



102

IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP-14759-2025

Date of decision: 28.07.2025

MS. CHANDNI GOYAL

...Petitioner(s)

VERSUS

STATE OF HARYANA AND OTHERS

...Respondent(s)

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI

Present:- Mr. Shubham Bhardwaj, Advocate for the petitioner.

Mr. Udit Garg, Addl. A.G., Haryana.

JASGURPREET SINGH PURI, J. (Oral)

1. The present Civil Writ Petition has been filed under Articles 226/227 of the Constitution of India seeking issuance of a writ in the nature of *certiorari* for quashing the impugned Clause 11 of the terms and conditions dated 08.06.2017 (Annexure P-1), the impugned refund rejection letter dated 30.03.2018 (Annexure P-2) and the decision of the State Level Committee, Haryana (Wood Based Industry) rejecting the claim for refund of the earnest money amounting to Rs.3,20,000/-, with a further prayer to issue a writ in the nature of *mandamus* directing the respondents to refund the earnest money amounting to Rs.3,20,000/-.

2. Learned counsel for the petitioner while giving the brief facts of the case submitted that vide Notification issued by the State Level Committee, Wood Based Industry, Haryana on 05.02.2017, applications were invited for



grant of licences for setting up wood based industries and for increasing the capacity of licensed units and along with the aforesaid invitation for applying for licences, various terms and conditions for applying for new licence/registration were also issued, which are attached with the present petition as Annexure P-1. He further submitted that as per Annexure P-3, the time period for filing of online application was from 10.06.2017 to 09.07.2017 and the petitioner applied within the aforesaid period. However, as per the terms and conditions (Annexure P-1), the applicant had to deposit 20% of the amount of one time payment being charged in each category of WBI in the form of earnest money and also in addition to the earnest money, each applicant had to pay a non-refundable and non-adjustable processing fee, which was Rs.20,000/-. He further submitted that the petitioner paid the aforesaid earnest money which came out to be Rs.3,00,000/- and Rs.20,000/- as non-refundable and non-adjustable processing fee and thereafter, her application was processed. He further submitted that after the closure of the last date on 09.07.2017, the respondents issued an additional information imposing a new condition vide Annexure P-5 dated 28.07.2017 that the applicant is also required to submit a bank guarantee equivalent to the one time payment amount applicable to his/her category through online mode and in this way, the total amount against which the bank guarantee was to be furnished came out to be about Rs.15,00,000/-.

3. Learned counsel for the petitioner further submitted that the petitioner was issued a letter of offer on 03.08.2017 vide Annexure P-6 but vide Annexure P-7, she rejected the said offer on 25.08.2017 by so stating that she conveys her unwillingness to accept the offer for licence and in this way, the



petitioner did not accept the offer made by the respondents and in the aforesaid letter, no specific reason has been assigned by the petitioner for declining the offer. He further submitted that later on by way of additional information dated 08.09.2017 (Annexure P-8), the earlier condition of furnishing of a bank guarantee was withdrawn. He also submitted that thereafter, the petitioner although had withdrawn the offer made by respondents but she had been agitating at different forums on the administration side for refund of the aforesaid amount of Rs.3,20,000/- but no action has been taken in this regard and therefore, the petitioner has filed the present petition.

4. Learned counsel for the petitioner further submitted that vide Annexure P-16, some of the other allottees who were granted licences in a similar situation and had also rejected the offers made by the respondents filed a bunch of writ petitions before this Court and a Coordinate Bench of this Court vide judgment dated 10.02.2023 dismissed the petitions by holding that the amount cannot be refunded because as per the terms and conditions, once an earnest money has been deposited and the offer has been made but rejected by an applicant then the same stands forfeited. He further submitted that there was no challenge to the Clause providing for forfeiture in the aforesaid bunch of writ petitions but in the present case, the petitioner has challenged the aforesaid Clause which is condition No.11 of the aforesaid terms and conditions. He also submitted that the petitioner has sought a refund of an amount of Rs.3,20,000/- i.e. Rs.3,00,000/- towards earnest money and Rs.20,000/- towards processing fee and has also challenged condition No.11 of the terms and conditions being unconstitutional.



