

(2025) 07 JH CK 1244

In the Jharkhand High Court

Case No : Writ Petition (C) No. 2623 Of 2023 With C.M.P. No. 355 Of 2019

M/s. National Printers

APPELLANT

Vs

State Of Jharkhand through the Secretary

RESPONDENT

Date of Decision : 18-07-2025

Acts Referred:

Constitution of India, 1950 — Article 226
High Court of Jharkhand Rules, 2001 — Rule 264, 265

Citation : (2025) 07 JH CK 1244

Hon'ble Judges : Rongon Mukhopadhyay, J;Deepak Roshan, J

Bench : Division Bench

Advocate : M.S. Mittal, Salona Mittal, Amrita Singh, Arya Vardhan Singh, Yashdeep Kanhai, Divya Choudhary, Sachin Kumar, Sumeet Gadodia, Krishna Murari, Raj Vardhan, Anil Kumar, Abhijeet Kr. Singh, Krishna Murari, Raj Vardhan

Final Decision : Disposed Of

Judgement

Deepak Roshan, J

1. Heard the parties.

2. Since both these applications are interconnected, both were heard together and disposed of by this common order.

The writ has been preferred by the Petitioner for issuance of an appropriate writ or a writ in the nature of mandamus directing upon the respondent No. 2, the Registrar General of Jharkhand High Court, to disburse a sum of Rs.4,36,95,572/- and also a sum of Rs.1,17,40,070/- along with interest accrued thereupon which was deposited vide Cheque No. 444991 and 444993 dated 06.09.2018 by Jharkhand Education Project Council before the Registry of this Hon'ble Court pursuant to the direction passed in Contempt (Civil) Case No. 162 of 2018.

The petitioner has further prayed in the writ application about the interest and accrued interest on the deposited cheques.

It is necessary to indicate at this stage that the principal amount of Rs. 4,36,95,572/- has already been paid to the petitioner during pendency of this writ application, the fact which has been given in the later paragraphs.

The C.M.P. No. 355 of 2019 has been preferred by the petitioner-JEPC praying therein for a direction upon the registry to release amount of Rs.5,54,42,642/- comprising of an amount of Rs. 4,36,95,572/- and Rs. 1,17,47,070/- deposited before the registrar together with interest generated thereupon in terms of the order dated 20.05.1990 passed in C.M.P. No. 308 of 2019.

3. The brief facts which are necessary for disposal of both these applications is that a tender dated 25.08.2012 for printing and supplying of text books, for Classes I to VIII was floated by the Respondent No.3-Jharkhand Education Project Council (Petitioner in C.M.P. No.355 of 2019). The Petitioner-Firm participated in the bidding process and was awarded the contract. The contract was valued at Rs.16,62,79,595.29/-. The Petitioner furnished the bank guarantee of Rs. 83,13,980/-, i.e., 5% of the amount as security, and the work order dated 25.09.2012, was issued in its favour.

The Petitioner-Firm completed the work for printing and supplying of the text books within the stipulated period and submitted the bills, dated 21.02.2013. Thereafter, it filed the representation dated 28.06.2013, requesting the Respondents to release the remaining amount of Rs.11,61,70,081/-, but the Respondents did not release the outstanding amount. Then, the Petitioner-Firm filed W.P.(C) No. 798 of 2014; wherein this Court directed the Respondent to consider the Petitioner-Firm representation and pass a reasoned order within six weeks.

In view of the direction of the High Court in W.P(C) No.798 of 2014 the Petitioner-Firm submitted several representations, for releasing the outstanding amount, to the Respondents. In response to representations, the respondents, by letter dated 05.06.2014, rejected the claim of the Petitioner-Firm on the basis of the communication dated 18.10.2013 of the Ministry of Human Resources Development Department (for short 'MHRD'), Government of India (for short GOI).

