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CENTRAL PUBLIC WORKS DEPARTMENT

CPWD WORKS MANUAL

2007

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FOREWORD

CPWD Manual was last published in the year 2003. With rapid liberalization in the country and publication of GFR 2005, need was felt to modernize the Manual to suit the modern day requirements of construction and deliverance to the clients. The department is now expected to deliver with great speed, at the same time ensuring excellent quality of work. With this in mind, simplification of Works Manual has been attempted after incorporating various Circulars issued by the Department from time to time and instructions issued by the Government of India. Most of the processes have been streamlined. To expedite works – Computerized Billing (though initially ordered for restricted use) has been introduced for the first time in the Manual for general use.

CPWD Manual and other publications are useful not only to CPWD Officials but also to a large number of Central Govt. Organisations, Public Sector Undertakings and State Govts., which function on the pattern of CPWD. As such, publication of this simplified Manual will be of great help to many Organisations and I hope it will be well received by all concerned.

I would like to express my appreciation of the sincere efforts and dedication put in by Shri H.S. Dogra, Additional DG (Borders) & Chairman, Manual Committee and his team of dedicated Engineers of CPWD.

I am confident that CPWD Professionals will be able to deliver projects to their clients most effectively using this Manual. CPWD will welcome comments on this Manual from its users, which can be sent to CPWD website www.cpwd.gov.in upto 30.6.08 and the department will review the contents of this Manual based on the comments to make changes, if found needed. Commensurating with the dynamic scenario of construction in India, CPWD will like to have a dynamic Works Manual and an annual review of Works Manual provisions will henceforth be a regular feature.

All provisions of this Manual will be effective from 31.12.07.

Place: New Delhi
Dated: December 2007

(A. Chakrabarti)
Director General of Works
C.P.W.D.

PREFACE

The general approach in drafting this Manual has been to assist the honest and well-meaning officers to deliver and to increase the overall efficiency of the department. Power and responsibility go together, and when officers are adequately empowered, they will be responsible for results in terms of quality, time and cost. Codifying the liberalized procedures and powers would increase the accountability of the officers.

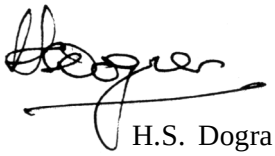
The salient features of this Manual are, submission of computerized progress reports, computerized measurements and bills by the contractors to effectively monitor/execute the works, liberalized work order/ material procurement system, composite tendering, two/three envelop system, encouraging percentage rate tenders, mechanized/speedier construction, emphasis on quality assurance by the field units during construction stage itself rather than on post-construction quality control, introduction of in-house dispute redressal committees to arbitration cases, etc. Departmental instructions issued upto 20.12.2007 under office memorandum of DGW/CON and DGW/MAN series have been incorporated in the Manual.

There is still scope for further improvement in our systems and procedures. Depending upon the feedback on the efficacy of the changes made in this Manual, further improvements could be made during the next revision of this Manual. It is hoped that this Manual would go a long way in unfettering our officers in innovating, as well as in taking bold decisions in the interest of work.

The committee constituted for finalization of Manual held a total of 69 sittings between March 2006 and November 2007. I gratefully acknowledge the help rendered by S/Shri A.K.Bhatnagar ADG, S.R.Pandey ADG (since Retd.), A.K.Sarin ADG (EM DDA), S.K.Mittal CE, A.K.Sinha CE, S.P.Singh CE, K.J.Singh CE(E) (since Retd.), Mohan Swaroop CE(E), Suresh Kumar CE, S.P.Baranwal CE(E), A.K.Singhal CE, Smt. P.Verma CTE and A.K.Rajdev SE(C&M) for their valuable contributions in finalization of Works Manual. Thanks are also due to large number of officers who made suggestions on the draft Manual. I will be failing in my duty if we do not thank Shri JM Raj ADG (Retd.) who took the initiative single handedly to redraft the Manual which in turn was further reviewed by this Committee. I also thank Shri Parmodh Singh FO to DGW for assisting in finalizing the sections in budgeting etc.

I am grateful to Shri A. Chakrabarti, Director General (Works), for reposing trust in me to undertake this work. It has indeed been a proud privilege and a very memorable experience for me to be involved in this work, and I hope and wish that this Manual would contribute in the betterment of the department.

Though every effort has been made to incorporate all the changes in the Works Manual, however, if any discrepancy is found, it may be brought to the notice of Chief Engineer (CSQ).



H.S. Dogra
Additional Director General (Border)

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Changes made in Works Manual — at a glance

Section – 1 : Works

- Provision of GFR 2005 regarding execution of works by various department/Ministries added.

Section – 2 : Stages for execution of works

- Economic life of internal services/fixtures i/c electrical wiring, water supply etc. added.

Section – 3 : Deposit Works

- Provision that works could be taken up in anticipation of deposits now deleted.
- A enabling estimate for preliminary works like soil testing, site survey etc. to be forwarded and sanction/fund received.
- Transfer of proportional funds to other units i.e. Civil/ Electrical/Horticulture (whichever is applicable) at an appropriate stage.

Section – 4 : Preparation of Estimates

- Authority for sending PE clearly indicated.
- No PE to be forwarded at AE level.
- Authority to use contingencies modified.
  SE : Proportionate available contingencies subject to a maximum Rs. 5 Lakh
  CE: Full power.

Section – 5: Execution of original works

- Execution of works/procurement of materials under critical situations by spot quotations.
- Progress reports to be submitted by contractors for works costing > Rs. 15 Cr.

Section – 7 :- Measurement Books

- Provision of recording measurements in Triplicate sheets deleted.
- Option of recording Abbreviated nomenclature for EI/SI deleted.
- Tender accepting authority may stipulate the recording of measurements by AE or 100% check by AE for some important items if required. Important items also to be listed.
- Measurements selected by EE for test check to be independent of measurements test checked by AE.
- Provision of taking level at Source of earth – deleted.
- Payment of earth work based on measurement of borrow pit/stack – deleted.
- Computerized MBs for works costing > Rs. 15 Lakh.

Section – 10 :- Documentation of Accounts

- Works where RMC is used, cement register need not be maintained. Only computerized dispatch slips to be kept on record.
- In cases where value of dismantled materials is more than cost of Dismantling, provision to be made in NIT requiring contractor to deposit full cost of such materials before hand.

Section – 13 Contract and forms

- Instructions in case of Lump sum tenders where Design and structural drawing to be provided by contractor before award of work – Added.

Section 14 :- Award of Work without call of tenders

- Normally tenders to be called for works costing > Rs. 50,000 (earlier Rs. 25,000)
- Normally quotations to be called with publicity through web and Notice board.
- Period of Notice to be decided by work order accepting authority
- In Urgent situations, spot quotations may be collected.
- Award of works to Registered labour co-operative societies not to be counted towards annual ceiling for issue of work orders.

Section 15:- Preparation of Tender Documents

- Mandatory requirements for availability of site, Structural drawings etc. before approval of NIT, now changed to "Desirable" requirement.
- System of composite tendering modified.
- Time schedule for works modified.

Section 16: - Publicity of Tenders

- Press Adv for works > Rs. 5 lakh (earlier Rs. 2 lakh)
- Publicity period of Tenders modified.
- Pre bid - At least 5 days before opening of tenders.
- Restricted Tenders - Approval of list by CE for works costing < Rs 50 Lakh; Beyond Rs 50 Lakh by ADG.
- System of PQ renamed as 2/3 envelope system.

Section 18:- Earnest Money

- Earlier provision of postponing date of opening of tender in case banks are closed on the day of opening – now changed to "Last date of receipt of applications".

Section 19: - Receipt, opening and Acceptance of Tender

- Use of correction fluid in tender documents not to be allowed. Such tenders are liable to be rejected – Added
- Detailed arrangement for proper checking of tenders and comparative statements are left to Tender accepting authority (earlier – NIT authority)
- Tender checking work to be carried out by SE(P) in CE's office if F.O. is not available.
- Earlier provisions stressing for NIT approving authority to make proper arrangement for safe custody of tenders – deleted.
- The delegated powers are for acceptance of tender. Now it is added that the same shall be applicable for rejection also.
- RPE should be submitted within a month's time of acceptance of tender for cases where cost may cross corresponding PE provisions.
- Earlier Provisions – Recording reason for accepting/rejecting tenders on a separate sheet to be kept in custody of accepting authority – now deleted.
- Any cost bearing factors which is not covered under DAR can be considered in justification.

Section 20: - Security Deposit and Performance Guarantee

- Earlier provision of recovering 10% of work done in each bill changed to 5 % till the total SD recovered becomes 5% of tendered amount.

Section 23: - Extra/Substituted and Deviated Items

- Powers to sanction EI modified
- No need of sanction of deviated items, deviating upto $\pm$ 10% of agreement quantities.
- Quantities deviating on lower side also need sanction.
- Powers to sanction deviation items modified.

Section 28:- Extension of Time and Compensation for delay

- Compensation to be levied by SE only.
- Earlier provision of compensation by EE modified.
- Delegation of powers for sanctioning EOT modified

Section 29:- Payment to Contractors

- No RA payment (only final bill) for works < Rs. 50,000 (earlier Rs. 20,000), only final bill to be paid.
- Final bill

Within Six months for works > Rs 15 Lakh (Earlier Rs. 5 lakh)
For works with lesser amount in 3 months.

- Time for Payment of RA bill – Period of 10 days changed to 6 days.
- Requirement of completion certificate by SE/SA revised.
- Inspection of works by SA:- Now consultant Architect also added.

Section 31:- Advance Payments

- Secured advance – Rate to be lower of (i) 75% of material cost (ii) 75% of material element of rate of agreement item. Now 75% (i) & (ii) changed to 90%

Section 34 :- Rules for Enlistment of Contractors.

- This section modified to conform to Enlistment Rules 2005.

Section 35:- Arbitration and Litigation

- Provision of Dispute Redressal Committee – Added
- EI/SI/Deviation items to be passed before submission of CSF – added
- Cases involving claim > Rs. 20 lakh (earlier 10 lakh) required vetting by TLC Units.
- Time needed for submission of CSF modified.

Section 36:- Purchases of Stores

- Provisions modified to conform to GFR 2005

(i) Upto Rs. 2000 - Purchase through HR/Imprest/Cash (Not to Count towards Annual ceiling)
(ii) Upto Rs. 15000 - Supply order, without call of quotation.
(iii) Rs. 15000 to Rs. 1 lakh
  (a) Normally – Supply order through calling quotations
  (b) Proprietory items/Items with Exclusive specifications/Urgency – Through Purchase committee (EE + AE + JE/AE)
(iv) > Rs. 1 lakh
  (a) Items borne on RC (DGS&D) through DGS&D or at rate contract
  (b) Items not borne on RC – through local purchase by open/Limited tendering.
  (c) CE authorized to deviate above with recorded reasons

- Powers for approving supply orders modified

Section 38 :- Payment for Supplies

- Provision regarding attaching copies of MB with Bill – deleted.

Section 53: - Quality Assurance And Technical Audit

- "Quality Assurance Plan" to be part of tender document for works > Rs. 10 Cr
- Periodicity of Inspection by EE(QA) reduced from 10 to 4 per month.
- Responsibility for ensuring quality of different items by JE/AE/EE exists in Manual for items of Building work (Civil) only. Now list of Road/Elect/Hort items added.

CHAPTER I
WORKS

SECTION 1
CLASSIFICATION OF FUNCTIONS OF CPWD

1.1 Functions

The Central PWD is the agency of the Central Government operating throughout the country for:

(i) Planning, construction, maintenance and repairs of all works and buildings financed from Civil Works Budget. These do not include works pertaining to certain departments and Ministries who have their own engineering wing, or who have been granted special exemption, such as the Atomic Energy Department, Central Water Commission, Department of Posts, All India Radio, Department of Space, and Railway. The Department executes the works of Ministries of Defence, External Affairs (for works outside India), Shipping and Surface Transport (Roads Wing), as and when asked for.

(ii) Estate work at places where the Directorate of Estates does not have its offices.

(iii) Valuation of properties/assets under Income Tax Act as and when requested by Income Tax department.

(iv) Assessment of rent for hiring of properties and assessment of value of properties for purchase by various Ministries/Department of Govt. of India.

(v) Advising Govt. of India on various Technical matters relating to public works.

1.2 Procedures for Execution of works by various departments/Ministries shall be in accordance with provisions of GFR-2005 (Annexure)

1.3 Classification of works

The works undertaken by CPWD are classified as follows:

1.3.1 Original Works

These shall mean:

(i) all new constructions,

(ii) all types of additions, alterations and/or special repairs to newly acquired assets, abandoned or damaged assets that are required to make them workable .

(iii) major replacements or remodeling of a portion of an existing structure or installation or other works, which results in a genuine increase in the life and value of the property.

1.3.2 Repairs and maintenance works

These cover operations undertaken to maintain the assets in a proper condition and include maintenance and operation of all services. The “Repairs” are further classified into two categories as follows:

(i) **Annual repairs:** These cover the routine as well as yearly operation and maintenance works.

(ii) **Special repairs:** These cover major repair or replacement or remodeling of a portion of an existing structure or installation or other works due to major breakdowns, or deterioration, or periodic renewal, which do not result in a genuine increase in the value of the property.

1.4 Classification as per funding of works

(1) The funding of any work falls under one of the following categories:

1.4.1 Budgeted works: These are works that are undertaken under an outlay that is provided wholly from the financial estimates and accounts of the Union of India that are laid before and voted by both the Houses of Parliament.

1.4.2 Deposit works: These works are undertaken at the discretion of the department. Outlay for these works is either provided from Government grants to autonomous or semi-autonomous bodies or institutions through their Administrative Ministries, or is financed from non-Government sources wholly or in part from:
(i) funds of a public nature, but not included in the financial estimates and accounts of the Union of India,
(ii) contributions from the public.

(2) Provisions under section 3 may be referred to for further details of ‘Deposit works’.

Annexure
(Refer Para 1.2)
Extract of GFR 2005

Rule 123. Original Works means all new constructions, additions and alterations to existing works, special repairs to newly purchased or previously abandoned buildings or structures, including remodeling or replacement.

Repair works means works undertaken to maintain building and fixtures.

Rule 124. Administrative control of works includes:
(i) assumption of full responsibility for construction, maintenance and upkeep;
(ii) proper utilization of buildings and allied works;
(iii) provision of funds for execution of these functions.

Rule 125. Powers to sanction works : The powers delegated to various subordinate authorities to accord administrative approval, sanction expenditure and re-appropriate funds for works are regulated by the Delegation of Financial Powers Rules, 1978, and other orders contained in the respective departmental regulations.

Rule 126.
(1) A Ministry or Department at its discretion may directly execute repair works estimated to cost upto Rupees ten Lakhs after following due procedure indicated in **Rule 132.**
(2) A Ministry or Department may, at its discretion, assign repair works estimated to cost above Rupees ten Lakhs and upto Rupees thirty Lakhs to any Public Works Organisation, which includes State Public Works Divisions, other Central Government organisations authorized to carry out civil or electrical works such as Central Public Works Department(CPWD), Military Engineering Service (MES), Border Roads Organisation etc. or Public Sector Undertakings set up by the Central or State Government to carryout civil or electrical works.
(3) All original works costing upto Rupees ten Lakhs may be assigned by the Ministry or Department concerned to a Public Works Organisations as defined in **Rule 126(2).**
(4) All original works estimated to cost above Rupees ten Lakhs and repair works estimated to cost above Rupees thirty Lakhs may be got executed through a Public Works Organisations as defined in Rule 126(2) after consultation with the Ministry of Urban Development.

Rule 127. Work under the administrative control of the Public Works Departments : Works not specifically allotted to any Ministry or Department shall be included in the Grants for Civil Works to be administered by Central Public Works Department. No such work may be financed partly from funds provided in departmental budget and partly from the budget for Civil works as mentioned above.

Rule 128. General Rules: Subject to the observance of these general rules, the initiation, authorization and execution of works allotted to a particular Ministry or Department shall be regulated by detailed rules and orders contained in the respective departmental regulations and by other special orders applicable to them.

Rule 129.
(1) No works shall be commenced or liability incurred in connection with it until,-
(i) administrative approval has been obtained from the appropriate authority in each case;
(ii) sanction to incur expenditure has been obtained from the competent authority;
(iii) a properly detailed design has been sanctioned;

(iv) estimates containing the detailed specifications and quantities of various items have been prepared on the basis of the Schedule of Rates maintained by CPWD or other Public Works Organisations and sanctioned;
(v) funds to cover the charge during the year have been provided by competent authority;
(vi) tenders invited and processed in accordance with rules;
(vii) a Work Order issued.

(2) On grounds of urgency or otherwise, if it becomes necessary to carry out a work or incur a liability under circumstances when the provisions set out under sub rule 1 of rule 129 cannot be complied with, the concerned executive officer may do so on his own judgement and responsibility. Simultaneously, he should initiate action to obtain approval from the competent authority and also to intimate the concerned Accounts Officer.

(3) Any development of a project considered necessary while a work is in progress, which is not contingent on the execution of work as first sanctioned, shall have to be covered by a supplementary estimate.

Rule 130. For purpose of approval and sanctions, a group of works which form one project, shall be considered as one work. The necessity for obtaining approval or sanction of higher authority to a project, which consists of such a group of works should not be avoided because of the fact that the cost of each particular work in the project is within the powers of such approval or sanction of a lower authority. This provision, however, shall not apply in case of works of similar nature, which are independent of each other.

Rule 131. Any anticipated or actual savings from a sanctioned estimate for a definite project, shall not, without special authority, be applied to carry out additional work not contemplated in the original project.

Rule 132. Procedure for Execution of Works : The broad procedure to be followed by a Ministry or Department for execution of works under its own arrangements shall be as under:-

(i) the detailed procedure relating to expenditure on such works shall be prescribed by departmental regulations framed in consultation with the Accounts Officer, generally based on the procedures and the principles underlying the financial and accounting rules prescribed for similar works carried out by the Central Public Works Department(CPWD);
(ii) preparation of detailed design and estimates shall precede any sanction for works;
(iii) no work shall be undertaken before issue of Administrative Approval and Expenditure Sanction by the competent Authority on the basis of estimates framed;
(iv) open tenders will be called for works costing Rupees five lakhs to Rupees ten lakhs;
(v) limited tenders will be called for works costing less than Rupees five lakhs;
(vi) execution of Contract Agreement or Award of work should be done before commencement of the work;
(vii) final payment for work shall be made only on the personal certificate of the officer-in-charge of execution of the work in the format given below:

" I……, Executing Officer of (Name of the Work), am personally satisfied that the work has been executed as per the specifications laid down in the Contract agreement and the workmanship is upto the standards followed in the Industry."

Rule 133. For original works and repair works entrusted to a 'Public Works Organisation' as defined in Rule 126(2), the administrative approval and expenditure sanction shall be accorded and funds allotted by the concerned authority under these rules and in accordance with the Delegation of Financial Power Rules 1978. The Public Works Organisation shall then execute the work entrusted to it in accordance with the rules and procedures prescribed in that organization.

Rule 134. Review of Projects : After a project costing Rupees ten crores or above is approved, the Administrative Ministry or Department will set up a Review Committee consisting of a representative each from the Administrative Ministry, Finance (Internal Finance Wing) and the Executing Agency to review the progress of the work. The Review Committee shall have the powers to accept variation within 10% of the approved estimates. For works costing less that Rupees ten crores, it will be at the discretion of the Administrative Ministry / Department to set up a Review Committee on the above lines.

SECTION 2
STAGES FOR EXECUTION OF WORKS

2.1 Pre-requisites for execution of works

(1) There are four main stages as follows in the execution of a work:
   (i) Administrative approval
   (ii) Expenditure sanction
   (iii) Technical sanction
   (iv) Availability of funds.

(2) No work should normally be commenced or any liability thereon incurred until an administrative approval has been obtained, a properly prepared detailed estimate has been technically sanctioned and where necessary expenditure sanction has been accorded and allotment of funds made.

2.2 Works of inescapable nature (Ref. rule 129 (2) of GFR-2005)

The Chief Engineer shall declare works of inescapable urgency as 'urgent/emergency work' in a judicious manner depending upon the gravity of the situation. This may arise due to a natural calamity, civil disturbances, or exigencies that cannot brook any delay. In case of 'urgency' or 'emergency', the work may be executed in absence of any or all of the above-mentioned pre-requisites. On receipt of such written order of the competent authority in each case, the Executive Engineer/Assistant Engineer shall proceed to carry out the necessary work, and shall immediately intimate the AO concerned that he is incurring such a liability, stating therein the approximate amount of liability that he is likely to incur. The Executive Engineer/Assistant Engineer should obtain the administrative approval and expenditure sanction and accord of technical sanction of the competent authority to regularise the liability as early as possible.

2.3 Administrative approval

"Administrative approval" is the communication of formal acceptance of the proposals by the competent authority of the Administrative Ministry/Department requiring the work.

2.3.1 Accord of administrative approval

(a) The concurrence of the competent authority of the Administrative Ministry/Department requisitioning the work should be obtained to the Preliminary Estimate for the work. However, no such concurrence is required for normal repairs and maintenance works.

(b) The Preliminary Estimate should be framed or countersigned by the authority as specified in para 4.1.4 of the Manual, and sent in triplicate to the Administrative Ministry/Department requisitioning the work. The requisitioning authority shall be requested to return one copy of the estimate, duly countersigned in token of acceptance, while communicating the administrative approval.

(c) One copy of the administrative approval shall be endorsed to the concerned Accounts Officer.

2.3.2 Powers for accord of administrative approval

(a) Various Ministries/Authorities who get their works executed through the CPWD, have been delegated specific powers to accord administrative approval to the works.

(b) The amount of administrative approval accorded, in all cases, shall include departmental charges, wherever it is leviable.

(c) In case of estimates for residential accommodation, it has to be seen by the authority concerned before the issue of administrative approval that the scale of accommodation provided for therein does not exceed the one approved by the Ministry of Finance.

(d) If the estimated cost of a work exceeds the powers of any officer, the administrative approval of the Government of India in the Administrative Ministry must be obtained.

(e) The Director General (Works) and Additional Directors General have been delegated powers as in Appendix-I to accord administrative approval for construction of houses for CPWD project staff in major projects, as well as for CPWD maintenance staff.

2.3.3 Approval to work of additions and alterations

(a) No authority, with the exception indicated in sub-para (b) below, is empowered to accord administrative approval to an estimate of additions and alterations to a building, if the expenditure contemplated would result in increase of the capital cost of the building to a figure which is beyond the authority in question entitled to accord the administrative approval in case of a new residence.

(b) The Director General (Works), Additional Directors General, Chief Engineers, Superintending Engineers and Executive Engineers may accord administrative approval, as per powers delegated to them in Appendix-I, to estimates for minor works and additions and alterations to the existing Government-owned residential buildings irrespective of the capital cost of the buildings subject to the conditions, that:

(i) The powers delegated to them will not apply to residential units occupied by Ministers/Members of Parliament

(ii) The prescribed scale of amenities in residential building shall not be exceeded.

(iii) The prescribed specifications of the amenities shall not be exceeded.

(iv) The additions and alterations to be sanctioned shall be of the general type. All such cases where there are no precedents, or where there are likely to be repercussions should be referred to the Ministry of Urban Development.

(v) The funds are available in the budget.

2.3.4 Material deviations over original Sanctioned Scheme.

Material deviations that significantly alter the scope of work from the original sanction should not be made without the approval of the authority that accorded administrative approval to the work, even though the cost of the same may be covered by savings on other items.

2.3.5 Excess over administrative approval

Excess up to 10% of the amount of the administrative approval may be authorised by Officers of the CPWD, up to their respective powers of technical sanction. In case it exceeds this limit, a revised administrative approval must be obtained from the authority competent to approve the cost so enhanced. No revised administrative approval is, however, necessary if the excess is covered by the requisite expenditure sanction.

2.4 Expenditure sanction

(a) Expenditure sanction is to be accorded by the Administrative Ministry/Department to indicate that funds for the project/work have been provided, and liability can be incurred.

(b) An order of appropriation or re-appropriation of funds shall operate as sanction to incur expenditure on minor works, and it shall not be necessary to issue any formal order conveying sanction to incur expenditure in such cases.

2.4.1 Powers for accord of expenditure sanction

(a) Ministries/Departments of the Central Government may issue expenditure sanction in respect of major works costing up to a specified limit without consulting the Ministry of Finance.

(b) In the case of works under the Administrative control of National Capital Territory of Delhi, necessary expenditure sanction will be issued by the Lt. Governor, Delhi after obtaining concurrence of the Delhi State Division of the Ministry of Finance, where necessary.

(c) The Director General (Works) and Additional Directors General have been delegated powers as in Appendix-I to accord expenditure sanction for construction of houses for CPWD project staff in major projects, and for CPWD maintenance staff.

2.4.2 Excess over expenditure sanction

Expenditure sanction can be exceeded upto 10%, beyond which revised Expenditure Sanction shall be necessary. This should be applied for as soon as such excess is foreseen.

2.5 Technical sanction

A "technical sanction" amounts to a guarantee that the proposals are technically sound, and that the estimates are accurately prepared and are based on adequate data.

2.5.1 Accord of technical sanction

(a) After receipt of administrative approval and expenditure sanction, detailed estimates are required to be prepared for technical sanction. The technical sanction should be accorded by the competent authority before a work is taken in hand. In case of revised estimates, it is not necessary to wait for the revised administrative approval or the revised expenditure sanction to accord revised technical sanction.

(b) A copy of the technical sanction for the building work should also be endorsed to the concerned Senior Architect, Superintending Engineer (Elect)/Executive Engineer(elect) as well as the Director/ Deputy Director of Horticulture for initiating action at the appropriate time on electrical, air conditioning, horticulture and other works. Similarly, copies of Technical Sanction of Estimate for Horticulture works shall also be forwarded to Senior Architect and CE(C)/SE(C)/EE(C) as the case may be. The municipal/Local Bodies and Electrical Supply Companies should also be approached by the Executive Engineer, Civil and Electrical, well in time for providing External Services including power supply.

(c) Before an estimate is technically sanctioned, the following shall be desirable:
   (i) Detailed architectural drawings and specifications.
   (ii) Preliminary structural drawings for foundations
   (iii) Preliminary structural drawings of superstructure at least upto slab at level 2
   (iv) Preliminary drawings for internal and external services.

(d) The authority competent to accord such sanction shall ensure that the design and specification etc., adopted in the detailed estimate are adequate enough for the building to last till its desired life. In the 'Design and Scope' column of the estimate, it shall be specifically mentioned that, 'Under normal use and maintenance, the building is expected to have an economic life of …… years.'

(e) For various types of buildings, the economic life shall be taken as below:
   (i) Monumental structures 100 years
   (ii) RCC framed structures 75 years
   (iii) Load bearing structures 55 years
   (iv) Semi permanent structures 30 years

   Economic life of various internal Services/fixtures including electric wiring, water supply distribution system may vary from 15 to 25 years depending upon the geographical location, type of the services and its uses.

(f) No estimate should be technically sanctioned unless the proforma at Appendix – 2 is submitted along with the estimate to enable the competent authority to see that the detailed estimate prepared takes into account all aspects of planning and that no point has escaped notice.

(g) In case of work for which tenders are called on "Design and construct" basis, technical sanction of such works may be accorded only on finalization of structural drawings, services drawings and other detail on submission of the same by the contractor. However it would be necessary that all the Architectural and structural data/parameters, details of functional requirement and complete specifications including preliminary drawings are finalized before the call of tenders on "Design and construct" basis.

(h) For Technical sanction, detailed estimate shall be prepared based on applicable schedule of rates. Market rates shall be followed for the items not covered under schedule of rates.
   Effect of prevailing cost index over the hypothetical cost Index of schedule of rate should be taken on the amount of Detailed estimate for items for which rates are based on Schedule of rate. Estimate should be technically sanctioned for the amount inclusive of effect of Cost Index.

(i) The powers delegated to officers of the Central PWD for accord of technical sanction are given in Appendix-1. These amounts are exclusive of departmental charges. The powers to accord technical sanction to revised estimates shall be the same as for the original estimates.

2.5.2 Deviation in Technical Sanction

(1) The technical sanction can be exceeded upto 10% beyond which revised 'technical sanction' shall be necessary.

(2) Similarly, if subsequent to the accord of technical sanction, material structural alterations are contemplated, the orders of the authority which sanctioned the estimate technically should be obtained, even though no additional expenditure may be involved due to such alterations.

2.5.3 Packages for accord of technical sanction

(i) The authority of CPWD who submitted the preliminary estimate to client should decide the project in to packages for inviting tenders.

(ii) The authority who decides the package will also decide the manner in which technical sanction(s) (one or many under each package) is/are to be accorded.

(iii) In event the authority identifying the package decides that different authorities are to accord technical sanction for different components, he will intimate the same to all concerned authorities duly indicating the time frame. The technical sanctioning authorities, after according technical sanction for respective components, submit the detailed estimates alongwith their proposal for special conditions to be incorporated in NIT to authority competent to issue the NIT.

2.6 Appropriations and re-appropriations

(1) Appropriation means assignment to meet specified expenditure of funds included in a primary unit of appropriation. Re-appropriation means the transfer of funds from one unit of appropriation to another under such unit. It is a fundamental principle that no outlay on a work shall be incurred without funds having been allotted for it by appropriation or re-appropriation. In exceptional cases, where expenditure is authorised in anticipation of the allotment of funds or in excess of the funds allotted for the purpose, the authorisation must be followed by a formal allotment of funds to the extent required.

(2) Allotment of funds is intended to cover all the charges including the liabilities of past years to be paid during the year or to be adjusted in the accounts of it. It is operative until the close of the financial year. Any unspent balance lapses and is not available for utilisation in the following year, but Government will ordinarily endeavour to include any anticipated lapse in the demand for the following year. The financial year closes on 31st March, and after that date all cash and stock transactions are treated as pertaining to the following year.

(3) However, the Transfer Entry Book and the stock accounts should be kept open for transfer entries relating to rectification of errors and settlement of outstanding. These accounts should be closed on the 20th May or on such other date, as may be prescribed by the Accountant General.

Note:

(i) If any adjustments in accounts have been purposely deferred till the close of the accounts of the year, it is permissible to effect these after 31st March in the same way as adjustments in rectification of error noticed after that date.

(ii) Accounts of transaction with other Governments, Railways, Posts and Telegraphs and Defence must be settled completely and communicated to the Accountant General by the 12th April, at the latest.

(4) An appropriation or re-appropriation can be authorised at any time before, but not after the expiry of financial year.

(5) The procedure relating to the preparation of demand for grants and re-appropriation of funds, distribution of funds and budget matters generally is laid down by the Budget Division of Ministry of Finance in their divisional budget circular.

(6) The demands for new capital (Construction) works/works in progress chargeable to the major head "4059 Capital Outlay on Public Works" and Functional Heads and Major Head "4216 Capital Outlay on Housing" will be forwarded by the Director General (Works)/Chief Engineers to Ministry of Urban Development by 31st October every year. These should be confined to those works only that have received expenditure sanction wherever such sanction is required.

(7) For Major/Minor works and Maintenance and Repairs works chargeable to the Major head "2059 Public Works" and Minor Works and Maintenance and Repairs works chargeable to the Major Head "2216 Housing" the demand should be in lump sum only under different minor heads, the data as desired by Ministry of Urban Development justifying the total demands put forward for each of sub head should be furnished in the supplementary statements to be appended to the schedule.

2.6.1 Powers for appropriation and re-appropriation

The powers to appropriate and re-appropriate funds to meet the expenditure on public works are vested with the Director General (Works)/Chief Engineers.

2.7 'Pre-construction' and 'construction' stages

The execution of a project/work has two stages, viz. the 'Pre-construction stage' and the 'Construction stage'. The following activities are involved in these stages:

(1) Pre-construction stage: –

(i) Requisition from the client.
(ii) Preparation of site/soil data, and assessment of feasibility of services such as water supply, electricity, drainage and sewerage etc.
(iii) Discussions with the client to assess and appreciate their requirements, incorporation of the same and preparation of preliminary plans.
(iv) Approval of the preliminary plans by the client.
(v) Preparation of preliminary estimate.
(vi) Approval of the preliminary estimate by the client.
(vii) Preparation of architectural drawings and review with client and modification of drawings, if required.
(viii) Preparation and submission of the plans to the Local Bodies for their approval.
(ix) Approval of plans by the Local Bodies.
(x) Preparation of preliminary structural sizes.
(xi) Preparation of services drawings.
(xii) Preparation of detailed working drawings.
(xiii) Preparation of detailed estimates for buildings and all services (civil, electrical and mechanical).
(xiv) Preparation of NIT and call of pre-qualification applications, wherever applicable.
(xv) Preparation of structural drawings.
(xvi) Selection of contractors from the pre-qualification applications wherever applicable.
(xvii) Call of tenders and pre-bid conference wherever applicable.
(xviii) Receipt/Opening of tenders.
(xix) Decision on tender and award of work.

(2) Construction stage:—

(i) Execution of work and contract management.
(ii) Completion of work.
(iii) Testing and commissioning.
(iv) Completion certificate from Local Body including fire clearance..
(v) Handing over to client.
(vi) Settlement of accounts.

2.7.1 Co-ordination of works

2.7.1.1 Pre-construction stage

(1) The co-ordination upto the stage of preparation of detailed estimate/NIT for execution of a project/ work shall be done by the Senior Architect/Chief Architect handling the project. The preparation of lay out, preliminary and detailed working drawings of buildings shall be done by the Senior Architect/

Chief Architect in consultation with the client Ministry/ Department as well as with the Superintending Engineer (Planning), civil and electrical, after obtaining their proposals and requirements. For this purpose, the Senior Architect/ Chief Architect shall send advance copies of the drawings to all the concerned officers and call for their comments. The detailed working drawings shall be finalised by him after taking into account such comments/data into consideration, and after further mutual discussions as may be necessary.

(2) These drawings shall be sufficiently detailed to enable the field officers to relate it with the schedule of items for execution of work without any ambiguity or lack of clarity.

In case of works where architectural input is not required, such as road work, the Executive Engineer (Planning) in Circle/ Superintending Engineer (Planning) in Zone shall co-ordinate the work upto the NIT stage.

2.7.1.2 Construction stage

(1) The co-ordination during the construction stage shall be done by the concerned Superintending Engineer (Civil) or by the Nodal Officer so appointed by the Chief Engineer from any one of the three disciplines, namely, civil, electrical and architecture. He shall hold regular co-ordination meetings with the concerned officers of the four disciplines (including horticulture) to review the progress of the work, and to sort out hindrances or bottlenecks wherever these occur. He shall also invite the client's representative to participate in the co-ordination meetings for regular appraisal of progress of work, appreciation of client's needs and desire, and to sort out inter-departmental issues, if any. He shall issue regular minutes of such meetings to all concerned.

(2) The Executive Engineers, Civil and Electrical, shall work in close co-ordination to ensure that all the preceding activities involving work of other disciplines are completed well in time before the subsequent activities as per the program of work are taken up. Activities that may conflict or cause avoidable damage to the work already done shall be avoided by proper planning.

(3) Any change from the provisions in the architectural drawings that becomes necessary during the execution of work due to any practical difficulty etc., shall be brought to the notice of the Senior Architect/ Chief Architect and his approval obtained.

2.7.1.3 Local Bodies

(1) In all cases, where the Central PWD has to depend upon the local Municipal and other authorities for the provision of external services, viz. roads, drains, water supply mains, sewerage, electric mains, etc. there should be proper co-ordination between the Central PWD Officers concerned with the project and Municipal and other authorities. To avoid any infringement of building and health bye-laws of local Municipal Committee/ Corporation, the building plans should be prepared by Senior Architects keeping in view the provisions and requirements of these bye-laws. The Executive Engineer shall furnish the services plans to Senior Architect. The Senior Architect will submit through the concerned Executive Engineer (Civil) the complete plans to such local bodies for their approval prior to commencement of the work.

(2) The Senior Architect shall pursue with the Local Bodies in close co-ordination with the Executive Engineer (Civil) for obtaining the necessary clearances/approvals.

(3) On commencement of work, the local bodies should also be moved simultaneously for provision of ancillary services. Provision for such external services, wherever required to be provided for by the Department should invariably be made in the main project estimate.

2.7.1.4 Horticulture works

When the building work has sufficiently advanced, the concerned DD(H)/AD(H) should initiate action for horticulture works.

2.8 Completion of Works

(1) The administrative Department/Ministry shall be kept informed at regular intervals about the stages of progress of work so that the client's observations, if any, could be responded to before the work is completed.

(2) On completion of the work, the Administrative Department/Ministry should be intimated of the same and formal handing over arranged in writing. Reasonable advance intimation of completion of the work should be given to the concerned Department to enable them to make arrangements for taking over.

(3) Completion plans of the project, including all services, should be prepared and submitted along with the completion report showing the expenditure incurred on the project.

(4) The Completion Report in Form CPWA 45/44, as the case may be, should be prepared from the Works Registers indicating the expenditure incurred till the date of completion and passing the excess, if any, as it may be within the competence of CPWD Officers.

(5) The Executive Engineer in charge of the Building work should maintain a register called "Consolidated Register of Works" so as to exhibit the total cost of the project including all components viz., building, water supply, sanitary installation, electrical installations, etc. For this purpose, the concerned Divisional units, on completion of their portion of the work will intimate the audited figures of expenditure to the building Division through a Completion Report, and get the excess, if any, passed. The overall responsibility for obtaining the revised administrative approval and expenditure sanction for the project as a whole, wherever required, will rest with the Executive Engineer (Civil).

(6) Subsequent to the computerisation of accounts and Progress Monitoring System developed by the NIC in co-ordination with CPWD, the actual expenditure figures from the Monthly Accounts that are entered through NIJ (Nirman Info Jyothi) are being uploaded every month by the individual Divisional units to the Central Server. The Server automatically consolidates the actual expenditure figures of the various Divisional units technical sanction wise under the respective administrative approvals of the works. Thus the consolidated expenditure figures under each administrative approval are available at the CPWD website. The Executive Engineer (Civil) shall, therefore, watch the expenditure figures from the website for taking action as above.

SECTION 3
DEPOSIT WORKS

3.1 Definition

(1) The term 'Deposit Works' is applied to works of construction or repairs and maintenance, the cost of which is met out of Government grants to autonomous or semi-autonomous bodies or institutions through their Administrative Ministries, or is financed from non-Government sources wholly or partly from:-

(a) Funds of public nature, but not included in the financial estimates and accounts of the Union of India.

(b) Contributions from the public.

The funds may either be deposited in cash or otherwise placed at the disposal of the Divisional Officer.

(2) Where a work is to be carried out partly from funds provided in the financial estimates of the Department and partly from funds of the foregoing nature, the contribution should be considered as a lump sum in addition to the Government grant.

3.2 Taking up of deposit works

(1) The work shall be executed in accordance with the procedures laid down for the Central works. However, the norms regarding plinth areas and specifications of the client department may be adopted even if such norms are at variance with CPWD norms. In such cases the client should be intimated before hand about the government norms and financial repercussions.

(2) The Central PWD should normally decline to undertake as deposit work the maintenance of buildings that were not originally constructed by CPWD, and maintenance of mechanical/electrical equipments that were not originally procured and installed by CPWD. Maintenance works of such buildings and installations may, however, be undertaken if it is in the interest of Government to do so, e.g. when the Body or Institution is financed largely from Government grants and defects in construction or maintenance might lead to demand for further financial assistance from the Government, or where the buildings concerned are Government buildings, which, if and when vacated by the Body or Institution occupying the same, could be used for Government purposes or leased at a profit.

3.3 Powers to undertake deposit works

(1) The officers of the Central P.W.D. have been delegated powers to undertake deposit works as shown in Appendix-I. No deposit work should be undertaken without the prior approval of the competent authority.

(2) Before acceptance of any deposit by the Executive Engineer, it is essential that an estimate should be sent to the client Department/Body/Institution after fully ascertaining all necessary site details, technical feasibility, topographical details, ownership of land etc. In case any preliminary works like soil testing, site survey/contour etc., are to be done before hand, a small estimate may be sent to the client and deposits received.

(3) The Chief Engineers in CPWD are fully authorised to accept/undertake deposit works of Food Corporation of India and Indian Council of Agricultural Research, irrespective of their monetary value.

3.4 Realization of deposits

(1) Whenever a deposit work is to be undertaken, the deposit should be realised before any liability is incurred on the work. 1% of the anticipated project cost should be realised before preparation of preliminary estimates. In addition to the outlay on the work in the preliminary estimate, departmental charges at such percentages as are prescribed by the Government of India from time to time shall also be realized in advance. No interest will be allowed on sums deposited from any source, including private contributions.

