

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

**CWP No. 13285 of 2012 (O&M)
Date of Decision :09.10.2012**

**SECL Industries Limited (Formerly known as Singla
Engineers and Contractors Pvt. Ltd.)**

...Petitioner

Versus

The State of Haryana and others

...Respondents

**CORAM: HON'BLE MR. JUSTICE A.K. SIKRI, CHIEF JUSTICE
HON'BLE MR. JUSTICE RAKESH KUMAR JAIN**

Present: Mr. Puneet Bali, Senior Advocate,
with Mr. Ajay Pal Singh, Advocate,
for the petitioner.

Mr. B.S. Rana, Additional Advocate General, Haryana.

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A.K. SIKRI, C.J. (ORAL)

The scope of the controversy raised in this writ petition is very narrow and has arisen in the following circumstances:-

In the year 2009, the respondent No. 2, namely, Superintending Engineer, Jind Circle, Department of Public Works (B&R) Branch in the State of Haryana had issued notice inviting tenders for the execution of the works of two road projects viz, "Construction of bye-pass road from Jind-Hansi road to Jind-Assandh road via Jind-Gohana road and Jind-Safidon road in Jind District" and "Special Repair to Jind-Safidon road and Panipat-Assandh road in Jind District" in the State of Haryana.

2. The petitioner also submitted its tender pursuant to the

damages as prescribed in the contract are to be awarded or not. Even if there is a stipulation by way of liquidated damages, a party complaining of breach of contract can recover only reasonable compensation for the injury sustained by him and what is stipulated in the contract is the outer limit beyond which he cannot claim. Unless this kind of determination is done by the Court, it does not result into “debt”.

15. What follows from the aforesaid is, merely by imposing penalty/liquidated damages, the respondents cannot be allowed to recover the same from other contracts being executed. Matter would have been different, if adjustment of this amount was made from the same contract. Impugned communication dated 11.06.2012 addressed to the respondents No. 04 to 42, therefore, does not stand the judicial scrutiny. This writ petition is accordingly allowed. Rule made absolute. The communication dated 11.06.2012 is hereby quashed.

(A.K. SIKRI)
CHIEF JUSTICE

(RAKESH KUMAR JAIN)
JUDGE

09.10.2012

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