## कार्यालय, रक्षा लेखा महानियंत्रक Office of the Controller General of Defence Accounts उलान बटार मार्ग, पालम, दिल्ली छावनी -110010 Ulan Batar Road, Palam, Delhi Cantt -110010

No:- 18020/AT-X/XXXIII(PC)

Dated :- 23-4-2015

То

All Regional PCsDA/CsDA

Sub:-Military Engineer Services - Amendments to General Conditions of Contracts-IAFW 2249.

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A copy of GOI MOD letter No. PC-1 to 33487/IAFW-2249/R/01/2011/D(Works-II) dated  $24^{th}$  March 2015 containing amendments to General Condition of Contracts IAFW-2249 has been uploaded on the website of HQrs office. Please download the same for information, guidance and necessary action.

Sr.AO(AT)

Copy to :-

/ EDP Centre(Local)

With the request to upload the same on HQrs office website.

Sr.AO(AT)

Tele: 011-23019154

Dte of Contract Management Military Engineer Services Engineer-in-Chief's Branch Integrated HQ of MOD (Army) Kashmir House, Rajaji Marg New Delhi – 110 011

33487/IAFW-2249/R/ o 2 /E8

08 Apr 2015

List 'A' & 'B' ADG (OF & DRDO)



## MILITARY ENGINEERING SERVICES-AMENDMENTS TO GENERAL CONDITIONS ON CONTRACTS-IAFW 2249

1. A copy of GOI, MoD Letter No. PC-1 to 33487/IAFW-2249/R/v 1/2011/D (Works-II) dated 24<sup>th</sup> Mar 2015 containing amendments (Serial No. 18 to 40) to General Condition of Contracts IAFW-2249 is enclosed herewith for your further necessary action please.

Encls: 13 Sheets

(Bhavesh Gupta)
Dir (Contracts)
For E-in-C

Copy to :-

Automation Cell -

Please upload this letter alongwith MoD letter duly scanned on MES website in "General Information" tab.



PC-1 to 33487/IAFW-2249/R/ Q1 /2011/D(Works-II) Government of India, Ministry of Defence, New Delhi, the 24<sup>th</sup> Mar 2015

To The Chief of the Army Staff New Delhi

## MILITARY ENGINEER SERVICES-AMENDMENTS TO GENERAL CONDITIONS OF CONTRACTS –IAFW 2249

Sir,
Sanction of the Government is hereby accorded to the following amendments (serial 18 to 40) to the General Conditions of Contracts IAFW 2249:-

Amendment	Page No	Particulars
No	1 age 110	1 at ticulars
<u>18</u> 1989	3 and 4	(a) Condition 1(a) ,line 4 For: "the M.E.S. Schedule ,the Specifications" Read: "the M.E.S. Schedule ,the Special Conditions, the Specifications" (b) Condition 1(b) ,line 2 For: "these conditions , and the Specifications" Read: "these conditions , the Special Conditions and the Specifications " (c) Condition 1(b) ,line 3 For: "loaned" Read: "sold " (d) Condition 1(g) ,line 3 For: "Garrison Engineer" who administers" Read: "Garrison Engineer"(or Assistant Garrison Engineer (Independent) if applicable) who administers" (e) Condition 1(g) ,line 3 In the end ,add the following:  "Where the office of the CWE does not exist and the GE is directly under the Chief Engineer, the authority of the CWE stipulated in these conditions shall vest in the concerned Chief Engineer." (f) Condition 1(h) ,line 3 For: "the Superintendent Grade I" Read: "the Junior Engineer (JE)" (g) Condition 1(i) ,line 1 For: "Indian Standards Institution." Read: "Bureau of Indian Standards."

