

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

226

**CWP-12476-2019 (O&M).
Date of decision: 20.09.2022.**

Smt. Sheela Devi

...Petitioner

Versus

Punjab Agri Export Corporation Limited.

...Respondents

CORAM: HON'BLE MR. JUSTICE VINOD S. BHARDWAJ

Present: Ms. Deepali, Advocate, for
Ms. Mehak Sawhney, Advocate,
for the petitioner.

Mr. Dharam Pal, Advocate, for
Mr. Amit Kumar Walia, Advocate,
for the respondent.

VINOD S. BHARDWAJ. J (ORAL)

The present writ petition has been filed under Articles 226/227 of the Constitution of India, seeking issuance of a writ in the nature of mandamus for setting aside the letter dated 11.04.2019 (Annexure P-14) whereby the respondent Corporation rejected the claim of the petitioner for the interest on the amount deposited as bank guarantee in the form of FDR paid by father of the petitioner in 1996.

Briefly summarized, the facts of the case are that the respondent - Corporation had allotted a site measuring 8' x 10' for running a Juice Bar at the premises of the Punjab State Board of Technical Education and Industrial Training, Sector 36, Chandigarh, to the father of the petitioner vide letter dated 17.06.1996 (Annexure P-1). The father of the petitioner had deposited an amount of Rs.25000/- as bank guarantee in the form of FDR with the respondent - Corporation for the satisfactory functioning of the kiosk/site and an agreement was duly executed on 24.07.1996 (Annexure P-2). As per the terms of the policy, interest on the bank guarantee submitted by the vendor was supposed to be released to him. The maturity amount along with interests on the security carried forward in the shape of FDR as on 07.05.2005 was Rs.55,714/- which was renewed from time to time.

In March 2017, father of the petitioner died on account of ill-health. He had surrendered the site to the Corporation. The petitioner being nominee of her father submitted a letter dated 26.12.2017 with the Senior Manager of the respondent - Corporation for releasing the bank guarantee along with interest in favour of the petitioner. However, vide letter dated 23.02.2018 (Annexure P-5) the respondent - Corporation refunded only an amount of Rs.25,000/- vide cheque dated 19.02.2018. Aggrieved thereof, the petitioner wrote a letter to the respondent - Corporation demanding and specifying her entitlement over the interest on the bank guarantee so furnished. The respondent – Corporation, however, refused to grant interest to the petitioner, thus, compelling the petitioner to approach this Court.

Learned counsel appearing on behalf of the respondent - Corporation has, however, fairly conceded today before the Court that the respondent - Corporation had agreed to grant interest @ 6% per annum in favour of the petitioner from the date when the amount fell due till its actual release.

The present petition is, accordingly, disposed of in terms of the statement so made by the learned counsel appearing on behalf of the respondent - Corporation today in the court.

Needless to mention that the respondent - Corporation shall remain bound by the statement made today in the Court .

Petition is accordingly disposed of in terms as aforesaid.

September 20, 2022
raj arora

(VINOD S. BHARDWAJ)
JUDGE

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No