

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

TUESDAY, THE FOURTEENTH DAY OF JULY
TWO THOUSAND AND TWENTY SIX

:PRESENT:

**THE HONOURABLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HONOURABLE SRI JUSTICE G.M. MOHIUDDIN**

WA NO: 617 OF 2026

Between:

1. The Singareni Collieries Company Limited, A Company incorporated under the Companies Act 1956 Reg Office at Kothagudem Collieries Kothagudem Collieries 50710 Bhadradi Kothagudem District T.S. Represented by its Chairman and Managing Director
2. The Director P and P, The Singareni Collieries Company Limited, PO Kothagudem Collieries 507101 Bhadradi Kothagudem District, T S.
3. The General Manager CM, The Singareni Collieries Company Limited Corporate Contract Management Department PO Kothagudem Collieries 507101 Bhadradi Kothagudem District T S.
4. The General Manager, Srirampur Area, The Singareni Collieries Company Limited, Srirampur-504303, Mancheri District T S.
5. The Project Officer, Srirampur Open Cast I and II Integrated Project The Singareni Collieries Company Limited Sreerampur504302, Mancheri District Telangana.

.....APPELLANT/RESPONDENT

AND

1. M/s. Prasad Sushee (Joint Venture), Unit No. B6/2, 6th Floor, Tower-B, VAJRAM-CMR ONE, Left side of Malkam Cherugu / Chitrapuri Colony Crossroads, Raidurg, Hyderabad-500 104, Ranga Reddy District, Telangana, Rep. by its General Manager/Authorized Signatory Mr. Ravi Vinnakota.
2. State Bank of India, Commercial Client Group Branch (13039), NSL Icon Building 1st and 2nd floor Door No 82684/2/A, Road No 12, Anand Banjara Colony, Banjara Hills, Hyderabad-500 034.

.....RESPONDENTS

Appeal under Clause 15 of the Letter Patent Act, praying that in the circumstances stated in the appeal and the grounds filed therein, the High Court may be pleased to allow Writ Appeal and set aside the Order dated 09.12.2025 and amended on 09.01.2026 in W.P. No.28313 of 2025.

I.A. NO: 2 OF 2026

Petition under Section 151 of C.P.C praying that in the circumstances stated in the affidavit filed in support of the writ petition, the High Court may be pleased to stay the operation of the order of the learned single judge date 09/12/2025 passed in WP No. 28313 of 2025, pending disposal of WA No 617 of 2026, on the file of the High Court.

The appeal coming on for hearing, upon perusing the appeal and the grounds filed in support thereof and upon hearing the arguments of SRI P. SRI HARSHA REDDY (SC FOR SINGARENI COLLIERIES CO LTD) for the Appellant, SRI V. SEETHARAMA AVADHANI for the Respondent No.1, the Court made the following.

ORDER:

Mr. P. Sri Harsha Reddy, learned Standing Counsel for Singareni Collieries Company Limited (SCCL), appears for the appellants.

Mr. V. Seetharama Avadhani, learned counsel appears for respondent No.1/writ petitioner.

The Writ Petition was preferred by respondent No.1 to declare the action of the SCCL in insisting for extension of bank guarantees till the final bills were processed as per the work order issued to it, as illegal and arbitrary.

As per the stand of the appellants, the contract of 2016 was for overburden removal in respect of which the final bill settlement is pending due to a vigilance enquiry. Apart from that, the CAG has also, in its report, found shortages, diversion of diesel, ineligibility for diesel bonus and recommended recoveries totalling to Rs.148.847 crores, in respect of which a criminal case is also pending.

The learned writ Court, in this background facts involving interplay of reciprocal terms and conditions of the contract and the pending criminal case, directed the SCCL to release the bank guarantees *vide* paragraph No.6 of the impugned order dated 09.12.2025, which is quoted hereunder:

“Accordingly, the writ petition is disposed of recording the undertaking given by the petitioner. The respondents are directed to release the bank guarantee covered under letter Ref.No.SRP/FAD/Bills/ 202526/1099 dated 15.09.2025 Bank Guarantee Nos.1303922BG0000932 dated 27.12.2022 amounting to Rs.8,18,00,000/- and 1303922BG0000933 dated 27.12.2022 amounting to Rs.8,18,00,000/- issued by respondent No.6 in accordance with law and in terms of the work order. There shall be no order as to costs.”

The aggrieved SCCL has preferred the instant appeal. The direction issued by the learned writ Court in the impugned order dated 09.12.2025, passed in W.P.No.28313 of 2025, being beyond the relief prayed by respondent No.1/writ petitioner, the same is stayed, pending final consideration of the appeal.

The matter be posted after four weeks.

Parties to submit their respective written submissions in the meantime.

SD/-M.NAGAMANI
ASSISTANT REGISTRAR

//TRUE COPY//


SECTION OFFICER

To,

1. Mr. Ravi Vinnakota, The General Manager/Authorized Signatory, M/s. Prasad Sushee (Joint Venture), Unit No. B6/2, 6th Floor, Tower-B, VAJRAM-CMR ONE, Left side of Malkam Cherugu / Chitrapuri Colony Crossroads, Raidurg, Hyderabad-500 104, Ranga Reddy District, Telangana
2. The State Bank of India, Commercial Client Group Branch (13039), NSL Icon Building 1st and 2nd floor Door No 82684/2/A, Road No 12, Anand Banjara Colony, Banjara Hills, Hyderabad-500 034.
(Addressees 1 and 2 BY SPAD)
3. One CC to SRI P. SRI HARSHA REDDY Advocate [OPUC]
4. Two spare copies.

HIGH COURT

**HCJ
&
GMM, J**

DATED: 14-07-2026

THE MATTER BE POSTED AFTER FOUR WEEKS.

ORDER

WA.No.617 of 2026

STAY

