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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

CNR No. DLHC010310872025

+ **W.P.(C) 6721/2025**

SH. SHALENDER OBEROI

.....Petitioner

Through: Mr. Dheeraj Gupta, Advocate.

versus

MUNICIPAL CORPORATION OF DELHI
& ANR.

.....Respondents

Through: Mr. Anand Prakash, Standing
Counsel for MCD with Ms. Varsha
Arya, Advocate.

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CNR No. DLHC010317942025

+ **W.P.(C) 6811/2025**

SH. HARISH OBEROI

.....Petitioner

Through: Mr. Dheeraj Gupta, Advocate.

versus

MUNICIPAL CORPORATION OF DELHI
& ANR.

.....Respondents

Through: Mr. Anand Prakash, Standing
Counsel for MCD with Ms. Varsha
Arya, Advocate.

CORAM:

HON'BLE MR. JUSTICE AMIT BANSAL

ORDER

17.08.2026

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1. In the order passed by this Court on 20th November, 2025, it was specifically noted that the prayer made in the present writ petitions have



been partly satisfied as the principal amount has already been paid to the petitioner.

2. The only outstanding issue in the present writ petition is with regard to payment of interest.

3. It is the contention of the respondent that the issue of grant of interest can only be adjudicated in a civil suit, as there is no provision in the General Conditions Contract as well as in the Special Conditions of Contract with regard to payment of interest.

4. Counsel for the petitioner places reliance on the judgment of the Coordinate Bench of this Court dated 22nd March, 2018 in RFA 430/2017 titled as **North Delhi Corporation & Anr v. Sanjeev Kumar**, wherein certain guidelines were laid down in respect of clearance and payment of bills of the contractors. One of the directions was that once the bill is passed, the payment should be made in a timely manner and delay in payment would result in interest being levied. The relevant guideline on which the petitioner places reliance is set out below:

“...The following guidelines are being passed:

7. *Once the Bill is passed, the payment schedule of 6 months and 9 months should be adhered to. Delay in payments would result in Interest being levied.”*

4.1 To be noted, the aforesaid appeal was filed in the context of a suit for recovery filed by the contractors.

5. Mr. Anand Prakash, counsel for respondent-MCD has placed reliance on the judgment of the Coordinate Bench of this Court in W.P.(C) 116/2021 titled as **Garg Construction Company v. MCD** and other connected writ petitions, which were disposed of *vide* judgment dated 25th January, 2023,



wherein the aforesaid judgment in ***North Delhi Corporation & Anr v. Sanjeev Kumar*** (supra) was duly considered. The relevant observations made in paragraph nos.12 and 13 of the judgment in ***Garg Construction Company*** (supra) are set out below:

“12. Moreover, the summary of outstanding dues/arrears of principal amounts placed on record by the petitioners has not been disputed by the Corporation, the relevant bills having been prepared and approved by officials of the Corporation itself.

13. Accordingly, the present petitions are allowed and the Corporation is directed to release payments due towards principal amounts to the petitioners, against verified and approved bills, within a period of eight weeks from the date of passing of this judgment. So far as the petitioners' prayer for interest on delayed payments is concerned, they may pursue their remedy by initiating appropriate proceedings in accordance with law.”

[emphasis supplied]

6. The Contractors therein challenged the aforesaid judgment by filing LPA 220/2023, which was disposed of by the Division Bench *vide* order dated 26th April, 2023. Pertinently, the order of the Coordinate Bench relegating the petitioner to initiate appropriate proceedings for recovery of interest was not interfered with by the Division Bench.

7. It is stated by the MCD in the reply affidavit that the Work Orders which are subject matter of the present petition are of the year 2018 and the work thereunder was to be completed within three months. However, the petitioner has issued a payment reminder only on 20th September, 2024 and the present writ petitions have been filed in 2025. Therefore, there is delay and laches on the part of the petitioner.

8. Whether there was any delay on the part of the respondents to release the payment in favour of the petitioner and whether petitioner would be entitled to grant of interest on account of such delay are disputed questions



of fact and cannot be adjudicated in a writ petition under Article 226 of the Constitution of India. In these circumstances, the relief of interest cannot be granted to the petitioner in the present writ proceedings under Article 226 of the Constitution of India.

9. Accordingly, the present writ petitions are dismissed while leaving it open to the petitioner to initiate appropriate proceedings in accordance with law towards recovery of interest.

AMIT BANSAL, J

AUGUST 17, 2026

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