NOTIFICATION

1. HMWSSB invites application from new contractors for registration in appropriate class as per GO.Ms No.94, I&CAD (PW) - COD Department dated: 01/7/2003. The interested eligible contractors are requested get themselves registered with any of the Divisions/ Circles of the HMWSSB by submitting the application in the prescribed format and along with other required details like the following.

   i. Demand Draft for an amount f Rs.1000/- in favor of HMWSSB for Class IV & V registration.

   ii. Solvency certificates issued by competent authority for appropriate amount (The solvency certificate shall be not more than one year old).

   iii. A list of works carried out in the past five years with their values, certified by departmental Engineer of the rank of Executive Engineer or equivalent rank.


   v. Certified copy of the partnership deed (in the case of firm).

   vi. Form(C) issued by the Registered of firm (in the case of firms only) certified.

   vii. Copy of the Engineering degree certificate issued by the Recognized university (in the case of Engineering degree holders seeking Registration).

2. Apart from the registration in appropriate class, the Contractors shall register in the e-procurement website for tendering for the works costing above Rs.1.0 Lakh.

3. The details and addresses of various Circle offices and Division offices, the Contractors can contact the Public Relation Officer Sri.C.Jitendra Kumar, Mobile No: 9989994501, Phone: 040-66669000, 040-6687222, Extn: 393. Public Relations Cell of HMWSSB. Further details can be had from www.hyderabadwater.gov.in.

   HMWSSB
<table>
<thead>
<tr>
<th>Divn. No.</th>
<th>Name of the Officer</th>
<th>Designation</th>
<th>Area</th>
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<td>O&amp;M Dn.I</td>
<td>Sri S.V. Ramana Rao</td>
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<td>Circle No-II</td>
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<tr>
<td>Transmission Circle</td>
<td>Sri. B Vijay Kumar Reddy</td>
<td>Chief General Manager (E)</td>
<td>Khairthabad</td>
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I & CAD Department- Tender procedures and Registration of contractors Rules – Comprehensive – Orders Issued.

IRRIGATION AND CAD (PW – COD) DEPARTMENT

G.O.MS.No .94 Date 01-07-2003

Read the following:-


ORDER:-

Government have constituted a Cabinet Sub- Committee in GO.938 TR&B [R.1] Department, dated. 29.11.2000. The Cabinet Sub- Committee examined various issues relating to revision and streamlining of tender procedures with the following objectives.

(1) Simplification of procurement procedures.
(2) Achieving greater transparency in procurement.
(3) Reducing delay in procurement.
(4) Improving quality of construction.
(5) Ensuring timely completion of projects

2. The Cabinet Sub –Committee analyzed the deficiencies in the existing procedures in respect of registration of contractors, qualification criteria, verification of certificates, standard bidding documents, tender premium, purchase of tender documents by non-serious bidders, prevention of cartel formation, deduction of taxes at source, maintenance of assets, grading of contractors and engineers, quality control measures etc., and examined different alternatives in order to achieve better results and made recommendations to the Government for consideration. Government, after careful examination of the recommendations of the Cabinet Sub –Committee and in partial modification of the orders issued in the G.O.1st 2nd and 3rd read above, have issued certain modified orders in Go 4th read above.

3. In order to simplify the adoption of the Government orders, issued in the G.Os 1st to 4th read above. Government hereby issue a comprehensive order on all the issues covered in the G.Os, in the Annexures appended to this order.

4. These orders are now made applicable with immediate effect.

5. This orders issue with the concurrence of Finance and Plg.(PW)Department U.O.Note No.

(BY ORDER AND IN THE NAME OF GOVERNOR OF ANDHRA PRADESH)

J. HARINARAYAN
PRINCIPAL SECRETARY TO GOVERNMENT

Encl: Annexure. I to VII.

To
The Engineer –in-Chief (AW/IW) (Irrigation)

All the Engineers-in-Chief & Chief Engineers of I&CAD Department.
The Engineer-in-Chief [R&B], Admn., Hyderabad.
The Commissionerate of Tenders, BRKR Bhavan, Hyderabad.
The Engineer-in-Chief, P.R. & RD, Hyderabad.
The Engineer-in-Chief [PH], Hyderabad.
The P.S. to M (M&MI)
The P.S.to Hon’ble Minister (R&B)
The P.S. to Secretary to Hon’ble Chief Minister
The P.S. to Prl Secretary I&CAD Department.
The P.S. to Secretary (Irrigation)
The Prl. Secy. to Addl. Secretary
The Prl. Secy. to Joint Secretary (M)
The P.A. to Joint Secretaty (T)
The P.A. to Joint Secretary (I)
The Prl. Secy. to Law department.
The Prl. Secy. PR&RD Department.
The Prl. Secy. MA&UD Department.
The P.S. to Spl. Chief Secretary, TR&B Department.
All section in Irrigation & CAD Department,
The D.D.M, Secretary/
Sf/Sc.

// forwarded by order //

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2. SANCTION OF ESTIMATES Page 5
3. TENDER NOTICE / DOCUMENTS Page 6
4. TENDERS, INVITATION AND FINALISATION Page 6
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31. SUSPENSION OF BUSINESS

32. REMOVAL FROM THE APPROVED LIST

33. BLACK LISTING

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ANNEXURE – I
(Enclosure to GO Ms No 94, I&CAD (PWW) Department Dt 01-07-2003.)

TENDER PROCEDURES
(Compendium of orders issued in GO Ms No.132, TR&B Department, dt. 11.8.1998, GO Ms No.23, I &
CAD Department, dt. 5.3.1999 & GO Ms No.8, TR&B Department, dt. 8.1.2003)

(1) PREPARATION OF REALISTIC ESTIMATES:
(a) Standard Data:
   i) The standard data which forms basis for preparation of estimates for all Civil
      Engineering works shall be updated taking the improved construction technology
      in to consideration.
   ii) The Chairman Board of Chief Engineers and Engineer–in-Chief (Admn.)
       I&CAD Department shall complete the updation of Standard data.

(b) Finalization of Standard Schedules of Rates (SSRs)
   The SSRs shall be finalized before June without exception every year. The preparation of
   SSR shall be made more transparent by associating the representatives of Construction
   Industry, National Academy of Construction and the Institution of Engineers (India )
   A.P.State Centre, at the time of finalization. For cities like Hyderabad and
   Visakhapatnam, Unit rates will be prepared for various component items.

(c) Provisions to be made in the estimates:
   In order to prepare realistic estimates, the following provisions are permitted to be added
   in the estimate.
   i) Tax at the rate of 2% for items relating to canal digging, lining, repairing road
      works etc., where the earth work excavation and embankment is involved and for
      works other than the above, tax at 4% shall be added in the data.
   ii) A lump sum provision shall be made in the abstract estimate towards Insurance
       considering the agreement period and defect liability period of two year for the
       original works and one year for maintenance works, by obtaining details of
       Insurance premium from Insurance Organizations.
   iii) A Lump sum provisions shall be made in abstract estimates to meet the
       expenditure to be incurred by the Contractor on engaging Technical Personnel
       based on number of persons indicated in the tender document and permissible
       wages as per SSRs.
   iv) A lump sum provisions shall be made in the abstract estimate towards Banker’s
       Charges for obtaining Bank guarantees for payment of E.M.D., performance
       security and release of retention amount as per prevailing procedure based on the
       period i.e., period of completion plus defect liability period. The Chief Engineer
       concerned shall assess duly obtaining the details thereof from the Scheduled
       Banks and suitable provision shall be made. Till than, no provision for this item
       need be provided.
   v) A provision at 1 percent of the cost of Cement towards construction of temporary
      store shed shall be added on the data of relevant items.

(d) At the time of preparation of estimates, proper care should be taken to provided the lump
    sum provisions for the aforesaid items and necessary conditions also should be incorporated
in the tender document for suitable reimbursement to the contractors from out of the above provisions, however not exceeding the amounts indicated against each, on production of the Insurance policies, copies of appointment orders with payments vouchers, Bank Guarantee etc., Failing to comply with the above, reimbursement shall not be allowed but suitable penalty shall be imposed for not engaging technical personnel and the Engineer –in- Charge shall take Insurance policy at the cost of contractor duly deducting the premium from the contractor’s bills. Contractor has to take policy in favor of the employer i.e., Department.

(c) Rates for Earth work Excavation [with Machine].
Machine rates are to be adopted in all the cases for earth work excavation where the quantities exceed 1000 cum, with relaxation on the following items of works:

i) Earth work excavation for seating to lining for a depth of 0.10 m to 0.15m for Canals / Channels
ii) Removal of silt and slushy soils from the Canals / Channels where depth or removal is less than 0.30 m
iii) Earthwork excavation for restricted foundation for small structures building foundations etc.,
iv) Silt in slushy soils removal in lined canals, where movement of machinery is restricted
v) Earthwork excavation for model sections, chutes etc., where the movement of machinery is restricted.

(2) SANCTION OF ESTIMATES:

a) Administrative Approval:
Administrative approvals to the estimates for major and medium irrigation schemes as well as schemes relating to R &B Department will be accorded in two stages.

