

DELHI DEVELOPMENT AUTHORITY
(E.M.'S OFFICE)

NO: EM.1 (10) 95/19285

Dated: 2.11.95

CIRCULAR NO. 472

SUB: EFFECTING TIMELY RECOVERIES DURING THE OPERATION OF THE CONTRACT ITSELF.

It is the common experience that during the operation of contracts for execution of works, there are occasions when depts. has to effect certain recoveries from the contractors on account of various reasons. However, in certain cases it had been noticed that the processes of effecting such recoveries were initiated at a belated stage resulting in situations where the depts. could not effect such recoveries because of adequate dues of the contractors not being available with the depts. at that stage. This necessitated going in for the time consuming and cumbersome process of invoking arbitration and raising these recoveries as claims of the depts. for adjudication by the arbitrator. Such situations can obviously be avoided if timely action is taken to initiate the process of effecting recoveries during the operation of the contract itself, as and when an occasion of effecting any such recovery arises under the relevant clauses of the contract. Towards achieving this objective, it would also be relevant to reiterate the instructions earlier issued vide E.M.'s Circular Nos. 4 dt. 4.5.83, 8 dt. 16.5.83 and 300 dt. 13.9.90; as also the provisions contained in Para No.4 (a) and 5 of Section-25 of CPWD Manual Vol.II in respect of the following aspects :-

- a) That while making payment to the contractor, recovery/reduction items statements, if any, should be made and approved immediately and recovery of the same effected as soon as the

necessity requiring reduction in rates arises.

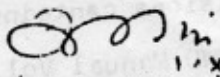
b) That approval of SE should be obtained in the first instance before making payment for any sub-standard work even with part rates in the running bills and SE's approval in respect of such part rates should also be available before such payments are released.

c) That on completion of structural work, rectification of defects etc. and before starting plastering work SE must inspect the work and the plastering should be commenced only with written permission of the SE, after he ^{is} satisfied about proper rectification of all the defects.

d) The payment at provisional rates should be done only when prior approval in principle to execute the extra/substituted items has been obtained from the Competent Authority.

It is, therefore, enjoined upon all officers of DDA to ensure that in all future contracts they must initiate the process of effecting recovery as soon as the occasion for the same arises and they must further ensure that such recoveries are effected during the operation of the contract itself, when adequate amount is normally expected to be available with the deptt. The provisions of the circulars and CPWD Manual, Vol.II referred to above must also be followed meticulously.

CF(W2) + SES EEB copy


(R.L. WANS)
ENGINEER MEMBER
D.D.A.

1. All Chief Engineers i/c CE(QC), CE(Elect.) & CE(Design).
2. All SE's i/c SE(QC), SE(Elect.) & SE(Design).
3. All Ex. Engineers(Civil & Elect.)
4. Director (MM).
5. Director (Works).
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8. E.O.-I, E.O.-II & E.O.-3.
9. File No. EN.12(6)93/Estt.

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