



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

WEDNESDAY, THE 29th DAY OF JULY 2026

PRESENT

THE HONOURABLE SRI JUSTICE K SREENIVASA REDDY

WRIT PETITION NO: 34497 OF 2025

Between:

1. M BUGGA REDDY, S/o. Pitchi Reddy, Aged 45 years, R/o.
J.C. Agraharam Village Bestavaripeta Mandal, Prakasam
District.

...Petitioner

AND

1. THE STATE OF AP, rep. by its Principal Secretary to
Government, Panchayat Raj and Rural Development
Department, Secretariat Velagapudi, Amaravati, Guntur District.

2. The State of Andhra Pradesh, rep. by its Principal Secretary
to Government, Finance Department Secretariat, Velagapudi,
Amaravati, Guntur District.

3. The District Collector Panchayat Wing, Prakasam District,
Ongole.

4. The Chief Executive Officer, Prakasam Zilla Parishad, Ongole,
Prakasam District

5. The Mandal Parishad Development Officer, Bestavaripeta Mandal, Prakasam District.

6. The J C Agraharam Gram Panchayat, Represented by its Secretary J.C. Agraharam Village Bestavaripeta Mandal, Prakasam 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 topleased to issue a writ, order or direction more particularly one in the nature of WRIT OF MANDAMUS declaring the action of respondents in not paying Bill Amounts towards the cost of material supplied and skilled and semi skilled labour engaged by the petitioner for execution of FTO ID Nos. 0208033000SSPAYREQ140620257665 for an amount of Rs. 63,000/-, 020803000SSPAYREQ140620257693 for an amount of Rs. 62,988/-, 0208033000SSPAYREQ140620257734 for an amount of Rs. 90,261/-, 0208033000SSPAYREQ 140620257779, for an amount of Rs. 63,682/- 0208033000SSPAYREQ140620257827 for an amount of Rs. 63,682/-, covered by MGNREGS funds executed in J.C. Agraharam Gram Panchayat of Bestavaripeta Mandal as illegal, arbitrary, irresponsible, against to the principles of natural justice apart from being violative of Article 21 of the Constitution of India and consequentially direct the respondents to pay the above amounts forthwith along with interest at the rate of 12 percent per annum in the interest of justice and pass

IA NO: 1 OF 2025

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 respondents to release the bill amounts towards the cost of material supplied and skilled & semi-skilled labour engaged by the petitioner for execution of FTO ID Nos. 0208033000SSPAYREQ140620257665 for an amount of Rs. 63,000/-, 0208033000SSPAYREQ140620257693 for an amount of Rs. 62,988/-, 0208033000SSPAYREQ140620257734 for an amount of Rs. 90,261/-, 0208033000SSPAYREQ140620257779, for an amount of Rs. 63,682/- 0208033000SSPAYREQ140620257827 for an amount of Rs. 63,682/-, covered by MGNREGS funds executed in J.C. Agraharam Gram Panchayat of Bestavaripeta Mandal pending disposal of the main Writ Petition and pass

Counsel for the Petitioner: KAMBHAMPATI RAMESH BABU

**Counsel for the Respondents: GP FOR PANCHAYAT RAJ
RURAL DEV Counsel for the
Respondents:Mattegunta.Sudhir,Standing Counsel For
Z.P.Ps,M.P.Ps,Gram Panchayats Counsel for the
Respondents:GP FOR FINANCE PLANNING**

The Court made the following order:

THE HONOURABLE SRI JUSTICE K.SREENIVASA REDDY

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ORDER:

This Writ Petition is filed seeking the following relief:

“...pleased to issue a writ order or direction more particularly one in the nature of WRIT OF MANDAMUS declaring the action of respondents in not paying Bill Amounts towards the cost of material supplied and skilled & semi-skilled labour engaged by the petitioner for execution of FTO ID Nos 0208033000SSPAY REQ140620257665 for an amount of Rs 63,000/-, 020803000SSPAYREQ140620257693 for an amount of Rs.62,988/- 0208033000SSPAY REQ140620257734 for an amount of Rs 90,261/- 0208033000SSPAYREQ140620257779 for an amount of Rs.63,682/-, 0208033000SSPAYREQ 140620257827 for an amount of Rs, 63,682/ covered by MGNREGS funds executed in J.C.Agraharam Gram Panchayat of Bestavaripeta Mandal as illegal, arbitrary, irresponsible against to the principles of natural justice apart from being violative of Article 21 of the Constitution of India and consequentially direct the respondents to pay the above amounts forthwith along with interest at the rate of 12% per annum in the interest of justice and pass...”

