

**GOVERNMENT OF ANDHRA PRADESH**  
**ABSTRACT**

R&B - Adoption of price adjustment clause for Steel, Cement, Bitumen and POL for all ongoing works - Accorded - Ordered - Orders - Issued

TRANSPORT, ROADS & BUILDINGS (R.I) DEPARTMENT  
**G.O. Ms. No. 73. Dated: 24-04-2006.**

**Read the following:**

1. From the Engineer - in-Chief (R&B) Administration, Letter No. 67252 / TA1 / AEE1 / 2005, Dt. 19-12-2005.
2. G.O.Ms.No. 35, TR&B (R.I) Department, Dt. 28-02-2006.

**ORDER:**

1. In the G.O. 2 nd read above, orders were issued to adopt price adjustment clause for Cement, Steel, Bitumen and POL for all Road and Bridge works including ROBs/RUBs where the estimate contract value is Rs.50.00 lakhs and above and where the time schedule is 6 months and above.

2. Now, under the circumstances reported by the Engineer - in- Chief (R&B) Administration, in his letter 1 st read above, Government after careful examination of the matter, here by accord permission to adopt price adjustment clause for Steel, Cement, Bitumen and POL for all ongoing / future works, subject to the following conditions:-

i) Price adjustment shall be both for increase and decrease in the prices for the works completed within the original agreement period.

ii) In addition, the price adjustment shall be for valid extension given for natural calamities duly limiting to the actual period / days lost and for portion of work where work is delayed due to land acquisition / shifting of utilities (this shall also be limited to actual length affected).

iii) The price adjustment shall be effective for all on going works and all future works for which final bills are not paid and from the date of agreement.

iv) The variation clause will be when the variation in rates is more or less than 5% of the rate provided in the technical sanctioned estimate based on which the bids are invited or All India wholesale Price Index as stipulated in G.O. 2 nd read above on the date twenty eight days prior to closing date of submission of bids, whichever is advantageous to the department.

v) The price adjustment clause will be applicable for all ongoing works irrespective of the value of work and irrespective of agreement period specified in paras 2 (i) & (ii) above. ‘

vi) For works taken up under Externally Aided Projects, the guidelines specified thereon are to be followed.

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

BINAY KUMAR  
SECRETARY TO  
GOVERNMENT

To,

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

Copt to: The Accountant General, A.P., Hyderabad.

The PS to Spl. Secretary to Chief Minister.

The PS to Minister for R&B and Ports.

The Finance (Expr.PW) Department.

The Irrigation & CAD Department (for necessary action to issue similar orders for their works).

The PR & RD Department. (for necessary action to issue similar orders for their works).

The MA & UD Department. (for necessary action to issue similar orders for their works).

The Energy Department. PR & RD Department. (for necessary action to issue similar orders for their works).

The Chairman. Builders' Association of India.

5 th Floor (Pent House).

Block-A, Santhi Sikhara Complex, Raj Bhavan Road , Somajiguda, Hyderabad .

The PS to Secretary to Govt., TR&B.

The Advisor, QC for R&B, Hyderabad .

//FORWARDED BY ORDER//

SECTION OFFICER