

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Public Works- Reforms in Public Works Department – Standardization and Streamling of sanctioning of Tendering Procedure-Modification of Contract rules – Reforms in Estimates – Revision in clauses in Tender Schedules – orders issued.

IRRIGATION & CAD (PW.COD) DEPARTMENT

G.O. Ms. No. 182

Dated. 27-9-1997.

- 1). G.O. Ms. No. 1007 TR&B (C1) Dept., 5-11-1976.
- 2). G.O. Ms. No. 37 TR &B (B1) Dept., dt. 30-1-1990.
- 3). G.O. Ms. No. 15 I & CAD (PW COD) Dept., dt. 9-2-1995.

ORDER:-

Government have for sometime been considering the need for modification of Contract rules, standardization and streamling of sanctioning and tendering procedure orders were issued in G.O. Ms. No. 15 I & CAD (PW. Cod) Dept., dt. 9-2-95 constituting a committee of experts to examine the streamling of tendering procedure to introduce comprehensive reforms in works departments of the state Government, since the inadequacies in the existing procedure are resulting in adoption of unfair methods by some of the contractors at the time of tendering, low quality of work, avoidable litigation and malpractice. Accordingly the report submitted by the said committee was examined in detail in a series of meetings by this department with other departments including Engineers-in-Chief and Chief Engineers.

2. Government after careful examination of the recommendations of the committee issue the following order.

1. SSRs shall be made effective from the 1st June, the beginning of the current year, as Central/State government budgets would have been approved and possible escalation in prices is known.

2. Estimates shall generally be prepared, sanctioned and tenders invited during June-October to ground the works in November (Nov-June), the beginning of the Annual working session.

3. SSR shall be made realistic on market conditions, input prices, taking into consideration of Price indexes, supplied by Bureau of Statistics.

4. The SSR will contain rates for earth work by earth moving machinery (Cycletime, life of machinery etc.,) in respect of all major works including earth work. In respect of small works costing less than Rs. 5.00 lakhs, the manual earth work rate is to be adopted. The contractor will be given an option for manual of machine operator.

5. The estimates shall be prepared realistically providing all statutory taxes all overheads amenable to fairly accurate assessment.

6. The present practice of supply of Cement, Steel, Bitumen, Blasting materials by the department is dispensed with. All principal construction materials like cement, steel, bitumen, etc., shall be procured by the contractors.

7. The practice of mentioning quarries for construction materials and water along with the leads in the tender schedule is dispensed with. The contractor shall procure the required materials from the quarries of his choice as per the specifications mentioned in the tender schedule.

8. Price escalation is permitted in contracts for works costing over Rs.200.00 lakhs with a period of completion exceeding eighteen (18) months. Tenders should be called for only where land acquisition work is completed, design, details estimates are ready, and funding is assured milestones and liquidated damages are to be stipulated for works costing more than Rs. 50.00 lakhs. The board of Chief Engineers are requested to evolve a formula for calculation of price escalation and obtain approval of the Government.

9. In performance of the work, the defect liability period of 6 months shall be increased to 12 months. According to para 457 of A.P.W. 'A' Code action may be taken for conversion of cash deposits of contractors into interest bearing securities like National Savings instruments other than Indira Vikas Patra. Necessary amendments to the specification No. 28 of A.P.S.S. will be issued separately.

10. Tenders with an excess of 25% or less by 25% of the estimated rates shall be summarily rejected where the estimated rate is different from the current schedule of rates the excess or reduction in the tender percentage shall be compared with the schedule of rates in operation at the time of evaluation of the tender. The rest of tenders will be scrutinized carefully to arrive at the reasonableness of the rates quoted.

11. The tender notices being issued hereafter, shall make the above points clear to the contractors intending to tender for the work. The above points shall also be made specifically clear in the tender documents appended to the agreements.

3. These orders will come into force with immediate effect.

4. The Engineer-in-Chief (Irrigation wing) is requested to send necessary proposals immediately for making suitable amendments for amending the existing provisions and orders of Government wherever necessary.

5. This order issues with the concurrence of Finance and Planning (PW) Department vide their G.O. No. SP 619/F-6 (1)/97-1, dt. 23-7-97.

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

C.S. Rao,
Principal Secretary to Government.

To

The Engineer-in-Chief, Irrigation Wing, Hyderabad.

The Engineer-in-Chief, Administration Wing, Hyderabad.

The Commissioner, CADA, Hyderabad.

The Commissioner, Commissionerate of Tenders, Hyderabad.

The Chief Engineer, Major Irrigation, Hyderabad.

The Chief Engineer, Medium Irrigation, Hyderabad.

The Chief Engineer, Minor Irrigation, Hyderabad.

The Chief Engineer, Major Irrigation, V.Y.P.P. Unit Dowleswaram, East Godavari District.

The Chief Engineer, Nagarjuna Sagar Project, Vijaypuri North, Nalgonda District.

The Administrator-cum-Chief Engineer, N.S. Right Canals, CADA, Guntur.

The Chief Engineer, Sriramsagar Project, Hyderabad.

The Chief Engineer, (P), Neelam Sanjeevareddy Sagar Project, Hyderabad.

The Admn-cum-Chief Engineer, Sriramsagar, Project, Jagtial.

The Chief Engineer, Telugu Ganga Project, Cuddapah.

The Chief Engineer, Telugu Ganga Project, Srikalahasthi.

The Chief Engineer, Central Designs Organisation, Hyderabad.

The Chief Engineer, Investigation, Hyderabad.

The Chief Engineer, Mechanical, Hyderabad.

The Director General, WALAMTARI, Hyderabad.

The Principal Accountant General (P), Hyderabad.

The Dy. Accountant General (P), Hyderabad.

The Fin&Plg. (Projects Wing) Department.

The Fin&Plg. (Fin Wing) Department.

The Chief Technical Examiner, Irrigation & CAD (PW) Dept., Hyderabad.

The Commissioner of Enquiries, A.P. Sectt., Hyderabad.

Copy to all Sections Irrigation & CAD, I& CAD (PW) Dept.,

The TR&B Dept/Panchayatiraj & Rural Department/M.A. & U.D. Dept., Housing Dept.

Revenue Dept., with a request to issue specific suitable orders for adoption of these order.

//FORWARDED BY ORDER//

Sd/-
Section Officer.