



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

[3504]

THURSDAY, THE TWENTY THIRD DAY OF APRIL
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE MAHESWARA RAO KUNCHEAM

WRIT PETITION NO: 4788/2026

Between:

1. KURMAIAH GARI RAMESH REDDY, S/O KURMAIAH GARI SURYANARAYANA REDDY, AGED ABOUT 53 YEARS, OCC. CONTRACTOR, R/O 2/21, NADIMPALLI, ARAVEEDU, ARAVEEDU, KADAPA, ANDHRA PRADESH.
2. MANKAMUTHAKA RAMANAIAH, S/O. MANKAMUTHAKA GANGULLAPPA, D.NO. 3/19-A, GANDLAPALLI, ARAVEEDU, KADAPA, ANDHRA PRADESH

...PETITIONER(S)

AND

1. THE STATE OF ANDHRA PRADESH, REP. BY ITS PRINCIPAL SECRETARY, REVENUE DEPARTMENT., SECRETARIAT BUILDINGS, VELAGAPUDI, AMARAVATHI, GUNTUR DISTRICT. (522238)
2. THE DISTRICT COLLECTOR/EXECUTIVE DIRECTOR, A.P STATE HOUSING CORPORATION LIMITED, YSR DISTRICT, KADAPA. (516001)
3. THE DISTRICT COLLECTOR, ANNAMAYYA DISTRICT AT RAYACHOTY. (516269)
4. THE A P STATE HOUSING CORPORATION LTD, REPRESENTED BY ITS MANAGING DIRECTOR, VIJAYAWADA, KRISHNA DISTRICT. (520007)

- 5.THE DISTRICT HEAD HOUSING, ANNAMAYYA DISTRICT.(516115)
- 6.THE EXECUTIVE ENGINEER H, RAYACHOTY, ANNAMAYYA DISTRICT. (516269)
- 7.THE DEPUTY EXECUTIVE ENGINEER H, RAYACHOTY, ANNAMAYYA DISTRICT. (516269)
- 8.THE STATE OF ANDHRA PRADESH, REP., BY ITS PRINCIPAL SECRETARY, FINANCE DEPARTMENT, SECRETARIAT BUILDINGS, VELAGAPUDI, AMARAVATHI, GUNTUR DISTRICT. (522238)

...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 to issue a WRIT OF MANDAMUS declaring the action of the Respondents herein, in withholding the payment of Final Bills of an amount of i) Rs. 2,94,659/-, ii) Rs. 1,37,324/-, respectively totally an amount of Rs.4,31,983/- even after finalizing the bills payable to the petitioner in relation to the land leveling works i) Development of house sites for demarcation of plots in Survey No. 511/1 at Araveedu of malasanivaripalli (v) of Galiveedu (M) Segment No.I and 11 and ii) Development of house sites for demarcation of plots in Survey No. 481 and 482 at near veligallu project of Galiveedu village and mandal in Segment No.I and 2 under Layout ID No.115013LA113656, Malasanivaripalli, (NON OTS) and Layout ID No. 115013LA112041, Near veligallu Project Gurralla Mitta, (NON OTS) as per the Order of the Respondent No.2 order Rc.No.3831/House Sites/2019/D, Dt. 13.02.2020 and Rc.No.3831/House Sites/2019/D, Dt. 06.07.2020 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 Final Bills of an amount of i) Rs. 2,94,659/-, ii) Rs. 1,37,324/-, respectively totally an amount of Rs.4,31,983/- with an interest @24percent per annum for the delayed amount to the petitioner in respect of execution of above- mentioned work forthwith and pass

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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 to DIRECT the respondents to consider for payment of Final Bills of amount of i) Rs. 2,94,659/-, ii) Rs. 1,37,324/-, respectively totally amount of Rs.4,31,983/-

with an interest of 24% per annum for the delayed amount to the petitioner in respect of execution of land leveling works i.e., “i) Development of house sites for demarcation of plots in Survey No. 511/1 at Araveedu of malasanivaripalli (v) of Galiveedu (M) Segment No.I and II and ii) Development of house sites for demarcation of plots in Survey No. 481 and 482 at near veligallu project of Galiveedu village and mandal in Segment No.I and 2 under Layout ID 115013LA113656, Malasanivaripalli, (NON OTS) and Layout ID No: 115013LA112041, Near veligallu Project Gurralla Mitta, (NON OTS) per the Order of the Respondent No.2 order Rc.No.3831/House Sites/2019/D, Dt. 13.02.2020” and Rc.No.3831/House Sites/2019/D, Dt. 06.07.2020” pending disposal of the Writ Petition and pass

Counsel for the Petitioner(S):

- 1.SURESH KUMAR REDDY KALAVA

Counsel for the Respondent(S):

