

GOVERNMENT OF KERALA

Local Administration & Social Welfare (P) Department

No.45611/F3/72/LASW,
Trivandrum dt. 11-12-1972.

CIRCULAR

Sub:- Execution of works – termination of contract at the contractor's risk due to non - execution of work according to departmental specification – delay to claim damages and consequential loss sustained by Government – instructions issued – Amendment.

Ref:- Circular No.15473/F3/70/Health dt. 10-1-1972.

In the circular cited, it has been stated inter-alia that, in order to avoid loss due to failure of taking timely action for preferring claims of damages from the contractors, recovery proceedings should be initiated within three years from the date fixed for the original Contractor to complete the work. The above circular was issued as a result of judgement of the sub, Judge, Palghat, wherein it has been observed that the cause of action for the departmental to claim damages in such cases arises on the due date of completion of the work by the original contractor and that a suit for realization of the same would be barred within three years from that date.

It is seen that the applicability of Art.112 of the Limitation Act, which provides for a period of 30 years for suits by the Government has been overlooked while issuing the above circular. In the circumstances, it is hereby ordered that the period of limit a time for preferring claims of damages against the contractor is 30 years and not three years.

The circular dated 10-1-1972 stands modified to the above extent.

By Order of the Governor,

Bacharie Mathew,
Secretary to Government

Endt. on L.Dis. D.3710/73 dated 14-3-73

Copy to sections TR, CH, ML, MR, KT, & HA for information and attention.

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For Conservator of Forests