

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

SOCIAL WELFARE DEPARTMENT – Social Welfare Engineering Wing - Price Adjustment for Steel, Cement and adoption of overhead charges in Social Welfare Engineering Wing - According – Orders - Issued.

SOCIAL WELFARE (SCP.II.2) DEPARTMENT

G.O.Ms.No.124
Dated.15.11.2007.

Read the

following:-

- 1) G.O.Ms.No.35, T.R. & B.(R.1) Department, dated.28.2.2006.
- 2) G.O.Ms.No.73, T.R. & B.(R.1) Department, dated.24.4.2006.
- 3) G.O.Ms.No.233, T.R. & B.(R.1) Department, dated.20.11.2006.
- 4) G.O.Ms.No.292, P.R. & R.D.(Progs.II) Department, dated.28.7.2006.
- 5) G.O.Ms.No.122, P.R. & R.D.(Porgs.II) Department, dated.30.3.2007.
- 6) G.O.Ms.No.101, S.W.(TW. Ser.II.1) Department, dated.15.10.2007.
- 7) From the Chief Engineer, Tribal Welfare, Hyderabad, Letter No.TA2 / AEE4/2398 /2006, dated.12.10.2007.
- 8) From the Chief Engineer, Tribal Welfare, Hyderabad, Letter No.TA2 /AEE4 /2398 /2006, dated.25.10.2007.

ORDER:-

In the reference first and second read above, the Transport Roads & Building Department have issued orders on Price adjustment for Steel, Cement, Bitumen & POL and adoption of Overhead Charges for all road works and bridge works including ROBs/RUBs where estimate value is Rs.50.00 lakhs and above and where time schedule provided is Six(6) months and above.

2. In the reference third read above, the Transport Roads & Building Department have issued orders on Price adjustment for Steel, Cement, POL and all other materials to all ongoing building works and future building works costing Rs.50.00 lakhs and above with a period of completion of six months and above.

3. In the reference fourth and fifth read above, the Panchyat Raj and Rural Development Department have issued orders adopting the orders issued in the reference first and second read above for all works irrespective of cost and agreement period.

4. In the reference sixth read above, orders were issued on Price Adjustment for Steel, Cement, Bitumen & POL irrespective of cost and agreement period for works executed in Tribal Welfare Engineering Department.

5. In the reference seventh & eighth read above, the Chief Engineer, Tribal Welfare, Hyderabad, has requested the Government to issue similar orders for Adoption of Price Adjustment for Steel, Cement, Bitumen, POL and all other material in Social Welfare Engineering Wing also on par with the Transport Roads & Building Department and the Panchayat Raj and Rural Development Department for all ongoing building works.

6. In view of the circumstances stated by the Chief Engineer, Tribal Welfare, Hyderabad in the reference seventh & eighth read above, Government after careful examination of the matter, hereby accord permission to adopt Price adjustment Clause for Steel, Cement and other materials(ie materials used in construction of buildings other than steel and cement) 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 valid for 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 to all the works tendered on or after the date of issue of this Order.
 - iv) The variation clause will be when the variation in rates is more than or less than 5% of the rate provided in the technical sanctioned estimate based on which bids are invited or All India wholesale price index as stipulated in the G.O.Ms.No.35, TR&B (R.1) Deptt., dated.28.2.2006 and G.O.Ms.No.233, TR&B (R.1) Deptt., dated.20.11.2006 on the date twenty eight days prior to closing date of submission of bids which ever is advantageous to the department.
 - v) For works taken up under Externally Aided Project, the guidelines specified thereon are to be followed.
 - vi) Technical sanction for the revision shall be accorded by the next higher authority than the one who sanctioned the works in the 1st place. However, for the works sanctioned by the Controlling Officer(Technical) for Social Welfare Engineering Wing, he will accord Technical Sanction to the revision after obtaining approval of the Competent Authority who has given Administrative sanction to that work.
 - vii) Administrative sanction shall be accorded by the Competent Authority who sanctioned the works in the 1st place. The authority shall also provide/indicate budget provision from which the escalation is to be paid.
 - viii) Price escalation charges should be made applicable to items ie 1)Steel 2) Cement and 3) All other materials (ie materials used in construction of buildings other than steel and cement) in respect of those works only where works costing Rs.50.00 lakhs and above, with period of completion is 6 months and above. No tender premium shall be allowed for the works for which contractors profit is included in the estimates.
 - ix) Subject to the above clauses, the method of calculation shall be as prescribed in G.O.Ms.No.35, T.R. & B (R.1) Department, dated.28.2.2006 and G.O.Ms.No.233, T.R. & B (R.1) Department, dated.20.11.2006.
7. The Chief Engineer, Tribal Welfare, Hyderabad who is acting as controlling officer(Technical) for Social Welfare Engineering Wing shall take necessary action accordingly.
8. This order issues with the concurrence of Finance(Expr. SW) Department vide their U.O. No.30349-A/337/A1/Expr.SW/07, dated.13.11.2007.
9. These orders are also available in Andhra Pradesh Government Website 'www.aponline.gov.in'.

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

A.P.V.N. SARMA
SPECIAL CHIEF SECRETARY TO GOVERNMENT