A a d	Domo Mo	Particulars
Amendment No	Page No	Particulars
18	3 and 4	(h) Condition 1(p), line 4
1989	<u> </u>	For: "air craft and acts of God"
., .,		Read: "air craft and natural calamities"
•		(i) Condition 1(p), line 5
		For: "floods and tornado."
	,	Read: "floods, tornado and Tsunami."
<u>19</u>	5	(a) Condition 4 A, line 7
1989	,	For: "Rs. 60,000/-"
		Read: "Rs. 1,50,000/-"
·		(b) Condition 4 A(a), line 4
. •		For: "Rs. 2,500/-"
		Read: "Rs. 10,000/-"
		(c) Condition 4 A(c), line 4
		For: "Rs. 2,500/-"
		Read: "Rs. 10,000/-"
		(d) Condition 4 A(d), lines 2 and 3 For: "Rs. 5,000/-"
		Read: "Rs. 20,000/-"
	,	(e) Condition 4 A(f), line 1
		For: "Rs. 60,000/-"
		Read: "Rs. 1,50,000/-"
		Keau. Rs. 1,50,000/-
20	5	(a) Condition 6, subpara 1
1989		The existing contents shall be substituted as under:-
		"6. Provisional Items The amount pertaining to
		provisional items need not be deducted from the
		Contract Sum. The Engineer-in-Charge and Contractor
		shall set out the works covered under provisional items
	Α	and provisional lump sum based on the description of
		items, drawings forming part of contract agreement and
·		considering the ground conditions as encountered at site
•		of works. The statement of variation in quantities, new
		items or deletion of items from the contract agreement as
		required will be worked out for approval of Engineer-in-
•		Charge who will convey approval of such changes
		through site order book. For the purpose of payment the
•		variation in value of work executed under these items
		shall be ascertained by measurement or valuation as for
		deviation. The variations shall be regularized as per condition 7."

Amendment	Page No	Part	iculars
<u>21</u> 1989	6 and 7	(a) Condition 6 A, line 6  Add following after the words "preference to scale. ":-  "However the provisions of any drawing of a later date shall take precedence over that of a drawing previous date further subject to the condition that working drawing will take precedence over a Typical Detail Drawing."  (b) Condition 6 A(a), line 1  For: "Quantities,"  Read: "Quantities, Schedule 'B', 'C', 'D',"  (c) Condition 6 A(a), subpara 3 line 1  For: "one document forming"  Read: "one document as defined hereinabove forming"  (c) Condition 6 A(A)  (i) Existing subpara (b) to (f) shall be enumerated as subp (c) to (g)  (ii) Add new subpara (b) after existing subpara (a) as under "(b)  Items and their quantities for which no rates	
		prices have been quoted	shall be deemed to have been prices quoted for the other items quantities."
<u>22</u> 1989	8	[a) Condition 9(c), line 19 For: "labour at Site" Read: "labour and tools and plants at Site"  (b) Condition 9(c), line 19  Add following at the end of para (c) viz line 21:  "The contractor shall give the details of idle labour, workmen, employees, tools and plants and such other details as asked by the GE, within seven days of issue of order of suspension and the GE shall verify the necessity and correctness thereof. Proper record of these details shall be maintained duly signed by the GE and the contractor."	

	Amendment No	Page No	Particulars
	23	8,9 and	(a) Condition 10 A, subpara 2
	1989	10	Add in the end after the word "comply." following:
			"However if the cost of particular item of material
			in a contract exceed Rs 1 lakh, these materials shall
			be procured only from the manufactures or from
			their authorised dealers/ stockist (except in case of
			materials of local origin) and the contractor shall
			furnish proof thereof to the satisfaction of the GE
			that the material so comply.
			(b) Condition 10 A, subpara 3
			Add in the end after the word "in the Contract." following:
			"The approved samples of materials which loose
			their identity after incorporation in the work shall
			be preserved with the GE till completion of work.
•			Thereafter the same shall be removed in 'as is
			where is' condition by the contractor with prior
			permission of the GE without any extra cost to the
			Government. However, the approved samples of
			materials which do not loose their identity after
			incorporation and which can be incorporated in the
			work as decided by the Engineer-in-Charge shall be
			allowed to be used in the sample
			quarter/block/work."
	,		(c) Condition 10 B, line 1 of last subpara of page 9
			For: "cost of loading,"
			Read: "cost of carriage, loading," (d) Condition 10 B, line 3 of subpara 3 of page 10
			For: "the Engineer-in-Charge may,"
			Read: "the GE may,"
			(e) Condition 10 B, line 5 of subpara 3 of page 10
			For: "as decided by the GE."
			Read: "on the date of notifying to the contractor by GE (after
		-	technical check of final bill in CWE's Office) as
			decided by the GE or the stock book rate as fixed by
			the department, which ever is higher."
			(f) Condition 10 B, line 6 of subpara 3 of page 10
			For: "the market rate,"
			Read: "the recovery rate,"

