

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)**

WEDNESDAY, THE ELEVENTH DAY OF MARCH
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE MRS JUSTICE SUREPALLI NANDA

WRIT PETITION NO: 7494 OF 2026

Between:

G. Bal Narasimha Reddy, S/o Narayana Reddy, Aged Major, Occ. Contractor,
Rio H.No.1-67, Muthannapet (V), Bejjanki (M), Siddipet District, Telangana.

...PETITIONER

AND

1. The State of Telangana, Rep. by its Principal Secretary, Finance Department, Secretariat, Secretariat Building, Saifabad, Hyderabad.
2. The State of Telangana, Rep. by its Principal Secretary, Irrigation and Command Area Development Department, Secretariat, Secretariat Building, Saifabad, Hyderabad.
3. The Superintending Engineer, Irrigation Circle No.1, LMD Colony, Karimnagar, Telangana.
4. The Executive Engineer, Irrigation Divn No.1, Irrigation Circle-1, LMD Colony, Karimnagar, Telangana
5. The Deputy Executive Engineer, Irrigation SD-2 of Irrigation Divn-1, Irrigation Circle,1, LMD Colony, Karimnagar, Telangana
6. The District Treasury Officer, Integrated District Office Complex, Siddipet District.

...RESPONDENTS

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, order or direction more particularly one in the nature of writ of mandamus declaring the action of the Respondents more particularly the 1st respondent in not releasing the admitted approved amounts for the work i.e., Balance Work of Beautification of Ooracheruvu, Bejjanki (V and M), Siddipet District as Mini Tank Bund (hereinafter referred to as Subject Work) executed by the

Petitioner as illegal, arbitrary, Unconstitutional and contrary to Conditions of Contract and consequently direct the 1st Respondent to release the admitted approved outstanding due amount of Rs.24,31,475/- (Rupees Twenty Four Lakh Thirty One Thousand Four Hundred and Seventy Five Only) vide Token No. 2601711578 dated 28-10-2025 due towards the Balance Work of Beautification of Ooracheruvu, Bejjanki (V and M), Siddipet District as Mini Tank Bund executed by the petitioner.

I.A. 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 to direct the direct the 1st Respondent to forthwith release the admitted approved outstanding due amount of Rs.24,31,475/- (Rupees Twenty Four Lakh Thirty One Thousand Four Hundred and Seventy Five Only) vide Token No.2601711578 dated 28-10-2025 due towards the Balance Work of Beautification of Ooracheruvu, Bejjanki (V and M), Siddipet District as Mini Tank Bund executed by the petitioner.

Counsel for the Petitioner: SRI ALLAM RAMESH

**Counsel for the Respondent No.1 & 6: SRI MD.NAVED KHAN
AGP FOR FINANCE & PLANNING**

Counsel for the Respondent No.2 to 5: SRI L.SANDEEP, AGP FOR IRRIGATION

The Court made the following: ORDER

**IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD**

HON'BLE MRS. JUSTICE SUREPALLI NANDA

WRIT PETITION No.7494 OF 2026

DATE: 11.03.2026

Between :

G.Bal Narasimha Reddy

... **Petitioner**

A n d

The State of Telangana,
Rep. by its Principal Secretary,
Finance Department,
Secretariat, Secretariat Building,
Saifabad, Hyderabad and others

... **Respondents**

ORDER

**Heard Sri Allam Ramesh, learned counsel
appearing on behalf of the petitioner, Sri Md. Naved
Khan, learned Assistant Government Pleader for
Finance and Planning appearing on behalf of the
respondent Nos.1 and 6 and Sri L. Sandeep, learned
Assistant Government Pleader for Irrigation
appearing on behalf of the respondent Nos.2 and 5.**

2. The petitioner approached the Court seeking prayer as under:

"...issue a Writ, order or direction more particularly one in the nature of writ of mandamus declaring the action of the Respondents more particularly the 1st respondent in not releasing the admitted approved amounts for the work i.e., Balance Work of Beautification of Ooracheruvu, Bejjanki (V and M), Siddipet District as Mini Tank Bund (hereinafter referred to as Subject Work) executed by the Petitioner as illegal, arbitrary, Unconstitutional and contrary to Conditions of Contract and consequently direct the 1st Respondent to release the admitted approved outstanding due amount of Rs.24,31,475/- (Rupees Twenty Four Lakh Thirty One Thousand Four Hundred and Seventy Five Only) vide Token No.260.711578 dated 28-10-2025 due towards the Balance Work of Beautification of Ooracheruvu, Bejjanki (V & M), Siddipet District as Mini Tank Bund executed by the petitioner and pass..."