(2) In the case of deposit works of autonomous bodies which are financed entirely from Government

grants, and from whom receipt of deposits is assured, 33-1/3% of the estimated cost of the work may be got deposited in advance. Thereafter, the expenditure incurred may be got reimbursed through monthly bills simultaneously with rendering of monthly accounts on the progress of work. The deposit of 33-1/3% obtained as the first instalment should be retained for adjustment against the last portion of the estimated expenditure.

(3) Where delays are experienced in obtaining deposits, and where the expenditure has to be incurred out of the 33-1/3% reserve to keep the works going, the matter should be brought to the notice of Superintending Engineer/Chief Engineer promptly for taking up the matter with the client. No expenditure shall be incurred on deposit works out of CPWD grants and vice-versa.

(4) To enable the client to provide additional funds in time whenever the expenditure is anticipated to exceed the preliminary estimate figure, a revised preliminary estimate should be submitted to the client well in time during the execution of work.

(5) Where a client has defaulted in making the required deposit, and where the outstanding amount exceeds Rs.10 lakhs, or where the works outlay is predominantly for purchase of capital equipments and machineries, the entire deposit including departmental charges should be realized in advance.

(6) In no case deposits received from a client department for its work should be diverted to other works.

(7) The client is to be clearly made to understand that the Central PWD does not bind itself to complete the work within the amount of the preliminary estimate, and that they should agree to pay for the excess expenditure that may occur. An acknowledgement of this clear understanding shall be obtained from the client before the deposit work is taken in hand.

(8) The Executive Engineer should ensure that at any time during the progress of the work, the expenditure is not more than the deposits received for the work. Where the Executive Engineer is doubtful about the timely receipt of deposits, he should notify the client that if further deposit is not received, the work would be stopped, and any contractual liability arising out of such stoppage of work will be borne by the client. He should also bring this to the notice of his higher officers for taking up the matter with the client.

(9) While submitting preliminary estimates for deposit works for obtaining administrative approval and expenditure sanction, a copy of the terms and conditions under which the works would be taken up by CPWD, as given in Appendix 3, should also be enclosed.

3.5 Transfer of deposits

It is incumbent on the part of the Civil/Electrical/Horticulture Divisions to transfer to the concerned Electrical/Civil/ Horticulture Divisions a part of the same in proportion of the E&M/Civil/ Horticulture works to the whole work as per the preliminary estimate. This transfer of deposit should be made at an appropriate stage so that at no stage the progress of work is hampered.

3.6 Execution of deposit works and settlement of accounts

(1) With regard to design, estimate and execution of work, instructions as contained above should be followed. The scope of work should not be altered without written permission of the client.

(2) The Executive Engineers shall send to their Accounts Officers every month the Statement of Expenditure in Form CPWA 65A along with the Schedule of Deposit Works in Form CPWA 65, for transmission to the concerned client after verification. These should indicate against each work, the amount of the estimate, the total deposit received and the expenditure incurred, both during the month and up to date. The Executive Engineers should invariably endorse a copy of this Statement to the concerned client.

(3) The Executive Engineers should regularly send these statements to enable the adjustment of outstanding amounts in the books of the clients, and to avoid difficulties in reconciliation of accounts relating to deposit works after passage of time.

(4) The Executive Engineers should also send a quarterly report to the clients showing the amount deposited and the expenditure incurred against each of the works for settlement of accounts.

(5) It is necessary that the Executive Engineers settle their accounts against the deposit works expeditiously so that the amount in the books of the audit as well as the client does not remain unsettled for long.

SECTION 4
PREPARATION OF ESTIMATES

4.1 Preliminary Estimate

(1) Preliminary estimate is to be prepared on the basis of plinth area or length of road etc. worked out on the rate per unit area/length/number, or such other method adopted for ready and rough calculation, so as to give an idea of the approximate cost involved in the proposal.

(2) The preliminary estimate shall be prepared on the basis of the preliminary drawings prepared by the Senior Architect, and shall appropriately indicate in the history sheet the items that are included or excluded in the estimate. Part estimate that may not result in total completion of the work/ project should be avoided as far as possible.

4.1.1 Preliminary survey, etc

(1) Where any preliminary survey, site/soil investigation, preparation of project reports including appointment of consultant and/or other essential preliminary steps connected with the schemes, is needed to be done before the preliminary estimate for the requisitioned work can be finalised, a separate estimate for such purpose(s) may be prepared, and sent to client department for sanction.

(2) Where, however, such works are required to be carried out after the receipt of administrative approval and expenditure sanction and at the time of preparation of detailed estimate, necessary provision for this purpose may be made in the preliminary estimate,

4.1.2 Preliminary data and drawings

(1) Whenever a requisition is received for a work, the same should be passed on to the concerned Senior Architect for preparation of preliminary drawings. On receipt of the requisition, the Senior Architect shall obtain the detailed requirements from the concerned Administrative Ministry/ Department or client (in respect of deposit works), in the relevant proforma placed at Appendix-4.

(2) Where required, he shall also obtain the survey plan and site particulars and other site data from the concerned Executive Engineer in the relevant proforma placed at Appendix-4.

(3) He shall consult the representatives of all the concerned disciplines for incorporating their requirements in the preliminary plans.

(4) He shall thereafter prepare preliminary plans and brief specifications according to the requirements for the work, and obtain the approval of the client department for the same. The preliminary drawings should indicate sufficient details for preparation of preliminary estimate.

(5) He shall then forward these approved plans and brief specifications to the concerned Chief Engineer/Superintending Engineer/Executive Engineer, Civil and Electrical, for preparation of the preliminary estimate.

4.1.3 Plinth areas for residential buildings

(1) The plinth area scales indicated in the Appendix 5 should be followed for all construction works in the General Pool houses as well as houses for other Ministries/Departments where such norms are applicable.

(2) No deviation from the prescribed scales should normally be made, unless specifically desired by the client department. In such circumstances specific reference to the deviation should be made in the history sheet of the estimate.

4.1.4 Preparation and forwarding of preliminary estimate

Chief Engineer/Superintending Engineer/Executive Engineer of the major component shall be the nodal officer for forwarding estimates.

(1) No estimate irrespective of any value shall be sent by the Sub-Division directly to the client.

(2) Estimates solely for Civil, Electrical, Horticulture works upto the value for which EE/SE/CE is competent to accord technical sanction, shall be sent at the Division/Circle/Zone level respectively.
(3) Estimates for works requiring input from more than one division and/or more than one discipline and having total estimated cost upto the powers of SE for accord of technical sanction, shall be sent only at the circle level. The Superintending Engineer incharge of major discipline of work will send the consolidated estimate after obtaining input from all concerned units. Copy of such estimates shall be sent to the concerned Divisions & Superintending Engineer of the other discipline as well.
(4) For all major works beyond the limit under S. N. 3 above, only single estimate covering all aspects of building and services will be sent through concerned Chief Engineer (Civil) or Chief Engineer of the unified Zone except works which are predominantly of E&M nature for which estimate shall be sent by CE(E) or CE of the unified zone as the case may be.
(5) The estimate shall be prepared in the format given in para 4.2.2(3).
(6) Provision for services like sanitary, water supply, drainage and electric installations etc., should be made on the basis of plinth area rates. Provisions for items for which plinth area rates are not available, shall be made on rough cost estimation basis and included in the estimate.
(7) The effect of building and other construction workers' welfare cess Act 1996, wherever applicable may also taken in the estimate.
(8) Provisions for various services shall be incorporated in consultation with the concerned disciplines.
(9) In case of proposals under the administrative control of the Ministry of Urban Development, while forwarding the preliminary estimate, it should specifically be mentioned, whether the expenditure involved can be met:-
    (i) From within the sanctioned grant.
    (ii) From the specific budget allotment during the current financial year.
    (iii) By re-appropriation of funds and if so, source of re-appropriation should be indicated.
(10) While forwarding the preliminary estimate to the client department for accord of administrative approval and expenditure sanction, an indication shall be given in the history sheet that the cost and time of the project is liable to revision due to probable escalation in cost of construction apart from reasons such as change in scope, area, design and specifications etc. if so desired by the client at a later date.
(11) While sending the estimates it shall be made clear to the client department that execution of the works will depend upon the receipt of the funds through authorization or through allocation well in time during the financial years.
(12) Works for which sanctions are received after the month of November should be taken up for actual execution in the next financial year and the client departments should be informed accordingly so that necessary budget etc. can be arranged by them for the Financial year in which works are liable to be executed.
(13) In respect of maintenance operations for buildings other than those in general pool, the concerned departments should be requested to give a complete list of works required to be carried out and estimates given to them latest by the month of April. While forwarding such estimates it must be made clear to the client department that allotment of funds under the Head of Account "2059 Non Residential-other buildings" and "2216 Residential – other Building" are meant primarily for day to day repairs and payment of labour etc.

4.1.5 Provision for contingencies and its utilization

(1) In addition to the provision for all expenditure which can be foreseen for a work, a provision of contingency shall be kept as follows:
    (a) Estimated cost upto Rs. 1 crore ……. 5%
    (b) Estimated cost more than Rs. 1 crore … 3%, subject to minimum of Rs. 5 lakhs
(2) This provision is also intended to cover the cost of work-charged establishment for which no provision should be made separately except in the case of annual maintenance estimate where provision is made for such establishment under a separate sub-head of the estimate.

(3) The amount provided for contingencies shall be utilized as per the directions of the officers of the rank of Superintending Engineer and above as per following limits.
Superintending Engineer (C)/E/Director of Horticulture – Proportionate available contingencies of the discipline subject to a maximum of Rs. 5 lakh
Chief Engineer – Available contingencies.

The contingencies can be utilized for construction of site office, engagement of watch & ward staff and jobworks like Surveying, material testing, estimating, structural design, drawings, models and other field requirements etc.

4.2 Detailed Estimate

The preparation of detailed estimate and drawings and designs should be taken up only after obtaining an assurance from the Department/Ministry sponsoring the proposal, that the site is available, and without any encumbrances is available or likely to be made available within a reasonable time.

4.2.1 Preparation of the detailed estimate

(1) On receipt of the administrative approval and expenditure sanction, and confirmation about the availability of site, the concerned authority as per para 2.5.3 shall decide on the packages for the purpose of accord of technical sanction. The Superintending Engineers/Executive Engineers (P), Civil and Electrical, shall forward to the Senior Architect all relevant structural and service data based on the approved preliminary plans, for preparation of detailed working drawings and architectural specifications for the work. Para 2.7.1.1 may also be seen. On receipt of such drawings, the decided competent authority shall take up the preparation of the detailed estimate, and accord technical sanction.
(2) The detailed estimate should be complete and as comprehensive as possible, and should be supported by detailed architectural drawings, preliminary structural plans, preliminary lay-out drawings of the various services, detailed drawings and/or specifications for the various components of work involved, etc., as applicable.
(3) The work is to be executed strictly as per the detailed working drawings and specifications finalized by the department.
(4) The detailed estimate should give broad details for each item of the work involved. Other details shall be covered by the accompanying detailed drawings and specifications. The detailed estimate should be based on the rates given in the Schedule of Rates for those items of work covered by it, and by analysed market rates for the remaining items.
(5) The plan and design of the external services shall be got vetted from the technical sanctioning authority for the main building work before the detailed estimate for the external services is technically sanctioned by the competent authority at a lower level.
(6) The detailed estimate should invariably contain the following information:
    (i) Necessary details in support of the lump-sum provisions made in the estimate, if any.
    (ii) Basis on which the rates have been provided, i.e. reference of the schedule of rates or market rates.
    (iii) A brief note on the special construction difficulties, if any, which are likely to be encountered during the construction stage.

4.2.2 Format for detailed estimate

(1) The detailed estimate shall consist of a report in the Form CPWD-I in Appendix-6, plans, specifications and a detailed statement of measurements as in Form CPWD-2 in Appendix-7, quantities and rates as in From CPWD-3 in Appendix-8, etc. with an abstract showing the total estimated cost of each item. In the case of a project consisting of several works, the report may be a single document for all the works and like-wise the specifications, but details of measurements and abstracts of costs may conveniently be prepared for each work, supplemented by a general abstract bringing the whole together.

(2) The estimate for a project/work should be comprehensive, supported by complete details and based on drawings and design calculations, where necessary.

(3) The 'Report' of the estimate should be prepared in a lucid form, understandable by non-technical officers of the administrative Ministry/Department or the client. It should be comprehensive enough under each sub-head as mentioned below.

(i) History:- Particulars relating to the initiation of the proposal, and events leading upto it, and its general purpose, including references to previous correspondence, documents and specifications, where necessary.

(ii) Design:- A description of the proposal, particularly with regard to its location and design, also with reference to standards and specifications, calculations and drawings, where necessary. In case of a revised estimate, a description of the original proposals and those finally adopted should be given.

(iii) Scope:- An explicit statement as to what work is and is not covered by the estimate, also a reference to what arrangements are being made for any portion(s) of the work which are not included in the estimates.

(iv) Rates:- Particulars as to how the rates have been arrived at, giving reference to the relevant standard schedule of rates or market rates and also to the details accompanying the estimate, where necessary, with any special explanation connected therewith.

(v) Cost:- Cost of the work, and in case of revision, a comparison with the amount originally provided under any previous administrative sanction or detailed estimate.

(vi) Method:- The method proposed for carrying out the work, whether by contract or daily labour, or any combination of these.

(vii) Establishment:- Details of any provision made in the estimate for work-charged establishment, when necessary.

(viii) Construction Plant:- Any special methods of construction to be adopted with reference to specifications, etc. and details of the provisions that have been made in the estimate for necessary construction plants and machineries, etc.

(ix) Land:- Provisions for acquisition of land, when necessary.

(x) Time:- The estimated time of completion from the date of receipt of A/A & E/S. indicating break up for pre-construction and construction stage

(4) Full reference should be given in respect of the Architectural, structural and services drawings accompanying the estimates in support of the details submitted therein.

(5) Any other points of importance that demand knowledge of local conditions must be incorporated.

(6) The abstract of the detailed estimates should be framed to show merely the quantity and cost of each completed item of work e.g. brick work; or it may be framed to show the cost of labour and materials separately. The adoption of either form of abstract should be determined with reference to the mode in which it is proposed to carry out the work. Para 4.4 may also be seen.

4.3 Schedule of Rates

(1) To facilitate the preparation of estimates, as also to serve as a guide in settling rates in connection with contract agreements, a schedule of rates for each kind of work commonly executed should be maintained up-to-date in the Department. It should be prepared on the basis of the rates prevailing in each station and necessary analysis of the rates for each description of work and for the varying conditions thereof should, so far as practicable, be recorded.

(2) The Schedule of Rates for Delhi shall be issued under the authority of DG(W), and by the Additional Director General for their respective Regions/Zones. These shall be revised at least once in two years.

(3) The rates entered in the estimates should generally agree with the scheduled rates, but where due to any reason, the later are not available, market rates may be considered.

4.4 Recasting of Estimate

(1) After an estimate has been technically sanctioned, it may be decided to make a change in the method originally contemplated for execution of the work. In such a case, the original abstract should be recast in accordance with the instruction laid down in para 4.2.2(6).

(2) The details of cost and quantities already approved by competent authority should be re-arranged, and the revised abstract should be approved by the Divisional Officer. Thereafter it shall be treated as the sanctioned abstract of the estimate for all accounts purposes.

4.5 Supplementary Estimate

Any development that is thought necessary while a work is in progress, and which is not fairly contingent on the proper execution of the work as first sanctioned, may be covered by a supplementary estimate. This estimate must be accompanied by a full report of the circumstances that render it necessary. The abstract must show the amount of the original estimate and the total of the sanction required including the supplementary amount.

4.6 Revised Estimate

When an excess beyond permissible variation over the sanctioned estimate is foreseen, and there is likely to be unavoidable delay in the preparation of a revised estimate, an immediate report of the circumstances should be made to the authority whose sanction will ultimately be required. When a revised estimate is submitted, it must be accompanied by a statement in Form CPWD 4 as in Appendix 9, comparing it with the latest existing sanction of the competent authority and by a report showing the progress made up-to-date.

4.7 Estimates for additions and alterations

(1) Normally all cases of additions and alteration should be carried out after preparations of detailed working drawings. While submitting estimates containing the proposals for additions and alterations, the fact that the concurrence of the client/occupant has been obtained should be stated explicitly.

(2) Normally no work of addition/alteration which involves structural changes in the residential buildings, or alters the aesthetics of the external facade, shall be carried out except with the approval of concerned Architect.

4.7.1. Details to be provided with the estimate

(1) While submitting estimates for additions and alterations to various residential buildings owned by the Government, capital cost thereof should invariably be furnished in the forwarding letter along with the following information:

(i) Complete justification for each item of additions and alterations desired by the requisitioning authority, with comment on the necessity or otherwise thereof.

(ii) Whether such work has already been carried out in any other residence of the same type and if so agreed by the Ministry. Reference to such cases should be quoted.

(iii) Whether acceptance of the proposal is likely to have repercussions.

(iv) Whether the proposal has the approval of the Housing Committee in the case of residences of Members of Parliament.

(v) Whether the proposed additions and alterations will result in increase of the prescribed scale of certain item. The existing number or area, sanctioned scale for similar type or house and maximum or minimum number or the area of requirement provided elsewhere should also be supplied.

(vi) If the additions and alterations result in increase of the plinth area, what will be the additional license fee? In such cases, pay of the officer occupying the house and the pooled standard license fee of the house should be indicated.

(vii) Information regarding availability of funds to finance the proposal.

(2) Where a portion of the house/premise is required to be demolished, the estimate should provide for the cost of dismantling. Credit for the value of dismantled materials should be given to the estimate. Report of the estimate should contain proposals for utilizing the useful materials obtained from the dismantled material, and for disposal of unserviceable items.

4.7.2 Augmentation of power supply

The Director General (Works) has been delegated full powers to approve the estimates involving changing of existing cables and augmentation of electric power supply as per maximum electrical load sanctioned to the residences in respect of the following category.

a. Ministers
b. Judges of Supreme Court/High Court
c. Members of Parliament
d. Secretaries/Additional Secretaries and equivalent officers.

4.8 Estimates for petty works

(1) In case of new petty works, which do not come under ordinary repairs, a requisition for the same shall be obtained from the client department in Form CPWA 32. In case of works of other classes, the officer of the Central PWD proposing the work should fill in the form.
(2) On the requisition thus received, the Divisional Officer, or an Assistant Engineer/Junior Engineer empowered by him to act in such cases, will record his opinion as to what work should be done, and give on the face of the requisition a rough estimate in lump sum or otherwise of the probable cost of each item of the work asked for.

4.9 Estimates for road Works

(1) Projects for the construction of new roads must be accompanied by the following documents:
  (i) Report, including a brief note on the proposed gradients.
  (ii) Abstract estimate of cost.
  (iii) Index map.
  (iv) A detailed survey and longitudinal section and cross section at suitable intervals, which should show not only the existing ground levels, but also proposed formation levels.
  (v) Quarry charts showing the various quarries from where road metal is proposed to be obtained.
  (vi) Drawings of all masonry, concrete, iron or timber works in the order in which they occur in the line of the road.
  (vii) Detailed estimate sheets.
(2) Estimate for new lines of road should include the cost of all dwellings and inspection houses intended to be built along it for accommodation of subordinates and others.
(3) Necessary provision should also be made for shifting of pipe line, drainage and electric poles and cables, telephone lines, if any coming in the way of new alignment.

4.10 Estimates for furniture

(1) Estimates for interior decoration, furniture and furnishing shall be prepared based on client's requirements.
(2) The cost of furniture in cases of CPWD offices will be chargeable to the contingent grant of the office of Chief Engineers and Superintending Engineers, Divisional and Sub-Divisional Offices as the case may be.

Note: The Superintendent/Head-Clerk in the various offices, or the official so designated for the purpose, shall maintain the numerical account of the office furniture in their office. Annual physical verification shall be conducted by an independent officer at least of the level of Assistant Engineer or Section Officer, who shall record the required certificates.

(3) The supply of and repairs to furniture for any of the Government Inspection Bungalows in charge of the Central PWD, Hotels and Hostels managed by Government of India will be carried out by

the Central PWD. The first supply of such furniture should be charged to the estimate of the building for which the same is required. For repairs and renewals refer para 8.2 of Maintenance Mannual.

(4) The furniture in the Parliament House, Rashtrapati Bhawan, MP's flats, specified and entitled officers bungalows and residences at Delhi and Guest Houses at stations outside Delhi will be provided and maintained by the Central PWD.

(5) All expenditure on table fans, refrigerators, coolers and furniture etc. stocked by the CPWD for supply to non-residential buildings, MP's flats/hostels, guest houses, etc. not let out as regular residential accommodation should be debited to the minor head "Furnishings" under the "Major Head 2059 PW "and to "2216 Housing" in respect of residences.

4.11 Estimates for purchase of buildings

(1) In case of purchase of built up accommodation to house the offices of Government of India/UT Administration wherever authorised by the Ministry, a separate estimate is required to be prepared after confirming the structural soundness of the building, and after a survey and valuation report of the Executive Engineer is submitted to the Ministry/Administrator and concurrence thereto obtained from the Ministry of Finance.

(2) The maintenance of such buildings will normally be carried out on the same plinth area rates/ percentages basis as laid down in case of other Government buildings, unless there are constraints in doing so.

4.12 Estimates for repairs to leased and requisitioned properties

(1) The Government takes on rent/lease or by requisition some buildings if and when considered necessary, for residential and office accommodation. The repairs estimate for these buildings should be prepared on the same plinth area rates/percentages basis.

(2) While submitting estimates for repairs or additions and alterations to such buildings, following information should invariably be furnished in the report of the estimate:

(i) Whether or not the building in question is a leased or requisitioned one.

(ii) In case the building is a leased or requisitioned one, the following further information should be furnished:

(a) Whether the proposed repairs or additions and alterations are due to Structural defects or not.

(b) Whether or not the land lord was approached, and whether he has consented to the carrying out of the repairs or additions and alterations in question.

(c) If the land lord has not consented to the proposed repairs etc., how the Government is interested in carrying out the proposed work.

(d) Whether the proposed work is inescapable or otherwise, and whether the work of additions and alterations may be carried out at Government expenses.

(e) What expenditure will be incurred for restoration of the building to its original condition.

(3) In case of additions and alterations, if any portion of the building is to be demolished, necessary credit for the dismantled materials should be afforded to in the estimate, as done in case of Government buildings.

(4) If the land lord refuses to meet the cost of repairs or additions and/or alterations, if any required, non recurring expenditure and recurring expenditure as per powers delegated in Appendix-1 may be sanctioned by the Additional Director Generals/Chief Engineers, and expenditure in excess thereto with the approval of the Ministry of Urban Development, subject to the condition that at the time the building is released, the Government will have the right to remove all such installations or materials/articles as were added to the building/premises.

4.13 Hiring of Accommodation

(1) For hiring of all private accommodation required by any Civil Department of the Central Government at Delhi, the Executive Engineer (License Fee), CPWD, is the Chairman of the Hiring Committee,

the other members being the concerned Assistant Director of Estates and Assistant Director (Finance), Ministry of Urban Development. The requisitioning Department shall, in the first instance, apply for a no objection certificate from the Directorate of Estate. On receipt of NOC, the requisitioning department shall apply for fair rent certificate to the Executive Engineer (LF). The Executive Engineer (LF) shall in turn issue the fair rent certificate. The agreement for hiring accommodation and payment of rent etc. are to be borne directly by the requisitioning department.

(2) For cities like Calcutta, Mumbai, Chennai and Nagpur, similar Hiring Committees exist, and the same procedure is followed.

(3) For places where there is a Superintending Engineer (Civil) posted at the station, the rent assessment shall be done by a Hiring Committee headed by the Superintending Engineer, with the local Assistant Estate Manager of the Directorate of Estate and an Executive Engineer (Civil) co-opted by the Superintending Engineer as members, and certificate of reasonable rent shall accordingly be issued by the Superintending Engineer.

(4) In case there is no officer of the Directorate of Estate at the station, the Executive Engineer/ Assistant Engineer doing the estate function shall be co-opted as a member. In case, there is no such estate function involved, the Superintending Engineer shall co-opt an Executive Engineer or Assistant Engineer as the second member.

(5) In case there is more than one Superintending Engineer (Civil) at the station, the concerned Chief Engineer shall nominate one of the Superintending Engineers to head the Committee.

(6) For all other areas, the rent assessment shall be done by the concerned Executive Engineer (Civil) under whose jurisdiction the building proposed to be hired stands. He may, however, seek assistance of an Assistant Engineer/Junior Engineer (Civil), if needed.

(7) The procedure for calculating rent is given in Annexure.

(8) In cases where the rent is to be paid by the Central PWD due to branch of Estates Directorate not being there, the payment will be made against specific estimates to be prepared for the purpose.

(9) In case where the Administrative Departments using such premises hire the houses themselves and request CPWD for issue of certificates as referred to above, they may be charged fees at the rates as are charged by the State Government for the purpose.

4.14 Powers for hiring accommodation

(1) The financial powers of hiring accommodation shall be as per Delegation of Financial Power Rules.

(2) Executive Engineers and Superintending Engineers are competent to hire private accommodation for storage purposes, provided the expenditure is within the provision of the sanctioned estimate.

Annexure
(Refer Para 4.13)

(1) Assessment/Re-assessment of fair rent relating to private buildings taken on lease by the Central Government Departments.

(2) Authority to issue rent reasonableness certificate.

(1) Reasonable rent shall be assessed according to two alternate methods:
  (i) Recognized principles of valuation and
  (ii) Prevailing market rent.

(2) Land rate as per records of Appropriate Authorities or Valuation Cell of Income Tax Department shall take precedence over the land rate notified by local Revenue authorities.

(3) In case of premises proposed to be hired being ready built property/space, the current composite cost of acquisition shall be taken as net value of the property without any further adjustment for depreciation according to its age or on account of under/over utilization of FAR, if any.

(4) Rent shall be inclusive of Municipal Taxes but element of Municipal Taxes shall be indicated in the Certificate leaving the final decision to the hiring department whether to pay composite rent or reimburse municipal taxes to the owner separately or to pay the same directly to the local body.

(5) The date from which the rent is to be assessed and also the period the assessed rent shall remain effective for, shall be decided by hiring department and hence no such period shall be indicated in the Certificate.

(6) In case the figure as per method (ii) referred to in Para (1) above is lower, only this figure shall be intimated as reasonable rent. However, if the figure as per method (ii) works out to be higher, both the figures shall be intimated as a range of reasonable rent leaving the final decision to the hiring department to negotiate and settle the rent keeping in view this range. It shall be for the hiring department to see if the rent as assessed by CPWD is to be restricted to any specified limit in view of the terms and conditions of the existing lease agreement or due to any other relevant instructions issued by the Competent Authority.

(7) Rent Reasonableness Certificate shall be issued strictly as per modified model formats, given in the enclosed Annexure-IA&IIA.

(8) Necessity for re-assessment of rent, for whatever reasons, whether during the currency of the lease agreement or after its expiry, and the effective date therefore shall be the date of receipt of the request of the owner or the date from which revision is due after expiry of existing lease agreement, whichever is later.

(9) The Hiring Committee on account of subsequent increase/decrease in municipal taxes, if any, shall not entertain the request for revision of rent. It shall be for the hiring department to settle the same right in the beginning as to how subsequent changes shall be dealt with.

(10) All rent assessment cases shall be dealt by a Hiring Committee associating a representative of Hiring Department, if the latter is so willing. Jurisdiction of a Hiring Committee shall also include satellite and twin cities/towns.

REVISED GUIDELINES

1. The reasonable rent shall be relevant to a date (referred to hereafter as date of assessment') as specified by the Hiring department. The relevant date in respect of reassessment of rent shall be the date of receipt of request of the owner or the date from which the revision is due after expiry of existing lease agreement, whichever is later and the rent shall be assessed according to the following two alternate methods-
   (i) On the basis of recognized principles of valuation; and
   (ii) On the basis of the prevailing market rent.
2. The hiring department while sending the proposal to CPWD for assessment of rent would also send the lowest three offers of rent received by them from the owners of the premised without disclosing the identity of owners. Owners will be marked as A, B & C and their offers would be mentioned against them.

3. The assessment of reasonable rent according to the recognized principles of valuation which represents reasonable annual return on the property shall be done in accordance with the method prescribed as hereunder:-
   (i) Workout the depreciated cost of the building (D) as on the date of assessment. First of all reproduction cost of the building (C) shall be worked out as on the date of assessment, based on the ruling cost of building construction in the locality. The depreciated cost shall accordingly be calculated taking the end residual value of the building as 6% of its reproduction cost and assuming a straight line variation of depreciation depending on the age of the building (A) as on the date of assessment and its total serviceable life (A+R), where 'R' is residual life of building as on the date of assessment, which shall be worked out with due care and keeping in view the type of structure and specifications adopted in its construction. In other words, $D=0.94x\frac{CxA}{A+R}$

   (ii) Work out the land area appurtenant to the building (La) by taking into account the local byelaws for permissible ground coverage and accordingly work out the surplus land area (Ls) as L-La, where; L=total land area. For example, if the permissible ground coverage as per local bye-laws is 'X'% and the plinth area of the building at ground floor (i.e. actual ground coverage) is 'Y'Sqm. $La=Yx\frac{100}{X}$ Sqm, subject to the condition however that if 'La' works out to be more than **'L'** which might be the case if actual plinth area at ground floor is more than what is permissible according to the local bye-laws, the same shall be restricted to **'L'.** There would accordingly be no **'Ls'** in such cases.
   In case, no local byelaws exist in the locality, comparison shall be made with the general practice in the locality.
   (iii) Ascertain the prevailing land rate in the locality.
   Wherever land rates are available with Appropriate Authority or Valuation Cell of Income Tax Department, which could be considered as applicable to the localities in question, the same shall be considered as prevailing land rate. In case the relevant land rates are not available with the Appropriate Authority or Valuation Cell, rates as notified by Revenue authority shall be adopted. Preferably authenticated documents or if the same are not made available by the concerned authorities, at least reference of such documents shall be kept on record in support of the land rate considered as prevailing in the locality.
   (iv) Workout the cost of land area appurtenant to the building and that of the surplus land area as discussed in Para 3(ii) above, separately.
   While working out cost of surplus land, care shall be taken that only that portion of the surplus land is taken into account which enhances utility of the property by way of improved access or parking facilities or any other such utilization, subject to the condition that the hiring department have made specific mention in their requisition that apart from the building, they also propose to take on lease the usable surplus land shall be indicated clearly in the rent reasonableness certificate.
   (v) Add the cost of the appurtenant land area to the depreciated cost of the building to find out the net value of the property.If the building as a whole is not proposed to be hired, the net value of the property shall be reduced accordingly keeping in view the built up area of the premises to be hired and total built-up area. Care shall be taken that if the areas of common utilities, such as staircase, toilets, corridors etc. are being or shall be used by more than one user on a particular floor or in a particular wing, only proportionate built up area of such common utilities is considered in working out the built-up area of the premised to be hired.
   (vi) Where the buildings or a part of the same as proposed to be hired have been acquired by the owner as ready built property/space, in which the cost of purchase is inclusive of the cost of land and thus represents the composite capital cost of the properties, the net value of the property shall be worked out as follows:-
   (a) If authenticated information is available regarding acquisition and purchase price of the ready-built property proposed to be hired, the same shall be considered as net value of the property with due correction factor for appreciation/depreciation in its market value during the intervening period, i.e from the date of its acquisition to the date of assessment.

(b) In case the information as above is not available, composite capital cost i.e. net value of the property shall be worked out by comparing the same with the authenticated cost of similar properties/space preferably of those acquired by Govt. departments (Central/State) or Public Sector Undertakings (Central/State) in the vicinity or in the similar locality. If there are no such properties available for comparison, cost of similar properties/space purchased by Public Sector Banks/Private parties may also be considered for comparison subject to the condition that if the sale/purchase of such properties was within the purview of Appropriate Authority, the cost of acquisition shall be taken as what had been mentioned in the sale clearance issued by Appropriate Authority. The cost as ascertained in these cases too shall be modified by applying correction factor for appreciation/depreciation as described in Para (a) above. While comparing the cost as referred to above, due care shall also be taken to ascertain whether the properties under assessment and the one considered for comparison are nearly similar in terms of the location, distance from air/rail/bus terminal, access/approach facilities, set-backs, parking facilities, general environment, specifications and other common utilities in the building like lifts, toilets etc., and if the same are not on equal footing, a careful assessment shall be made for suitable addition or subtraction, as the case may be. No adjustment shall however, be made for under or over utilization of the FAR in either case.

(c) If the information as mentioned in Para 3(vi) (a) or (b) above is not available, the net value of the property shall be worked out by following the same procedure as given in Para 3(i) to (v) above.

(d) In addition to working out the net value of the property in the manner as laid down in Para 3(vi) (a)/(b) above, depreciated cost of the building portion (i.e. excluding land) shall also be worked out as per method laid down in Para 3(i) above for the purpose of calculating the Sinking Fund Element as described in Para 3(x) (c) below.

(vii) The annual rate of return on the net value of the property referred to in Para 3(v)/(vi) above, shall be worked out as follows:-

(a) In case of State Capitals as well as other cities/towns which qualify for city Compensatory Allowance **8% for non-residential use of the property and 7% for residential use.**

(b) In case of other places-**7% for non-residential use of the property and 6% for residential use.**

(viii) For the surplus land within the compound of the property which would offer improved access and/or parking facilities etc. and to the extent the same is proposed to be taken on lease along with building, the annual rate of return on the cost of the said surplus land shall be taken as 7% in case of places mentioned in Para (vii)(a) and 6% in case of places mentioned in Para(vii) (b) above, both for non-residential and **residential use of the property.**

(ix) The net annual returns on the property including surplus land, if any, shall be worked out by addition of the returns as worked out in Para (vii)(a)/(b) and that in Para (viii) above.

(x) The following factors shall further be added to the figure as arrived at in Para 3(ix) above to workout the gross annual return .i.e. reasonable rent per annum.

(a) Municipal tax (house/property tax) as per actual. If actual figures are not available, municipal taxes shall be assessed based on the rateable value of the property in accordance with the relevant local/municipal byelaws. If the building as a whole is not proposed to be hired, the Municipal Tax shall be carefully worked out on prorata basis. The Municipal Tax component as assessed and considered in the certificate shall be clearly indicated in the rent reasonableness certificate to enable the hiring department to decide on the manner in which the municipal tax shall be paid (refer model formats for rent reasonableness certificate at Annexure IA & IIA).

(b) Maintenance and repairs at the rate of 12% of the annual return on the property as arrived at in Para 3(vii) (a)(b) above. If any statutory provision exists in the areas binding the landlord to defray certain minimum expenses on maintenance and repairs, the same shall be duly accounted for.

(c) Provision for sinking fund, to be ascertained by reference to standard sinking fund tables or alternatively to be calculated as per standard formula given below:-

$$\textbf{Sinking fund co-efficient (k)} = \frac{0.06}{(1+0.06)^{r} - 1}$$

Where, r = assessed residual life of the building in years as referred to in Para 3(i) above.

Annual provision for sinking fund = (k) x (D)

Where, **k** = sinking fund co-efficient as above

D = Depreciated value of the building referred to in Para 3(i) and (vi) (d) above.

(4) The rent based on the prevailing market rent shall be ascertained by making inquiries preferably in respect of rented properties/spaces, which have been taken on lease by Government Departments (Central/State) of Public Sector Undertakings (Central/State) in a comparable locality. If there are no such properties available for comparison, similar property/space hired by Public Sector Banks/ Private body may also be considered for comparison. The properties shall be compared on the basis of various parameters as mentioned in the second part of Para 3(vi)(b) above and if the same are not comparable a careful assessment shall be made for suitable addition or subtraction as the case may be. It shall also be ensured that the factors for which landlord is responsible, like maintenance and repairs and municipal taxes in such cases as also the other relevant facilities, such as, benefit of usable surplus land are on an even keel and if it is not so suitable adjustments shall be made accordingly. No adjustment shall however be made for under or over utilization of FAR in either case.

(5) After working out the rents according to the two alternate methods as described in Para 3 & 4 above, the reasonable rent shall be intimated to the hiring department as under:-

(i) If the rent based on the prevailing market rent is lower, only the rent based on the prevailing market rent shall be taken as reasonable rent and so intimated as per model format enclosed at Annexure-IA.

(ii) In case the rent based on the prevailing market rent happens to be higher, both the figures shall be intimated as range reasonable rent (as per model format enclosed at Annexure-IIA), leaving the final decision to the hiring department to negotiate and settle the rent keeping this range in view.

(iii) There may be some exceptional situations (like in a very small town/Kasba) where there is no rented building to be considered as basis for working out the prevailing market rent. In such cases the market rent may by worked out taking into consideration the rent prevailing in the nearby town and by giving due weight-age (plus or minus) for relative importance of the town where the building is situated to that of the town adopted as basis for comparison.

(iv) As the data collected and adopted for assessment of rent are relevant to a particular date and these are likely to undergo changes subsequently, the existing practice (although not so prescribed by this Directorate in the earlier guidelines issued on 24.6.99) of adding a clause in the Rent reasonableness Certificate that the rent as certified shall hold good for 3/5 years or so, is not correct and shall be stopped forthwith.

(v) The rent shall be expressed in terms of **per unit built up area or carpet area** Monthly rent may also be shown.

6. Re-assessment of rent of the existing leased building/space shall be treated as fresh assessment and shall be done according to the same method as discussed in the preceding paras. Necessity for re-assessment/ revision of rent, whether during the currency of the Lease Agreement or after its expiry shall however be examined and decided by the Hiring Department with due regard to the terms and conditions of existing lease agreement and any other relevant instructions issued by the competent authority. The effective date of revision of rent shall be the date of receipt of the request of the owner or the date from which revision is due after expiry of existing lease agreement, whichever is later.

7. It shall be for the Hiring Department to see if the rent as assessed/reassessed by the Hiring Committee is to be restricted to any particular limit in view of the terms and conditions of existing lease agreement or due to any other relevant instructions issued by competent authority to this effect.
8. As prescribed in Para 3(x)(a), the Municipal Tax component as accounted for in the rent shall be clearly indicated in the Rent Reasonableness Certificate. In view of the same, no request shall be entertained by Hiring Committee for re-assessment of rent on account of subsequent increase or decease in municipal tax, if any. It shall accordingly be for the hiring department to settle it right in the beginning by a mutual agreement with the owner as to how such subsequent increase or decease in municipal tax, if any, shall be dealt with.
9. The rent assessment shall be done by a Hiring Committee with the composition as given below and the jurisdiction of the Committee for a particular City/Town shall also include satellite and twin cities/towns, if any, as illustrated in the sub-Para (iv) below.
   (i) **DELHI: -** The committee shall be headed by EE (LF), office of CE(NDZ)I, CPWD, Nirman Bhawan with an Assistant Director of Estate from Directorate of Estate and AFA(E), Finance Division, Ministry of Urban Development, Nirman Bhawan as members and certificate of reasonable rent shall accordingly be issued by EE (LF).
   (ii) **Other Cities/Towns where there is a Civil Circle:-** the committee shall be headed by the Superintending Engineer, with the local Assistant Estate Manager of the Directorate of Estate and an Executive Engineer (Civil) co-opted by the Superintending Engineer as members and Certificate of reasonable rent shall accordingly be issued by the Superintending Engineer.
      (a) In case there is no officer of the Directorate of Estate at the station, the Executive Engineer/ Assistant Engineer doing the estate function shall be co-opted as a member. In case, there is no such estate function involved, the Superintending Engineer shall co-opt an Executive Engineer or Assistant Engineer as the second member.
      (b) In case there are more than one Civil Circle at the same station, the concerned Chief Engineer shall nominate one of the Superintending Engineer to head the committee.
   (iii) **All other areas: -** The Hiring Committee shall be headed by a Executive Engineer (Civil Division) under whose jurisdiction the building proposed to be hired stands. He will co-opt one Assistant Engineer (Civil) and one Junior Engineer(Civil) in the committee. If there are more than one Civil Division at the same station, the Superintending Engineer concerned shall nominate one of the Executive Engineers to head the Committee.
   (iv) As already mentioned above regarding jurisdiction of a Hiring Committee in the matter of satellite and twin cities/towns, the jurisdiction of Hiring Committee for Delhi shall include Ghaziabad, NOIDA, Greater NOIDA, Faridabad, Gurgaon. Similarly, Jurisdiction of Hiring Committee for Mumbai, Kolkata and Hyderabad shall include Navi Mumbai, 24 Paragana and Secundrabad respectively and so on. If there is any doubt in regard to similar cases relating to other cities/ towns, the concerned CE(C) shall be competent to take a decision.
10. If the Hiring Departments are willing, a representative to be nominated by them shall be associated in Market survey/enquiries for collecting relevant data. The head of the Hiring Committee shall accordingly make a reference to the Hiring Department before undertaking this exercise.
11. The rent calculations shall be an internal record of the Hiring Committee and shall not be furnished to the Hiring Department.