The petitioner aggrieved from the letter dated 05.06.2014 filed writ petition being W.P.(C) No. 151 of 2015 for redressal of his grievances. The writ was disposed by directing the Respondents to arrange the payments of Rs.11,61,70,081/- along with interest @6 % from the date it became due. Further when the order was not complied the Petitioner-Firm filed Contempt (Civil) Case No. 162/2018 wherein the Respondents were directed to deposit the entire admissible dues along with interest before the Registrar General of Jharkhand High Court. Pursuant to the order the Respondents-JEPC deposited 4 cheques with Registrar General of Jharkhand High Court.

4. Thereafter, the Respondents-JEPC preferred intra court appeal being LPA No. 600/2017 and 03/2019 wherein the Division Bench held that there was no

dispute regarding admissibility of dues of Petitioner-Firm and only liability of payment between State and Central Government was to be determined. Pursuant to the order of Division Bench two cheques were released in favour of the Petitioner-Firm consisting of the principal share of state and interest on state share.

5. After the order of Division Bench the Petitioner-Firm filed CMP No. 308/2018 for payment of accrued interest on State Government part which was released in his favour. Thereafter, the Petitioner-Firm preferred SLP against the order of Division Bench before the Hon'ble Apex Court. In the said SLP Hon'ble Apex Court did not interfere with the impugned judgment but requested the High Court to make an early adjudication on the dispute between State and Central Government regarding the release of SSA funds and further directed that the amount may be invested in fixed deposit.

6. Thereafter, the Petitioner-Firm filed an amendment in writ petition in the existing writ petition being W.P.(C) 151/2015 challenging the letter dated 10.10.2013 issued by MHRD on the basis of which the payment was refused. The writ court quashed the order dated 18.10.2013 and held that 60% of the share of Central Government as per the SSA Scheme should be released by the Central Government.

On 04.03.2023, the Petitioner-Firm filed an application before the Registrar General, Jharkhand High Court, Ranchi for the release of two Centre share cheques of principal and interest amount. When no order was passed the it filed the present writ petition [W.P.(C) No.2623 of 2023].

7. Mr. M. S. Mittal, Ld. Sr. Counsel has fairly admitted that during the pendency of the instant writ petition the Centre's principal share being Rs. 4,36,95,572/- was released by J.E.P.C. directly to the Petitioner-Firm on 28.11.2023 and now the only grievance of the Petitioner-Firm is in regard to the payment of interest on the principal amount of Centre's share accrued till the date of payment i.e. 28.11.2023 and Centre's interest share together with the interest accrued till the date of payment.

8. Mr. Sumeet Gadodia, Ld. Counsel for the Respondent-Registrar General in Writ Application has contended that so far as admissibility of payment is concerned; there is no direction regarding release of the amount from the Registrar General as release of the deposited amount before the Registry should be in conformity with Rule 264 and 265 of High Court of Jharkhand Rules, 2001. He further submitted that the Petitioner-Firm itself preferred C.M.P No. 308/2019 claiming interest component and while disposing the said C.M.P the interest amount was directed to be disbursed which has been disbursed in favour of the Petitioner-Firm.

He further submitted that on perusal of para 5 & 6 of the aforesaid C.M.P. disposal order it is clear that so far as the rest of the amount i.e. amounts deposited by the J.E.P.C. by diversion from State account, may be released in

favour of JEPC, if appropriate application is filed.

9. Mr. Krishna Murari, Ld. Counsel for J.E.P.C. (Petitioner in C.M.P. No.355 of 2019) submits that the cheque for the interest portion has been handed over to the Petitioner-Firm on 28.11.2023. As such, the Petitioner-Firm is not entitled for the whole interest amount and it is JEPC who is entitled to receive the amount.

10. Having heard learned counsels for the parties in both these applications and after going through the documents annexed with the respective affidavits and the different orders passed by this Court and the Supreme Court, it appears that a tender dated 25.08.2012 for printing and supplying of text books, for Classes I to VIII was floated by the Jharkhand Education Project Council, under the signature of Principal Secretary, Human Resource Development (HRD) Department-cum-State Project Director, JEPC, Ranchi.

