

**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

Civil Writ Petition No.286 of 2016

Date of Decision: December 01, 2016

M/s HDFC ERGO General Insurance Company Ltd.

...Petitioner

Versus

The Chandigarh Administration & Ors.

...Respondents

Civil Writ Petition No.3145 of 2016

M/s HDFC ERGO General Insurance Company Ltd.

...Petitioner

Versus

The Chandigarh Administration & Ors.

...Respondents

CORAM: HON'BLE MR. JUSTICE RAMESHWAR SINGH MALIK

Present: Mr.Ramesh Kumar Bamal, Advocate,
for the petitioner.

Mr.Suvir, Senior Standing Counsel with
Mr.Jaivir S.Chandel, Advocate,
for respondent-UT, Chandigarh.

Mr.A.S.Virk, Advocate,
for respondent Nos.2 & 4 (in CWP-3145-2016) and
for respondent Nos.3 & 4 (in CWP No.286-2016).

RAMESHWAR SINGH MALIK, J.(Oral)

These two identical writ petitions, bearing CWP No.286 of

2016, titled as “*M/s HDFC Egro General Insurance Company Ltd. vs. The Chandigarh Administration & Ors.*” and CWP No.3145 of 2016, titled as “*M/s HDFC Egro General Insurance Company Ltd. vs. The Chandigarh Administration & Ors.*”, are proposed to be disposed vide this common order, as the controversy involved in both the writ petitions filed by the same petitioner and against the same respondents is one and the same.

When the matter came up for hearing on 27.09.2016, following order was passed by this Court:-

“Learned counsel for respondents No.1 and 2 submits that so far as the auction price is concerned, said amount has already been paid to the petitioner. However, learned counsel for the petitioner submits that since the amount was being used by the respondent authorities for a considerable long period, petitioner shall be entitled for interest on the delayed payment.

Let the respondents file their respective written statement(s), clarifying their stand as to why petitioner should not be granted interest on the delayed payment.

List on 01.12.2016.

A photocopy of this order be placed on the file of connected case.”

Learned counsel for respondent Nos.1 and 2 submits that no appropriate instructions have been passed on to him in compliance of the above-said order passed by this Court. However, it has gone undisputed before this Court that the amount of ₹5,11,000/- (Rupees five lacs eleven thousand only) in CWP No.286 of 2016 and ₹1,95,500/- (Rupees one lac ninety five thousand and five hundred only) in CWP No.3145 of 2016 which has now been returned to the petitioner, was, as a matter of fact, used by respondent Nos.1 and 2 for a specified period which is different in both these cases. Should there be any confusion in this regard, the concerned respondent authorities in CWP No.3145 of 2016 would be respondent Nos.1 and 3. It would be a matter of record and there would be no scope of dispute in this regard between the parties as to for how much time the amount was used by respondent Nos.1 and 2. Whatever is the specified period in each case for which the amount was used by respondent Nos.1 and 2, petitioner would be entitled for interest on the said amount at the rate of 9% per annum from the date it became due in favour of the petitioner till the date of actual payment. Any lessor rate of interest would be wholly unjustified. In this regard, reference can be made to the law laid down by the Hon'ble Full Bench of this Court in

A.S.Randhawa vs. State of Punjab & Ors., 1997 (3) SCT 468.

Let the amount on account of interest be calculated by the respondent authorities at an early date and it should be paid to the petitioner without any further loss of time and in any case within a period of two months from the date of receipt of a certified copy of this order. It is also made clear that in case the amount accrued on account of interest is not paid to the petitioner within the above said stipulated period of two months, respondent authorities shall be liable to pay the amount at the rate of 12% interest.

With the above said observations made and directions issued, both writ petitions stand disposed of, however, with no order as to costs.

December 01, 2016

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(RAMESHWAR SINGH MALIK)

JUDGE

Whether speaking/reasoned

Yes/No

Whether reportable

Yes/No