

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

ANURADHA
20.07.23 16:30
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**CWP No. 9964 of 2020 (O&M)
Date of Decision :17.7.2020**

Safiri Retail Private Limited

..... Petitioner

Versus

Union of India and another

..... Respondents

**CORAM : HON'BLE MR. JUSTICE AJAY TEWARI
:HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present : Mr. Anand Chhibbar, Senior Advocate with
Mr. Vaibhav Sahni, Advocate and
Mr. Neihal Dogra, Advocate
for the petitioner.

AJAY TEWARI, J. (Oral)

1. This petition has been filed for issuance of a writ in nature of a certiorari quashing the impugned notice dated 30.6.2020 (Annexure P-26) vide which the respondent authority has sought encashment of the bank guarantee given by the petitioner.
2. Notice of motion.
3. On the asking of the Court, Mr. Arun Gosain, Advocate accepts notice on behalf of respondent No.1 and Mr. Vivek Singla, Advocate accepts notice on behalf of the contesting respondent No.2.
4. Counsel for the petitioner undertakes to supply requisite number of copies of the paper book during the course of the day to the

opposite counsel.

5. The precise contention of the learned Senior counsel for the petitioner is that on the one hand even as per the respondents the issue regarding grant of rebate to the petitioner is engaging the attention of the respondent No.2 but on the other hand even without deciding that issue the respondent No.2 is adamant to encash the bank guarantee of the petitioner.

6. Learned counsel for respondent No.2 on the other hand has argued that though it is not disputed that issue of grant of benefit to the petitioner is before respondent No.2 yet the fact of the matter is that as on date a sum of Rs.7 crores is due from the petitioner (even for the pre-lockdown period) and the bank guarantee is only up to Rs. 4.16 crores.

7. We are aware that judicial intervention in contractual matters is rarely to be resorted. In the circumstances, we are not persuaded to accept the contention of the learned Senior Counsel for the petitioner that the respondent No.2 should be restrained from encashing the bank guarantee. But on the other hand, it is not disputed that the issues raised by the petitioner for seeking waiver of dues is pending before respondent No.2.

8. Resultantly, we direct that in case the petitioner deposits an amount of Rs. 1.04 crores (the cash security component) within 10 days from today, the respondent No.2 shall not encash the bank guarantee and would proceed to decide the issue of waiver (for the pre-lockdown period) and till such time that issue is not decided, would not insist on encashing the bank guarantee.

9. Petition stands disposed of in the above terms.

10. Since the main case has been decided, the pending civil miscellaneous application, if any, also stands disposed of.

(AJAY TEWARI)
JUDGE

(JASGURPREET SINGH PURI)
JUDGE

17.7.2020
anuradha

Whether speaking/reasoned	-	Yes/No
Whether reportable	-	Yes/No