

ORDER SHEET
WPO NO.401 OF 2020
IN THE HIGH COURT AT CALCUTTA
Constitutional Writ Jurisdiction
ORIGINAL SIDE

MESA NARULA INFRA PROJECTS PVT. LTD. & ANR.
Versus
UNION OF INDIA & ORS.

BEFORE:

The Hon'ble JUSTICE SABYASACHI BHATTACHARYYA

Date : 10th December, 2020

Appearance :

Mr. Sakya Sen,
Mr. Anirban Pramanik,
Mr. S. Mukherjee,
Mr. Sabyasachi Bhattacharya, Advs.,
for the petitioner.

Mrs. Aparna Banerjee, Adv.,
for the respondent.

The Court : The petitioners' grievance is that although the railway authorities categorically communicated that all contractual obligations had been fulfilled on behalf of the petitioners and that there was no claim outstanding against the contractor for his work and the security deposit stood refundable, the railway authorities have withheld a substantial portion of such refund.

Learned counsel for the petitioner places reliance on the communication no. DCE/Con/CR/WT/792/1026 dated July 1, 2020 wherein the eastern railway categorically admitted that approval had arrived for release of full security deposit and that pay order had been already prepared for the entire amount and enclosed for early release of the full security deposit to the agency at the earliest with intimation to the office of the Deputy Chief Engineer/Con/I/Eastern Railway, Sealdah.

Such communication categorically shows that the process of refund was finalised and there could not have been any impediment in releasing the amount in favour of the petitioners.

Learned Counsel for the respondents, on instruction, argues that more than Rs.38 lakhs out of the security deposit amount has already been released in favour of the petitioners. The balance amount, it is submitted, has been adjusted in respect of other contracts with the petitioner as per terms of such contracts.

However, the present contract, on the basis of which the refund of the security deposit was already finalised, cannot be equated or mixed up with other contractual liabilities between the parties. Moreover, in view of the categorical admission on the part of the respondent authorities, as evident from the communication dated July 1, 2020, there is no scope of the railway authorities to retract from immediate refund of the entire amount of the security deposit.

That apart, there is no lien in law over the security deposit payable to the petitioners in respect of the contract-in-question on the basis of other contractual obligations which may exist between the parties, emanating from different and distinct contracts.

Accordingly, WPO No.401 of 2020 is allowed, thereby directing the respondents to disburse the entire security deposit amount of Rs.68,34,203.00P in favour of the petitioners within a week from date.

It is made clear that in the event a portion of such amount has already been released in favour of the petitioners, the respondents shall only disburse the balance amount out of the total of Rs.68,34,203.00P to the petitioner within the aforesaid time limit.

No order as to costs.

Urgent certified photocopy of this order, if applied for, be made available to the parties subject to compliance of all requisite formalities.

(SABYASACHI BHATTACHARYYA, J.)