

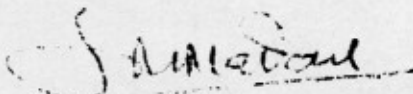
CIRCULAR NO. 394

SUB: Grant of justified extension of time even before the work is completed for facilitating payments to the contractors under clause-10 CC.

In one of the works examined by CE(QC), it was observed that the concerned SE had authorised the EE to release payments under clause-10cc without formally granting extension of time, after obtaining an undertaking from the contractor that, if due to grant of final extension of time the amount was not found admissible, the contractor would refund the amount so paid alongwith interest. Clause-10cc clearly stipulates that payment under this clause beyond the stipulated date of completion can be made only for the period for which the contract is validly extended under the provisions of clause-5 of the contract without any action under clause-2. The C.P.W.D. Manual Vol.II also provides under Section33, para 6.1 that the date of completion must be duly extended in writing without levy of compensation before the original contract period.

It is, therefore, enjoined upon all SEs to examine extension of time cases when referred to them at any stage of work and formally grant the justified extension of time. Once extension of time without levy of compensation has been granted by the competent authority, i.e. SE, and formal orders issued extending the contract period, then there is no further authorisation required to be given to the EE for making payment under clause-10cc.

All EEs should also ensure that payment under clause-10CC for a period beyond the stipulated date of completion is released only when the extension of time for the period has been granted in writing by the SE without levy of compensation.


(S.M. MADAN)
DIRECTOR(MONITORING)

1. All C.Es, DCAs
2. All S.Es, DDAs