Annexure-IA

Model Format For Issue Of Rent Reasonableness Certificate If Rent According To The Prevailing Market Rent Is Less Than That As Per Recognised Principles Of Valuation.

Certified that reasonable rent of Premises with description as…… owned by…… proposed to be hired by/ already under tenancy of(*)……
(name of the hiring Department) has been assessed as per guidelines issued by Directorate General of Works, CPWD vide No.8/1/2002-W.II(DGW)Pt. Dated 24.5.2004 the rent as effective from……works out to Rs……..(in words……..) per sq.ft. per month of built up area. the monthly rent will be Rs…….(in) words……)

2. It shall be the responsibility of hiring department to see if the rent assessed as above is to restricted to any particular limit in view of the terms and conditions of the existing lease assessment or any other relevant instructions issued by the competent authority to this effect.(**).
3. The rent as indicated above is inclusive of (i) Surplus usable land in the campus surplus……..Sqm.approx to be utilized exclusively by the Hiring Department for parking purposes etc.(***) (ii) Regular repairs and maintenance of the premised; (iii)Municipal Tax (House/ Property Tax), but exclusive of Water & Electricity charges payable to body which shall be borne by the Hiring Department.
4. The Municipal Tax component included in the rent as indicated above is……(in words……)per month. It will be for the Hiring Department to settle the terms of payment of the rent to the owner with or without Municipal Tax by following any of the following alternatives:-
   (a) Pay only net rent first and reimburse municipal tax to the owner separately on submission of proof of actual payment.
   (b) Pay only net rent to the owner and pay municipal tax directly to the local body.
   (c) Pay composite rent.

   As municipal tax component of the rent has already been spelt out above, no request shall be entertained by Hiring Committee for re-assessment of rent on account of subsequent increase/ decrease in municipal tax, if any. It shall accordingly be for the hiring department to settle it in the beginning by a mutual agreement as to how such subsequent increase or decrease in municipal tax, if any shall be dealt with.

   * Strike out which is not applicable.

   ** Not relevant if it is not a case of periodical re-assessment/revision of rent

   *** Strike out if the rent does not include element of surplus land.

Annexure - IIA

Model Format For Issue Of Rent Reasonableness Certificate If Rent According To The Prevailing Market Rent Is More Than As Per Recognised Principles Of Valuation

Certified that reasonable rent of the premises with description as…… owned by……..and proposed to be hired by/already under tenancy of (*)……..has been
(Name of the hiring Department)
assessed as per guidelines issued by
Directorate General of Works, CPWD, vide No.8/1/2002-W.II (DGW) Pt. Dated 24.5.2004 and the rent as effective from……works out to as under:-

(i) **According to the recognized principle of valuation** (i.e. on the basis of the present value of the property) Rs……(in words……) per sq. ft. per month of built up area. The monthly rent will be Rs…… (in words……).

(ii) **According to the prevailing market rent** Rs…… (in words……..) per sq.ft per month of built up area. The monthly rent will be Rs……(in words……)

The two figures of rents as above shall be considered as a range of reasonable rent and it shall be for the hiring department to negotiate and settle the rent, keeping in view this range.

2. It shall be the responsibility of the hiring department to see if the rent assessed as above is to be restricted to any particular limit in view of the terms and conditions of the existing lease agreement or any other relevant instructions issued by the competent authority to this effect.(**).
3. Both the figures of rent as indicated above are inclusive of (i) Surplus usable land measuring……..sqm.approx in the campus to be utilized exclusively by the Hiring Department for parking purposes etc.(***) (ii) Regular repairs and maintenance of the premises; (iii)Municipal Tax (House/Property Tax), but exclusive of water & Electricity charges payable to local body which shall be borne by the Hiring Department.
4. The Municipal Tax component included in the rents as indicated above is Rs……(in words……) per month. It shall be for the Hiring Department to settle the terms of payment of the rent to the owner with or without Municipal Tax by any of the following alternatives:-
   (a) Pay only net rent first and reimburse municipal tax to the owner separately on submission of proof of actual payment.
   (b) Pay only net rent to the owner and pay municipal tax directly to the local body.
   (c) Pay composite rent.
5. As municipal tax component of the rent has already been spelt out above, no request shall be entertained by Hiring Committee for re-assessment of rent on account of subsequent increase or decrease in municipal tax, if any. It shall accordingly be for the hiring department to settle it right in the beginning by a mutual agreement as to how such subsequent increase or decrease in municipal tax, if any, shall be dealt with.

* Strike out which is not applicable.
** Not relevant if it is not a case of periodical re-assessment/revision of rent
*** Strike out if the rent does not include element of surplus land.

SECTION 5
EXECUTION OF ORIGINAL WORKS

5.1 Preliminaries

(1) On accord of technical sanction to the estimate, the technical sanctioning authority shall finalise the notice inviting tenders, and send the same to the concerned Executive Engineer for release of advertisement in the website/press.

(2) It should be ensured that no work is taken in hand without proper technical sanction, except in the case of 'urgent' or 'emergency' work as described in para 2.2 .

5.2 Inspection of Works

5.2.1 Periodic inspection of works

(1) It is incumbent upon the various officers concerned with the work, namely, the Senior Architect/ Architect, Superintending Engineers/Executive Engineers/Assistant Engineers/Junior Engineers, Civil and Electrical, to inspect the works frequently to ensure that the works are in general being executed according to the design, drawings and specifications laid down in the contract.

(2) The Executive Engineer should draw up a quarterly programme of inspection of all works in his Division. The minimum number of inspections for each work shall be 1 for every 2 bills for the works at his head-quarters, and 1 for every 3 bills for the works outside the headquarters. A copy of this programme should be sent to the Superintending Engineer.

(3) Similarly, the Superintending Engineer shall draw up a programme for inspection of various works in his Circle. In particular, for contracts accepted by Superintending Engineer and above level officers, and for other important works, the programme for inspection shall be so drawn that the Superintending Engineer inspects at least once at each of the following stages during the execution of each work:

At SE's HQ	*Outside SE's HQ*
Upto 3rd RA bill	Upto 5th RA bill
4th to 6th RA bill	6th to 10th RA bill
7th to 9th RA bill	1th to 15th RA bill
and so on	and so on

5.2.2 Recording of inspection notes

(1) All the officers shall ensure issue of inspection notes/ instructions after their inspection. These may be issued by way of recording the instructions in the Inspection Register at site, or by issue of inspection notes, a copy of which is required to be pasted in the Inspection Register. The inspection note of the Superintending Engineer and other officers, during the stages mentioned above should be available on record, before passing the bill. If this is not available on record, prior permission of the Chief Engineer shall be taken before payment is released.

(2) The instructions to be complied by the contractor shall be carried on to the Site Order Book for ensuring compliance. Action taken report on the inspection note issued by an inspecting officer should be given by the Executive Engineer within one month. During next inspection, earlier inspection report should be reviewed by the inspecting officers.

5.2.3 Responsibility for quality of work

(1) The officer who records/test checks the measurements for an item of work will be responsible for the quality, quantity and dimensional accuracy of the work.

(2) The Assistant Engineer should make special efforts to be present at site when concreting is going on and must ensure quality of the concrete in work through appropriate fineness module of fine aggregate, proper grading of coarse aggregate in relation to the grade of cement used, and an

appropriate water-cement ratio depending on the temperature at which the concrete is laid, laying and curing, to obtain the designed or desired strength of concrete.

(3) Paras 53.4 and 53.17 of this Manual may also be seen in this regard.

5.3 Deviations from architectural drawings

Any change from the provisions in the drawings issued by the Senior Architect that becomes necessary during the execution of the work due to any practical difficulty, shall be brought to the notice of the Technical Sanctioning authority and Senior Architect, and their approval obtained.

5.4 Critical situations

5.4.1 Situations for calling spot quotations – competent authority

(1) Wherever a work is to be taken up, or a material is to be procured under critical situations, such as in the case of a break-down of an essential service, or works which brooks no delay, spot quotations may be collected from reputed and established agencies dealing with the work or supply of material, and the work awarded or supply order placed immediately.

(2) In case of a situation where there is a shortage of a critical material that is required to be arranged departmentally for the execution of a work, and its rate is not stable, and there is a wide day-to-day fluctuation in its rate in the market, spot quotations may be collected from reputed and established agencies dealing with the material, and supply order may be placed immediately for such quantities of material that are immediately required, and as are available with the agency. Spot quotations should be collected by EE or AE only

(3) Prior approval of such authority should be obtained, in oral if not in writing, before awarding the work or placing the supply order. Reference thereof should be mentioned while forwarding the case for obtaining the written approval of this authority, and the same should be sought at the earliest possible opportunity but not later than 10 days.

5.5 Progress reports – submission by the contractor

(1) Apart from the progress reports which are being compiled and submitted to higher authorities from various levels in the department, there should be a stipulation in the contract for large value works, say, Rs.15 crores and above, or as may be decided by the NIT approving authority, for the contractor to submit monthly progress report of the work in a computerised form. The progress report shall contain the following, apart from whatever else may be required as specified:

(i) Project information, giving the broad features of the contract.

(ii) Introduction, giving a brief scope of the work under the contract, and the broad structural or other details.

(iii) Construction schedule of the various components of the work through a bar chart for the next three quarters (or as may be specified), showing the milestones, targeted tasks and upto date progress.

(iv) Progress chart of the various components of the work that are planned and achieved, for the month as well as cumulative upto the month, with reasons for deviations, if any, in a tabular format.

(v) Plant and machinery statement, indicating those deployed in the work, and their working status.

(vi) Man-power statement, indicating individually the names of all the staff deployed in the work, along with their designations.

(vii) Financial statement, indicating the broad details of all the running account payments received upto date, such as gross value of work done, advances taken, recoveries effected, amounts withheld, net payments, details of cheque payments received, etc.

(viii) A statement showing the extra and substituted items submitted by the contractor, and the payments received against them, items pending for sanction/decision by the Department,

broad details of the bank Guarantees, indicating clearly their validity periods, broad details of the insurance policies taken by the contractor, if any, the advances received and adjusted.

(ix) Progress photographs, in colour, of the various items/components of the work done upto date, to indicate visually the actual progress of the work.

(x) Quality assurance and quality control tests conducted during the month, with the results thereof.

(2) The progress report submitted by the contractor shall be checked and certified by the Junior Engineer and the Assistant Engineer, and has to be reviewed by the Executive Engineer and the Superintending Engineer, over their dated signatures.

(3) All works costing Rs. 15 crores and above, and any work of unique importance and character irrespective of the value of the work, should have videography undertaken at various stages of construction right from the day of start of work to date of completion/occupation, covering all major events, inspections, visits by dignitaries, etc.

5.6 Specialized works to be executed through specialized agencies

Specialised works are those works for which there are specialised agencies available in the market to execute them. These works are listed by the department and are updated periodically. These works should be got executed through such agencies only to ensure a proper quality of work. Para 17.2 of this Manual may also be referred to for more details.

5.6.1 Tenders with specialized components of work

In a building construction there are other specialised works, such as plumbing, aluminum work, doors and windows shutters, painting, etc., for which there are agencies who are specialised in such fields. The procedure to be followed in executing such works is given as under.

(1) Agencies acceptable to the department

In a tender where there are components of such specialised nature of works, there should be a stipulation in the NIT (Form 6) that such works should be got executed only through associated agencies specialised in these fields. For this purpose, the NIT should list out the names of such specialised agencies that are acceptable to the Department, and/or stipulate the conditions for acceptable agencies. The contractor shall indicate the name(s) of his associated specialised agencies from the above list, or those fulfilling the above conditions as early as possible and within one month of award of work.

(2) Press advertisement in brief

(i) Since the NIT would be long in such cases, the above requirement may be mentioned in brief while releasing the advertisement in the press, and the intending tenderers may be requested to seek the regular NIT (Form 6) from the Department for more details. This may be issued to them free of cost.

(ii) However, the NIT shall be posted in full in the website. The press advertisement may also request the intending tenderers to refer to this website for more details.

SECTION 6
MISCELLANEOUS

6.1 Expenditure on survey work

Where survey of site and/or digging of trial pits for the work of load bearing capacity and sub-soil observations are required to be undertaken before proceeding with the main project, the expenditure on these items should form part of the main project. In case, however, the project is abandoned as a result of these trials and examinations or some other reason, the expenditure incurred on survey works etc. should be treated on the same line as for abandoned works. Para 4.1.1 may also be seen.

6.2 Expenditure on exhibitions

Wherever exhibitions are organized or held anywhere with participation of the Central P.W.D. in it, the Director General (Works)/Additional Directors General/Chief Engineer are empowered to incur expenditure upto a limit given in Appendix-1 in each case.

6.3 Expenditure on inauguration

(1) In case of foundation stone laying or opening ceremonies of Government projects/works, the expenditure should be restricted to items like foundation stone, erection and hire of pandals, lighting arrangements, light refreshments such as tea, coffee or cold drinks and other incidental items. The Director General (Works)/Additional Directors General/Chief Engineers are delegated powers to sanction such expenditure upto a limit given in Appendix-1 on each occasion. This expenditure shall be met from the contingent grant of the Establishments concerned, as the case may be.

(2) In respect of deposit works, such expenditure shall be incurred with the approval of the client.

6.4 Expenditure on architectural models

Wherever required, the Chief Architect/Senior Architect shall arrange for the preparation of architectural models and their presentation. He shall invite quotations for the same and award the work. The bill(s) for such work(s) shall be verified and accepted by him, and passed on to the concerned Executive Engineer for payment.

6.5 Register of Buildings

(1) Every Division should maintain a Register of Buildings upto date. The Executive Engineer should certify to that effect at the end of every financial year after ensuring that necessary additions in the cost and in structures are made upto date. This certificate should be furnished by him to the Superintending Engineer every year in the month of July.

(2) The Superintending Engineer, during his inspection of the Divisional Office, should examine this register to verify that it is being posted and maintained upto date.

6.6 Safety of buildings/structures

6.6.1 Inspection of buildings/installations for safety

(1) The Junior Engineers are required to inspect all buildings/structures twice a year to ensure that the building/structure is not unsafe for use, and they shall record a certificate to that effect. All buildings/structures are also required to be inspected once a year by the Assistant Engineer-in-charge to ensure that the building/structure is not unsafe for use. In case of electrical and other installations, the Assistant Engineer (Electrical) should inspect the same and record a certificate to that effect.

(2) In case of any deficiency found in the building/structure, necessary report should be made to higher authorities, and immediate steps taken to get the same inspected by the Executive Engineer. Further action should be taken forthwith to remedy the defects.

(3) The Divisional Officer will also inspect important buildings/structures once a year. He shall bring to the notice of his Superintending Engineer, cases where he has reasons to doubt the structural soundness of any building/structure and the latter will take such action as he considers necessary.
(4) In case of any deficiency found in the important buildings like Prime Minister's House, Cabinet Ministers' House, Vice-President's House and houses of other V.I.P's, report about unsafe condition of the house should always be sent to the Chief Engineer, who will route it through the Ministry to the Department/Ministry concerned, if required, with his recommendations and proposal for repairs.

6.6.2 Demolition of unsafe buildings/structures

In case it is decided to demolish such unsafe building/structure, it should be disposed of without land by auction under the powers vested in competent authorities as indicated in Appendix 1.

6.7 Disposal of Government buildings

(1) No Government building, built or purchased, should be disposed of by sale or demolition unless it has previously been ascertained that it is not required by any Department of the Government, and/or it is in dangerous condition and/or beyond economic repairs, or it is necessary to have a vacant site for constructing a Government building or structure in place of the existing one.
(2) The powers for sale or dismantlement of public buildings are given in Appendix 1.
(3) When a building is proposed to be dismantled, a survey report should be prepared and submitted for approval of the authority competent to sanction sale or dismantlement of the building. Where the approval of the Government of India to the proposal of demolition of the building is necessary and such approval in principle has been obtained, the Director General (Works)/Additional Directors General/Chief Engineers are delegated powers as in Appendix-I to sanction such survey reports.

6.8 Fixing Reserve Prices

After the survey report has been sanctioned, the Director General (Works)/Additional Director General/Chief Engineer shall in all cases fix the reserve price after taking into consideration the assessed salvage value of the dismantled materials only.

Note: Salvage value shall be defined as the cost of dismantled materials less the cost of dismantling it.

6.9 Disposal of purely temporary structures

(1) Purely temporary structures erected during the construction of a work may, on the completion of the work, or when the purpose for which the same were erected has been served, be sold or dismantled under the sanction of the Executive Engineer who has been entrusted with full powers.
(2) If the structure is proposed to be sold without land, the Executive Engineer should fix the reserve price, taking into consideration the life and condition of the structure and other local conditions subject to the minimum as laid down in para 6.8 above.

6.10 Powers for acceptance of tenders for disposal of government buildings

(1) The building(s) should be disposed of by call of competitive tenders after giving wide publicity. The financial powers of the authorities competent to accept the tender are given in Appendix 1.
(2) In case of emergency, the building(s), instead of being disposed of by call of tenders, may be dismantled departmentally with the specific approval of the Director General (Works)/Chief Engineer. Materials which have an intrinsic and/or aesthetic value may be retained, otherwise all the materials shall be disposed of by public auction, or in any other manner as deemed fit.

6.11 Consultations with Department of Archaeology for new constructions

(1) In case of construction of any new building/structure at or in close proximity to any protected monument, the Senior Architect and Superintending Engineer/Executive Engineer should invariably consult the Department of Archaeology prior to conceptualizing the design for the proposed structure.

(2) No ancient monuments should be demolished in the set up and construction of new townships, colonies and extensions to the present structures, wherever such monuments exist without consulting Archaeological Department.
(3) No religious edifice should be destroyed or damaged in the execution of works without the full and free consent of the persons/institutions interested in it, nor without the concurrence of the principal civil or political authority on the spot within whose jurisdiction such edifice stands.

6.12 Consultation with other departments

Consultation with local Civil Aviation Authority and Environment and Forest department etc. may be required as per location and magnitude of the Project.

6.13 Engagement of Private Consultants

DGW/ADGs have been delegated powers to appoint Private Architects/Consultants subject to the following conditions laid down by MOUD.

(1) The engagement of private architects/consultants shall be permitted only in case of plan projects costing above Rs. 50 lakhs and non-plan projects, costing above Rs. 5 crores.
(2) Such engagement of private architects/consultants shall be resorted to only when the DG(W)/ ADG is satisfied that the architectural staff in the CPWD is fully occupied and the work concerned is urgent. Before appointment of consultants like secialists in acoustics, horticulture, restoration of structures damaged by fire or blasts etc., DGW/ADG shall satisfy himself that the required expertise is not available in the CPWD.
(3) CPWD shall maintain a panel of private architects/consultants, prepared on the basis of open advertisements. Appointment of private architects/consultants in specific cases will be on the basis of invitation of quotations limited to those in the panel.
(4) The estimates of fees of the private architects/consultants shall be included in the works estimate as a distinct item.
(5) This power shall not be sub-delegated to any other authority.

6.14 Procedure for appointment of consultants:-

Ministry of finance has circulated a document namely “Manual of policies and procedure of Employment of consultants”. Chief Engineers may decide the eligibility criterion & terms and conditions while taking guidance from this document. The document is available on website of Ministry of finance www.finmin.nic.in (Department of Expenditure)

6.15 Checking of Drawing prepared by Consultants

In case, structural designs/drawings are prepared by the consultant and further proof checked by some other consultant, SE (P&A), PM, SE or EE as the case may shall check the drawing and authenticate these as “Good for Construction” before issuing to the contractor.

6.16 Grievances Redressal Mechanism.

For handling public grievances relating to maintaining as well as original works, following mechanism shall be set up.

(1) Original works
  (i) For work costing less than Rs. 1 crore - S.E(P) of the Zone shall be designated as the Grievance Officer.
  (ii) For works costing more than Rs. 1 Crore – Director (Works) of the Region shall be designated as the Grievance Officer. For works under ADG(S&P) & ADG(TD), Director (P&WA) in the directorate and the works of Border Region, S.E(P) BFR shall be the Grievance Officer.
(2) Maintenance Works :
  (i) AE(HQ) of the Circle shall be designated the grievance officer for all maintenance related complaints.
  (ii) Appellate authority in such cases shall be the E.E(MIS)/designated E.E(P) of the Zone.

The telephone numbers and e-mail address of the officers so designated shall be displayed on all concerned service centers and the CPWD SEWA web site. Issues relating to improper service or non-adherence to laid down parameters shall be brought to the notice of these officers who can intervene and get issues resolved. A monthly summary of grievances shall be submitted by these officers to the concerned Superintending Engineer/Chief Engineer.

6.17 Maintenance of specialized E&M Systems by Manufacturers/Authorised Agencies.

The following shall be followed for Operation & Maintenance of specialized E&M Systems:

(1) Central AC Plant
   (i) Irrespective of capacity, screw and centrifugal plants (to include both high & low side) will be got comprehensively maintained by Manufacturers/Authorised Agents of the Plant. This should include all repairs, spares, gas, oil etc. To ensure undivided responsibility, operation of the Plant also should be entrusted to Manufacturer/Authorised Agent.
   (ii) Reciprocating Plants above 200 Tons aggregate capacity will be got comprehensively maintained/operated by Manufacturer/Authorised Agents.
   (iii) Reciprocating Plants with aggregate capacity upto 200 Tons can be maintained and operated by specialized agencies selected on basis of prequalification criterion.

(2) Lifts will be got comprehensively maintained by the respective Lift manufacturer only.

(3) Addressable Type fire Alarm System will be got maintained by manufacturer/authorized agents.

(4) The following systems will be got maintained comprehensively by the Manufacturer/Authorized Agents only.
   (i) Baggage/Security Scanner
   (ii) Video/Film Projection System
   (iii) CC TV System
   (iv) UPS System
   (v) PA System
   (vi) Sound reinforcement System
   (vii) Conference System
   (viii) Communication System
   (ix) Computer System
   (x) Water Pump Automation System

(5) Wet Riser, Fire Alarm System will be got operated/maintained by specialized firms selected on basis of prequalification criterion.

(6) Any other specialized System
   The Chief Engineer will decide whether the system is to be got maintained by Manufacturer/ Authorised Agents or by specialized firms to be selected on basis of prequalification criterion.

Notes:

(i) When maintenance work is to be got awarded to Manufacturer/authorized agent, there is no need to call tender with press publicity. It is adequate to send the NIT to only the manufacturer/authorized agent. The tender accepting authority will be responsible for the best offer received and reasonability of rates.

(ii) The above guidelines are valid upto June 2010, after that, it will be subject to review.

CHAPTER II
WORK ACCOUNTS

SECTION 7
MEASUREMENT BOOKS (MBs)

7.1 General

(1) Expenditure on the construction or maintenance of a work may be divided broadly into two classes, viz. (i) Cash (ii) Stock Charges. In addition to the main charges, there are other charges affecting the cost of work. For example, there may be charges incurred in other Divisions, Departments or Government, materials received from them or services rendered by them, or there may be cash receipts such as are taken in reduction of expenditure in accordance with the rules. To account for all these charges affecting the cost of work, separate accounts are maintained in Sub-Division/ Divisional Offices for recording
   (i) the cost of individual works, and
   (ii) the transactions of individual Contractors/Suppliers. These are known as works accounts. The accounts of manufacture operations and non-government works are maintained in the same manner as for Government works. (Para 10.1.1 of CPWA code may be referred to).

(2) Cash charges of works consist of payments to (i) labourers and members of the work-charged establishment of their wages, and (ii) contractors and others for work done or other services rendered. The cost of materials procured specially for work is charged to the accounts of works by transfer credit to the “Material Purchase Settlement Suspense Account”. The payments to suppliers are governed by the same rules as payments to contractors for work done (Para 10.2.1 of CPWA code may be referred to).

(3) The payments to the work charged staff are made monthly in the same manner as it is made to the regular staff but on a different bill form CPWA 29, and are charged direct to the work on which the labour is actually employed.

(4) The payments to contractors and others for the work done or other services rendered are made on the basis of measurements recorded in the Measurement Book. Subsidiary instructions regarding maintenance of the measurement books including standard Measurement Books and review of measurement books are given in subsequent paras here under.

7.2 Writing of Measurement Book

(1) The measurement book is the basis of all accounts of quantities whether of works done by Contractors or by labourers employed departmentally, or materials received. It should be so written that the transactions are readily traceable.

(2) These books should be considered as very important accounts records and maintained very carefully and accurately as these may have to be produced as evidence in a court of law, if and when required.

7.3 Register of Measurement Books

(1) All the Measurement Books belonging to a Division, should be numbered serially. A register should be maintained in form CPWA 92 showing the serial number of each book, on receipt, Sub-Division to which it is issued, the date of issue, date of its return to the Divisional Office and date of its record after the required review in the Divisional Office has been completed.

(2) A similar register should be maintained in the Sub-Divisional Office showing the names of persons, i.e. Assistant Engineer/ Junior Engineer, to whom the Measurement Books are issued.

7.4 Transfer of Measurement Books

(1) The Measurement Books that are no longer required to be used in the Sub-Division or with the Junior Engineer should be with drawn promptly even though not completely written up and re-issued.

(2) When an Assistant Engineer or Junior Engineer in charge of the work or stores is transferred he should hand over the Measurement Books issued to him to his successor and these should be shown as received back from him and re-issued to the relieving Officer. The transfer should also be recorded in the Measurement Book after the last entry in each book under dated signature of the relieving Officer and relieved Officer.

7.5 Recording of measurements

(1) Entries at commencement of measurements

Each set of measurements to be recorded should commence with entries stating:

(i) In the case of bills for works done:
  (a) Full name of work as given in the agreement/estimate.
  (b) Location of work.
  (c) Name of contractor.
  (d) Number and date of agreement.
  (e) Date of written order to commence work.
  (f) Date of actual completion of work.
  (g) Date of recording measurements.
  (h) Reference to previous measurements.

(ii) In the case of bills for supply of materials:
  (a) Name of supplier.
  (b) Number and date of supply order/agreement.
  (c) Purpose of supply in one of the following forms as applicable to the case:
    (i) Stock (for all supplies for stock purpose).
    (ii) "Purchase" for direct issue to the work (full name of the work as given in the estimate shall be mentioned).
    (iii) "Purchase" for (full name of work as given in estimate) for issue to contractor ..... on..... :
  (d) Date of written order to commence the supply.
  (e) Date of actual supply.
  (f) Date of recording measurements.

(2) Writing of abstract

(i) A suitable abstract should then be prepared which should collect in the case of measurements for works done, the total quantities of each distinct item of work relating to each sanctioned sub-head. The measurement books meant for this purpose contain pages in singleton. Details of quantities, rate and amount of each item for every bill are entered in this Measurement Book in a tabular form.

(ii) For recording measurements and also for preparing abstract, the agreement item No., both in words as well as in figure, should be given neatly along with description of the item in full or in abbreviated form.

(3) Nomenclature of item

(i) In case of extra/substituted item of work that is not covered in the agreement, the full nomenclature shall be reproduced in the Measurement Book and the bill form.

(ii) The full nomenclature of the items shall be adopted in preparing abstract of final bill in the Measurement Book and also in the bill form for final bills.

(4) Cross reference in case of running account bill

If the measurements are taken in connection with a running contract, a reference to the last set of measurements, if any, should be given.

(5) Recording of date of completion
   (i) If the entire job or contract has been completed, the date of completion should be duly recorded.
   (ii) If the measurements taken are the first set of measurements on a running account, or the first and final measurements, this fact should be suitably noted against the entries in the Measurement Book, and in the latter case, the actual date of completion should be recorded.

(6) Neat recording of measurements
All measurements should be recorded neatly in the Measurement Book.

(7) Signature of the contractor
The signature of the contractor or his authorised representative should be obtained in the Measurement Book for each set of measurements.

(8) Measurements in ink
The measurements shall be recorded in ink.

(9) Making corrections in measurements
   (i) No entry shall be erased or overwritten. If a mistake is made, it should be corrected by crossing out the incorrect words or figures and inserting the correction. The correction thus made shall be initialed and dated by the officer recording/checking measurements.
   (ii) When any measurements are cancelled or disallowed these must be endorsed by the dated initials of the Officer ordering the cancellation or by a reference to his orders, initialed by the Officer who made the measurements, the reasons for cancellation being also recorded.

(10) Page numbering
   (i) The pages of the Measurement Books should be machine numbered.
   (ii) Entries should be recorded continuously and no blank page left or torn out. Any pages or space if left out blank inadvertently should be cancelled by diagonal lines, the cancellation being attested and dated.

(11) Recording of measurements only by authorised persons
All items of work in a project irrespective of their cost shall be measured and recorded by the Junior Engineer-in-charge of the work. It is, however, open to the Assistant Engineer or the Executive Engineer to record measurements for any particular item of work himself.

(12) Measurement of repetitive works
In case of works of repetitive type, detailed measurements of 20% of the total number of units, subject to a minimum of 20 units, need only be recorded.

(13) Certification of measurements
The person recording the measurements should record a dated certificate “Measured by me” over his full signature in the Measurement Book.

7.5.1 Where measurements need not be recorded

(1) No measurements need be recorded for petty purchases made through permanent imprest accounts. It is adequate in such cases that the Junior Engineer or the Assistant Engineer makes an endorsement on the original and duplicate copies of the cash vouchers/bills of the suppliers regarding verification of the same, and the page number of the MAS register in which he has taken the material(s).

(2) The material(s) may be issued for the work(s) from the MAS register as usual. Abstract of vouchers can be drawn in the Measurement Books for continuity of record keeping.

7.6 Notice to the contractor before recording measurements – action to be taken if he fails to respond

(1) Clause 6 of Clauses of Contract in General Conditions of Contract provides that before taking any measurement of any work, the Engineer-in-Charge or a subordinate deputed by him shall give 3 days’ notice to the contractor. If the contractor fails to attend at the measurements after such notice or fails to countersign or to record objection within a week from the date of

measurement, then the measurements recorded in his absence by the Engineer-in-Charge or by the subordinate deputed by him as the case may be shall be deemed to have been accepted by the contractor.

(2) It happens that sometimes when the measurements recorded by the Junior Engineer are not accepted by the contractor, the fact is not brought to the notice of his superior officers i.e. Assistant Engineer/Executive Engineer immediately, with the result that prompt action under clause 6 of contract form CPWD 7/8 cannot be taken. The idea of clause 6 is to bind the contractor to file objection, if any, on his side to the measurement recorded by the Departmental Officers within a definite period so as to avoid any disputes later on. It has been decided that in all cases of works executed on contract forms CPWD 7/8, when the contractor fails to attend at the time of measurements or to countersign the measurement books in token of his having accepted the measurements recorded therein, or to record the difference, the Junior Engineer/Assistant Engineer taking the measurements should report this fact within 72 hours to the Assistant Engineer/Executive Engineer in writing. The latter, on receipt of such a report, should take immediate action under clause 6 ibid, and inform the contractor in writing that the measurements as taken by the Junior Engineer/Assistant Engineer are final as per clause 6 of form CPWD 7/8, and no claim whatsoever on this account shall be entertained.

(3) These instructions will not apply in cases where the contractor is to submit computerised measurements to the Department as per provisions under para 7.12.

7.7 Preparation of bill

(1) On completion of the abstract, the Measurement Book should be submitted to the Sub-Divisional Officer, who after carrying out his test check should enter the word “Check and bill” with his dated initials. The Sub-Divisional Clerk should then check the calculation of quantities in the abstract, and the bill in case of work carried out by contract, and should then place the Measurement Book and the bill before the Sub-Divisional Officer who, after comparing the two, should sign the bill and the Measurement Book at the end of the abstract.

(2) From the Measurement Book all quantities should be clearly traceable into the documents on which payments are made. When a bill is prepared for a work or supplies, every page containing the detailed measurements must be invariably scored out by a diagonal red ink line. When the payment is made, an endorsement must be made in red ink, on the abstract of measurements, giving a reference to the number and date of the voucher of payment.

(3) Corrections to calculations or rates in the Measurement Book
Any corrections to calculations or rates made in the Sub-Divisional or Divisional Office should be made in red ink and brought to the notice of the Sub-Divisional Officer or the Divisional Officer, as the case may be and of the person recording the original measurements. In the case of final bills, the payment should be deferred until the corrections have been accepted by the person making the measurements. All corrections made by the clerical staff should be in red ink.

(4) Payment for work done through daily rated labour
When work which is susceptible of measurement is carried out by daily rated labour, similar plan should be adopted, the quantities of work done as shown on the Muster Roll being compared with the entries in the Measurement Book before payment is authorised.

7.8 Movement of Measurement Books

Measurement books should be sent only by Registered Post or through Special Messenger.

7.9 Recording measurements of supply/issue/laying of steel

(1) Supply of steel
In case of supply of steel, the measurements should be recorded:
(i) On actual weight basis for bars upto 10 mm dia, and

(ii) On standard sectional weight basis for bars above 10 mm dia. In the latter case, the measurements should indicate the total number with length of bars in each bundle, total number of bundles, standard weight running meter weight of each bundle, total weight of all bundles, etc. The entry should not be a copy from the invoice issued by the firm.

(2) Issue of steel

The issue of steel shall be made in the same manner as for the supply as described in sub-para (1) above.

(3) Laying of steel

(i) Wherever the structural drawings that are approved by the Department for a work contain the bar bending schedule, the measurements of reinforcement bars laid shall be recorded on the basis of this schedule after due verification that they have been laid in conformity to the structural drawings. The bar bending schedule shall show the extra percentages that shall be allowed for laps and wastages. Detailed measurements of each and every bar shall be dispensed with in such cases.

(ii) In other cases, the bar bending schedule shall be prepared by the contractor, and checked and signed by the Engineer – in - charge before the bending of bars is taken up at site.

(4) Test check of steel

Para 7.10.2(3) may be referred to for test check of steel.

7.10 Test checking of Measurements

7.10.1 Test check by the Assistant Engineer

(1) The Assistant Engineer must satisfy himself before passing a bill for payment, or before submitting it to the Divisional Officer for payment, that the work or supply billed for has actually been carried out/completed in accordance with the terms and conditions of the contract. He should personally inspect all works of any magnitude before authorizing final payments in connection therewith.

(2) In addition to the above, he is required to check measure the works in his charge as below:

(i) All items of work in a project irrespective of their cost, shall be measured and recorded by the Junior Engineer-in-charge of the work. It is, however, open to the Assistant Engineer to record measurements for any particular item of work himself. In case of absence of Junior Engineer, the Assistant Engineer may be asked to record measurements .

(ii) The Officer accepting the tender for any work may stipulate and require the Assistant Engineer to record measurements himself or exercise 100% check on the measurements recorded by his subordinate for any item including those, which, owing to their situation, cannot subsequently be checked measured or which have very high unit rates or which in the opinion of the Officer are important.

Important items for Measurements

Important works, within meaning of the above, include items which owing to the situation cannot be subsequently checked or which have very high unit rates. For guidance, these items are classified generally as below :-

Items of work which owing to their situation cannot subsequently be checked.

(i) All work below ground level such as Concrete, Masonry, Steel work etc. in foundation; and

(ii) Fabricated Steel work in columns, beams, etc. which are encased either in masonry or concrete, reinforcement in RCC/RB work.

(iii) Wood work, Iron work etc. hidden by ceilings, wall panelling or floor boardings.

(iv) Bitumen painting of roofs under mud phuska and tiles paving or under terrace concrete.

(v) Water proofing compounds used in gauging cement.

(vi) Lines of pipes buried in floor or masonry in Internal sanitary, water supply or drainage installations.

(vii) Earthing installation, cable laying etc.

Items of works which are considered to have very high unit rates:-

(i) RCC Work.
(ii) Items in sunk ashlar stone or marble work, plain sunk or moulded in walls, columns, arches or domes.
(iii) Stone or marble work in wall lining. All steel cladding, structural glazing etc.
(iv) All wood work in Chowkhats, frames or trusses in Indian or Burmah Teakwood.
(v) All joinery work in shutters, trellis works, miscellaneous wood work etc. whether in Indian Teak or Burma Teakwood.
(vi) All brass, oxidised brass or other similar costly fittings of doors, windows etc. where payable separately.
(vii) All major equipments for AC, lifts, Generator sets, Sub-station equipments, fire works, any other items desired by Engineer-in-charge.

(3) In case of works at headquarters of the Sub-Division, AE should check measure not less than 50% of the value of the measurements recorded by his Junior Engineer before any running/final bill is paid.

(4) In case of works outside headquarters of the Sub-Division, the Assistant Engineer should check measure upto 50% of the value of work done before preparing final bills or before making payment of alternate running/final bills.

Note: For the purpose of test check, "measurements" means the "corresponding monetary value of measurements of work done." This, however, does not apply to "Levels", in which case the test check has to be based on the number of levels recorded.

(5) While test checking the works of repetitive type, the Assistant Engineer (Elect) should test check 100% of all items of at least one unit, taken at random, besides test checking isolated and individual items in other units to bring the total extent of check measurement to the desired limit of 50% of value of work done.

(6) Besides the mandatory test check of RCC and hidden items of work, the test check of measurements by Assistant Engineer shall also include not less than 50% of the plumbing work for sanitary and water supply wherever applicable.

(7) In the case of works outside the headquarters of the Sub-Division costing upto 20% of his tender acceptance power, check measurements by the Assistant Engineer need not be insisted upon. He will, however, have to accept general responsibility for the correctness of the bill as a whole.

7.10.2 Test check by the Executive Engineer

(1) The Executive Engineer should test check 10% of the measurements recorded by his subordinates at least every alternate bill for works at his headquarter, and at least every third bill for works outside his headquarter. Measurements selected by EE should be independent of measurements test checked by AE. However this will not apply to items, the measurement of which are achecked 100% by AE. In respect of works costing up to 20% of his tender acceptance power at places outside the headquarter of the division, and in case of works costing up to 10% of his tender acceptance power at the headquarter of the division, the Executive Engineer may, in his discretion, authorise payment without any test check by him. He will, however, have to accept general responsibility for the correctness of the bill as a whole.

(2) Test check of RCC and plumbing works

(i) Test check of the Executive Engineer shall also include at least 10% test check of the measurements of RCC items so as to ensure structural safety of building.
(ii) Besides the mandatory test check of RCC and hidden items of work, the test check of measurements by the Executive Engineer shall also include not less than 10% of the plumbing work for sanitary and water supply.

(3) Test check of steel

(i) In the case of receipt of steel, the Executive Engineer shall test check 10% of the total consignment received in a month. Any consignment test checked by the Executive Engineer should be checked by him 100%.

(ii) Permitted variation between the quantities as per supplier's bills and as received and accounted for in stock account, is 0.5% in the steel bars upto and including 12 mm dia, and 1% in the case of steel bars of higher dia.

(iii) If in any consignment the variation on lower side exceeds the aforesaid limits, 100% check of the measurements shall be carried out by the Executive Engineer, and detailed investigation into the reasons for the shortage recorded.

(4) Test check in road works

In case of road work involving supplying and laying of sub-base and base course material:

(i) The stacks shall be uniformly distributed along the road. The collection of stone metal shall be completed for the entire work, or for complete length of 1 km, or as directed by the Engineer-in-Charge, and measured before the work of laying and consolidation is taken up in hand.

(ii) The Assistant Engineer shall test check not less than 50%, and the Executive Engineer, not less than 10% of the supply of materials in each length of 1 km before the work of laying is started.

(5) Test checks to be attested

The individual items checked should be clearly shown in the Measurement Book, and the result recorded by the officer concerned. The items thus checked should be attested by the dated initials of the checking Officer.

(6) Consolidated record of checks/test checks

(i) A collective record of all the check carried out from time to time will be prepared in each Measurement Book in the following tabular form:

(a) Date of check.
(b) Page recording measurements subject to test check.
(c) Value of measurements checked.
(d) Result of the check exercised.
(e) Dated initials and designation of the checking officer.

(ii) The result will be indicated by the word "Satisfactory" or "Unsatisfactory" as judged at the time on merits of each case. Unsatisfactory result will be communicate to the JE or both the JE and AE as the case may be.

7.11 Recording measurements for earth levelling work

7.11.1 Level Books

In case of levelling operations and earthwork, measurements are required to be recorded in Level Books in addition to Measurement Books. The Level Books should be numbered, accounted for and handled like Measurement Books.