5. On the other hand, Mr. Udit Garg, Addl. A.G., Haryana submitted that he has received an advance copy of the present petition and has also sought instructions in the present case. He further submitted that the present petition filed by the petitioner is liable to be dismissed in view of the fact that the matter already stands settled by a Coordinate Bench of this Court in a bunch of writ petitions vide Annexure P-16 and the mere fact that Clause 11 by which the forfeiture of earnest money is to be done was not challenged in those petitions would not mean that it entitles the petitioner to challenge the aforesaid condition at this belated stage. In this regard, he submitted that the process was completed in the year 2017 and the petitioner has challenged the aforesaid Clause in the year 2025 i.e. after a gap of 8 years, which is an inordinate delay and that too after participating in the entire process and after herself rejecting the offer given by the respondents, now the petitioner cannot be permitted to challenge the aforesaid Clause after a period of 8 years and therefore, the present petition is not only frivolous but also an abuse of the process of law.

6. Learned State counsel further submitted that the petitioner is also seeking a writ in the nature of *mandamus* for refund of an amount after the expiry of 3 years for which she otherwise could not have filed a civil suit for recovery but considering the fact that there is no limitation period prescribed for filing a writ petition under Article 226 of the Constitution of India, the doctrine of delay and laches is applicable to writ petitions filed under Article 226 of the Constitution of India. He further submitted that it is rather the case of the petitioner herself that the amount of Rs.20,000/- was the processing fee, which was non-refundable and non-adjustable and still she has thought it fit to seek a



mandamus for recovery of the aforesaid non-refundable amount in addition to the earnest money of Rs.3,00,000/- and has therefore, prayed for the dismissal of the present petition.

7. I have heard learned counsels for the parties.

8. On the basis of aforesaid submissions and facts given by learned counsels for the parties, this Court is of the considered view that the present petition deserves to be dismissed being not only devoid of merit but also being an abuse of the process of law due to the following reasons:-

(i) The entire process started in the year 2017 and was completed immediately thereafter as the period of filing the applications was from 10.06.2017 to 09.07.2017. The petitioner was offered the grant of licence by way of an offer letter dated 03.08.2017 (Annexure P-6), to which she immediately issued a rejection letter by expressing her unwillingness on 25.08.2017 vide Annexure P-7 and now it is almost 8 years after the aforesaid that she has filed the present petition challenging the aforesaid Clause as well by which the earnest money was to be forfeited apart from seeking a writ in the nature of *mandamus* for directing the respondents to refund the amount. The present petition is hopelessly barred by the doctrine of delay and laches and there is no justification or reason for filing the present petition with delay. During the course of arguments, the only argument raised by the learned counsel for the petitioner was that the petitioner had been agitating at different forums including various functionaries of the



State Government and that was the reason as to why she did not choose to take a recourse to the judicial remedy and therefore, that constitutes a sufficient reason. This Court is of the considered view that the law in this regard is well settled that repeated representations/applications made at different State level forums is no ground for explaining the delay for filing a writ petition and therefore, *ex facie* the present petition is liable to be dismissed on the ground of delay and laches straightaway.

(ii) The petitioner after having participated in the process and being offered the letter of invitation for the grant of licence herself rejected the offer and a perusal of the rejection letter (Annexure P-7) would show that there is no reason mentioned in the aforesaid letter for rejecting the same, even if assumingly the aforesaid was a cyclostyled letter but one of the grounds taken by the petitioner was that it was because of the reason that an additional condition was imposed. However, such a ground cannot be taken, at this stage, once the petitioner herself voluntarily rejected the offer. It is not the case of the petitioner that there was any undue influence, coercion or any fraud being exercised by the State but issuing a rejection letter by the petitioner expressing her unwillingness was voluntary in nature. There can be any reason behind the same, which according to the petitioner was the imposition of an additional condition but the same is not reflected from the aforesaid letter (Annexure P-7). After the forfeiture of the earnest



money in terms of Clause 11 of the terms and conditions, the petitioner has now challenged the action of the State after a period of about 8 years.

(iii) The condition of forfeiture of earnest money incorporated in Clause 11 is reproduced as under:-

“Clause 11: If upon receiving a letter of offer the applicant does not want to accept the offer, then the earnest money deposited for the category in which the applicant is being offered a license will be forfeited and no refund will be made. If the acceptance letter from the applicant whom Letter of offer has been issued is not received within the prescribed one month period then it will be construed as rejection of offer by the applicant for which he will only be responsible”.

The condition of non-refundable and non-adjustable processing fee is also reproduced as under:-

“Clause 8: Applicant has to deposit 20% of the amount of ‘One Time Payment’ being charged in each category of WBI in the form of ‘Earnest Money’. In addition to Earnest Money, each applicant has to pay a non refundable, non adjustable Processing Fee. The ‘One Time Payment’ amount and the amount of Processing Fee for all the categories is as given below.”

