



# CENTRAL PUBLIC WORKS DEPARTMENT

## OFFICE MEMORANDUM

No.DGW/MAN/154

ISSUED BY AUTHORITY OF DIRECTOR GENERAL OF WORKS

NIRMAN BHAVAN, NEW DELHI

DATED: 25.03.2008

**Subject: Annual Rate Contract System for maintenance /minor works:-**

To streamline and expedite the execution of minor works of addition/alterations/replacements, a committee was constituted by the Directorate. The committee has recommended for adoption of Annual rate contract system in such cases. The recommendations have been accepted to be tried on experimental basis.

**2.0:-** Mainly, minor works and works of Additions and Alternations, shall be dealt under this system. The works, have to be planned in advance and a number of agencies for works in each colony should be fixed before the start of financial year. Normal ARMO works, however, shall be dealt with under normal tendering system.

### **3.0 Procedure:-**

#### **1. Preparation of Estimates:-**

The items of work and their quantities to be executed shall be assessed by the concerned EE based on quantities of similar items executed in previous years. Certain items may be combined so as to have an item of a finished job (sample enclosed). Different schedules of such items/jobs shall be prepared for different trades/set of trades based on anticipated

requirements. Estimated rates of various items/jobs shall be based on DSR 2007 or market rates or combination of both. The schedule of items/jobs will include disposal of dismantled materials as well. Total anticipated quantities should be taken for framing estimate for technical sanction for each colony as per action plan.

## **2. Technical Sanction and preparation of NIT:-**

All such estimates shall be technically sanctioned by the competent authority as per delegation of powers but not below the rank of SE. Notice inviting tender (N.I.T.) shall be prepared on Form CPWD 7 (percentage rate basis) and approved by the authority who has accorded the technical sanction. The quantity of items of work/jobs for approval of NIT shall be 25% of the total work as the work will be got executed on approved rate contracts by a maximum of five agencies. The tenderers eligible for this estimated cost of work will be permitted to participate.

## **3. Call of tenders & fixing of Agencies**

Tenders for various technically sanctioned estimates shall be called from intending bidders. EM, SD, PG shall be payable as per manual provisions in proportion of the estimated cost put to tender. The rates quoted by first lowest tenderer, if beyond acceptable limit, shall be brought down to an acceptable level through negotiations. All the other tenderers shall be given a counter offer to reduce their rates to the rates quoted (or negotiated rates) by first lowest tenderer. A maximum of five agencies shall be selected among the agencies who agree to reduce their rates to the level of first lowest tenderer. In case the number of agencies who agree to do the work at rate of first lowest tenderer are more than five then the agencies

shall be selected in the order of first lowest, second lowest, third lowest and so on till five agencies are available.

The selection of five agencies as stated above shall be for each tender. Such list shall be valid for complete financial year.

Such tenders shall be accepted/approved by the authority as per delegation of powers for the full quantity of work but not below the rank of SE.

**4. Operation of the contract: -** As and when requisition of a set of works/jobs is received, the same shall be assigned to one of the short listed agency by EE starting from original L1 on a work order slip. The subsequent work shall be assigned to different agencies on rotation basis in the order of notionally L2, L3, L4 and L5 etc. EE shall balance the work distribution amongst these agencies based on quarterly difference of 25 %.

The contractor shall raise the bills for work done & payments shall be made accordingly.

**5. Non performance by An agency :-** If an agency does not start the work or does not perform the assigned work properly and/or in time, it shall be dropped from the list of approved/short listed agencies and their deposits including performance guarantee etc. shall be forfeited. Such agencies shall be debarred for tendering for a period of three years within that Zone. Such action shall be decided by CE. This shall form part of the contract as special conditions.

**6. Operation of Annual Rate Contract System:-**

This system shall be implemented as a pilot project in atleast one division of each circle of the Zones mentioned below. Apart from these Zones, the system may be followed in other zones if needed. The list of agencies shall be finalized for each division. This system will require some

special conditions to be incorporated in the tender documents. These shall be got finalized by Zonal Chief Engineers.

Zones :- (a) CPWD - NDZ-I, II, III, IV, V & (E) DR  
(b) PWD - MZ-I, II & III

**Note:-** The procedure given above may be taken as the general guidelines. Further modifications & detailings may be done by Zonal Chief Engineers at their level.

The process of preparing estimate & call of tenders for the year 2008-09 may be started in selected divisions immediately & it may be ensured by Chief Engineers that lists of agencies are finalized by 15.05.08 and works are awarded by Executive Engineers by 01.06.08.