7.11.2 Preparatory works

Before starting the earth work, the following steps should be taken:

(1) Original ground levels should be recorded in the Level Book in the presence of the contractor or his authorised representative, and should be signed by him and the Departmental Officer who records the levels. All the local mounds and depressions should be indicated clearly in the drawing and the field Level Book, and should be checked by the Assistant engineer/Executive Engineer before the levelling work is started.

(2) A suitable baseline should be fixed with permanent masonry pillars at distances not exceeding 150 metres to provide a permanent reference line for facilitating check work. The base line(s) should be entered in the Level Book with co-ordinates. These baselines should be maintained till the final payment for the work has been made.

(3) While recording the levels, it should be ensured that the circuit is closed by taking final levels of the starting point or any other point, the R.L. of which was previously determined.

(4) Plans showing initial levels, location of bench marks and reduced levels, should be prepared and signed by both the parties and attached to the agreement before commencement of the work.

7.11.3 Test check of the levels

(1) The Assistant Engineer should exercise test check at least to the extent of 50%, and the Executive Engineer at least to the extent of 10% where the value of this item of work exceeds 10% of the tender acceptance power of the Assistant Engineer.

(2) The test check of the levels should be carried out independently by each officer, and the readings should be recorded in the prescribed Level Book in red ink against the old levels which should be neatly scored out wherever necessary. If the test check carried out reveals serious mistakes in the original levels, these should be taken or re-taken and re-checked.

(3) The test check carried out by an Officer should be as representative as possible for the entire work done.

(4) On completion of work, the levels should again be recorded in the Level Book and the contractor's signatures obtained. These levels should also be test checked by the Assistant Engineer/Executive Engineer to the same extent as indicated in (1) within one month of the date of completion of the earth work, and according to the procedure as laid down in the case of initial levels as indicated above.

(5) The formation levels as per final execution of the work should be compared with the proposed formation levels and the work got rectified within permissible tolerance.

7.11.4 Payment for levelling work

(1) Every fourth running bill and the final bill should be paid on the basis of levels.

(2) Intermediate payments can, however, be made on the basis of borrow pit measurements. The Executive Engineer should take care that the quantities thus assessed are not in any case more than the actual work done.

7.11.5 Large scale levelling work

(1) In case of large scale levelling work involving both cutting and filling, an accurate site plan should be prepared before the work is commenced. The portions requiring cutting and filling shall then be divided into squares and corresponding squares into filling, which are complementary to the squares in cutting given the same number.

(2) A table may be written upon the plan showing leads involved between the various complementary squares. This would form a lead chart for the work to be done.

(3) Before the work of levelling is commenced, the lead chart shall be checked by the Assistant Engineer in the presence of the contractor or his authorised representative, and his signatures shall be obtained on the same. This should form an integral part of the contract and should be duly signed by both the integral parties before commencement of the work.

(4) The quantity payable for earthwork shall be lower of the quantity derived from cutting or filling. The payment for lead shall be based on lead chart prepared in the aforesaid manner.

7.11.6 Import of earth

In case of earth to be imported, the area from where the earth is to be imported, should be pre-determined wherever possible before the start of the work, and wherever feasible, the average lead should be worked out and stipulated in the tender. After this is determined, initial levels of the area to be filled should be recorded. The levels should be properly checked during the progress of work and on completion.

7.12 Computerised Measurement Books (CMB's) and Bills to be submitted by the contractor

7.12.1 Application and format of the Computerised M.B.

(1) In works of estimated cost put to tender of Rs. 15 lakh and above, approving authority, the conventional Measurement Books shall be replaced by a bound volume of computerised

measurements to be furnished by the contractor, duly machine numbered for the pages, and with an MB number given by the Division Office. The pages of these Measurement Books shall be of A-4 size. All these Measurement Books belonging to a Division shall be serially numbered, and a record of these Computerised Measurement Books shall be maintained in a separate Register in Form CPWA 92.

(2) The same format as in existing Measurement Books shall be used for the Computerised Measurement Books. The measurements shall be carried forward from the previous recorded measurements as per the existing procedure.

7.12.2 Mode of measurements

(1) The measurements shall be recorded and entered in computerised format in the first instance by the contractor, and a hard copy shall be submitted to the Department. All entries shall be made exactly as per the existing procedure.

(2) These measurements shall then be 100% checked by the Junior Engineer. If Junior Engineer is not available, the Assistant Engineer shall perform 100% check of the measurements. The contractor shall incorporate all such changes or corrections, as may be done during these checks, to his draft computerised measurements, and submit to the department the corrected computerized measurements in the form of a book, duly hard bound in red colour on the lines of the conventional Measurement Books now in use, and with its pages machine numbered.

(3) The Assistant Engineer and the Executive Engineer shall test check these computerised measurements as per the existing instructions. This book shall be treated as a Computerised Measurement Book.

(4) The Junior Engineer, Assistant Engineer and the Executive Engineer shall record the necessary certificates for their checks and test checks as per the existing procedure in this Computerised Measurement Book.

(5) The Computerised Measurement Book shall be allotted a serial number as per the Register of Computerised Measurement Books.

7.12.3 Cutting or over-writing in the computerised M.B. not allowed

(1) The Computerized Measurement Book given by the contractor, duly bound, with its pages machine numbered, shall have no cutting or over-writing.

(2) It is the responsibility of the Junior Engineer or the Assistant Engineer as the case may be to ensure that the checks and test checks done by them in the initial draft measurements are correctly incorporated in the Computerized Measurement Book before they record their certificates.

(3) In case of any error, the Computerised Measurement Book shall be cancelled, and the contractor shall re-submit a fresh Computerized Measurement Book. This should be done before the corresponding computerised bill is submitted to the Division for payment.

(4) The contractor shall submit as many copies of Computerised Measurement Books as may be required, and as are specified in the NIT/contract, for the purpose of reference and record in the various offices of the department.

7.12.4 Computerised Bill to be submitted by the contractor

(1) The contractor shall submit his running and final bills in a computerised form in the same format as the existing conventional bills, with all the pages machine numbered, and hard bound, and with all the entries made as per the existing procedure.

(2) The contractor shall submit as many copies of the computerized bills as may be required for the purpose of reference and record in the various offices of the department.

(3) The bill shall be carried forward from the previous running account bill as per the existing procedure.

(4) These computerised bills shall be processed by the various offices for payment, as per the existing procedure.

7.13 Review of Measurement Books

(1) The Measurement Books are required to be reviewed by Divisional Accountant under the supervision of Executive Engineer. The Assistant Engineers are required to submit the Measurement Books in use in the Sub-Divisions to the Divisional Office, from time to time, so that at least once a year the entries recorded in each of the Books are subjected to a percentage check. The Divisional Officer should ensure that this annual review is conducted regularly and positively every year.

(2) The review by the Divisional Accountant shall be in the following respects:-

(i) To compare the books in use with part I of the Register of Measurement Books maintained in CPWA Form 92, and to note necessary corrections in the Register.

(ii) To see that no original sheet is torn out of a Measurement Book, nor any entry erased or disfigured, and that the corrections made therein are initialed.

(iii) To see that pencil entries are not inked over.

(iv) To test check the accuracy of calculations, and to ensure that the instructions regarding writing of Measurement Books, recording of measurements, and their test check are being followed properly.

(3) On receipt of the Measurement Books in the Divisional Office, the Executive Engineer should indicate in column 2 of the "Review Notes" in each Measurement Book as referred to in para 7.13(5) below as to which of the calculations are to be test checked by the Divisional Accountant. The extent of this check will be determined by the Executive Engineer having regard to the result of the last review, and should cover complete set of measurements.

(4) Payments based on the entries reviewed should be traced into various accounts and verified. Similarly, supplies or issue of materials should be traced into the various accounts, contractor's ledger, etc. and verified.

(5) **Communication of discrepancies**

The defects, discrepancies, etc. noticed should be communicated to the Assistant Engineer concerned and summarized in the following form in the Measurement Book that has been test audited:

Review Notes by Divisional Accountant

Pages reviewed generally	Calculations selected by the Divisional Officer for re-check		Defects and discrepancies noticed	Dated initials of	
	Pages	Dated initials		Divisional Accountant	Divisional Officer
1	2	3	4	5	6

(6) The Measurement Book completed and returned for record during the year should also be similarly examined prior to their final record in the Divisional Office.

7.14 Loss of Measurement Books

(1) When a Measurement Book is lost, an FIR should be lodged with the police.

(2) An immediate report of the facts of the case together with an explanation of all parties concerned responsible for the loss should also be made promptly to the Chief Engineer, who is empowered to sanction the write off of the lost Measurement Books. In case of theft or loss of a blank Measurement Book, the Superintending Engineer shall be the competent authority to write off the loss.

(3) Such losses for write off should be reported in the proforma as at Appendix 10.

(4) It is also necessary that the measurements in the lost Measurement Book should be re-constructed at the earliest.

SECTION 8
STANDARD MEASUREMENT BOOKS (SMB'S)

8.1 Purpose

The Standard Measurement Books are maintained to record the measurements of permanent standing in a building, and are required to be brought upto date from year to year on the basis of additions, etc. that are made to the building during a year. These are used for preparing the repairs estimates and contractors' bills for such repairs so as to avoid taking detailed measurements on each occasion.

8.2 Preparation and accounting of Standard Measurement Books

(1) The Standard Measurement Books shall be prepared after the completion of the work by the Construction Division that has executed the work. The preparation of these books will ordinarily be undertaken in accordance with the program for each Sub-Division or such other suitable unit as may be fixed by the Divisional Officer.

(2) All drawings, Standard Measurement Books etc. should be properly documented before handing over the building.

(3) All the Standard Measurement Books should be on Form CPWA 23-A, and should contain pages in singleton. They should be numbered in an alphabetical series so as to be readily distinguishable from those assigned to ordinary Measurement Books.

(4) These will be accounted for in the same manner as ordinary Measurement Books in a register in Form No CPWA 92 (Part II).

(5) A similar register will be maintained in each Sub-Division showing the books belonging to it, and reviewed as done in case of the ordinary Measurement Books.

8.3 Writing of Standard Measurement Books

(1) The Standard Measurement Books should be written legibly in ink, and certified as correct by the Executive Engineer. These should be maintained very carefully and accurately, as they may have to be produced as evidence in a Court of Law.

(2) The Standard Measurement Books should either be written by the Assistant Engineer himself or a Junior Engineer under his orders. Each set of measurements taken by the Junior Engineer should, however, be fully checked by the Assistant Engineer, after which it should be examined by the Executive Engineer. He should declare in writing in the Book itself as finally approved by him for the purposes of preparing annual repair estimates and contractors' bills for the work done. Until this is done, the Book will not be assigned a number, and will not be entered in the Register of Standard Measurement Books.

(3) The Standard Measurement Books shall be brought upto date under the supervision of the Assistant Engineer with reference to the building or work concerned within one month of closing of the accounts of the estimate thereof. All such corrections shall be attested by the Assistant Engineer, and approved by the Executive Engineer.

8.4 Computerised SMB's

The SMB's can also be in the Computerized Measurement Book form, and shall fully correspond with the final computerized measurements for the various items as recorded in the Computerised Measurement Book used during the construction stage.

8.5 Check by superior officers

(1) The Executive Engineer shall check the compilation of Standard Measurement Books from time to time by personally examining each book at least once a year. To this end, the program of work should ordinarily be as follows:

(a) Soon after the close of the official year as possible, the Assistant Engineer concerned shall arrange for a personal examination of these books with a view to satisfying himself that they have been brought upto date with reference to the additions, alterations or special repairs carried out in the building or works during the preceding year, and ensuring their submission on such dates as may be fixed for the purpose for the inspection of the Divisional Officer.

(b) On receipt in the Divisional Office, the Books will be compared with the Register of Standard Measurement Books in order to ensure that all the Books have been submitted for inspection. These shall then be subjected to such scrutiny as the Divisional Officer may direct. A comparison of these Books with the accounts of expenditure, and the record of connected measurements relating to estimates for additions/alterations or special repairs to building and works in the Division should, however, form a feature of the check to be applied.

(2) A record of the results of the scrutiny referred to above should invariably be retained and produced, if required, during the inspection of Superintending Engineer/Audit/Accounts Officer.

8.6 Submission of certificates

(1) A report should be made to the Superintending Engineer, so as to reach him not later than the 31st July of each year, with copy endorsed to the concerned Accounts Officer, certifying in clear terms:

(i) That all the Standard Measurement Books of the Division have been inspected by the Executive Engineer.

(ii) That the entries made therein have not been tampered with,

(iii) That all corrections due to additions or alterations to the building or work concerned have been carried out, and,

(iv) That the Books are reliable with upto date records.

(2) When a payment is based on Standard Measurements, the following certificate should invariably be recorded on the bill, in his own handwriting, by the Assistant Engineer preparing, examining or verifying it:

"Certified that the whole of the work billed for herein has been actually done, and that no portion thereof has been previously billed for in any shape."

SECTION 9
PREPARATION AND PASSING BILLS FOR PAYMENTS

9.1 Preparation and passing of bill

(1) The contractor is required to prepare the bill in one of the forms prescribed, as applicable in each case, for the work done by him and submit the same to the Sub- Divisional Officer.

(2) Wherever Computerised Measurement Books have been stipulated for use, the contractor shall submit Computerised Bills for all his claims, and thereafter these bills shall be processed in the usual manner.

(3) Before the bill of a contractor/supplier is passed, the entries in the Measurement Book relating to the description and quantities of work/supplies should be scrutinized by the Assistant Engineer, and calculations of "Contents or Area" should be checked arithmetically under his supervision. The bill should then be checked, passed and paid in the office of the Executive Engineer from the Measurement Book entries.

9.2 Payment of bill

(1) **Part rates**

Full rates, as per agreement/supply order should be allowed only if the work or supply has been accepted as of required quality and specification. If the contract is determined, or an on account payment is to be made when the contract is to run, a part rate as considered reasonable shall be allowed with due regard to the work remaining to be done and general terms of the agreement, and after getting the part rate statement approved from the bill passing authority.

(2) **Payment for supply**

In case of supplies, the payment is not permissible until the stores have been received, examined and accepted. In case payment has been permitted on production of despatch documents etc. the payment should be treated as advance against the final settlement on receipt, examination and acceptance of the stores.

(3) **Recoveries for stipulated issue of materials**

In case of contract for completed items of work with stipulation of supply of materials of specified description, necessary recoveries on account of the cost of the materials supplied to him from Government stores, and actually measured (including wastage wherever applicable) and billed, shall be effected from each bill at the recovery rates fixed for the purpose.

9.3 Forms of Bill for payment and vouchers

The authorised forms of bills to be used for payment of contractors/ suppliers and their utility are described below:

(a) **First and Final Bill Form CPWA 24**

It should be used for making payments both to contractors for work and to suppliers, when a single payment is made for a job or contract on its completion. A single form may be used for making payments to several payees, if they relate to the same work/section of work, or to the same head of account in the case of suppliers and re-billed for at the same time.

(b) **Running Account Bill Form CPWA 26**

This form should be used for all running and final payments to contractors and suppliers (other than those relating to lump sum contracts for which Forms CPWA 27A and 27B are prescribed), including cases where advance payments are proposed to be made or are already outstanding in respect of the same work against the contractor. In case where secured advances are to be made or already outstanding in respect of the same work against the contractor, Account of Secured Advances Form CPWA 26A should be attached to the bill.

(c) **Hand Receipt Form CPWA 28:**

(i) This is a simple form of voucher intended to be used for all miscellaneous payments and advances for which none of the special forms mentioned above is suitable.

(ii) This form is not to be used for refund of lapsed deposits for which Form TR 62 is to be used.

9.4 Authorities to pass the bills

The statement summarizing the authorities empowered to prepare, examine or verify and pass the bills after observing the required test check and other formalities are given in Appendix 11.

9.5 Payment for work done

Payment for work done or supplies made on running account should be made periodically on submission of the bill by the contractor/supplier.

SECTION 10
DOCUMENTATIONS OF ACCOUNTS

10.1 Bills Register

(1) The payments made in the Divisional Offices are made on receipt of the bills from the various Sub-Divisions. A consolidated record of all the bills received from the Sub-Divisions in respect of works/supplies should be maintained in one register known as the Register of Bills in the Divisional Office in the form given at Appendix-12.

(2) The bills should be entered in the register strictly in order of receipt, i.e. the bills received first should be entered before the bills received afterwards. The payment of the bills should also be made strictly in order of their receipt. In no case a bill received afterwards should be given priority over the bills that have been received before, except under the written orders of the Divisional Officer.

(3) The Divisional Accountant should ensure that the register is properly maintained and kept up-to-date in the Accounts Branch. The register should be submitted to the Executive Engineer every week for his perusal, and he will record in the register cases in which these instructions have not been followed.

(4) The bills of work charged establishment, muster rolls and establishment bills should not be entered in this register.

(5) A similar register, as mentioned above, should also be maintained in each Sub-Division in respect of payments to be made by the Assistant Engineer. This register should be kept by the Sub-Divisional Clerk in the same way as the register in the Divisional Office, and put up to the Assistant Engineer every week.

10.2 Contractor's Ledger

(1) The accounts relating to contracts/ supplies should be kept in CPWA Form 43 in a bound book known as the "Contractors Ledger". A separate folio or set of folios should be reserved for all the transactions with each contractor/supplier, for whom a personal account should be maintained. The register should be properly indexed.

(2) A personal account should be opened in the ledger for every contractor, whether or not a formal contract has been entered into with him, unless the work or supply entrusted to him is not important and no payment is made to him, except on a First and Final Bill Form CPWA 24 on completion. If only materials are issued to the contractor or any payments are made on his behalf, a ledger account must be opened.

(3) The Contractors' Ledger should be written up and maintained up-to-date.

(4) The Ledger accounts should be closed and balanced monthly. The closing balance of each personal account should be detailed so as to show in respect of each separate work or account (stock or purchases) the amount outstanding, if any, under each of the three suspense accounts i.e. (i) Advance payments (ii) Secured Advances and (iii) Other transactions.

(5) The Divisional Accountant is responsible for correctness of entries in the Contractors' Ledger and balances at the closing of the month. All the personal accounts in the Ledger should be examined to see that:
   (i) the balances do not remain outstanding for a long time without justification, and
   (ii) the bills are prepared at reasonable intervals in the case of running accounts.

(6) A Contractor requiring a copy of his running account bill or extract from the Contractors' Ledger should be supplied the same. He should sign in the Ledger in token of his acceptance thereof at the time of payment of each running bill/final bill.

10.3 Register of Works

(1) The permanent and collective record of the expenditure incurred in the Division during a year on each work is the "Register of Works". This record is maintained in the Divisional Office.

(2) There are two forms of Registers of Works (CPWA 40 and 41) corresponding respectively to the two forms of Works Abstracts (CPWA 33 and 34 that are used in the Sub-Division) for Major and Minor Works. The detailed Form CPWA 40 should be used for Major Works estimates, and the simpler Form CPWA 41 for Minor Works estimates. In respect of petty works, no record is necessary beyond the petty works requisition and Account Form CPWA 32, which is self-explanatory. But if desired, expenditure on these works may be recorded in Register of Works for Minor Works Estimates in Form CPWA 41.

(3) Generally in cases of Major Works, the account of expenditure incurred is maintained in detailed Form CPWA 40 of the Register of Works. In case the Superintending Engineer or other sanctioning authority so desires, the accounts of Minor Works may also be kept by sub-heads in detailed Form CPWA 40. The Superintending Engineer is empowered to dispense with maintenance of accounts in the Register of Works by Sub-heads in respect of any work if he considers that the circumstances render such accounts useless or impossible to maintain. In such cases, a copy of such orders should also be forwarded to the Accounts Officer.

(4) The Registers of Works are posted monthly from Works Abstracts. Separate folio or set of folios in Form CPWA 40 Register should be assigned to each Major Works estimate. Entries relating to Minor Works estimates can be made on a single page in Form CPWA 41 Register.

(5) The Work Abstracts are required to be maintained in Sub-Divisional Office in a single sheet on each work. These should be sent regularly every month to the Divisional Office for compilation of the monthly accounts.

(6) Before submission of the monthly account, the Registers of Works should be completed, reviewed by the Executive Engineer and date initialed by him in token of his having examined the entries and found to be correct.

10.4 Materials Account

In the Central PWD materials are purchased for maintaining stocks for requirements of various original and maintenance works, and can be of following two types:

(1) Materials issued to contractors for use on the work in respect of completed items of work for both labour and materials for which they have quoted.

(2) Materials issued direct to works when the work is done departmentally or by contractors whose agreements are for labour work only.

10.4.1 Materials issued to contractor

(1) In the cases of issue of materials to contractors in respect of complete items of work, the materials are issued to the contractor as stipulated in the agreement at a fixed issue rate as indicated therein. These rates should include storage and other charges where these are issued from stock. The materials, other than those stipulated in the agreement, should not be issued in such cases without the express authority of the Superintending Engineer, who should specify in each case the "Issue Rate" to be charged for the materials inclusive of delivery at the place where these are stored.

(2) This restriction may, however, be waived in respect of petty issues (at full issue rates) from the existing stocks not exceeding Rs. 5,000/- in any month for any one contract.

10.4.2 Issue to work

(1) In case of materials issued direct to works, its detailed account should be kept in Form CPWA 35, i.e. Material at Site Account. Only principal items of materials, i.e. those items, the estimated cost of which exceeds Rs. 10,000/- each, need to be detailed in this account.

(2) Both quantities and values of such items should be shown, except in respect of carriage and incidental charges for which only values should be shown.

(3) All the minor items may be lumped together under the heading "petty items" for which only values should be shown.

10.4.3 Annual verification of balances

Unused balances of materials charged direct to work should be verified at least once a year, and a report of verification of the materials should be sent by the Assistant Engineer in Form CPWA 37 to the Executive Engineer.

10.4.4 Maintenance of account

(1) In order to control the quantum of the materials both in receipt and issues, a numerical account of the principal items should be maintained. This should be maintained in respect of works costing more than Rs. 1,00,000/-.
(2) A simple numerical account may, however, be maintained for the minor works and departmental repair works at the discretion of the Executive Engineer, if there is an accumulation of materials for a number of works.
(3) Where the materials are issued to a work done departmentally or through a contract on labour rates only, the Material at Site Account should be maintained only if the estimated cost of the work is more than Rs.50,000/-

10.5 Cement Registers

(1) The Assistant Engineer/Executive Engineer should check the registers maintained for accounting of cement at different work sites.
(2) In case of works costing above Rs. 1,00,000/- situated outside their headquarters, they should inspect the registers and stores during their respective visits and inspection of the works.
(3) In case of works where Ready Mixed Concrete (RMC) is stipulated to be used from an approved source/manufacturer, such registers need not be maintained. However, the computerised despatch slips that are sent with each despatch of RMC shall be kept on record.

10.6 Hire charges of Plant and Machinery

(1) When so specified, the contractor may be allowed use of Plant and Machinery of the Department at fixed hire rates. The hire charges of such Plant and Machinery will count from the date these are taken out from the Departmental Workshop or a specific place till the date of their return.
(2) The rates of hire charges are fixed from time to time. The hire charges are for each day of 8 hours (including one hour lunch break) or part thereof.
(3) The hire charges shall include the idle days except for a major break down necessitating its return to the workshop. In case of any dispute, the decision of the Superintending Engineer shall be final. Para 27.3 also be referred to.
(4) These hire charges shall include services of operating staff and maintenance staff as also the materials required for normal maintenance and repairs. Para 27.3 may also be referred to.

10.7 Dismantled materials account

10.7.1 Dismantled materials arising out of dismantlement through departmental works

(1) The serviceable materials obtained from dismantlement of a building or structure wherever not sold by tender or auction, should be recorded without value in the Measurement Book for record purpose. On the basis of these measurements, these should be taken in the Register of Dismantled Materials in the form at Appendix-13. After the entries are made in the Register, and duly attested by the Assistant Engineer, the entries in the Measurement Book should be crossed by diagonal red ink line with a suitable note that these materials have been entered in the Register.
(2) A separate folio or set of folios should be kept apart for keeping the accounts of dismantled materials pertaining to each work.
(3) The serviceable materials obtained from dismantlement should be used in the works as far as possible and shall be shown as issued to works accordingly in the Register. The unserviceable materials should be disposed of in the manner indicated in provisions under section 45 of this Manual.

(4) The undisposed balances should be physically verified at least once a year and the result of the verification recorded in the "Remarks Column".
(5) This register (even for "Nil" transactions) should be submitted by the Assistant Engineer regularly each month along with the monthly accounts for scrutiny in the Divisional Office. In cases where the Junior Engineers are stationed at places other than the headquarters of the Sub-Divisions, separate registers should be furnished by them every month to the Sub-Divisional Office for incorporating in the Register maintained in the Sub-Division before its submission to the Divisional Office. After the transactions have been checked by the Divisional Accountant, the Register should be laid before the Executive Engineer for monthly review. The fact of such review should be placed on record in all cases preferably in Form CPWA 96 (memo of review).
(6) In no case dismantled materials should be collected on the road berms. If for any reason, it is not found possible to comply with these instructions in any particular case, the written approval of the Superintending Engineer and local authority, if any, should be obtained.
(7) The "Empties", i.e. empty drums, tins, bags, and other containers should also be included and accounted for in the Register of Dismantled Materials.

10.7.2 Dismantled materials arising out of dismantlement through contract

(1) In case a building or structure is dismantled through contract, a stipulation/provision in the schedule of work can be made in the NIT/contract that the contractor has to take away the dismantled materials within specified time, and for which he should give credit to the Department at his tendered and accepted rates.
(2) There may be cases where the intrinsic value of the dismantled materials may be more than the cost of dismantlement of the building/structure. In that event, sufficient safeguard should be taken through suitable stipulation/provision in the NIT/contract whereby the contractor deposits the cost of dismantled materials in full with the Department before he is allowed to take up the dismantling work. The cost of dismantling shall be paid to him after he completes the dismantling work.
(3) The contract shall also have the usual provision for security deposit/performance guarantee to ensure that the contractor completes the dismantling work, and that he does not just walk away with the costly dismantled materials.
(4) In case where dismantlement is part of construction contract, lump sum stipulation can be made for dismantling and removing the dismantled material, recovery of which can be made as early as possible preferably in first three running bills.

10.7.3 Dismantled materials arising out of maintenance works

(1) Relevant para of Maintenance Manual may be referred to for disposal of dismantled materials arising out of maintenance works done through contracts.
(2) In case of dismantled materials of negligible salvage value arising out of departmental maintenance of works, such as electrical lamps and tubes, A.C. sheet ridges, PVC flooring, etc., may not to be taken in the dismantled materials account, and they shall be disposed of as deemed fit. The Junior Engineer/Assistant Engineer/Executive Engineer shall exercise a check on the quantum of materials dismantled from their normal consumption pattern.
(3) For other dismantled materials having salvage value arising out of such works, these should be accounted for in the Register of Dismantled Materials, and disposed of, or re-used as the case may be.

10.8 Losses of Government assets

10.8.1 Reporting of losses

(1) All losses of assets in cash or properties should be reported to higher authorities and Audit Officer/ Accounts Officer as soon as these come to the notice of an Officer, and action taken to investigate into it, and apportion the responsibility for the lapses and losses. This includes losses due to shortage and damages discovered during physical verification of stores.

(2) With the exception noted below, any loss or shortage of public moneys, departmental revenue or receipts, stamps, stores or other property held by or on behalf of Government, caused by defalcation or otherwise including losses and shortage noticed as a result of physical verification, shall be immediately reported by the Divisional Officer through his Superintending Engineer to the Chief Engineer concerned. The Executive Engineer should simultaneously endorse a copy to Audit. The Chief Engineer of the Zone shall forward the same with his recommendations to the Director General (Works)/Additional Director General for onward transmission to the Ministry of Urban Development. Petty cases need not be reported to the Audit/Ministry.

(3) If the irregularity is detected by the Audit Officer/Accounts Officer in the first instance, he shall report it immediately to the Executive Engineer concerned, and if he considers it necessary, to the Ministry as well. The Accounts Officer shall send his report through the Audit Officer concerned.

(4) All cases involving loss of Government money arising from erroneous or irregular issue of cheques, or irregular accounting of receipts and circumstances leading to the loss should also be reported to the Controller General of Accounts so that he could take steps to remedy the inadequacies in rules or procedures, if any, connected therewith, which might have been exploited to facilitate the perpetration/occurrence of the act/event.

(5) The report must be submitted as soon as suspicion arises that there has been a loss. It must not be delayed while detailed enquiries are being made. When the matter has been fully investigated, a further and complete report should be submitted of the nature and extent of the loss, showing the errors or neglect of the rules by which such loss was rendered possible, and the prospects of effecting recovery.

(6) The report shall be submitted with such comments, as may be necessary or expedient, on the causes or circumstances which led to the defalcation or loss, the steps taken to prevent its recurrence, and the disciplinary or any other action proposed as regard to the persons responsible.

(7) When material losses due to suspected theft, fraud, fire etc. occur in any office/installations, such cases should immediately be reported to the Audit Officer/Accounts Officer/Principal Accounts Officer concerned, and higher officer of the Department. Such cases should be invariably reported to the Police for investigation. The Head of the Department should exercise his discretion in determining at what stage the report should be sent to the Police, keeping in view the fact that the Police investigation will be increasingly handicapped with lapse of time.

(8) All losses of the assessed value of Rs. 10,000 and more shall be regarded as “Material losses” excepting the losses due to suspected sabotage. All cases of suspected sabotage should be reported to the Police promptly, irrespective of the value of the loss involved.

10.8.2 Cases that need not be reported

(1) Cases involving loss of revenue due to:
   (a) mistakes in assessments which are discovered too late to permit a supplementary claim being made.
   (b) under assessments which are due to interpretation of the law by the local authority, being over ruled by higher authority after the expiry of the time limit prescribed under the law, and
   (c) refunds allowed on the ground that the claims were time barred, need not be reported to the Audit Officer and Accounts Officer. A record should, however, be kept of such cases for examination by the Audit Officer and the Accounts Officer at the time of local inspections.

(2) Petty cases need not be reported to the Audit Officer and the Accounts Officer.

10.8.3 Follow-up action on losses – write-off of losses

(1) The Principal Accounts Officer of the Ministry shall ensure that the cases are properly pursued and investigated by the authorities concerned. In cases of loss or shortage being due to inadequacies of prescribed procedure, remedial action to amend the procedure should be suggested promptly to the appropriate authorities. Cases involving serious irregularities should be brought to the notice of Financial Adviser/Chief Accounting Authority of the Ministry/Department concerned and the Controller General of Accounts, Ministry of Finance.

(2) The Director General (Works)/Additional Director General/Chief Engineer/Superintending Engineer are empowered to deal with and write off the losses of stores or of public money as per the powers given in Appendix-I.

(3) For all cases exceeding the limit given in the Appendix-1, the case should be sent to the Government for sanction.

(4) Where the losses occurred due to irregularity arising out of breaches of rules and regulations do not exceed the power delegated to the Director General (Works)/Additional Director General/ Chief Engineer/ Superintending Engineer, as the case may be, in each case he is empowered to condone the irregularity and regularize such action, provided

  (i) He himself is not responsible for the irregularity.

  (ii) There has not been any serious negligence on the part of some individual Government Officer(s) which may probably call for disciplinary action, requiring the orders of a higher authority.

  (iii) The irregularity committed does not disclose any defect in the rule or regulations, the amendment of which requires the orders of a higher authority.

SECTION 11

ACCOUNTING PROCEDURE FOR WORKS EXECUTED BY CPWD OUTSIDE INDIA

11.1 General

(1) Works outside India are executed by CPWD as and when assigned by Govt. of India through Ministry of External Affairs.

(2) The works to be executed outside India generally comprise of the works pertaining to Ministry of External Affairs and the projects to be taken up under Government of India's economic aid to the country.

(3) For execution of projects, a Project Team of requisite strength is deputed in consultation with Ministry of External Affairs and after obtaining approval of Ministry of Urban Development. Depending upon the magnitude and importance of the project, the project team may be headed by an officer of the rank of Executive Engineer or Superintending Engineer or Chief Engineer.

(4) Under the economic aid program, the land necessary for the project is provided by the concerned country free of all encumbrances. The payment of compensation, if any, and the settlement of claims or disputes arising there from, is the responsibility of the Government of that country.

(5) After completion of the projects taken up under the economic aid program, the concerned Government takes over the project and undertakes to make provision to keep it in proper maintenance.

(6) In addition to execution of the projects, CPWD also provides consultancy services for planning and design.

(7) For the works executed outside India also, in general, the same accounting procedure is being followed by the CPWD for works in India. Deviation where necessary according to local conditions is approved by the competent authority in Ministry of External Affair/concerned Embassy in which case funds for the project are provided to Embassy itself and the entire expenditure on the projects as well as on the establishment of the CPWD Project Team are routed through the accounts books of Embassy.

11.2 Procedure for obtaining finance to meet the expenditure

Finance to meet the works expenditure are obtained as per the agreement made with the RBI. The facility of obtaining funds by RBI drafts is extended to all the Divisional Officers/Project Manager posted abroad. The Divisional Officers/Project Manager are required to open accounts in their official name with the local branches of the authorized bank in the countries in which they are posted.

11.3 Cash Book

The Cash Book is to be maintained in Form CPWA I. On the receipt side, an additional column is to be opened with a heading "Local Bank". On the payment side, the column "Bank or Treasury" will be utilized as "Local Bank".

11.4 Drawal from Banks

The amounts received in cash are shown in the "Cash" column and classified under the head of receipts can be made use of for current expenditure. If, however, the cash balance in hand is considered surplus, the amount in excess may be deposited in the local bank, classifying such remittances on both the sides of the Cash Book.

11.5 Classification of RBI drafts

(1) The Divisional Officer who issues RBI drafts for financing purposes should take the amount in the "Cash" column of the receipt side, and classify it as RBI remittances. The amount for which the credit is afforded by the local bank in lieu of the draft should be entered in the "Cash" column on the payment side, and the amount of collection charges charged by the local bank should be accounted for as "Contingencies" in the "Cash" column of the payment side. The amount credited by the local bank should also simultaneously be shown on the receipt side in the "Bank" column.

(2) In respect of the issue of bank draft for making payment to the contractor, the amount of the bill as well as deduction should be accounted for all in the usual manner in the "Cash" column, and the net amount of the bill for which the bank draft is issued should be taken in the "Cash" column of the receipt side.

(3) Where the draft is issued in favour of other Divisions for financing purposes or for payment to contractors, the amount of draft should be shown on receipt side in "Cash" column, and simultaneously as payment on payment side in "Cash" column, the latter being classified as "Transfer between PW Officers".

(4) The Divisional Officer receiving the RBI draft will enter the transaction in the cash book and will classify it as "Transfer between PW Officers' on the receipt side of the "Cash" book instead of as RBI remittances.

11.6 Accounting and clearance of transactions relating to RBI drafts

The Divisional Officer should send a monthly statement of RBI drafts in Form CPWA 77B, reproduced as Annexure. The total amount of the draft will be shown in Form CPWA 80 after the existing entry Form CPWA 77. The clearance of these transactions would be effected and watched by Accounts Officer.

11.7 Accounting of expenditure on works

The expenditure incurred on "Works" and "Tools and Plant" ("Machinery and Equipment") will be classified under Head "PAO Suspense" for eventual adjustment by Pay and Accounts Officer, Ministry of External Affairs, under the Budgeted head of account.

11.8 Accounting of expenditure on Establishment

The expenditure on "Establishment" including that on "Contingencies" will be initially classified under "2059 Public Works", but at the close of the financial year, it will be transferred from that Head to "PAO Suspense" for eventual adjustment with the Pay and Accounts Officer of Ministry of External Affairs.

11.9 Cash balance with the local bank - Reconciliation statement to be prepared

(1) The amount in the "Local Bank" is to be treated as "Cash" for all purposes and shown as such in Form CPWA 80. The detailed break up of the closing cash balance will be given as under:

Part I Cash in hand.
Part II Amount of Imprest/Advances.
Part III Balances in the Local Banks.

(2) The balances in the local bank will be supported by a reconciliation memo in the form reproduced below:

Reconciliation memo of balance with the local bank

Amount .....
Balance with local bank as per Pass Book .....
Less: Cheques issued but not encashed (A) .....
Add: Amounts deposited in the local bank
but not accounted for in the cash book (B) .....
Balance with the local bank as per Cash Book

A — Details of cheques encashed

Particulars of cheques

Cheque No.	Date	Amount

B — Particulars of deposits in the local bank not accounted for in the Cash Book

Date	Amount

[Divisional Accountant]

11.10 Levy of charges for works abroad.

Departmental charges and Direction charges will be levied as mentioned in the Section "General Departmental Charges".

11.11 Delegation of powers

(1) The officer in charge of the foreign projects shall enjoy full powers of sanction in regard to administrative and financial matters relating to such projects as are at present enjoyed by the officer of same or equivalent ranks in respect of works in India, or that may be delegated from time to time to them.

(2) The Divisional office/Project Manager will render account to the Accounts Officer and/or to any such other authority as may be specified.

(3) In the case of works where only consultancy services are provided, such as construction of Embassies etc. the expenditure on works are incurred by the Ministry of External Affairs directly through their Embassies. CPWD only extends technical advice.

Annexure
(Reference para 11.6)

Form No. CPWA 77 B
Statement showing the RBI drafts issued during the month of .....
Schedule of debit/credit to Remittance

Item No.	Name of the division	Name of the bank on which draft issued	No. & date of RBI draft	Amount of the draft	Amount of exchange, if any	No.& date of the drawing schedule	Name and address of the payee in India	Reference to voucher No.	Remarks if any
1	2	3	4	5	6	7	8	9	10

Certified that:

(1) This schedule contains all the RBI drafts issued during the month.
(2) The additional remittances are covered by orders of the Government, particulars of which have been quoted against the respective items.
(3) No drafts have been issued against deposits of local currency except where specially authorised under Government orders.
(4) The total of columns (5) and (6) of this Schedule agrees with the total shown on the receipt side of the Monthly account for the month of ……
(5) The R.B.I. Drafts on Government account shown above have been issued in respect of bonafide Government transactions only.

Signature of Divisional Officer
(Drawing Officer)

SECTION 12
GENERAL DEPARTMENTAL CHARGES

12.1 General

No departmental charges are to be levied for Government works and those of autonomous bodies fully funded by Central Government. For works done by CPWD other than above, departmental charges are to levied. It should be ascertained whether an Autonomous Body is fully funded or not by Central Govt. by obtaining a letter from the head of such an undertaking or from the head of finance department of the undertaking that it is fully funded by the Govt. No departmental charges shall be levied by the Central PWD in respect of work in connection with the celebration of the two National Days, viz. Independence Day and Republic Day. The expenditure incurred by the Central PWD in this connection shall be debited to the Revenue Head 2059 Public Works. The different component of charges, to be levied for different works executed by CPWD are tabulated as below.

Departmental charges on percentage basis

Type of work	Establishment	Tools and plants	Pensionary charges	Audit and account charges	Remarks
All Central Govt. works or works of Autonomous bodies fully funded by Central Govt.	Not to be recovered	Not to be recovered	Not to be recovered	Not to be recovered	Establishment charges should correspond as far as possible to the average percentage borne by the CPWD's normal establishment to the normal works program which fully occupy such establishment
Works done on behalf of local or private bodies when expenditure is debited to '2059 PW-grants-in-aid' or "2216 Housing grant-in-aid".	To be recovered	To be recovered	Not to be recovered	Not to be recovered	
Works executed on behalf of Central commercial concerns and non-Govt. bodies, or individuals	To be recovered	To be recovered	To be recovered	To be recovered	
Works executed on behalf of other Government.	To be recovered	To be recovered	To be recovered	Not to be recovered	

12.2 Rates of departmental charges

(1) The rates of departmental charges levied by the CPWD on works executed by them are revised from time to time and are given along with their break up in Appendix-14. The expenditure on purchase of vehicles/running and maintenance of jeeps shall be charged to the work concerned direct instead of Machinery Equipment. The rates will not be applicable where specific rates of Departmental charges have been prescribed by the competent authority for specific works.

(2) The basis of determining the slab for levying the departmental charges shall be the estimated cost of the work, i.e. the amount of expenditure sanction in respect of original works, and the administratively approved amount in the case of minor works where expenditure sanction is not accorded. The estimated cost of repair works is the amount of technical sanction for such works.

12.3 Departmental charges for preparation of plans, design and estimates

(1) No recovery should be made from Civilian or Commercial Departments or State Governments for preparation of designs or supply of copies of CPWD type designs. The above charges should, however, be recovered from Commercial Departments, Autonomous Bodies and State Governments if plans are specially prepared for them. If the plans are required for reference

purposes only, copies of type design may be sold to them on the recovery of the cost of prints only, provided an undertaking is given by the organization that if they adopt the designs for construction, normal departmental charges would be paid by them.

