

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

2026.PHHC.039110



**CWP No. 4274-2018(O&M)
Date of Decision: 13.03.2026**

M/s Himland Sales Agencies

....Petitioner

vs.

State of Punjab and others

....Respondents

CORAM: HON'BLE MR. JUSTICE JAGMOHAN BANSAL

**Present: Mr. Vivek Aggarwal, Advocate
for the petitioner**

Mr. Aman Dhir, DAG, Punjab

JAGMOHAN BANSAL, J. (ORAL)

1. The petitioner through instant petition under Articles 226 and 227 of the Constitution of India is seeking direction to respondents to release bank guarantee as well as 5% security deducted from running bills.

2. The petitioner claims that it executed work assigned to it by respondents. It submitted bills on 21.11.2013 after the expiry of guarantee period. The respondents did not release bank guarantee. They further withheld 5% security deducted from running bills. The respondents are claiming that payment was not made to petitioner because it did not complete work within time. They had to get their work done from some other agency. They suffered loss on account of non-completion of work by the petitioner, nevertheless, they have assessed a sum of Rs. 29,52,065/- as



payable to petitioner. They are ready to pay the said amount, however, without interest.

3. Learned counsel for the petitioner submits that aforesaid sum of Rs.29,52,065/- includes bank guarantee of Rs. 15,00,000/-. The petitioner would be satisfied if agreed amount is paid along with interest @ 6% per annum and it would not agitate issue involved herein before any forum including Arbitrator. It would accept the aforesaid amount as full and final settlement qua contract in question.

4. Learned State counsel submits that as per his instructions, as on day, no bank guarantee is alive.

5. In the wake of statement of both sides, the petition stands disposed of with a direction to respondents to release payment of Rs. 29,52,065/- to petitioner within six weeks from today. The respondents would further be liable to pay interest on the amount other than bank guarantee @ 6% per annum from the date of filing of writ petition before this Court.

6. Pending Misc. application(s), if any, shall stand disposed of.

(JAGMOHAN BANSAL)
JUDGE

13.03.2026
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Whether speaking/reasoned:	Yes	
Whether reportable:		No