APHC010101132025

IN THE HIGH COURT OF ANDHRA PRADESH :: AMARAVATI
(Special Original Jurisdiction)

[3459]

MONDAY, THE TWENTY FIRST DAY OF APRIL
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HON'BLE SMT. JUSTICE SUMATHI JAGADAM

WRIT PETITION No.5426 OF 2025

Between:

M/s. Sabir Dam and Water Works Constructions, Door No.8-2-603/23/3&15, 3rd floor, HSR Summit, Beside No.1 News Channel, Road No.10, Banjara Hills, Hyderabad, Rep. by its Special Power of Attorney Holder Sri Kasireddy Subrahmanyam Reddy, S/o. Chinna Siddha Reddy. --- Petitioner

and

The State of A.P., Rep. by Principal Secretary to Irrigation and Command Area Development Department, Secretariat, Velagapudi, Amaravathi, Guntur District and 3 others --- Respondents

Counsel for the petitioner : Sri Petluri Nagaraju

Counsel for the respondents : G.P for Finance and Planning
G.P for Irrigation & CAD

The Court made the following **ORDER**:

This Writ Petition, under Article 226 of the Constitution of India, is filed by the petitioner seeking the following relief:

> "……..to issue a writ, order, or direction more particularly one in the nature of WRIT OF MANDAMUS declaring the action of the respondents in not paying bills amount to the petitioner for the works executed by him "Investigation, Designs and Earth work excavation of GNSS Main Canal including construction of CM & CD Works from KM. 161.250 to KM. 203.850 including Distributory system to irrigate an ayacut of 18,000 acres under GNSS Package-06 of Phase-II in Kadapa District" for an amount of Rs.1,62,75,474/- with interest, as illegal, arbitrary, *mala fide*, against to the principles of natural justice, contrary to law and in violation of Articles 14, 21 and 19(1)(g) of the Constitution of India and consequently direct the respondents to pay the approved bills amount along with interest to the petitioner in the interest of justice and to pass ……"

2. The case of the petitioner, in brief, is that he has participated in the tender process and stood as successful bidder. The 3rd respondent has entered into an agreement with the petitioner *vide* agreement No.18 SE/2007-2008, dated 20.10.2021, for execution of Investigation, Designs and Earth work excavation of GNSS Main Canal including construction of CM & CD Works from KM. 161.250 to KM. 203.850 including Distributory system to irrigate an ayacut of 18,000 acres under GNSS Package-06 of Phase-II in Kadapa District, during the year 2007-2008. The petitioner has completed the works within the stipulated time. The respondent authorities have issued the Quality Control Certificate and the Measurement Book and finalized the bills for a net amount of Rs.1,62,75,474/-.

3. Learned counsel for the petitioner submits that the petitioner has borrowed amounts from third parties to execute the works and is paying huge interest. Though the work was completed long back and the bill is finalized, the bill amount is not yet released to the petitioner. Learned counsel for the petitioner further submits that, in similar circumstances, this Court in ***S. Srinivas v. State of Andhra Pradesh and others***[1] held as under:

> *"21) In the considered opinion of this Court, withholding the amount for which the petitioner is legitimately entitled is nothing but depriving the petitioner. Due to illegal action of non-payment of the amounts promptly by clearing the bills submitted by the petitioner after execution of works, the petitioner could not feed and see the welfare of his family properly and he could not make payments to his employees/workers and he could not make payments to the material suppliers and he has to pay interests for the debts incurred by him for execution of works. Due to this situation, petitioner's respect and dignity in the society will be deteriorated.*
>
> *22) As such this Court holds that withholding the amount, for which the petitioner is legally entitled, is illegal, arbitrary, and unjust and violative of Article 21 of the Constitution of India.*
>
> *23) ……..*
>
> *24) A larger bench of the Hon'ble Apex Court in* ***Secretary, Irrigation Department, Government of Orissa and others V. G.C.Roy*** *opined as extracted hereunder:*
>
> *"A person deprived of the use of money to which he is legitimately entitled has right to be compensated for the*

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deprivation, call it by any name. It may be called interest, compensation or damages".

25) The High Court of Andhra Pradesh in ***J. Devendra Reddy V Kakatiya University and another*** *held that withholding of the amount payable to the petitioner for the contract works, constitutes patent arbitrariness on the part of the respondents."*

4. This Court has observed that though the works were completed long back and the bill was finalized, the respondents have not released the amounts so far on the ground of insufficiency of funds. Since there is no dispute with regard to the works and the bill amount, the respondents should pay the bill amount on "*first done first paid*" basis.

5. In view of my foregoing discussion and the law laid down by this Court in ***S. Srinivas*** (*supra*), the Writ Petition is disposed of with the following directions:

i) The respondents are directed to clear the bills submitted by the petitioner and release the payment of Rs.1,62,75,474/- within four (4) months from the date of receipt of a copy of this order with interest at 12% p.a.

ii) The interest shall be computed from the date of expiry of one (1) month from the date of submission of the bills by the petitioner till the date of payment. There shall be no order as to costs.

As a sequel, miscellaneous petitions pending, if any, shall stand closed.

JUSTICE SUMATHI JAGADAM

Date: 21.04.2025
DSH