I) In stage -1, the administrative approval will be accorded for the following items which will help in preparation of detailed project reports.
   i) Detailed investigation.
   ii) Preparation of EIA and EMP reports, R&R plan, forest clearance etc.,
   iii) Preparation of detailed designs / drawings
   iv) Obtaining of necessary clearances
   v) Acquisition of minimum lands required
   vi) Completion of R&R, EMP etc.
   vii) Shifting of utilities for R&B Works

II) In stage-II projects will be prioritized and adequate funds be provided to complete them in realistic time frame. The second stage administrative approval will be issued only after designs are finalized, detailed investigation completed and lands are acquired for taking up works without interruption for the first two years. However, in respect of certain works such two approvals will be given straightaway on certification by the Engineer –in-Chief / Chief Engineer concerned that the Stage –I approval is not needed and that the designs are finalized, detailed investigation completed, lands are acquired and utilities are shifted for taking up the work without interruption in the first two years.

b) Technical Sanction:
Not withstanding anything contained in the relevant codal provisions, APSS and Government orders with regard to the procedure of according the technical sanction, enhanced powers are delegated to the field officers as follows:

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<th>Grade</th>
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<tr>
<td>E.Es</td>
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</tr>
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<td>S.Es</td>
<td>Rs.50 lakhs</td>
</tr>
<tr>
<td>C.Es</td>
<td>Value of administrative approval</td>
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</table>
c) **Limits of Technical sanction and inspection of works:**

The departmental officials should inspect works before technical sanction is accorded by the competent authority as per the monetary limits indicated below.

- For Engineers–in–Chief / Chief Engineers :: Rs.500.00 lakhs and Above.
- For Superintending Engineers :: Rs.50.00 Lakhs to below 500.00 lakhs
- For Executive Engineers :: upto Rs. 50.00 lakhs

Scrutiny of estimates should be taken up at random by authority one level higher than that competent to issue technical sanction to the estimates except in the case of Chief Engineer / Engineer-in-chief.

(3) **TENDER NOTICE / DOCUMENTS:**

(i) Tender Notice or Notice Inviting Tenders (NIT) will be approved by the Engineers for the works for which they are competent to accord technical sanction.

(ii) The Tender documents will be prepared by the concerned Engineers, bringing greater transparency indicating. The provisions made in the estimates for items which are reimbursable to the contractors with conditions therefore and relevant conditions relating to the implementation of the contract and other eligibility criteria on both physical and financial requirements in addition to the conditions contained in the APSS, APWD code.

(4) **TENDERS, INVITATION AND FINALIZATION:**

(a) For the works up to Rs. 50 lakhs the tender notice shall be published in District editions of two Telugu dailies with the largest circulation. For works costing more than Rs. 50 lakhs, the tender notices will be published in one Telugu daily and one English daily having largest circulation at the State level. To reduce the cost of each publication, the format for the tender notice in the newspaper shall be finalized by the Board of Chief Engineers so that the cost of the advertisement is kept to the minimum.

(b) The tender schedules should contain not only the quantities but also the rates worked out by the Dept. and the amount for each item and the total value of the contract. The tenderer will not be required to quote item wise. He should indicate his willingness to do the work either at the estimated value of the work of at a percentage in excess of the estimated value of the work or at a percentage less than the estimated value of the work.

(5) **COLLECTION OF EMD AT THE TIME OF ISSUING TENDER DOCUMENTS:**

In order to discourage purchase of tender documents by non-serious bidders, tender documents shall be issued to contractors on payment of Earned Money Deposit, at 1% of the estimate contract value. Successful bidder will pay balance EMD of 1½% contractor value at the time of concluding the agreement.

(6) **PREVENTION OF COLLUSION OF CONTRACTORS:**

With a view to prevent collusion or the formation into a ring by contractors, the following orders are issued:

(a) Tender schedules shall be issued till a date prior to the last date of submission of tenders

(b) once a contractor buys a tender schedule he shall not be permitted to return the schedule. After buying a tender-schedule, if a contractor does not tender for the work, his EMD shall be forfeited (cash or bank guarantee or both).
(7) RECEIPT OF TENDERS:

(i) The tender schedule shall be issued up to one day prior to the last day of submission of Tenders. The tenders shall be received at the place and time as specified in the Tender Notice. The contractor shall be allowed to submit the tender either personally or through his agent or by post. In case of submission of tender by post the risk and responsibility for either loss or delays in transit of the same is to be borne by the contractor. The tender opening authority will not consider any tender received by him after the expiry of date and time fixed for receipt of tenders.

(ii) Tender will be received in two parts in 2 different sealed covers. Cover-A and Cover-B. The Cover –A shall contain the qualification data viz Annual Turnover and value of works under execution etc., as at para (10). The Cover B will contain the financial bid for the work in question. The cover A and Cover B will be sealed and kept in another sealed envelope (cover C) supplied by the department while issuing Tender Schedules.

(iii) The EEs and SEs delegated with the power to invite the tenders will opened evaluate the tenders as per the qualification criteria. While opening the tenders care should be taken to first open Cover –C in the presence of the tenders or their authorized representative and other officials concerned on the specified date and time and also to verify whether the Cover –A and Cover –B are properly sealed and minutes by recorded to this effect then and there only. In case the Covers A&B or any one of them are found / unsealed, such tenders will not be opened and summarily rejected.

(iv) First cover (cover –A) with superscription as “TECHNICAL BID” which shall contain the qualification data as described at para 3.02 will be opened.

(v) Second Cover (Cover-B) with the superscription of “PRICE BID” shall contain the Schedule –A i.e., the statement of description of work, quantity, estimate rate and amount, price bid (Cover –B) of those tenderers who are determined as qualified as per eligibility criteria will be opened on the date specified in the tender notice and the Cover – B of unqualified tenderers will not be opened and kept in the safe custody till the tenders are finalized and there after shall be returned to them along with EMD. The Schedule-A of price bid shall contain the working items indicated as Part-I and LS provision as Part-11. The premium or discount quoted by the Contractor shall be applicable only for Part-I. However, the provisions contained in the Part-II will be operable basing on the conditions provided in the tender Schedules. The tenderers will have to state clearly their willingness to execute the work at the percentage excess or less or at par over the ECV indicated at Part-I at the space provided therein.

(vi) Before recommending / accepting the tender, the tender accepting authority shall verify the correctness of certificates submitted to meet the eligibility criteria and specifically for experience, the authenticated agreements of previous works executed by the lowest tenderer, shall be called for.

The EMD will be returned to the qualified but unsuccessful tenderer either after finalization of tenders or on expiry of validity of tenders which ever is earlier.

(8) FINALISATION OF TENDERS:

(i) Tenders will be finalized by the EES / SEs for the works costing up to their powers to accord technical sanctions.

(ii) The Chief Engineer shall finalise the tenders upto Rs.2 crore. The tenders for the works costing more than Rs.2 crore will be referred to COT along with Technical Bid evaluation and Price Bid evaluation for consideration. The COT shall scrutinize the tenders submitted by Engineers–in-Chief / Chief Engineers / Project Administrators in accordance with the conditions stipulated in the Tender document and in case of any discrepancy or non-adherence to the conditions, the same shall be communicated which will be binding both on
the Tender Concluding Authority and the Contractor. In case of any ambiguity, the decision take by the COT on tender shall be final.

(iii) Negotiations are not permitted to be conducted at any level.

(iv) The time allowed from the date of publication of tender notices to the date of receipt of tenders is 14 days for the first call and 7 days for the second call. The tenders will be received following three box system i.e., at SEs office, if the SP of the District where the SE’s office is located and one in the office of the ENC or by post to the SE concerned.

(9) VERIFICATION OF CERTIFICATES AND EXPERIENCE:

a) A website will be created and maintained by Commissioner of Tenders wherein details of all contractors will be made available. Existing Contractors should submit the details of their experiences with an affidavit before the Commissioner of Tenders. The Commissioner of Tenders should place all these details on the website. Those having objections should file before the Commissioner of Tenders, within a period of one month from the date of placement of experience particulars on the website. The Commissioner of Tenders should conduct the investigation on the objections of the contractors filed and final experience certificate should be displayed on the website within one month from the date of receipt of objections filed by the contractors. If any contractor submits false information, he will be liable for blacklisting. The Commissioner of Tenders should send proposals recommending to the Government with proper justification for black listing such of those contractors who furnish false information.

b) All Executive agencies in different departments will be given a password for making necessary entries in the website form time to time. Update of the information on the website shall be done by the awarding authority as and when a work is awarded. Similarly if a work is cancelled, the same should also be reflected in the website by canceling authority. Verification of certificates by sending to various agencies should be done away with while examining the eligibility. Instead, the information in the website should be used by all. This information should be crosschecked by the Commissioner of Tenders every year. The Commissioner of Tenders will also examine the objections as and when received. Those giving false of objections shall be penalized up to an amount of Rs. 10,000/-. Detailed orders in this regard will be issued separately for which proposals shall be sent by Commissioner of Tenders. The Commissioner of Tenders can also examine and have details verified suo-moto.

c) The Commissioner of Tenders should issue pass books to each contractor containing all the details covering experience, financial capacity etc. The contractors should enclose a Xerox copy of the pass book along with tender applications. Works awarded / cancelled should be entered in the passbook by an officer not lower than the rank of Executive Engineer. The details in the passbook should tally with those in the website.

