

SUBJECT NO : 111

Sub: Works - Egg. - VUDA - Construction of Housing scheme at Madhurawada (Harita) Phase-I (Acs.20.17 Cs) - Entrustment of valuation of work done Engineering Staff College of India (ESCI), Hyderabad - Draft subject placed before VUDA Board for perusal and approval - Reg.

\*\*\*\*

#### AGENDA NOTE:

VUDA has taken up the Harita Housing Project as a prestigious project with green surroundings with all modern facilities in the Madhurawada area with a Built up area of 9,48,168 Sft (Still + Ground + 4 Floors). The project cost worked out for Rs 99.41 Crores. The work was commenced on 2-12-2009.

During progress of work the contractual agency has requested for increase in price rise for which VUDA has not accepted. The contractual agency has failed to maintain the required rate of progress and finally abandoned the work. VUDA issued a notice to resume the work for which there was no proper response and work was not resumed. Hence a Final Termination Notice has been issued to the contractual agency as per agreement conditions. The contractual agency has challenged the termination order in the Hon'ble Principal District Court, Visakhapatnam. The VUDA has filed the counter and after several hearings judgment was delivered in favour of VUA dismissing all the petitions filed by the contractual agency.

So far Rs.24.84 Crores i.e., 25% of the work is completed. In order to take up the process of tendering for the balance work i.e., for the balance amount of Rs.74.57 Crores i.e., 75% of the work. Also it was advised by the Senior Advocate that it is essential to complete the assessment of the value of work done so far by the contractual agency M/s. Jurong Infrastructure (I) Pvt. Ltd., through a 3<sup>rd</sup> party agency before taking up the balance work. Accordingly, quotations were invited from reputed institutions like ECI and

NAC. After negotiations National Academy of Construction (NAC), Hyderabad agreed to take up the assessment of value of work done so far @ 0.35% of the value of work done plus Service Tax. But later NAC Authorities have expressed that they are not in a position to take up the work.

Hence, Engineering Staff College of India (ESCI) an autonomous organization of Institution of Engineers (India) (ISO 9001 2008 certified A/CTE & CEA Recognized institution) was entrusted with the work of assessment of value of work done at 0.50% of the value of work done + Service Tax as applicable. (Approx. amount to be paid Rs. 14.00 Lakhs) to defend the case effectively in the process of settlement of claims/ Arbitration in future.

Hence the matter is placed before VUDA Board for perusal and ratification.



VICE CHAIRMAN

  
CHAIRMAN

**VUDA RESOLUTION NO. 111, DT. 15-12-2012**

The Board discussed the matter and resolved to approve the subject.

  
CHAIRMAN