A perusal of the aforesaid would show that it is an undisputed fact that as per the terms and conditions (Annexure



P-1), the processing fee was non-refundable and non-adjustable, to which the learned counsel for the petitioner has also not disputed and therefore, it is not understandable as to why and under what circumstances the petitioner has sought a writ of *mandamus* for seeking refund of Rs.20,000/- as processing fee, which according to her also was non-refundable. This is also an element which shows an abuse of the process of law. So far as Clause 11 of the terms and conditions, which is also under challenge in the present petition is concerned, the grant of licensing process was over about 8 years ago. The petitioner herself participated in the process and therefore, accepted the condition of forfeiture of earnest money in case of rejection of offer and after accepting the condition and participating in the process, the petitioner has preferred the present petition after about 8 years.

(iv) Not only this, even otherwise also, there is no justifiable ground to set aside or quash such a condition because the same cannot be termed as unreasonable and rather it would be a fair procedure which is the prerogative of the employer or the licence-granting authority. Even if the condition is a stringent condition that does not mean that such a condition becomes arbitrary or violative of Article 14 of the Constitution of India. Had the petitioner been aggrieved by such a condition, she would have challenged the same at an appropriate time either before she participated in the process or during the process or may be in



certain rare circumstances, immediately after the completion of the process but the petitioner cannot be permitted to agitate such a condition being imposed after a period of 8 years and therefore, this also amounts to an abuse of the process of law by filing the present petition.

(v) It is an admitted position that the forfeiture of earnest money was made by the State Level Committee (SLC), which is the authority to grant the licence and it is so reflected in Annexure P-18, whereby the petitioner was informed by an Enquiry Officer, who conducted an enquiry on the basis of the representation of the petitioner that as per 14th meeting of State Level Committee (WBI) held on 26.10.2019, it was decided to cancel the applications of those applicants who had not deposited the balance 80% lump sum amount within the stipulated time after the issue of offer letter and to confiscate 20% earnest money deposited by them and as per the decision of the State Level Committee, the earnest money of Rs.3,20,000/- deposited by the present petitioner was confiscated by the department. The aforesaid decision was taken by the Enquiry Officer on the basis of the complaint made by the petitioner and this was decided on 14.06.2023 and still the petitioner waited for more than two years to file the present petition even after becoming aware of the aforesaid decision. As per the terms and conditions, there was an alternative remedy available to the petitioner of filing an appeal before the concerned Regional



Office of the Central Government in the Ministry of Environment, Forest and Climate Change seeking appropriate relief within 60 days' time and instead of filing an appeal for availing alternate remedy of appeal against the decision taken by the State Level Committee (SLC), she waited for a long number of years and has straightaway filed the present petition before this Court. An argument was raised by the learned counsel for the petitioner that filing of an appeal was not an efficacious remedy deserves to be rejected since once an inbuilt alternate remedy was provided, then by merely so arguing that since the petitioner is challenging the constitutionality of Clause 11 of the terms and conditions, the aforesaid alternate remedy was not efficacious is a misconceived argument.

(vi) With regard to the similarly situated persons, who were also offered by the respondents in the same process and who also expressed their unwillingness by submitting rejection letters and qua them also, the earnest money was forfeited filed a bunch of writ petitions before this Court, which came up for hearing before this Court and the aforesaid petitions were dismissed vide Annexure P-16 on 10.02.2023 by a Coordinate Bench of this Court by holding that the earnest money could have been forfeited, although the validity of Clause 11 was not challenged in those petitions. However, the ratio of the aforesaid judgment would certainly be applicable directly to the present case. This is because



of the fact that the validity of Clause 11 could not have been challenged by the petitioner after a period of 8 years.

9. In view of the aforesaid facts and circumstances and the reasons mentioned hereinabove, the present petition is not only devoid of merit but is also frivolous and vexatious in nature and the same is hereby dismissed with Rs.25,000/- (Rupees Twenty Five Thousand) as costs. The petitioner is hereby directed to deposit the aforesaid costs before the High Court Legal Services Committee, within a period of two months from today. After deposit of the aforesaid costs, the receipt of the same shall be deposited before the Registry of this Court, who shall after the expiry of two months from today list this case for compliance purposes.

(JASGURPREET SINGH PURI)
JUDGE

28.07.2025
Chetan Thakur

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