Duplicate pass books can be issued on payment of an amount of Rs.5000/ on the first occasion and Rs. 25,000/- subsequently.

d) Contractors who execute their works within time as per specifications shall be issued a merit certificate acknowledging their timely completion ensuring good quality. The merit certificate shall be given in a public function with due publicity to increase the prestige and standing of the contractors in the society. While giving works on nomination the contractors who have received the merit certificates for quality and timely performance, shall be given preference over others. The performance of the contractors on the works shall be obtained and maintained in the offices of the Registering authorities viz., EEs, SEs, CEs and Board of CEs. The performance shall be assessed annually and the results shall be made use of while considering applications for renewal of contractor’s registrations.
QUALIFICATION CRITERIA

A. To qualify for award of the Contract, each bidder in its name should have, during the last five years (specified financial years i.e. they should be immediately preceding the financial year in which tenders are invited)

a) Satisfactorily completed as a prime contractor, similar works of value not less than Rs. /- @ (usually not less than 50% of Estimated value of contract) in any one year.

b) Executed in any one year, the following minimum quantities of works:
   - Cement concrete including RCC and PSC Cum.
   - Earth work in both excavation and Embankment Cum.
   - (relevant principal items be indicated)
   - (usually 50 percent of the expected peak quantities of construction per year)

B. Each Bidder should further demonstrate:

a) Availability (either owned or leased or to be procured against mobilisation advances) of the following Key and critical equipment for this work.
   -
   -
   -

Note: (Based on the studies carried out by the Engineer, the minimum suggested major equipment to obtain the completion of works in accordance with the prescribed construction schedule/mile stones are shown in the above list)

b) Availability of the Key personnel with adequate experience as required should be indicated based on the requirement for the work to be executed.

c) Liquid assets/credit facilities of not less than Rs. Lakhs (credit lines/letter of credit/solvency certificates from Banks etc. shall be equivalent of the estimated cash flow for three months in peak construction period)

d) EMD in the shape of Bank Guarantee in the standard format enclosed, for Rs…… (one percent of the estimated contract value) to be valid for the period as indicated at para 1.03 (d) i.e., period of completion plus defect liability period.

e) Experience relating to the works executed in State/Central Government departments or State/Central Government undertakings shall only be considered.

BID CAPACITY:

(a) The sub contractor’s / GPA holder’s experience shall not be taken into account in determining the bidders compliances with the qualifying criteria. The tenderers who meet the requirement qualification criteria will be qualified only if their available bid capacity is more than the estimated value. The available bid capacity will be calculated as under:

Assessed Available Bid Capacity : A x N x 2 – B

Where

A= Maximum value of civil engineering works executed in any one year during the last five years (updated ….. * price level) taking into account the completed as well as works in progress.
N = Number of years prescribed for completion of the works for which tenders are invited.

B = Value of existing commitments and ongoing works to be completed during the period of completion of works for which tenders are invited.

Note: The statement showing the value of existing commitments and ongoing works as well as the stipulated period of completion remaining for each of the works listed should be issued by the Engineer-in-Charge of Government department / undertaking not below the rank of Executive Engineer or equivalent and countersigned by the rank of SE or equivalent. The statement to the above effect will be clearly enclosed to the Bidding document, and the tenderer shall furnish the particulars invariably in the same format failing which the tender shall be treated as incomplete and summarily rejected.

@ = at …. * Price level. Financial turnover and cost of completed works of previous years shall be given weightage of 10% per year to bring them to ……., price level *

* The financial year in which bids are invited.

(b) Even though the tenderer meets the above qualification criteria, he/she is subject to be disqualified if he/she is found to have misled or made false representation in the forms, statements submitted in proof of the qualification requirements of record of poor performance such as abandoning works not properly completed in the contract, inordinate delays in completions, litigation history and or financial failures and / or participated in the previous tendering for the same works and had quoted unreasonably high bid prices. In addition to the above, even while execution of the work, if found that the Contractor had produced false/fake certificates of experience, he/she will be black listed and work will be taken over invoking clause 60 (a) of PS to APSS.

(c) Tenders shall be valid for a period of 1/2/3 months as the case may be. Before the expiry of the validity, the authority competent to call for tenders shall seek for further extension of validity from the contractors and in case the validity is not extended his /her tender will not be considered and the EMD shall be returned. During the period of validity if any tenderer withdraws his tender, his/her EMD shall be forfeited.

(12) QUALIFICATION CRITERIA FOR WORKS COSTING RS.10 LAKHS AND BELOW:
The qualification criteria at para.10 as well as modified procedure of collecting EMD in the shape of Bank Guarantee will not be made applicable for the works costing Rs.10 lakhs (ECV) and below. For above works single cover system shall be followed and the EMD shall be submitted alongwith the completed Tender Schedule.

(13) TENDER PREMIUM:
(i) Ceiling of Tender Premium:
For all works the ceiling of tender premium shall be 10%. As per the guidelines, even after two calls if the tender premium quoted is more than 10%, the matter should be refer to the Government and the Government may order for a fresh call or may constitute a committee to avoid the work on nomination to a reputed contractor from the list to be maintained by the Department on the basis of performance of contractors.

(ii) Discount Tenders:
(Percentage less than estimated cost) : Tenders upto 15% less than the estimate may be accepted but for tenders which are less by more than 15% of the estimate, a bank guarantee or demand draft for the difference between the tendered amount and 85% of the estimate value should be taken so that the tenderer leaves the works midway and the department is forced to call for tenders for the work once again, the bank guarantee or demand draft shall be used to finance the re-tendered work.
(14) (i) **ENTRUSTMENT OF WORKS ON SELECTION BASIS:**

The tenders received are found to have abnormally high percentage or within the permissible ceiling limits prescribed but under collusion or due to unethical practices adopted at the time of tendering process, shall be rejected.

When such situation arises that even for second tender call, the reasonable percentage in fair and free environment is not received, the works will be entrusted on selection basis from out of the list of contractors who are possessing the eligibility criteria as specified in the tender document with proven track record will be selected in turns of 5 contractors at each time and will be asked to file their price bids at a specified place and time before the competent committees as stated at para 14.11 to entrust the work. The committee assessing the reasonableness of excess percentage quoted will recommend to award the work to the lowest of all the contractors participated. The contractor to whom the work is entrusted on selection basis will be provided necessary security and protection if requested at his cost.

(ii) **COMMITTEES TO ENTRUST WORKS ON SELECTION BASIS.**

For the purpose of above selection and entrustment of works to contractors the composition of the committees at District and State level and powers delegated to them are as under:

a) For the works costing upto Rs.1 Crore, a committee consisting of the Collector of the District in which work is located, the SE concerned with the work and two Superintending Engineers of two other works Departments viz., Panchayat Raj, R&B and the Irrigation will recommend to the competent authority to award the work.

b) For the works costing above Rs.1 Crore, the committee consisting of the COT and the Chief Engineer concerned and Engineer-in-Chief (Irrigation) will recommend and award the works on the selection basis.

(iii) **ENTRUSTMENT OF WORKS ON NOMINATION BASIS:**

(a) For giving works on selection lists of contractors with good track record will be prepared. In preparing these lists the volume of works done by the quality of works done by them, the infrastructure possessed by them and also works on hand and their capability will also be considered. The list of contractors should be prepared and published in advance regularly i.e., once in 6 months. From these lists contractors will be called for negotiations in groups of 5 in rotation. The contractor offering to do the work at the lowest rate will be given the work. Time allowed for selection by the Committee will be 5 days.

(b) The total value of works grounded in any year including works given through tenders or through nomination shall not exceed the budget provided to each division.

(15) **SUB-CONTRACTS:**

If the prime contractor desires to sub-let a part of the work he should submit the same at the time of filing tenders itself or during execution, giving the name of the proposed Sub-Contractor, along with details of his qualification and experience. The Tender Accepting Authority should verify the experience of the Sub-Contractor and if the Sub-Contractor satisfies the qualification criteria in proportion to the value of work proposed to be sub-let, he may permit the same. The total value of works to be awarded on sub-letting shall not exceed 50% of contract value. The extent of subletting shall be added to the experience of the sub-contractor and to that extent deducted from that of the main contractor.
(16) **PRICE ADJUSTMENT:**
Price adjustment shall be granted where administered prices are enforced and that too for works estimated at more than Rs. 2.00 Crores and having completion period of more than 18 months. This should be applicable within the original contract period or extended period owing to departmental delays. This will not apply to cases attributed to contractors fault.

(17) **MOBILISATION ADVANCE:**
The contractor shall have the facility of obtaining mobilization advance up to 10 % of contract value on works costing more than Rs. 1 crore against Bank Guarantee which will attract suitable rate of interest. The advance and interest shall be recovered from the contractor's bills in appropriate installments.

(18) **CONSTRUCTION MATERIALS:**
The present practice that the contractor has to procure at his own cost the principal construction materials like cement, steel, bitumen, sand metal soils etc., shall continue.