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Amendment No	Page No	Particulars
<u>74</u> 1989		(a) Condition 11(A) subpara 6 to 18 in Existing contents of subpara 6 to 18 in small be replaced as under with suppara 6 to (iv) is  "(i) by reason. I elvit commutation, social combination of workmen, strike or lookest, affecting any of the trades employed on the work, or  (ii) by reason of selay on part of nominated sub-contractors, or nominated suppliers which the Contractor has, in the opinion of G.E., taken all practicable steps to avoid, or reduce, or  (iii) by reason of delay on the part of Contractors or tradesmen engaged by Government in executing works not forming part of the contract, or  (iv) by reason of any other cause (except force majeure) which in the absolute discretion of the Accepting Officer is beyond the Contractor's control;"  (b) Condition II(A) last subparalline 2  For: "G.E."
		Read: "Accepting Officer"  (b) Condition (1)(B) Jast but 3 <sup>rd</sup> line from from end  For : "G.E."  Read: "Accepting Officer"
		(e) Condition 11(C) The existing contents shall be substituted as under ;-
		"(C) Extension of time if due shall be granted within 45 days of receipt of request from the contractor along with supporting documents, but before expiry of original extended period of completion.
:		(D) No claim in respect of compensation or otherwise, for idle labour and/or idle machinery etc. and/or business loss or any such loss, howsoever arising, as a result of extensions granted under Conditions (A) and (B) above shall be admissible. The decision on reason and quantum of extension shall be final and binding.

Amendment No	Page No	Particulars
Amendment No  24 1989	Page No  10 and 11	(E) DELAY ON ACCOUNT OF FORCE MAJEURE — Should any force majeure circumstances arise, each of the contracting party will be excused for the non fulfillment or for the delayed fulfillment of any of its contractual obligations, if the affected party within 15 days of its occurrence informs the other party in writing.  Force majeure shall mean fires, floods, natural calamities such as earth quakes, lightening or other acts such as war, turmoils, strikes (otherwise than contractor's employees), invasion, act of foreign enemies, hostilities, civil war, rebellion, revolution, insurrection, military or usurped power, damage from aircraft, sabotage, explosions, quarantine restrictions, beyond the control of either party.  It is understood and agreed between the parties here to that the rights and obligations of the parties shall be deemed to be in suspension during the continuance of the force majeure even as aforesaid and the said rights and obligation shall automatically revive upon cessation of the intervening force majeure event. The period within which the rights and obligations of the parties shall be in suspension due to force majeure event, shall not be
		considered as a delay with respect of the period of completion and/or taking over work under the contract or otherwise to the detriment of either party.  Not withstanding the provision of the immediately foregoing clauses, it is further understood and agreed between the parties hereto that in the event of any force majeure persisting for an uninterrupted period exceeding 6 (Six) months, either party hereto reserves the right to terminate this contract upon giving prior written notice of 30 (thirty) days to the other party of the intention to terminate without any liability other than agreement for the completed work and/or contractor's materials lying at site."
25 1989	12	(a) Condition 17, line 1  For: "The Contractor shall not"  Read: "The Contractor including Public Sector undertaking/Government agency shall not"

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Amendment No	Page No	Particulars		
2 <u>6</u> 1989	13	(a) Condition 18, line 1  For: "The Contractor shall not"  Read: "The Contractor including Public Sector undertaking Jovernment agency shall not"		
<u>27</u> 1989	14 and 15	(a) Condition 25, the contents of subpara 2 after be substituted as under:		
		(a) For works costing between Rs 50 lakh to 1000 lakh Division II of the Institution Surveyors (India) with at legent and the second and the	inal or on of east 4	
		(b) For works costing between Rs 7.5 lakh and Rs 50 lakh Sub Division II of the Institution of Surveyors (India) with a 2 years practical experience works.	nised vith of itution at least	
		(c) For works costing Engineering from of below Rs 7.5 Lakh.  Lakh. A Diploma holder Engineering from of recognised Institution adequate practical experie works.	Govt. with	
·		Notes:- (1)Engineers (Degree/Diploma holders) employed should be of the relevant discipline to which nature of work pertains. (2) The provision at Serial (b) & (c) above shall be applicable irrespective of the fact whether contractor himsel is a Qualified Engineer or not. (3)Contractor shall employ additional Engineers as directed by GE where there are scattered sites. (4) For works costing more than Rs 10 crore, the requirement of Engineering staff shall be as given in the tender documents.		