3. The case of the petitioner in brief as per the averments made in the affidavit filed by the petitioner in support of the present Writ Petition is as under:-

- i) The petitioner, a Class-III contractor, was awarded the work of "Balance Work of Beautification of Ooracheruvu,

Bejjanki, Siddipet District as Mini Tank Bund" pursuant to administrative approval vide G.O.Rt.No.792 dated 08.06.2018 and technical sanction vide SDR No.02/EE/ID-1/IC-1/2023-24 dated 06.12.2023, and thereafter, the petitioner had entered into an agreement with the 4th respondent vide Agreement AB No.12/EE/ID-1/IC-1/2023-24 dated 10.01.2024 for a contract value of Rs.27,19,865.47 with a completion period of six months.

ii) The petitioner executed about 90% of the work and raised the 1st and part running bill, which was duly measured, certified and approved for a gross amount of Rs.24,31,475/- on 27.10.2025, and the same was also approved by the 6th respondent office on 28.10.2025 vide Token No.2601711578.

iii) However, despite such approval and completion of substantial work, the 1st respondent has not released the admitted outstanding amount, causing severe financial hardship to the petitioner. Aggrieved by the same, the petitioner had approached this Court by filing the present writ petition.

4. PERUSED THE RECORD:

A) The relevant portion of the judgment dated 08.03.2019 passed in M/s. Surya Constructions Vs. State of Uttar Pradesh and others reported in (2019) 16 SCC 794 passed by the Two Judge Bench of the Apex Court in Civil Appeal No.2610 of 2019 (Arising out of SLP (C) No.29505 of 2014), is extracted hereunder:

"...It is clear, therefore, from the afore said order dated 22.03.2014 that there is no dispute as to the amount that has to be paid to the appellant. Despite this, when the appellant knocked at the doors of the High Court in a writ petition being Writ Civil No.25126 of 2014, the impugned judgment dated 02.05.2014 dismissed the writ petition stating that disputed questions of fact arise and that the amount due arises out of contract. We are afraid the High Court was wholly incorrect inasmuch as there was no disputed question of fact. On the contrary, the amount payable to the appellant is wholly undisputed. Equally, it is well settled that where the State behaves arbitrarily, even in the realm of contract, the High Court could interfere under Article 226 of the Constitution of India ['ABL International Ltd. and Another v. Export Credit Guarantee Corporation of India Ltd. and Others' (2004 (3) SCC 553)].

This being the case and the work having been completed long back in 2009, we direct the Uttar Pradesh Jal Nigam to make the necessary payment

within a period of four weeks from today. Given the long period of delay, interest at the rate of 6 per cent per annum may also be awarded.

The appeal stands disposed of accordingly."

B) The Apex Court in the judgment reported in (2023) 8 SCC 240 in Madras Aluminium Company Limited vs. Tamil Nadu Electricity Board and Another vide judgment dated 06.07.2023, at paragraph Nos.39 and 40 observed as under:

"39. A Bench of two learned Judges of this Court in *Shrilekha Vidyarthi (Kumari) v. State of U.P.*⁴ observed that there exists "an obvious difference" between contracts concerning private parties to those which have State as a party. The primary difference being that the State while exercising its powers and discharging its functions "acts indubitably, as is expected of it, for public good and in public interest". The said factor singularly is sufficient to bring into any transaction the minimal requirements of public law, to which the State is a party. **The fact that a dispute falls into the contractual realm does not relieve the State of its obligation to comply with the requirements of Article 14.**