- 1.GP FOR REVENUE
- 2.MALLIKHARJUNA MOORTHY K (SC FOR A.P HOUSING CORPORATION LIMITED)
- 3.GP FOR HOUSING
- 4.GP FOR FINANCE PLANNING

The Court made the following:

THE HONOURABLE SRI JUSTICE MAHESWARA RAO KUNCHEAM**WRIT PETITION NO: 4788 of 2026****ORDER:-**

The instant writ petition has been filed by the petitioners under Article 226 of Constitution of India seeking the following main prayer:

“....to issue a WRIT OF MANDAMUS declaring the action of the Respondents herein, in withholding the payment of Final Bills of an amount of i) Rs. 2,94,659/-, ii) Rs. 1,37,324/-, respectively totally an amount of Rs.4,31,983/- even after finalizing the bills payable to the petitioner in relation to the land leveling works i) Development of house sites for demarcation of plots in Survey No. 511/1 at Araveedu of malasanivaripalli (v) of Galiveedu (M) Segment No.I and 11 and ii) Development of house sites for demarcation of plots in Survey No. 481 and 482 at near veligallu project of Galiveedu village and mandal in Segment No.I and 2 under Layout ID No.115013LA113656, Malasanivaripalli, (NON OTS) and Layout ID No. 115013LA112041, Near veligallu Project Gurralla Mitta, (NON OTS) as per the Order of the Respondent No.2 order Rc.No.3831/House Sites/2019/D, Dt. 13.02.2020 and Rc.No.3831/House Sites/2019/D, Dt. 06.07.2020 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 Final Bills of an amount of i) Rs. 2,94,659/-, ii) Rs. 1,37,324/-, respectively totally an amount of Rs.4,31,983/- with an interest @24percent per annum for the delayed amount to the petitioner in respect of execution of above- mentioned work forthwith and pass....”

2. The sum and substance of the writ petition is that the petitioners challenged the inaction of the respondents in not releasing the amounts even after completion of the entire works entrusted to them.

3. Heard learned counsel for the petitioners and Sri K.Mallikarjuna Moorthy, learned Standing Counsel for A.P. Housing Corporation appearing for respondents.

4. Learned counsel for the petitioners, while reiterating the averments made in the writ affidavit, submits that in view of the non-release of the admitted amounts, the petitioners are facing multifarious problems, physically and fiscally. Hence, he submits that the release of the amounts is just and essential.

5. On the other hand, learned Standing Counsel for the respondent Corporation, places a copy of the written instructions dated 22.04.2026 issued by the concerned authority of the Corporation and submits that three months' time may be granted for paying the admitted amount of Rs.6,82,561/- to the petitioners.

6. Since it is not in dispute that the petitioners completed the works and has yet to receive payment, this Court finds the respondents' failure to pay is unjustified. However, taking into consideration of the ground realities to settle the admitted amounts, the respondents are granted rational time to settle the dues.

7. Recently the Hon'ble Supreme Court of India held in ***Utkal Highways Engineers and Contractor Vs Chief General Manager and Others***¹, in vivid terms categorically in the following manner.

“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.....”

8. It is apt to note that a mere financial incapacity/poor financial conditions, as stated by the respondent Corporation, for non-releasing of amounts after utilising the services of the petitioners, cannot be a ground.

9. In view of the above stated legal position, the respondent Corporation, being the instrumentality of the 'State' within the meaning of Article 12 of the Constitution of India, is bound to release the amount for the undisputed works done by the petitioners, without any further delay. A mere financial incapacity or paucity of funds cannot be a valid defence for non-fulfilment of such statutory obligations, more particularly, when the works executed by the petitioners are admitted by the respondent Corporation.

10. So far as the interest portion is concerned, the Hon'ble Division Bench of this Court in the case of ***Managing Director & Ors. Vs. Sree Balaji Constructions & Ors.*** (Writ Appeal No.60 of 2025) held that the award of interest on delayed payments was unsustainable in the absence of specific

¹ (2025) SCC Online SC 1400

terms and conditions of the relevant agreement between the parties, but in the instant case, the learned counsel for the petitioners has not touched on the said point. However, the Hon'ble Division Bench in similar circumstances made it clear that the parties are at liberty to pursue their claims before an appropriate forum in accordance with the Law.

11. In the light of the above legal position, coupled with the fact that the liability for the undisputed works was admitted by the respondents, the Writ Petition is disposed of with a direction to the respondents to release the amount payable to the petitioners, within a period of three (03) months, from the date of receipt of copy of this order. It is needless to say that the petitioners are at liberty to approach the appropriate civil court with regard to interest, if so advised.

There shall be no order as to costs. Miscellaneous petitions pending, if any, shall stand closed.

JUSTICE MAHESWARA RAO KUNCHEAM

Date: 23.04.2026
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THE HON'BLE SRI JUSTICE MAHESWARA RAO KUNCHEAM

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