Amendment No	Page No	Particulars
27 1989	14 and 15	(5) For specialist works/services Accepting Officer may vary requirement of supervisory staff in tender documents.
		(b) Condition 25 , last subpara on page 15:  The contents of last subpara on page 15 shall be substituted as under:  "The G.E. shall have full powers, to put the contractor on notice on account of default either for non-employment of Engineer(s) or absence of Engineer(s) from site and levy penalty @ Rs 500/- per day per vacancy upto 30 days period. Thereafter GE shall have the option to either suspend the work or employ Engineer(s) at contractor's cost and recover the amount from contractor's dues."
2 <u>8</u> 1989	15	(a) Condition 26 ,last subpara ,last line For: "Rs. 50/-" Read: "Rs. 5,000/-(Rupees five thousand only)"
2 <u>9</u> 1989	16	(a) Condition 31, third subpara, line 2  For: "at the *All India Flat Rate per 1,000 gallons which"  Read: "at the *All in cost Rate per 1,000 gallons subject to a  minimum of Rs 3.75 per every Rs 1000/- worth of  work done priced at contract rates which"
3 <u>0</u> 1989	17	(a) Condition 36, last subpara  Add the following at the end:-  "Fencing be provided wherever necessary as decided by  GE to isolate the working area to make the area unrestricted from restricted"
<u>31</u> 1989	17	(a) Condition 44, subpara 3, line 1 For: "rupees one lakh" Read: "rupees two lakh" (a) Condition 44, subpara 3, line 2 For: "rupees five lakh" Read: "rupees ten lakh"
<u>32</u> 1989	18	(a) Condition 46, subpara 2, line 11 to 14  For: "Provided always that the liability of the Contractor under this Condition shall not extend beyond the defects liability period except as regards workmanship which the G.E. shall have previously given notice to the contractor to rectify."  Read: "Alternatively, such work, if technically/structurally acceptable, without detriment to the safety and utility of the item and the structure may be permitted
		(contd)

No	Page No	
No 32 1989	18	to be accepted as devalued and recovery shall decided by competent authority (CWE in respect of contract concluded by himself and GE's and AGE(I) and CE in respect of contract concluded by him) or he may reject the work outright without any payment and/or get it and other connected and incidental items rectified ,or removed and re-executed at the risk and cost of the contractor. Whether any particular defect is due to unsound, imperfect or unskillful workmanship or due to normal wear & tear or user's negligence, decision of GE shall be final and binding. Provided always that the liability of the Contractor under this Condition shall not extend beyond the defects liability period except as regards workmanship which the G.E. shall have previously given notice to the contractor to rectify. Govt. further reserves the right to get the work technically inspected during currency of the contract and also during defects liability period by the Additional Director General of Technical Examination and/or his Officers or any other agency. The defects observed as a result of such technical examination shall be rectified by the contractor as notified by the GE. However, if the defects are not rectified, the devaluation of the work shall be carried out and
3 <u>3</u> 1989	19	recovery thereon shall be affected."  (a) Condition 49, subpara 2, lines 2,3 and 4  For: "within such period as may be notified by the Engineer-in-Charge, to the place of issue against written receipt from the Engineer-in-Charge."  Read: "to the place of issue as stipulated in Condition 10(B) here-in-before against written receipts from the Engineer-in-Charge."  (b) Condition 49, subpara 5, lines 3,4 and 5  For: "before the completion of entire group, but for all purposes of the contract except for compensation for delay, the completion of the entire group shall be taken into account."  Read: "before the completion of the entire group. In such event, the grouping (phasing) of items as catered for in the contract shall be deemed to have been

Amendment No	Page No	Particulars
1989	13	Existing contents shall be substituted as under :- "On receipt of notice from the Contractor that the work has been completed, the G.E. shall within seven days certify to the Contractor the Date(s) on which the items or group of items of Works are completed and taken over and the state thereof or shall notify the details of incomplete items of work to the Contractor. In case of dispute between G.E. and the Contractor over completion of work, the decision of Accepting Officer or CWE in case of G.E.'s contract shall be final and binding."
34 1989	21	Existing contents shall be substituted as under :-  "55. Termination of Contract for DeathWithout prejudice to any of the rights or remedies under this contract, if the Contractor dies, the Accepting Officer shall have the option of terminating the Contract without compensation to the Contractor. If proprietor has nominated a person during his lifetime, the nominee will be allowed by the GE to complete the balance work. However if the nominee is not willing or in the opinion of Accepting Officer is not capable of completing the work as contracted for, he shall terminate the contract without any compensation to the nominee. The decision of the Accepting Officer whether the nominee is capable or not shall be final and binding."
<u>35</u> 1989	21 and 22	(a) On page 2 against \$1.59 Blank add following in description  "Determination of contract in the event of Force Majeure_ (b) On page 22 against \$1.59 Blank Insert new condition 59 in her of blank as under:  59. Determination of contract in the event of Force Majeure — The contract may be determined at the option of either party by giving 30 days notice in writing to the other party should any event of 'Force Majeure' continue to prevail for an uninterrupted period of six months and no progress of work is achieved owing to such circumstances during these six months. On receipt of notice from one party to other explaining circumstances of 'Force Majeure' the Garrison Engineer and contractor will carry out joint inspection of works and an inventory of completed, incomplete works and the materials collected for incorporation in the work shall be