(2) Fee for preparation of plans and estimates, whether preliminary or detailed, for schemes that do not mature, shall not be charged from the Departments of the Government of India and local bodies who entrust their works to the CPWD as a standing arrangement. Charges shall be levied at the rate of 1.5 and 5 per cent for the preparation of infructuous preliminary and detailed architectural plans/works estimates respectively from the other bodies who approach CPWD for the execution of works occasionally as distinct from standing arrangements.

(3) The Public Sector Undertakings, autonomous bodies and semi-Government organizations, when they approach CPWD for preparation of preliminary plans, will have to pay departmental charges at the rate of 1% of works outlay for the said service. The cost will be worked out on the basis of total carpet area required by the client organization multiplied by a suitable factor to convert it into plinth area, and then applying the normal plinth area rate prevailing in the locality. Subsequently, this amount will be adjusted in the overall departmental charges if the project is sanctioned, provided no major changes are made in preliminary plans.

12.4 Levy of charges for works abroad

It has been decided by the Government of India that departmental charges at the following rates shall be levied for departmental works that are executed in Missions abroad:

(a) In cases where the works are executed through the agency of CPWD
Actual expenditure incurred on the executive staff stationed at a particular place including actual travelling and other special allowances (including the permissible home leave fares) given to the India based staff in the particular Embassy according to the rules in force, plus actual travelling allowances of the Senior Engineers and Architects visiting the works abroad periodically, plus 3% of the building cost as "Direction Charges" to cover the services of Architects and Designers, and higher level supervision.

(b) In other cases where CPWD is associated with the work and assist and advise the local architects
  (i) For preparation of preliminary sketches and estimates @ 1% of the estimated cost,
  (ii) Actual expenditure on executive staff in accordance with sub para (a) above in case of an officer who is sent abroad to advise on various matters, and
  (iii) Actual travelling allowances of the Senior Engineers and Architects visiting the work abroad.

12.4.1 Expenditure on Tools and plant

Expenditure on Tools and Plant for works abroad should be charged to the project concerned, unless a regular unit of CPWD is maintained at the place where the work is being carried out, in which case the expenditure on Tools and Plant shall be debitable to the head "2059 Public Works CPWD Tools and Plant", and usual percentage of departmental charges as may be prescribed in this behalf from time to time, shall be levied on the concerned works.

12.4.2 Expenditure on establishment

The following procedure shall be adopted so that the accounts of the works receive debits for all items of expenditure on establishment engaged on works executed in Missions abroad:

(a) In cases where works are executed through the agency of CPWD
  (i) Actual expenditure incurred on the executive staff stationed at the particular place, including actual permissible home leave fare charged in the first instance to head "2059 PW Establishment", will be debited direct by the Divisional Officer executing the work to the work concerned, and credit afforded under the Head "2059 PW Establishment Charges recovered from other Government Department etc.", by raising formal debit under 8658 suspense accounts PAO suspense (MEA).

(ii) The actual expenditure on travelling allowances of the Senior Engineers and Architects visiting the work abroad periodically will be incurred in the first instance under the head "2059 Public Work - Direction and Administration", but intimation of expenditure incurred shall be sent by the concurred Officer or the Superintending Engineer or the Director General (Works) (Cash Section) as the case may be, to the Divisional Officer executing the work so that necessary adjustment may be made by him by debiting the amount to the work concerned and by affording credit under the head "2059 Public Works - Direction and Administration recovered from other Government Department etc."

(iii) 3% to the building cost as "Direction Charges" to cover the service of Architects and Designers and of higher level supervision. Adjustment on this account shall be made on the basis of work expenditure directly by the Divisional Officer executing the work by debit to the account of the work and credit to the head "2059 Public Works - Direction and Administration recovered from other Government Department etc.".

(b) In other cases where CPWD is associated with the work to assist and advise the local Architects in respect of the items mentioned in para 12.4(b), adjustment will appear in the accounts of F.O. to Director General (Works) if expenditure is incurred in respect of staff of the office of the Superintending Engineer or of the Director General (Works). In case, a Superintending Engineer, not attached to the Central Office, visits abroad, he should report the expenditure incurred to the F.O. to Director General (Works) (Cash Section) for further necessary action. Necessary debit on account of expenditure incurred on staff or on the travelling allowance of Senior Engineers and Architects charged to "2059 Public Works" should be raised against the Ministry of External Affairs and credit adjusted under the "Establishment charges recovered from other Government Department etc." It will be the responsibility of the office other than the Divisional Office from where the above Officer proceeds on tour for the purpose to report to the F.O. to Director General (Works) (Cash Section) for necessary action.

12.4.3 Expenditure on preliminary plans and estimates

(1) 1% of the estimated cost shall be recovered for preparation of preliminary sketches and estimates, for which necessary adjustment will appear in the accounts of the F.O. to Director General (Works) by debiting to the grant of the Ministry of External Affairs and crediting to head "2059 Public Works - Direction and Administration recovered from other Government Department etc." In this connection the Works Section concerned with the estimates etc. shall keep a register and raise the debits against the Ministry of External Affairs under intimation to the F.O. to the Director General (Works), who will watch acceptance and carry out the adjustment in his accounts.

(2) If any expenditure under these items is incurred by any of the Divisional Officers in the Central PWD, such expenditure will be debited by him in the first instance to "2059 Public Works", and later on corresponding debit raised against the External Affairs Ministry's grant and credit adjusted under "Establishment charges recovered from other Government Department etc."

12.4.4 Recoveries of over payments

All recoveries of over payments, irrespective of the year in which they are affected, should be treated as deduction from expenditure. Transfer of amounts from "2059 Public Works Establishment" to the work/ head concerned should be made monthly by Director General (Works) /F.O. to the Director General (Works) as the case may be, so that the accounts of the work take cognizance of the expenditure at the earliest opportunity.

12.5 Departmental charges for Fair Rent Certificate

(1) The Central PWD may charge fees for issuing certificates of reasonableness of rent on buildings hired by the State Government at the same rates as are charged by the State Govt. P.W. Department for giving such certificates to the Central Government in respect of building taken on hire by the latter.

(2) The Departmental charges at the rate of ½% of the cost of a building shall be charged by the Central PWD for issue of certificate to an autonomous body about the reasonableness of its rent. The recoveries on this account are adjustable under the head "0059-PW-Other receipts".
(3) Where valuation of land is also necessary in determining the rent of building, departmental charges shall be levied at the rate of ¼% of the land value in addition to ½ % of the cost of the building.
(4) Where for a non-residential building, the only expenditure to be incurred by the Public Works Department is for the mere acquisition of the building, it should be sufficient to charge ¼% of the acquisition cost for examining the building and issuing suitability certificate.

12.6 Departmental charges for Coal Mines works and other agencies

Departmental charges at the rates given in the Appendix 15 shall be levied for scrutiny of estimates of Coal Mines Labour Welfare Fund by the Central PWD.

12.7 Departmental charges for works in Bhutan

It has been decided by the Government of India that departmental charges will be recovered at the rate of 2% of the estimated cost of the works for all technical services and help rendered by CPWD Officers in connection with the execution of works in Bhutan.

12.8 Departmental charges for works of National Capital Territory of Delhi

The National Capital Territory of Delhi will be treated at par with departments of Government of India for purposes of application of rules for the distribution of establishment and tools and plant charges.

12.9 Departmental charges for horticultural works

The Government of India have sanctioned the remission of departmental charges in respect of gardening jobs, e.g. the preparation of beds, etc. carried out by the Horticulture Units in the Officer's bungalows, New Delhi at the expense of the Licensees.

12.10 Departmental charges for local bodies

In the case of works executed for the New Delhi Municipal Committee and other local bodies in respect of deposit works, the rate of Establishment charges including audit and accounts and pensionary charges are levied.

12.11 Levy of fees by the CPWD Consultancy Services

The Executive Director (Consultancy), CPWD Consultancy Unit, handles consultancy works of planning and designing (with or without construction) of various projects including high-rise buildings, housing complexes etc. The Unit has been authorised to accept consultancy works of Public Sector Undertakings and other organizations to undertake construction on turn key basis, or for Mission's buildings abroad, etc. at negotiated rates. Fee for the Consultancy Services to be charged by the Unit are given in Appendix 16.

Note:- 1. The soil testing and preparation of models would be paid for extra by the project authorities.
2. In addition, the project authorities shall bear the TA/DA expenses for members of the planning team who visit the site during the planning phase.

CHAPTER III
CONTRACTS

SECTION 13
CONTRACTS AND FORMS

13.1 What is a contract?

(1) When two or more persons have a common intention communicated to each other to create some obligation between them, there is said to be an agreement. An agreement which is enforceable by law is a "Contract.''

(2) According to Section 10 of the Indian Contract Act, 1872, only those agreements are enforceable by law which are made by the free consent of parties competent to contract, for a lawful consideration and with a lawful object, and are not expressly declared to be void. This is subject to any special law according to which a contract should be in writing and attested by witnesses.

(3) The following are the essential ingredients of a contract:—
   (a) Offer made by one person called the "Promisor".
   (b) Acceptance of an offer made by the other person called the "Promisee".
   (c) Doing of an act, or abstinence from doing a particular act by promisor for promisee, that is called consideration.
   (d) The offer and acceptance should relate to something which is not prohibited by law.
   (e) Offer and acceptance constitute an agreement, which when enforceable by law, becomes a contract.
   (f) In order to make a valid and binding agreement, the party entering into such an agreement should be competent to make such agreement.

(4) For the purpose of an agreement, there must be a communication of intention between the parties thereto. Hence in the forms of a contract there is:
   (a) A proposal.
   (b) Communication of the proposal.
   (c) Communication of acceptance of the proposal.

(5) The communication of acceptance of the proposal completes the agreement. An offer may lapse for want of acceptance or be revoked before acceptance. Acceptance produces something that cannot be recalled or undone. A contract springs up as soon as the offer is accepted and imposes an obligation upon the person making the offer. It has been opined by the Ministry of Law that before communication of acceptance of an offer, the tenderer would be within his right to withdraw, alter and/or modify his tender before its acceptance, unless there is a specific promise to keep the offer open for a specific period, backed by a valid consideration.

13.2 Forms to be used for contracts

(1) The following forms shall be used for agreements with the contractors for the purpose noted against each.

(2) Except for the statutory clauses, the NIT approving authority, not lower than the Executive Engineer, can introduce additional terms and conditions in the NIT to suit the exigencies of a work, and these would override the corresponding standard clauses of the various forms

13.2.1 CPWD Form 6

(1) This is Notice Inviting Tender Form, and in brief is known as NIT. It is required to be invariably issued in respect of works for which tenders are to be called. The Form includes the name of work, estimated cost put to tender, period of completion, time and dates of receipt and opening of tenders, and other relevant conditions. Care is required to be taken with regard to para 4 of CPWD Form 6, which provides two alternatives, viz.
   (i) the site for the work is available, or
   (ii) the site for the work shall be made available in parts as specified.
   Only one of these two alternatives is required to be retained.

(2) Para 5.6.1(1) and (2) of this Manual may be referred to regarding provisions to be made in the NIT (Form 6) while inviting tenders with specialised components of works.
(3) Para 13.2.8(4)(v) may be referred to regarding provisions to be made in the NIT (Form 6) when all the participating tenderers are to be paid by the Department for furnishing their drawings and design along with their technical bids in the case of lump sum tenders.
(4) Para 15.3 may be referred to regarding provisions to be incorporated in the NIT (Form 6) for composite tenders.
(5) Para 16.1 may be seen regarding provisions to be incorporated in the NIT (Form 6) for posting of tender notice on the website.

13.2.2 CPWD Form 7 - Percentage rate tender

(1) This form should be used in tenders for a work where the items of work constituting a major part of the estimated cost put to tender are based on the Department's Schedule of Rates, irrespective of the value of the work.
(2) In other works, where the bulk of the items are not based on the Department's Schedule of Rates, this form should be restricted to works whose value does not exceed Rs.10 lakhs. However, the NIT approving authority may decide to go in for this form even for higher values of work for valid reasons.

13.2.3 CPWD Form 8 - Item rate tender

This form should be used in tenders for a work of value exceeding Rs. 10 lakhs, where the items of work constituting a major part of the estimated cost put to tender are not based on the Department's Schedule of Rates. However, the NIT approving authority may decide to go in for this form even for lesser values of work for valid reasons.

13.2.4 CPWD Form 9 - Supply of materials

This form should normally be used where the purchase of materials is involved. According to the CPWD Form 9, the contractors are required to quote rates for supply of the required quantity of materials, whether raw or finished.

13.2.5 CPWD Form 10 - Piecework

(1) This form is to be used:
  (i) For a work costing less than Rs. 5 lakhs
  (ii) In cases in which it is necessary to start the work in anticipation of formal acceptance of contract, and
  (iii) For running contracts.
(2) In case of (ii) above, the piecework contract is cancelled as soon as regular contract is signed.
(3) In case of (iii) above, quotations are called periodically and a running rate contract is drawn up as a result of those quotations, usually for one year. The piecework contract form provides for payment of stipulated rates only when it refers to such quantity of time and also stipulates that the Engineer-in-charge may put an end to the agreement at his option at any time.

13.2.6 CPWD Form 11 - Work order

This form may normally be used for works costing Rs.10 lakhs and below. It is not much different from Form 10, but any work awarded on Form 11 may be stopped by the Engineer-in-charge at any time, and the contractor is also entitled to stop the work at any time.

13.2.7 CPWD Form 11A - Work order

This form may be used for small works costing less than Rs.10 lakhs where it is not considered necessary to use regular Forms 7, 8 or 12, and at the same time it is desired to bind the contractor in respect of the quantity of the work and the time in which it is to be completed.

13.2.8 CPWD Form 12 – Lump sum contract

(1) This form, as its name indicates, is used for work in which contractors are required to quote a lump-sum amount for completing the works in accordance with the given designs, drawings, specification and functional requirements as the case may be. Lump-sum tender can be either:
   (i) For only executing the work as per design, drawing and specification given by the Department, or
   (ii) For executing the work including the element of doing design work and preparation of structural drawings as well, which shall be in keeping with the given functional, structural and architectural parameters, and subject to approval by the competent authority before hand.

(2) Drawing and design by the Department
   (i) In cases where work is to be executed as per design and drawing of the department, all the detailed working drawings, both architectural and structural must be prepared before hand, and should form part of the tender documents, which should also contain complete and detailed specifications of the work. The tender documents must set out complete scope of the work. Only the drawings and the detailed specifications as contained and/or referred to in the tender documents shall form the basis of execution and payment.
   (ii) The extra payment or recovery over and above the accepted rate shall be called for only in the event of authorized deviations from the drawings and specifications (as given and/or referred to in the tender documents) in course of execution and not otherwise.

(3) Drawing and design by the contractor – after the award of work
   (i) In cases where the detailed architectural and structural drawings are to be provided by the contractor, all the architectural and structural data/parameters necessary to work out the cost of the work, details of the functional requirement and complete/detailed specification thereof, including preliminary drawings, if any, must be finalised before call of tenders, and the tender documents must contain all these details so that there is little scope of guess work on the part of the contractor while tendering, and chances of dispute at a later stage are minimized. Any clarification or doubt as may be raised by the intending tenderer should be cleared before the receipt of tender.
   (ii) A condition should be stipulated in the tender documents that the work shall be executed as per detailed design and architectural/structural drawings to be prepared by the successful contractor conforming to the given parameters and functional/design requirements as mentioned in the tender documents, and submitted to the department within specified time after the award of work. The contractor shall accordingly get the design/drawings approved by the department before taking up execution of the work.
   (iii) In case any modification for any reason is ordered in course of execution, suitable adjustment for extra payment or recovery shall be effected only if such modification results in change in the scope of work as given in the tender documents, or any change from the specified parameters.

(4) Drawing and design by the contractor – before the award of work
   (i) Where the contractor is required to give the design and structural drawings, the contract can suffer from the following infirmities:
      (a) The contractor may under design the structure in order to reduce the cost and win the contract, or,
      (b) During the proof checking of the structural design, there could be a tendency on the part of the contractor not to agree to the department's genuine contention for revising the structural design that may increase the cost of structure to his disadvantage.
   (ii) Wherever the above problem(s) is/are anticipated, the tenders shall be invited in a two-bid system,
      (a) The technical bid, containing the architectural plans, structural design calculations, structural drawings, service plans, the detailed measurement sheets, and other technical parameters as may be required, etc.
      (b) The price bid.

(iii) The technical bids shall be evaluated by a Committee chaired by the tender accepting authority (not higher than the Chief Engineer), and comprising the Senior Architect/Architect, Superintending Engineer (P)/Executive Engineer (P). The Committee shall co-opt appropriate officers from other disciplines concerned with the work. The Committee shall obtain clarifications from the tenderer(s) and/or call them for discussions wherever required, and select a final scheme. The same shall be made available or made known to all the participating tenderers, preferably through a pre-bid conference, and invite revised technical bids from them, if required.

(iv) After examining the technical bids/revised technical bids, and equalising the same in respect of all the tenderers, the price bids shall be opened. If the tenderers are asked to modify their structural design and calculations as a result of this exercise, or if the validity period of the price bids expire, they shall be given the chance of offering revised price bids, and in that event, only the revised price bids shall be opened.

(v) The NIT approving authority shall consider paying to all the participating tenderers a reasonable and specified amount for furnishing all the above details along with their tenders, if it is felt that the specified requirements so warrant. In that event, the same should be suitably incorporated in CPWD Form 6 as well as in the advertisements through website/press.

13.2.9

(1) The lump sum tender documents shall contain:
   (i) the detailed architectural and structural drawings,
   (ii) detailed specifications for the various items and components of the work,
   (iii) the schedule of quantities for the various items and components of the work,
   (iv) the inclusions in and exclusions from the scope of the contract, if required, for better clarity, and,
   (v) the various stages of work, and the percentage of the contract value for each stage for release of intermediate and final payments.

(2) The schedule of quantities referred to above is only limited for the purpose of assessing the quantum of work involved by the tenderers. It is not meant for subsequent measurement and payment in the course of execution of the work. Before submitting their tenders, the tenderers shall, therefore, have to satisfy themselves that the quantities given in the tender documents for the various items and components of the work are correct. Deficiencies noticed, if any, should be immediately brought to the notice of the tender inviting authority, who shall examine the same, and make necessary corrections, if required, to the tender documents before receipt of the tenders.

(3) The contractor shall execute the work as per the drawings and specifications as given in the tender documents, and shall have no claim for any payment on account of deviations and variations in quantity of any item(s) or component(s) of the work, unless they are authorised deviations from the parameters, drawings and specifications contained in the tender documents.

(4) The rates of deviated items shall be determined on the lines of clause 12.2 of Conditions of Contract for percentage/item rate contracts.

(5) The Junior Engineer and Assistant Engineer shall satisfy themselves that the work has been done in each stage in conformity to the drawings and specifications contained in the tender documents, and certify the same before recommending to the Divisional Office for the release of the stage payment. The Executive Engineer shall conduct test checks to the prescribed levels as under para 7.10.2.

13.2.10 CPWD Form 47 - Tender for demolition of buildings

This form of tender is adopted for demolition of buildings and removal of debris from the site.

13.2.11 World Bank documents

(1) The Standard Bidding Documents finalised by World Bank are used for works aided by it. Only work specific changes, acceptable to the Bank, may be made in the conditions of contract. Such changes may be incorporated through additional conditions or contract-data-sheets and not by introducing changes in the standard wordings of the Standard Bidding Documents of the World Bank.

(2) The two authorities for administering the contract for World Bank project, viz. the “Employer” and the “Engineer” should be substituted with “The Central Public Works Department represented by Chief Engineer/Superintending Engineer” and “The Executive Engineer represented by the Assistant Engineer/Junior Engineer” respectively in the Additional Conditions of Contract, and should be got approved by the World Bank representative. It should be mentioned that it shall be open for the Executive Engineer to invite a third party to inspect the work and advise him on the quality, workmanship etc. of the work.

SECTION 14
AWARD OF WORK WITHOUT CALL OF TENDERS

14.1 Procedure

(1) Normally tenders should be called for all works costing more than Rs.50,000. In case where the work is to be awarded expeditiously, the prescribed period of notice may be reduced. In urgent cases, or when the interest of the work so demands, or where it is more expedient to do so, works may be awarded without call of tenders after approval of the competent authority as per powers delegated in Appendix– I.

(2) The precise reasons should be recorded by the Divisional Officer before dispensing with call of tenders for works costing more than Rs.50,000.

(3) The work awarded after calling for quotations shall be construed to have been awarded without call of tenders.

(4) Normally, unless situation warrants otherwise, work orders shall be placed only after competitive call of quotations with publicity through web and notice board.

(5) The period of notice for call of quotations may be decided by work order accepting authority depending upon the urgency. Spot quotations can be collected if the situation so warrants. Spot quotations should be collected by AE or EE. Para 5.4.1 of this Manual may be referred to for award of works by obtaining spot quotations in critical situations.

14.2 Restrictions in delegated powers

Certain financial powers have been delegated to the various officers of the Department to award work

(a) without call of tenders, and

(b) by negotiations ab-initio after infructuous call of tenders or with a firm which has not quoted, subject to following restrictions:

  (i) The total amount of all the works awarded without call of tenders in a financial year by the Superintending Engineers/ Executive Engineers/Assistant Engineers under the Division, under their individual authority as per delegation of powers, shall not exceed the annual limit prescribed from time to time by the competent authority. Appendix-I may be seen in this regard. In case, a work is to be awarded without call of tenders in excess of the aforesaid limit, sanction shall be obtained from the next higher authority in individual cases. For this purpose, a proper register shall be maintained in Sub-Division, Division and Circle Offices.

  (ii) The Assistant Engineers shall normally award works without call of tenders up to their individual powers only against the estimates technically sanctioned by them. However, in exceptional cases involving greater urgency or emergency, they can also award works without call of tenders up to their powers to award works without call of tenders against the estimates technically sanctioned by higher authorities provided approval in principle is obtained from the Executive Engineer. Reasonableness of rate in such case shall, however be ensured by the Assistant Engineer.

14.3 Award of works to Registered Labour Co-operative Societies

(1) With a view to encouraging the Registered Labour Co-operative Societies, works costing upto the limit fixed from time to time can be awarded to them at current market rates without call of tenders by officers of the Department as per powers delegated to them in Appendix-1.

(2) In relaxation of the provisions of the Standard CPWD Contract Forms, running payments may be made even in respect of works awarded to these Societies on work orders.

(3) The frequency of payments may be fortnightly, provided there is appreciable progress on the work, and the value of work executed is not less than Rs. 30,000/-.

(4) The Registered Labour Co-operative Societies are exempted from payment of earnest money for works estimated to cost upto Rs.3 lakhs. These Co-operative Societies, however, shall pay Security Deposits by way of percentage deduction from their bills.

Note: (1) The Labour Co-operative Societies should be registered in the District and approved for the purpose by the Registrar of Co-operative Societies.
(2) Such works shall not be counted towards the annual ceiling for issue of work orders.

14.4 Award of work to contractors belonging to Scheduled Castes and Scheduled Tribes

(1) In order to provide certain concessions to the persons belonging to the Scheduled Castes/ Scheduled Tribes and Waddara Community of Andhra Pradesh, it has been decided to allow the under mentioned price preference in favour of the contractors of these communities in the matter of award of contract in respect of CPWD works:
   (i) For works upto an estimated cost of Rs.1.25 lakh a price preference upto 5% (with reference to the lowest valid price bid) may be allowed in favour of individual SC/ST contractors. In such cases, tenders may be entertained even from non-registered contractors. No earnest money is required in such cases.
   (ii) For works of estimated cost ranging from Rs.1.25 lakh to Rs.3.0 lakhs, tenders may be obtained only from registered contractors. The price preference upto 5% (with reference to the lowest valid price bid) may be allowed in favour of individual SC/ST contractors. However, earnest money at a reduced rate of ½% may be accepted in such cases.
   (iii) In all such cases, the above concessions shall be allowed only after proper verification of the individual contractor's claim of belonging to a SC or ST community, as the case may be.

(2) These concessions will be admissible upto 31.12.2009 as approved by the Ministry of Urban Development and Poverty Alleviation and as communicated vide Director General (Works) OM No. DGW/CON/223 dated 17.12.2007

SECTION 15
PREPARATION OF TENDER DOCUMENTS

15.1 Preparatory works

(1) Before tenders for a work are invited, a detailed estimate showing the quantities, rates and amounts of the various items of work, and also the specifications to be adopted, should be prepared.

(2) Before approval of NIT, the following are desirable.
   (i) Availability of clear site, funds and approval of building plans from local bodies.
   (ii) Confirmation that materials to be issued to the contractor would be available.
   (iii) Availability of structural drawings for the foundations.
   (iv) Lay out plan for all services.

(3) Tender documents of work comprising of the following should be prepared and approved by an authority who is empowered to approve the Notice Inviting Tenders (NIT) before it is issued.
   (i) The notice inviting tender in Form CPWD 6.
   (ii) The form of tender to be used along with a set of conditions. Particular specifications and special conditions should not be repetitive and in contradiction with each other. Additional conditions should be decided by the NIT approving authority, and he shall be responsible for the same. Wherever special conditions have financial implications, the same should be enforceable.
   (iii) The schedule of quantities of work.
   (iv) A set of drawings referred to in the schedule of quantities of work.
   (v) Specifications of the work to be done.

(4) The Assistant Engineer/Junior Engineer/Draftsman who compiles the tender documents for sale, should invariably date and initial all corrections, conditions and additions in the Schedule of Quantities, Schedule of Materials to be issued and specifications and other essential parts of contract documents, and also date and initial on all the pages of the tender documents, irrespective of fact whether they contain or do not contain any corrections or over writings etc. The officer concerned should record the fact in writing at the end of those pages individually.

(5) No materials should be stipulated for issue in the tender document even free of cost. In case it is felt by the Chief Engineer to stipulate certain materials in exigencies of the work, he shall obtain the approval of the DG(W) on case to case basis. On receipt of such approval, following shall be ensured.
   (i) The stipulated materials shall be issued for use at site on works, for all the items where such materials are required. Factory made products like pre-cast cement tiles, pre-cast hollow concrete blocks, pre-cast foam concrete blocks, pre-cast RCC pipes etc., shall not be stipulated for issue.
   (ii) It should also be ensured that the description of the materials to be issued is adequately specified in order to obviate chances of any dispute. For example, if cement is specified for issue, it should be stated whether it is grey cement or white cement, and whether it will be in bags or otherwise.
   (iii) The issue and recovery of stipulated materials to contractors for use in construction works is governed by clause 10 & 42 of CPWD 7 and 8. Recovery of stipulated materials used by contractor beyond permissible variations is to be made at rates specified in Schedule “F”. Such fixed rates for recovery for each type of stipulated materials shall be specified in Schedule “F” by the authority approving the NIT for operation of Clause 10 and 42 of CPWD Form 7/8, and will be fixed at the issue rate at which materials are stipulated for issue + ten per cent.
   (iv) A fifteen days notice should invariably be issued to the contractor to return the excess quantity of materials got issued by him over and above the theoretical consumption and permissible variations, for taking action in terms of Clause 42.

(6) Clause 12 of the General Condition of Contract provides for specifying of deviation limits for various works. Such deviation limits are to be specified in Schedule "F" annexed to the Form, and shall form part of tender documents. For maintaining uniformity in works carried out by the department, following deviation limits shall be stipulated by the authorities approving the NIT's for operation of Clause 12 of the Form unless there are specific reasons to adopt different deviation limits for a particular work:

(i) For original works
  (a) Superstructure……..30%
  (b) Foundation……..100%

(ii) For original works of time bound, urgent and emergency nature
  (a) Superstructure……..50%
  (b) Foundation……...100%

(iii) All maintenance works…….....50%

(7) The agreement Forms CPWD 7 and 8 contain general conditions of contract for works in CPWD and shall be applicable both for item rate as well as percentage rate tenders.

(8) For work not covering under the purview of composite tendering, tenders for electrical, and building works (including sanitary and water supply works) must be invited concurrently, or at an appropriate stage when they are required to be commenced. Where it is not possible to do so due to some reasons, the fact should be intimated to the Superintending Engineer and Chief Engineer concerned explaining the reasons for delay.

15.2 Invitation of tenders for component parts

(1) Para 2.5.3 of this Manual may be referred to for splitting of the sanctioned project/work into packages for the purpose of accord of technical sanction.

(2) In cases where the main work has been completed and there is some residual work forming part of the big project remaining to be done, the tenders for such residual part need not be sent to the higher authorities, and may be decided by the Executive Engineer if the amount of such work is not more than Rs. 50,000/-.

15.3 Composite tenders

System of composite tendering shall be followed for all the works where sanctioned amount is above Rs ten crores. However, ADG of the region may lower this limit on case to case basis for recorded reasons.

Apart from civil & horticulture works, following components shall also be included.

1. Internal EI
2. Compound lighting
3. Street lighting
4. Low Pressure side of air conditioning system
5. Wet riser system
6. Fire detection (Alarm system)
7. Fire fighting system.

Further inclusion or exclusion of various elements of works, however can be made by regional ADG with recorded reasons.

Steps to be followed are given here as under:-

(1) The Department will fix only one agency i.e. the main contractor for the work who will be responsible for execution of entire work. This contractor will be fixed by inviting tenders under two/three envelopes system as described under para 16.12 of the manual.

(2) The NIT will include schedule for major component of work as well as schedule for each of minor component of work. Schedules for minor components of the work will be supplied by technical sanctioning authority of the discipline well in time to be included in the main tender. The eligible

tenderers for major component will quote rates for various items of minor components of work also. The lowest tenderers would be decided based on quoted rates in respect of all the schedules attached in tender documents. It will be obligatory on the part of the main contractor to sign the tender documents for all the components.

(3) The Department will lay down eligibility criteria for agencies responsible for execution of minor components of works. Agencies to be engaged by the main contractor shall have to fulfill the laid down criteria. In case the main contractor himself meets the required eligibility criteria as laid down by the Department for any minor component(s) of work, he shall be allowed to execute the same after due verification etc.

(4) The main contractor will give detailed execution programme of the work which will form part of his agreement with the department. He will indicate in the programme, the time/stage of the work when the agencies of minor components of works will be deployed by him.

(5) Acceptance of the tender shall be done by the PM/Zonal CE and conveyed by the EE incharge of major component of the work on behalf of the President of India. After the work is awarded, the main contractor will have to enter into agreement consisting of complete scope of work including minor components of the work, with EE of major component. Further separate tripartite agreements for each minor components shall be entered into by main contractor, with EE of respective discipline and the agency engaged by him for minor components.

(6) Running payment for the major component shall be made by EE of major discipline to the main contractor. Running payment for minor components shall be made by the EE of the discipline of minor component directly to the agency engaged by main contractor. However payment beyond 80% tendered amount of the minor component shall be made only to the main contractor by EE of the discipline of minor component.

(7) If the main contractor fails to associate agency/agencies for execution of minor components of work within prescribed time or furnishes incomplete details or furnishes details of ineligible agencies even after the tenderer is given due opportunity, the entire scope of such component of works shall be withdrawn from the tender and the same shall be got executed by the Engineer-in-Charge at the risk and cost of the main contractor.

(8) In case the main contractor intends to change any of the above agency/agencies during the operation of the contract, he shall obtain prior approval of Engineer-in-Charge of main agreement. The new agency/agencies shall also have to satisfy the laid down eligibility criteria. In case Engineer-in-Charge is not satisfied with the performance of any agency, he can direct the contractor to change the agency executing such items of work and this shall be binding on the contractor.

(9) Supervision of various components of works will be carried out by concerned wings of the department under the overall coordination of the PM/Zonal CE.

(10) Final bill of whole work shall be finalized and paid by the EE of major component. Other EEs/ DD(H) will prepare and pass the final bill for their component of work and pass on the same to the EE of major component for including in the final bill for composite work.

(11) SE of the concerned discipline will be competent authority for deciding reduced rates, if any. Date of completion of all components of work will be same. Levy of compensation under Clause 2 as well as fair and reasonable extension of time will be granted by the SE incharge of the major component in consultation with SE of concerned minor discipline and on receipt of required information in this regard from EE of major discipline as well as concerned minor discipline.

(12) Same milestones shall be applicable for all components of work. The agencies of minor components will ensure that their components of the work are executed in time without giving any chance for slippage of milestones of the project. The amount to be withheld under Clause 5 of the contract will be decided by the EE of the main discipline only and not by other EEs. In the event of not achieving the necessary milestones as assessed from milestone bar chart, specified percentage of the tendered value of work will be withheld for failure of each milestone.

(13) Arbitration case shall be handled by the EE of the major discipline along with the support of the minor discipline.

15.4 Preparation of Notice Inviting Tenders

(1) The Notice Inviting Tenders should be carefully prepared. All notices calling for tenders should be in the standard form, and be serially numbered. A proper register shall be maintained for this purpose. The notices should be issued only after the authority competent to accord Technical Sanction has approved the NIT papers.

(2) Avoidance of use of symbols
The use of symbols, such as %, and 'per thousand' in the Schedule of quantities accompanying the Notice Inviting Tenders is prohibited, and the words 'hundred', 'thousand', etc. must be written, e.g. "Per hundred sq. meter" must be written, and not "% sq. meter". The units should thus be more specific.

(3) Lump sum tenders
In case of lump-sum tenders, the Divisional Officer should ensure that the detailed drawings and specifications, duly authenticated by the competent authority, form part of the Notice Inviting Tenders, and that the cost of various items forming part of the sanctioned estimate of the work is correctly assessed with reference to the relevant Schedule of Rates, and in the case of non-schedule items, on the basis of rates supported by detailed analysis thereof and duly sanctioned by the competent authority.

(4) Authentication of all corrections
The NIT papers are very important documents, on which call of tenders and subsequent agreements with the contractors are based. It is, therefore, very necessary that each page and the correction slips, as well as other corrections and modifications made in the NIT papers, are numbered and signed by the competent authority in token of approval so that chances of tampering with such documents are avoided. Mere approval on forwarding letters would not serve the purpose. All corrections in the NIT's and pages of the NIT's approved by the Superintending Engineer and Chief Engineer should be attested by EE(P). Thereafter the documents must be properly sealed to prevent any tampering.

(5) Responsibility of the Divisional Accountant
   (i) It will be the responsibility of the Divisional Accountant to see that all forms issued to tenderers, whether printed or otherwise, are clear, legible and unambiguous. The Schedule of Quantities attached to the tender documents other than Form CPWD 7 must also contain a column for the "Amount" after the column "Rate". Care shall be taken in the preparation of the Schedule of Quantities so that there is adequate space between the items to enable the contractor to quote the rates without being cramped for space. The contractor must calculate the amount of each item, and enter it in the column. The Contractor must also total these amounts by sub-heads, and give a grand total in words and figures at the end of the Schedule.
   (ii) It will also be the duty of the Divisional Accountant to ensure that the tenders are issued only to those contractors who satisfy the eligibility criteria for issue of tenders as inserted in the Press Notice. He should properly scrutinize the applications received for issue of tenders, keeping in view the eligibility criteria, and then put them up to the Executive Engineer for a decision.

(6) The NIT for all works for which tenders are invited on PWD form 7 should provide that the Contractor should quote the percentage above or below to two places of decimal only.

(7) The time period for completion of work should be reasonable at decided by NIT approving authority, keeping in view the quantum of work, requirement of user department, geographical conditions of the site and other constraints. The Schedule of contract period as given in Appendix 17 may act as a rough guideline.

(8) The notice inviting tender should also stipulate minimum requirement of technical staff for the work. Requirement of technical staff should be decided by NIT approving authority. For building works recommended scale is given in Appendix 18

(9) It should be ensured that a specific reference to the number of correction slips as well as the year of the Schedule of Rates as well as that of the CPWD Specifications, are made while mentioning the Schedule of Rates or the CPWD Specifications for Works, e.g. "Schedule of Rates ..... for…… with correction slips ..... to .....", and "CPWD Specifications for Works at ..... with correction slips ..... to .....".

SECTION 16
PUBLICITY OF TENDERS

16.1 Wide publicity

(1) Wide publicity should be given to the Notice Inviting Tenders (Form CPWD 6). Tenders must be invited in the most open and public manner possible, by advertisement in the website/press, and by notice in English/Hindi and the written language of the district. A copy of the notice should be sent to the Central PWD Divisions, Zonal Office, Circle Office, operating at the station of the work and head quarters of the Divisional Office. The notice may also be sent to the Local Municipality, Collector's office, and the State PWD Divisions for works in places where there are not enough CPWD registered contractors.

(2) Notices for all the works, irrespective of their value, shall be posted in the CPWD website. Proof thereof in the form of a printout of NIT details and the Tender ID no. from the web page shall be kept on record. In view of this requirement, sending of NIT's/NIQ's to the Contractors' Associations is dispensed with.

(3) In respect of works estimated to cost more than Rs. 5 lakhs, a brief advertisement inviting tenders should invariably be inserted in the press in the classified category.

(4) Advertisement for Notice Inviting Tenders should be sent to the Directorate of Advertising and Visual Publicity, Ministry of Information and Broadcasting for insertion in the press. Sometimes, tenders may have to be invited for different works by the same Division at the same time, or at short intervals of one or two days. In such cases, it is not desirable to send separate press advertisements for each work, and as far as possible composite advertisements in the prescribed format should be sent to avoid unnecessary expenditure on advertisement.

(5) In urgent cases, the authority competent to approve the NIT may, for recorded reasons, decide to send the advertisement of tenders directly to Press. In such cases the newspaper bills shall also be settled by the CPWD.

(6) Draft specimen of Press Notice to be issued as a combined Advertisement is given in Appendix 19.

16.2 Economy in press advertisement

(1) The advertisement inserted in the press should be brief, but clear in meaning. For economy in cost, following guidelines should be kept in view:
   (i) Combined tender notice may be issued for all the works to be awarded around the same time.
   (ii) The official designation and address of the Executive Engineer should not be repeated at the end.
   (iii) Details of estimated cost, earnest money, time allowed etc. should be given as per Appendix 19.
   (iv) Titles such as "Government of India, Central Public Works Department" etc. at the top should not be given, as the official designation at the beginning gives these details.
   (v) The name of the Executive Engineer inviting tenders should not be printed.

(2) The above instructions should be strictly observed, and all the Additional Directors General, and Chief Engineers (Civil & Electrical) should ensure that these instructions are complied with, and proper economy is exercised regarding inviting the tenders.

(3) These provisions shall compulsory be followed.

16.3 Guidelines regarding publicity of tenders

The following guidelines are to be followed by the Executive Engineers regarding publicity of tenders:

(i) Request to DAVP for release of advertisement should be sent well in advance so that adequate time is available for release through press.

(ii) The Division/Circle sending the request to DAVP should intimate their complete postal address to the DAVP.

(iii) A watch should be kept on publication of advertisement in those newspapers where advertisements are being released by the DAVP.
(iv) Newspaper cuttings in each case should be collected and kept on record as far as possible as a proof of publicity actually achieved.
(v) Full details of the dates on which advertisement have actually appeared in the newspapers should be indicated while sending cases to higher officers.

16.4 Duty of Head Clerk

It is duty of the Head Clerk of the issuing Division to ensure that all NIT's (Form CPWD 6) remain on the notice board of the Division from the date of issue of NIT to the date of opening of tenders. For this purpose, he should record a certificate to the effect on office copy of each NIT. The Executive Engineer should check such certificates from time to time. Inspecting Officers from Circle Office and Zonal Office may also check the notice boards for display of the notices, and the office copies of the NIT's for these certificates of the Head Clerk.

16.5 Time limit for Publicity of Tenders

(1) The following time limits between the date of publication of tender on web site or Press whichever is earlier and the date of receipt of the tenders are desirable:
  (i) 7 days in the case of works with estimated cost put to tender upto Rs. 20 lakhs
  (ii) 10 days in the case of works with estimated cost put to tender between Rs. 20 lakhs to Rs 2 crores
  (iii) 14 days in the case of works with estimated cost put to tender more than Rs. 2 crores
(2) The above time limits may be varied at the discretion of the NIT approving authority keeping in view the exigencies of work.

