



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

FRIDAY, THE TWENTY THIRD DAY OF JANUARY
TWO THOUSAND AND TWENTY SIX

PRESENT

**THE HONOURABLE SRI JUSTICE GANNAMANENI RAMAKRISHNA
PRASAD**

WRIT PETITION NO: 34418 OF 2025

Between:

1. Kattam Reddy Venkateswarlu Reddy,, S/o. Gopal Reddy Aged 55 years,
R/o. D.No. 6-12-56/A Pitchireddythopu, Naidupeta, Tirupati District.

...Petitioner

AND

1. The State of Andhra Pradesh, Rep. by its Principal Secretary, Municipalities
and Urban Development Department, A.P. Secretariat Building, Velagapudi,
Amaravathi, Guntur District.

2. The State of Andhra Pradesh, Rep. by its Principal Secretary, Finance and
Planning Department Secretariat, Velagapudi, Amaravati, Guntur District.

3. The Naidupeta Municipality, Naidupeta, Tirupati District. Rep by its
Commissioner

4. The Assistant Executive Engineer, Naidupeta Municipality, Naidupeta,
Tirupati District.

...Respondents

Counsel for the Petitioner: KAMBHAMPATI RAMESH BABU

**Counsel for the Respondents: GP MUNICIPAL ADMN AND URBAN DEV
AP Counsel for the Respondents:GP FOR FINANCE PLANNING**

The Court made the following ORAL ORDER:

Heard Ms. Ch. S.N. Meena Kumari, learned Counsel appearing on behalf of Sri Kambhampati Ramesh Babu, learned Counsel for the Writ Petitioner, Sri Gudapati Lakshmi Narayana, learned Standing Counsel for Municipalities for Rayalaseema, Nellore and Prakasam Districts appearing for Respondent Nos.3 & 4, Ms. D. Nagachandrika, learned Assistant Government Pleader for Finance and Planning and Sri Mortha Srinu Babu learned Assistant Government Pleader for Municipal Administration and Urban Development.

2. Sri Gudapati Lakshmi Narayana, learned Standing Counsel for Municipalities for Rayalaseema, Nellore and Prakasam Districts appearing for Respondent Nos.3 & 4 has submitted the Written Instructions furnished by the Commissioner, Naidupeta Municipality, dated 23.01.2026. Copy of the Written Instruction is also furnished to the learned Counsel for the Writ Petitioner. This Written Instruction is taken on record.

3. After having sifted through the Written Instructions furnished by the Commissioner, Naidupeta Municipality, at the outset, this Court is constrained to observe that it is rather dismayed with regard to the response given by the Commissioner that the Financial condition of the Municipality is very critical and unable to pay the monthly wages etc.,. If the Municipality is in such critical financial constraints, this Court is unable to countenance as to why the Municipality has undertaken this kind of work and got it executed by undertaking the services and financial resources of third parties like that of the Writ Petitioner and then cry foul as regards the financial crunch.

4. View of this Court is fortified by the Judgment of the Hon'ble Apex Court in ***Surya Constructions vs. State of Uttar Pradesh and Others*** : (2019) 16 SCC 794 in Para Nos.3 & 4, which are usefully extracted hereunder:

“3. It is clear, therefore, from the aforesaid order dated 22-3-2014 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. 25216 of 2014, the impugned judgment dated 2-5-2014 [Surya Construction v. State of U.P., 2014 SCC OnLine All 6071] dismissed the writ petition stating that disputed questions of fact arise and that the amount due arises out of a 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. v. Export Credit Guarantee Corpn. of India Ltd. [ABL International Ltd. v. Export Credit Guarantee Corpn. of India Ltd., (2004) 3 SCC 553])

4. This being the case and the work having been completed long back in 2009, we direct Uttar Pradesh Jal Nigam to make the necessary payment within a period of four weeks from today. Given the long period of delay, interest @ 6% p.a. may also be awarded.”

5. In **Mr. S.C. Meena, EE (Project Narela) vs. Amit Tanwar** : 2018 SCC OnLine Del 8035, the Hon'ble High Court of Delhi, held in Para No.48, which is usefully extracted hereunder:

48. It is equally strange that the Corporation seeks to justify the non-payment on the ground of non-availability of funds for medicines or hospital items or pensions or salaries of the Corporation. Running the Corporation is not the business of the Contractor. It is for the Corporation to manage its affairs as per the funds available with it and it cannot be a defense that the Contractor should bear the brunt of non-payment for years, of works executed by him.

6. In **Kashmir Wood Products vs Verinag Development Authority and Others** : 2021 SCC OnLine J&K 814, the Hon'ble High Court of Jammu & Kashmir, held in Para No.8, which is usefully extracted hereunder:

“8. It is astonishing to note that despite there being no dispute as regards the claim of the petitioners, the respondents have sit over the matter for the last more than six years and they have not released the payment in favour of the petitioner. If the requisite funds were not available with the respondents, they had no business to allot the work to

the petitioner and if in spite of financial constraints, the respondents have made the petitioner to execute the work out of his own funds, it is their bounden duty to reimburse the petitioner at the earliest, that too with interest."

7. The contents of the Written Instructions are, therefore, rejected. Since the liability on their part is admitted by the Respondents, there shall be a direction to the Respondent Nos.3 & 4 as well as the Respondent Nos.1 & 2 to complete the entire administrative process, both Inter-departmental and Intra-departmental by way of mutual cooperation and coordination, within a period of four weeks from today and transfer the amount to the account of the Writ Petitioner within three weeks thereafter. Writ Petitioner is directed to submit the bank account details to the concerned authority within four weeks from today for effecting such transfer.

8. With these observations and directions, this Writ Petition stands allowed. No order as to costs.

9. Interlocutory Applications, if any, stand closed in terms of this order.

GANNAMANENI RAMAKRISHNA PRASAD, J

Dt: 23.01.2026

Note: L.R Copy to be marked

B/O : JKS



HON'BLE SRI JUSTICE GANNAMANENI RAMAKRISHNA PRASAD

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23.01.2026

JKS