40. Further the Court in *Shrilekha Vidyarthi* case had observed that: (SCC p.237, para 24)

"24. The State cannot be attributed the split personality of Dr.Jekyll and Mr. Hyde in the contractual field so as to impress on it all the characteristics of the State at the threshold while making a contract requiring it to fulfil the obligation of Article 14 of the Constitution and thereafter permitting it to cast off its garb of State

to adorn the new robe of a private body during the subsistence of the contract enabling it to act arbitrarily subject only to the contractual obligations and remedies flowing from it. *It is really the nature of its personality as State which is significant and must characterize all its actions, in whatever field, and not the nature of function, contractual or otherwise, which is decisive of the nature of scrutiny permitted for examining the validity of its act. **The requirement of Article 14 being the duty to act fairly, justly and reasonably, there is nothing which militates against the concept of requiring the State always to so act, even in contractual matters.*** There is a basic difference between the acts of the State which must invariably be in public interest and those of a private individual, engaged in similar activities, being primarily for personal gain, which may or may not promote public interest. Viewed in this matter, in which we find no conceptual difficulty or anachronism, **we find no reason why the requirement of Article 14 should not extend even in the sphere of contractual matters for regulating the conduct of the State activity.**"

C) The relevant portion of the judgment dated 30.04.2022 passed by the High Court of Andhra Pradesh in Katta Chinna Kotaiah vs. The State of Andhra Pradesh reported in MANU/AP/0711/2022, is extracted hereunder:

"The Apex Court and this Court in catena of decisions held that when there is non-payment of the undisputed bills, the same is violative of Articles 14 and 16 of the Constitution of India. The counsel for the petitioner rightly placed reliance on

the decision of the Apex Court in Surya Constructions Vs. State of Uttar Pradesh and others, following the judgment in ABL International Ltd. Vs. Export Credit Guarantee Corporation of India Ltd. Cited supra. **In view of the Apex Court judgment, the contention of the learned Government Pleader that the writ petition is not maintainable before this Court could not be countenanced.** The bills of the petitioner dated 13.3.2019 are admitted by the respondents and forwarded for payment after due measurements and obtaining quality control and the Vigilance report. Hence, the authorities are estopped from stating that the bills are submitted without executing the works. On the mere ground of pendency of Vigilance report, payment cannot be stopped. **Accordingly, there shall be a direction to the respondents to pay the bill amount of Rs.8,08,828/- to the petitioner within a period of six weeks from the date of receipt of copy of this order."**

D) The relevant portion of the judgment dated 16.03.2021 passed by the High Court of Andhra Pradesh in Mutyala Veeravenkata Satyanarayana vs. The State of Andhra Pradesh reported in 2021 SCC Online AP 1410, in particular paragraph Nos.8 and 9, is extracted hereunder:

"8. The provisions of the Act make it clear that it is a welfare legislation meant to create employment/eradicate unemployment in rural areas and in the process to create durable assets for rural India. **Thus, it is clear that a public element is involved in these works with State participation**

and funding. The "States" presence is therefore all pervasive in this scheme. The law on the interpretation of welfare legislation is also very clear. As held in number of cases including K.H.Nazar v. Mathevi K Jacob case by the Supreme Court of India "Judges ought to be concerned with the colour, content and the context of such statutes". Therefore, in view of the settled law and keeping in mind the purpose for which the legislation is enacted, this Court has to hold that there is a public element involved in this and that it is not a pure case of the State entering into a commercial contract.

9. **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.** Even the case law cited by the learned counsel for the petitioner supports this to an extent. Besides this Court notices that there is no method/mode for settlement of disputes provided for. Section 23 of the Act and Rule 14 of Schedule-I for example provide for constant monitoring of the works/books to be maintained etc. Despite this, there is no strict denial of the exact quantum of work executed."

E) The relevant portion of the judgment dated 22.03.2022 passed by the High Court of Andhra Pradesh in W.P.No.2511 of 2022, in particular paragraph Nos.23 and 24, is extracted here under:

"23) The High Court of Andhra Pradesh in J. Devendra Reddy v. Kakatiya University and another reported in 2015 (3) ALD 97, held that withholding of the amount payable to the petitioner for the contract

works, constitutes patent arbitrariness on the part of the respondents and directed the respondents to pay the amount due to the petitioner along with interest @ 12% per annum.

