any further amount after deposit of the eligibility fee. It has still been further

which one Sunil Dutt Sharma purchased the plot in question and the same stood allotted to him by way of allotment letter dated 06.12.2019.

9. We do not find any illegality in the order because mere deposit of the eligibility amount would not confer any right upon the petitioner. The cancellation of his bid on account of no other bid having been received also does not suffer from any illegality or irregularity. The sole purpose of the bid is to fetch the best price for a particular site and once a single bid is received that too marginally above the reserve price (bid of Rs.29950/- per sq. mtr. against the reserve price of Rs.29900/-), the authorities would be well within their rights to cancel such bid. Clauses 8.4 and 8.5 of the terms and conditions of auction (Annexure P-1) read as thus:-

“8.4 In case the highest bid is not accepted by the Authorized Officer due to any reason whatsoever, the eligibility fee shall be refunded in full.

8.5 Chief Administrator, or any other officer authorized by him reserves the right to accept or reject the highest bid or withdraw the site from the auction without assigning any reason even if the bid is higher than the reserve price. The acceptance of the final bid by the Authorized Officer shall be subject to the approval by the Chief Administrator, of the Authority.”

A reading of the aforesaid reveals that the respondents were well within their right to accept or reject the bid.

10. We have, therefore, no hesitation in holding that the impugned order does not suffer from any illegality.

11. In view thereof, we do not find any merit in the writ petition and the same is accordingly dismissed.

(ARUN PALLI)
JUDGE

(VIKRAM AGGARWAL)
JUDGE

26.02.2024
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Whether speaking/reasoned:

Yes/No

Whether reportable:

Yes/No