

**IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF
ANDHRA PRADESH**

WRIT PETITION NO.18838 OF 2012

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DATED 14TH SEPTEMBER, 2015

Between:

M/s.P.Laxmu Reddy-Kranti Construction,
Hyderabad. .. Petitioner

and

Government of Andhra Pradesh, rep. by
The Principal Secretary, Irrigation and
Command Area Development,
Secretariat, Hyderabad, and others .. Respondents

THE HON'BLE SRI JUSTICE SANJAY KUMAR

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ORDER

This writ petition was filed seeking a declaration that the action of the State authorities in seeking to deduct/withhold an amount equivalent to 2% of each of the gross running bills from Package No.108 pertaining to the Agreement dated 24.08.2005 was arbitrary and illegal.

The Executive Engineer, PJP Execution Division No.3, Gadwal, filed a counter-affidavit stating that the allegation of the petitioner was incorrect as no amount equivalent to 2% had been deducted or withheld from the bills of the petitioner and that the terms and conditions of Clauses 47.1 and 47.2 of the Conditions of Contract were very clear in this regard.

This Court had an occasion to consider the deduction/ withholding of 2% of the contract price towards maintenance charges, over and above the 5% retention amount, by the State authorities in W.P.Nos.12979 and 13034 of 2008. The common order dated 23.07.2008 passed therein is placed on record. Perusal thereof reflects that deduction of maintenance charges of 2% over and above the 5% retention amount was held to be in violation of Clause 47 of the Conditions of Contract.

As the stand of the Executive Engineer, PJP Execution Division, Gadwal, as put-forth in the counter-affidavit, is in keeping with the principle laid down by this Court, and as it is asserted by the learned Government Pleader for Irrigation that no amount has been deducted or withheld from the petitioner's bills equivalent to 2% of the contract price towards maintenance charges, over and above the 5% retention amount, this Court finds no reason to interfere in this matter.

The writ petition is accordingly closed. Pending miscellaneous petitions shall also stand closed. No order as to costs.

SANJAY KUMAR, J

14th SEPTEMBER, 2015

PGS