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

CWP No. 21817 of 2019
Date of Decision: 07.03.2022

H J Buildtech and Promoters Private Limited

-Petitioner

Versus

State of Punjab and others

-Respondents

CORAM: HON'BLE MR. JUSTICE RAJ MOHAN SINGH

Present: Mr. Ankit Midha, Advocate,
for the petitioner.

Mr. Tarun Vir Singh Lehal, Addl. A.G., Punjab.

RAJ MOHAN SINGH, J. (Oral)

The case has been taken up for hearing through video conferencing.

Petitioner has preferred this writ petition for the issuance of an appropriate writ, order or direction especially in the nature of mandamus directing the respondents to make the payment of Rs.15,40,000/- approximately qua the work done by the petitioner along with interest.

The present writ petition has been filed with the averments that the petitioner had executed various work assignments allocated to it by the department from time to time.

During the year 2016-17, work of re-construction/re-modelling of

Sub-minor No.1 of Mandi Minor RD 0-26500 off taking at RD 0-21600/L package RD 0-2500 slice RD 18000-26500 was allocated to the petitioner vide work order No.03/29 dated 28.11.2016. The estimated cost of work was Rs.45,96,183/-, but the gross cost on completion of work went upto Rs.51,30,312/- upto 3rd and final bill. The work was completed by the petitioner to the entire satisfaction of the competent authority. Certificate of completion was also issued by the Executive Engineer, Sangrur on 24.06.2019.

Out of the total amount of Rs.51,30,312/-, only an amount of Rs.28,59,865/- was paid to the petitioner against the first running bill and Rs.1,84,722/- was released against the security deducted from the bills. In this way, an amount of Rs.30,44,587/- was released to the petitioner despite the fact that work was completed in the year 2017. An amount of Rs.15,40,000/- is due to be released in favour of the petitioner, but the same has not been released so far.

Precisely with this background, the present writ petition was filed.

On 12.12.2019, the matter came up for hearing in due course and the following order was passed:-

*“Learned State counsel upon instructions
from Balwinder Singh, Clerk, Irrigation Branch,*

Sangrur would concede to the fact that an amount of Rs.15,40,000/- approximately is due to the petitioner/firm in lieu of works that were allotted and have since been executed.

The only justification put forth for non-release of the amount is financial stringency.

The State Government/instrumentality cannot escape its liability to pay to the Contractor the amount due inspite of contractual obligations having been discharged.

The Principal Secretary, Department of Finance, Government of Punjab is directed to respond to the petition in terms of filing his own affidavit.

The issue of award of interest on the payment not being released inspite of the same being due, is also kept open.

List on 30.01.2020.

12.12.2019

harjeet

(TEJINDER SINGH DHINDSA)

JUDGE"

Evidently, Principal Secretary, Department of Finance, Government of Punjab was directed to respond to the plea of the petitioner by filing his own affidavit. Concededly, an

amount of Rs.15,40,000/- approximately was due to the petitioner in lieu of work done by it. It was so stated by learned State counsel on instructions from Balwinder Singh, Clerk, Irrigation Branch, Sangrur. The reason for not paying the balance amount was financial constraints being felt by the department. Despite the order having been passed on 12.12.2019, needful in the context of filing own affidavit by Principal Secretary has not been done till date. On 13.01.2020 also, learned State counsel submitted that some payment has been released to the petitioner on 24.01.2020, but learned counsel for the petitioner responded to the same by submitting that complete payment has not been released.

Today, learned counsel for the petitioner submits that out of total amount of Rs.15,40,000/-, an amount of Rs.12,11,227/- has been paid and an amount of Rs.3,28,773/- is still due till date.

Learned State counsel seeks further time to do the needful.

It appears that the respondent is not alive to the situation.

Admittedly, the work was done by the petitioner long back in the year 2017. The total due amount has not been paid owing to some financial constraints.

For the release of its due amount, the petitioner has been unnecessarily compelled to approach this Court. In the order dated 12.12.2019, issue of award of interest on the payment was kept open.

In view of aforesaid, I deem it appropriate to dispose of this writ petition by directing the respondents to release the remaining amount in favour of the petitioner forthwith along with interest @ 9% from the date of completion of work till final realization of the amount. The amount released in favour of the petitioner in the month of January, 2020 shall also carry the same rate of interest from the due date till final realization of the amount.

07.03.2022

Jyoti Sharma

(RAJ MOHAN SINGH)
JUDGE

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No