



IN THE HIGH COURT OF ORISSA AT CUTTACK

W.A. No.1852 of 2025

State of Odisha and others **Appellants**
Mr. S.B. Mohanty, AGA

-Versus-

M/s. Pratistha Engineering Ltd., **Respondent**
Bhubaneswar
Mr. Sidhant Dwibedi, Advocate

CORAM:

JUSTICE KRISHNA SHRIPAD DIXIT
JUSTICE CHITTARANJAN DASH

ORDER
24.03.2026

Order No.
04.

State and its functionaries in this Intra-Court appeal seek to call in question a learned Single Judge's judgment dated 20.06.2025, whereby Respondent's W.P.(C) No.6634 of 2023 having been favoured, relief has been accorded as under:

"Accordingly, the Opposite Parties are directed to pay interest to the Petitioner at the rate of 9% per annum on the amount of ₹2.79 crore for the period from 29 June 2018 to 30 July 2021. The interest amount shall be paid within two months from the date of receipt of this judgment. In case of default, the said amount shall carry further interest at 9 percent per annum until actual payment."

2. Learned AGA, in his usual vehemence, submits that when disputed facts were involved, the learned Single Judge ought to have relegated the parties to the civil litigation under the provisions of Commercial Courts Act, 2015. Further, learned Single Judge grossly erred in awarding interest at a high rate of



9% per annum on the amount of Rs.2,79,00,000/- (Rupees Two Crore Seventy-Nine Lakh) only for the period between 29.06.2018 and 30.07.2021. Lastly, the period of two months prescribed by the learned Single Judge for making the payment was very short. So submitting, he seeks intervention of this Court.

3. Per contra, learned counsel for the sole Respondent resists the Appeal contending that the same is not maintainable; the rate of interest prescribed by the learned Single Judge perfectly accords with the rates that obtained in the commercial transactions of the kind and therefore, the learned Single Judge has rightly prescribed the interest as the current rate of interest; there is absolutely no dispute as to the delayed payment of the amount and therefore, it is not a case involving disputed facts. So contending, he seeks dismissal of the appeal.

4. Having heard learned counsel for the Parties and having perused the appeal papers, we grant marginal interference in this matter as under and for the following reasons:

4.1. The first contention of learned AGA as to the involvement of disputed facts does not impress us. Admittedly, the work has been accomplished by the Respondent within the extended period with no fault lying at its threshold. Merely because disputed facts are involved, a Writ Court cannot send a scrupulous litigant back home empty handed. It was Justice Oliver Wendell Holmes, who in **DAVIS v. MILL**, 194 US 451 (1904) has observed as under:

“Constitutions are intended to preserve practical and substantial rights, not to maintain theories...”



The principle of disputed facts cannot be stretched too far. The question is not whether there are disputed facts, but whether the facts that are disputed can be ascertained from the material on record. If dispute can be resolved based upon the evidentiary material on record, Writ Court cannot shun away from discharging its duties.

4.2. The essential fact matrix is that the Respondent, being the Contractor, has accomplished the task within the extended period with no complaints whatsoever. The work was accomplished on 27.06.2018, is not in dispute. It is also not in dispute that a sum of Rs.2,79,00,000/- (Rupees Two Crore Seventy-Nine Lakh) only that was due to the Respondent, was remitted to him belatedly. Of course, this was after deduction of taxes & levies. Whatever that be, the delayed payment has to be accompanied by interest. One should have interest to pay the principal and nobody should say that it is his principle not to pay the interest. Therefore, the Government cannot say; *“It is not my interest to pay the principal, nor my principle to pay the interest”*. The impugned order is inarticulately animated that way. Therefore, levy of interest as such cannot be faltered.

4.3. The above being said, the rate of interest appears to be a bit higher, keeping in view the Global trend towards declining rates of interest on the money deposits. This aspect somehow has escaped attention of the learned Single Judge. Had he adverted to that factor, in our considered view, he would have awarded interest at the rate of 7.25%. Accordingly, we downwardly revise the rate of interest from 9% to 7.25%, keeping all other things in the impugned judgment intact.



Ordered accordingly and Writ Appeal is disposed off. The interest component at the altered rate shall be discharged within an outer limit of eight (8) weeks, failing which rate of interest awarded by the learned Single Judge in terms of the impugned judgment stands revived.

Now, no costs.

Web copy of order to be acted upon all concerned.

(Krishna Shripad Dixit)
Judge

(Chittaranjan Dash)
Judge

Anisha