

**THE REPUBLIC OF UGANDA
IN THE COURT OF APPEAL OF UGANDA AT KAMPALA
CIVIL APPEAL NO. 0316 OF 2021**

M & B ENGINEERS LTD:.....APPELLANT

VERSUS

**1. UGANDA NATIONAL ROADS AUTHORITY
2. ATTORNEY GENERAL :..... RESPONDENTS**

(Appeal from the decision of the High Court at Kampala (Commercial Division) dated 19th July, 2021 before Wamala, J. in Civil Suit No. 012 of 2016)

**CORAM: HON. LADY JUSTICE ELIZABETH MUSOKE, JA
HON. MR. JUSTICE MUZAMIRU MUTANGULA KIBEEDI, JA
HON. MR. JUSTICE CHRISTOPHER GASHIRABAKE, JA**

JUDGMENT OF ELIZABETH MUSOKE, JA

Introduction

This appeal arises from the decision dated 19th July, 2021 of the High Court (Wamala, J.) in Civil Suit No. 012 of 2016.

Background

By an agreement dated 10.03.2009, the Government of Uganda represented by the Ministry of Works and Transport (MOWT) contracted the Appellant to construct the Birara Bridge. The initial contract price was Ugx. 1, 290,205,000/= which was later revised upwards to Ugx. 1,765,894,500/=. The initial completion date was 30.11.2009 which was extended to 30.7.2010. The Appellant did not complete the works by the said 30.7.2010 and was penalized in liquidated damages by the 2nd Respondent for the delay.

Despite the penalty, the Appellant failed to complete the works and by letters dated 29.11.2011, 13.08.2012 and 21.08.2012, MOWT notified the Appellant of its intention to terminate the contract. By a letter dated 30.10.2012, MOWT terminated the contract citing failure to complete works within the completion timeframe and abandonment of the site for 28 days without permission. By the same termination notice MOWT