



PMO Cell – MM

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Sub: Appropriate & realistic assessment of work

During investigation of a case, it has come to the notice that in a contract for hiring of two numbers Mobile Hydraulic SRP units for a period of three years with hiring and operating charges, the hired units stayed idle most of the period during the third year of the contract due to less quantum of work. However payment was made on account of monthly charges, without any work.

In order to avoid such occurrences in future, all concerned are advised that an appropriate & realistic assessment of work should be made keeping in mind fixed-variable quantum of work. Wherever lesser quantum of work is envisaged for a certain period of contract, the provisions in tender and price format shall be incorporated accordingly. In this regard, provisions under para 5.1.7 of IMMM that utmost care should be taken while working out the 'quantum of work', so as to stipulate the same in the tender in a realistic manner and as accurately as possible along with a provision for positive and negative variation for certain quantity in actual situation may also be referred.

Above guidelines should be meticulously followed by all concerned.

(Ashwini Nagia)
ED-Chief MM Services

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