16.6 Procedure for proper publicity of tenders

The following procedure shall be adopted for proper publicity of tenders by the Divisional Office:

(1) All NIT's (Form 6), whether issued by the Sub-Division or the Division, shall be assigned a serial number in the form ['X' of 'Y'], where 'X' is the serial number of the NIT issued in a particular financial year and 'Y' represents that financial year. Abbreviations for Division and the place shall be added. This is illustrated by way of an example under Annexure. No NIT shall be publicized either on the notice board or in the website/press without the proper serial number. The serial number shall be continuous irrespective of the level of the NIT approving authority, i.e. Assistant Engineer to Chief Engineer.
(2) The Assistant Engineer shall intimate the details of the prospective NIT (to be issued within his power) to the Executive Engineer in writing in duplicate. On receipt of the intimation, the first serial number available in the register shall be assigned to the NIT, details noted in the register and the duplicate copy of the intimation returned to the Sub-Division with the serial number of the NIT noted on it under the signature of the Executive Engineer. In cases where the Executive Engineer decides not to release a particular NIT, no serial number shall be assigned to it.
(3) The agreement with the contractor shall bear the serial number of the NIT along with other details on the cover page. This shall be checked and reconciled in the Divisional Office by the Divisional Accountant before making payment of the first bill to the contractor.
(4) In case of works estimated to cost upto Rs. 5 lakh, advertisement may not be inserted in press, but the NIT shall be necessarily displayed on the website and notice boards of the issuing Sub-Division, Division and all the other Sub-Divisions of that Division located in the same station.
(5) The NIT register shall be made available to contractors for perusal during a fixed time on working days and also to higher authorities during their inspection.

16.7 Action in case of poor response to tenders

If the response to tenders from the contractors of the appropriate classes is poor or unreasonably high rates are received following measures may be taken with the prior approval of the next higher authority.

(a) Throw open tenders to next lower class including to contractors registered with other departments like railway, MES, Telecommunication & state PWDs in the appropriate class and/or
(b) The NIT approving authority may modify the eligibility criteria suitably.

16.8 Formalities for re-invitation of tenders

In case of re-invitation of tenders, all the formalities mentioned in aforesaid paras shall be observed. In cases when the dates and time for sale and receipt of tenders are required to be extended due to unavoidable circumstances, a proper notice for the same shall be placed on the notice board, and the same should also be published in the website.

16.9 All notices in the name of the President

All tenders sent to the contractors should be invited in the name of the President of India. It is, therefore, necessary that the words "For & on behalf of the President of India" should be incorporated in all the press notices sent for publication in newspapers either directly or through the Director of Advertising and Visual Publicity.

16.10 Pre-bid conference

At the discretion of the NIT approving authority a pre-bid conference may be held after sale of tenders with the intending tenderers at least 5 days before the last date of submission of the tenders as per details given in the tender documents for clarification of any doubts of the intending tenderers or for modification on any condition of the contract, specification etc. Minutes of the meeting shall be circulated to all the intending tenderers, whether or not they attend the pre-bid conference.

16.11 Restricted Tenders

16.11.1 Cases where restricted tenders can be resorted

Restricted tenders of any value can be called in the following cases with the prior approval of the DG(W).

(i) The work is required to be executed with very great speed, and not all contractors are in a position to generate.
(ii) The work is of special nature requiring specialised equipment, which is not likely to be available with all contractors.
(iii) Where the work is of secret nature and public announcement is not desirable.
(iv) Where the list of pre-qualified contractors is required to be shortened to a suitable limited number.
(v) Maintenance of VIP residences/important buildings as decided by Chief Engineer concerned.
(vi) Other exigencies of the work so demand.

16.11.2 Procedure for preparation of restricted list of contractors

Considering the nature and requirements of work, the Chief Engineer shall prepare a list of contractors who according to him are suitable to tackle the job under consideration. The list should be as large as possible so that competitive tenders are received. Normally, registered contractors of CPWD, Railway, MES and Department of Telecommunication are only to be included in the list. Wherever un-registered contractors or contractors registered with other bodies are proposed to be included, prior approval of the ADG should be taken. For works estimated to cost up to Rs. 50 lakhs, Chief Engineer will have full powers to approve the restricted list for call of tenders. For all works above Rs. 50 lakhs, ADG has full powers. In exceptional circumstances and for recorded reasons, ADG may, however, dispense with the requirement of pre-qualification.

16.12 Tenders with two/three envelope system

This system involves prequalifying the parties before opening their financial bids.

(1) Tenders for all works estimated to cost more than Rs. 10 Crores shall be called on two/three envelope system.

(2) For works estimating to cost upto Rs. 10 crores also, this system may be resorted to but with prior approval of ADG.
(3) List of contractors satisfying the eligibility criteria and technical bid shall be got approved from ADG. Financial bid shall be got approved from the authority for acceptance of tenders as per delegation of power.

16.12.1 Procedure for call of tenders under two/three envelope system.

16.12.1.1 Two envelope system

Works for which technical specification is finalized & defined clearly in NIT, tenderers shall be required to submit the bids in two envelopes.

Envelope - 1 :- Documents related to eligibility criteria.

Envelope - 2 :- Financial bid.

Envelope-1 of all tenders shall be opened first. Eligibility related documents shall be evaluated and parties qualified/disqualified by the competent authority. Financial bid of qualified tenderers shall then be opened at notified time, date and place in presence of tenderers or their representatives.

16.12.1.2 Three envelope system

Works for which technical specification has not been finalised and the same is to be finalised on receipt of the details from the tenderers.The tenderers shall be required to submit the bids in three envelopes.

Envelope - 1 :- Documents related to eligibility criterion.

Envelope - 2 :- Technical bid.

Envelope - 3 :- financial bid.

Envelope-1 of all tenderers shall be opened first. Technical bids of tenderers who satisfy the eligibility criteria shall then be opened at notified time, date and place in presence of tenderers or their representative. If required, a conference in respect of technical bids shall be held on notified date, time and place. After finalisation of technical bid, if required, tederers may be given chance to modify their financial bids and there after the financial bids shall be opened. The validity of the tenders shall be reckoned from the date of opening of the financial bids. The financial bids shall be opened within 30 days of the date of receipt of tenders.

16.12.1.3 There shall be a pre-bid conference in which the doubts of the intending tenderers shall be clarified, besides discussions on any additional suggestion proposed by the tenderers. If found necessary, a corrigendum to the tender documents would be issued to all the intending tenderers, and thereafter no further query/condition shall be entertained. There would be no bar to hold the pre-bid conference more than once, especially in more complex types of works.

16.12.1.4 The Chief Engineer-in-charge of the work shall finalise the eligibility as well as bid evaluation criteria in accordance with the guidelines given in Appendix-20. In case any deviation from guidelines are considered necessary, same should be got approved from the DGW.

For all works under this system, criteria shall be based on above guidelines. However, for recorded reasons.CE may insert experience of particular categories of items like Stone work, Metal, False ceiling, form works etc. as an additional condition.

Annexure
Register of NIT's issued during the year ……

Name and address of the Division ……..

Sl. No.	Date	Sub-Division/ Division	S. no. assigned by Sub-Division (iflocated out station)	Name of work	Estimated Cost	Date of opening	Remarks

Example:

Serial number first available in the register: 5
Year……: 2007-08
Division……: Construction Division IV
Location……: Delhi
Sub-Division……: 2/CD-IV (if outstation, suffix suitable initials)
Number assigned to the NIT shall be……....: 5/2007-08/CD-IV/Delhi/2

SECTION 17
SALE OF TENDER DOCUMENTS

17.1 General

(1) The tender documents should be prepared and kept ready for sale to the tenderers before the Notice is actually sent to the press or is pasted on the Notice Board. Every contractor desiring to purchase the tender documents shall be asked to give a written application along with the earnest money deposit in the prescribed manner. It is the responsibility of the Executive Engineer/Assistant Engineer to see that tender documents are made available to the contractors as soon as the application is made. The application may be made by the contractors in the prescribed form shown at Appendix 21.

(2) The tender documents should be sold to only those contractors who fulfill the eligibility criteria set out in the notice, and who are not near relatives of the Divisional Accountant or the Superintending Engineer or Executive Engineer or Assistant Engineer/Junior Engineer of the Circle in which the work is to be executed.

Note: A near relative includes wife, husband, parents, in-laws, children, brothers, sisters, uncles, aunts and cousins.

(3) Any tender form that is issued, either for sale or for office use, should be issued under the signature of the Divisional Officer or the Sub-Divisional Officer, as the case may be.

(4) Para 16.1 may be seen regarding posting of tender notice on the website.

17.2 Sale of tender documents for specialised jobs

(1) Specialised items/jobs/works are those that requires special T&P and/or specialised skill.

(2) The Additional Directors General have been delegated powers to declare an item/job/work as a specialised item/job/work. While approving such a specialised item/job/work, the Additional Director General shall endorse a copy of such approval letters/orders to all the other Additional Directors General and the Directorate, as well as post such letters/orders in the website in order to maintain uniformity. The Additional Director General (TD) shall be the Nodal Officer to maintain a data bank of all such approvals.

(3) It is necessary that the tenders for specialised jobs/works are issued to the firms who deal in the items of works for which the tenders are being invited. NIT approving authorities will lay down the eligibility criteria for specialised agencies.

(4) It is not necessary that the specialised agencies who tender for the work should be registered with any Central or State Government Engineering Department.

(5) The procedure for call of tenders with two/three envelope system given under para 16.12 shall be followed for such works.

(6) Para 5.6.1 of this Manual may be referred to regarding the main contractor associating specialized agencies for specialized components of the work that are covered by the contract.

17.2.1 List of specialised items/jobs for civil works

The list of specialised items/jobs that have been declared in respect of civil works is given in Annexure I, and electrical works, in Annexure II.

17.2.2 Operation and maintenance of E&M installations

The operation and maintenance (including repairs) of the equipments and systems listed under para 17.2.1 above shall also be treated as specialised items of works.

Note: For specialised electrical jobs of diesel generating sets, lifts/elevator works, sub-station works and fire alarm system works, fire fighting works (gas based), fire fighting works (water based), contractors are enlisted separately as per Enlistment Rules 2005.

17.2.3 Procedural requirement for sale of tenders for specialized works

(1) The eligibility criteria for pre-qualification should be made very clear in the Press Notice and NIT (Form 6). In order to get competitive rates in respect of specialised jobs, the NIT (Form 6) shall also be sent to some prominent specialised firms, which in the opinion of NIT approving authority are likely to become eligible.

(2) The tender papers should be issued only after ascertaining from the contractors their expertise and experience in the specialised field concerned with reference to the laid down eligibility criteria, and after satisfying that they fulfill the criteria.

(3) The issue of tender papers to civil or electrical contractors will be regulated by the discipline of work, namely, civil or electrical. The intending tenderers should append details and expertise with their applications for issue of tender papers.

(4) In the case of some specialised jobs by specialised firms, Guarantee Bonds are also required to be executed, viz. water proofing works and anti-termite treatment. A sample Guarantee Bond is given in Appendix 22 as a general guideline. NIT approving authority may decide separate/common Guarantee Bonds required for different jobs based on this sample.

17.3 Sale of tender documents to registered contractors (for normal works)

17.3.1 Sale of tenders for works costing up to Rs. 10 crores

(1) The tender documents for works costing up to Rs. 10 crores shall be sold only to the contractors registered in the CPWD in the appropriate category and class.

(2) However, the Additional Director General of the Region may relax this provision for works costing up to Rs. 10 crores for specific Division(s)/Circle(s)/ Zone(s) in his Region for a specific period that he may consider it necessary, and may allow sale of tenders for such works to contractors registered with the Railways/MES/P&T, State PWD's in appropriate classes (for CPWD works within that state). Non CPWD registered contractors shall have to fulfil the criteria of satisfactory execution of works as given below.

(i) Three similar works, each of value not less than 40% of the estimated cost put to tender, or

(ii) Two similar works, each of value not less than 60% of the estimated cost, or

(iii) One similar work of value not less than 80% of the estimated cost, all amounts rounded off to a convenient full figure, in the last 7 years ending on the last day of the month previous to the one in which the tenders are invited.

(3) "Similar work" shall be properly defined and appropriately indicated in the tender documents by the NIT approving authority.

17.3.2 Sale of tenders for works costing above Rs. 10 crores

For works costing over Rs. 10 crores, the tenders shall be invited under Two/Three envelope system as prescribed under para 16.12.

17.3.3 Permitting State PWD registered contractors to tender for works outside their state

(1) The Additional Directors General of the Region have full powers to allow the State PWD contractors to tender for works of CPWD outside the State in which they are enlisted within their Region.

(2) Whenever any State PWD contractor tenders for a CPWD work outside the state in which he is registered, the authority issuing the tender papers should obtain a declaration from the contractor to the effect that he has not been debarred from tendering by any authority.

17.3.4 Sale of tenders to contractors registered with CPWD and other Central/State Government Departments

If a contractor is enlisted in the CPWD as well as in MES, P&T, Railways or State PWD's, he shall be eligible to tender for works upto the amount permitted by virtue of his enlistment in the CPWD even if he is authorised to tender for bigger works in the MES/P&T and/or Railways or in the State PWD's.

17.3.5 Sale of tenders to contractors with a blemished record

(1) If the Executive Engineer concerned receives adverse report against any non-CPWD contractor, either from the Department in which he is enlisted or from any other Department, he can stop issue of tenders to that contractor on the basis of such a report. The Executive Engineer should, however, communicate the information to his Superintending Engineer for record, and for approval of the action taken or proposed to be taken by him.

(2) In case a contractor is removed from the approved list of contractors maintained by CPWD for any reason including that of inactivity, such a contractor shall not be eligible to take up works in CPWD on the basis of his enlistment in any other Engineering Department. However, if the NIT approving authority not lower than the rank of Superintending Engineer is satisfied that it is in the interest of the Government to allow a contractor who has been removed from the approved list for reason of inactivity, to participate in the tendering process for getting competitive tenders, he may do so

17.3.6 Tendering limit where materials are stipulated for issue

For deciding the limit upto which a particular contractor is eligible to tender, the cost of materials, whether proposed to be issued free or on payment, shall not be deducted from the estimated cost of work put to tender.

17.4 Supply of duplicate set of tender documents

If so desired by a tenderer, a duplicate set of tender documents, duly stamped as "Duplicate", may be issued to him an additional cost of the tender papers. The duplicate set of documents cannot be submitted as a tender. In case of loss or defacing of the original set of documents, the contractor shall be required to buy a second set and submit it as tender.

17.5 Sale of tender documents for balance works

(1) When under Clause 3 of contract Form 7 or 8, the unexecuted portion of the work is taken out of the hands of the original contractor; the tender documents for the residual work shall not be sold to the original contractor, if asked for.

(2) In case of rescinded contracts, the NIT for residual work shall be approved by the authority who had approved the original NIT. However, the tender shall be accepted by the authority who has the powers to accept tenders as per the delegated financial powers.

(3) In case a contractor does not start the work after award or withdraws the tender after acceptance, he shall not be issued tender for the same work on recall. The Engineer –in charge shall also intimate the enlisting authorities.

17.6 Time interval between sale of tender documents and opening of tenders

Any tender form which is issued either for sale or for office use should be issued under the signature of the Divisional Officer or the Sub-Divisional Officer, as the case may be. In order to give contractors sufficient time to study tender documents and work out reasonable rates, the tender papers shall be sold as per following time schedule :

Receipt of applications for issue of forms will be stopped by 1600 hours four days before the date fixed for opening of tenders. Issue of tender forms will be stopped three days before the date fixed for opening of tenders.

17.7 Scale of charges for tender documents

(1) The following will be the scale of charges for the sale of tender forms to contractors:—

(a) Works costing upto Rs.1 lakh: …… Rs.150

(b) Works costing between Rs.1 lakh and Rs.50 lakhs…… Rs. 500

(c) Works costing more than Rs.50 lakhs and upto Rs.2 crore…..…….. Rs.1000

(d) Works costing above Rs.2 crores: ……..…... Rs.1500

(2) Authorities competent to approve NIT's have got the discretion to add to the prices mentioned above any additional cost of drawing to be supplied along with tender documents depending on the labour actually involved in their preparation.

17.8 Accounting of tender documents

(1) The following procedure is laid down for the accounting of tender documents:
   (a) All the tender documents should be priced and the price given on the document.
   (b) All the tender documents should be kept in the charge of the Cashier in the Divisional Offices and the Sub-Divisional Clerk in the Sub-Divisional Offices.
   (c) All the tender documents received by the Cashier/Sub-Divisional Clerk should be entered in the register.
   (d) The register should contain a chronological record of the issue of tender documents, showing the names of the persons to whom issued, the number of forms issued and the amount received.
   (e) The Register of the Sale of the Tender Documents should be treated as a Subsidiary Cash Book and its pages should be machine numbered.
   (f) The money received by the Cashier or the Sub-Divisional Clerk on account of sale of tender documents should be entered in the Divisional or Sub-Divisional Cash Book daily as a lump sum. This daily total should agree with the detailed record in the Register of the Sale of Tender Documents.
   (g) On the 25th of each month, the Cashier or the Sub-Divisional Clerk concerned should close the register by striking the balance of tender documents in stock, the number of documents sold, and the amount of cash realized. He should also count the documents in hand. Thereafter, the tender documents and the entries in the register should be checked and verified by the Divisional or the Sub-Divisional Officer concerned.
   (h) Surplus/unutilized tender documents must be destroyed after one month of acceptance of tenders.

(2) To avoid the possibility of bogus and fake tenders being submitted, it is necessary that the tender documents are sold individually and acknowledgements taken from contractors or their accredited representatives in the Register of the Sale of Tender Documents while handing over the tender documents to them. Where the tender documents are transmitted by post, these should be dispatched by Registered A.D. Post/speed post.

Annexure I

(Reference para 17.2.1)

List of specialised items/jobs for civil works

(1) Carriage of Materials
(2) Water proofing treatment work
(3) Steel work in steel bridge work, space frames for long span structures, steel towers
(4) Laying of granite stone flooring
(5) Special foundations including all types of piles.
(6) Fibrous plaster ceiling.
(7) Acoustic treatment and other decorative items such as glass ceiling.
(8) Sinking of tube well.
(9) Erection of food storage-both silos and flat type.
(10) Aluminum doors and windows, aluminum partition.
(11) RCC overhead tank with independent staging.
(12) Underground tank.
(13) Guniting, Ready mix concrete.
(14) Repair and rehabilitation works.
(15) Soil investigation and survey work.
(16) Façade cleaning system and Façade cleaning.
(17) Custom made wooden furniture (factory made).
(18) Aluminum composite panel.
(19) Swimming pool.
(20) Fabrication and erection of space frame including covering with lightweight poly carbonate sheet roofing.
(21) Diaphragm walls.
(22) Glass/green house (climate control)/screen house.
(23) Anti-termite chemical treatment.
(24) Stainless steel cladding and stainless steel railing.
(25) Water treatment plants.
(26) Structural glazing work,
(27) Fiber glass doors.
(28) Stone works such as:
    (a) Ashlar stone masonry work.
    (b) Stone jali work.
    (c) Italian marble work.
(29) Pre-fabricated structures and portable units such as sentry posts, toilets, temporary office or residential accommodation, etc.
(30) Modular furniture, moulded PVC furniture and kitchen cabinets.
(31) Superior water supply fittings such as Jacuzzi steam cabins, cascades, etc.
(32) Sensor operated system for flushing.
(33) Plumbing with copper/polypropylene pipes using advanced technology for jointing.
(34) Trenchless pipe works.
(35) Textured finishing work.
(36) Care taking works.
(37) Security to vacant bungalows/premises.
(38) Tentage/view cutter works.
(39) Washing/dry cleaning works.
(40) Synthetic play area surface for games.
(41) Signages
(42) Stainless steel Water tanks
(43) *Bamboo work

*Applicable for works in and around Delhi only.

Annexure II
(Reference para 17.2.1)

List of specialised items/jobs for electrical works

Supplying/fabrication, installation, testing and commissioning of the following:

(1) Kitchen equipment.
(2) Sewage treatment plant.
(3) HT and LT Switchgear.
(4) Air-conditioning plants.
(5) Lifts, escalators and conveyors
(6) Simultaneous interpretation systems.
(7) Gas plants.
(8) Transformers.
(9) Diesel generating sets.
(10) Heavy machinery items such as bulldozer,tractor scraper, road rollers, lorries, excavator etc.
(11) Refrigerators
(12) Cold storage plant.
(13) Water coolers.
(14) Hot water/steam boilers.
(15) Public address system, conferencing system, automatic vote recording system, recorders.
(16) Stage lighting.
(17) Projector and other special equipment for theatre.
(18) Repairs and calibration of various types of measuring instruments and relays etc.
(19) Testing of transformer oil and dehydration and other type of high potential test.
(20) Runway lighting, taxiway lighting and approach lighting system including control regulators, relays and control panels.
(21) Supply and erection of High Mast lighting.
(22) Frequency converter.
(23) Fabrication of steel cabin of body of trucks chassis.
(24) Temporary illumination, security lighting and wiring for power outlets for metal detectors in connection with Republic Day and Independence Day celebrations.
(25) EPBAX system (equipments).
(26) EPBAX system (cabling and wiring).
(27) Illumination of heritage caves and fiber optic lighting system.
(28) Security system and alarm.
(29) Building automation system.
(30) Digital display board.
(31) Fire fighting equipment (including wet riser and sprinkler system), fire detection and alarm and any other co-related items.
(32) Hydraulic platform/lift.
(33) Incinerator.
(34) Laundry equipment.
(35) Energy conservation measures for lighting.
(36) Centralized clock system.
(37) Interior/exterior flood lighting of heritage/monumental buildings/structures involving computer aided design, and evolution of special mounting arrangements for luminaries.
(38) Conservation measures for lighting.
(39) Repair and Maintanance of Dish Antena.
(40) *Supply and installation of UPS System and Servo Voltage stabilizers
(41) *Rising Mains/Bus Trunking in Buildings.

*Applicable for works in and around Delhi only.

SECTION 18
EARNEST MONEY

18.1 Necessity for earnest money

According to the practice in Central PWD, earnest money is paid by each tenderer to enable the Government to ensure that a tenderer does not back out of his tender before its acceptance, or refuse to execute the work after it has been awarded to him.

18.2 When to be deposited

The earnest money is to be deposited by the intending tenderers in one of the acceptable forms as specified in para 18.4 along with their applications for issue of tender documents for a work, and it shall be so stipulated in the NIT (Form 6).

18.3 Rates of Earnest Money

The amount of the earnest money, which a contractor should deposit with the tender, is regulated by the following scales. In case of petty works costing Rs.5,000/- or less the Executive Engineer may, at his discretion, dispense with the conditions for calling for earnest money.

(i) For works estimated to cost upto Rs.Ten crores :
2%(Two percent) of the estimated cost .

(ii) For works estimated to cost more than Rs.Ten crores:
Rs.Twenty lakhs plus 1% (one percent) of the estimated cost in excess of Rs.Ten crores.

18.4 Mode of Deposit

(1) The earnest money may be accepted only in the following forms:
(i) Cash upto Rs.10,000.
(ii) Treasury challan.
(iii) Deposit at Call Receipt of a Scheduled Bank guaranteed by the Reserve Bank of India.
(iv) Banker's cheque of a Scheduled Bank.
(v) Demand Draft of a Scheduled Bank.
(vi) Fixed Deposit Receipt (FDR) of a Scheduled Bank.
A part of earnest money is acceptable in the form of bank guarantee also. In such cases 50% of earnest money or Rs. 20 lakh whichever is less, will have to be deposited in shape prescribed above and balance can be accepted in form of bank Guarantee issued by a scheduled bank.

(2) It should be ensured that the FDR is pledged in favour of the tender inviting authority. It is in the tenderer's own interest to keep the FDR valid as long as it is required. There is no need for the Department to insist upon the tenderer keeping the FDR valid, since he can encash the FDR only when it is assigned back to him by the tender inviting authority.

(3) If the banks are closed on the last date of receipt of applications for tenders, the date shall be postponed suitably.

(4) When it is required that the earnest money should be deposited in the Treasury/accredited Bank direct by the contractor, the Divisional Officer/Sub-Divisional officer should prepare Challan (Form TR 6/GAR 7 in-duplicate). The classification should be correctly noted in the column "Head of Account". The earnest money for individual works shall be classified under the Head "Revenue Deposits". The Challan in-duplicate shall then be handed over to the contractor who should pay the amount into the Treasury or the Bank on behalf of the Divisional Officer/Sub-Divisional Officer. The receipted challan shall be sent by the contractor along with the application for issue of tender.

18.5 Refund of earnest money

(1) The earnest money given by all the tenderers except the lowest tenderer should be refunded immediately after the opening of the tenders, or latest within a week from the date of receipt of tenders. Entry of Demand Draft/Banker's cheque received as earnest money with the applications for issue of tenders may be kept in the Tender Opening Register, and these need not be deposited in the bank except for the lowest tenderer.

(2) The Executive Engineer should periodically review the Tender Opening Register with a view to ensure that the earnest money is refunded in time. If the tenderers do not come forward to get their challans endorsed for refund, the challans should be sent to them by Registered Post within a week after expiry of the prescribed period. It will be the responsibility of Divisional Accountant to ensure that Earnest Money is refunded to unsuccessful tenderers in time specified above.
(3) In case where the earnest money is deposited direct into the Treasury or Bank, and receipted Challan is submitted along with the tender, the amount shall be refunded in the case of unsuccessful tenders by making requisite endorsement on the original challan as per Rule 630 of the Central Treasury Rules.
(4) In the case of the successful tenderer, the transfer of the amount to the credit of the concerned CPWD Division shall be got effected as per rule 631 of Central Treasury Rules, and the amount shall then be noted on both sides of the cash book as receipt from the contractor creditable to CPWD and payment into Treasury. The amount should be included in the amount of the consolidated Treasury Receipts for the month to be obtained from the Treasury Officer.
(5) The earnest money deposits of Civil Departments may be refunded under the authority of an order endorsed by the departmental officer (in whose favour the deposit was made) upon the original deposit receipt. Under no circumstances, part payment be made.
(6) If the departmental officer desires that an item of earnest money deposit, instead of being refunded, be carried to the credit of the Government in the Consolidated Fund, he must record the fact on the Deposit Receipt and in his initial records, and request the Accounts Officer to effect necessary adjustment in Accounts.

18.6 Earnest money is not security deposit

The earnest money, which a tenderer for a contract is called upon to furnish along with his application for issue of tender for the contract is not a security deposit within the meaning of rule 45 of the Saving Bank Rules for depositors. No account can, therefore, be opened for the deposit of such earnest money in the Post Office Saving Bank.

18.7 Earnest money stipulation in work/supply to be awarded after call of quotations

In case where work/supply is to be awarded on the basis of quotations, and a condition for depositing earnest money is laid down in the Notice Inviting Quotation (NIQ), the following condition shall be stipulated in the NIQ:

"The quotation for the work/supply shall remain open for a period of ..... days from the date of opening of quotations. The Government shall, without prejudice to any other right or remedy, be at liberty to forfeit 50% of the earnest money if any quotationer withdraws his quotation before that date or makes any modification in the terms and conditions of the quotation which are not acceptable to the department, and to forfeit the whole of the earnest money if the quotationer, whose quotation is accepted, fails to commence the work/supply specified in the NIQ (along with changes in scope, if any) in the prescribed time or abandons the work/supply before its completion."

18.8 Forfeiture of earnest money

(1) If any tenderer withdraws his tender before the expiry of the validity period, or before the issue of letter of acceptance, whichever is earlier, or makes any modification in the terms and conditions of the tender which are not acceptable to the department, then the Government shall, without prejudice to any other right or remedy, be at liberty to forfeit 50% of the earnest money absolutely. This provision would naturally apply only to the lowest tenderer once the earnest money of all the tenderers except those of the lowest is refunded as per provisions under para 18.5(1).
(2) If the contractor fails to furnish the prescribed performance guarantee within the prescribed period, the earnest money is absolutely forfeited to the President.

(3) In case the contractor fails to commence the work specified in the tender documents on the 15th day or such time period as mentioned in letter of award, after the date on which the Engineer-in-charge issues written orders to commence the work, or from the date of handing over of the site, whichever is later, the Government shall, without prejudice to any other right or remedy, be at liberty to forfeit whole of the earnest money absolutely.

(4) If only a part of the work as shown in the tender is awarded, and the contractor does not commence the work, the amount of the earnest money to be forfeited to the Government should be worked out with reference to the estimated cost of the work so awarded.

(5) In case of forefeiture of earnest money as prescribed in 1 to 4 above, the tenderer shall not be allowed to participate in the retendering process of the work.

SECTION 19
RECEIPT, OPENING AND ACCEPTANCE OF TENDERS

With a view to avoid the possibility of original tender documents being tampered with, the following procedure shall be adopted in connection with the receipt and opening of tenders and their acceptance.

19.1 Receipt of tenders

(1) All the tenders in the power of Executive Engineer and higher officers shall be received in the Divisional Office. Tenders in the power of Assistant Engineer shall be received in the Sub-Division.

(2) Provisions under para 18.2 of this Manual may be seen regarding deposit of earnest money. Since the NIT stipulates deposit of earnest money with the tender application, a few sets of tender documents should be kept ready in the office of the tender sale authority to facilitate the intending tenderers to see them if they so desire. A register should be maintained by the designated official to obtain the signature of the intending tenderer(s) as a proof of having seen the tender documents.

19.1.1 Witnessing the opening of tenders

(1) All the tenders should be opened in the presence of such intending tenderers or their representatives as may choose to attend at the time and place, which should be advertised. The tenders should be entered in the Register Form CPWD 41.

(2) The Divisional Accountant (Sub-Divisional Clerk in Sub-Division) should be encouraged to be present at the time of opening of tenders. The tenderers should also be encouraged to be present at the time of opening of the tenders.

(3) The tenders that are received after the due date and time of receipt are not to be considered at all. They should neither be opened nor entered in the tender opening register.

(4) When tenderers sign their tenders in any Indian script or can only write their names in English, the amount of the tender, or rate of percentage above or below offered by them, should be written in the tenderer's own handwriting in Indian script, and in the case of illiterate tenderer, the amount of tenders should be attested by one of the witnesses.

(5) Percentage and lump sum tenders should be read out to the tenderers as far as possible. In the case of item rate tenders, the total amount worked out by the different tenderers may be read out, if required by the tenderers present.

19.1.2 Procedure for dealing with corrections, etc

(1) The Officer opening the tenders should encircle all corrections, cuttings, conditions, additions and over-writings and number them and attest them in red ink.

(2) In case of a number of corrections in the rate of any one item, either in words or in figures or in both, the number of corrections marked should indicate the corrections serially, that is to say, in case of, say, three corrections in rates of any one item, each of these corrections should be allotted independent numbers serially and not one number to represent all the three corrections.

(3) The number of such corrections, cuttings, additions, conditions and over writings must be clearly mentioned at the end of each relevant page of the Schedule attached to the tender documents, and they should be properly attested with date. Any omission observed should also be brought out clearly on each relevant page of the Schedule.

(4) The corrections, cuttings, conditions, additions and over writings etc., should be allotted separate numbers, i.e. corrections should start from 1, 2, 3, etc. and over writings should similarly start separately from 1, 2, 3, etc.
Use of correction fluid anywhere in tender documents should not be allowed. In case use of correction fluid is noticed, such tender will be liable for rejection.

19.1.3 Procedure for dealing with omissions

(1) Any ambiguity in rates quoted by the tenderers, either in words or figures, must be clearly indicated on each relevant page of the Schedule attached to the tender documents to which it concerns.

(2) Where the contractor has quoted rates in rupees and no paisa is mentioned, the word "only" should invariably be added after the words 'rupees', and the corrections should be initialled and dated with suitable remarks at the end.
(3) Where the contractors have omitted to quote the rates/amount either in figures or in words,or both as applicable, the Officer opening the tender should record the omissions on each page of the Schedule.
(4) The Divisional/Sub-Divisional Officer should see that the tenderers quote entire rates in words including paise to avoid chances of tampering in rates, and if the contractor fails to do so the Executive Engineer/Assistant Engineer should himself write the rates in words at the time of opening of tenders .
(5) The tenderer should be asked to fill in the tenders properly and carefully. They should avoid quoting absurd rates and making too many corrections in the tenders. The amounts should also be correctly worked out. If any contractor does not follow these instructions and desists from filling the tenders carefully, it would be open to the Department to take disciplinary action against the contractor.

19.2 Scrutiny of tenders

(1) After opening the tenders in the manner mentioned above, and keeping a record as given in para 19.3.1(1)(i), and preparation of comparative statement, the Executive Engineer will send the same to the office of the Superintending Engineer/Chief Engineer (i.e. the tender accepting authority concerned) and the detailed scrutiny will be done in the office of that accepting authority. The market rates for preparation of justification will, however, be sent by the Executive Engineer.
(2) In case of tenders within the powers of Additional Director General/Director General (Works)/ Central Works Board, complete scrutiny will be done in the office of the Chief Engineer concerned.

19.2.1 Preparation/checking of comparative statement

(1) Preparation of comparative statement
A complete comparative statement of all the tenders received in response to the notice should be drawn up in the office of the Executive Engineer in CPWD Form No. 13 or 14 as the case may be, and the following instructions should be carefully noted:
(i) The Officer opening the tender should prepare in his own hand in the tender opening register a statement of the "Percentage" or "Lump Sum" tenders received and should sign that statement. In the case of item rate tenders, he needs to prepare only a list of tenders received.
(ii) Care should be taken in preparing and scrutinizing the comparative statement of tenders to guard against arithmetical and other mistakes. Failure to do this may result in the work being awarded to a contractor who is not the lowest acceptable tenderer, a contingency which must be guarded against.
(2) Checking of comparative statement
The detailed arrangements for proper check of tenders and comparative statement are left to the tender accepting authority, but any such arrangements must provide:
(i) That the work will be carried out under the control of the financial officer in the Chief Engineer's Office, SE(P) in case financial officer is not available. Executive Engineer (Planning)/AE(P) in Superintending Engineer's office, Divisional Accountant in Division Office and by Sub-Divisional Clerk in Sub-Division Office. The duties and responsibilities of the Divisional Accountant mentioned in the subsequent paras shall be deemed to be the duties of the above mentioned officers under whose control the scrutiny of tenders is being done. The officials handling the tender should work on it in the Branch only, and the tenders should not be taken outside the Branch in any case. The tenders and related papers must be kept under lock & key by the officials before leaving the office.
(ii) That the officials date and initial all papers the calculations of which they have checked and that all working sheets are preserved.

(iii) That the Divisional Accountant or the concerned officer mentioned in para 19.2.1(2)(i) makes satisfactory and efficient arrangements for checking the computed tenders. He should also conduct personally a test check of computed and checked tenders, sufficient to satisfy himself reasonably that the checking work has been properly done. He should also see that the comparative statement correctly incorporates the total as checked in individual tenders. Full details of the Divisional Accountants responsibility in the matter are contained in para 19.2.2.

(iv) Procedure for dealing with ambiguities in rates:

That if on check there are differences between the rates given by the contractor in words and in figures or in amount worked out by him, the following procedure shall be followed:

(a) When there is a difference between the rates in figures and in words, the rates which correspond to the amounts worked out by the contractor shall be taken as correct.

(b) When the amount of an item is not worked out by the contractor, or if it does not correspond with the rates written either in figures or in words, then the rate quoted by the contractor in words shall be taken as correct.

(c) When the rate quoted by the contractor in figures and in words tallies, but the amount is not worked out correctly, the rates quoted by the contractor shall be taken as correct and not the amount.

(d) In the case of percentage rate tender, the tenderers are required to quote their rates, both in amount as well as in the percentage below/above the rates entered in the Schedule. In such cases, in the event of arithmetical error committed in working out the amount by the contractor, the tendered percentage and not the amount should be taken into account.

(e) All corrections in the comparative statement should be carried out neatly and clearly, and initialed by the person making the corrections. The corrections shall then be attested by the authority concerned.

19.2.2 Responsibilities of the Divisional Accountant

(1) The responsibilities of a Divisional Accountant as regards the computation and checking of tender and the preparation of comparative statements, as decided by the Comptroller and Auditor General of India in consultation with the Government of India, are as follows:

(i) The Divisional Accountant is responsible for the safe custody of tender documents during the period when they remain in the Accounts Branch until submission to the Executive Engineer.

(ii) He is responsible for the arrangements for checking the computed tenders, i.e. for seeing that satisfactory and efficient arrangements are made for checking.

(iii) He should conduct personally a test check of the computed and checked tenders sufficient to satisfy himself reasonably that the checking work has been properly done.

(iv) He should see that the comparative statement correctly incorporates the totals as checked on the individual tenders.

(2) The Divisional Accountant himself should not be called on to do any of the actual computing work or of the intermediate verification of the computations or of the preparation of comparative statement. His responsibility extends to the final checking arrangements and he himself doing a reasonable amount of test check. In fact, an Executive Engineer would be quite entitled to ask the Divisional Accountant to note on the comparative statement that as far as he could ascertain from such test check as he had been able to carry out, the statement is accurate. There is no objection for the employment of Accounts Clerks, as distinct from the Divisional Accountant, on the computation, if the work is large and the preparation of a comparative statement is urgent. It should, however, be open to the Divisional Accountant, if he thinks this the more satisfactory method of ensuring accurate check, to reserve or to detail one or more of the Accounts Clerks solely for him, to satisfy himself that any check has been properly done.

(3) The Divisional Accountant should record the following certificate on the comparative statement:

"Certified that:

I have personally conducted a test check of all the computed and checked tenders and have satisfied myself that the checking work has been properly done. The comparative statement correctly incorporates the totals as checked on the individual tenders."

19.3 Processing of tenders

19.3.1 Timely processing of tenders

(1) Top priority should be given to decide the award of work on receipt of tenders. In order to minimise chances of delay, the time-table as laid down in Appendix 23 should be observed for processing the tenders by different authorities.

(2) The above time schedule should be adhered to strictly, and if any officer is unable to follow the same, he should invariably give reasons for the same while forwarding the tenders to the authorities competent to accept it.

(3) In case, after receipt of tenders, it becomes necessary to forward the tenders to the higher authority for acceptance due to the tender going beyond the power of the NIT approving authority, details like:
   (a) validity period of the tender,
   (b) time already taken for scrutiny, and
   (c) balance period available,

   should be prominently indicated while forwarding the tenders to the higher authority, to ensure that there is no delay in processing of tenders and decisions are taken well in time.

19.3.2 Precautions to be taken while processing the tenders

The following instructions should be scrupulously followed while processing the tenders:

(1) The tenderers are not expected to make any post-tender modifications. Any such case should be viewed seriously, under the provisions of Form CPWD 6. The matter should also be reported to the Enlisting Authority for disciplinary action to be taken under the Rules for Enlistment of Contractors. In any case, such modifications shall not be considered.

(2) When the tenders are under examination, no other authority should make queries or call for reports/ clarifications from the tenderers except with the approval of accepting authority.

(3) Tenders with any condition, including conditional rebates, shall be rejected. However, tenders with unconditional rebate will be acceptable.

(4) In case of tender where the validity period has already expired, decision to accept the same should be taken only after the validity period is extended by the tenderer.

19.4 Acceptance of tenders

The powers delegated to the various officers of this Department for acceptance/approval of tender with or without negotiations are given in Appendix 1.The same powers shall be applicable in case of rejection of tenders also.

Where technical bids are also invited, the same would fall within the competency of NIT approving authority. In case of execution of E&M work, change in model/brand of any plant & machinery involving no extra finance implications, the acceptance of the change will also fall within the competence of NIT approving authority, who will place on record the justification and circumstances for making such change. The NIT approving authority will also decide the recoveries to be made of any if the proposed model/brand is cheaper.

19.4.1 Conditions to be fulfilled before inviting/accepting tenders

(1) The officers of CPWD shall invite/accept tenders only after the following conditions are fulfilled:
   (i) The work is technically sanctioned.
   (ii) The NIT is approved.

[**Note**: Paras 2.5.1 and 15.1 may be seen respectively for accord of technical sanction and approval of NIT.]

(iii) When the tender exceeds the amount technically sanctioned for the work by an amount greater than the power of the technical sanctioning authority, revised technical sanction should be issued by the next higher authority before acceptance of tender.

(iv) When the tender involves liability exceeding the expenditure sanction for the work by an amount greater than 10%, such excess will require a revised expenditure sanction. This should be applied for as soon as such an excess is foreseen. In the case of road works under administrative control of MOT, Department of Surface Transport (Roads Wing), an excess upto 15% of the sanctioned amount or Rs. 1 crore, whichever is less, is permissible.

(v) An assurance should be received, either at the time of communication of expenditure sanction or subsequently, from the authority competent to provide the necessary funds that the required funds will be allocated before the liability is incurred.

(2) The tenders may be invited if the exigencies of work so deemed in anticipation of fulfillment of the above conditions. The tender accepting authority shall, however, ensure fulfillment of these conditions before acceptance of tenders.

