

NO.24/EE(V)/IR/2015-VS-1
GOVT. OF INDIA
OFFICE OF JS &CVO
VIGILANCE UNIT, CPWD, ROOM NO.432
A-WING NIRMAN BHAWAN, NEW DELHI-110011

Dated: 5/8/2016

Subject: - **Regarding operation of 10 CA and 10 CC Clauses in the agreements.**

Memorandum

During inspection of works by the Vigilance Unit, improper operation of escalation Clauses 10 CA and 10 CC in various agreements have been noticed resulting over payments to the contractors. The lapses noticed are as under:

- (1) While working out the escalation under Clause 10 CC, the component of Cement, Steel reinforcement bars, Structural Steel, POL etc. are being added while these are covered under Clause 10 CA.
- (2) The operation of 10 CA is not being taking place even when rate of materials included in 10 CA are decreasing requiring recovery under Clause 10 CA.
- (3) Incorrect pre-determination of all components in the NIT for application of Clause 10 CC, the percentage determination of Civil Components of Construction materials have been determined without deducting the components of materials covered under Clause 10 CA i.e. Cement, Steel reinforcement bars, Structural Steel, POL etc. NIT approving authorities are not taking due care while working out the percentages for the component of material specially.
- (4) Application of Price Indices for calculation of 10 CA for materials Cement, Steel reinforcement bars, Structural Steel, POL etc. other than the indices as issued under the authority of Director General, CPWD.
- (5) Application of Price Indices for calculation of 10 CC other than the indices as issued under the authority of Director General, CPWD.
- (6) The Zonal Chief Engineers are not issuing the base prices for Cement, Steel reinforcing bars, structural steel, POL and other materials covered under Clause 10 CA on regular basis.

It is therefore impressed upon all the NIT/tender accepting authorities to examine the operation of the escalation Clauses 10 CA and 10 CC in works completed during 2015-16 onwards and ongoing works in their jurisdiction for affecting recoveries in case of any overpayments have been made to protect the Government interest.

This issues with the approval of DG, CPWD.


(Shailesh K.Ugrejeeya)
Executive Engineer(V)-24

Copy to: All Chief Engineer, Superintending Engineer and Executive Engineer through CPWD Web site.