

M/s A.G. Foods Ltd. Vs State of Punjab and others

Court: High Court Of Punjab And Haryana At Chandigarh

Date of Decision: March 26, 2012

Hon'ble Judges: M.M. Kumar, J; Alok Singh, J

Bench: Division Bench

Final Decision: Dismissed

Judgement

M.M. Kumar, J.

The petitioner who is a defaulter in making the payment of its dues to the Punjab State Industrial Development

Corporation Ltd. (PSIDC) has approached this Court with a prayer for quashing letter dated 2.12.2011 (P. 29) sent by the PSIDC- respondent

stating that the amount of One Time Settlement having not been paid within the stipulated period the claim for OTS did not survive. Accordingly,

the petitioner has been asked to clear the outstanding dues which amounts to more than Rs. 640 lakhs. It is appropriate to mention that the

respondent PSIDC has accepted OTS proposal on 16.2.2011 (P. 25) and as per the provisions of the State Policy. The OTS amount was

worked out to be Rs. 58,65,415/- with cut off date of 15.12.2009. It was certified that the petitioner had paid rupees nine lakhs and the remaining

amount after adding interest @ 13.20% from the cut off date till the date of acceptance i.e. 16.2.2011 was worked out to be Rs. 57,38,536/-.

The petitioner had opted for payment within 90 days and they were given the rebate @ 5% on the OTS amount and thereafter the total amount

which was required to be deposited was Rs. 54,45,536/-. The amount was to be paid within 90 days from the date of the aforesaid letter. It has

remained undisputed that the aforesaid amount was not deposited and vide letter dated 2.12.2011 (P. 29) the actual outstanding amount payable

by the petitioner has been worked out which is more than Rs. 640 lakhs. We have heard the Learned Counsel for the petitioner at some length and

are of the view that the petitioner has committed default in complying with the terms and conditions of settlement under the OTS Scheme as is

evident from the perusal of settlement dated 16.2.2011 (P. 25). Once the petitioner has not been able to honour the aforesaid settlement, no right

of the petitioner would survive to claim another settlement under the OTS particularly when no scheme of OTS is in operation with the PSIDC.

Moreover, the petitioner had challenged the rate of interest incorporated in One Time Settlement by filing CWP No. 9290 of 2011 which was

dismissed on 21.9.2011. It is doubtful if another petition would be competent. It appears that the petitioner wishes to engage in litigation to defeat

the rights of the PSIDC. The writ petition does not merit admission. Dismissed.