

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.461 of 2023

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M/s Ghanshyam Lal through its partner Sanjeev Kumar Madhogaria, Aged about- 43 years, Gender- Male, Son of Ghanshyam Lal Madhogaria, Resident of Simrahi Bazar, P.S.- Raghapur, District- Supaul.

... .. Petitioner/s

Versus

1. The State of Bihar through the Chief Secretary, Government of Bihar, Old Secretariat, Patna.
2. The Secretary, Rural Works Department, Visheshwaraiya Bhawan, Bailey Road, Patna.
3. The Additional Chief Executive Officer-cum- Secretary, Bihar, Rural Road, Bihar, Patna.
4. The Engineer-in- Chief, Rural Works Department, Visheshwaraiya Bhawan, Bailey Road, Patna.
5. The Chief Engineer-2, Rural Works Department, Visheshwaraiya Bhawan, Bailey Road, Patna.
6. The Superintending Engineer, Rural Works Department, Works Circle, Madhepura.
7. The Executive Engineer, Rural Works Department, Works Division, Birpur.

... .. Respondent/s

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Appearance :

For the Petitioner/s : Mr. Lal Babu Singh, Advocate
For the Respondent/s : Mr. Kumar Alok (SC 7)

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CORAM: HONOURABLE JUSTICE SMT. G. ANUPAMA CHAKRAVARTHY

ORAL JUDGMENT

Date : 24-07-2026

1. The petitioner has filed the instant application for the following reliefs:

“(i) For a direction to the Respondents to make payment of admitted dues to the petitioner for maintenance works under PMGSY Scheme in connection with: - (a) Package No. BR-35R021; from Shiv



Nagar to Kataiya Road, (b) Package No. BR-35R-028; from Chhitahi Kanai to Gopalpur Road (19th KM Koshi Bandhi), (c) Package No. BR-35R-033, from Shreepur to Mansapur Road and (d) Package No. BR-35R-035; from Souranjan to Thalha Road.

(ii) For a further direction to the Respondents to pay interest at Commercial rate to the petitioner on illegal withholding of admitted dues for the maintenance works completed by the petitioner.

(iii) For a declaration that the action of the respondents of withholding of admitted dues amounts to unjust enrichment.

(iv) For any other relief(s) or consequential relief(s) to which the petitioner may be found entitled to in the facts and circumstances of this case."

2. The brief facts culled out of the Writ petition is that the petitioner is a partnership firm represented through its partner, Shri Sanjeev Kumar Madhogaria. The petitioner is a registered contractor in the respondent department and is



engaged in carrying out construction and maintenance works under the respondent department and other works departments in the State of Bihar.

3. The respondent department issued Notice Inviting Tender for construction and maintenance of four road projects, namely, Package Nos. BR-35R-021, BR-35R-028, BR-35R-033 and BR-35R-035. The petitioner participated in the tender process and, being the lowest and most responsive bidder, was awarded all the four works. Consequently, agreements were executed between the parties.

4. Each agreement comprised two components, namely, execution of the construction work and maintenance of the road for a period of five years. The petitioner completed the construction work, in accordance with the terms of the agreements and there was no complaint whatsoever regarding the quality or quantity of the work executed. Thereafter, the petitioner also carried out the maintenance work during the



stipulated period and completed the same to the satisfaction of the respondent authorities.

5. It is the case of the petitioner that although the maintenance work was duly completed, verified through site inspection and found satisfactory by the departmental authorities, the payment towards the maintenance work has not been released. According to the petitioner, the respondents have admitted the dues payable towards the maintenance work, but have withheld payment solely on the ground of non-allotment of funds by the Government.

6. It has further been pleaded that, after the creation of the Birpur Works Division, the four works in question were transferred from the Works Division, Supaul to the newly constituted Works Division, Birpur. The Executive Engineer of the Birpur Division addressed communications dated 09.06.2018 and 08.10.2020 to the Government requesting for allotment of funds towards payment of maintenance works under the PMGSY Scheme, wherein the petitioner's works



were specifically included in the requisition. Despite of repeated requests made by the petitioner and the recommendations of the departmental authorities, no payment has been released till date.

7. According to the petitioner, the amount claimed is an admitted contractual liability and the continued withholding of payment has caused him substantial financial hardship. It is the petitioner's case that non-payment of the admitted dues is arbitrary, unreasonable and amounts to unjust enrichment on the part of the respondents and violates the petitioner's legal and constitutional rights. Having no other efficacious alternative remedy, the petitioner has preferred the present Writ petition.