(19) **SEIGNIORAGE CHARGES:**
The Seigniorage charges will be recovered from Contractors bills as per the rates prescribed in the contract documents for the materials used on the work only. The present practice of insisting for production of documentary evidence for having paid the seigniorage charges in items of GO Ms No. 243, Dated 8.5.1986 and in the absence of such production of the evidence, the Imposition of five times penalty is dispensed with.

(20) **SALES TAX:**
For sales tax / tax on works contract, contractors are given an option to opt for the composing schemes under section 5 (g) of the APGST Act and those opting for it are subject to a tax deduction of 2 % at source on the total value of the contract. In such case, the departments will not insist on production of clearance certificate and no assessment of tax will be needed.

(21) **LIQUIDATED DAMAGES:**
The liquidated damages are imposed on the contractors as per the present practice basing on the milestones.

(22) **PAYMENT OF BILLS:**
The contractors will be permitted to submit their work bills once in a month and payment will be made after proper check of quantity and quality with in a reasonable time limit. The final payment of the contractor should not be delayed for want of certificate from the quality control staff.

(23) **PAYMENT FOR EXCESS QUANTITIES:**
Payments for execution of quantities, in excess of agreement quantities, should be made without delay and the EEs should take prompt action to obtain the approvals of the competent authority to make the payment to the contractors. Failure in this regard shall result in disciplinary action being taken against the concerned engineers. Similarly, final payments to contractors should not be delayed for want of a certificate from the Quality Control Staff. The Chief Engineers should ensure proper performance of the Quality Control Wing and see that they give the certificates in time on pain of disciplinary action to avoid delays in the payment of final bills to the contractors.

(24) **QUALITY CONTROL:**
(a) The Contractor and the Engineers in charge of construction / maintenance are responsible for the quality of construction / maintenance. The departmental executing Engineers will act as Quality Assurance Engineers. The Quality Control Officials are accountable for the quality of the work where certification issued by them. They should also act as Quality Audit Engineers.
(b) If external agencies are engaged, for conducting quality audit, the following methodology
given below should be adopted.

i) Before inspecting the work, the external agency should inform the Head of the
Department. It should conduct quality control tests as per the standard
procedures in the presence of Construction and Quality Control Engineers and the
Contractor who is executing the work.

ii) The observations of the external agencies on the quality of work should be
recorded then and there and signatures of all the concerned obtained as a token of
acceptance of the observations.

(c) For all works costing more than Rs. 2.00 Crores, the Contractor shall submit quality plan
and also show proof of owning Quality Laboratory or having tie-up with an established
Quality Laboratory. The details of Quality Control Test Equipment required should be
incorporated in the Tender Documents. The equipment needed should be standardized by
individual departments depending on nature of work.

(d) All the major contractors should be encouraged to have ISO certification and those having
the same may be given preference in awarding of works.

(25) **DEFECT LIABILITY PERIOD:**
The contractors are responsible for the quality of works executed till the expiry of defect liability
period, which is now prescribed as two years for both original works and maintenance works.
Each department should formulate and issue guidelines based on the nature and life span of
works.

(26) **TRAINING:**
Up to one percent of the budget allocation shall be set apart to train Engineers of the Departments
at all levels for introducing new technologies, practices, materials in execution of works

(27) **SITE ORDER BOOK:**
The site order book shall be maintained as provided for in the Codes and it should contain the
remarks and instruction of all engineers who visit the work viz., the EE, SE, CE and Engineer-in-
Chief.

(28) **COMMITTEES TO RESOLVE INTER-DEPARTMENTAL PROBLEMS**
In order to expedite execution of works and to remove any difficulty that contractors may
face in obtaining clearances and other infrastructure facilities from various departments
such as shifting of power lines, procurement of blasting materials, power supply
connection etc., at the District level, the Collector will formulate Committees and take
necessary steps. The Chief Secretary will have periodical review with the concerned
Secretaries and Chief Engineers in order to resolve the difficulties which could not be
sorted out at District level. The Heads of the Departments are directed to constitute
suitable committees at different levels for speedy settlement of the different kinds of or
levels of disputes of technical nature by the Chief Engineers concerned.
ANNEXURE - II

(Enclosure to GO Ms No.94 I&CAD (PW:COD) Department dt 01-07-2003 )

RULES FOR REGISTRATION OF CONTRACTORS:  (As issued in GO Ms No.521, I & CAD Department, dated. 10.12.1984 and as amended in GO Ms No.8, TR&B Department, dt. 8.1.2003).

1) REGISTRATION:

(a) The contractors registered will be called as contractors of all Engineering Departments of A.P.State Government.

(b) The registration of the contractors will be done in the following categories:

(i) Civil contractors (of all public works departments)
(ii) Public Health Engineering.
(iii) Furniture
(iv) Electrical
(v) Transport
(vi) Fabrication and Erection of structural scheme.

(c) Registration of contractors in each category will be done in the following classes , separately under each one or more of the classes as they may desire.

(i) Special Class
(ii) Class . I
(iii) Class. II
(iv) Class. III
(v) Class. IV
(vi) Class. V

(d) The contractors of Special Class, Class. I, Class. II and Class.III are eligible to take up the works throughout the State. The contractors of Class. IV and Class. V can tender for works only within the circle where registration is done.

(e) Procedure for registration: The contractor shall submit an application in the proforma given in the Annexure-IV to the concerned authority together with necessary documents in support of his application (as mentioned below). The authority competent to register the contractor in the concerned class will take action to verify the credentials and antecedents of the contractor and issue suitable order registering the contractor. Before registering in any class or category the contract shall be asked to sign in the code of conduct which shall be appended to the divisional copy of the APDSS. A draft form for issuing orders of registration to be adopted by the registering authority is given in Annexure-VI of this G.O.

(f) The following documents shall be submitted along with the application seeking registration as a contractor in a particular class or category.

(i) Application form ( in the proforma prescribed in the Annexure-VI with Rs.2/- court fee stamp, affixed thereon.
(ii) Proof of payment of registration fees
(iii) Solvency Certificate:

(a) The Solvency Certificate for the amounts shown under item (iv) of the Annexure-III shall be obtained from the officer of the Revenue Department, of the rank not below the of the Tahsildar in the proforma in Annexure(V)(a)

(b) The certificates may also be obtained from a scheduled bank in the proforma given in the Annexure (V)(b).
(c) The Solvency certificate shall be valid for a period of one year from the date of their issue.

(d) The solvency for registering various class of contractors is fixed as 10% of the minimum monetary limit of that class. This will apply to all future registrations and renewal of registrations by existing contractors.

(iv) A list of works executed by the contractor during the past five years duly certified by the concerned departmental Engineer of the rank of an Executive Engineer or equivalent officer.

(v) **Latest Income Tax and Sales Tax Clearance Certificate:** The names of the firms / individuals shall be registered and included in the approved list of contractors only when they produce income tax clearance certificate in the form approved by the Income Tax authorities. No exemption from this requirement shall be granted even to the Cooperative Societies.

(vi) Copy of the partnership deed in the case of registration of partnership / partners / companies

(vii) Form' C ' issued by the Registrar of Firms in the case of partnership / companies.

(viii) A copy of the Engineering Degree in the case of employed Engineering Graduates

(g) **Rules for registration:**

(i) The registration of contractor in any class once done shall be in force only for five (5) years in that particular class. The contractor shall register himself afresh every five (5) years thereafter. The registration shall however be done only twice in a year i.e., January and June. The existing contractors shall be given six months time for registration as contractors afresh under these rules, from the date of issue of this order.

(ii) While submitting the application for fresh registration in the same class or for registration in higher class, the contractor shall furnish the certificate of his performance issued by the Executive Engineer in charge of the works as detailed in Annexure.III, Sl.No.5 and Note. II against the item.

(iii) The cases for firms or companies, through newly framed may be considered provided concerned firms or companies have recruited or already consist of highly skilled professional Engineers and experts, in their organization.

(iv) A Contractor can register his name in more than one category.

(v) The contractor shall not apply for registration in his name and also in the name of partnership / company which runs in his name in the same class or category at a time.

(vi) Contractors of other States shall get themselves registered in this State before offering their tender for works in this State.

(vii) Application of the contractors for registration in Special Class and Class–I may be recommended by the individual Chief Engineers to the Engineer-in-Chief for placing them before the Committee of ENCs for its consideration and decision.
(viii) The contractor already registered in a particular class can form partnership firms in the same class and category only by a separate registration foregoing his individual registration at the time of biennial registration as mentioned in Class (i) above.

(ix) In the case of partnership / Companies any changes in the partners shall be reported to the registering authorities within one month of the date of such change.

(x) The applicant is required to furnish the following certificate. Certified that I will employ qualified technical personnel with suitable complimentary staff to meet the requirements of the works as specified in the Tender documents.

(h) Registration of contractors which is presently being done in each specialization in Special Class and Class-I is dispensed with. In future, Registration under these categories will be done without any specialization as is being done in respect of other categories of contractors. Existing contractors of Special Class and Class-I will be eligible for all categories of works unless otherwise specified in the tender process, specialization if required for any works shall be specified clearly in the qualification criteria in the tender process.