19.4.2 Acceptance of tenders in anticipation of revised expenditure sanction

(1) The CPWD Officers at appropriate levels are authorised to accept tenders in anticipation of revised expenditure sanction by the competent authority subject to the following conditions and limits:
   (i) The approval in principle has been given by the client department to go ahead with the work.
   (ii) The tendered rates are certified as reasonable by the CPWD officer accepting the tender.
   (iii) The CPWD Officer accepting the tender, also certifies that the scope of the work, as approved by the competent administrative authority, remains unchanged.

(2) The CPWD Officer accepting the tender involving extra expenditure must immediately report to the competent administrative authority, so as to enable it to make necessary additional provision in the budget. Expenditure in excess of the budget allotment will not be incurred without assurance of additional funds from the concerned administrative authority.

(3) The revised estimate for the work should be submitted within a month of acceptance of the tender to the competent administrative authority.

19.4.3 Reasonability and competitiveness of rates

The tender accepting authority shall satisfy himself about the reasonability of rates before acceptance of the tenders. Reasonability of rates shall primarily be assessed on the basis of justified rates. The mode of preparation of justified rates is detailed in the following para 19.4.3.1 Permissible variations over the justified rates are given in para 19.4.3. 2. Where justification of rates is not required to be prepared, the tender accepting authority while deciding the tenders, may refer to the rates of tenders of similar nature of works called within a period of last three months. Similar works shall mean works similar in nature, quantum, specifications and location, which is very close.

19.4.3.1 Justification of tenders

Justification statement shall be prepared for checking the reasonability of rates. There is no need for preparing justification in case the lowest tender is less than the estimated cost put to tender + 10%. For acceptance of tender, however, the remaining provisions of this Manual shall apply.

The method consists of preparing detailed analysis of rates by taking market rates of labour, materials, cartage etc. The method of analyzing item is the same as given in the standard CPWD Analysis of Rates. The major items on the whole costing at least 90% of the estimated cost put to tender are analyzed, to work out the justified percentage on this basis. The items to be considered should be so selected that have higher estimated cost and amount. One should start with the items having the highest estimated amount, and then the next lower amount in the descending order and so on, till at least 90% of the estimated amount is reached.

Any other suitable method may also be adopted, depending upon the kind of work. The adoption of a particular method should be decided judiciously by the authority competent to accept the tenders. In case

of tenders to be accepted by the Central Works Board, the adoption of a particular method should be decided by the concerned Chief Engineer. For the justification of tenders, the issue rate (and not the market rate) of stipulated materials shall be considered for items stipulated for issue, irrespective of the quantity of stipulated materials stated in the draft NIT/tender documents.

The effect of building and other construction workers' cess Act 1996, service tax, VAT etc. wherever applicable and other factors which actually contributes towards the cost, but are not covered in Analysis of Rates can also be added in arriving at the justified amount.

19.4.3.2 Acceptance of tenders at justified rates with allowable variations

Apropos provisions under para 19.4.3 variation up to 5% over the justified rates may be ignored. Variation up to 10% may be allowed for peculiar situations and in special circumstances. Reasons for doing so shall be placed on record. Tenders above this limit should not be accepted.

19.4.4 Powers of acceptance of tender with stipulated issue of materials

In accordance with the CPWD Code, where materials are stipulated for issue to the contractor, the net amount payable to the contractor after deducting the cost of the stipulated materials to be issued to the contractor at the stipulated rates, shall determine the authority competent to accept the tender.

19.4.5 Acceptance of single tender

There are occasions when in response to call for tender only a single tender is received. The power delegated to the various officers of this Department have been restricted to some extent with regard to acceptance of single tender. These powers are given in the Appendix 1.

19.4.6 Award of work to contractors belonging to Scheduled Castes and Scheduled Tribes

Price preference, and earnest money concession shall be given to contractors belonging to Scheduled Castes and Scheduled Tribes as per para 14.4 of this Manual.

19.4.7 Procedure for conducting negotiations

(1) Negotiations should not normally be conducted with the tenderer, but in case where it becomes necessary to do so, negotiations should be restricted only to the lowest tenderer. If negotiations are required in the case of tenders to be sent to the Central Works Board. Director General (Works), or the Additional Director General, as the case may be, for their/his approval, the Chief Engineer shall negotiate with the lowest tenderer before sending the tenders to them.

19.4.8 Rejection of Tenders

No tenders which are required to be accepted with the approval of the Central Works Board/Director General (Works)/Additional Director General should be rejected by any lower authority, and all such tenders should be submitted to the Board/Director General (Works)/Additional Director General for consideration. It will be for the Board/Director General (Works)/Additional Director General to reject them or to approve them or to authorize further negotiations.

19.4.9 Communication of acceptance/rejection of tenders

(1) After the tender for the work has been accepted, the same shall be communicated to the contractor in a sample form shown in Annexure-I. Para 20.1 may be seen for submission of the performance security/guarantee by the contractor.
(2) After submission of the performance security/guarantee by the contractor in an acceptable form, an intimation to commence the work shall be given in a sample form shown in Annexure-II
(3) Copies of these letters should also be endorsed to the following in addition to the concerned departmental officers and the concerned branches:
    (i) Assistant Labour Commissioner (Central).
    (ii) Conciliation Officer (Central).
    (iii) Income-tax Officer (Concerned).
    (iv) Labour Officer.

(4) In special case where the work is required to be completed in a short time, and it is not desirable to allow 10 days' period for commencement of work, the Central PWD Officers may reduce this period and make the necessary change in the contract form and the letter of acceptance of tender.
(5) In the acceptance letter, the officer accepting the tender should give a reference to all the contractor's letters received with the tender or thereafter, and/or incorporate the fact of acceptance or rejection of the condition(s) mentioned in these letters of the contractor.
(6) The tenderers whose tenders are rejected should be sent written intimation about the rejection.

19.4.10 Issue of letter of award while EE is on tour or on leave.

Following instructions may be followed in case tender is approved/accepted by the higher authority and award letter is to be issued by EE and where expiry of validity of tender is very near and EE being on tour.

(a) Whenever tender papers are sent to EE, the envelope containing tender papers must be marked 'Tender papers'.
(b) Copy of letter of approval/acceptance of tender be sent separately to the E.E. through Fax/email.
(c) Whenever E.E. is on tour or on casual leave, award letter, after the tender has been accepted by the competent authority, can be issued by the A.E. (P) clearly indicating that this letter when countersigned by E.E. will form part of the agreement.

19.5 Re-invitation of tenders

If the lowest tenderer backs out, there should be re-tendering in a transparent and fair manner. In such a situation, the NIT approving authority may advise call for limited or short notice tender if so justified in the interest of work and take decision on the basis of lowest tender. While retendering for the work, tender will not be issued to the contractor who has backed out.

19.6 Central Works Board

As laid down in the CPWD Code, the Government of India have constituted a Central Works Board which acts as the body in the matter of acceptance of contracts and other miscellaneous matters relating to execution of works.

19.6.1 Composition of the Board

(1) The Board consists of a Chairman and two Members. The Director General (Works) acts as the Chairman with a view to ensure that the recommendations made by the Board are technically feasible. Of the two members, one is the Director (Works) in the Ministry of Urban Development, and the other is the Chief Controller of Accounts in the Ministry of Urban Development representing the Integrated Finance in the Ministry of Finance, to watch the financial interests of the Government. The Financial Officer to Director General (Works) acts as the Secretary of the Board. The ministerial work of the Board is done by the Office of the Director General (Works).
(2) The Board has the authority to co-opt as members, non-official experts and the representatives of the Administrative Departments of the Government of India when so required for advice on matters as to the execution of specialised projects, i.e. Aviation Works, Factory Works, Projects, etc.

19.6.2 Processing of tenders by the Board

(1) Tenders above the power of acceptance of the Director General (Works) are submitted to the Board for their consideration. These tenders are accepted by the respective Chief Engineers with the prior approval of the Board.
(2) Similarly, the cases of award of works without call of tenders costing more than the power of the Director General (Works) for acceptance are required to be submitted to the Central Works Board, and thereafter accepted by the respective Chief Engineers.

(3) The tenders submitted to the Central Works Board for consideration and approval should be supported with detailed information as per the proforma laid down in Appendix 24. This proforma has to be very carefully compiled so that the information furnished is complete in all respects, and that there is no room for further queries and back references to the Chief Engineer. Ten legible copies of the proforma along with the comparative statement, NIT and tenders should be submitted by the Chief Engineer to the Central Works Board.

Annexure-I

(BY REGISTERED/SPEED POST)

Sample letter of acceptance of tender

[Reference para 19.4.9(1)]

No. ..... Dated,
the .....

From
The Executive Engineer,
Division,
C.P.W.D.

To
(Name and address of the contractor)

Subject .....……..
(Name of the work as appearing in the tender for the work)

Dear Sir (s),

Your tender for the work mentioned above has been accepted on behalf of the President of India at your tendered/negotiated tender amount of Rs…….(Rupees……only), which is .....% below/above the estimated cost of Rs. .....(Rupees……..only).

2. You are requested to submit the performance security/guarantee of Rs…… (Rupees…… ……..only) within …… days* of issue of this letter. The performance guarantee shall be in the prescribed form as provided in clause 1 of the General Conditions of Contract for CPWD Works, and shall be valid up to ……..

3. On receipt of the prescribed performance guarantee, necessary letter to commence the work shall be issued, and the site of work handed over to you thereafter.

4. Please note that the time allowed for carrying out the work as entered in the tender (……. days/ weeks/months) shall be reckoned from the ……day* after the date of issue of this letter.

Yours faithfully,

Executive Engineer
For and on behalf of President of India
……Division, CPWD, ……..

Note: * Para 20.1(2) & (3) may be seen.

Annexure-II

(BY REGISTERED/SPEED POST)

Sample letter for commencement of work

[Reference para 19.4.9(2)]

No. ..... Dated,
the .....

From
The Executive Engineer,
Division,
C.P.W.D.

To
(Name and address of the contractor)

Subject .....
(Name of the work as appearing in the tender for the work)

Ref: 1. Performance security/guarantee submitted by you vide your letter no……. dated.....
for the above work.
2. This office letter of intent/acceptance of your tender no……..date ……

Dear Sir (s),

1. You are requested to contact the Assistant Engineer ..... (complete address) for taking possession of site and starting the work at once.
2. In continuation to the letters referred to above, you are requested to attend this office to complete the formal agreement within fifteen days from the date of this letter.

Yours faithfully,

Executive Engineer
For and on behalf of President of India
……Division, CPWD, ……..

SECTION 20

SECURITY DEPOSIT AND PERFORMANCE GUARANTEE

20.1 Performance guarantee

(1) The successful tenderer, hereafter referred to as the contractor, shall deposit an amount equal to 5% of the tendered and accepted value of the work (without limit) as performance guarantee in one of the following forms:
   (i) Cash (In case guarantee amount is less than Rs. 10,000/-).
   (ii) Deposit at Call Receipt/Banker's Cheque/Demand Draft/Pay Order of a Scheduled Bank. (In case guarantee amount is less than Rs. 1,00,000/-)
   (iii) Government securities.
   (iv) Fixed Deposit Receipt (FDR) of a Scheduled Bank.
   (v) An irrevocable bank guarantee bond of any scheduled bank or the State Bank of India in the prescribed form given in Annexure.

(2) The time allowed for submission of the performance guarantee by the contractor shall be decided by the NIT approving authority for a period ranging from 4 to 15 days of issue of the letter of acceptance, depending upon the magnitude and/or urgency of the work. This period can be further extended, if required, by the Engineer-in-charge for a maximum period ranging from 3 days to 7 days at the written request of the contractor. Such time period may be mentioned in the schedule F while finalizing the NIT. A sample copy of the letter of acceptance to the contractor for submission of the performance guarantee is given in Annexure-I of section 19.

(3) The date of start of the work may accordingly be fixed reckoning it after 7 to 22 days from the date of issue of letter of acceptance.

(4) The letter for commencement of work shall be issued to the contractor only after he submits the performance guarantee in an acceptable form. A sample copy of this letter is shown in Annexure-II of section 19.

20.2 Security deposit

(1) The security deposit shall be collected by deductions from the running bills of the contractors at the rate mentioned below, and the earnest money that is deposited at the time of tender, shall be treated as part of the security deposit. The security deposit can also be accepted in cash or in the form of Government Securities, Fixed Deposit Receipts etc.

(2) A sum @ 5% of the gross amount of the bill shall be deducted from each running bill of the contractor, till the sum along with the sum already deposited as earnest money amounts to security deposit @ 5% of the tendered amount of the work . Such deductions shall be made unless the contractor has deposited the amount of security at the rate mentioned in cash or Government securities or Fixed Deposit Receipts. This is in addition to the performance guarantee that the contractor is required to deposit as per para 20.1.

(3) Security deposit can be released against bank guarantee issued by a schedule bank on its accumulation to a minimum amount of Rs. 5 lakhs subject to the condition that amount of any bank guarantee except last one, shall not be less than Rs. 5 lakhs.

20.3 Forms of Security Deposit

(1) The security from a contractor should be taken in one of the forms recognized by the Government of India as given below. Conditions noted against each form of security deposit should invariably be kept in view. The recognized forms of interest bearing securities and the conditions to which they are subject, are indicated below:

Forms of security	Conditions
(i) Promissory notes and stock certificates of the Central Government or a State Government.	(1) These securities shall be accepted at 5% below their market price or at their face value, whichever is less, and shall be dealt with in accordance with the rules in chapter IX of Government Securities Manual. (2) The market price of Government paper should be ascertained at the time of collection of interest and the amount of interest to the extent of deficiency in value of the Government paper withheld, if necessary
(ii) Post Office cash certificates, National Savings certificates, Treasury Savings Deposit Certificates, National Plan Savings Certificates, 12 Years National Defence Certificates, and 10 Years Defence Deposit Certificates.	(1) These certificates shall be formally transferred to the President. The departmental authorities authorized to accept security under Rule 275 of GFR's shall accept the same with the sanction of the Post Master of the office of registration at their surrender value at the time of tender. (2) Certificates which are not held in the name of the person furnishing the security shall not be accepted.
(iii) (a) 10 Years Social Security Certificate	The pledging of 10 Years Social Security certificates should be in accordance with the procedure laid down in Rules governing these certificates
(b) Post Office Savings Bank Pass Books.	(1) A Pass Book for a deposit made under the Post Office Savings Bank Rules may be accepted as security provided that the depositor has signed and delivered to the Post Master a letter in the prescribed form as required by those rules. (2) Security Deposit lodged in the Post Office Savings Bank should be hypothecated to the Divisional Officer, if this has been specially authorized by the Local Administration. (3) The pass books should remain in the custody of the Officer to whom the deposits are pledged. (4) The pass books shall be sent to the Post Offices as soon as possible after the 15th June of each year, so that the necessary entries on account of interest may be made in them. **Explanatory notes:** (1) When National Savings, National Plan, or National Plan Savings Certificates, etc. are to be accepted as security deposit in favour of the President, the Divisional Officer accepting them on behalf of the President is required to give the following certificates:"I am duly authorized under Article 299 of the Constitution vide notification no. GSR no. 585 dated 1.2.

	1966 by the Government of India in the Ministry of……. to execute such instruments or deeds on behalf of the President of India." (2) In the case Post Office Savings Bank (Security Deposit Account) Pass Book obtained as security deposit, at the time of release to the parties concerned, a letter should be addressed to the Post Master concerned advising him of the release of the pledge on the pass book. This letter should be signed by the pledgee himself.
(iv) Municipal debentures or Port Trust Bonds and/or debentures issued by the State Financial Corporations	These securities shall be accepted at 5% below their market price or at their face value, whichever is less, and shall be dealt with in accordance with the rules in chapter IX of the Government Securities Manual.
(v) Bonds or debentures issued by corporate bodies established by or under any Central Act, which are guaranteed by the Central Government as regards the payment of principal and interest, or as regards the payment of principal only.	These securities should be accepted at 5% below their market price, or at their face value, whichever is less. It should be verified that the guarantees by the Central Government have not been revoked and continue to be in force. Security in these forms should not be accepted unless the transfer of title to the concerned officer accepting the security on behalf of the Government has been or can be validly accepted, and, if necessary, registered (or it has been ascertained that the said transfer will be made or registered) on the books of the corporate body. The fees or other expenditure regarding transfer or re-transfer will be borne by the contractor.
(vi) Deposit Receipts of scheduled banks including State Bank of India and its subsidiary banks.	(1) The Deposit receipt shall be made out in the name of the pledgee, or, if it made out in the name of the pledger, the Bank shall certify on it that the deposit can be withdrawn only on the demand, or with the sanction of the pledgee. The Bank shall agree that on receiving a signed treasury challan and withdrawal order from the pledgee in respect of the deposit, or any part thereof, it will at once remit the amount specified into the nearest Treasury/specified Bank along with the challan, and send the Treasury/Bank receipt to the pledgee. (2) The depositor shall agree in writing to undertake any risk involved in the investment, and make good the depreciation, if any. (3) The depositor shall receive the interest, when due, direct from the Bank on a letter from the pledgee authorizing the Bank to pay it to him. (4) The responsibility of the pledgee in connection with the deposit and the interest on it will cease

	when he issues a final withdrawal order to the depositor, and sends an intimation to the Bank that he has done so. (5) The Deposit Receipt should be held in the custody by such officer as the Local Administration may prescribe.
(vii) Cheques/drafts issued by big urban banks whose working capital exceeds Rs 5 crores, and by 'A', 'B' or 'C' class Central Co-operative Banks/Non-Scheduled State Co-operative Banks.	Cheques/drafts may be accepted as security from private contractors/suppliers. When a contractor/supplier furnishes a cheque/draft, the authorities concerned shall. ensure that the cheque/draft is encashed immediately, and the contract is allotted only after the encashment of cheque/draft.
(viii) Any other form of security approved by the Government for acceptance in any particular department such as mortgages on real property and personal security.	These securities may be accepted only in accordance with the rules and conditions laid down in the relevant departmental regulations, or by special orders of the Government. (1) The Government will not pay any interest on any security deposit held in the form of cash. Such security deposits may be converted at the cost of the depositor into any of the interest bearing forms of security mentioned in items (ii) to (v) above, if the depositor expressly requests in writing to that effect, and the acceptance of the new form or forms of security is permissible under this rule and under the terms of agreement or bond. Cash actually received or recovered may be converted into an interest bearing form of security even when it forms part of a deposit which is being paid in instalments, but has been realized in full. (2) Percentage deduction made from a contractor's bills held as security for the due fulfillment of a contract shall not be converted into any other forms of security unless there is a special rule or other for such conversion.

(2) Cash deposits of contractors may be converted, at the cost of the depositor, into one or, more of the forms of interest bearing securities provided that:
   (i) the depositor has expressly desired this in writing; and
   (ii) the acceptance of the new form of security is permissible under the rules as well as under the terms of the agreement or bond.

Note: Cash that has actually been received or recovered from the contractor's bill(s) may be converted even though the full amount of the deposit, which is being paid in installments, has not yet been realised.

(3) The percentage deductions for security deposit made from contractor's bills should be credited to the Minor Head "Public Works Deposits - Cash Deposits of Contractors".

20.4 Repayment/Retransfer of Security Deposit

No security deposit should be repaid or re-transferred to the depositor, or otherwise disposed off, except in accordance with the terms of his agreement or bond. See also para 33.4(3).

Note: The depositor's acknowledgement should be obtained in all cases of security that is returned. When an interest bearing security is returned or re-transferred, the acknowledgement should set forth the full particulars of the security.

20.5 FDR's as Security Deposit

(1) Since Fixed Deposit Receipts (FDR's) are not Government securities, there is no objection to their being accepted even if the period for the completion of the work is less than one year. It is further clarified that the Fixed Deposit Receipts should be accepted as security even if it does not cover the stipulated period/extended period, defect liability period.

(2) The Fixed Deposit Receipt tendered by the State Bank of India or any of the Scheduled Banks is acceptable as security. There is, therefore, no objection to the investment by the Divisional Officers of the amount of security, deducted from the running bills of the contractors in Fixed Deposit Receipts of the State Bank of India or any of the Scheduled Banks at the request of the contractor.

(3) It may, however be seen that the Fixed Deposits Receipt is made out in the name of "The Executive Engineer, …… Division" concerned.

Annexure

Form of Performance guarantee / Bank guarantee bond

[Reference para 20.1(2)]

In consideration of the President of India (hereinafter called "The Government") having offered to accept the terms and conditions of the proposed agreement between ……and …….. (hereinafter called "the said contractor(s)" for the work …… (hereinafter called "the said agreement"} having agreed to production of an irrevocable Bank Guarantee for Rs…….(Rupees……only) as a security/guarantee from the contractor(s) for compliance of his obligations in accordance with the terms and conditions in the said agreement.

1. We ……(hereinafter referred to as the "Bank") hereby undertake to (indicate the name of the Bank)
   pay to the Government an amount not exceeding Rs ……. (Rupees……..only) on demand by the Government.
2. We …… do hereby undertake to pay the amounts due and payable (indicate the name of the Bank) under this Guarantee without any demur, merely on a demand from the Government stating that the amount claimed is required to meet the recoveries due or likely to be due from the said contractor(s). Any such demand made on the Bank shall be conclusive as regards the amount due and payable by the Bank under this Guarantee. However, our liability under this Guarantee shall be restricted to an amount not exceeding Rs…….. (Rupees……only).
3. We, the said Bank, further undertake to pay to the Government any money so demanded notwithstanding any dispute or disputes raised by the contractor(s) in any suit or proceeding pending before any Court or Tribunal relating thereto, our liability under this present being absolute and unequivocal.
   The payment so made by us under this bond shall be a valid discharge of our liability for payment thereunder, and the contractor(s) shall have no claim against us for making such payment.
4. We …… further agree that the Guarantee herein contained shall (indicate the name of the Bank) remain in full force and effect during the period that would be taken for the performance of the said agreement, and it shall continue to be enforceable till all the dues of the Government under or by virtue of the said agreement have been fully paid, and its claims satisfied or discharged, or till the Engineer-in-charge, on behalf of the Government, certifies that the terms and conditions of the said agreement have been fully and properly carried out by the said contractor(s), and accordingly discharges this guarantee.
5. We …… further agree with the Government that the Government (indicate the name of the Bank) shall have the fullest liberty without our consent, and without effecting in any manner our obligations hereunder, to vary any of the terms and conditions of the said agreement or to extend time of performance by the said contractor(s) from time to time or to postpone for any time or from time to time any of the powers exercisable by the Government against the said contractor(s), and to forbear or enforce any of the terms and conditions relating to the said agreement, and we shall not be relieved from our liability by reason of any such variation or extension being granted to the said contractor(s) or for any forbearance, act of omission on the part of the Government or any indulgence by the Government to the said contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have effect of so relieving us.
6. This Guarantee will not be discharged due to the change in the constitution of the Bank or the contractor(s).
7. We ……..lastly undertake not to revoke this Guarantee except with (indicate the name of the Bank) the previous consent of the Government in writing.

8. This Guarantee shall be valid up to ……unless extended on demand by the Government. Notwithstanding anything mentioned above, our liability against this Guarantee is restricted to Rs …….. (Rupees ……only), and unless a claim in writing is lodged with us within six months of the date of expiry or extended date of expiry of this Guarantee all our liabilities under this Guarantee shall stand discharged.
   Dated the ……day of…… For ……

(indicate the name of the Bank)

SECTION 21
REFUND OF SECURITY DEPOSIT AND PERFORMANCE GUARANTEE

21.1 Conditions for refund of security deposit and performance guarantee

The security deposit and performance guarantee shall not be refunded to a contractor except in accordance with the terms of his security bond or agreement.

21.1.1 Recording of completion certificate

In case the completion certificate is recorded by a Junior Engineer/Sectional Officer, the Sub-Divisional Officer concerned shall countersign it within one month. In case of works costing more than the normal acceptance power of tender of the Executive Engineer, the original certificate must be recorded by the Sub-Divisional Officer and countersigned by the Executive Engineer within one month. If the Sub-Divisional Officer is not available the Executive Engineer should himself record the certificate.

21.1.2 Refund of performance guarantee

The performance guarantee shall be refunded to the contractor soon after the completion of the work and recording of the completion certificate as above.

21.1.3 Refund of security deposit

(1) In the case of works executed against agreements in Forms CPWD 7 & 8 the refund of security deposit to a contractor on the completion of works is regulated by Clause 17 thereof. This clause envisages the issue of a completion certificate in terms of Clause 8 of the Contract. Such completion certificate shall be issued by the authority in a manner detailed under section 29.

(2) The period of maintenance as prescribed in Clause 17 of the Contract will be counted from the date of completion as recorded in the certificate mentioned above. The security deposit of the contractor should be refunded by the Executive Engineer after the prescribed maintenance period as stipulated in the agreement or after the date in which the final bill has been prepared and passed for payment, which ever is later.

(3) The Divisional Officers should keep a close watch on the delays in the refund of security deposit to the contractors, and for this purpose they should periodically review the Register of Security Deposit Form CPWA 67 maintained in the Division. (The instructions contained in para 22.4.20 of the CPWA Code shall continue to be observed as a normal procedure).

21.2 Refund of security deposit in cases of delay in final bill

(1) Where there is a delay in payment of final bill, the Superintending Engineer shall make an assessment of the likely recoveries against the contractor, and order release of as much security deposit as possible unless he has reasons to withhold the release of security deposit to the contractor. These reasons should be recorded by him in writing.

(2) The Superintending Engineer shall satisfy himself that the following formalities are completed by all concerned before exercising his discretionary power for part payment of security deposits:

(i) Formalities to be completed by the departmental officers

(a) Completion of prescribed test checks of measurements by Executive Engineer/Assistant Engineer.

(b) Sanction of extra/substituted items by the competent authorities.

(c) Decision on levy of compensation, etc.

(ii) Formalities to be completed by contractor

(a) Acceptance of final measurement recorded by the departmental officers.

(b) Applying for extension of time as and when required immediately.

(c) Rectification of defects pointed out by the departmental officers.

(d) Completion of work in all respects, including clearance of site, etc.

(e) return of surplus materials issued by the department immediately on completion of work or as and when it comes to light.

(3) There is no need to wait for the contractor to apply for refund of his security deposit. The Hand Receipt for this purpose should be prepared by the Junior Engineer/Assistant Engineer as soon as it is due, and sent to the Divisional Office for payment.

21.3 Effecting of recoveries

Once the recoveries become due from a contractor, the same should be effected from the money due to the contractor either from the same work or from any other work or from the security deposit. Action to recover the overpaid amount should not be kept pending or kept in abeyance on account of the case being before the arbitrator. Action in terms of the award can be taken after the award is received and accepted by the competent authority. The recovery of overpaid amounts should be effected as early as possible and the recovery should not be kept in abeyance during the pendency of arbitration proceedings.

21.4 Time limit on claims for refund of security deposit

The claim for refund of security deposit is governed by the Limitation Act. The period of limitation is 3 years, commencing from the date that the right to the due accrues. In the case of security deposit paid along with the individual contract, the right to the due would accrue under Clause 17 after the maintenance period, or the date of payment of final bill, whichever is later.

21.5 Refund of security deposit regarding specialized items of work

(1) For some of the specialized items of work such as anti-termite treatment, waterproofing work, kiln seasoned and chemically treated wooden shutters etc. that are entrusted to specialized firms or registered contractors who associate specialized agencies as per para 5.6.1 of this Manual, the contractor/firm executing the work should be asked to give a specific guarantee that they shall be responsible for removal of any defects cropping up in these works executed by them during the guarantee period. The form of the guarantee to be executed by the contractors is given vide Appendix - 25.

(2) It has further been decided that 10% of the security deducted from the bills of the contractors shall be refunded to him after expiry of maintenance period in accordance with the terms of the contract in this behalf.

(3) The Divisional Officer shall, however, maintain a register in which all these works carried out in the Division shall be entered and which shall be periodically reviewed by the Executive Engineer. The Register will contain the following heads:

(i) Name of the work:
(ii) Date of completion:
(iii) Specification in brief:
(iv) Rate paid.
(v) Name of the firm/contractor
(vi) History* of all defects, with date(s) of occurrence, noticed during the guarantee period.
(vii) Action taken by the firm/contractor.

*The history will help as a ready reference about the efficiency and the quality of the work done by the firm/contractor.

21.6 Divisional Accountant's responsibility for prompt refund of security deposit

In order to avoid delay in the refund of security deposit to the contractor, the Divisional Accountant should put up to the Divisional Officer every month a list of all the cases where the security deposit becomes due for refund so that the requisite certificate is immediately obtained by the Divisional Officer from the Sub-Divisional Officer concerned and the security deposit is refunded without waiting for any application from the contractor.

SECTION 22
ESSENTIAL FEATURES OF AGREEMENTS/CONTRACTS

22.1 General principles and guidelines

(1) The Ministry have full powers to accept tenders, and they are authorized to frame subsidiary rules relating to the calling for or acceptance of the tenders and the general procedures connected with the contracts.

(2) There are, however, certain general principles and guidelines laid down for acceptance of tenders that are required to be observed by subordinate authorities empowered to enter into contract or agreement involving expenditure from Public Funds.

(3) No contract shall be made by a subordinate authority that has not been directed or authorized to do so by or under the orders of the President in terms of Article 299 (1) of the Constitution.

(4) The President should be made a party to every contract of the Government and the words "for and on behalf of the President of India" should follow the designation appended below the signature of the officer who is authorized in this behalf under Article 299 of the Constitution and who is executing the contract.

(5) The terms of contract must be precise and definite and there must be no room for ambiguity or misconstruction therein. In Central P.W.D., standard contract forms have been prescribed to avoid this possibility. The alternative conditions given in the standard forms that are not applicable to a particular contract should be invariably scored out. In cases where the standard forms of contracts are not convenient to be used, legal and financial advice should be taken in drafting the contracts before they are finally entered into.

(6) No relaxation of specification in a contract, or relaxation of the terms of an agreement entered into by the Government should be made without proper examination and consequence of such relaxation. The interest of the public exchequer should be taken due care before agreeing to any relaxation of agreement or contract. Save in exceptional circumstances, no work of any kind should be commenced without prior execution of contract documents. Even in cases where a formal written agreement is not made, no order for supplies etc. should be placed without at least a written agreement as to the price and other terms of agreement.

(7) "Cost Plus" contract should be avoided except where they are inevitable and prior written approval of Director General (Works) has been obtained.
Explanation: A "Cost Plus" contract means a contract wherein the price payable for supplies or services under the contract is determined on the basis of the actual cost of production of the supplies or services rendered plus profit either at a fixed rate or unit or at a fixed percentage on the actual cost of production.

(8) The terms of the contract once entered into should not be materially varied without the previous consent of the authority competent to accept the tender/offer for the contract as so varied. Such variation involving payment to contractors by way of compensation or otherwise outside the strict terms of the contract or in excess of the contract rates shall be authorized by the Director General (Works)/ Additional Director Generals as per the powers delegated to them in Appendix – I. A variation of the terms of contract, which has been approved by the competent authority, shall be made by writing executed "for and on behalf of the President of India" by an officer who is authorized by the order under Article 299 of the Constitution to execute the original contract.

(9) No contract involving an uncertain or indefinite liability or any condition of an unusual character should be entered into without the previous consent of the Ministry of Finance.

22.2 Execution of agreements

(1) Power to sign agreements

(i) The Divisional Officer shall sign all agreements for execution of works "for and on behalf of the President of India" after the acceptance of tenders by the competent authority.

(ii) However, the Sub-Divisional Officers, instead of Divisional Officers, can sign the agreements for works costing within their powers "for and on behalf of the President of India" after the tenders have been accepted by the competent authority. In case the tendered amount of a tender, which was initially within Sub-Divisional Officer's power of acceptance, goes beyond his power and is accepted by the Executive Engineer, the contract will be signed by the Sub-Divisional Officer after such acceptance by the Executive Engineer.

(2) Avoidance of delay
There should be no delay in executing the agreement as soon as a tender has been accepted by the competent authority.

(3) Corrections in the tender papers
(i) The Divisional Officers/Sub-Divisional Officers should see that conditions not existing in the approved tenders are not in any case allowed to be embodied in the agreements.
(ii) Before signing an agreement it must be ensured that no conditions are inserted which were inadvertently omitted in the tender papers, though included in the NIT. Similarly, no errors, which might have inadvertently crept in the NIT should be corrected.

(4) Recording of date of acceptance of tender in the agreement
The date of acceptance of tender as shown in the letters of acceptance of tender and award of work issued to the contractor, which form part of the agreement, should be indicated in the space at the bottom portion of Page 2 of agreement Form CPWD 7, 8 etc. as the case may be.

(5) Record of agreements
A record of the agreements drawn up should be kept in Form CPWD 42.

22.3 Supply of copies of contracts to contractors

(1) Two sets of contract documents should be prepared and signed by both the parties on each page. One of the sets should be stamped "Original" and the other "Duplicate". The duplicate copy should be supplied to the contractor free of cost

(2) For any additional copies required by the contractor the following prices be charged for each copy:

(i) Works costing upto Rs. 1 lakh.	Rs. 150/-
(ii) Works costing between Rs. 1 lakh and Rs. 50 lakhs.	Rs. 500/-
(iii) Works costing more than Rs. 50 lakhs and upto Rs. 2 crores.	Rs. 1000/-
(iv) Works costing above Rs. 2 crores.	Rs. 1500/-

(3) The additional copies should not be marked as "Triplicate", but should be certified as True copy.

22.4 Certification and safe custody of agreements

(1) Correctness of agreements
The agreements should be properly checked and compared in the office of the Executive Engineer/ Assistant Engineer with the Notice Inviting Tenders as approved by the competent authority. The Divisional Accountant will be held personally responsible for any mistake that is found subsequently after the agreement has been formally signed in respect of agreements signed by the Executive Engineer. Also, he should ensure that before copies of the accepted agreements are forwarded to the authorities concerned, they are complete in all respects.

(2) Custody of agreements
(i) The original contract documents should be kept in the personal custody of the Engineer-in-Charge and should be given to the Divisional Accountant whenever required by him after obtaining acknowledgement.

(3) Supply of certified copies of the agreement
(i) Certified copies of the agreements for which tenders are accepted by an authority higher than the Divisional Officer should be furnished to that authority, by the Engineer-in-Charge. The authority which accepted the tender, on receipt of the copy of agreement from the Divisional Officer, will ensure that the agreement is in accordance with the accepted tender and if mistakes are found, communicate the same to the Divisional Officer.

(ii) The Divisional Officer shall incorporate the corrections and send certified copies of the agreement to the following:
  (a) Tender accepting authority,
  (b) Pay and Accounts Officer,
  (c) Divisional Accountant,
  (d) Assistant Engineer(s) in charge,
  (e) Junior Engineer(s) in charge.

(iii) It has been observed that there is a lot of avoidable delay in the supply of copies to Audit/Pay and Accounts Office. According to instructions, a copy is required to be supplied to Audit/Pay and Accounts Office latest within 4 weeks of acceptance of a tender.

(4) Certification of agreement

(i) The Divisional Officers should certify each copy of an agreement as "True copy" and put their full signatures in token of such certification. Similar action may be taken by Assistant Executive Engineer/Assistant Engineer in respect of agreements within his power.

(ii) Also, the original, duplicate and all copies of an agreement should be properly sealed.

(5) Payments only after execution and supply of copies of agreement

In the absence of execution of agreement, the first payment should not be made to the contractor without specific sanction from the Superintending Engineer. No subsequent payment(s) should be made unless the agreement has been signed.

22.5 Weeding out of old agreements

(1) Formation of Committee

For weeding out old agreements, a Committee consisting of the following shall be constituted by the Chief Engineer:
  (a) Superintending Engineer(P)/Superintending Engineer(A)
  (b) Financial Officer to Chief Engineer
  (c) Executive Engineer of the concerned Division
  (d) Divisional Accountant of the concerned Division.

(2) The Committee will review all agreements for which final bill has been paid at least 10 years earlier and will decide which of those are to be weeded out, considering the points given in (a), (b) and (c) below. The Committee will record the following certificate before weeding out/destruction of such records.
  (a) The agreements are not required to be preserved for legal references, such as arbitration/ court cases, or any other claims of contractor/department.
  (b) The agreements are not required to be preserved for any pending Statutory Audit/Internal Audit paras, or settlement of any accounts affecting the exchequer.
  (c) The Committee is satisfied that these records are no more required for any other referred cases etc., and no claims in respect of such records are likely to arise in future.

(3) The Committee will also prepare a list of such records as per proforma given in (Annexure) for all agreements that are weeded out.

22.6 Supplementary agreements

(1) Where it is not desirable to keep the complete contract open for minor items, execution of which is not immediately possible on account of:
  (i) Certain prerequisite(s) which is(are) not the responsibility of the contractor, or
  (ii) Execution of maintenance/operation of equipments and installations for a specified period after completion of the construction/erection work.

  In such cases the main contract may be finalized, and the residual work may be got done through the same contractor by execution of a Supplementary Agreement on the form prescribed vide Appendix 26.

(2) The authority competent to accept the tender will be the authority to order provisional closure of the original contract and drawing up of the supplementary agreement.

(3) The bill in relation to the work already done by the contractor against the first or original agreement should be provisionally finalized on the Final Bill Form (Yellow Paper) by adding the words "Provisional Final" on the top as well as against the entry "Serial number of this bill" of the said Bill Form. As per condition 2 (f) of the Supplementary Agreement, the final bill relating to the entire work under the two agreements, i.e. original and supplementary agreements, shall be prepared after completion of the entire work on the Final Bill Form (Yellow Paper).

22.7 Completion of Agreements

Adequate care should be taken to complete the agreement to be entered into between the contractor and the Executive Engineer for and on behalf of the President of India.

(1) Constituents of an agreement

(a) A complete agreement would consist of:

(i) CPWD Form no. 6, i.e. notice inviting tenders (which is invariably issued by the Divisional Officer irrespective of the fact whether he is competent to accept the tender or not),

(ii) Pamphlet CPWD Form 7 or 8 or any other form used for the contract,

(iii) Schedule of Quantities which indicates items of work, quantity, rates, unit, amount,

(iv) Letter of the contractor submitting the tender,

(v) Other letters of the contractor and the departmental officers that were exchanged before the tender is accepted,

(vi) Letter of the Executive Engineer communicating acceptance of the tender, and

(vii) Letter of the Executive Engineer regarding commencement of the work (after submission of the performance security/guarantee by the contractor).

(b) CPWD Safety Code, Model Rules for protection of health and sanitary arrangements for workers employed by the CPWD or its contractors, Central PWD Contractors' Labour Regulations, Fair Wages clauses etc. should form part of the agreement.

(2) Signing of all correction slips by the contractor Instances have come to notice where there are a number of correction slips which are required to be inserted at the time of drawing the agreement, in some cases the contractors fail to sign one or more correction slips resulting in dispute and disregarding claims of the Department. As such, special care is required to be taken to see that all corrections, additions, alterations, or slips attached to the agreements are duly signed both by the contractor and the Executive Engineer.

Annexure

Proforma for weeding out and destruction of old agreements

[Reference para 22.5(3)]

(1) Division .....
(2) Circle ……..
(3) Zone ……..
(4) Executive Engineer ……
(5) Superintending Engineer …….....
(6) Chief Engineer ……..

S. no.	Name of work	Agree-ment no.	Agency	Date of Start	Date of Com-pletion (slipu-ted)	Date of Com-pletion (actu-al)	Esti-mate Cost put to tender	Tendered Amount	% above/ below	Vr. no.& date of final bill	Amt.of final bill	Audit para, if any	Arbitration case, if any	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15

SECTION 23
EXTRA SUBSTITUTED AND DEVIATED ITEMS OF WORK

23.1 Deviations

Deviation means deviation in quantities of items, i.e. where there is increase or decrease in the quantities of items of work in the agreement.

23.1.1 Market rates for quantities deviating beyond certain limit

As per provisions of clause 12.2 of GCC, in case of agreement items, substituted item, agreement cum substituted items which exceed the limit stipulated in schedule F, of the contract, the contractor within 15 days of receipt of order or occurance of the excess, can claim revision of rates, supported by proper analysis, for excess quantities. Engineer-in-Charge shall consider the analysis submitted by contractor and determine the rates on basis of market rates.

Further as per provision of clause 12.3 of GCC, in case market rates are less than the agreement rates then in such a case Engineer-in-Charge should give notice to the contractor within one month of occurance of the excess and should decide the rates based on market rates considering the reply of contractor.

The rates should be worked out by adopting the market rates of material/labour, prevailing at the time of occurance of excess, in the relevant item as adopted in the justification

23.1.2 Sanction of deviations

Apart from obligation of sanctioning rates under clause 12.2, 12.3 of contract, a proper check is needed on deviations in quantities on higher/lower side for each and every item. In order to exercise proper check on deviations, following procedures shall be followed.

