

E.M.'S OFFICE

No.EM1 (10)2007/Cir (Contractor's Profit) DDA/. 1310

Dated: 19.03.08

CIRCULAR No. 621

Sub: Increase in contractor's Profit and Overheads to 15%.

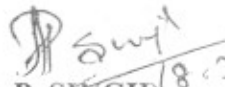
Presently an element of contractor's Profit and Overheads @ 10% is being adopted over cost of labour/material in Delhi Analysis of Rate of CPWD. This practice is being followed since Long in DDA also. Over the years substantial changes have taken place in construction techniques and construction environment resulting in substantial increase in inputs due to cost of higher technical manpower, computerization, mechanization, Quality Assurance setup, stringent environment norms and stringent contract conditions regarding higher EM, SD & PG etc.

Keeping aforesaid facts in view, the CPWD has enhanced the element of contractor's profit and overhead from 10% to 15% (7.5%+7.5%) vide Circular No. DGW/MAN/150 dated 14.12.2007; Copy of CPWD circular is enclosed.

It has been decided to follow the CPWD circular stated above in a respect of contractor's profit and overheads of 15% (7.5%+7.5%) mutatis – mutandis in all DDA works also while evaluating the cost of work and analysing the rates for working out the justification of cost.

This issue with the approval of EM.

Encls: As above.


(A.P. SINGH)
18/03/08

CHIEF ENGINEER (HQ)

Copy to:

1. All Chief Engineers i/c. CE (QAC, Design, Electrical & HQ), DDA.
2. Chief Vigilance Officer, DDA.
3. Chief Architect, DDA.
4. Chief Accounts Officer, DDA.
5. Director (MM), DDA
6. Project Manager (Flyover) Gr. I & II, DDA
7. Director (Works), DDA
8. Director (Sports), DDA
9. Dy. CAO (Plan), DDA.
10. Hindi Officer for Hindi version.

Copy also forwarded to:

1. Sr.P.S to VC, DDA, for the kind information of the latter.
2. Sr.P.S to EM, DDA, for the information of the latter.
3. Sr.P.S. to F.M., DDA, for the information of the latter.

Director (Works)



CENTRAL PUBLIC WORKS DEPARTMENT

OFFICE MEMORANDUM

No.DGW/MAN/150

ISSUED BY AUTHORITY OF DIRECTOR GENERAL OF WORKS

NIRMAN BHAVAN, NEW DELHI

DATED: 14.12.2007

Sub: Increase in contractor's Profit and Overheads to 15%

Presently an element of contractor's Profit and Overheads @ 10% is being adopted over cost of labour/material in Delhi Analysis of Rate of CPWD, This practice is being followed since long. Over the years substantial changes have taken place in construction techniques and construction environment resulting in substantial increase in inputs due to cost of higher technical manpower, computerization, mechanization, Quality Assurance setup, stringent environment norms and stringent contract conditions regarding higher EM, SD & PG etc.

Proposal for increase in the element of Contractor's Profit and Overheads was referred to Ministry of UD long back who in turn had sought the concurrence of Ministry of Finance. The matter was deliberated at length by CPWD and finally Secretary (Expdr.)(MoF) after discussion with DG(W), CPWD opined that revision of Contractor's Profit and Overheads is the prerogative of the authority approving Schedule of Rates and their Analysis etc.. However, similar provisions made by other engineering organizations in this regard may also be considered while firming up the revised Contractor's Profit and Overheads.

Accordingly this issue was discussed in a meeting convened by DG(W), CPWD with MES, DDA and MOSRTH. Based on the inputs received from these organizations and their recommendations it has been decided by DG(W) to enhance the element of Contractor's Profit and Overheads from 10% to 15% (7.5% + 7.5%).

This increase in Contractor's Profit and Overheads shall be followed in evaluating the cost of work and for preparation of Analysis of Rates for DSR items with immediate effect.


Superintending Engineer (C&M)

Issued from file no.CSQ/CM/18(7)2005

Copy to:

1. Smt. Meena Agarwal, JS(P), Min. of Finance with ref. to DG(W) UO No CSQ/CM/C/18(7)2005 dated 4.12.07.
2. Director (Works), MoUD with ref. to this office UO No.CSQ/CM/C/18(7)2005 dated 4.12.2007.
3. As per mailing list:

DELHI DEVELOPMENT AUTHORITY
E.M.'S OFFICE

No.EM1 (10)2008/Cir. (Performance Guarantee/DDA/1378)

Dated: 24-03-08

CIRCULAR No. 622

Sub: Regarding depositing of Performance Guarantee by Contractor

In one of the review meeting, it was brought to the notice of E.M. that Performance Guarantee from the contractors / agencies are not being received in time causing delay in the issue of Award letter and ultimately delay in the start of execution of works. It is therefore decided that in case the Performance Guarantee is not furnished by the agency with in time given by the Executive Engineer in the Letter of Intent, the Earnest money shall be forfeited absolutely in terms of contract document and the contract shall be closed. However, in case where request has been made for extension, additional period for depositing the Performance Guarantee by the contractor may be allowed as provided in the contract. Further, it shall also be the responsibility of EE to ensure that such agency is debarred from further tendering in DDA with the approval Of competent authority.

