



GOVERNMENT OF KERALA

No. 78/2016/Fin.

Finance(Inspection Wing - Technical) Dept.,
Thiruvananthapuram,
Dated:19/09/2016.

CIRCULAR

Sub:- Execution of public works - Guidelines on estimate preparation -
Reg.

Ref:- 1. G.O.(P) No. 375/2015/Fin. Dated 24/08/2015.
2. G.O.(P) No. 30/2016/Fin. Dated 29/02/2016.

1. As per G.O. cited as 1st reference, the cost estimates of all public works being executed by various Engineering Departments shall be prepared only through PRICE software from September 2015 onwards.
2. Later, certain guidelines were issued by the Government vide 2nd reference on estimate preparation using PRICE software like provisions for service tax, contractors profit, overhead charges, etc.
3. Now, certain discrepancies were observed by this Wing in some estimates prepared by various Engineering Departments / PSUs / Accredited agencies, etc. Non adoption of correct specification and data for certain items of work results in boosted up / redundant estimates.
4. In one instance, it is observed that rate adopted for earth work in loose soil for preparation of estimate was as per CPWD data is for earth work excavation by using hydraulic excavator / manual means. Whereas, the actual work to be executed is by using excavator only for which MoRTH data is available. The rate for the item based on DSR 2014 with Cost Index @55.24% (Idukki) as per CPWD data (Serial No. 2.8.1) is @Rs. 157.50/m³ but as per MoRTH data (Serial No. 3.6) comes to @ Rs. 78.58/m³ only. Due to this reason, contractors has quoted rates upto @ 29.20% below estimate rate. The actual reason for the lesser quoted rates were due to higher rates available in the estimate.
5. Hence, adoption of rate for the above item of work as per CPWD data now being adopted by Irrigation Department / Local Self Government Engineering Department / Harbour Engineering Department / Agricultural Engineering Department / PSUs etc. for their works are not reasonable and needs to be reviewed. If the methodology / procedure of work being executed

is not available in a particular standard data, the same may be adopted from other approved data of Govt. or the rate may be arrived based on observed data duly certified by Chief Engineer / Competent authority.

6. It is also observed that some field Engineers are proposing richer or costlier items which are not technically essential for proper completion of the work citing non availability of required in CPWD / MoRTH data. For example, while proposing Random Rubble Masonry (RRM) and CC protection wall etc, RRM with CM 1:3 is being used against the requirement of RRM with CM 1:6 and CC 1:2:4 (M 15) is being used against CC 1:3:6 (M10). Such practices also results in uneconomic estimates and misuse of public money. The details for rate analysis for the components are available in the standard data and only the rates needs to be worked out as per the requirement.

7. Moreover, certain agencies taking up public works are not preparing the estimate report along with detailed estimate as stipulated in Kerala PWD Manual 2012. As per the PWD Manual, an estimate report shall accompany the estimate explaining the location, salient features of work, site plan, etc. All major items of work to be executed shall be supported with design drawings. Pavement thickness adopted shall be supported with design calculation while submitting the estimate. For building works, preliminary design shall be done before submitting estimate for Administrative sanction.

8. Therefore, all Technical Sanction authorities of Engineering Department / PSUs / Accredited agencies, etc. are hereby directed to comply the following guidelines for preparation of estimates, in future:-

a) An estimate report shall accompany the estimate explaining the nature and necessity of work including the Location, Salient features of work, Site plan, Specifications / Data / Schedule of Rates / Cost Index adopted, justification for Observed data and Market rates, etc. The serial number of item as per CPWD / MoRTH specifications and details of Observed Data / Market rates adopted shall invariably mentioned in the rate analysis of the corresponding item.

b) The appropriate item of standard Specifications and Data available in CPWD / MoRTH Data, which are actually required at site shall only be adopted for preparation of estimates for all items in the Technical Sanction.

c) If there are no such Standard Specifications or Data in CPWD / MoRTH for a particular item of work, observed data may be derived using the Standard Data of other Departments including the PWD or worked out in consultation with field officials concerned and incorporated in the PRICE software or rates of such items should be in conformity with the provisions of PRICE software.

d) Thorough scrutiny of detailed estimates including inspection of the site, if required, shall be carried out before submitting the estimates to higher level by various departmental officers.