The Petitioner-Firm participated in the bidding process and submitted the requisite documents and gave its consent for printing and supplying of text books for Class VIII, at the lowest rate vide letter dated 24.09.2012. The contract was valued at Rs.16,62,79,595.29/-. The Petitioner-Firm furnished the bank guarantee of Rs. 83,13,980/-, i.e., 5% of the amount as security, and the work order dated 25.09.2012, was issued in favour of the Petitioner-Firm. The agreement/contract dated 25.09.2012 was executed and entered into by the parties; consequent thereto, an advance amount of 30%, i.e., Rs.4,88,86,200/- of the contract value was released in favour of the Petitioner-Firm.

As per terms of the work order and contract, the text books of Package no.8 (i.e. for Class VIII), were to be delivered at the destination point within 145 days. The Petitioner-Firm completed the work for printing and supplying of the text books within the stipulated period and submitted the bills, dated 21.02.2013. Thereafter, the Petitioner-Firm filed the representation dated 28.06.2013, requesting the Respondents to release the remaining amount of Rs.11,61,70,081/-, but the Respondents did not release the outstanding amount.

Then, the Petitioner-Firm filed W.P.(C) No. 798 of 2014 wherein this Court by order dated 31.03.2014 directed the State-Respondents to consider the Petitioner's representation and pass a reasoned order within six weeks. The relevant portion of the order is quoted herein below:

"Considering the said submissions, this writ petition is disposed of directing respondent nos. 3 & 4 to consider the petitioner's representation and pass a reasoned order within six weeks from the date of receipt/production of a copy of this order.

If the respondents find any amount due and payable, admitted amount shall be paid to the petitioner within a period of four weeks thereafter."

In view of the direction of the High Court in W.P(C) No.798 of 2014 the Petitioner-Firm submitted several representations, for releasing the outstanding amount. In response to representations, the respondent-J.E.P.C., by letter dated 05.06.2014,

rejected the claim of the Petitioner-Firm on the basis of the communication dated 18.10.2013 of the Ministry of Human Resources Development Department (for short 'MHRD'), Government of India (for short GOI) wherein it is mentioned that no expenditure for the procurement of text books should be incurred from the funds of the centrally sponsored scheme of SSA (Sarva Siksha Abhiyan).

The Petitioner-Firm aggrieved from the letter dated 05.06.2014 filed Writ Petition being W.P.(C) No. 151 of 2015 for redressal of his grievances. The writ was disposed by order dated 19.09.2017 by directing the respondents to arrange the payments of Rs.11,61,70,081/- along with interest @6 % from the date it became due. The relevant of the order is quoted herein below:

"59. In view of the undisputed facts the contention of the respondent/State that the petitioner cannot invoke the jurisdiction of the Court under Article 226 for enforcement of contractual obligation is misconceived and not tenable, consequently the letter dated 05.06.2014(Annexure-14) containing the conditional payment is quashed and respondent nos.1,2 and 3 are directed to arrange payment of the admitted outstanding dues of Rs.11,61,70,081/- with interest at the rate of 6% from the date it became due, within three months from the date of receipt/production of this order.

60. In the result, the writ petition stands allowed."

It further appears that when the order was not complied the Petitioner-Firm filed Contempt (Civil) Case No. 162/2018 wherein the Respondents by order dated 24.08.2018 were directed to deposit the entire admissible dues along with interest before the Registrar General of Jharkhand High Court. The relevant portion of the order is quoted herein below:

"Heard. Opposite parties are directed to deposit the entire admissible dues along with interest before the Registrar General of this Court by 07.09.2018 failing which they shall be physically present before this Court on the next date.

The Registrar General shall deposit the amount in a nationalized Bank. The deposited amount shall be disbursed in favour of the petitioner subject to any orders passed in L.P.A."

11. In compliance of the aforesaid order the Opposite Party No. 2 & 3 deposited the amounts before the Registry of this Court, which were duly accepted through Challan No. J-171 dated 13.09.2018 as under:

S. No.

Cheque No.

