

Sub: Construction Management System- Circular-21
Ref: Approval of Sub-contracting in the Contracts.

Sub-contractors are intended to work in our contract packages in accordance to the Contract conditions. It needs to be ensured while giving approvals by IPIU that these sub contractors have adequate financial capacities, trained man power or necessary equipments. In absence of formal approval of such sub contractors, it is difficult to held sub contractors responsible for any lapse in quality or safety aspects of execution. The following guidelines need to be followed:

1. As per clause 7.1 of Section VII of the Bid document, no subcontract shall be made without the prior written approval of the Employer of both the subcontractor and subcontracts. The contractor can subcontract part of work (not more than 50% of the awarded work) to the sub contractor with prior approval of the Engineer. It should be ensured that in no case total work is given to the subcontractor.
2. The DSC & IPIU engineers should thoroughly understand the principles of sub-contracting and its object mentioned in clause 7&7.1 of Section VII & VIII of the Bid document. The Project Manager should ask the required documents from the contractor; satisfy himself for his capabilities to carry out the work smoothly before its approval. Only after properly ensuring the capability of sub contractor, main contractor should be allowed to have sub contracts.
3. The IPIU / DSC should scrutinize the following two aspects for giving approval to sub contractors:
 - a. Sub Contractor's qualification, experience, technical capacities and financial strength of its organization,
 - b. Agreement between main contractor and sub contractor – it is important to see that sub contractor does not enter into any financial un-viable agreement. In such cases it is quite likely that sub contractor may try to compromise with quality & safety standards of RUIDP.
4. No sub-contractor should be allowed to work on site without prior written approval of the Project Manager (XEn IPIU). If in any case total work is given in subcontract or any sub- contractor is working without prior written approval, action for breach of contract should be taken.

Sd/-
(Karni Singh Rathore)
Project Director

Dated: 5 .12.2008

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Copy to following for information and necessary action:

1. Addl. PD -I & II/ FA/ Dy. PD (T)/ Dy. PD (Adm.)/ SE (WW)/ WS / SE Jodhpur / PO (all)/ Sr. AO / All APOs / AAO/ PA to PD PMU, RUIDP, Jaipur.
2. Chief Engineer, PIU, Bisalpur, RUIDP, Jaipur.
3. Executive Engineer/APO's, IPIU, RUSDIP (Concerned), Alwar, Baran-Chhabra, Barmer, Bharatpur, Bundi, Chittorgarh, Churu, Dhaulpur, Jaisalmer, Jhalawar-Jhalrapatan, Karauli, Nagaur, Rajsamand, Sawai Madhopur and Sikar.
4. Team Leader IPMC, DSC-I, Bharatpur, DSC-II, Nagaur, DSC-III, Jhalawar, RUSDIP.
5. DSC-I, Alwar/ Dholpur/ Karauli/ Sawai Madhopur, DSC-II, Churu/ Jaisalmer/ Barmer/ Sikar and DSC-III, Chittorgarh/ / Rajsamand/ Bundi/ Baran, RUSDIP.
6. ACP, RUIDP, Jaipur to send by e-mail and put up the Guidelines on the website.

Dy. Project Director (T)