

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

**THURSDAY, THE SIXTH DAY OF AUGUST
TWO THOUSAND AND TWENTY SIX**

PRESENT

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

WRIT APPEAL NO: 794 OF 2026

Writ Appeal under clause 15 of the Letters Patent preferred against the order dated 12/11/2025 in W.P.No.27469 of 2025 on the file of the High Court.

Between:

Vision Distribution Private Limited, Regd. Office at H-47, Bali Nagar, near Ramesh Nagar Metro Station, New Delhi 110015 Represented by its Authorised Representative, Mr Jasthi Sai Mohan Chowdhary

...APPELLANT / PETITIONER

AND

1. The State of Telangana, Rep. by its Principal Secretary, School Education Department, Government of Telangana, Saifabad, Khairtabad, Hyderabad - 500004
2. The Commissioner and State Project Director, School Education Department, Government of Telangana, B-block 2, Telephone Bhavan Road, Saifabad, Khairtabad, Hyderabad - 500004
3. The Managing Director, Telangana State Technology Services Ltd., HACA Bhavan, 2nd Floor, Opp. To Public Gardens, 5-10-103/40/206, Nampally, Hyderabad 500004

...RESPONDENTS

I.A. NO: 2 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 release the due amount as admitted and recorded in the impugned Order dated 12/11/2025

passed by the learned single Judge in W.P No 27469 of 2025 within a period of one week, pending disposal of the writ appeal.

**Counsel for the Appellant: SRI DAMA SESHADRI NAIDU, Sr. COUNSEL, REP.
SRI D.SIVA SANKAR ACHARYA**

**Counsel for the Respondent Nos.1 & 2: SRI T.VENKAT RAJU,
GP FOR EDUCATION**

The Court delivered the following: JUDGMENT

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE THE CHIEF JUSTICE SRI APARESH KUMAR SINGH
AND
THE HON'BLE SRI JUSTICE G.M.MOHIUDDIN

WRIT APPEAL No.794 of 2026

DATED : 06.08.2026

Between:

Vision Distribution Private Limited

AND

... Appellant

The State of Telangana,
Rep. by its Principal Secretary,
School Education Department,
Hyderabad, and two others

JUDGMENT:

... Respondents

Heard Mr. Dama Seshadri Naidu, learned Senior Counsel representing Mr. D. Siva Sankar Acharya, learned counsel for the appellant/writ petitioner and Mr. T. Venkat Raju, learned Government Pleader for Education appearing for respondent Nos.1 and 2.

2. *Vide* order under appeal dated 12.11.2025, the learned writ Court has disposed of W.P. No.27469 of 2025 taking note of the stand in the written instructions furnished by the Director of School Education & State Project Director, Samagra Shiksha, Telangana, Hyderabad, by directing the respondents to consider the request of the appellant for release of the pending payments as admitted therein in accordance with law, within a period of five months from the date of receipt of copy of the order. The

present appeal has been preferred being aggrieved by non-grant of interest @18% of the principal amount from the due date till its realization.

3. Learned Senior Counsel for the appellant submits that the claim of the appellant was clearly indicated in paragraph 8 of the memorandum of writ appeal. According to the appellant, the amount became due from 29.08.2024. There is a delay of 695 days. Therefore, interest over the principal amount @18% would accrue up to Rs.11,55,48,805/-, which the learned writ Court erroneously did not allow despite referring to the decisions of Apex Court and other High Courts. Therefore, the appellant has approached this Court in the present appeal. It is submitted that as per the direction of the learned writ Court, the respondents are under obligation to make the payments by 24.08.2026. This Court may therefore direct them to make the due payments within the time stipulated by the learned writ Court.

4. Learned counsel for the respondent State submits that WP No.27469 of 2025 was of course disposed of on the basis of the written instructions furnished by the learned counsel for the State on behalf of the respondent concerned but the claim of interest was never admitted.

