

**GOVERNMENT OF TELANGANA
FINANCE (WORKS ACCOUNTS) DEPARTMENT**

From
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To
The Engineer-In-Chief,
RWS & S Department,
Hyderabad.

Letter No. DWA/TS/Hyd/Sn.I/A1/2016-17/ No. 254, **Dated: 22 -09-2016.**

Sir,

Sub: RWS & S – Telangana Drinking Water Supply Project – Mission Bhageeratha – Payment conditions for Pipes and Valves – Submission of Chief Engineers Committee and Engineer-In-Chief (RWS & S Department) to the Government – Regarding.

Ref: 1) T. O. Lr. No. DWA/TS/Hyd/Sn-I/A1/2016-17-55 dated 19-5-2016.
2) Lr. No. PAO/W7P/MBNR?2016-17/136 from the E-in-C, RWS&S.
3) Lr. No. JDWA/KNR/Co-ordn/U_I/2016-17/66 dated 1-6-2016.

Apropos the references and subject cited the following points are brought to the kind notice of the Engineer-In-Chief, RWS & S Department for further necessary action.

1. The condition listed in Para 4.3 of Agreements for manufacturing of Pipes requires a continuous process in the submerged arc welding, dust free environment, X-ray, Ultra-sonic testing etc., Hence the agreement condition envisaged for manufacture, supply and stacking as an in-separable/measurable operation in the item of pipeline laying and stipulated part rates for the stages involved. The environment and facilities prescribed in the agreement might not be able to be replicated in the site conditions. Further to inform that the intention of payment conditions for supply in spells, as incorporated in the original agreement, may be to avoid accumulation of long stacks of pipes at site without laying and jointing.
2. Further, it may be noted that the specifications with respect to coating material, may be made consistent with the agreement conditions. The need for vetting by the Project and QC Consultants for change of specification of coating material and manufacturing process may please be examined.
3. It is further to inform that the agreements do not specify milestones which are essential to watch the progress of the work. It is also requested to prepare milestones and communicate to Superintending Engineers/Executive Engineers to follow and to issue speaking orders on deviated milestones to avoid disputes at the closing stages of works.
4. Necessary approvals for relocation of structures may please be got furnished along with the bills.
5. Payments are being recommended by the EEs for supplies across segments deviating from originally envisaged segment-wise approved and scheduled quantities. It is brought to notice for necessary approvals to the deviations.
6. The field officers may please be advised to adhere to the programme of hydraulic testing as per agreement conditions.

7. Subletting of manufacturing and supply part of material needs approval by the competent authority and communication to the Pay and Accounts Officers duly approving the manufacturing agencies.
8. The details of quality control protocol of the agencies may be got verified by the departmental officers and got certified by the officers while preferring bills.
9. The departmental officers may please be advised to furnish certain routine certificates like site verification, lead certificate, and information on key personnel and mark out certificate.
10. The departmental officers may be advised to approve designs for structures based on the site conditions.
11. The departmental officers may please be advised to obtain and furnish the copies of options from the agencies towards assessment in VAT under composition scheme wherever applicable.
12. The validity of bank guarantees for the entire period of maintenance may be got watched closely by the departmental officers.
13. The departmental officers may be instructed to verify and confirm the Challans for Central Excise Duty and Service Tax, while allowing claims for reimbursement of taxes paid.
14. The Price Variation calculations may please be ordered to be accompanied with every running bill, to avoid delayed payments in case of positive variation and excess payments in case of negative variation, in the period of calculation of consideration.

Hence it is requested to instruct the Superintending Engineers and Executive Engineers to follow agreement conditions scrupulously and to avoid preferring bills with deviations from the Agreement conditions, to avoid disputes at the field level.

For kind information and necessary instructions to the Departmental Officials.

Yours faithfully


DIRECTOR OF WORKS ACCOUNTS,
HYDERABAD.