



**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: 24129/2025

Between:

1.M/S STANCH PROJECT PVT. LTD., REP. BY ITS MANAGING PARTNER YERRA BALACHAND, S/O.Y SITARAMAIAH, AGED ABOUT 52 YEARS, OEC.CONTRACTOR, R/O. H.NO.7-1-636/2, MODEL COLONY, ERRAGADDA, HYDERABAD, PINCODE. 500038.

...PETITIONER

AND

1. THE STATE OF ANDHRA PRADESH, REP. BY ITS PRINCIPAL SECRETARY, DEPARTMENT OF HIGHER EDUCATION (TE), SECRETARIAT BUILDINGS, VELAGAPUDI, AMARAVATHI, GUNTUR DISTRICT.
2. THE STATE OF ANDHRA PRADESH, REP. BY ITS PRINCIPAL SECRETARY, DEPARTMENT OF FINANCE AND PLANNING, SECRETARIAT BUILDINGS, VELAGAPUDI, AMARAVATHI, GUNTUR DISTRICT
3. THE NATIONAL BANK OF AGRICULTURE RURAL DEVELOPMENT NABARD, REP. BY ITS CHAIRMAN, PLOT C-24, G BLOCK, BANDRA KURIA COMPLEX, BKC ROAD, BANDRA, EAST MUMBAI, PINCODE. 400051.
4. THE DIRECTOR OF WORKS AND ACCOUNTS, WORKS AND ACCOUNTS DEPARTMENT, MANGALAGIRI, GUNTUR DISTRICT.
5. THE DIRECTOR OF TECHNICAL EDUCATION, D.NO. 11-307, GARUDADRI K.K. TOWERS, LAKSHMI NARASIMHA COLONY,

BYPASS ROAD, NEAR NRL HOSPITAL, MANGALAGIRI, GUNTUR DISTRICT, PINCODE. 522503.

6. THE MANAGING DIRECTOR OF ANDHRA PRADESH EDUCATION AND WELFARE INFRASTRUCTURE DEVELOPMENT CORPORATIO, (APEWIDC), VADDESWARAM, TADEPALLI, GUNTUR DISTRICT.
7. THE CHIEF ENGINEER, APEWIDC, VADDESWARAM, TADEPALLI, GUNTUR DISTRICT.
8. THE EXECUTIVE ENGINEER, APEWIDC, VISAKHAPATNAM, VISAKHAPATNAM DISTRICT.
9. THE PAY AND ACCOUNTS OFFICER, VISAKHAPATNAM, VISAKHAPATNAM DISTRICT.
10. THE CHIEF EXECUTIVE OFFICER, APCFSS, 3RD FLOOR, NIDHI BHAVAN, BEHIND APIIC BUILDING, MANGALAGIRI, GUNTUR DISTRICT, PINCODE.522503.

...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 or any other appropriate writ or direction declaring the action of the Respondents not releasing the amount of Rs.2,72,32,747/- vide CFMS Token No. 2025-859757, even after finalizing the bills, payable to the petitioner in relation to the works i.e., Construction of Administrative Block (A and M) in Government Polytechnic College at Bheemunipatnam (V) and (M) in Visakhapatnam District, vide Agreement No. /CE/AFEWIDC/ VJA/ 2021-22, dated 23.08.2021 of the Chief Engineer, APEWIDC, Vijayawada is questioned, as the same is illegal, arbitrary and consequently direct the respondents to pay for payment of amount of Rs.2,72,32,747/- vide CFMS Token No. 2025-859757 with 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 please to direct the respondents to pay for payment of amount of

Rs.2,72,32,747/- vide CFMS Token No. 2025-859757 with interest @24% per annum for the delayed amount to the petitioner in respect of execution of works i.e. Construction of Administrative Block (A&M) in Government Polytechnic Collage at Bheemunipatnam (V) & (M) in Visakhapatnam District, vide Agreement No. /CE/APEWIDC/ VJA/ 2021-22, dated 23.08.2021 of the Chief Engineer, APEWIDC, Vijayawada, forthwith, pending disposal of the Writ petition and pass

Counsel for the Petitioner:

1.MODAPOTHULA SUMALATHA

Counsel for the Respondent(S):

1.GP FOR HIGHER EDUCATION

2.V CH NAIDU (SC FOR AP HOUSING CORP)

3.GP FOR FINANCE PLANNING

The Court made the following:

THE HONOURABLE SRI JUSTICE MAHESWARA RAO KUNCHEAM**WRIT PETITION NO: 24129 of 2025****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 or any other appropriate writ or direction declaring the action of the Respondents not releasing the amount of Rs.2,72,32,747/- vide CFMS Token No. 2025-859757, even after finalizing the bills, payable to the petitioner in relation to the works i.e., Construction of Administrative Block (A and M) in Government Polytechnic College at Bheemunipatnam (V) and (M) in Visakhapatnam District, vide Agreement No. /CE/AFEWIDC/ VJA/ 2021-22, dated 23.08.2021 of the Chief Engineer, APEWIDC, Vijayawada is questioned, as the same is illegal, arbitrary and consequently direct the respondents to pay for payment of amount of Rs.2,72,32,747/- vide CFMS Token No. 2025-859757 with 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 petitioner challenged the inaction of the respondents in not releasing the amounts even after completion of the entire works entrusted to him.

3. Heard learned counsel for the petitioner and Sri L.Radha Krishna, counsel representing Sri V.C.H. Naidu, learned Standing Counsel for APEWIDC appearing for respondents.

4. Learned counsel for the petitioner, while reiterating the averments made in the writ affidavit, submits that in view of the non-release of the admitted

amounts, the petitioner is 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 16.02.2026 issued by the concerned authority of the Corporation and submits that eight months' time may be granted for paying the admitted amount of Rs.2,59,26,496/- to the petitioner.

6. Since it is not in dispute that the petitioner 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 held 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.....”

¹ (2025) SCC Online SC 1400

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 getting the works from the petitioner, 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 petitioner, without any further delay. A mere financial incapacity or paucity of funds cannot be a valid defence for non-fulfillment of such statutory obligations, more particularly, when the works executed by the petitioner 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 terms and conditions of the relevant agreement between the parties, but in the instant case, the learned counsel for the petitioner 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 petitioner, within a period of eight (08) months, from the date of receipt of copy of this order. It is needless to say that the petitioner is 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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Date: 23.04.2026

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