

**Gram Panchayat Ribba Vs. State of H.P. and Ors**

**CWP No.6008 of 2024**

**01.04.2026 Present:** Mr. Deven Khanna and Ms. Priya Sharma, Advocates, for the petitioner.

Mr. L. N. Sharma, Additional Advocate General, for respondents No.1 to 3.

Mr. Sanjay Dalmia, Advocate for respondent No.4.

Sh. Kushal Deep, DGM, NABARD, Shimla from respondent No.4-Bank is present in person and has assisted during hearing.

**2.** Heard. It appears that construction of link road Ribba-Kanda via Gompa 11.725 Kms was sanctioned in the year 2017 under NABARD-respondent No.4 for an amount of Rs.757.70 lakhs. An amount of Rs. 377.14 lakhs has already been disbursed for the said project. Cutting formation of approximately 11 K.M. of the road is stated to be complete. The remaining work could not be carried by the State Public Works Department on account of several stated reasons including COVID-19 pandemic, flash floods, heavy rainfalls, non-payment of the amount to the contractors on account of lack of funds etc. over the years. Different contractors were engaged by the State Public Works Department w.e.f. the year 2018 till 2023 for execution

of the work. The work, as observed earlier, is still incomplete.

**3.** Sh. Kushal Deep, DGM, NABARD, Shimla submits that period of completion of the project was till 31.03.2020. The amount was sanctioned by NABARD under the Rural Infrastructure Development Fund (RIDF) (XXIII). At the request of Government of Himachal Pradesh for extending the phasing period of RIDF (XXII and XXIII) vide its letter dated 26.08.2023, NABARD by way of its letter dated 24.01.2024 extended the phasing of projects sanctioned under tranche XXII and XXIII up to 30.09.2023. The Officer states that since the project could not be completed by 30.09.2023, therefore, on account of closure of tranche, no further extension could be allowed. The Officer submits that funds can be sanctioned only in case Ministry of Finance permits the same or the State Government sends incomplete part of the project as prioritized project afresh to NABARD so that funds can be sanctioned again by the NABARD.

**4.** In view of the stand taken by respondent No.4-NABARD, Ministry of Finance, Government of

India, North Block, New Delhi-110001, through its Secretary, is impleaded as respondent No.5. Amended memo of parties be filed by the next date of hearing.

Notice on behalf of the newly impleaded respondent No.5 is accepted by Mr. Balram Sharma, learned Deputy Solicitor General of India.

Let instructions be obtained by learned Deputy Solicitor General of India from the concerned quarters for sanctioning of funds/extension of the timelines etc. so that the developmental project, for which already an amount of Rs. 377.14 lakhs has been spent, gets completed.

Instructions be also placed on record by learned Additional Advocate General about the feasibility of considering the incomplete project as prioritized project for getting the approval of funds from the NABARD/Union of India.

It shall be open for the respondents to exchange correspondence *inter se* on proposals/ options/ modalities for working out a meaningful solution to the problem, where almost half of the

sanctioned budget has been spent over a period of about 5-6 years but remaining half has not been released on account of closure of tranche and as a consequence, road is not only incomplete but may also pose danger to the general public.

List on **05.05.2026**.

Jyotsna Rewal Dua  
Judge

April 01, 2026  
*(R.Atal)*