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

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**CWP-30266-2024 (O&M).
Date of Decision: 08.11.2024.**

M/S SAI RAM CONSTRUCTION COMPANY

... Petitioner(s)

Versus

THE STATE OF PUNJAB AND OTHERS

... Respondent(s)

CORAM: HON'BLE MR. JUSTICE VINOD S. BHARDWAJ.

Present: Mr. Chirag Girdhar, Advocate,
for the petitioner.

VINOD S. BHARDWAJ, J. (ORAL)

The instant petition has been preferred by the petitioner seeking issuance of an appropriate writ in the nature of Mandamus directing the respondents to release the balance payment of Rs.37,19,442/- including security qua the works of various roads executed by the petitioner, along with interest @ 12 % per annum.

2 Larned counsel for the petitioner submits that it is a case of admitted liability since the Executive Engineer, Construction Division No.2, PWD (B&R), Bathinda, while replying to the legal notice dated 10.10.2024 (Annexure P-2) sent by the petitioner, vide letter dated 23.10.2024 has

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informed that the demand of the funds has been raised from the higher competent Authority and whenever the funds are received the payment will be made to the contractor immediately.

3 Notice of motion.

4 On the asking of the Court, Mr. Aditya Sharda, DAG, Punjab., who is present in Court, accepts notice on behalf of the respondents. He does not dispute that it is a case of admitted liability and submits that the dues shall be cleared on receipt of the funds from the competent Authority.

5 I find that such an excuse is untenable and the payments admissible to a person cannot be kept in abeyance at the pleasure of the authorities and on the pretext of arranging the funds. Once the State has got the work executed, it is obligated to release the funds as per the payment schedule as agreed upon by the parties.

6 The present writ petition is disposed of with a direction to the Executive Engineer, Construction Division No.2, PWD (B&R), Bathinda, to release the admitted liability in favour of the petitioner within a period of three months from the date of receipt of certified copy of this order.

7 In the event of non-payment of admitted dues within the said period, the same shall be released along with interest @ 6% per annum from the date of filing of the present petition to be paid to the petitioner and further subject to additional payment of a cost of Rs.50,000/- to be deposited with the PGI Poor Patients' Welfare Fund, Chandigarh. The said additional financial liability of accrued interest and cost shall be subject to recovery from the erring officials.

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8 Petition stands disposed of accordingly.

November 08, 2024.
raj arora

(VINOD S. BHARDWAJ)
JUDGE

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No