The Registration of contractors shall be done as detailed.

<table>
<thead>
<tr>
<th>S.NO (1)</th>
<th>CLASS OF CONTRACTORS (2)</th>
<th>MONETARY LIMITS OF WORKS (3)</th>
<th>REGISTERING AUTHORITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>Special class</td>
<td>Above Rs.10.00 Crores</td>
<td>Committee of Engineer–in-Chief and the Commissioner, Commissionerate of Tenders.</td>
</tr>
<tr>
<td>(2)</td>
<td>Class –I</td>
<td>Above Rs. 2 Crores upto Rs. 10 Crores</td>
<td>Committee of Engineer-in Chief and the Commissioner, Commissionerate of Tenders.</td>
</tr>
<tr>
<td>(3)</td>
<td>Class –II</td>
<td>Above Rs. 1 Crore upto Rs. 2 Crores</td>
<td>Committee consisting of the Chief Engineer concerned, another Chief Engineer of the same or other Department and Member Commissioner of Tenders to be nominated by the Commissioner, Commissionerate of Tenders.</td>
</tr>
<tr>
<td>(4)</td>
<td>Class –III</td>
<td>Rs. 50 Lakhs to Rs. 1 Crore</td>
<td>District level Committee comprising the Superintending Engineers available in the district and a representative / nominated by the Commissioner, Commissionerate of Tenders.</td>
</tr>
<tr>
<td>(5)</td>
<td>Class–IV</td>
<td>Above Rs. 10 Lakhs upto Rs. 50 lakhs</td>
<td>District level Committee comprising the Superintending Engineers available in the district and a representative / nominated by the Commissioner, Commissionerate of Tenders.</td>
</tr>
<tr>
<td>(6)</td>
<td>Class – V</td>
<td>Upto Rs. 10 lakhs</td>
<td>Executive Engineer of the Division concerned.</td>
</tr>
</tbody>
</table>
(2) **DEMOTION OF CONTRACTORS:**

(a) The registering authority may demote a contractor to a lower class if he:

i) fails to execute contractor or executes it unsatisfactorily or is proved to be responsible for constructional defects (or)

ii) has no longer adequate equipment, technical personnel or financial resources: (or)

iii) violates any important conditions of contract:

iv) is responsible for any other matter which may justify his demotion to a lower class.

v) If litigious by nature.

(b) The fact of and the reasons for demotion shall be communicated and two weeks time shall be given to the contractors to offer his explanation before demoting him.

(c) Copies of the order together with a memorandum containing reasons for demotion should be forwarded to the Government through the concerned Chief Engineer and to the Engineer–in-Chief.

(d) In case of contractor registered for more than one category or work (viz., civil sanitary, electrical, transport and fabrication and erection of structural steel), the order regarding demotion would apply only to one category unless otherwise stated in orders.

(3) **SUSPENSION OF BUSINESS:**

(a) Suspension of business with a contractor may be ordered by the registering authority for any indefinite period pending full enquiry into the allegations, the registering authority is prima facie or the view that the contractor is guilty of an offence in relation to the business dealings which if established would result in his removal, black listing and it is not desirable to continue business with the contractor.

(b) The reasons for suspension of business shall not be intimated to the contractor and two weeks time shall be given to him to offer his explanation. If the explanation is not satisfactory, action may be initiated for suspension of business.

(c) Copies of the orders together with a memorandum containing reasons thereof should be forwarded to the Government through the concerned Chief Engineer and Engineer–in-Chief.

(d) Suspension of business with the contractor for a specific period may be ordered to the registering authority when the contractor is responsible for minor technical offence(s) or when he fails to furnish the I.T.C. In such a case the fact of the suspension should be communicated to the contractor giving reasons for the same. This action need not be reported to the Government.

(4) **REMOVAL FROM THE APPROVED LIST:**

(a) Registering authority may remove the name of a contractor from the approved list, if the contractor

i) has on more than one occasion failed to execute a contract or has executed it unsatisfactorily (or)

ii) fails to abide by the conditions of registration or is found to have given false particulars or information at the time of registration.
iii) Persistently violates any important condition(s) of the contract; or

iv) Is proved to be responsible for construction defects in a number of cases;(or)

v) Is declared or in the process of being declared bankrupt in solvents wound up dissolved or partitioned (or)

vi) Persistently violates the labour regulations and rules;

(b) The reasons for removal form the approved list shall be intimated to the contractor and two weeks time shall be given to him to offer his explanation. If the explanation is not satisfactory action may be taken to remove the contractor from the approve list. The EMD shall also be forfeited.

(c) Copies of orders together with a memorandum containing reasons therefore should be forwarded by the registering authority to the Government through concerned Chief Engineer and the Engineer-in-Chief.

(d) In respect of contractors registered various categories of work (civil, technical, transport and fabrication and erection of steel structure) orders regarding the removal should apply only to the particular category unless otherwise stated.

(5) **BLACK LISTING**:

Only the administrative department will black list the contractor.

(a) The head of the department (Chief Engineer) may blacklist a contractor with the approval of Government, where:

(i) there are sufficient and strong reasons to believe that the contractor or his employee has been guilty or malpractice(s) such as irregular practices including formation of ring, bribery corruption, and fraud including substitution and in tenders smuggling, pilfering of unauthorized use of disposal of Government materials issued for specific work.

(ii) A contractor continuously refuses to pay Government dues without showing adequate reasons.

(iii) A contractor or his partner or his representative has been convicted by a court of law for offence involving moral turpitude in relation to business dealing(s).

(iv) Security consideration including suspected disloyalty to the State as warrant.

(v) The EMD shall also be forfeited.

(b) Contractor should be given an opportunity of two weeks time for offering his explanation on the proposal to black list him before taking final decision.

(c) Copies of such orders together with the reasons for the action taken and also the names of the partners and the list of allied concerned coming within the effective influence of the blacklisted contractors will be forwarded to the Secretary of the concerned administrative department who will in turn intimate the other Departments in the Government for ordering immediate cessation of all future business with the contractor.

(d) Decision for black listing of a contractor under sub-para 6.1 (c) will be taken by the concerned administrative department and communicated to the concerned Chief Engineer giving reasons for blacklisting the contractor as also the names of all the partners of the contractor and allied concerned coming within the effective influence of the black listed
contractor. Blacklisting of orders would however be issued by the Chief Engineer. The Chief Engineer shall intimate the reasons for blacklisting of the contractor concerned.

(e) Action for blacklisting a contractor should be taken only where it is established that the offence was committed in order to secure advantage to the contractor and not where the object might be to secure advantage to any employee or representative of the contractor personally.

(f) Care should be taken to see that the contractor blacklisted does not transact business with Government under different name or title.

(g) The administrative department in the Government while examining any case of blacklisting of a contractor may refer doubtful marginal cases for advice to the Law Department wherever justified necessary.

(h) Once the blacklisting orders are issued they should ordinarily not be revoked unless:
   i) On review the Government is of the opinion that the punishment already undergone is adequate in the circumstances of the case.
   ii) in respect of the some offence, the accused has been honorably acquitted by a court of law.

(i) The Engineer –in-Chief shall be responsible for keeping up to date list of black listed contractors (including those black listed at the instance of the Government) and circulate the list periodically to the Chief Engineers of all the engineering departments. The Engineer –in-Chief will also circulate every quarter a list of additions and revocations during the previous quarter.

(6) RESTORATION:
Upgrading a demoted contractor revoking the suspension of business, restoring registration, withdrawal of blacklisting etc., may be considered at an appropriate time on the merits of each case by the authority who has passed the original orders. Copies of restoration orders should also be furnished to the concerned administrative department of the Government.

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ANNEXURE – III
(ENCLOSURE TO G.O.MS.NO. 94, I&CAD (PW)-COD) DEPARTMENT, DT.01-07-2003)

STATEMENT SHOWING ………………..

I) Monetary limits upto which the Contractors are qualified to tender.
II) Registration fees payable.
III) Authority for Registration.
IV) Amount for which solvency certificate is to be produced.
V) Certificate of past experience.
VI) Other requirements.

