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**HIGH COURT OF JAMMU AND KASHMIR & LADAKH  
AT JAMMU**

WP(C) No.750/2023 (O&M)

Reserved on: 20.12.2024  
Pronounced on: 26.12.2024

Suvani Group of Construction Company ...Petitioner(s)

Through :- Mr. Vishal Sharma, Advocate

v/s

Union Territory of J&K & Ors. .....Respondent (s)

Through :- Mr. Ravinder Gupta, AAG

**CORAM: HON'BLE MR. JUSTICE RAJESH SEKHRI, JUDGE**

**JUDGMENT**

**1.** Petitioner-company has invoked writ jurisdiction of this Court under Article 226 of Constitution of India for commanding the respondents to pay admitted liability along with interest.

**2.** As factual narration of the present case would unfurl, petitioner was allotted the work of "Construction of 1<sup>st</sup> Floor over existing A.I. Treatment Shed at Animal Husbandry Hospital Kishtwar" vide allotment No. EE/R&B/K/1908-10 dated 14.07.2015 for an allotted cost of Rs.11,12,140/-.

**3.** Case of the petitioner is that during the execution of contract, it was instructed by the respondents to perform extra work and the company in addition to the allotted work completed the extra work on the instructions and under the direct supervision and directions of concerned Engineers of the respondents. The

respondents though approved and verified the final bill for an amount of Rs.21,68,019/-, as per the measurements recorded in MB and Daily Diary, but they released an amount of Rs.16,58,184/- upto CC 6<sup>th</sup> Bill and balance amount of Rs.5,09,835/- has been withheld without any reason. According to the petitioner, it was told by the respondents that aforesaid amount could not be released due to paucity of funds. Grievance of the petitioner is that despite completion of the entire work, on the instructions and under the supervision of concerned Engineers of the respondents and due approval and verification of the final bill raised by it, withholding of the admitted liability without any lawful excuse, is illegal, arbitrary and malafide exercise of powers by the respondents and is violative of Articles 14, 19(1)(g) and 21 of the Constitution of India.

4. Respondents though admitted the allotment of subject work in favour of the petitioner-company but denied that petitioner at any point of time was directed to execute over and above the allotted cost of the work. The claim has been opposed by the respondents primarily on the premise that the excess work alleged to have been done by the petitioner on its own is without any written order from the competent authority and the MB/Final Bill raised by the petitioner is neither countersigned by the Incharge Sub Division/AEE concerned nor authenticated by concerned Executive Engineer. It is, thus, contention of the respondents that claim of the petitioner for payment of excess work without administrative approval is not maintainable. The plea has also been opposed by the respondents on the ground that petition suffers from vice of delay and laches and the remedy available to the petitioner-company is enforcement of money claim by way of a Civil Suit.

5. Heard arguments and perused the file.

6. Learned counsels for the parties have reiterated the grounds urged in their respective pleadings in the arguments.

7. It is trite that since contractual obligation of the State co-exist with its constitutional obligations, therefore while entering into a contract or an agreement with a private company or private individuals, it must act in a just, fair and reasonable manner. It is also by far a crystallized position of law that a contractor executing a work on behalf of the Government or its agencies undertakes the same with a bona fide and legitimate expectation that the work is being undertaken and executed by him after due administrative approval and compliance of legal formalities. It is none of the business of the Contractor to ensure administrative approval, technical sanction or compliance of legal formalities before undertaking the execution of work and it is for the Government or its agencies to explain as to how the work was executed by a contractor in the absence of administrative approval or sanction.

8. If the present case is approached with the aforesaid principle of law in mind and the stand of respondents is carefully glanced over, it is evident that respondents have neither denied the execution of work by the petitioner company over and above the allotted work nor their liability to make the payment. There is nothing in the stand of respondents or in the record to suggest that petitioner company has not executed the work to its satisfaction or within the prescribed time line. The final bill raised by the petitioner company amounting to Rs.21,68,019/- is also duly verified and approved by the respondents, thus not in dispute. It is, thus, evident from the stand of the respondents that admitted liability of the petitioner has been withheld without any lawful justification, which besides being arbitrary, unreasonable and unfair, is unconstitutional. In the circumstances, respondents cannot escape the liability to make the balance

payment of the work, admitted to have been executed by the petitioner company under the excuse of administrative approval or delay.

**9.** For the forgoing reasons, the present petition is allowed and respondents are directed to release the balance payment of Rs. 5,09,835/- along with interest @ 6% per annum till its realization within a period of six weeks from the date a copy of this order is made available to them.

**10.** With the aforesaid directions, the present petition is **disposed of** along with connected CM(s).

**(RAJESH SEKHRI)**  
**JUDGE**

JAMMU  
26.12.2024  
Paramjeet

