

NEW DEVELOPMENT AUTHORITY

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CIRCULAR NO. 222

The following points need the attention of the Executive Engineers so that they can put up effectively the cases for arbitration if at all claims crop up later:

1. It has been seen that the provisional rates sanctioned during running bills differ considerably from the final rates approved by the competent authority. While giving provisional rates during the course of the work, the Executive Engineer should see that the rate allowed in no way exceeds the rate that is likely to be approved by the competent authority. At any rate the provisional rates at a higher level shall not be given continuously for a number of bills. Extra items or substitute items should be got approved by the competent authority quickly. It is not necessary that the Executive Engineer exhausts his powers for sanction of extra or substitute items in the first instance before he goes to SE or CE. He should start sending the cases to SE or CE even in the first instance after exercising a part of his powers.

2. When defective work is noticed, it should be made clear to the contractor the nature of defects and in special cases also inform the contractor that the work is provisionally allowed subject to appropriate deduction in rates. In such cases the rate provisionally allowed shall be well within the margin and in any way the defective work shall be either got redone, corrected or accepted at reduced rate by giving a clear notice to the contractor.

3. The word 'special rate' is being used for recoveries. It would be desirable to avoid using the word 'special rate'. The word like 'additional recovery as per particular clause of the contract' would be preferable. Letters to be written to the contractor to keep his wastage within control and letter intimating the contractor about our intention to make additional recoveries as per relevant clause of the contract would be more justifiable to strengthen the cases.