Subject: Guidelines to be followed for EPC Mode 3 contracts executed through Institute works.

- All EPC Mode contracts must have a detailed estimate based on the finalized tender drawings. The architect must be asked to provide the estimate at the earliest if not submitted till date with detailed calculation sheets.

- All percentage calculations for payment of actual executed items in RA/FA bills must show back-up calculations of percentage derived based on estimated quantities. This will ensure that cash flow of the project is based on the schedule of payment and also eliminate any chance of excess payment of minor component at any stage of the works.

- All RCC works must be recorded in CMB based on actual measurements at site and should be part of all RA bills.

- Theoretical consumption of steel reinforcement or structural steel sections must be worked out as the quantity required as per design /actual measurements certified by the Engineer in charge at site including authorized lappages, chairs etc. plus 3% wastage due to cutting into pieces which should be compared with the actual, each diameter wise, section wise and category wise steel brought to the site by contractor. This comparative statement must be part of all escalation /material reconciliation statements

- Theoretical consumption of cement must be calculated on the basis of quantity of cement required for different items of work with standard constants for the consumption of cement. This comparative statement must be part of all escalation /material reconciliation statements

- Any extra item/ substituted item / deviation items from the finalized tender drawings which will have cost implication outside the agreed total cost to be paid as laid down in schedule of payment must be approved through DOIP Form 112: Construction Change Directive for execution

- All escalations must be submitted quarterly as per schedule listed in CPWD Works Manual and as per institute approved formats. The first statement of escalation must be prepared at the end of 3 months, excluding the month in which the work was awarded. The work done from the date of start to the end of this period is taken into account. For subsequent statements, cost of work done during every quarter is taken into account. At the completion of work, the work done during the last quarter or fraction thereof is taken into account.
This Office Order is issued with the approval of Competent Authority & is applicable with immediate effect.

This is for the necessary information to all concerned.

[Signature]

Dean, Infrastructure and Planning

Copy to:
1. Director
2. Dy. Director
3. Registrar
4. SE, IWD
5. Jt. Registrar, F & A
6. Web master - for circulation among all concerned