

Government of Andhra Pradesh
ABSTRACT

Execution of works under contract system – Revision of Estimates etc., - Modification of existing provisions.

TRANSPORT, ROADS & BUILDINGS (B.I) DEPARTMENT

G.O. Ms. No. 37

Dated. 30-1-1990

ORDER

Government have been considering for some time various measures aimed at promotion efficiency and economy as also time and cost consciousness in planning and implementation of various public projects. It is considered that inadequate and superficial investigation practices vastly contribute to dis-economise and inefficiencies and some times even to outright wastage of public resources. Multy investigation not only leads to subsequent inflation of costs, out also inhibits competitive bids, which would have been otherwise forthcoming, it the entire quantities of work involved are correctly estimated and included in the original tender. Further change if the scope of the work midway leads to cost escalation, legal complications, unintended benefits to contractors and inordinate delays in the completion of projects. In order to effectively control the time and cost over runs in the implementation of the projects and to fix up specific responsibility for proper investigation, implementation and monitoring of the projects and to avoid additional burden on public exchequer by way of escalation and subsequent revision of estimates, the following instructions are issued.

1) Is all the project works are to be implemented strictly in a time bound manner, no clause providing for escalation shall be included in any future contract except in respect of works covered by external assistance.

2) As already laid down in G.O. Ms. No. 430 dt. 24th October 1983, all claims of the contractors above Rs. 50,000/- should be settled in a court of competent jurisdiction by way of a regular suit and the agreement should specifically prohibit arbitration for setting such claims.

3) The A.P.P.W. Department code already provides that the Chief Engineer should inspect all works costing over Rs. 10 lakhs before technical sanction is accorded. In order to ensure that this inspection serves the objective in view, a detailed check memo is here by prescribed and given in Annexure-I to this G.O. The Chief Engineers inspection should be through and detailed and should cover.

- a) The suitability of site.
- b) The suitability of foundations.
- c) Adequacy of design.
- d) Soils and materials (Qualitative and quantitative and leads).
- e) Soil classification of trial pits upto hard rock level.
- f) Dewatering.

- g) Land Acquisition.
- h) Forest clearance etc.

Only after the Chief Engineer is thoroughly satisfied on all the above aspects that the project is feasible and is also capable of immediate execution and the estimate represents a true and correct picture of the work involved, he should accord the technical sanction. A checkslip for the inspection of the Chief Engineer is given at Annexure. A copy of the technical sanction issued, together with the inspection report, should be invariably sent to the Govt., if these instructions are followed, the cases of revisions of estimates, particularly on account of change in the soil classifications or quantities of materials should be few and far between. It is expected that the Chief Engineer would personally satisfy himself that the estimate technically sanctioned by him incorporates the full requirements of the project consistent with the conditions at site _____ one para missed _____ by Superintending Engineer and Executive Engineer while according technical sanction with the modification that copies of the technical sanction and inspection report be submitted to the next higher authority.

- 4) Since most of the works are on L.S. contract system, time is the essence of a contract. It is therefore absolutely necessary that a realistic period of the execution of the works is assured at the beginning and strictly adhered to.

For this purpose, at the time of entering into an agreement, the contractor should be asked to give a detailed programme for execution of work, physically and financially (itemwise), completing the entire work well within the time prescribed. In the alternative, the consent of the contractor should be obtained to the programme of work drawn up by the Department. If the work is not completed at the end of the contract period, action should be taken to determine the contract under the relevant clause of A.P.D.S.S. If there are valid reasons for extending the contract period proposal for extension of time should be sent to the authority competent to accord administrative sanction sufficiently in advance and in any case at least one month before the expiry of the contract period.

If may be specifically provided that the period of agreement operates from the date of signing of agreement and not from the time of handing over of site, as some contractors deliberated avoid taking possession of the site.

IN RESPECT OF CHECK MEASUREMENTS AND PASSING OF BILLS

- 5) Check measurement should be done as per Para-294 of A.P.W.D. Code and G.O. Ms. No. 405, Irrigation (Projects wing) Department, dt. 14-8-84. The components selected for check measurement should not be less than 50% of the value of the work done and specifically include such of the items where there is scope for fraud. In the case of embankment, L.S. of cut-offs should invariably be checked for levels as well as for soil classification and also their suitability for foundation and impermeability by the sanctioning authority or by the Superintending Engineer incharge of the work. In cuttings, soil classification should be checked as per the existing instructions contained in Govt. Memo. No. 364/NSP.II (i)/80-21 dt. 29-10-1984.