8. The Learned counsel for the petitioner submits that there is no dispute with regard to the execution and completion of the maintenance work. The respondents themselves have verified the work through site inspection, found it satisfactory and admitted the petitioner's



entitlement to payment.

9. It is submitted that the only reason assigned by the respondents for withholding payment is non-allotment of funds by the Government. Learned counsel for the petitioner contends that paucity of funds cannot be a valid ground to deny payment for work duly executed, accepted and certified by the department.

10. It is further submitted that the Executive Engineer, on more than one occasion, requested the Government to allot maintenance funds and specifically included the petitioner's claims in the requisition, which clearly establishes that the respondents have acknowledged the liability.

11. The Learned counsel further submits that once the work has been completed, accepted and the liability has been admitted, the respondents are under a legal obligation to release the admitted dues within a reasonable time. The continued non-payment is arbitrary, unreasonable and violative of Article 14 of the Constitution of



India and also amounts to unjust enrichment, as the respondents have enjoyed the benefit of the work without making payment.

12. Accordingly, it is prayed that this Court may direct the respondents to release the admitted amount payable towards the maintenance work under the four agreements along with all consequential benefits and such other reliefs as may be deemed fit and proper in the facts and circumstances of the case.

13. A counter affidavit was filed on behalf of the respondents. The Learned counsel appearing for the respondents, while relying upon the counter affidavit filed on behalf of the Executive Engineer, submits that the petitioner was awarded the four road projects under the PMGSY Scheme pursuant to a valid tender process and the agreement were duly executed between the parties.

14. It is contended that the construction works were completed and the maintenance period commenced from the



respective dates of physical completion of the works. According to the respondents, under Clauses 38.2 and 39.4 of the Standard Bidding Document (PMGSY), payment towards maintenance work is required to be made on the basis of monthly bills submitted by the contractor and after certification of satisfactory maintenance by the Engineer.

15. The Learned counsel for the respondents further contended that although requisitions for allotment of maintenance funds were sent to the Government by the Executive Engineer vide letters dated 09.06.2018 and 08.10.2020, it was subsequently noticed that the entries relating to the maintenance work had been made in the Measurement Book in a consolidated manner at the end of the five-year maintenance period instead of being recorded periodically in accordance with the contractual provisions.

16. It is contended that, in view of the aforesaid irregularity, the competent authority initiated a preliminary enquiry and show-cause



notices were issued to the concerned officers to ascertain whether the maintenance work had been carried out in accordance with the agreement and whether the entries made in the Measurement Book were genuine and in conformity with the prescribed procedure.

17. The Learned counsel for respondents contends that the claim of the petitioner is presently under examination by the department and, if upon verification the claim is found to be genuine and admissible, the payment shall be released in accordance with law. It is, therefore, submitted that as the verification process is still continuing and the liability has not yet attained finality, the petitioner cannot claim that there are admitted dues payable by the respondents.

18. A rejoinder to the counter affidavit was filed on behalf of the petitioner. In reply, the Learned counsel for the petitioner submits that the stand taken by the respondents in the counter affidavit, in fact, fortifies the case of the petitioner.



It is submitted that the respondents have categorically admitted that the petitioner was awarded the works, completed the construction as well as the maintenance work and that requisitions were forwarded by the Executive Engineer to the higher authorities for allotment of funds towards payment of the maintenance dues.

19. The Learned counsel for the petitioner contends that there is no allegation whatsoever regarding the quality or quantity of the maintenance work executed by the petitioner. On the contrary, the work stood verified by the departmental authorities and the respondents themselves treated the petitioner's claim as payable by forwarding requisitions for release of funds. It is, therefore, contended that the liability of the respondents stood admitted and the only reason assigned earlier for non-payment was non-allotment of funds.

20. It is further contended that the plea now sought to be raised regarding alleged irregularities in the entries made in the



Measurement Book is wholly misconceived and is an afterthought. According to the petitioner, the Measurement Book is prepared and maintained by the departmental officers and the petitioner has no control over the manner in which entries are recorded therein. Even assuming that there was any procedural irregularity in the Measurement Book, the same cannot be attributed to the petitioner nor can it defeat the petitioner's claim for payment of work admittedly executed and accepted by the department.

21. The Learned counsel for the petitioner also contends that the maintenance period expired in the years 2016 and 2017 and the respondents, after having admitted the petitioner's entitlement and sought allotment of funds, cannot, after several years, withhold payment on the pretext of a departmental enquiry. Such a stand is arbitrary and cannot deprive the petitioner of the admitted contractual dues.