<table>
<thead>
<tr>
<th>S. No</th>
<th>DESCRIPTION OF ITEM</th>
<th>SPL.CLASS</th>
<th>CLASS I.</th>
<th>CLASS II</th>
<th>CLASS III</th>
<th>CLASS IV</th>
<th>CLASS V</th>
<th>REMARKS</th>
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<tr>
<td>I</td>
<td><strong>MONETARY LIMITS UPTO WHICH CONTRACTORS ARE QUALIFIED TO TENDER.</strong></td>
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<td></td>
<td>i) <strong>Civil</strong> (as per GO Ms No.8)</td>
<td>Above Rs.10 Crore.</td>
<td>Above Rs.200 Lakhs and upto Rs.10 Crore.</td>
<td>Above Rs.100 Lakhs and upto Rs.200 Lakhs.</td>
<td>Above Rs.50 Lakhs and upto Rs.100 Lakhs.</td>
<td>Above Rs.10 lakh and upto Rs.50 Lakhs.</td>
<td>Upto Rs.10 Lakh</td>
<td><strong>As per GO Ms No.8, dt.8.1.2003.</strong></td>
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<td></td>
<td>ii) <strong>Public Health Engineering</strong></td>
<td>–</td>
<td>Above Rs.1 Lakh and upto any amount.</td>
<td>Above Rs.50,000/- and upto Rs.1 lakh</td>
<td>Upto Rs.50,000/-</td>
<td>–</td>
<td>–</td>
<td>For works in this registration will be for Class I &amp; II &amp; III only.</td>
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<td></td>
<td>iii) <strong>Furniture</strong></td>
<td>–</td>
<td>Above Rs. 2 Lakhs and upto any amount.</td>
<td>Above Rs.50,000/- &amp; upto 2 Lakhs</td>
<td>Upto Rs.50,000/-</td>
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<td>-do- (also see Sl.No.VI, Item 5)</td>
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<td></td>
<td>iv) <strong>Electrical</strong></td>
<td>–</td>
<td>Above Rs. 5 Lakhs up to any amount.</td>
<td>Above Rs.2 Lakhs &amp; upto Rs.5 Lakhs</td>
<td>Above Rs.50,000/- &amp; upto Rs.2 Lakhs</td>
<td>Upto Rs.50,000/-</td>
<td>–</td>
<td>For this item Registration will be done only in Classes Special I, II &amp; III only (Also See Sl.No.VI, Item 6).</td>
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<tr>
<td></td>
<td>vi) <strong>Fabrication and Erection of structural steel.</strong></td>
<td>Above Rs. 5 Lakhs up to any amount.</td>
<td>Above Rs.2 Lakhs &amp; upto Rs.5 Lakhs</td>
<td>Above Rs.50,000/- &amp; upto Rs.2 Lakhs</td>
<td>Upto Rs.50,000/-</td>
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<tr>
<td>II</td>
<td><strong>REGISTRATION FEE</strong></td>
<td>Rs.500/-</td>
<td>Rs.300/-</td>
<td>Rs.150/-</td>
<td>Rs.100/-</td>
<td>Rs.50/-</td>
<td>Rs.30/-</td>
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### Note:
The following instructions shall be followed while making payment of the Registration Fees.

1. The Registration fees shall be paid through challan in any Government Treasury or Demand Draft (Crossed) obtained from a Scheduled Bank.
2. The particulars of Head of Account to which the Registration fees id debitable shall be obtained from the Local Departmental Officers.
3. The Registration fee shall be remitted in the Form of Challan or Demand Draft in favour of E.E., of any Division of the Department concerned.

### III  
**AUTHORITY FOR REGISTRATION: [AS PER GO MS No.8]**

<table>
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<tr>
<th></th>
<th>Committee consisting of Engineers-in-Chief and the Commissioner, COT with Engineer-in-Chief [AW], I &amp; CAD as Convenor.</th>
<th>Committee consisting of Engineers-in-Chief and the Commissioner, COT with Engineer-in-Chief [AW], I &amp; CAD as Convenor.</th>
<th>Committee consisting of the Chief Engineer concerned and another Chief Engineer of the same or other Department and Member, Commissionerate of Tenders with CE concerned as Convenor.</th>
<th>District Level Committee comprising the Superintending Engineers available in the district with Superintending Engineer concerned as Convenor.</th>
<th>District Level Committee comprising the Superintending Engineers available in the district with Superintending Engineer concerned as Convenor.</th>
<th>Executive Engineer of the Division along with other Executive Engineer’s in the district with concerned Executive Engineer as Convenor.</th>
</tr>
</thead>
</table>

### IV  
**AMOUNT FOR WHICH SOLVENCY OF CERTIFICATE ARE TO BE PRODUCED**

<table>
<thead>
<tr>
<th>Category</th>
<th>Rs.100 Lakhs</th>
<th>Rs.20.00 Lakhs</th>
<th>Rs.10.00 Lakhs</th>
<th>Rs.5.00 Lakhs</th>
<th>Rs.1 Lakh</th>
<th>Rs.20,000/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) CIVIL [As per GO Ms No.8]</td>
<td>Rs.100 Lakhs</td>
<td>Rs.20.00 Lakhs</td>
<td>Rs.10.00 Lakhs</td>
<td>Rs.5.00 Lakhs</td>
<td>Rs.1 Lakh</td>
<td>Rs.20,000/-</td>
</tr>
<tr>
<td>ii) Public Health Engineering</td>
<td>Rs.10,000/-</td>
<td>Rs.10,000/-</td>
<td>Rs.5,000/-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iii) Furniture</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>iv) Electrical</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>v) Transport</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>vi) Fabrication &amp; Erection of structural steel.</td>
<td>Rs.1 Lakh</td>
<td>Rs.50,000/-</td>
<td>Rs.25,000/-</td>
<td>Rs.10,000/-</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### V  
**CERTIFICATE OF PAST EXPERIENCE**

<table>
<thead>
<tr>
<th>Category</th>
<th>Rs.75.00 Lakhs</th>
<th>Rs.15.00 Lakhs</th>
<th>Rs.6.00 Lakhs</th>
<th>Rs.3.00 Lakhs</th>
<th>Rs.1-00 Lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td>A) Civil</td>
<td>No monetary limits for past experience is prescribed for Class V but the applicant should have functioned as an agent or an employee under Registered Class I</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
B) *(i)* Value of single work to have been executed in a year

<table>
<thead>
<tr>
<th></th>
<th>Rs.50.00 Lakhs</th>
<th>Rs.10.00 Lakhs</th>
<th>Rs.4.00 Lakhs</th>
<th>Rs.3.00 Lakhs</th>
<th>Rs.1.00 Lakh</th>
</tr>
</thead>
</table>

*No monetary limit for past experience is prescribed to Class V but the applicant should have functioned as an agent or an employee under registered Class I Contractor Certificate to that effect should be produced.*

(ii) Public Health Engineering

(iii) Furniture

(iv) Electrical,

(v) **Transport.**

a) Value of Group or works to have been executed in a year.

<table>
<thead>
<tr>
<th></th>
<th>Rs.3.00 Lakhs</th>
<th>Rs.1.00 Lakh</th>
<th>Rs.60,000/-</th>
</tr>
</thead>
</table>

b) Value of single work to have been executed in a year.

<table>
<thead>
<tr>
<th></th>
<th>Rs.2 Lakh</th>
<th>Rs.75,000/-</th>
<th>Rs.40,000/-</th>
</tr>
</thead>
</table>

vi) Fabrication and Erection of Structural Steel

a) Group of works Rs.8.00 to be executed in a year.

<table>
<thead>
<tr>
<th></th>
<th>Rs.8.00 Lakhs</th>
<th>Rs.3.00 Lakhs</th>
<th>Rs.1.00 Lakh</th>
<th>Rs.60,000/-</th>
</tr>
</thead>
</table>

b) Value of single work to be executed

<table>
<thead>
<tr>
<th></th>
<th>Rs.5.00 Lakhs</th>
<th>Rs.2.00 Lakh</th>
<th>Rs.75,000/-</th>
<th>Rs.40,000/-</th>
</tr>
</thead>
</table>

VI **Other Requirement:**

i) Civil Contractor

<table>
<thead>
<tr>
<th></th>
<th>Nil</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Public Health Engineering Contractors.</td>
</tr>
<tr>
<td>---</td>
<td>-------------------------------------</td>
</tr>
<tr>
<td>iii)</td>
<td>Furniture Contractors</td>
</tr>
<tr>
<td>iv)</td>
<td>Electrical contractors</td>
</tr>
</tbody>
</table>

**VII TRANSPORT CONTRACTORS**

The Transport Comprises of conveyances of construction materials such as Steel, Cement, Sand etc. The Class III Contractors shall possess atleast one Transport Vehicle of suitable capacity capable of carrying long structure in his name as per the registration book. The Class II Contractor shall possess two such vehicles in his name. The Class I Contractor shall possess three such vehicles in his name. The vehicles shall be in good working condition. They shall not be transferred on sale during the period of contract and if done so the Registration of the Contractor shall be deemed to have been withdrawn automatically.

**VIII Fabrication and erection of Structural Steel Contractors**

The Class III Contractor shall be capable of acquiring or commandering basic lifting tackles such as tripeds, sheaves and pulleys. The Class II contract shall also be capable of acquiring or commending winches of suitable capacity and single derrick of 20 ft., lift besides the capacity mentioned for class III above. The Class I contractor shall be capable of acquiring or commandering all the requirements mentioned for Class II contractor and in addition he must be capable of acquiring or commendering a wilding set of suitable capacity and the services of one qualified welder must be made available. The Class I contractor shall also acquire suitable hydraulic jacks, sleepers, Mobile crane of 15 to 20 tons capacity. The contractor must have been the partner or a Director of Registered structural factory within the meaning of Factory Act, 1948.
FORM OF APPLICATION FOR REGISTRATION OF CONTRACTORS CIVIL / PUBLIC HEALTH ENGINEERING / FURNITURE / ELECTRICAL / TRANSPORT / FABRICATION AND ERECTION OF STRUCTURAL STEEL / CONTRACTOR.

TO

THE CHIEF ENGINEER,
MAJOR IRRIGATION, MEDIUM IRRIGATION AND MINOR IRRIGATION HYDERABAD.

