

PUNJAB VIDHAN SABHA

Bill No. 36-PLA-2017

THE PUNJAB INFRASTRUCTURE (DEVELOPMENT AND
REGULATION) SECOND AMENDMENT BILL, 2017

A

BILL

further to amend the Punjab Infrastructure (Development and Regulation) Act, 2002.

BE it enacted by the Legislature of the State of Punjab in the Sixty-eighth Year of the Republic of India as follows :—

1. (1) This Act may be called the Punjab Infrastructure (Development and Regulation) Second Amendment Act, 2017.

Short title and commencement.

(2) It shall come into force on and with effect from the date of its publication in the Official Gazette.

2. In the Punjab Infrastructure (Development and Regulation) Act, 2002 (hereinafter referred to as the principal Act), in section 6, after sub-section (1), the following sub-sections shall be inserted, namely :—

Amendment in section 6 of Punjab Act 8 of 2002.

“(1-A) Where there is a provision, for appointment of sole Arbitrator by the Government/Government agencies, in an agreement entered into between two or more contractors, or contractor/contractors on one side and a Department, Public Sector Undertaking, Board, Corporation, Society or Agency under the control of the State Government on the other side, regarding the creation, development, maintenance and operation of infrastructure related projects and for matters connected therewith or incidental thereto of the State Government, in such a case, the Chairperson or any member so nominated by the Chairperson shall be deemed to be the sole Arbitrator, under the Arbitration and Conciliation Act, 1996 (Act 26 of 1996) in disputes where the claimed amount is five crore rupees and above.

(1-B) Where there is a provision, for appointment of two or more Arbitrators, one of them to be appointed by the

Government/Government agencies, in an agreement entered into between two or more contractors, or a contractor/contractors on one side and a Department, Public Sector Undertaking, Board, Corporation, Society or Agency under the control of the State Government on the other side, regarding the creation, development, maintenance and operation of infrastructure related projects and for matters connected therewith or incidental thereto of the State Government, in such a case, the Chairperson or any member so nominated by the Chairperson shall be deemed to be the Arbitrator required to be appointed by the Government/Government agencies under the Arbitration and Conciliation Act, 1996 (Act 26 of 1996), in disputes where the claimed amount is five crore rupees and above.”.

Amendment in
section 14 of
Punjab Act 14
of 2002.

3. In the principal Act, in section 14, in sub-section (1),—

(i) at the end of clause (v), the word “and” shall be omitted;
and

(ii) in clause (vi), for the sign “:”, the sign and word “; and” shall be substituted and thereafter, the following clause shall be added before the proviso, namely :—

“(vii) to adjudicate upon, as an Arbitrator, the disputes *inter se* between two or more contractors, or a contractor/contractors on one side and a Department, Public Sector Undertaking, Board, Corporation, Society or Agency under the control of the State Government on the other side, regarding the creation, development, maintenance and operation of infrastructure related projects and for matters connected therewith or incidental thereto of the State Government under the Arbitration and Conciliation Act, 1996 (Act 26 of 1996), where the claimed amount is five crore rupees and above :”.

STATEMENT OF OBJECTS AND REASONS

The Punjab Infrastructure (Development & Regulation) Act, 2002, (PIDRA, 2002) has been enforced by the Punjab Government with effect from July 11, 2002. In order to ensure speedy, just and affordable redressal of disputes arising out of and during the course of execution of various contracts of the Govt. Departments, Boards, Corporations, Public Sector Undertakings (PSUs), Society or Agency under the control of the State Govt. on one hand and the Concessionaire/Contractor or Contractors on the other, an independent separate dispute resolving mechanism is required to be formed. Presently the above arms of the Govt. are appointing Arbitrators at their own level as per their respective rules and guidelines.

Accordingly, in order to meet the above said objectives, PIRA may be delegated powers and functions of the arbitration and for the purpose of adjudication in this respect as laid down under the Arbitration and Conciliation Act, 1996. This would ensure uniformity in the expenditure related to the Arbitration being incurred by various arms of the State. Hence, it has been decided to make some amendments which are required to be made in PIDRA, 2002.

In order to achieve the above purposes, the Punjab Infrastructure (Development and Regulation) Amendment Act, 2017 is proposed to be promulgated for substituting some existing provisions of Punjab Infrastructure (Development and Regulation) Act, 2002 with the amended provisions.

MANPREET SINGH BADAL,
Minister for Finance, Punjab.

CHANDIGARH :
The 28th November, 2017.

SHASHI LAKHANPAL MISHRA,
Secretary.

N.B.— The above Bill was published in the *Punjab Government Gazette (Extraordinary)*, dated the 28th November, 2017 under the proviso to rule 121 of the Rules of Procedure and Conduct of Business in the Punjab Vidhan Sabha (Punjab Legislative Assembly).