K.P. PURUSHOTHAMAN,
CHIEF TECHNICAL EXAMINER &
EX - OFFICIO SPECIAL SECRETARY TO GOVERNMENT

To

The Accountant General (A&E/Audit), Kerala, Thiruvananthapuram.
The Principal Secretary, Finance Department.
The Principal Secretary, Public Works Department.
The Secretary, Water Resources Department.
The Secretary, Fisheries Department.
The Principal Secretary, Ports Department.
The Principal Secretary, Local Self Government Department.
The Principal Secretary, Forest & Wildlife Department.
The Principal Secretary, Industries Department.
The Principal Secretary, Science and Technology Department.
The Secretary, Agriculture Department.
The Chief Engineer, PWD (Roads & Bridges) & Admin, Thiruvananthapuram.
The Chief Engineer, National Highways.
The Chief Engineer, Harbour Engineering Department.
The Chief Engineer, Local Self Government Department.
The Chief Engineer, Irrigation and Administration, Thiruvananthapuram.
The Chief Engineer, Irrigation Projects I/II Calicut/ Thiruvananthapuram.
The Chief Engineer, KSTP, Thiruvananthapuram.
The Chief Engineer, Buildings and Local Works, Thiruvnanthapuram.
The Chief Conservator of Forest (Admin), Thiruvananthapuram.
The Chief Executive Officer, Kerala Road Fund Board.
The Managing Director, Kerala Water Authority.
The Managing Director, KITCO, Ernakulam.
The Managing Director, KSRTC, Thiruvanathapuram.
The Managing Director, KTDC, Thiruvanathapuram.
The Managing Director, KLDC, Thrissur.
The Managing Director, KSCC, Thiruvanathapuram.
The Managing Director, KPHCC, Thiruvanathapuram.
The Managing Director, KINFRA, Thiruvanathapuram.
The Managing Director, Kerala Electricals Ltd., Thiruvanathapuram.
The Chairman, GCDA, Ernakulam.
The Chairman, KSEB, Thiruvanathapuram.
The Registrar, Kerala/Kottayam/ Kochi/ Calicut/Kannur Universities.
The Registrar, Sanskrit University, Kalady.
The Registrar, Kerala Agricultural University, Thrissur.
The Superintending Engineer, PWD, Roads, South Circle, Thiruvananthapuram/Central Circle, Ernakulam/ North Circle, Calicut.
The Superintending Engineer, HED- Thiruvananthapuram/Ernakulam/Calicut.
The Superintending Engineer, LSGD, Thiruvananthapuram.
The Superintending Engineer, National Highways, Thiruvananthapuram/Ernakulam/ Calicut. .

The Executive Engineer, LSGD, Thiruvananthapuram/Kollam/ Kottayam, Alappuzha/
Pathanamthitta/Idukki/ Thrissur/Wayanad/ Kannur/Calicut/Kasargod.

The Superintending Engineer, Irrigation, Thiruvananthapuram/ Thrissur/ Calicut.

The Executive Engineer, Roads and Bridges,

Thiruvananthapuram/Kollam/Alappuzha/Kottayam/ Ernakulam/ Thrissur/
Kozhicode/Malappuram/ Kannur/Kasargod/ Pathanamthitta/Idukki/Palakkad/
Wayanad/ Muvattupuzha.

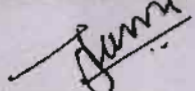
The Executive Engineer, N. H, Thiruvananthapuram/Kollam/ Ernakulam/
Alappuzha/Thrissur/ Malappuram/ Muvattupuzha/ Kozhicode/ Kannur.

The Commissioner. Devaswam Board, Travancore/ Kochi/ Malabar.

All heads of Engineering Departments & PSUs concerned.

The nodal Officer, www.finance.kerala.gov.in.

Forwarded / By order


Section Officer.