

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CIVIL WRIT PETITION NO.672 OF 2019

DATE OF DECISION: JANUARY 14, 2019

The Malik Cooperative Labour and Construction Society
.....Petitioner

Versus

State of Punjab and others
.....Respondents

CORAM:- HON'BLE MR.JUSTICE TEJINDER SINGH DHINDSA

Present: Mr.Dheeraj Mahajan, Advocate for the petitioner.

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TEJINDER SINGH DHINDSA, J.

Petitioner/The Malik Cooperative Labour and Construction Society Limited was awarded a number of works by the Nagar Panchayat, Ajnala, District Amritsar and the details of which have been furnished in para 2 of the writ petition.

It is the case of the petitioner/Society that all the works have since been completed and inspite of a period of two years having elapsed, the total security amount which comes to Rs.22 lakhs approximately has not been released till date. Counsel has adverted to Clause 26 of one of the Agreements placed on record at Annexure P1, which was in the following terms:

“50% of security amount will be paid to contractor/ society after one year of completion of work and remaining 50% of security amount will be paid to the contractor/society after two years of

completion of work with the condition that the contractor/society will have to submit the indemnity bond for defect liability period of five years."

It is argued that the Nagar Panchayat, Ajnala has acted in arbitrary and illegal fashion in not releasing in favour of the petitioner/Society the security amount.

Without even going into the merits of the case and without ascertaining the correctness of the averments made in the petition, I deem it appropriate to dispose of the instant writ petition with a direction to respondent No.3 i.e. the Executive Engineer, Nagar Panchayat, Ajnala to consider the claim of the petitioner in the light of a legal notice dated 4.12.2018, Annexure P3, which is stated to have already been served. A final order with regard to the claim of the petitioner/Society be passed and conveyed to the petitioner within a period of six weeks from the date of receipt of a certified copy of this order.

Disposed of.

JANUARY 14, 2019
SRM

(TEJINDER SINGH DHINDSA)
JUDGE

Note:	<i>Whether speaking/reasoned:</i>	<i>Yes/No</i>
	<i>Whether Reportable:</i>	<i>Yes/No</i>