Whenever the total value of work executed under contract exceeds the percentages of passing of excess by respective sanction of Government.

6) ON GOING WORKS AND EXTENSION OF TIME

In respect of on-going works, for which technical sanction was accorded by Chief Engineers, in which the final expenditure is expected to exceed the original estimate by more than 15%, a report should be sent to the Government within one month from the date of issue of this order. The particulars of such works should be furnished clearly explaining the circumstances under which the provisions in the original estimate are being exceeded. Copies of the reports should be simultaneously sent to Commissionerate, of tenders, who shall scrutinize the proposals and offer their comments on the justification for exceeding the estimate provisions. After justification for exceeding the estimate provisions. After taking due note of the comments of the Commissioners of Tenders, Orders will be issued by the Government should be pending issued of such orders _____ and above the amount for which administrative sanction has been accorded.

2. All the Chief Engineers should ensure that cases, in which estimates of works are to be revised, are inspected immediately by Superintending Engineers and Executive Engineers concerned and proposals are sent to Govt., and Commissionerate of Tenders within the time frame prescribed.

3. To the extract of the instructions issued above, all earlier instructions and provisions of the code stand modified.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

P.V. Rao,
Principal Secretary to

Government.

To
The Engineer-in-Chief (R&B), Hyderabad.

//True Copy//

Office of the Chief Engineer, N.S. Project, Camp Office, Hyderabad.

Endt. No. NSP/Co/Hyd/AE3/40/88

Dt. 13-3-1990.

Copy to all Superintending Engineers of N.S. Left Canals of scrupulously follow the guide lines given in the above G.O. with particular reference para – 1(6)

2. U.O Copy to the Dy. Chief Engineer, works & Administration, N.S. Project, Hill Colony.

K. Ramapathy Rao,
Chief Engineer, N.S. Project.

//True Copy//

Office of the Superintending Engineer, O&M Circle, Tekulapally.

Endt. No. DB/D6/M.17/2507S

Dt. 23-5-1990.

Copy forwarded to all Executive Engineers for information and follow the instructions scrupulously.

Copy to H.D.!, H.D. 2 and all D.Ms.

Sd/-

Dy. Superintending Engineer,
O&M Circle, Tekulapally.

//True Copy//

Office of the Executive Engineer, O&M Division, Nuzvid.

Endt. No. DB/D2/693S

Dt. 9-7-90.

1. Copy to all Dy. Exe. Engrs., for information and necessary action.
2. Copy to Executive Engineer's table.
3. Copy to Dvl. Accounts Officer (Works), H.D-1 and H.D-2.
4. Copy to all D.Mans.

Sd/- A. Koteswara Rao, 5/6
Executive Engineer,
O&M Division, Nuzvid.

/t.c.f.b.o//

Head Draughtsman.

Para not typed

Sl.No.		
1	Name of Work	
2	Cost of Work	
3	Provision in the Project Estimate	
a	Ref. to Administrative approval	
4	Whether the following enclosures are sent	
A	Report in the form as prescribed in Govt. Memo No. 1514-G1.I/89-1 dt. 21-11-79	
b	Abstract of estimate as prescribed in C.E. Canal Circular No. F4/70-71/89-4 dt. 1-11-79	
c	General index plan, site plan and typical drawings/showing the General features of the work	
5	Designation of highest Officer who inspected and the date of inspection for	

	Designation	Date of
Inspection.		

b	Suitability of site	
c	Suitability of foundations	
d	Adequacy of design suiting local condition	
e	Soils and materials, qualitative and quantitative and leads	
e	Soil classification of Trial pits upto hard rock level	
f	Abnormal dewatering	
g	Land acquisition	
h	Forest clearance	
i	Availability of funds	
j	Any other vital characteristics	
7	Whether provision for L.I & L.A. charges is shown separately as lumpsum as per G.O. Ms. No. 1624-PW (Y) Dept., dt. 29-11-1989.	
8	Whether provision for P.S. and contingencies is in accordance with G.O. Ms. No. 385, dt. 25-10-79	
9	Whether the rates for earth work by machinery and rates, hoists etc., are based on sub-estimates prepared by the Mechanical organization	
a	In case of embankments whether provisions for consolidation by power roller is invariably made	
10	Proposed date of commencement of work	
11	Proposed date of completion of work	

//True Copy//

Chief Engineer
Head Draughtsman.