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APHC010169412026

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI **[3327]**
(Special Original Jurisdiction)

MONDAY, THE 12th DAY OF OCTOBER 2026
PRESENT
THE HONOURABLE SRI JUSTICE K SREENIVASA REDDY
WRIT PETITION NO: 9395/2026

Between:

1. N RAMESH REDDY, S/O SRI NARAYANA REDDY, AGED ABOUT 57 YEARS, OCC CONTRACTOR, D.NO.46, BALAJI KRUPA, CROSS, 5TH MAIN, D.BANASWADI, BANGALORE - 560 043

...PETITIONER

AND

1. THE STATE OF AP, REP. BY ITS PRINCIPAL SECRETARY, PANCHAYAT RAJ ENGINEERING DEPARTMENT, SECRETARIAT BUILDINGS, VELAGAPUDI, AMARAVATHI, GUNTUR DISTRICT. 522 238
2. THE CHIEF ENGINEER, PANCHAYAT RAJ-I, VIJAYAWADA, KRISHNA DISTRICT. DISTRICT 520 002
3. THE SUPERINTENDING ENGINEER, PR CIRCLE, CHITTOOR DISTRICT 517 001
4. THE EXECUTIVE ENGINEER, PROJECT IMPLEMENTATION UNIT (P.I.U), CHITTOOR, CHITTOOR DISTRICT 517 001
5. THE DEPUTY EXECUTIVE ENGINEER, PROJECT IMPLEMENTATION UNIT, P.R. CHOWDEPALLE, CHITTOOR DISTRICT. 517 257
6. THE STATE OF ANDHRA PRADESH, REP., BY ITS PRINCIPAL SECRETARY, DEPARTMENT OF FINANCE AND

PLANNING, SECRETARIAT BUILDINGS, VELAGAPUDI, AMARAVATI, GUNTUR DISTRICT. 522 238

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased topleased to issue a WRIT OF MANDAMUS declaring the action of the Respondents herein, in withholding the payment of 2nd and Final Bill, work done an amount of Rs.2,34,65,319/- (M.Book No. 4052-A) i even after finalizing the bills payable to the petitioner in relation to the work i.e. Upgradation of R/F Boyakonda 'if arch to Temple junction at Boyakonda Gangamma temple in Chowdepalle (M) of Punganur Assembly Constituency, Chittoor District as per the Agreement No./2021-22, Dt.27.01.2022 is questioned, as the same is illegal, arbitrary and violative of Articles 14, 16, 19 and 300- A of Constitution of India and consequently direct the respondents to consider for payment of 2nd and Final Bill, work done an amount of Rs.2,34,65,319/- (M.Book No. 4052-A) with an interest @ 24 percent per annum for the delayed amount to the petitioner in respect of execution of above-mentioned work forthwith and pass

IA NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased to DIRECT the respondents to consider for payment of 2^^ and Final Bill, work done an amount of Rs.2,34,65,319/- (M.Book No. 4052-A) with interest of 24% per annum for the delayed amount to the petitioner in respect of execution of works under i.e. “Upgradation of R/F Boyakonda arch to Temple junction at Boyakonda Gangamma temple in Chowdepalle (M) of Punganur Assembly Constituency, Chittoor District as per the Agreement No./2021-22, Dt.27.01.2022” pending disposal of the Writ Petition and pass

Counsel for the Petitioner:

1. SURESH KUMAR REDDY KALAVA

Counsel for the Respondent(S):

1. GP FOR PANCHAYAT RAJ RURAL DEV

2. GP FOR FINANCE PLANNING

THE HON'BLE SRI JUSTICE K.SREENIVASA REDDY

WRIT PETITION No.9395 of 2026

ORDER :

This Writ Petition is filed seeking to declare the action of the respondents in withholding the payment of 2nd and final bill amounting to Rs.2,34,65,319/- even after finalizing the bills payable to the petitioner in relation to the work viz. upgradation of R/F Boyakonda arch to Temple junction at Boyakonda Gangamma temple in Chowdepalle (M) of Punganur Assembly Constituency of Chittoor district, as per Agreement No. /2021-22, dated 27.01.2022 (M.Book No.4052-A) executed by the petitioner, as illegal and arbitrary, and consequently direct the respondents to pay the said amount along with interest @ 24% per annum for the delayed period, to the petitioner for execution of the aforesaid work.

2. It is stated that administrative sanction was issued under Reconstruction of PR Roads grant for the subject work and 2nd respondent accorded technical sanction for the said work. Pursuant to a bid invited by respondent No.3 for the subject work, the petitioner participated in the tender process, and the bid submitted by the petitioner was accepted. Respondent No.3 sent a letter dated 27.01.2022 and handed over the said work to the petitioner as per the Agreement No. /2021-22, dated 27.01.2022.

3. It is stated that the petitioner proceeded with the work awarded to it and executed the same to the utmost satisfaction of the authorities within the time stipulated, and that the same was measured and entered in the Measurement book vide No.4052-A by 5th respondent on 11.02.2023. It is stated that pursuant to the entering in the Measurement Book, 5th respondent has to pass the bills, but respondent-authorities did not pass the bills even after 37 months.

