

**HIMACHAL PRADESH
PUBLIC WORKS DEPARTMENT.**

No. PW-CTR- 32-20/01/2012- 12877-986

Dated:- 18/10/2012

From:

Engineer-in-Chief,
HP-PWD. Shimla-2.

To

All the Chief Engineers
All the Superintending Engineers,
All the Executive Engineers.
(in HP-PWD).

Subject: -

Extension of time under Clause-5 of and payment of price escalation under Clause-10-C/CC/CA.

Clause-5 of the standard tender document form-8 provides that in case of any unavoidable hinderance if the completion of the work is delayed, the contractor shall apply for extension within 30 days of the date of hinderance. On the other hand under clause-10-C/CC/CA, the contractor gets the cost of price-escalation reimbursed if the delay is not attributable to the contractor.

There is a general tendency among the contractors to apply for extension either at the time of release of payment or at the completion of work which is not the right approach and is contradictory to the spirit of clause-5. Therefore, it is clarified that price escalation under clause-10-C/CC/CA etc, if admissible, shall be paid to the contractor, if the completion gets delayed due to un-avoidable circumstances (beyond the control of the contractor) provided the requisite extension has been applied by him within 30 days of the date of occurance of hinderance. Extension applied after the 30 days limit, even if justified, may be granted but with the condition that claim under clause-10-C/CC/CA, shall not be payable.

Contd.P/2


To ensure that the contractor has applied extension within the 30 days of hinderance, his application shall be properly diarised in the Division and shall be sent to the Assistant Engineer for his recommendation within 7 days. The Assistant Engineer shall return the application further back with his recommendations to the Divisional office within 7 days. Further action to grant extension shall be taken by the Executive Engineer or the Superintending Engineer as the case may be.

In some cases the Contractors don't apply for extension at all. In such cases the extension shall be granted by the Executive Engineer unilaterally to keep the agreement alive and such extension shall also deprive the contractor of price escalation.

These instructions be also brought to the notice of all the Assistant Engineers and implemented strictly.

Engineer-in- Chief,
HP-PWD, Shimla-2.

✓ Copy to the Nodal Officer (IT) in this office for posting this on departmental web-site.


18.10.12
Engineer-in-Chief,
HP-PWD, Shimla-2.