



2026:CGHC:21564-DB

NAFR

HIGH COURT OF CHHATTISGARH AT BILASPUR

WPC No. 2294 of 2026

Shri Balaji Construction Company Through Its Partner Dhruv Kumar Agrawal
S/o Mahavir Prasad Agrawal Aged Arond 54 Years, R/o Baradwar, District Sakti
(C.G.)

... Petitioner

versus

1 - State Of Chhattisgarh Through The Collector, District -Sakti (C.G.)

2 - Chief Municipal Officer Nagar Panchayat Dabhra District -Sakti (C.G.)

... Respondents

(Cause title taken from Case Information System)

For Petitioner : Mr. Prashant Dansena, Advocate

For Respondent/State : Mr. Nitansh Jaiswal, Deputy G.A.

Hon'ble Shri Ramesh Sinha, Chief Justice
Hon'ble Shri Ravindra Kumar Agrawal, Judge

Order on Board

Per Ramesh Sinha, Chief Justice

08/05/2026

1. Heard learned counsel appearing for the petitioner as well as learned Deputy Government Advocate, appearing for the respondent/ State.



2. The present writ petition has been filed under Article 226 of the Constitution of India seeking primarily a direction to the respondents to consider and decide the representations dated 11.03.2026 and 23.03.2026 submitted by the petitioner for release of alleged outstanding contractual dues arising out of execution of road construction work undertaken under Nagar Panchayat Dabhra, District Sakti. The petitioner has further prayed for release of the withheld amount of ₹1,88,55,399/- along with interest.
3. The petitioner has filed the present writ petition seeking for the following reliefs:

“Issue order or direction directing the respondents to consider and decide the representation dated 11.03.2026 & 23.03.2026 most particularly ANNEXURE P-5 submitted by the petitioner before respondent authorities within a time-bound manner;

Direct the respondents to release the withheld and outstanding payment of ₹1,88,55,399/- (Rupees One Crore Eighty Eight Lakhs Fifty Five Thousand Three Hundred Ninety Nine only) or such amount as may be found due, in favour of the petitioner;

Direct the respondents to pay interest on the delayed payment at a reasonable rate as deemed fit by this Hon’ble Court from the date it became due till actual payment;

Pass any other order or direction which this Hon’ble Court may deem fit and proper in the



facts and circumstances of the case, in the interest of justice.”

4. The case of the petitioner, in brief, is that the petitioner is a registered contractor and was awarded the work of construction of road from Thana Chowk to College Mod under Nagar Panchayat Dabhra for an amount of Rs. 998.78 lakhs. According to the petitioner, the work was completed on 06.05.2025 and a completion certificate was also issued by the competent authority. It has been pleaded that after completion of work, the petitioner submitted final bill amounting to ₹91,31,592/-, however, despite completion of work and despite availability of funds with the respondents, the payment has not been released.

It has further been pleaded that apart from the final bill amount, other dues including security deposit and additional amounts aggregating to ₹1,88,55,399/- are also outstanding against the respondents. The petitioner claims to have submitted several representations before the authorities seeking release of the said amount, but no decision has been taken thereupon till date, compelling the petitioner to approach this Court by filing the present writ petition.

5. Learned counsel for the petitioner would submit that the work in question already stands completed and certified by the competent authority and there is no justification for withholding the legitimate dues of the petitioner. He would further submit that despite repeated representations submitted by the petitioner, no action has been taken by the respondent authorities. It is argued that the action of the respondents is arbitrary, unreasonable and violative of Article 14 of the Constitution of India.



Learned counsel submits that the petitioner would be satisfied if a direction is issued to the respondents to consider and decide the pending representations within a time-bound manner.

6. Per contra, learned State counsel appearing for the respondents/State opposes the prayer and submits that the dispute raised by the petitioner pertains to payment arising out of a contractual transaction and involves disputed questions of fact which cannot appropriately be adjudicated in exercise of writ jurisdiction under Article 226 of the Constitution of India. It is further submitted that no mandamus for payment of contractual dues can ordinarily be issued in a writ petition and the petitioner has an alternative remedy available under law. However, it is submitted that if the petitioner's representations are pending consideration before the competent authority, the same may be considered in accordance with law within a reasonable time.
7. We have heard learned counsel for the parties and perused the material annexed with the petition.
8. The principal grievance of the petitioner relates to non-payment of certain amounts claimed to be payable under the works contract executed between the parties in respect of construction of road from Thana Chowk to College Mod under Nagar Panchayat Dabhra, District Sakti. The claim of the petitioner essentially arises out of contractual obligations and determination of the same would necessarily require factual adjudication regarding execution of work, measurement, verification of bills, quantification of liability, admissibility of dues including security deposit and adjudication of disputed questions of fact.