Amount

Share

1

444993

Rs.1,17,47,070/-

Central share-Interest

2

444991

Rs.4,36,95,572/-

Centra share-Principal

3

444994

Rs.1,61,33,750/-

State Share-Interest

4

444992

Rs.7,27,74,509/-

State Share-Principal

12. Thereafter, the Respondents preferred intra court appeal being LPA No. 600/2017 and 03/2019 wherein the Division Bench held that there was no dispute regarding admissibility of dues of Petitioner-Firm and only liability of payment between State and Central Government was to be determined. The relevant portion of the order in LPA No. 600/2017 is quoted herein below:

"20. However, we find that the admissibility of the dues stands admitted by the JEPC. The State Government has also not denied the admissibility of the dues except that it has requested the MHRD, GOI to lift the prohibition for payment from the SSA funds. The amount has been deposited as per the impugned direction in the Registry of this Court in pursuance of the contempt proceedings. The writ petitioner claims to be suffering recurring interest over the loans taken by it towards execution of the work. We therefore deem it fit and proper to direct that 40% of the admitted dues which constitutes the State Government's share as per the SSA Scheme, under deposit with the Registry, be released in favour of the writ petitioner. However, for payment of the remaining dues, we are of the considered opinion that the question of liability for payment between the Central Government and the State Government, needs to be adjudicated upon by the learned Writ Court. We do not agree with the submission of the writ petitioner that this issue has no connection with the payment of its entire admissible dues since it had entered into an agreement with the JEPC alone. The fact that the procurement of text books and supplies were made under the centrally

sponsored scheme by the JEPC for the year 2013-14 cannot be brushed aside. We therefore remand the matter on this limited question of adjudging the liability of the State Government and the Central Government to the learned Writ Court. Since the letter dated 18th October 2013 is already on record and the petitioner had also made a prayer for calling it in order to lay challenge to it, we grant it liberty to specifically assail the letter dated 18th October 2013 before the Writ Court. In our view, for determination of question of liability, the legality and correctness of letter dated 18th October 2013 issued by the MHRD, GOI is necessary and moreover it formed the basis for withholding the payments of the admissible dues to the writ petitioner by the State Project Director in the order dated 5th June 2014 impugned in the writ petition.

25. An amount of Rs.11,61,70,081/- were found payable to M/s National Printers- the writ petitioner by the JEPC after making certain deductions. Admissibility of the dues payable to the writ petitioner not being a matter of dispute, the writ petitioner has been made to suffer due to its non-payment. The award of interest @ 6% over the outstanding amount from the date it became due, cannot be said to be unreasonable or unjust. On account of withholding of the admissible payments, the writ petitioner is losing over the value of the admitted amount which has been rightly compensated by the Writ Court by grant of interest. We do not intend to interfere in the award of interest directed by the Writ Court as no grounds are made out on the part of the appellants. As directed in the foregoing part of the judgment, let the State Government's share of the admitted dues along with interest thereupon, so deposited by the appellant in the Registry, be released by the learned Registrar General in favour of the writ petitioner without any delay.

26. In view of the discussions made and the reasons recorded herein above, the impugned judgment dated 19th September 2017 passed by the Writ Court is interfered in the manner and to the extent indicated herein above. We allow liberty to the parties to make a request for early hearing of the matter before the Writ Court since the issue is pending since 2015. The appeal is partly allowed."

13. Pursuant to the order of Division Bench two cheques being cheque no. 444992 and 444994 were released in favour of the Petitioner-Firm consisting of the principal share of state and interest on state share. The interest accrued on these two cheques were also released in favour of the Petitioner-Firm by virtue of order dated 2.05.2019 passed in CMP No. 308 of 2019. The relevant portion of the order is quoted herein below:

"4. The sum we directed to be paid represents the State's share of the dues and admitted position is that the said share has been deposited in two cheques bearing No. 444992 for a sum of Rs.7,24,74,509/- and No. 444994 for a sum of Rs.1,61,33,750/-. From the date of deposit by the Registry of the said cheques, the interest generated in respect of the aforesaid amount shall also be released to the applicant-writ petitioner, but the total amount to be remitted shall not

exceed the principal sum deposited in the aforesaid two cheques and interest at the rate of 6 % p.a from the date the said sum became due. Sum to be released by 8th May, 2019.”