24) The High Court of Andhra Pradesh in S. Srinivas vs. State of Andhra Pradesh and others reported in 2021 (5) ALT 267, held that the petitioner is entitled for the interest @ 12% p.a., from the date of expiry of one month from the date of submission of bill to till the date of payment."

F) The relevant portion of the judgment dated 21.04.2025 passed by this Court in W.P.No.11744 of 2025 in particular paragraph No.5, is extracted hereunder:

"5. Having regard to the submissions of both the learned counsel, this Court deems it appropriate to dispose of the Writ Petition by directing the respondent authorities to release the admitted bill amount of Rs.1,16,51,734.00/ due to the petitioner, as expeditiously as possible, preferably within a period of six (6) weeks from the date of receipt of a copy of the order. No costs."

G) The relevant portion of the order of this Court dated 03.10.2023 passed under similar circumstances in W.P.No.12655 of 2023 in particular paragraph Nos.12 and 13, is extracted hereunder:

"12. In the light of the pleadings and arguments referred to above, it is clear that there is no dispute with regard to amounts payable under Bill Nos. 34, 35 and 36. It has been held by the Hon'ble Supreme Court from time to time that writ jurisdiction per se cannot be denied merely because the dispute arose out of a commercial contract as held in Surya Constructions' case (Supra 1), ABL International Limited's case (Supra 2) and Century Spinning and Manufacturing Company Limited's case (Supra 3). In Surya Constructions' case (Supra 1), the Hon'ble Supreme Court granted relief to the petitioner therein taking note of the fact that bills payable to the petitioner were undisputed. In the instant case, the petitioner stands on a better footing as the bills of the petitioner are not only admitted but also certified. As observed above, in the present case there is no dispute as such between the parties. The only issue is with regard to release of payment under Bill Nos. 34, 35 and 36 by the respondents - State. No explanation is forthcoming from the respondents as to why the amounts covered by Bill Nos. 34, 35 and 36 cannot be released. According to the respondents, Bill Nos. 34, 35 and 36 are pending for want of budgetary clearance. On the face of it, action of the respondents is arbitrary, unreasonable and unjust and the same cannot be countenanced.

13. The contention of the learned Additional Advocate General that the petitioners have to approach civil Court even for payment of admitted bills runs contrary to the settled legal proposition. This Court would also look into the public interest involved. The project, as informed by

the learned counsel on either side, is an ongoing project and the bills worth of hundreds of crores are kept pending for no reason and there is every possibility of non-release of payment impacting the ongoing project and the same would not be in public interest. Even for this reason, this Court holds that the petitioner has made out a case warranting interference in writ jurisdiction. Further, as there is inordinate delay in release of payments covered by the subject bills by the respondents to the petitioner without any justification, in the opinion of this Court, the respondents are liable to pay penal interest. However, as against the claim of 18% per annum sought by the petitioner, this Court holds that the respondents are liable to pay penal interest at 9% per annum."

H) The relevant portion of the order dated 24.04.2025 passed by this Court in W.P.No.10284 of 2025, in particular paragraph No.4, is extracted hereunder:

"4. In view of the same and particularly since it has been nearly a year since the token has been given to the petitioner, this Court deems it fit and proper to direct the 5th respondent to release the admitted and certified work done payments, i.e., Rs.77,79,224/- in respect of the Token No.2456868964 to the petitioner within a period of ten (10) days from the date of receipt of a copy of this order and if the payment is not made by the said date, the said payment shall carry interest at the rate of 15%

per annum from the date of issuance of the
Token till the date of payment."

DISCUSSION AND CONCLUSION:

5. Learned counsel appearing on behalf of the petitioner submits that, the subject issue in the present writ petition is squarely covered by the order of this Court dated 08.07.2025 passed in W.P.No.2906 of 2025, order dated 22.01.2026 passed in W.P.No.39884 of 2025, order dated 10.04.2025 passed in W.P.No.10887 of 2025 and also the order dated 24.02.2026 passed in W.P.No.3834 of 2026.

6. Learned Assistant Government Pleaders appearing on behalf of the respondents do not dispute the said submission made by the learned counsel appearing on behalf of the petitioner.