Any clarification, if required, shall be sought by Chief Engineers from SE(C&M) of CSQ Unit of the Directorate. The progress made in this regard shall be reviewed in 3<sup>rd</sup> week of April 2008 and further in 2<sup>nd</sup> week of May 2008 by ADG(TD). Operation of the Experimental system shall thereafter be reviewed periodically by ADG(TD) after fixing of Annual Rate contracts & its implementation w.e.f. 01.06.08 to assess its viability for continuance on regular basis.

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Superintending Engineer(C&M)

Issued vide file No. CSQ/CM/M/Works Manual 2007  
As per mailing list attached overleaf

**Item**

Providing and fixing white vitreous china wash basin of 550 x 400 mm size with C.I/M.S. brackets, one No 15mm C.P. brass pillar tap, 32mm C.P. brass waste of standard pattern, 32mm dia flexible P.V.C. waste pipe with P.V.C. waste fittings, one No. 45 cm long and of 15 mm nominal bore P.V.C. connection with brass unions, painting of brackets and cutting and making good the walls wherever required including dismantling of existing wash basin with brackets, P.V.C. connection, pillar cock etc. The dismantled material shall be taken away by the contractor and building rubbish disposed off into identified dumping ground under the Service Centre.

**Details of cost for one No.**

1. Wash Basin with bracket & one pillar cock – 1 No. @ Rs. 1044.90/each (item 17.7.4)		= Rs. 1044.90
2. Flexible PVC waste pipe with fitting @ Rs. 46.80/each (Item 17.28.2.1)	- 1 No.	= 46.80
3. 45 cm long PVC connection @ 44.75/each (item 18.21.2.1)	- 1 No.	= 44.75
4. Dismantling of wash basin i/c buckets, pillar cock & waste fittings @ Rs. 32.40/each	- 1 No.	= 32.40
5. Less for dismantled material		
a) CI/MS bracket = 1 time	(-)	5.00
b) C.P. pillar cock – 1 No. @ Rs. = 0.45 ky. @ 160.00/Kg		= (-) 72.00
Cost for one No.		<hr/> = Rs. 1091.85

### Item

Providing and fixing door shutter having panelling of 12mm thick plain particle flats pressed, 3 layer or graded wood particle medium density grade-I, I.S. : 3087 marked including required no of IS: 12817 marked stainless steel butt hinges and I.S.I marked aluminum fittings ( Anodic coating not less than grade AC10 as per IS: 1868) transparent or dyed to required colour, such as two no. of 200 x 10mm tower bolts, two no. of 100mm handles, 1 no. of 250 x 16mm sliding door bolt, all fixed with necessary screws and nuts etc. including painting the shutter with two or more coats of synthetic enamel paint over an under coat of ready mixed pink wood primer after preparation of surface by cleaning, rubbing smooth, dusting and applying filler, including taking out the existing wooden door shutter with fittings and hinges which shall be the property of the contractor.

(a) 35mm thick shutter of second class teak wood.

(i) Shutter size 1.50 to 1.70sqm

#### Details of cost for door shutter of size (0.80 x 2.00)sqm i.e. for 1.60 sqm.

(Based on DSR 2007/Rates)

1. Door shutter = 1.60 sqm @ Rs. (899.70-28.80+83.80) per sqm.	=	Rs. 1527.52
(Item 9.5.2.1 (-) Item 9.15.21 (+) Item 9.14		
2. Door panelling (3 panels) = 0.87 sqm	=	450.96
@ Rs. 518.35/sqm (Item 9.7.5.1)		
3. Aluminium tower bolts 200 x 10 MM – 2 No.		
@ Rs. 52.00/each (Item 9.97.3)	=	104.00
4. Aluminium Handles 100 MM= 2 No.	=	70.60
@ Rs. 35.30/each (Item 9.100.2)		
5. Aluminium sliding bolt of 250x16MM = 1 No.	=	134.10
@ Rs. 134.10/each (Item 9.96.2)		
6. Painting with priming coat = 4.16 sqm	=	213.41
@ Rs. 51.30/sqm (Item 13.62.1)		
7. Dismantling/taking out existing door shutters with hinges and fittings = 1 No.	=	21.40
@ Rs. 21.40/each (Item 15.13.1)		
8. Less for dismantled door with hinges and fittings = 1 No.		
i.e. (Average weight) = 16 kg. @ Rs. 4.00/kg.	= (-)	64.00
Cost for one No.	=	Rs. 2457.99
	Say	Rs. 2458.00