

**150.** The works executed by the department are carried out by one of the under- mentioned three methods. Lumpsum form of contract is to be adopted for contracts exceeding Rs. 20,000. If not, prior approval of the next authority is necessary, but Chief Engineer has got full powers :—

[G.O.Ms.No. 859, PWD., Dt. 30-4-1970j

- (i) departmentally, by the employment of daily labour,
- (ii) by piece-work agreement in form Public Works Department V-51, and
- (iii) by an agreement in form Public Works Department V-53, based on a lumpsum tender system, as defined in the Andhra Pradesh Detailed Standard Specifications.

Method (i) is adopted in cases where no contractors are available or where, for other reasons, it is found more economical. Under this method, the department manufactures or purchases its own materials. The purchase of materials or tools and plant and machinery is governed by the store rules in Appendix 15 to the A.P. Financial and Accounts Code (Volume II).

[Under Method (ii), the piece-worker merely agrees to execute a specified work at specified rates without reference to quantity or time. The conditions of the contract add the security to be taken from the piece-workers for the due fulfilment of the contract are set forth in form Public

Works Department, V-51. The piece-worker usually possesses little professional knowledge or capital and employs no supervising staff. The department arranges for the supervision, the setting out and the measuring of all work. The piece work system shall ordinarily be confined to works costing not more than Rs. 25,000. Rupees One lakh for construction or repair works and Rupees Five lacs for transport works. If, any case of improvements and repairs costing above Rs. 2,500 it is considered preferable to adopt the piece-work system instead of Method (ii) reasons therefor should be recorded in the relevant file. The schedule of rates in the piece-work agreement should show the rates either for finished work or for labour and material, as the case may be, even for items for which lumpsum have been provided in the sanctioned estimates].

[Amended by G.O.Ms. No. 1007, Tr.R. & B., Dt. 5-11-1976]

In regard to Method (iii), the details are set forth clearly in—

- (1) the Preliminary Specification of the A.P. Detailed Standard Specifications;
- (2) the standardized forms of articles of agreement, tender notice and tender mentioned in the A.P. Detailed Standard Specifications [Public Works Department Form Nos. V-53(a) and 53(b) respectively], and

(3) the intermediate and the final bill-forms connected therewith [Public Works Department Forms Nos. VI-75(a) and 75(b)].

In the case of each work executed under Method (ii) or Method (iii), the authority accepting the contract will decide whether it is desirable to retain, in the hands of the department, the supply of imported stores or other materials.

In cases where it is decided that the department should supply certain materials to the contractor for use on the work, a description of every such materials and the rate and place at which it will be supplied should be specified in the notice calling for tenders and also in the schedule forming part of the agreement — vide also Paragraph 327, A.P. Public Works Accounts Code.

In cases where the contractors are allowed to supply the required imported articles themselves, the description of such articles must be clearly defined by governing specifications. For cases where the “British Standard Specifications” standards are not applicable, other suitable methods should be adopted, such as, specifying the catalogue number product of a reputable firm. When test certificates are demanded, full particulars shall be given in

the tender notice and the agreement and it shall also be stated therein that the cost of furnishing such certificates shall be borne by the contractors