



W.P.(MD)No.26215 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED : 08.12.2023

CORAM:

THE HONOURABLE MR.JUSTICE B.PUGALENDHI

W.P.(MD)No.26215 of 2023

M/s.SS & Company
Rep. by its a Managing Partner
Subramanian,
S/o.K.O.Periya Karuppan,
No.28/6, Chidambaranathapuram First Street,
Devakottai,
Sivagangai.

... Petitioner

versus

The Commissioner,
Sivagangai Municipal Corporation,
Sivagangai.

... Respondent

Writ Petition filed under Article 226 of the Constitution of India, seeking for the issuance of Writ of Mandamus, to direct the respondent to release the pending arrears of a sum of Rs.43,58,958/- to providing BT surface at Ward No.21, Pillaivayal Kali Kovil Street and Ward No. 23, Nehru Bazar, Sivagangai Municipality vide work order No.Na.Ka. 625/2023/E1 dated 02.06.2023 with 12% of cumulative interest within time stipulated by this Court.

For Petitioner : Mr.RM.Arun Swaminathan



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For Respondent : Mr.A.Kathiravan
Standing Counsel

ORDER

The petitioner, with a grievance that the Commissioner, Sivagangai Municipal Corporation, Sivagangai District, has not disbursed the amounts for the works, which he has executed for the Municipality, has filed this writ petition.

2. The learned counsel appearing for the petitioner submits that based on the tender Notification issued by the Commissioner, Sivagangai Municipal Corporation, Sivagangai District, the petitioner has participated in the tender and has been awarded with the contract. The petitioner has executed the work by borrowing loan at huge interest. He has completed the work to the satisfaction of the Commissioner, Sivagangai Municipal Corporation, Sivagangai District. However, the said Municipality has not disbursed the amount as per the terms of the contract. He further submits that since the said Municipality has not disbursed the amount, the Authority under GST



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Act has imposed penalty to an extent of 60% on the petitioner on the ground that he has not paid the amount in time.

3. The learned Standing Counsel appearing for the respondent Municipality submits that the amount would be disbursed to the petitioner on priority basis after taking a decision in the Council meeting.

4. This Court is unable to accept the contention of the learned Standing Counsel appearing for the respondent Municipality. The Commissioner, Sivagangai Municipal Corporation, Sivagangai District, has conducted tender based on the resolution of the Council and the petitioner has participated in the tender and has been awarded with the contract and has executed the contract work to the satisfaction of the Municipality. Therefore, it is the duty of the Municipality to settle the amount due to the petitioner in time. It cannot be simply denied on account of delay in convening the Council meeting. The petitioner has



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also expressed his difficulty of facing penalty with the GST Authority for the delay in payment and the petitioner has borrowed loan at huge interest for executing the contract work.

5. Since the learned Standing Counsel appearing for the respondent Municipality has not offered his explanation properly to this writ petition for the delay in payment after execution of the contract work, this Court is inclined to allow this Writ Petition with a direction to the respondent Municipality to settle the amount due to the petitioner for having executed the contract work along with interest at the rate of 6% per annum within a period of 12 weeks from the date of receipt of a copy of this order.

6. Accordingly, this Writ Petition is allowed. No costs.

08.12.2023

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NCC : Yes / No.

Index : Yes / No.

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To
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The Commissioner,
Sivagangai Municipal Corporation,
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B.PUGALENDHI, J.

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