7. TAKING INTO CONSIDERATION:

a) The aforesaid facts and circumstances of the case,

b) The submissions made by the learned counsel appearing on behalf of the petitioner and the learned

**Assistant Government Pleaders appearing on behalf of
the respondents,**

**c) The observations in the judgments referred to
and extracted above and enlisted below:**

- (i) (2019) 16 SCC 794,**
- (ii) (2023) 8 SCC 240,**
- (iii) MANU/AP/0721/2022,**
- (iv) 2021 SCC Online AP 1410,**
- (v) The judgment dated 22.03.2022 passed by
the High Court of Andhra Pradesh in
W.P.No.2511 of 2022,**
- (vi) The judgment dated 21.04.2025 passed by
this Court in W.P.No.11744 of 2025,**
- (vii) The order dated 03.10.2023 passed by this
Court in W.P.No.12655 of 2023,**
- (viii) The order dated 24.04.2025 passed by this
Court in W.P.No.10284 of 2025,**

**d) The order of this Court dated 28.04.2025 passed in
W.P.Nos.11791 of 2025,**

**e) The order of this Court dated 25.04.2025 passed in
11541 of 2025**

f) The order of this Court dated 22.04.2025 passed in 11640 of 2025

g) The discussion and conclusion as arrived at paragraph Nos.5 and 10 of this order,

h) The discussion and conclusion as arrived at paragraph Nos.4 to 6 of the present order,

The writ petition is disposed of directing Respondent No.1 to consider the request of the petitioner for release of the admitted and approved outstanding due amount of Rs.24,31,475, - (Rupees Twenty Four Lakh Thirty One Thousand Four Hundred and Seventy Five Only) vide Token No.2001711578 dated 28.10.2025, due towards the Balance Work of Beautification of Ooracheruvu, Bejjanki (V & M), Siddipet District as Mini Tank Bund executed by the petitioner herein, duly taking into consideration the observations of the Apex Court and this Court in the various judgments (referred to and extracted above), and pass appropriate orders pertaining to release of the said admitted undisputed work done payments in respect of the works executed by the petitioner as per

petitioner's legal entitlement, in accordance to law within a period of three (3) weeks from the date of receipt of a copy of this order, and duly communicate the decision on the said request of the petitioner to the petitioner herein. There shall be no order as to costs.

Miscellaneous petitions, if any, pending in this Writ Petition, shall stand closed.

SD/- A.SREENIVASA REDDY
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Principal Secretary, Finance Department, Secretariat, Secretariat Building, Saifabad, Hyderabad, State of Telangana.
2. The Principal Secretary, Irrigation and Command Area Development Department, Secretariat, Secretariat Building, Saifabad, Hyderabad, State of Telangana.
3. The Superintending Engineer, Irrigation Circle No.1, LMD Colony, Karimnagar, Telangana.
4. The Executive Engineer, Irrigation Divn No.1, Irrigation Circle-1, LMD Colony, Karimnagar, Telangana
5. The Deputy Executive Engineer, Irrigation SD-2 of Irrigation Divn-1, Irrigation Circle,1, LMD Colony, Karimnagar, Telangana
6. The District Treasury Officer, Integrated District Office Complex, Siddipet District.
7. One CC to SRI ALLAM RAMESH, Advocate [OPUC]
8. Two CCs to GP FOR FINANCE & PLANNING, High Court for the State of Telangana at Hyderabad [OUT]
9. Two CCs to GP FOR IRRIGATION, High Court for the State of Telangana at Hyderabad [OUT]
10. Two CD Copies

BSR

TKS

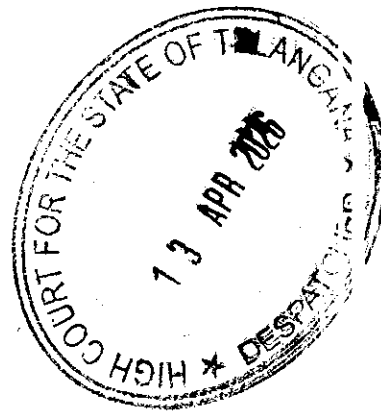
CC TODAY

HIGH COURT

DATED: 11/03/2026

ORDER

WP.No.7494 of 2026



DISPOSING OF THE WRIT PETITION,
WITHOUT COSTS

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