Amendment No	Page No	Particulars
35 1989 36	21 and 22	prepared for processing of final bill. The contractor shall have no claim to payment of any compensation on account of any profit or advantage which he may have derived from the execution of work in full but which he could not derive due to determination of contract on account of 'Force Majeure.'  (a) Condition 61, Last but one para, line 6
1989		For: "Rs. 500/-" Read: "Rs. 5,000/-"
<u>37</u> 1989	24	(a) Condition 64, subpara 1 and 2 Substitute existing contents with following:-  "64. Advances on Account – The contractor may at intervals of not less than 30 days for contracts of value less that Rs.50 lakh and 15 days in case of contracts more than 50 lakhs submit claims on I.A.F.W2263 provided the payment due is not less than Rs.50,000/- and for Term Contracts, contractor may prefer not more than two claims for payment of advances on account of work done and of materials delivered in connection with Measurement and Lump Sum Contracts. However such claim for work done, which are required to be measured. shall be submitted only after recording joint measurements in the MES Measurement Book IAFW-2261."  (b) Condition 64, subpara 3, line 3 For: "Engineer-in-Charge:-  Read: "Garrison Engineer:-"  (c) Condition 64, subpara 8 and 9 Insert a new subpara between subpara 8 and 9 as follows:-  "Provided further, the contractor may be paid advance on account to the full value of materials such as fittings and fixtures and other manufactured items as decided by the GE which do not lose their identity, brought on the site, on his furnishing Guarantee Bond(s) or Fixed Deposit Receipt (s) from a Scheduled Bank for the amount of retention money which should otherwise be recoverable from him under the contract. The Guarantee Bond and Fixed Deposit Receipt shall be executed and kept valid in a manner as described here-in-before."
38 1989	25	(a) Condition 66, line 2 For: "the period being" Read: "the period to be" (b) Condition 66, line 3

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Amendment No	Page No	Particulars
38	25	For: "by the G.E."
1989		Read: "by the Engineer-in-Charge"
		(c) Condition 56(a)
		For: "Four months."
		Read: "Six months."
		(d) Condition 66(b)
		For: "Six months."
		Read: "Nine months."
20		
39	27	Existing Condition 71 Jurisdiction of Courts shall be
1989	25	renumbered as Condition 72
<u>40</u>   1989	27	Add a new Condition 71 Conciliator as under:
		71. Conciliator If a dispute (other than those for which the decision of the CWE or any person is by the contract expressed to be final and binding) of any kind whatsoever arises between the parties to the contract during the execution of the works, or after completion or after determination /cancellation/termination of the contract, including any disagreement by either party with any action, inaction, opinion, instruction, certificate or valuation by the Accepting Officer or his nominee, the matter in dispute shall, in the first place be referred to the Disputes Resolution Board (DRB) in case of contracts valuing Rs 10 crore or more and to conciliation, by a sole conciliator, in case of contracts valuing less than Rs 10 crore. In case of disagreement with the decision of such DRB or conciliator, any party may invoke arbitration clause.  Procedure for the constitution/appointment of DRB / Conciliator shall be as laid down in the Contract Agreement.

- 2. This amendment shall come into effect from the date of issue of this letter.
- 3. This issue with the concurrence of MoD(Finance)(Fin/Works) vide their ID no 12(10)/Fin/Works-II/2010 dt 11 April 2012.

Yours faithfully,

(Anurag Sharma) Under Secretary

## Copy to:-

- 1 Dir Finance(Works), QMG's Branch, New Delhi
- 2 DFA(W) 2copies

CGDA, New Delhi

4 E-inC's Branch/E8, IHQ of MoD(Army),Kashmir House, New Delhi-11

5 D(Hindi)

It is requested to circulate to all PCDA/CDA at your end and also put on your website.

It is requested to put this on your website.

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