SIR,

Sub: Contractor – PWD I&P Dept – Application for registration as Class – I / II Contractor – submitted.

I, Sri ……………………………………………………………………………….. Managing partner of

M/s. ……………………………………………………………………………….. Engineers and Contractors,
PWD, Resident …………………………………………………………………… Village ……………………..
Taluk ……………………… District ……………………… a Registered Class ………….. Contractors…………………………..of Govt. / Corporation etc., request you to kindly register
my name / our firm as ……………………………………………………class Contractor in the category of
Civil / Public Health Engineering / Furniture / Transport / Electrical / Fabrication and erection of
structural steel / Contractors and communication orders.

2. In this connection, I enclose the following prescribed documents for your information

   i) Treasury Challan No…………………….. Dated:……………for
   Rs…………………….. Creditable to the EE, PWD …………………..Division
   ……………. Under the Head of “ 882 Cash Remittances towards Registration fees.
   ii) Solvency certificate issued by competent authority for Rs…………………. (The
   solvency certificate shall be not more than one year old).
   iii) A list of works carried out by me in the past five years with their values, certified by
departmental Engineer of the rank of Executive Engineer or equivalent rank.
   v ) Certified coy of the partnership deed (in the case of firm).
   vi) From (C) issued by the Register of firm (in the case of firms only) certified.
   vii) Copy of the Engineering degree certificate issued by the Recognized University (in
the case of Engineering Degree holders seeking Registration).

3. I enclose a certificate to the effect whether the applicant or any of the partner or share holders
or any of the personnel working under the applicant is / are dismissed Government servants

4. I certified that I would not get myself registered under more than one name.

5. I will get my registration renewed within 5 years from the date of Registration.
ANNEXURE – V (a)

(ENCLOSURE TO G.O.MS.NO.94, I&CAD (PW-COD) DEPARTMNET Dt. 01-07-2003)

FORM OF SOLVENCY CERTIFICATE BY TAHSILDAR

I ________________________________ Tahsildar of ________________________________

______________________________ do hereby Certify, on being satisfied by the examination of Revenue and other records and Local enquiries that ________________________________

______________________________

(here the name and address of the contractor should be mentioned) is solvent to the extent of Rs. ________________________________ (Rupees ________________________________)

Tahsildar
Seal of the Officer.
Taluk

Date:
Place:

ANNEXURE – V (b)

(ENCLOSURE TO G.O.MS.NO.94, I&CAD (PW-COD) DEPARTMNET DT. 01-07-2003)

FORM OF SOLVENCY CERTIFICATE BY BANKS

I ___________________________________ Managing Director / Manager / General Manager /

Agent of ________________________________ Bank Ltd., do hereby certify that ________________________________

(here the Names and address of the contractor) to be solvent to the extent of Rs. ________________________________ (Rupees ________________________________

GOMS No. 94 dt: 01-07-2003 Page # 26
as disclosed by the information and record which are available with the afore-said Bank.

Date: 
Place: 

For the ___________________ Bank
(Designation of the Officer authorized to sign.)
ANNEXURE – VI

ENCLOSURE TO G.O.MS.NO.94, I7CAD (PW-COD) DEPARTMNET Dt. 01-07-2003

Proceedings. No. ……………………………………………………………….. dated…………………

Sub: Contractor – Registration of Class –I and Special Class (Civil ) Contractors – orders – Issued.

Ref: 1)

***

The Board of Chief Engineers examined the applications received from the Contractors referred to for Registration as Class I / Special Class (civil ) Contractor at its meeting held on ………………… and decided what their names might be registered as Class I / Special Class (Civil) Contractors for all Branches of Engineer Departments of the State Government.

2. The Chairman, Board of Chief Engineers Andhra Pradesh, Hyderabad, accordingly register the name of the following Contractors as Class I / Special Class (Civil) Contractors qualified to tender for works costing above and upto Rs…………………..

In terms of the rules prescribed and subject to the conditions stipulated:

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Name and Address of the Contractor.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td></td>
</tr>
</tbody>
</table>

3. The Managing Partner / Partners of the firms if any, which are now registered as Special Class (Civil) Contractors shall intimate the changes in the partnership deed, if any and produce fresh Solvency Certificate in the name of the substituting partners. Failure to notify the changes to the registering authority within one month of such change will entail the firm to forfeit registration and further the firms will be debarred from tendering for works.

4. The Registration will be valid upto 5 years for the date of Registration. The registering authority reserves the right to cancel or demote without notice and without assigning any reasons.

5. Application for Renewal of Registration after 5 years if desired should be submitted to this office before one month from the date of expiry of validity of Registration.
ANNEXURE - VII (a)

ENCLOSURE TO G.O.MS.NO.94, I7CAD (PW-COD) DEPARTMNET Dt. 01-07-2003)

CASE (i) where contractor himself desires that his name may be removed.

To ..
REMOVAL FROM THE APPROVED LIST

Dear Sir (s)

(a) As desired by you, your name is removed from the approved list of contractors of this Command / Area / Division / Circle / Unit / Project.
(b) Action to release your security deposit / sending security bound amount is in hand

Yours faithfully,

Copy to all concerned

ANNEXURE – VII (b)

ENCLOSURE TO G.O.MS.NO.94, I7CAD (PW-COD) DEPARTMNET Dt. 01-07-2003)

CASE (ii) where contractor fails to submit valid income Tax Clearance Certificate.

To
...-
REMOVAL FROM THE APPROVED LIST.

Reference : This Office Letter.No.

As you have failed to furnish a valid income Tax Clearance Certificate in spite of the notices issued to you under this Office letter (s) quoted under reference, your name is hereby removed from the approved list of this Division / Circle / Unit / Project

2. Action to release your Security Deposit / Standing security Bound amount is in hand.

Yours faithfully

Copy to all concerned

........................................................................................................................................
ANNEXURE – VII (c)

ENCLOSURE TO G.O.MS.NO.94, I7CAD (PW-COD) DEPARTMENT Dt. 01-07-2003

CASE (iii) for any other reason mentioned in the Standardized code.

To

REMOVAL FROM THE APPROVED LIST

Dear Sir (s)

Your name is hereby removed from the list of approved contractors of this Division / Circle / Unit / Project.

Yours faithfully

Copy to all concerned
GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

TRANSPORT, ROADS & BUILDINGS (ROADS) DEPARTMENT

G.O.Ms.No.8 Dated : 08-01-2003


@ @ @

ORDER

Government have constituted a Cabinet sub-Committee in the reference fourth read above. The Cabinet sub-committee examined various issues relating to revision and streamlining of tender procedures with the following objectives.

1) Achieving greater transparency in procurement
2) Simplification of procurement procedures
3) Reducing delay in procurement
4) Improving quality of construction
5) Ensuring timely completion of project

The Cabinet Sub-Committee analysed the deficiencies in the existing procedures in respect of registration of contractors, criteria, verification of certificates, standard bidding documents, tender premium, purchase of by non-serious bidders, prevention of cartel formation, deduction of taxes at source, maintenance of assets, grading of contractors and engineers, quality control measures etc., and examined different alternatives in order to achieve better results and made recommendations to the Government for consideration. Government, after careful examination of the recommendations of the Cabinet Sub-Committee and in partial modification of the orders issued in the G.O. first read above read with G.O.s 2nd and read above hereby issue the following orders.

(1) Registration of Contractors

Registration of contractors which is presently being done in each specialisation in special class and class-I is dispensed with. In future Registration under these categories will be done without any specialisation is being done in respect of other categories of contractors. Existing contractors of special class and class-I will be eligible for all categories of works unless otherwise specified in the tender process specialisation if
required for any works shall be specified clearly in the qualification criteria in the tender process.

The Registration of contractors shall be done as detailed.

<table>
<thead>
<tr>
<th>No.</th>
<th>Class of Contractors</th>
<th>Monetary limits of works</th>
<th>Registering Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Special Class</td>
<td>Above Rs. 10.00 Crores</td>
<td>Committee of Engineer-in-Chief and the Commissioner, Commissioner of Tenders.</td>
</tr>
<tr>
<td>2</td>
<td>Class-I</td>
<td>Above Rs. 2 Crores Upto Rs. 10 Crores</td>
<td>Committee of Engineer-in-Chief and the Commissioner, Commissioner of Tenders.</td>
</tr>
<tr>
<td>3</td>
<td>Class-II</td>
<td>Above Rs. 1 Crores Upto Rs. 2 Crores</td>
<td>Committee consisting of the Chief Engineer concerned, another Chief Engineer of the same or other Department and a Member of Commissionerate of Tenders to be nominated by the Commissioner, Commissionerate of Tenders.</td>
</tr>
<tr>
<td>4</td>
<td>Class-III</td>
<td>Rs. 50 Lakhs to Rs. 11 Crore</td>
<td>District level Committee comprising the Superintending Engineers available in the district and a representative. Nominee of the Commissioner of Tenders.</td>
</tr>
<tr>
<td>5</td>
<td>Class-IV</td>
<td>Above Rs. 10 Lakhs Upto Rs. 50 Lakhs</td>
<td>District level Committee comprising the Superintending Engineers available in the district and a representative. Nominee of the Commissioner of Tenders.</td>
</tr>
<tr>
<td>6</td>
<td>Class-V</td>
<td>Up to Rs. 10 Lakhs</td>
<td>Executive Engineer of the Division concerned</td>
</tr>
</tbody>
</table>

The solvency of registering various class of contractors is increased to 10% of the minimum monetary limit of that class. This will apply to all future registration and renewal of registrations by existing contractors.

