



COALFIELDS LIMITED
(A Subsidiary of Coal India Limited)
OFFICE OF THE DIRECTOR (TECHNICAL)
Jagriti Vihar, P.O. - Jagriti Vihar
Dist. SAMBALPUR-768 020 (ORISSA)

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Ref. No. MCL/SAMB/Civil/02-03/Secy./1487.

Dated. 22nd July, 2002.

To
The CGMs/G. Ms,
The Staff Officer (Civil),
The Area Finance Manager,
Jagannath/Kalinga/Lingaraj/Lakhanpur/
Talcher/Hingula/Chhendipada/IB Valley/Orient/
Basunghara/CWS(Tal)/CWS(IV).

Dear Sirs,

Sub: Guidelines regarding civil construction works.

In course of examination of Revised Estimate/ Deviation Estimate, final time extension proposal of various works executed in the past, the following discrepancies have been observed.

- 1) Building plans and specifications of different type quarters for which works were awarded either from H.Q or from Area level were frequently changed at Area level incorporating richer specifications without valid reasons and without competent approval.
- 2) Contract items were substituted with new items without cost considerations and competent approval.
- 3) Planning, estimating, sanction, tendering were made without having definite site, details design and construction drawings based on soil testing reports. After work award, sites were identified, consultants were engaged for design drawing which has led to large deviation in terms of cost of foundation and plinth and also considerable time over-run on the pretext of delay in design and drawing from appropriate organisations.
- 4) Works were awarded without having confirm site in the possession of the department which has led to delay in handing over the same site to the contractor after acquisition or getting alternate site leading to considerable time over-run involving escalation and increase in cost of foundation due to change of sites.

In this regard number of directives have been issued from time to time from this office. Still due to one reason or other the system has not improved leading to considerable time over-run involving considerable increase in escalation and increase in construction cost.

In order to sort-out the problem, the following guidelines to be adopted :-

- 1) System design/ layout plan etc. should be prepared based on the ground conditions, site situation and land availability etc.
- 2) Planning, estimating etc. for any work to be done based on Civil Engineering Manual Clause.2 (Page no. 10 to 18).
- 3) Before estimating there must be definite site, detailed drawing duly approved by competent authority based on proper soil investigation.
- 4) Before the work award, care to be taken to recheck whether the site for construction is actually available with the department or not. If not, no work order to be issued.
- 5) Drawings/ Contract Clauses specifications of the work after the work is awarded should not be changed.
- 6) Normally costly items should not be incorporated into the specifications of work without specific sanction of the competent authority.
- 7) Non-schedule item not to be incorporated in the estimate as far as practicable.
- 8) Contract executing authorities/ paying authorities must ensure that there is little deviation from the contracted items/ quantities. In case of deviation it should be ensured that approval of competent authorities is obtained before release of payment.

Any deviation from the above guidelines should be made only in exceptional cases and that to also with approval from the competent authority in writing only.

Yours faithfully,

[Signature]
27/07/02
Director (Technical)

- cc to: CMD, MCL
- cc to: D(P), MCL
- cc to: D(F), MCL
- cc to: CVO, MCL
- cc to: Company Secretary, MCL
- cc to: G.M.(Constn.), MCL Hq.
- cc to: G.M.(Fin.), MCL Hq.

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EEC/TIC
Dr P.K. Das