22. It is lastly submitted that the respondents have enjoyed the benefit of the work



executed by the petitioner without making payment for nearly eight years. The continued withholding of the admitted dues is wholly unjustified, amounts to unjust enrichment and has caused serious financial hardship to the petitioner. It is, therefore, prayed that the respondents be directed to release the admitted dues together with appropriate interest within a time to be fixed by this Court.

23. Heard the Learned counsel for the petitioner as well as the Learned counsel for the respondents.

24. Upon consideration of the rival submissions and the material available on record, this Court finds that there is no dispute with regard to the fact that the petitioner was awarded the works in question, completed the construction work and thereafter carried out the maintenance work in terms of the agreements. The respondents have also not alleged any deficiency with regard to the quality or quantity of the maintenance work executed by the petitioner.



25. What assumes significance is the categorical stand taken by the respondents in paragraph 14 of the counter affidavit, wherein it has been admitted that the Executive Engineer, Rural Works Department, Works Division, Birpur, vide Letter No. 781 dated 09.06.2018 and thereafter by reminder vide Letter No. 1270 dated 08.10.2020, forwarded requisitions to the higher authorities seeking allotment of funds for payment of the maintenance works. The said letters correspond to Annexure-3 and Annexure-4 to the Writ petition and have also been brought on record by the respondents as Annexure C-1 and Annexure C-2 to the counter affidavit. The aforesaid conduct of the respondents clearly establishes that the petitioner's claim towards maintenance charges had already been scrutinized by the department and the liability to make payment was duly acknowledged by the competent authority. Had there been any dispute regarding execution of the maintenance work or the petitioner's entitlement, there would have been no occasion for the



Executive Engineer to forward requisitions recommending allotment of funds for payment of the petitioner's dues.

26. The subsequent plea taken by the respondents regarding alleged irregularities in the entries made in the Measurement Book and the pendency of a departmental enquiry cannot, in the facts of the present case, defeat the petitioner's legitimate claim. The Measurement Book is a departmental record maintained by the officials of the respondents, and any procedural lapse or irregularity therein cannot be made a ground to deny payment for work which has already been executed, verified and accepted by the department. An internal administrative or procedural issue within the department cannot prejudice the rights of a contractor whose work stands accepted and whose entitlement has already been recognized by the department itself.

27. This Court is, therefore, of the considered view that the petitioner cannot be denied payment of the admitted contractual dues



on account of any internal or technical issue in the functioning of the respondent department. The obligation to make payment for the maintenance work duly executed by the petitioner rests squarely upon the respondent authorities.

28. Once the respondents themselves had acknowledged the petitioner's entitlement by forwarding requisitions for allotment of funds, there remained no justifiable reason to withhold the payment for such a prolonged period that too for 8 long years. The continued non-payment of the admitted dues is arbitrary, unreasonable and wholly unjustified.

29. Accordingly, the present Writ petition deserves to be allowed. The respondent Executive Engineer, Rural Works Department, Works Division, Birpur, is directed to take all consequential steps and ensure release of the admitted dues payable to the petitioner towards the maintenance works executed under the PMGSY Scheme in connection with (i) Package No. BR-35R-021, from Shiv Nagar to Kataiya Road; (ii) Package



No. BR-35R-028, from Chhitahi Kanai to Gopalpur Road (19th KM Koshi Bandhi); (iii) Package No. BR-35R-033, from Shreepur to Mansapur Road; and (iv) Package No. BR-35R-035, from Souranjan to Thalha Road, as reflected in the requisitions forwarded vide Letter No. 781 dated 09.06.2018 and Letter No. 1270 dated 08.10.2020, which form Annexure-3 and Annexure-4 to the Writ petition and Annexure C-1 and Annexure C-2 to the counter affidavit, respectively.

30. The aforesaid exercise shall be completed and the admitted amount payable to the petitioner shall be released within a period of two months from the date of receipt/production of a copy of this order. In the event any further administrative approval or allotment of funds is required, the respondent Executive Engineer shall immediately pursue the matter with the competent authority so as to ensure compliance with the directions contained in this order within the stipulated period.

31. With the aforesaid observations,



the writ petition stands allowed.

32. Interlocutory Application, if any,
shall stands disposed of.

(G. Anupama Chakravarthy, J)

Spd/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	24.07.2026
Transmission Date	

