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Copy of circular memorandum no: HDO/42205/2000  
dated 08.06.2005 from Engineer-in-Chief, WRO &  
Chief Engineer (General) PWD, Chennai - 5  
addressed to all Chief Engineers of PWD.

Sub: PWD-works contract - Adoption of percentage  
Tender system - order - issued - Enhancement  
of monetary limit - Imposition Reg.

- Ref: 1. G.O. Ms. No. 222, PW(A2) Dept, dated 08.06.99  
2. EIC's Circular memo no. HDO(A)/27506/98-3  
dated 09.09.99.  
3. G.O. Ms. No. 555, PW(A2) Dept, dated 17.11.99.

1. The Government in G.O. I(A) cited, while  
accepting of percentage tender system for works,  
have allowed the concerned department to fix  
the ceiling limit for adoption of percentage  
tender system.

2. Based on that, the adoption of percentage  
tender system has been approved in reference II  
cited for work (Both original and maintenance)  
upto the value of Rs 20.00 lakhs in which all  
the item of work are covered by schedule of  
rates and local rates approved by the chief  
engineer for which data has been standardized.

3. Subsequently in G.O. III cited, orders have  
been issued by the Government to adopt  
percentage tender system for work (Both  
Original and maintenance) upto the value of

Rs. 5.00 crore. But the enhanced monetary limit could not be adopted for the reason that the prevailing rate/Schedule of rates required revision and standardization.

4. Now considering the increase in cost of materials and labours involved in construction industry during the past 6 years and taking into account the enhanced technical powers vested with various level of Engineers of PWD vide A.O. No. 140 PWD Dated 23.09.2000 the monetary limit for adoption of percentage tender system for works (both original and maintenance) is increased from Rs. 20.00 lakhs to Rs. 1.00 crore in which all the items of work are covered by schedule of rates and local rates approved by Chief Engineer, for which data has been standardized.

5. The Officers of the department are therefore requested to adopt percentage tender system for both original and maintenance works costing upto Rs. 1.00 crore (Rupee One crore only) in which all the items of work are covered by schedule of rates and local rates approved by the Chief Engineer for which data has been standardized.

6. All the other procedures outlined in para 5 of this office circular under reference are cited remain unaltered.

sd/  
For Engineer in charge  
PWD  
Chief Engineer (General)  
PWD