

**GOVERNMENT OF ANDHRA PRADESH
RURAL WATER SUPPLY AND SANITATION DEPARTMENT**

Memo No: AEE/DEE1/QA&QC/RWS&S Dated:17/05/2024

Sub: RWS&S-Entrustment and Contract Management of works execution and rationalize the process-Orders issued in GO. Ms No: 8 of PR&RD (RWS1) Dept., and in GO.Ms.No:94 of PR&RD (RWS1) Dept –Certain instructions on payment schedule for manufacture and supply of pipes and stacked at the site after inspection by the Department-Issued-Reg.

- Ref:** 1. Go.Rt.No.314, Dt:07-03-2007 of the PR&RD (RWS-I) Dept.,
2. Go.Ms.No.08, Dt:30-01-2017 of the PR&RD (RWS-I) Dept.,
3. Go.Ms.No.94, Dt:10-08-2018 of the PR&RD (RWS-I) Dept.,

X-X-X

In the reference 3rd cited, the Government have issued the following modification orders to the original orders issued vide reference second cited with regard to the payment schedule for the works taking up by the RWS&S Department.

S.No	Description	Payment Breakup
01	Manufacture and supply of pipes and stacked at the site after inspection by the department	60 %
02	After excavation, laying, Jointing including earthwork and refilling	20 %
03	After satisfactory Hydraulic testing of the pipelines	5 %
04	After commissioning the pipe line/scheme	15 %

The above orders were issued by the Government for mobilisation of the contract works in smooth manner, based on the representation of Contractors Associations wherein it was stated that 75% (approx.) of the RWS works have pipes component and also about 25% of the total amount will be held up/withheld till commissioning of schemes and payment of final bills.

Instances have come into the notice of the undersigned that payments are being recommended to the executing agencies @60% on the finished cost of the respective pipeline for manufacture and supply of pipes after stacking at the site(after completion of pre-deliver quality control inspection by the department). The finished cost includes "manufacture, supply, excavation, laying and jointing with hydraulic testing" of respective pipeline. Recommending of payments after supply of pipes @60% on the finished cost is against to the true spirit of GO issued vide reference 3rd cited.

It is observed that in case of certain diameters of pipes, if 60% of payment is recommended on finished cost of the pipeline against the supply of pipes by the executing agencies, such value is exceeding the total cost of pipes due to which there is every scope of delaying the work by the executing agency after receiving more than 100% cost of of pipes.

When enquired in the Public Health Engineering Department, the Public Health Engineering officials stated that the payments are being recommended in their department as per the said RWS GO only to the executing agencies @ 60% on cost of the pipes only after supply of pipes at the worksite duly fulfilling the agreement conditions.

Therefore, it is hereby instructed and clarified that 60% of payment, on **"cost of the pipes duly including transportation charges wherever applicable, provision for specials, contract profit & GST"** shall be recommended after receipt of pipes at site with due completion of pre-delivery QC inspection by the competent authority. The basic cost of pipes, transportation charges as applicable and provision for specials shall be taken

from the respective pipeline data of approved estimate for recommending the payment.

The succeeding breakup payments of pipelines shall be recommended on finished cost of pipeline as envisaged in the GO vide reference 3rd cited.

The Executive Engineers/DREOs in the state are requested to initiate recoveries if any as per the above instructions from the bills of the executing agencies. They are held responsible for further consequences, if payments are allowed against to the above instructions. Illustration of breakup of payment to be recommended is herewith enclosed.

Encl: Illustration

Sd/P.Sanjeeva Reddy^(17.05.2024)
Chief Engineer, QA&QC
RWS&S, Vijayawada

To

All the Superintending Engineers and DREOs of RWS&S in the state.


All the Executive Engineers, RWS&S in the state.

All the Chief Engineers RWS&S in the state.

Copy submitted to the Engineer-in-Chief, RWS&S, Vijayawada.

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Deputy Executive Engineer, QA&QC,
Office of Engineer-In-Chief, RWS&S


17/5/2024

ILLUSTRATION

- Contractor has supplied 2000m of 63mm dia., 6kg HDPE Pipes and 60% on cost of pipes shall be recommended as shown below.
- Data for 63mm dia., 6kg PE 100 HDPE Pipes for the year 24-25:(in Rs)

Cost of pipe		116.00
Cost of specials (0.50%)		0.58
Earthwork, L/J&testing		175.48
Add Overheads & CP		39.76
Agt rate	Total	331.82

Breakup Cost:

Cost of pipe and Specials	116.58
Add Overheads & CP	15.87
Total Cost	132.45
Earthwork, L/J & testing	175.48
Add Overheads & CP	23.89
Total Cost	199.37

➤ **Payment to be recommended as:**

SNO	Stage of payment recommended as per GO 94	Recommended Payment	Length in m	Rate in Rs. Per m	Percentage	Amount in Rs.
1	Manufacture and supply of pipes and stacked at the site after inspection by the department	60 % on total cost of pipes and specials	2000	331.82	60%	398184
		Deduct 60 % towards excavation, laying, Jointing	2000	199.37	60%	-239244
		Payment to be recommended				1,58,940
2	After excavation, laying, Jointing including	80 %(60%+20%) of total finished cost of pipes	2000	331.82	80%	530912

SNO	Stage of payment recommended as per GO 94	Recommended Payment	Length in m	Rate in Rs. Per m	Percentage	Amount in Rs.
	earthwork and refilling	Deduct 60 % payment of total cost of pipes and specials paid in previous stage	2000	132.45	60%	-158940
		Payment to be recommended				3,71,972
3	After satisfactory Hydraulic testing of the pipelines	85%(60%+20%+5%) of total finished cost of pipes	2000	331.82	85%	564094
		Deduct previous 80 % payment of total finished cost of pipes	2000	331.82	80%	-530912
		Payment to be recommended				33,182
4	After commissioning the pipe line/scheme	100%(60%+20%+5%+15%) of total finished cost of pipes	2000	331.82	100%	663640
		Deduct previous 85 % payment of total finished cost of pipes	2000	331.82	85%	-564094
		Payment to be recommended				99,546
TOTAL						6,63,640 (158940+371972+33182+99546)

Total payment as per finished rate: 2000m X 331.82: Rs.6,63,640

Sd/P.Sanjeeva Reddy(17.05.2024)
Chief Engineer, QA&QC,
RWS&S, Vijayawada.

//Authenticated//


Deputy Executive Engineer, QA&QC,
Office of Engineer-In-Chief, RWS&S


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