

(2004) 10 JH CK 0018
In the Jharkhand High Court
Case No : W.P.C. No. 4076 of 2004

Chotanagpur Small Scale Industries Association	APPELLANT
Vs	
State of Jharkhand and Others	RESPONDENT

Date of Decision : 15-10-2004

Acts Referred:

Constitution of India, 1950 — Article 226

Citation : (2005) 1 JCR 10

Hon'ble Judges : M.Y. Eqbal, J

Bench : Single Bench

Advocate : Rajiv Ranjan, for the Appellant; S.K. Verma, SC (mines), for the Respondent

Judgement

M.Y. Eqbal, J.—In this writ application the petitioner has prayed for issuance of an appropriate direction upon the respondents to implement the Jharkhand Industrial Policy, 2001 (shortly "the policy") particularly clause 32 of the Policy by ensuring that various departments of the State Government specially Water and Sanitation Department will ensure that minimum 75% of the total order placed with respect to any tendered item for purchase of Hand Pumps by manufacturing units located within the State of Jharkhand.

2. The petitioner is the association of small scale industries of the State of Jharkhand. The Drinking Water and Sanitation Department, Government of Jharkhand came with a tender notice inviting tenders for the supply of Handpumps and other allied products. It is alleged by the petitioner that only 33% of the total required number of Handpumps is being procured from local manufacturing units.

3. In the counter-affidavit filed by respondent No. 6, the Executive Engineer, Monitoring (Headquarters), Drinking Water and Sanitation Department, Government of Jharkhand, Doranda, Ranchi, it is stated that under the Industrial Policy, the respondents would ensure purchase of 75% of the tendered items from the industrial units located within the State of Jharkhand but without

compromising the quality. It is contended that the Tender Committee decided that since a tender was called for annual requirement, 33% of the total annual requirement should go to the Small Scale Units of the State.

4. I have heard Mr. Rajiv Ranjan, learned counsel appearing for the petitioner and the learned counsel appearing on behalf of the respondents.

5. Clause 32 of the Industrial Policy, 2001 reads as under :

"32.0 Marketing Assistance and other linkages.

32.1 Marketing of products has been recognized as the weakest link for the Tiny/SSI sector particularly those in the rural areas.

The following measures would be undertaken to facilitate assistance :

32.1.1 The policy of the State Government is to ensure that State Government departments and various agencies under its control purchase their requirement of store items from industries located within the State. In order to achieve this, the product of industries located within the State will be eligible for the facilities of preferential purchase by State Government departments and the agencies under its control. Various departments of the State Government and the various agencies under its control would ensure without compromising the quality, that minimum 75% of the total order placed with respect to any such tendered item be supplied exclusively by the manufacturing industrial units located within the State.

It would also be ensured that 33% of the total annual purchase by any department/agency should be exclusively supplied by the manufacturing small scale industrial units located within the State.

In order to provide the price preference facilities, with respect to certain identified item (s) being manufactured by the Small Scale Industries located within the State, with the objective of providing competitiveness to such item (s), a High Level Committee would be constituted by the State Government, which shall duly assess the competitiveness of such items as referred and make recommendations. The State Govt. shall ensure appropriate action with respect to such recommendations to encourage such small scale industrial units. Price preference shall be admissible as per the provisions to the industrial products of the small scale industrial units.

The Central Government, its various agencies and private/joint sector industries located within the State will be persuaded to accord similar facilities to the products of local industries. New industrial units coming up in the State will be persuaded to patronize local industries/firms for construction/supply of materials.

32.1.2....."

7. The respondents in their counter-affidavit, have not disputed the existence and validity of the Industrial Policy. In that view of the matter, if there is no legal

impediment, the respondent-State is under obligation to ensure that 75% of the total orders placed with respect to any item under the tender notice shall be allotted to manufacturing industrial unit located within the State of Jharkhand but in no case the departments of the State Government will compromise with the quality.

8. With the aforesaid direction this writ application is disposed of