4. It is stated that the Quality Control authorities visited the site, inspected the work done by the petitioner and issued Quality Control Certificate on 17.01.2023, stating that the work executed by the petitioner is satisfactory. Having been satisfied with the execution of the subject work by the petitioner and after measuring the same, the respondents are not releasing the pending 2nd and final bill to a tune of Rs.2,34,65,319/-.

5. It is the grievance of the petitioner that even though the petitioner approached the respondent authorities on multiple occasions requesting for payment of aforesaid pending bill amount, they are not paying the said amount. According to petitioner, having executed the work satisfactorily, within the prescribed time, non-payment of the bill amount is arbitrary and unjustified. It is further stated that the petitioner, being a contractor, spent huge money for executing the subject work, and the delay in payment is causing severe financial hardship,

necessitating the filing of the present Writ Petition seeking appropriate directions for release of the outstanding amount.

6. Today when the matter is taken up for hearing, the learned Assistant Government Pleader for Panchayat Raj and Rural Development, on written instructions dated 18.8.2026, received from the Executive Engineer, PIU Division, Chittoor - 4th respondent herein, submits that petitioner executed the work and the measurements were also recorded in the M-Book. It is further submitted that the total value of the work done by the petitioner is Rs.2,34,65,319/- and the petitioner is entitled to the said amount. It is further submitted that budget is not available to upload the bill in NIDHI portal and that letter was addressed to the ENC, PR, Vijayawada for release of funds for uploading the bill in NIDHI portal, and prays time. The written instructions are placed on record.

7. Heard learned counsel for the petitioner, the learned Government Pleader for the Panchayat Raj and Rural Development and the learned Government Pleader for Finance and Planning.

8. A perusal of the material on record goes to show that there is no dispute with regard to the fact that the respondent-authorities assigned the subject contract work to the petitioner. Grievance of the petitioner is that though it executed the said contract work within the stipulated time to the satisfaction of the respondent authorities and the same was measured and entered in Measurement Book, and that the

Quality Control authorities visited the site, inspected the work done by the petitioner and issued Quality Control Certificate, the respondents are not releasing the pending 2nd and final bill to a tune of Rs.2,34,65,319/- spent by it, for executing the subject work.

9. The respondent-authorities cannot withhold the legitimate payments due to the contractors who admittedly and genuinely executed the works entrusted to them. Once the works have been duly executed and the amounts have become payable, the respondent-authorities are under an obligation to take a decision on the claims in accordance with law. The State and its instrumentalities cannot withhold legitimate payments. Administrative inaction cannot be allowed to defeat a legitimate claim, particularly when the respondents do not dispute the execution of the works or demonstrate any lawful impediment to the release of the admitted dues.

10. Since the amount payable to the petitioner is admitted and undisputed, Writ Petition is maintainable. In *M/s. Utkal Highways Engineers and Contractors v. Chief General Manager & Ors.*[1], it was held as under: (Paragraph No.8)

> "Be that as it may, the High Court has not dealt with the merits of the Writ Petition. Moreover, it is not an inviolable rule that no money claim can be adjudicated upon in exercise of Writ jurisdiction.

[1] 2025 SCC OnLine SC 1400.

> Non-payment of admitted dues, *inter alia*, may be considered an arbitrary action on the part of respondents and for claiming the same, a Writ Petition may lie. Further, throwing a Writ Petition on ground of availability of alternative remedy after 10 years, particularly, when parties have exchanged their affidavits, is not the correct course unless there are disputed questions of fact which by their very nature cannot be adjudicated upon without recording formal evidence."

11. When an instrumentality of the State acts contrary to the public good and public interest, unfairly, unjustly and unreasonably, in its contractual, constitutional or statutory obligations, it really acts contrary to the constitutional guarantee under Article 14 of the Constitution of India. It is not the case of the respondents that the contract in question was obtained either by fraud or misrepresentation. Therefore, there is no other reason for the respondent authorities in not releasing the amounts in favour of the writ petitioner. Apart from this, when State or State instrumentalities act in an arbitrary manner or fail to act within time, the Writ Court does have jurisdiction to entertain the matter.

12. Having regard to the aforesaid facts and circumstances of the case, since the respondents admitted the amount payable to the petitioner and requested time for payment of the same, the respondent-authorities are directed to pay the admitted amount of Rs.2,34,65,319/- to the

petitioner within a period of four months from the date of receipt of a copy of this Order.

13. Accordingly, the Writ Petition is disposed of. There shall be no order as to costs of the Writ Petition.

As a sequel thereto, the miscellaneous applications, if any, pending in this Writ Petition, shall stand closed.

JUSTICE K. SREENIVASA REDDY

12.10.2026.
DRK

THE HON'BLE SRI JUSTICE K.SREENIVASA REDDY

WRIT PETITION No.9395 of 2026

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DRK