5. The written instructions indicated that the pending payments could be paid and settled within a specific timeframe for which the State Government has been requested to release the required budget. The attention of this Court has been drawn to the terms and conditions of the

contract specifically the 'Payment Schedule' at clause 11 which reads as under:

11. PAYMENT SCHEDULE

Payments shall be made to the primary bidder if in case of consortium or sole bidder as per the following schedule:

Payment Schedule		
S.No	Milestone Description	% Payment
1	On Delivery and successful installation of equipment at site and after verification of such items by authorized agency/School Education Department, Telangana	90% of contract value
2	On Acceptance Test	Remaining 10% of the will be paid after submission of performance certificate issued by the dept./AT conducted by TSTS. Two Sets of reports to be submitted. One set to Bills division and one set to AT division
3	Incase site not ready	75% of the Contract value for that site/location

Note:

TSTS Shall Process the payment against the submission bills for minimum 100 schools.

11.1 Payment Authority

The TSTS will make the payment as per payment terms and conditions.

1. The Department shall verify the bidder's statement and certify the amount to be paid to the bidder after certify the software and hardware equipments. The Value of work completed shall be decided by the Department.
2. The Department may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.
3. The payments as admissible shall be made after deducting the further security deposit, tax deduction at source (TDS), sales tax, royalty and other taxes applicable at prevailing rate at the time of payments.
4. Payments to the bidder shall be made through cheques/online."

5. A mere perusal of the payment schedule shows that the payment is in staggered manner, 90% of the contract value is to be paid on delivery and successful installation of equipment at site and after verification of such

items by authorized agency School Education Department, Telangana, remaining 10% is to be paid after submission of performance certificate issued by the department / AT conducted by TSTS. In case the site is not ready, 75% of the contract value for the said site/location is to be paid. The payment authority is under an obligation to verify the bidder's statement and certify the amount to be paid to the bidder after certifying the software and hardware equipments. The value of work shall be decided by the department. The department may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of the later information. Payments shall be admissible after deducting the further security deposit, Tax Deduction at Source, sales tax, royalty and other taxes applicable at the prevailing rates. The aforesaid payment schedule clearly shows that the entire amount on successful installation of the equipment at site is not payable in one go. The pleadings on record do not clarify on the part of the appellant the dates of delivery and successful installation of the equipment at site and the claims made thereupon and also the specific period for which the sum due remained unpaid. On the part of the respondents, the instructions only refer to the balance claim of Rs.33,71,32,807/- payable to the appellant. The claim of interest is not barred as per the contractual terms but the date on which any sum became due and has not been paid in terms of the payment schedule are questions of fact which cannot be determined in writ jurisdiction and at

this appellate stage. The claim of interest over the sums unpaid beyond the permissible date are issues which could be raised in a proceeding where questions of fact can be determined on the basis of pleadings and evidence adduced by the parties. The agreement provides for arbitration clause 5.15. Learned counsel for the appellant has relied upon the decision of the Apex Court in the case of **Surya Constructions v. State of Uttar Pradesh and others**¹. The operative part of the same is extracted hereunder:

“It is clear, therefore, from the aforesaid 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. 25216/2014, 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 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. 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.”

7. In the instant case, as observed hereinabove, there is no pleading or determination on facts as to the dates from which the sum became due and remain unpaid over which the claim of interest could be granted. As such, we are of the view that though the learned writ Court has directed payment of amounts admitted as per the written instructions furnished by the Director of School Education & State Project Director, Samagra Shiksha, Telangana, Hyderabad, since there are no averments or findings on the issue of interest accruable from the dates on which the sums due to the appellant

¹ (2019) 16 SCC 794

became payable. it would not be proper for this Court in exercise of appellate jurisdiction to render any finding for granting interest as prayed for. However, it does not preclude the appellant from raising the claim of interest in an appropriate proceeding such as arbitration as per clause 5.15 of the agreement entered between the parties.

Therefore, we do not find any reason to interfere in the order under appeal. Accordingly, the instant Writ Appeal is dismissed. There shall be no order as to costs.

Miscellaneous applications, if any pending, shall stand closed.

//TRUE COPY//

SD/- N.SRIHARI
DEPUTY REGISTRAR



SECTION OFFICER

To,

1. One CC to SRI D.SIVA SANKAR ACHARYA, Advocate [OPUC]
2. Two CCs to GP FOR EDUCATION, High Court for the State of Telangana at Hyderabad [OUT]
3. Two CD Copies

BSR

TKS



HIGH COURT

DATED: 06/08/2026

JUDGMENT

WA.No.794 of 2026



DISMISSING THE WRIT APPEAL,
WITHOUT COSTS

(6) *lps*
13/8/26