This issue with the approval of EM.


(A.P. SINGH) 20/3/08
CHIEF ENGINEER (HQ)

Copy to:

1. All Chief Engineers i/c. CE (QAC, Design, Electrical & HQ), DDA.
2. Chief Vigilance Officer, DDA.
3. Chief Architect, DDA.
4. Chief Accounts Officer, DDA.
5. Director (MM), DDA
6. Project Manager (Flyover) Gr. I & II, DDA
7. Director (Works), DDA
8. Director (Sports), DDA
- Dy. CAO (Plan), DDA.
9. Hindi Officer for Hindi version.

Copy also forwarded to:

- a. PS to VC for kind information of the latter.
- c. PS to EM for kind information of the latter.
- b. PS to FM for kind information of the latter.

(A.P. Singh)
Chief Engineer (HQ)

DELHI DEVELOPMENT AUTHORITY
E.M.'S OFFICE

No.EM1 (10)2008/Cir./ DDA/1297

Dated: 28.03.08

CIRCULAR No. 623

Sub: Regarding sanction of Preliminary Estimates.

In order to expedite the work by the Engineering and to avoid delay in the execution it is decided in the committee constituted by the Vice –Chairman , DDA vide office order No. EM3(21)2007/3114 dated 29/8/07 for improvement in working of Engineering and Finance department in order to create better coordination to achieve budgetary and other targets.

1. Prior to initiation of PE, incurring of Preliminary expenditures on soil investigation, survey and demarcation, press advertisement, hiring of consultant, printing of signage, Environment impact analysis (EIA) and other related preliminary work. is allowed subject to technical sanction to be accorded by the authority competent to accord such approvals. For this purpose powers are given to CEs to incur preliminary expenses up to 5% of PE prior to administrative approval with a ceiling of Rs. 20 lakh for project costing more than Rs. 5 Crore and Rs. 10 lakh for project costing less than Rs. 5 Crore.
2. It is allowed to incur up to 20% of original sanctioned PE (at present the limit is 10%) after submission of RPE subject to an overall limit of 50% of the increased amount from original sanction PE. A budget provision under new items is to be proposed by Chief Engineer for incurring such expenditure.
3. It is allowed to call the tenders for the works where financial concurrence is issued, pending issues of AA/ES , however , no award of work and no payment be made till AA / ES is issued.

This issues with the approval of EM.

(M.S. Nigam)
Director(Works)


Copy to:

- 1 All Chief Engineers i/c. CE (QAC, Design, Electrical& HQ), DDA.
- 2 Chief Vigilance Officer, DDA.
- 3 Chief Architect, DDA.
- 4 Chief Accounts Officer, DDA.
- 5 Director (MM), DDA
- 6 Project Manager (Flyover) Gr. I & II, DDA
- 7 Director (Works), DDA
- 8 Director (Sports), DDA
- 9 Dy. CAO (Plan), DDA.
- 10 Hindi Officer for Hindi version.

P.T.O.

Copy also forwarded to:

1. PS to VC for kind information of the latter.
2. PS to EM for kind information of the latter.
3. PS to FM for kind information of the latter.


(M.S. Nigam) 27.3.08
Director(Works)

DELHI DEVELOPMENT AUTHORITY
E.M.'S OFFICE

No.EM1 (10)2008/Cir. (Premix) DDA/1481

Dated: 3-04-08

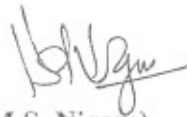
CIRCULAR No. 624

Sub: Regarding premix carpeting on roads.

In one of the review meeting, it was observed that different zones are adopting different mode of thickness for premix carpeting on roads. Some of them are using 2 cm. thickness and others are using 2.5 cm.

It has been decided that the premix on roads shall be 2.5cm.Thick close graded mix laid with sensor paver irrespective of the quantity.

This issues with the approval of EM., DDA.


(M.S. Nigam)
Director(Works)

Copy to:

1. All Chief Engineers i/c. CE (QAC, Design, Electrical& HQ), DDA.
2. Chief Vigilance Officer, DDA.
3. Chief Architect, DDA.
4. Chief Accounts Officer, DDA.
5. Director (MM), DDA
6. Project Manager (Flyover) Gr. I & II, DDA
7. Director (Works), DDA
8. Director (Sports), DDA
9. Dy. CAO (Plan), DDA.
10. Hindi Officer for Hindi version.

Copy also forwarded to:

- 1) PS to VC for kind information of the latter.
- 2) PS to EM for kind information of the latter.
- 3) PS to FM for kind information of the latter.

Director(Works)