

(2013) 01 P&H CK 0249
In the Punjab And Haryana At Chandigarh
Case No : C.W.P. No. 10538 of 2009

Surjit Singh

APPELLANT

Vs

State of Punjab and Another

RESPONDENT

Date of Decision : 21-01-2013

Acts Referred:

Citation : AIR 2013 P&H 92

Hon'ble Judges : Ritu Bahri, J; Hemant Gupta, J

Bench : Division Bench

Advocate : Kanwaljit Singh, G.S. Ghuman, for the Appellant; Rajat Bansal, AAG, for the Respondent

Judgement

Hemant Gupta, J.—The challenge in the present writ petition is to the communication dated 08.05.2009, whereby the reasons for not accepting the highest bid of the petitioner were communicated to the petitioner. The assets of M/s. Cepham Dairy Development Limited was put to auction by respondent No. 2 on 30.1.2008. The reserve price for the said assets was fixed at Rs. 3 crores. The petitioner's bid was of Rs. 5.26 crores, which was the highest offer in the said auction process. The said bid was not accepted vide communication dated 12.9.2008 (Annexure P.2). In an earlier writ petition filed by the Petitioner; before this Court, the respondents were "directed to consider the writ petition as representation and to pass a speaking order therein. It was in pursuance of such direction, the impugned order has been passed.

2. Mere fact that the petitioner was highest bidder does not confer any legally enforceable right in his favour so as to seek confirmation of sale. The competent authority has decided not to accept the bid. The reasoning given by the authority that the revised valuation of the Assets is Rs. 6.54 crores much more than the bid offered by the petitioner is sufficient and good cause not to accept the bid of the Petitioner. This is the view taken by recent Full Bench judgment of this Court reported as Subhash Chand Vs. State of Haryana and Others, -Subhash Chand v. State of Haryana and others.

3. A Division Bench of this court has examined somewhat similar question in CWP No. 12753 of 2010 titled "Jitender Singh v. Haryana Urban Development Authority". It has been observed as under:

In the present case, the letter of allotment was not issued conveying acceptance of bid offered by the petitioner. In terms of letter of allotment so issued, it was open to the petitioner to accept the offer by depositing 15% of the amount or to suffer the consequences, as mentioned in the letter of allotment. No concluded contract can come into existence merely on submission of highest bid.

In Orchid Infrastructure Developers Pvt. Ltd. Vs. Haryana Urban Development Authority and Others, the finding recorded that the Chief Administrator is the competent authority to take a final decision regarding cancellation of the highest bid submitted by the petitioner. But the question of cancellation will arise only if the bid is accepted and letter of allotment issued. Still further, the Full Bench judgments of this Court in Subhash Chand Vs. State of Haryana and Others, and Surja Ram Vs. State of Haryana and Another, were not brought to the notice of the Court. It has been held therein that the highest bid offered by a bidder can be rejected, but the reasons for rejection should be available on file. Since such distinction has not been brought to the notice of the Court, therefore, the said judgment does not lay down correct law and is overruled.

4. We find that the reasoning given by the respondents in not accepting the highest bid of the petitioner cannot be said to be suffering from any illegality or perversity. Therefore, no ground is made out to interfere in the impugned order to interfere in the writ jurisdiction of this Court. Dismissed.