9. The Hon'ble Supreme Court in the case of **Tata Motors Limited v. The Brihan Mumbai Electric Supply & Transport Undertaking (BEST) and Others**, 2023 SCC OnLine SC 671 held as follows :

“48. This Court being the guardian of fundamental rights is duty-bound to interfere when there is arbitrariness, irrationality, mala fides and bias. However, this Court has cautioned time and again that courts should exercise a lot of restraint while exercising their powers of judicial review in contractual or commercial matters. This Court is normally loathe to interfere in contractual matters unless a clear-cut case of arbitrariness or mala fides or bias or irrationality is made out. One must remember that today many public sector undertakings compete with the private industry. The contracts entered into between private parties are not subject to scrutiny under writ jurisdiction. No doubt, the bodies which are State within the meaning of Article 12 of the Constitution are bound to act fairly and are amenable to the writ jurisdiction of superior courts but this discretionary power must be exercised with a great deal of restraint and caution. The courts must realise their limitations and the havoc which needless interference in commercial matters can cause. In contracts involving technical issues the courts should be even more reluctant because most of us in Judges' robes do not have the necessary expertise to adjudicate upon technical issues beyond our domain. The courts should not use a magnifying glass while scanning the tenders and make every small mistake appear like a big blunder. In fact, the courts must give



“fair play in the joints” to the government and public sector undertakings in matters of contract. Courts must also not interfere where such interference will cause unnecessary loss to the public exchequer. (See: *Silppi Constructions Contractors v. Union of India*, (2020) 16 SCC 489).

52. Ordinarily, a writ court should refrain itself from imposing its decision over the decision of the employer as to whether or not to accept the bid of a tenderer unless something very gross or palpable is pointed out. The court ordinarily should not interfere in matters relating to tender or contract. To set at naught the entire tender process at the stage when the contract is well underway, would not be in public interest. Initiating a fresh tender process at this stage may consume lot of time and also loss to the public exchequer to the tune of crores of rupees. The financial burden/implications on the public exchequer that the State may have to meet with if the Court directs issue of a fresh tender notice, should be one of the guiding factors that the Court should keep in mind. This is evident from a three-Judge Bench decision of this Court in *Association of Registration Plates v. Union of India and Others*, reported in (2005) 1 SCC 679.

53. The law relating to award of contract by the State and public sector corporations was reviewed in *Air India Ltd. v. Cochin International Airport Ltd.*, reported in (2000) 2 SCC 617 and it was held that the award of a contract, whether by a private party or by a State, is essentially a commercial transaction. It can choose its own



method to arrive at a decision and it is free to grant any relaxation for bona fide reasons, if the tender conditions permit such a relaxation. It was further held that the State, its corporations, instrumentalities and agencies have the public duty to be fair to all concerned. Even when some defect is found in the decision-making process, the court must exercise its discretionary powers under Article 226 with great caution and should exercise it only in furtherance of public interest and not merely on the making out of a legal point. The court should always keep the larger public interest in mind in order to decide whether its intervention is called for or not. Only when it comes to a conclusion that overwhelming public interest requires interference, the court should interfere.

54. As observed by this Court in *Jagdish Mandal v. State of Orissa and Others*, reported in (2007) 14 SCC 517, that while invoking power of judicial review in matters as to tenders or award of contracts, certain special features should be borne in mind that evaluations of tenders and awarding of contracts are essentially commercial functions and principles of equity and natural justice stay at a distance in such matters. If the decision relating to award of contract is bona fide and is in public interest, courts will not interfere by exercising powers of judicial review even if a procedural aberration or error in assessment or prejudice to a tenderer, is made out. Power of judicial review will not be invoked to protect private interest at the cost of public interest, or to decide contractual disputes.”



10. The Hon'ble Supreme Court in **State of Bihar and Others v. Jain Plastics and Chemicals Ltd.**, (2002) 1 SCC 216, has held that disputes relating to contractual claims and monetary dues involving disputed questions of fact ordinarily ought not to be entertained in writ jurisdiction. Paragraph 7 of the said judgment reads as under:-

“7. It is to be reiterated that writ petition under Article 226 is not the proper proceedings for adjudicating such disputes. Under the law, it was open to the respondent to approach the court of competent jurisdiction for appropriate relief for breach of contract.”

11. Similarly, in **Joshi Technologies International Inc. v. Union of India and Others**, reported in (2015) 7 SCC 728, the Hon'ble Supreme Court, after considering the earlier precedents on the issue, held that though the writ jurisdiction in contractual matters is not completely barred, the High Court would normally refrain from exercising jurisdiction where adjudication of disputed questions of fact is involved. Paragraph 69 of the said judgment reads as under:-

“69. Ordinarily, where a breach of contract is complained of, the party complaining of such breach may sue for specific performance of the contract, if contract is capable of being specifically performed. Otherwise, the party may sue for damages.”

12. The Hon'ble Supreme Court further observed in **Joshi Technologies International Inc.** (supra) that in pure contractual matters, particularly where disputed questions of fact are involved, the High Court should



normally decline to exercise jurisdiction under Article 226 of the Constitution of India.

13. In the present case, this Court finds that the claim raised by the petitioner for release of alleged outstanding contractual dues cannot be adjudicated merely on the basis of pleadings and annexures filed along with the writ petition. Determination of the exact liability, if any, payable to the petitioner would require detailed factual examination and verification of records including measurement books, bills, contractual terms, financial sanction, admissibility of claims and other disputed factual aspects by the competent authority. Such disputed questions of fact cannot appropriately be adjudicated in exercise of limited jurisdiction under Article 226 of the Constitution of India.
14. Accordingly, without expressing any opinion on the merits of the claim of the petitioner, the present writ petition is **dismissed** with liberty to the petitioner to avail appropriate remedy available under law before the competent forum/authority. No order as to costs.

Sd/-
(Ravindra Kumar Agrawal)
Judge

Sd/-
(Ramesh Sinha)
Chief Justice

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