2. Heard learned counsel for the petitioner, learned Assistant Government Pleader for Panchayat Raj and Rural Development and learned Standing Counsel for the Gram

Panchayat appearing for the respective respondents. Perused the material available on record.

3. The issue raised in the present Writ Petition is squarely covered by the order of this Court in ***Rayapureddy Srinivasa Rao and others vs. Government of Andhra Pradesh, rep. by its Principal Secretary to Government and others***¹ and Batch, in which the Writ Petitions are allowed with the following directions:

i) *The Memo No.1263069/RD.II/A1/2020, dated 05.11.2020 and the Memo No.1388361/RD.II/A1/ 2020, dated 12.05.2021 issued by the Respondent No.1 are set aside to the extent of deduction of 21.02% for DCC works and 6.333% for MCC works while making payment to the petitioner.*

ii) *The respondents are directed to clear the bills submitted by the petitioner and to release payment forthwith, in case no payment is made till date.*

iii) *In case, any part payment is made as on date, the remaining amount shall be paid to the petitioner forthwith.*

iv) *The respondents shall pay interest @ 12% per annum within a period of four (4) weeks from the date of receipt of a copy of this order.*

v) *The interest shall be computed from the date of expiry of one month from the date of submission of the bill by the petitioner to till the date of final payment.*

¹ 2021 SCC OnLine AP 3084

4. Against the above said order, several Writ Appeals are filed and in one of the Writ Appeals (i.e.) W.A.No.724 of 2021, a Division Bench of this Court has passed an interim order, dated 18.11.2021 as extracted hereunder:

“The direction of the learned Single Judge regarding payment of interest to the respondent no.1 as also setting aside the provision in Memo No.1263069/RD.II/A1/2020, dated 05.11.2020 and the Memo No. 1388361/ RD.II/A1/2020, dated 12.05.2021 relating to deduction of 21.02% for DCC works and 6.333% for MCC works, while making payment, shall remained stayed.

*On a query of the Court, learned Advocate General submitted that the direction of the learned Single Judge as far as payment of the principal amount of the bills raised by the original writ petitioner, in terms of the order of the Division Bench in **Krishna District Grama Panchayathi Sarpanchla Sangam (supra)**, shall be made within four weeks, if already not done.*

The matter be listed for hearing in due course.

It is clarified that the appellants shall comply with the rest of the directions issued by the learned Single Judge in the judgment under appeal.”

5. Subsequently, a Division Bench of this Court headed by the Hon'ble Chief Justice while hearing the Writ Appeal Nos.740 and 741 of 2021, having considered the order passed in W.A.No.724 of 2021, passed the following order:

“Considering the facts and circumstances of the case and having regard to the interim order passed by the Coordinate Bench, we direct that the said interim order shall apply for the present writ appeals

also, however, with a condition that the appellants shall pay the principal amount of the bill raised by the original writ petitioners, within a period of four weeks, failing which the present interim order shall stand vacated without reference to the bench.”

6. The respective counsels appearing for the petitioner and the respondents in the Writ Petition have consented to dispose of this Writ Petition by following the order, dated 24.11.2021, passed by a Division Bench of this Court in W.A.Nos.740 and 741 of 2021.

7. The learned counsel appearing for the petitioner in this Writ Petition sought permission of this Court to grant liberty to renew his claim with regard to the interest part after disposal of the Writ Appeals.

8. The learned counsel for the petitioner requested the Court to clarify the applicability of the Memo No.1263069/RD.II/A1/2020, dated 05.11.2020 and the Memo No.1388361/RD.II/A1/2020, dated 12.05.2021.

9. The learned Assistant Government Pleader for Panchayat Raj submitted that the said Memos are issued for the works executed under “Mahatma Gandhi National Rural Employment Guarantee Scheme”.

10. It is made clear that the Memo No.1263069/RD.II/A1/2020, dated 05.11.2020 and the Memo No.1388361/RD.II/A1/2020, dated 12.05.2021 are applicable to the works executed under “Mahatma Gandhi National Rural Employment Guarantee Scheme” only.

11. Accordingly, this Writ Petition is disposed of with the following directions:

- i) The Respondents in this Writ Petition shall pay the principal amount of the bill raised by the Writ Petitioner within a period of six (6) weeks.
- ii) The Writ Petitioner is at liberty to renew/raise/agitate his rights with regard to interest aspect, etc., after disposal of the Writ Appeals.

As a sequel thereto, the interlocutory applications, if any pending, shall stand closed.

JUSTICE K. SREENIVASA REDDY

Date: 29.07.2026.

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HON'BLE SRI JUSTICE K. SREENIVASA REDDY

WRIT PETITION NO:34497 OF 2025

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