



GOVERNMENT OF KERALA

Abstract

Finance Department – Hike in the price of Bitumen – Allowing cost escalation and price difference of Bitumen to the contractor – Orders issued

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**FINANCE (INDUSTRIES & PUBLIC WORKS - B) DEPARTMENT**

**G.O.(Rt)No.9386/2018/Fin.**

**Dated, Thiruvananthapuram, 13.11.2018**

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- Read :-
- 1) Letter No. 506/M(PWD&R)/2018 dated 12.10.2018 from the Hon'ble Minister (PWD & Registration)
  - 2) Meeting held on 29.10.2018 in the chamber of the Principal Secretary (Finance).

**ORDER**

As per the letter read 1<sup>st</sup> above, Hon'ble Minister (PWD & Registration) has pointed out that contractors are now reluctant to undertake works as there is steep rise in the price of Bitumen due to enhanced price of Petroleum products in the market. The contractors also demand additional amount in contracts already awarded but not completed.

As the increase in price of Bitumen has an impact on the cost of road construction both in Public Works Department and Local Self Government Department, Government have examined the matter in detail and are pleased to order as follows:-

1. Since the price of Bitumen as on April 2018 had increased by 33%, for the ongoing works with effect from 01.11.2018, the price difference of Bitumen as on the date of closing tender and the date of invoice (Invoice date on or after 01.11.2018) will be paid to the contractor on the production of

original invoice for the actual quantity consumed for the works within original term of completion.

2. Price difference will also be allowed to all works with extended Term of Completion (without fine extension).
3. The Public Works Department shall publish the changes in the Bitumen rate of Petroleum Corporations for the previous years, for identifying the rate on closing date of tender.

**By Order of the Governor,  
MANOJ JOSHI  
Principal Secretary (Finance)**

To

The Principal Accountant General (A&E) Kerala, Thiruvananthapuram  
The Principal Accountant General (G&SSA) Kerala, Thiruvananthapuram  
The Accountant General (E&RSA) Kerala, Thiruvananthapuram  
All Heads of Departments and Offices  
The Secretary to Governor  
All Departments of Secretariat  
All Private Secretaries to Ministers  
Private Secretary to Chief Minister  
Private Secretary to the Leader of Opposition  
All Secretaries to Government  
The Registrar, High Court of Kerala  
The Secretary, Kerala Human Rights Commission, Thiruvananthapuram  
The Election Commissioner, State Election Commission, Thiruvananthapuram  
The Registrar, University of Kerala/Cochin/Kozhikode/Kottayam  
The Nodal Officer, [www.finance.kerala.gov.in](http://www.finance.kerala.gov.in)  
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Forwarded/By Order

  
Section Officer