14. Thereafter, the Petitioner-Firm preferred Special Leave Petition against the order of Division Bench before the Hon’ble Apex Court which was numbered as SLP 13651-13652/2019. In the said SLP Hon’ble Apex Court did not interfere with the impugned judgment but requested the High Court to make an early adjudication on the dispute between State and Central Government regarding the release of SSA funds and further directed that the amount may be invested in fixed deposit. The relevant portion of the order is quoted herein below:

“Having heard learned counsel appearing for the parties and upon perusal of the record, we see no reason to interfere with the impugned judgment and order passed by the High Court. Accordingly, the special leave petitions are disposed of.

However, we request the High Court to make an early adjudication of the disputes between the Central Government and the State Government regarding the release of SSA funds. The amount may be invested in the Fixed Deposit Receipt (FDR).

As a sequel to the above, pending interlocutory applications, if any, stand disposed of.”

15. Thereafter, the Petitioner-Firm filed an amended writ petition in the existing writ petition being W.P.(C) 151/2015 challenging the letter dated 10.10.2013 issued by MHRD on the basis of which the payment was refused. The writ court quashed the order dated 18.10.2013 and held that 60% of the share of Central Government as per the SSA Scheme should be released by the Central Government. The relevant portion of the order is quoted herein below:

“37. So far as the other agency, i.e., West Coast Paper Ltd. is concerned, there is no enquiry to that effect, as such, it is incorrect on the part of the concerned Ministry of the Central Government to take the plea of commission of irregularity on behalf of the State. Further, when the scheme does not provide to show interference by the Central Government merely because 60% of the share is to be given by it, it is not available for the Central Government to interfere with the internal affairs of the State Government otherwise the same will hit the very federal principle of the system of Government. Moreover, the constitutional body, i.e., Comptroller and Auditor General has also conducted an audit and has not reported about embezzlement or omission or commission of public money in connection with the issue.

38. This Court, therefore, is of the view that the decision of the Central Government as contained in letter dated 18.10.2013 showing interference with the internal affairs of the State Government, cannot be said to be justified and further on its merit, on the basis of the reason referred hereinabove, the same

cannot be said to be decision based upon the justification.

39. Accordingly, the letter dated 18.10.2013 is hereby, quashed and set aside.

40. In consequence thereof, 60% of the share of the Central Government as per the SSA Scheme is to be released by the Central Government.

41. Accordingly, the reference as per the direction passed by the Division Bench of this Court is answered.

42. In view thereof, the writ petition is disposed of.

43. Pending interlocutory application(s), if any, also stands disposed of.”

16. It further appears that during the pendency of the present writ petition the Centre’s principal share being Rs. 4,36,95,572/- was released by J.E.P.C. directly to the Petitioner-Firm on 28.11.2023. Therefore, as far as the Centre’s share principal amount is concerned, the said amount has been paid to the Petitioner-Firm; as such, we feel it appropriate in the line of aforesaid discussions and several orders referred to hereinabove to direct the Registrar General, Jharkhand High Court, Ranchi that the said cheque being cheque no.444991 be released to J.E.P.C. Accordingly, Registrar General, Jharkhand High Court, Ranchi is directed to release the same to JEPC which was paid by JEPC to the petitioner firm on 28.11.2023. However, interest accrued on such cheque till payment of the principal amount, i.e. till 28.11.2023 be paid to the Petitioner-Firm by the Registry, and thereafter to the Respondent JEPC (Petitioner in C.M.P. No. 355 of 2019).

17. As far as the Centre’s interest amount is concerned, it is not in dispute that the Petitioner-Firm is entitled to it as the award of interest was made originally by the Ld. Single Judge and confirmed by the Division Bench. The Petitioner-Firm has been deprived of this amount till date.

18. Accordingly, we direct that the Centre’s interest share cheque of Rs.1,17,47,070/- (Cheque No. 444993) be released to the Petitioner-Firm by the Registry together with the accrued interest thereupon till the date of release of the cheque.

It goes without saying that the Registrar General is directed to release the amount as directed hereinabove within a period of four weeks’ from today.

19. Accordingly, both these applications stand disposed of in the manner indicated hereinabove.