2. Qualification criteria, verification of certificates and Experience.

A website will be created and maintained by Commissioner of Tenders wherein details of all contractors will be made available. The Commissioner of Tenders shall finalise in consultation with Engineer-in-Chief (Irrigation) and Engineer-in-Chief (R&B) the format and the details to be kept in the Web-site within two months of the issue of this G.O. and send proposals to Government and obtain approval. Existing Contractors should submit the details of their experiences with an affidavit before the Commissioner of Tenders within 3 months from the date of issue of this order. The Commissioner of Tenders should place all these details on the web site. Those having objections should file before the Commissioner of Tenders, within a period of one
month from the date of placement of experience particulars on the website. The Commissioner of Tenders should conduct the investigation on the objections of the contractors filed and final experience certificate should be displayed on the website within one month from the date of receipt of objections by the contractors. If any contractor submits false information, he will be liable for black listing. The Commissioner of Tenders should send proposals recommending to the Government with proper justification for blacklisting such of those contractors who furnish false information.

All Executive agencies in different departments will be given a password for making necessary entries in the Website from time to time. Updation of the information on the Website shall be done by the awarding authority as and when a work is awarded. Similarly if a work is cancelled, the same should also be reflected in the website by the canceling authority. Verification of certificates by sending to various agencies should be done away with while examining the eligibility. Instead, the information in the website should be used by all. This information should be cross checked by the Commissioner of Tenders every year. The Commissioner of Tenders will also examine the objections as and when received. Those giving false objections shall be penalised up to and amount of Rs.10,000/- Detailed orders in this regard will be issued separately of which proposals shall be sent by Commissioner of Tenders. The Commissioner of Tenders can also examine and have details verified suomoto.

The Commissioner of Tenders should issue pass books to each contractor containing all the details covering experience, financial capacity etc., The contractors should enclose a xerox copy of the pass book along with tender applications. Works awarded / cancelled should be entered in the passbook by an officer not lower than the rank of Executive Engineer. The details in the passbook should tally with those in the website. Duplicate pass books can be issued on payment of an amount of Rs.5000/- on the first occasion and Rs.25,000/- subsequently.

3. Adoption of standard bidding document

The Commissioner of Tenders should submit a standard bidding document within three months to the Government for approval.

4. Ceiling on tender premium

For all works the ceiling of tender premium shall be 10%. As per the guidelines, even after two calls it the tender premium quoted is more than 10%, the matter should be referred to the Government and the Government may order for fresh call or may constitute a Committee to award the work on nomination to a reputed contractor from the list to be maintained by the Department on the basis of performance of contractors.

5. Collection of E.M.D. at the time of issuing tender document

In order to discourage purchase of tender documents by non-serious bidders tender document shall be issued to contract on payment of Earnest Money Deposit, at 1% of the Estimated Contract Value. Successful bidders will pay balance Earnest Money Deposit of 1
6. **Prevention of cartel formation**

Any bidder who is afraid to drop his bid in the tender box on the specified date can send his tender by post with the requisite Earnest Money Deposit so as to reach one day prior to the last date of receiving of tender/ auction. He can also participate at the time of tender opening/ auction.

E-procurement should be adopted by all Engineering departments on adoption by the Government.

7. **Maintenance contracts**

The Contractors are responsible for the quality of works executed till the expiry of defect liability period which is now prescribed as two years. Each department should formulate and issue guidelines based on the nature and life span of works.

8. **Grading of Contractors and Engineers.**

Grading of contractors should be undertaken depending on their performance, maintenance of works and adherence of agreement conditions. The Commissioner of Tenders shall take action and finalise the modalities of grading of contractors within 60 days of the issue of this G.O and submit proposals to Government. The grading should be updated every year on 1st June.

Likewise, the Engineers should be graded depending on their performance for which all Engineer Departments should issue guidelines that are specific to them.

9. **Quality Control**

The Contractor and the Engineers in charge of construction/maintenance are responsible for the quality of construction/maintenance. The Departmental executing Engineers will act as Quality Assurance Engineers. The Quality Control officials are accountable for the quality of the work where certification issued by them. They should also act as Quality Audit Engineers for which proposals with detailed guidelines should be sent by ENC (Administration) (R&B).

If external agencies are engaged, for conducting quality audit, the following methodology given below should be adopted.

(a) Before inspecting the work, the external agency should inform the Head of the Department. It should conduct quality control tests as per the standard procedures in the presence of Construction and Quality of Control Engineers and the Contractor who is executing the work.

The observations of the external agencies on the quality of work should be recorded then and there and signatures of all the concerned obtained as token of acceptance of the observations.
9. For all work costing more than Rs.2.00 Crores, the Contractor shall quality plan and also show proof of owning Quality Laboratory or having tie-up with an established Quality Laboratory. The details of Quality Control Test Equipment required should be incorporated in the Tender Documents. The equipment needed should be standardized by individual departments depending on nature of work.

10). Price adjustment shall be granted where administered prices are enforced and that too for works estimated at more than Rs. 2.00 Crores and having completion period of more than 18 months. This should be applicable within the original contract period or extended period owing to departmental delays. This not apply to cases attributed to contractors fault.

11). Price adjustment shall be granted where administered prices are enforced and that too for works estimated at more than Rs. 2.00 Crores and having completion period of more than 18 months. This should be applicable within the original contract period or extended period owing to departmental delays. This not apply to cases attributed to contractors fault.

12). Powers delegated to the Chief Engineer/ Engineer-in-Chief to finalise tenders are enhanced from Rs. 100.00 Lakhs to Rs.200.00 Lakhs in view of the cost escalation. However, separate orders issued in regard to National Highways works shall hold good.

13). Sub-Contracts

If the prime contractor desires to sub-let a part of the work, he should submit the same at the time of filing tenders itself or during execution, giving the name of the proposed Sub-Contractor, along with details of his qualification and experience. The Tender Accepting should verify the experience of the Sub-Contractor and if the Sub-Contractor satisfies the qualification criteria in proportion to the value of work proposed to be sub-let, he may permit the same. The total value of works to be awarded on sub-letting shall not exceed 50% of contract value. The extent of subletting shall be added to the experience of the sub-contract or and to that extent deducted from that of the main contractor.

14). Limits of technical sanction and inspection of works.

The Departmental officials should inspect works before technical sanction is accorded by the competent authority as per the monetary limits indicated below.

For Engineers-in-Chief / Chief Engineers Rs. 500.00 Lakhs and above
For Superintending Engineers Rs.50.00 Lakhs to below 500.00 Lakhs
For Executive Engineers Up to Rs. 50.00 Lakhs

Scrutiny of estimates should be taken up at random by authority one level higher than that competent to issue technical sanction to the estimates except in the case of Chief Engineer/ Engineer-in-Chief.

15). Training

Up to one percent of the budget allocation shall be set apart to train Engineers of the Departments at all levels for introducing new technologies, practices, materials in execution of works
Orders issued by Information, Technology and Communication Department and other Departments on “e” procurements will be implemented by all Engineering Departments to the extent they are applicable to them.

Further orders on tender procedures will be issued in consultation with the concerned departments.

3. This order issues with the concurrence of Finance Department vide their C.No.54/PES/2003, dated: 04-01-2003

(By ORDER AND IN THENAMR OF THE GOVERNOR FOR ANDHRA PRADESH)

J. RAMBABU
SPL. CHIEF SECRETART TO GOVERNMENT

To
The Engineer-in-Chief (R&B) Admn., Hyderabad.
The Managing Director, A.P.R.D.C. and Ex-Office Engineer-in-Chief, Hyderabad.
The Chief Engineer (R&B) Roads, Hyderabad.
The Chief Engineer (R&B) Buildings, Hyderabad.
The Chief Engineer (R&B) NABARD, Hyderabad.
The Chief Engineer (R&B) National Highways, Hyderabad.
The Engineer-in-Chief (R&B), I&CAD, Hyderabad.
The Engineer-in-Chief (R&B) P.R. & R.D, Hyderabad.
The Engineer-in-Chief (R&B) (P.H), Hyderabad.
Copy to
The P.S to Hon’ble Minister (R&B).
The P.S to Secretary to Hon’ble Chief Minister.
The Principal Secretary to Government, I & CAD.
The Principal Secretary to Government, Law Department.
The Principal Secretary to Government, P.R & R.D.
The Principal Secretary to Government, M.A. & U.D.
The Principal Secretary to Government, Finance Department.
The P.S. to Spl. Chief Secretary to Government, TR & B Department.
All Section in (R&B) Wing / O.P.
The G.A. (Cabinet) Department.

//forwarded by order//

SECTION OFFICER

GOMS No. 94 dt: 01-07-2003