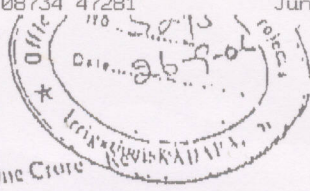


GOVERNMENT OF ANDHRA PRADESH
IRRIGATION & CAD DEPARTMENT

Memu.No.26135/Refom/06 Dt.16-09-2006



Sum: Mobilization advance to contracts exceeding Rs. One Crore
Orders issued - Regarding.

In the 'EPC-turnkey' contracts, it is incorporated under the mobilization advance clause under general conditions of contracts that the contractors are permitted to avail the facility of mobilization in two installments equivalent to 10% of contract amount (5% for labour mobilization and 5% for machinery & equipment).

In the workshop conducted on EPC contracts on 19.08.2006 by Dr. M.C.R. (Human Resources Development Institute), the issue of payment of mobilization advances came up for discussions and it was opted that the EPC contractors will be initially doing only investigation, survey & designs works. Therefore it may be adequate to pay them 1% of contract value as first installment of mobilization advance and as and when they start executing the works, 4% of contract value may be paid as second installment of Mobilization advance.

After careful consideration of the above recommendations Government hereby orders that for all future EPC contracts, the mobilization advance of 5% towards labour mobilization, be paid in two installments, as detailed below:

- a) 1% after concluding the agreement.
- b) 4% at the time of commencement of work (After completion of investigation, survey & designs).

There is no change in the clauses relating to release of 5% additional mobilization advance for purchase of machinery.

(RAJIV KANJAN MISHRA)
Secretary to Government

To,
All ENCs, I & CAD, Hyderabad.
All CEs / SEs through CEs. TBP, Kadapa.
All Advisors I & CAD
All Sections)

Copy to:
PS to Secretary (P), I & CAD
PS to Secretary (IS), I & CAD
PS to Secretary (IIRM), I & CAD

SP/SCs :- "

//FORWARDED BY ORDER//

SECTION OFFICER-

OFFICE OF THE CHIEF ENGINEER (PROJECTS)
IRRIGATION & CADAPRA

Dated 27-9-2006

Memu.No.CH/11/2006

Copy communicated to all Superintending Engineer's for information and necessary action.
Copy communicated to Deputy Chief Engineer - 2 for information and necessary action

B. Mallikarjuna Rao,
Chief Engineer (Projects),
Irrigation - Kadapa

Handwritten signature and date 27/9/06

Handwritten initials

Handwritten initials