(1) Deviations in quantities of individual item upto $\pm$ 10% of agreement quantities will not need any prior approval of TS authority and sanction of deviations is not required.
(2) Deviations beyond this limit of $\pm$ 10% should not be made at site without in principle approval of TS authority. Once in principle approval is obtained, the total deviations (including initial $\pm$ 10%) shall be sanctioned by officers as per delegation of powers given at Appendix 1.

The amount of a deviation statement shall be the algebraic sum of deviation amounts of all individual items.

23.2 Extra/Substituted Items

23.2.1 Definition

(1) Extra items of work are items that are completely new, and are in addition to the items contained in the contract.
(2) Substituted items are items that are taken up with partial modification or in lieu of items of work in the contract.

23.2.2 Nomenclature of item

The wordings of the extra/substituted items sanctioned by the competent authorities should be properly formulated so as to reflect the exact mode of execution in the field.

23.2.3 Prior sanction of competent authority necessary

(1) No extra/substituted item should be executed or approved without the prior concurrence of its necessity by the authority who accorded the technical sanction.
(2) The powers for sanctioning the substituted/extra items are given in Appendix – I.
(3) Assistant Engineer/Executive Engineer should anticipate any extra /substituted item that may be necessary for the execution of the work, and they shall initiate the case after obtaining prior concurrence as per sub-para (1) above for its approval from the competent authority. Such cases shall be expeditiously processed at all levels to minimise delay in the execution of the work.

(4) Pendency of such items shall be closely monitored by Executive Engineer and higher level officers. Para 5.5 of this Manual may be referred to regarding the submission of monthly progress reports for large value works by the contractors, in which such pending items are to be highlighted by the contractors.

23.3 Determination of rates for deviated/extra/substituted items

(1) The rate of extra items and deviation items beyond the permissible limit will be worked out at market rates prevailing at the time of commencement of execution of these items. For substituted items, the agreement rate of the original item will be adjusted for the difference in market rates of original and substituted items. The analysis of rates on market rates should be on similar lines as adopted in the justification of tender.

(2) For working out rates under Clause 12 of Forms CPWD 7 and 8, the contractor shall submit his rates alongwith proper analysis for all extra/substituted items. These shall be duly considered by the Engineer-in-charge while finalizing the rates or forwarding the statement(s) for obtaining the approval of the competent authority.

23.4 Measurements for inadmissible items

In case of items that are claimed by the contractor but in the wisdom of the Department are not admissible for payment, measurements should be recorded without prejudice for record purposes only, so that in case it is subsequently decided to admit the contractor's claims there should be no difficulty in determining the quantities of such work done. A suitable remark should, however, be made in red ink against such measurements to guard against payment.

23.5 Rates for extra items allowing overheads on stipulated material supplied to contractor

2.5% may be added as overheads over the issue rates of materials stipulated in the contract while analyzing rates for extra items. The percentage represents the following charges:

(i) Office expenditure of the contractor.

(ii) Storage of materials.

(iii) Handling expenses and other incidental charges.

The percentage does not include transport charges**.**

SECTION 24
SITE ORDER BOOKS AND INSPECTION REGISTER

24.1 Maintenance of Site Order Books

(1) The Site Order Books shall be maintained in the form prescribed in Appendix 27. The Site Order Book shall be printed and its pages machine numbered and issued by the Executive Engineer in different sizes containing sufficient number of pages, depending upon the magnitude of the work.

(2) A flyleaf should be attached with each Site Order Book containing instructions regarding maintenance of Site Order Books.

(3) These will be maintained properly and preserved for a period of 5 years or up to the time all disputes/arbitration cases of the work are finally settled, whichever is later, after completion of a work in the same manner as a Measurement Book.

(4) The following procedure shall be followed regarding the maintenance of Site Order Books:

(a) Senior Officers of the rank of Superintending Engineer and above shall communicate their observations by way of inspection notes.

(b) Verbal orders of Senior Officer
Whenever any Senior Officer gives verbal instructions to his Junior Officer at the site of work, it is necessary that he should confirm such orders in writing. In any case, it should be the responsibility of the Junior Officer to get these confirmed in writing. Though verbal orders have got to be confirmed in all cases, implementation of these verbal orders should not be delayed for want of confirmation.

(c) Observations of the Architect during his site inspection
While carrying out field inspections, the Architects may point out architectural defects through separate inspection notes, and their observations shall be acted upon by field staff after proper examination from technical, contractual and financial angles.

(d) As far as the Executive Engineer and Assistant Engineer are concerned, they should invariably sign the Site Order Book in token of their having read all the instructions issued by various Officers and replies made thereto. In case the Executive Engineer or Assistant Engineer himself wants to give any instructions, he should record them in the Site Order Book. In regard to important matters, they may find it necessary to communicate such orders even in writing in the form of inspection notes.

(e) The Junior Engineer/Assistant Engineer should also record his observations in the Site Order Book if he finds any defective work going on, or if the contractor is not complying with any of the terms of the contract, or on the slow progress of work, if any.

(f) The Site Order Book should be maintained at the site of the work, and it should never be removed from there under any circumstance.

(g) Recording of observations by the contractor The contractor or his authorized agent will also be at liberty to note his difficulties etc. in this Book.

(h) Recording of compliance of orders/instructions
The compliance of orders/instructions given by the supervisory staff and the date(s) of its(their) compliance should be recorded side by side in the Site Order Book by the Junior Engineer/ Assistant Engineer with dated initials. The Executive Engineer should also periodically review the Site Order Book to ensure that it is being properly maintained and used.

(i) Verification of Site Order Book before releasing payment
The Site Order Book should be consulted at the time of making payments to the contractor. The Assistant Engineer should record the certificate on the bill(s) submitted by the contractor to the effect that the Site Order Book has been verified before signing such bill(s). This would enable the Assistant Engineer to ensure whether the defects pointed out during construction have been rectified or not, and also to propose part rates, if necessary, before the payments are made for the items of work for which defects were pointed out but have not been rectified.

24.2 Maintenance of Inspection Register

(1) An Inspection Register is required to be maintained at every site of work, duly issued by Executive Engineer and docketed from the Division Office.

(2) The proforma for the Inspection Register shall be as per Annexure.

(3) Entries regarding site visit of senior officers

(i) Whenever he visits the site, the Superintending Engineer shall record the date and time of his visit, items inspected and his observations. Entry of visit should be made even if no defects are observed.

(ii) Similarly, the Chief Engineer shall record his observations in the Inspection Register, at least in 50% of his visits, and in other visits he shall at least sign the Inspection Register in token of his visit to the work.

(iii) If for some reason, the Chief Engineer is not in a position to do so, he may direct the Executive Engineer to record his observations in the Inspection Register and send a copy of those observations to the Chief Engineer by way of confirmation.

(4) Alternatively, the Chief Engineer/Superintending Engineer may issue inspection notes, copies of which shall be pasted in the Inspection Register.

(5) It will be the responsibility of the Executive Engineer to ensure that the observations of the inspecting officers for each and every visit are available in the Inspection Register, either through recorded notes or through pasting of the inspection notes.

(6) Carrying over senior officers' observations to the Site Order Book

The Executive Engineer/Assistant Engineer shall carry over such observation and defects on which action is to be taken by contractor to the Site Order Book with appropriate cross references in the Inspection Register.

(7) Review of observations for compliance

It is also necessary that the observations recorded in the Inspection Register by the Chief Engineer/ Superintending Engineer be reviewed during their subsequent inspections to ensure their compliance.

(8) These are also required to be reviewed during Quality Assurance Inspection.

Annexure
Inspection Register
[Reference para 24.2(2)]

Name of work: ……

S. no.	Date and time	Officer's name and designation	Items inspected and specific defects noticed & action to be taken	Signature	Defects taken to Site Order Book/ letter written			Final action/ result
					Site Order Book page no. /letter no.	Date	Sign. of AE/EE	
1	2	3	4	5	6	7	8	9

SECTION 25
ISSUE OF MATERIALS TO CONTRACTORS

25.1 Issue of materials

(1) Issue of materials to works, whether from stock or by purchase, transfer or manufacture, are divided into two classes:

(i) Issue to contractor:
Issue of materials to contractors with whom agreements in respect of completed items of works, i.e. for both labour and materials, have been entered into.

(ii) Issue direct to works:
Issue of materials when work is done departmentally or through a contractor whose agreement is for labour only.

(2) In view of likely liability of Sales tax, it has been decided not to stipulate materials in the contract for issue to contractors unless some exigencies of work so demand in which case approval of DGW will be required on case to case basis. Wherever such approval is obtained following shall be followed.

The issue of materials to contractors is to be stipulated in contracts, which are for completed items of work, only in the following circumstances:

(i) When it is necessary to retain in the hands of Government the supply of imported materials.

(ii) When, in the interest of work, or with the object of utilizing existing stocks or materials, it is desirable to retain in the hands of Government the supply of certain other materials as well, and a condition to this effect has been inserted in the contract.

(3) Stipulation of materials to be issued by the Department

(i) Stipulated materials shall be issued for use at site on works, for all the items where such materials are required. For factory made products like pre-cast cement tiles, pre-cast hollow concrete blocks, pre-cast foam concrete blocks, pre-cast RCC pipes etc., stipulated materials shall not be issued.

(ii) It should also be ensured that description of the materials to be issued should be adequately specified in order to obviate chances of any dispute. For example, if cement is specified for issue, its grade and colour, i.e. whether it is grey cement or white cement, should be stated and also whether it will be in bags or otherwise.

(iii) The contract should specify:
(a) the materials to be supplied by Government for use on the work,
(b) the place or places of delivery, and
(c) the rates to be charged to the contractor for each description of materials.

(iv) The rates to be charged to the contractors for materials to be supplied should be definitely specified (vague provisions e.g. at stock rates should be avoided) and if intending contractors had been told that the materials would be supplied at certain rates and asked to tender on that assumption, then that rate should be adhered to in the contract.

(v) No carriage or incidental charges are borne by Government for moving the materials beyond the place where the contractor has agreed to take delivery thereof.

(vi) The contractor should be held responsible for obtaining from Government all such materials required for the work, and for making payment for them by deduction from his bills at the rates specified, regardless of fluctuation in the market rates or in the stock rates of the Division.

(vii) Conditions for supply of departmental materials should be so explicit that no doubt or ambiguity is left which may encourage the contractor to derive undue financial benefit subsequently. The tender documents should include the specific items of work for which materials are intended to be issued by the department with detailed description of materials.

(4) Stipulation of free issue of materials
In contracts entered into by the department for works, stipulation to issue departmental materials such as steel, cement etc. free of cost should be avoided. However, in some exceptional cases, if such free issue of departmental materials is stipulated, it should be ensured that suitable provisions are made in the contract with regard to return of surplus materials and/or material used in excess of theoretical requirement. The provision for wastage/variation, if any, that will be permitted should be clearly indicated. The recovery rate for effecting recovery from the contractor, in case the excess materials are not returned or if the wastage/variation is more than the permissible limit, should also be clearly stipulated, and it should be so fixed that it discourages the contractor from retaining the unused materials.

(5) Clear nomenclature of materials in MAS and USR
In the MAS Account and in the unstamped receipts obtained from the contractors for the materials issued to them (especially in the case of electrical materials and fittings), and even when these are issued free of cost as stipulated in the agreement, makes of materials/fittings and full technical details of the accessories shall be clearly indicated to ensure that the same materials/fittings as issued by the Department are kept in safe custody by the contractor at all times, and used on the works for which these are issued.

(6) Drawing of stipulated materials by the contractor
It is not permissible for the contractor to obtain the materials otherwise where the contract stipulates the issue of materials by the Department, unless in a case of emergency the supply has been entrusted by the Engineer-in-charge for recorded reasons to the contractor himself at suitable rates.

(7) Stipulation of materials that are not available
The Divisional Officers should not make any provision in the tender for the supply of materials by the Department to the contractors if the materials are not available for issue from the Government stores, or where they cannot be arranged in time for issue.

25.2 Issue of materials when not stipulated

(1) As a general rule, no material other than that stipulated for issue in the contract should be supplied to contractor for use on a works, but this restriction may be waived by the Sub-Divisional Officer in respect of petty issues (at full issue rates) of materials from existing stocks not exceeding Rs. 1000/- in any month for any one contract.

(2) If at any time subsequent to the execution of a contract for finished items, the contractor desires the issue to him, for use on a work, of materials which exist in Government stores, but the supply whereof by Government was not provided for in contract, the materials should not be issued except with the express authority of the Superintending Engineer who should specify in each case the rate to be charged for the materials inclusive of delivery at the place where they are stored. When submitting such a case to the Superintending Engineer, the Divisional Officer should elucidate the circumstances that gave rise to this contingency and should also add his recommendations in respect of the recovery rates for such materials.

(3) Issue rate to be charged
   (i) The rate charged for the materials should be:
      (a) That provided in the Analysis of Rate for the item of work on which it would be used, plus or minus the percentage above or below the Schedule Rate allowed to the contractor, or
      (b) Market rate, or
      (c) Stock issue rate plus storage charges, whichever is higher. No carriage or incidental charges should be borne by Government in connection with the supply.
   (ii) Where the finished item in which the materials to be used is available in the agreement, while adopting the three rate formula as above, the rate as per analysis should be taken as basic rate adopted in the Analysis of Rate, plus 7-1/2% contractor's profit, multiplied by the percentage

the rate quoted for that particular item bears to the estimated rate of the item. In case the same material is to be used in more than one finished item this percentage should be worked out on an average basis taking into account the tender rates and estimated rates for these items (weighted average).

(iii) Where the finished item in which the material is to be used is not available in the agreement, or where its rate is derived according to clause 12.2 of the agreement, the element of rate for the materials taken in the Analysis of Rate of the item should be considered while applying the three rate formula.

(4) In cases in which the Government undertakes to supply materials to a contractor, full description of the materials as also its condition should be indicated in the relevant conditions of agreement with a view to safeguard the interests of the Government.

(5) Free issue of non-stipulated materials to the Contractor should be avoided as far as possible.

25.3 Issue and recovery of cost of materials

(1) USR against every issue of material
An unstamped but dated acknowledgment detailing full particulars of the material, including rate and value chargeable to him, should be taken from the contractor as soon as any material required for issue to the contractor is made over to him.

(2) Regulated issue of materials
It should be ensured that the materials are not issued to contractor arbitrarily and without keeping an eye on the actual requirement at site. It is essential that issues to contractors are regulated and restricted to actual requirements depending on the progress of the work.

25.3.1 Issue of cement and steel and other materials and check on their consumption

(1) The theoretical consumption statement for consumption of cement on the work executed from the start of the work up to and including the work included in the bill should be invariably prepared along with every running bill. This should be got signed from the contractor at the time of obtaining his signature on the running account bill so that he is aware of the basis on which the theoretical quantity of cement is worked out, and it may be possible for the contractor as well as the Department to exercise a check over the consumption of cement during the execution of the work. The theoretical quantity so worked out should be compared with the actual issue of cement as per Cement Register as on the last date of the measurement of the work. Should there be any difference beyond the normal permissible limits of variations between these two quantities, such difference should be properly explained both for less or more consumption by the Assistant Engineer, and the Executive Engineer should go into such explanations and take remedial measures.

(2) In order to have an effective control over the issue of cement, the following drill should be observed:

(i) The cement godown(s) should be properly and effectively double locked, keys of one of the locks remaining with the department and that of the other with the contractor.

(ii) The pages of the Cement Register should be as per Appendix – 28, machine numbered and each page initialled by the Executive Engineer.

(iii) Periodical checking of cement godown
The cement godown and the Cement Register should be checked by the Assistant Engineer/ Executive Engineer in-charge of the work as per following schedule:

(a) At least weekly or fortnightly, respectively, in case of works at the headquarters of the Assistant Engineer/Executive Engineer.

(b) Whenever they visit the site of work in case of works that are located outside the Sub-Divisional/Dvisional headquarters, and

(iv) As an additional safe guard, the following instructions should be followed:

(a) Display of position of cement outside the store
For all works costing more than Rs. 10 lakhs and using cement, the contractor shall distinctly display a board at work site on the cement store indicating the opening balance

on a particular date, receipt during the day, issue during the day and closing balance at the end of the day (The entries for receipts and issues shall be updated immediately on physical receipt and physical issue, and also at the end of the day).

(b) Procedure for indenting, receipt and issue of cement and steel

While issuing an indent for fresh cement/steel, the balance material available at the site should be checked. The Assistant Engineer must record on the body of the indent, the balance of such material available at the time and date of issue of the indent, which should be taken into account by the Executive Engineer before signing the indent.

At the time of receipt of the materials, not only the date but also the time of receipt shall be mentioned in the Cement Register as well as in the MAS Register. The entries should be made separately for each truck, giving the gate pass number. The consignee should also indicate the time/date of receipt of material on the gate pass that is returned to the Central Stores through the transporter. Gate pass should be counter signed by the Assistant Engineer for all quantities of cement received against indents of 10 tonnes and above.

The cement/steel and other materials received from Stores/Local purchase etc. on any particular day, shall not be used in the work or transferred to any other work for 24 hours from the time of receipt at site, for physical check and verification by the Assistant Engineer. The cement already available in the store should be consumed first, before issue from the new consignment. Similarly, new steel items should be stacked in countable shape to facilitate physical check before these are used. The principle of first in and first out in issuing cement bags should be strictly followed.

(c) Checking of steel consumption

For making comparison of the actual consumption of steel with the theoretical consumption, each diameter of steel bars should be treated as an individual item issued departmentally and check on theoretical consumption should be applied to each diameter.

Theoretical consumption statement for steel bars should be prepared along with every running bill. Should there be any case of issue being less or just equal in any particular diameter/section than the actual consumption, this should be properly investigated. If such issue, diameter wise/section wise or in total, is very much higher than the consumption, it should be generally ensured that the balance steel is available at site in good condition and this should be certified by the Assistant Engineer. Any serious discrepancies that are noticed should be reported to the Superintending Engineer.

(3) Similar precautions should be taken in the case of all other materials issued by the Department.

(4) Recovery from the contractor

The recovery from the contractor shall be regulated as per clause 42 of the agreement, and its interpretation may also be referred to under section 32 of this Manual.

25.4 Issue rates and recovery of cost

(1) Issue rates of cement, steel or any other items in the contract should not be less than the market rates of these commodities irrespective of the issue rates of the Central Stores.

(2) Recovery for materials issued

The recovery from a contractor on account of the cost of materials issued to him for use on a work should ordinarily be made by deduction from the first bill authorizing an advance payment, or an on account payment to him for the work. However, the recovery from the contractor on account of the cost of materials issued to him for use on a work may be made gradually by the Divisional Officer on the basis of the theoretical consumption plus wastage of the material used in the work as measured up-to-date. For each bill, the field staff should certify that the balance material(s) is(are) available in the contractor's custody. In case of shortage, the cost of the same should be immediately recovered from the contractor.

(3) Maintenance of account for materials issued
The Sub-Divisional Officer shall maintain a proper numerical account in Form 35 A for materials issued to the Contractor.

(4) Recovery for excess/less use of bitumen
(i) Where free supply of bitumen is stipulated, recovery rate for supply in excess of permissible variation (2.5% over theoretical consumption), shall be equal to the stock issue rate plus 10% or market rate whichever is higher. No recovery should be made for less use of bitumen.
(ii) Where bitumen is supplied at a fixed rate, recovery at issue rate plus 10% or market rate whichever is higher should be made for supply in excess of permissible variation over theoretical consumption. Where less than theoretical requirements of bitumen is used, recovery at issue rate plus cartage should be made for difference between actual consumption and theoretical requirement of bitumen.

25.5 Return of surplus materials

(1) Where any material for the execution of the contract is procured with the assistance of Government, either by issue from Government stocks or purchase made under orders or permits or licenses issued by the Government, the contractor is required to use the said materials economically and solely for the purpose of the contract, and not dispose of them without the written permission of the Government. He should return, if required by the Engineer-in-charge, all surplus or unserviceable materials that may be left with him after completion of the contract, or at its termination for any reason whatsoever, on being paid or credited such price as the Engineer-in-charge shall determine having due regard to the condition of the materials. The price allowed to the contractor, however, shall not exceed the amount charged to him excluding the element of storage charges. The decision of the Engineer-in-charge shall be final and conclusive.

(2) In the event of breach of the aforesaid condition, the contractor shall, in addition to throwing himself open to action for contravention of the terms of the license or permit and/or for criminal breach of trust, be liable to Government for all moneys, advantages or profits resulting or which in the usual course would have resulted to him by reason of such breach.

(3) The exact proportion in which the materials are to be used by the contractor, for which he has tendered for the finished items of works, is laid down in the Specifications/Schedule of Rates. The theoretical quantities of the materials that should have been used by the contractor on execution of the work should be calculated according to the Specifications/Schedule of Rates provided in the contract. According to clause 42 of the agreement, the difference between the theoretical consumption and the total actual issues that is not returned by the contractor, is to be recovered at the prescribed rate after allowing variation allowed therein.

(4) Similarly, the cost of the materials less used, based on the stipulated issue rates etc., is to be regulated according to the provisions of the said clause.

(5) The excess consumption of materials beyond the permissible limit as given in clause 42 of the contract shall be recovered at normal stipulated rate +10%.

25.5.1 Recovery of materials issued for rectification of defects

In order to discourage a contractor from doing bad work, no allowance is to be given for the materials issued for rectification of defects. The materials issued for rectification of defective work should be recorded separately and recovered at double the issue rate. The work that is re-done should be measured for record purpose if the dismantled work has already been measured.

25.5.2 Recovery of materials issued for re-doing works due to circumstances beyond the control of the contractor

If it becomes necessary to issue cement or any other material for rectification of defects or for re-doing works that are necessitated due to natural calamity beyond the control of a contractor, such as

floods, earthquakes, etc. such issues should be treated as legitimate consumption on works and should not be charged at rates higher than the issue rates. On the question whether re-doing of work of rectification of defects has, in a particular case, been necessitated by natural calamities etc., the decision the Chief Engineer concerned shall be final.

25.6 Instructions regarding storage of cement in godowns

The provisions of para 3.1.2.2 of the CPWD Specifications Volume 1 need not be followed in respect of construction of cement godowns for works where consumption of cement in a work does not exceed 5 tonnes. In such cases, the contractor shall be permitted to store cement at site inside a covered shelter providing adequate safeguards against clodding of cement due to action of water, and theft. The Engineer-in-charge shall inspect such shelter and satisfy himself that adequate safeguards as mentioned above exist.

25.7 Issue of next half day's cement requirements

In view of the double locking system of cement godowns, it is necessary that the Executive Engineer should ensure that the Department's representative should reach the go-down site in time every morning to enable the cement to be taken out of the godown for starting the work. They may also, if necessary, permit the issue to the contractors of all classes in the evening some extra cement that is adequate to start the work next day. They should ensure that the extra cement issued is not more than half day's requirement for a particular work. Such issues should also be shown in the Cement Register.

SECTION 26
MATERIALS ARRANGED BY THE CONTRACTOR

In all contracts where departmental issue of cement and steel is not stipulated, special conditions shall be incorporated as below:

26.1 Special conditions for cement

(1) The contractor shall procure 43 grade (conforming to IS 8112) ordinary Portland cement, as required in the work, from reputed manufacturers of cement having a production capacity not less than one million tonnes or more per annum, such as ACC, UltraTech, J.P.Rewa, Vikram, Shri Cement, Birla Jute & Cement Corporation of India etc., as approved by the Ministry of Industry, Government of India, and holding license to use ISI certification mark for their product. The tenderers may also submit a list of names of cement manufacturers which they propose to use in the work. The tender accepting authority reserves right to accept or reject name(s) of cement manufacturer(s) which the tenderer proposes to use in the work. No change in the tendered rates will be accepted if the tender accepting authority does not accept the list of cement manufacturers, given by the tenderer, fully or partially.

The supply of cement shall be taken in 50 kg. bags bearing manufacturer's name and ISI marking. Samples of cement arranged by the contractor shall be taken by the Engineer-in-charge and got tested in accordance with provisions of relevant BIS codes. In case the test results indicate that the cement arranged by the contractor does not conform to the relevant BIS codes, the same shall stand rejected, and it shall be removed from the site by the contractor at his own cost within a week's time of written order from the Engineer- in-charge to do so.

(2) The cement shall be brought at site in bulk supply of approximately 50 tonnes or as decided by the Engineer- in- charge.

The cement godown of the capacity to store a minimum of 2000 bags of cement shall be constructed by the contractor at site of work for which no extra payment shall be made.

(3) Double lock provision shall be made to the door of the cement godown. The keys of one lock shall remain with the Engineer-in-Charge or his authorized representative and the keys of the other lock shall remain with the contractor. The contractor shall be responsible for the watch and ward and safety of the cement godown. The contractor shall facilitate the inspection of the cement godown by the Engineer-in-Charge at any time.

(4) The cement shall be got tested by the Engineer-in-charge and shall be used on the work only after satisfactory test results have been received. The contractor shall supply free of charge the cement required for testing including its transportation cost to testing laboratories. The cost of tests shall be borne by the contractor/Department in the manner indicated below:

(a) By the contractor, if the results show that the cement does not conform to relevant BIS codes.
(b) By the Department, if the results show that the cement conforms to relevant BIS codes.

(5) The actual issue and consumption of cement on work shall be regulated and proper accounts maintained as provided in clause 10 of the contract. The theoretical consumption of cement shall be worked out as per procedure prescribed in clause 42 of the contract and shall be governed by conditions laid therein. In case the cement consumption is less than theoretical consumption including permissible variation, recovery at the rate so prescribed shall be made. In case of excess consumption no adjustment need to made.

(6) The cement brought to the site and the cement remaining unused after completion of the work shall not be removed from site without the written permission of the Engineer-in-charge.

(7) The damaged cement shall be removed from the site immediately by the contractor on receipt of a notice in writing from the Engineer-in-charge. If he does not do so within 3 days of receipt of such notice, the Engineer-in-charge shall get it removed at the cost of the contractor.

Chief Engineers may change the brand of Cement depending upon availability in local market, if needed. Instructions in this respect can be issued by them at regular intervals. The name of manufacturers should be finalized after taking into consideration the suggestions of contractors during pre bid meeting, if any.

Similar conditions for cement of other types like slag cement etc. may be incorporated wherever required by the NIT approving authority by providing for relevant BIS Codes, suitable brands of cement and technical circulars issued by the department.

26.2 Special conditions for steel

(1) The contractor shall procure steel reinforcement bars conforming to the relevant BIS codes from the main producers as approved by the Ministry of Steel and secondary producers or re-rollers having valid BIS licence. For TMT bars conforming to relevant BIS code, procurement shall be made from main producers and secondary producers having valid BIS licence.

(2) The contractor shall have to obtain and furnish test certificates to the Engineer-in-charge in respect of all supplies of steel brought by him to the site of work.

(3) Samples shall also be taken and got tested by the Engineer-in-charge as per the provisions in this regard in relevant BIS codes. In case the test results indicate that the steel arranged by the contractor does not conform to BIS codes, the same shall stand rejected, and it shall be removed from the site of work by the contractor at his cost within a week time of written orders from the Engineer-in-charge to do so.

(4) The steel reinforcement bars shall be brought to the site in bulk supply of 10 tonnes or more, or as decided by the Engineer-in-charge.

(5) The steel reinforcement bars shall be stored by the contractor at site of work in such a way as to prevent their distortion and corrosion, and nothing extra shall be paid on this account. Bars of different sizes and lengths shall be stored separately to facilitate easy counting and checking.

(6) For checking nominal mass, tensile strength, bend test, re-bend test etc. specimens of sufficient length shall be cut from each size of the bar at random, and at frequency not less than that specified below:

Size of bar	*For consignment below 100 tonnes*	*For consignment above 100 tonnes*
Under 10 mm dia bars	One sample for each 25 tonnes or part thereof	One sample for each 40 tonnes or part there of
10 mm to 16 mm dia bars	One sample for each 35 tonnes or part there of	One sample for each 45 tonnes or part there of
Over 16 mm dia bars	One sample for each 45 tonnes or part there of	One sample for each 50 tonnes or part there of

(7) The contractor shall supply free of charge the steel required for testing including its transportation to testing laboratories. The cost of tests shall be borne by the contractor/Department in the manner indicated below:
   (a) By the contractor, if the results show that the steel does not conform to relevant BIS codes.
   (b) By the Department, if the results show that the steel conforms to relevant BIS codes.

(8) The actual issue and consumption of steel on work shall be regulated and proper accounts maintained as provided in clause 10 of the contract. The theoretical consumption of steel shall be worked out as per procedure prescribed in clause 42 of the contract and shall be governed by conditions laid therein. In case the consumption is less than theoretical consumption including permissible variations recovery at the rate so prescribed shall be made. In case of excess consumption no adjustment need to be made.

(9) The steel brought to site and the steel remaining unused shall not be removed from site without the written permission of the Engineer-in-charge.

26.3 Removal of rejected/sub-standard materials

The following procedure shall be followed for the removal of rejected/sub-standard materials from the site of work:

(i) Whenever any material brought by the contractor to the site of work is rejected, entry thereof should invariably be made in the Site Order Book under the signature of the Assistant Engineer, giving the approximate quantity of such materials.

(ii) As soon as the material is removed, a certificate to that effect shall be recorded by the Assistant Engineer against the original entry, giving the date of removal and mode of removal, i.e., whether by truck, carts, or by manual labour. If the removal is by truck, the registration number of the truck should be recorded.

(iii) When it is not possible for the Assistant Engineer to be present at the site of work at the time of actual removal of the rejected/sub-standard materials from the site, the required certificate should be recorded by the Junior Engineer, and the Assistant Engineer should countersign the certificate recorded by the Junior Engineer.

26.4 Periodical checking of cement

Instructions as given in para 25.3.1 may be followed and Para 10.5(3) of this Manual may be seen regarding Ready Mixed Concrete (RMC) that may be stipulated for use in a work.

SECTION 27
ISSUE OF TOOLS AND PLANT

27.1 Conditions for issue

(1) When Tools and Plant such as road rollers, concrete mixers, etc. are available for issue to the contractor for bonafide use on a work of the Department, the Divisional Officer should invariably stipulate a provision for the supply of such T & P articles both in the Notice Inviting Tender and in the contract documents, specifying clearly the rates of recovery. Before making such a stipulation the availability of the road rollers etc. should be ascertained from the Central Public Works Department Divisions concerned. Advance intimation to the concerned Division should also be given for arranging the road rollers, etc. at the proper time.

(2) If a project or work is sufficiently big, warranting the use of a number of road rollers, the Executive Engineer (E) may consider opening a road roller shed and a workshop at or near the site of work, well staffed and equipped, to avoid loss of time in transit and to ensure proper utilization of the machinery.

(3) In exceptional cases where the T & P articles are hired out to the contractor without being provided for in the agreement, the full economic rate, i.e. rate chargeable from non-government bodies should be charged.

(4) Issue of the equipment(s) to private bodies should be made in very exceptional cases, and with the approval of the competent authority.

(5) As a matter of principle only such Plant and Machinery should be issued to contractor, quasi Govt. bodies, such as Municipalities or others, as can be spared without inconvenience to the department.

27.2 Calculation of hire charges

(1) The following procedure should be adopted in determining the hire and other charges when articles of Tools and Plants are lent to local bodies, contractors or others:
The following types of charges may be recovered:
   (i) Direct charges
      (a) Running expenses: All the expenditure that is incurred in working the tools and plants or machinery that would not be incurred if it were not being worked. In case the running expenses or a part thereof are borne by the contractor the same may be deducted from the hire charges.
      (b) Maintenance charges:
      Supervision charges.
      Minor repairs.
      Special Repairs.
      Other miscellaneous charges.
   (ii) Indirect Charges
      (a) Depreciation charges: Value of the article as it decreases due to fair wear and tear. This is calculated by assuming the life of the article and dividing the purchase cost by the number of years.
      (b) Interest.
      (c) Departmental charges on running expenses.

(2) The hire charges of different types of machinery, and T & P are fixed from time to time taking into account all the above principles in determining the rates thereof.

27.3 Recovery of hire charges

(1) The hire charges shall be recovered as below:
   (i) In case where T&P is issued as per stipulation in the agreement
   Only Direct charges mentioned above shall be recovered.

(ii) In case where T&P is issued without stipulation in the agreement
Full hire charges, i.e. Direct charges and Indirect charges, both shall be recovered.

(iii) In case T&P is issued to other departments and private bodies, when articles are lent to them for use on works under their supervision
All the charges mentioned under para 27.2, excepting supervision charges, shall be recovered.

(2) Different rates for hire charges as determined above are applicable for use on CPWD works, either done departmentally or through contract where supply of T & P is stipulated in the agreement for issue to the contractor. If the T & P is issued to private individuals, non-government bodies or even to departmental contractors where there is no stipulation for issue in the agreement, full economic rates are chargeable.

(3) In this connection, the following conditions are required to be observed:

(i) The hire charges shall be recovered at the prescribed rates from and inclusive of the date the plant and/or machine is made over, and up to and inclusive of the date of its return in good order, even though the same may not have been working for any cause except for major breakdown due to no fault of the contractor, or faulty use by the departmental operator, and requiring more than 3 continuous working days (i.e. excluding intervening holidays and Sundays) for bringing the plant in order.

(ii) The contractor shall immediately intimate in writing to the Engineer-in-charge when any plant or machinery gets out of order requiring major repairs as aforesaid. The Engineer-in-charge shall record the date and time of receipt of such intimation in the log sheet of the plant or machinery. Based on this, if the breakdown occurs before lunch, the period of major breakdown will be computed by considering half a day's breakdown on the day of complaint. If the breakdown occurs in the post-lunch period, the period of major breakdown will be computed starting from the next working day. In case of any dispute, the decision of the Superintending Engineer shall be final.

(iii) The hire charges will include services of operational staff, viz. Driver/Operator, and maintenance staff such as Mechanic and Cleaner as required. The hire charges shall also include lubricating oil, stores for normal repairs and for cleaning purposes. All the other charges such as cost of power, fuel, fire matches, diesel oil, petrol, kerosene oil, etc. for running the machinery, and water for working and washing of steam roller, and pay of Chowkidar for guarding the T & P at night shall, however, be borne by the contractor/indentor.

SECTION 28

EXTENSION OF TIME AND COMPENSATION FOR DELAY

28.1 General Principles

(1) At the time of issuing Notice Inviting Tenders for a particular work, the Engineer-in-charge should specify the time allowed for completion of the work consistent with the magnitude and urgency of the work.

(2) The time allowed for carrying out the work as entered in the contract shall be strictly observed by the contractor, and shall be reckoned from the .....th day (as mentioned in the NIT) after the date on which the letter of acceptance is given to the contractor.

(3) The work shall be proceeded with all due diligence on the part of the contractor throughout the stipulated period of the contract (time being deemed to be the essence of the contract).

(4) To ensure good progress of the work during execution, the contractor shall be bound, in all cases, in which the time allowed for any work exceeds one month (save for special job), to complete the work as per the milestones given in Schedule 'F' given under clause 5 of the contract, or as per the re-scheduled milestones. However, for special jobs, if a time schedule has been submitted by the contractor and the same has been accepted by the Engineer-in-charge, the contractor shall comply with such time schedule. (Provisions under para 32.5 of this Manual may also be seen).

28.1.1 Review of progress of the work

(1) The NIT approving authority shall stipulate time schedule for physical milestones in Schedule 'F' under clause 5 of the General Conditions of Contract, in the NIT. The tender accepting authority shall review the progress of work each month with all the concerned disciplines including the contractor. The factors affecting the progress shall be identified and discussed and remedial measures taken, wherever required. Detailed minutes of these meetings shall be issued. Whenever physical milestones have been specified in the NIT, the detailed review may be carried out on the dates specified for such milestones.

(2) If an extension of time has been granted by the competent authority for genuine hindrances, he should re-schedule the milestones appropriately for the work.

28.2 Requirements of clause 5

Clause 5 of CPWD Forms no. 7 and 8 and Clause 4 of CPWD Form no. 9 empower the Engineer-in-charge to grant extension of time for the completion of the work on certain conditions. He can exercise such powers if the following conditions are satisfied:

(i) The contractor must apply to the Engineer-in-charge in writing for extension of time.

(ii) Such an application must state the grounds that hindered the contractor in the execution of the work within the stipulated time.

(iii) Such an application must be made within 14 days of the date on which such hindrance arose.

(iv) The Engineer-in-charge must be of the opinion that the grounds shown for the extension of time are reasonable.

28.3 Powers of officers for grant of extension of time

The powers for grant of extension of time have been delegated to CPWD Officers as shown in Appendix-1.

28.4 Grant of extension of time without application

(1) Based on the Hindrance Register where adequate and proper grounds exist, the Engineer-in-charge can grant extension of time even in the absence of application from the contractor under Clause 5.

(2) The extension, in order to be binding, will have to be by the 'agreement' of the parties, express or implied. It, therefore, follows that if the extension of time is granted by the Executive Engineer and

such extension of time is accepted by the contractor, either expressly or implied by his action before and subsequent to the date of completion, the extension of time granted by the Executive Engineer is valid. It is, therefore, necessary that the Executive Engineer grants extension of time provisionally even when the contractor does not apply for extension of time in order to keep the contract alive. If the contractor refuses to act upon the extension granted by the Engineer-in-charge, it will attract the provisions of clauses 2 & 3 of the agreement.

(3) The recovery of liquidated damages for delayed performance, on account of which extension of time is granted under clause 2, is a distinct matter and would depend on:
   (i) Prior notice as contemplated by Section 55 of the Contract Act, 1872.
   (ii) Fault/delay/hindrance being ascribable to the contractor, and
   (iii) Proof of the loss occasioned thereby (in case it is challenged by the contractor before the Arbitrator).

28.5 Form of application for extension of time

The form of application for extension of time to be submitted by the contractor has been standardized and is at Appendix 29. The contractor is required to apply for grant of extension of time on Part I of the Form. Part II of the Form is to be used by the departmental officers for the purposes of dealing with the application for extension of time.

28.6 Action on belated application for extension of time

Although the contractor is required to seek extension within 14 days from the date of occurrence of hindrance for which the extension is sought, it does not debar the grant of extension sought later, as it is always competent to a promise to waive a delay and accept performance after the stipulated time. However, the extraordinary concession should be refused save in most exceptional circumstances, and for very good causes shown for not seeking it within the period of 14 days. The contractor has no right to have this request for extension considered where he has not applied for it in accordance with clause 5 of the agreement.

28.7 Recording of hindrances

(1) Whenever any hindrance comes to the notice of the Assistant Engineer, he should at once make a note of such hindrance in the register kept at site, and immediately make a report to the Executive Engineer within a week.
(2) The Executive Engineer shall review the Hindrance Register at least once in a month.
(3) The proforma for the Hindrance Register shall be as per Annexure.
(4) The following points should be kept in mind while entering the hindrances in the Hindrance Register:
   (i) The entry of date of start of hindrance and date of removal of hindrance should be made on the same day as the hindrance takes place or the cause of the hindrance is removed, respectively.
   (ii) The Executive Engineer should work out the over-lapping period, net period of hindrance and weightage of each hindrance within 15 days of removal of the cause of hindrance. For works out side headquarters, this should be done as and when he visits the site.
   (iii) The items of work affected due to any hindrance should be clearly mentioned in the Hindrance Register by the Assistant Engineer, and the weightage should be allowed on this basis.
   (iv) Each hindrance entered in the Hindrance Register should be authenticated by the Executive Engineer.
   (v) The hindrances, which are in the control of contractor, should not be entered in the Hindrance Register.
   (vi) The hindrance should be recorded carefully in the Hindrance Register after considering its effect on completion of work.
   (vii) The Superintending Engineer should review the Hindrance Register whenever he visit the site of work.

28.8 Processing cases of extension of time

(1) The Assistant Engineer shall decide upon the grant of extension of time within 15 days of the completion of work, if it is in his competence to do so. Otherwise, he shall forward the case with his recommendations to the Executive Engineer within 30 days of completion of work.

(2) The Executive Engineer shall take a decision within 15 days if it is within his power to do so, or, otherwise, forward the case to the Superintending Engineer with his recommendations within this period.

(3) The Superintending Engineer should then pass orders within 15 days of the receipt of the extension case from the Executive Engineer. If the orders of the competent authority are not received in time, Executive Engineer should extend the contract before the stipulated date actually expires so that the contract might remain in force, but while communicating this extension of time, he must inform the contractor that this was without prejudice to Government's right to levy compensation under clause 2 of the agreement.

(4) The sanction of extension of time will in all cases be issued by the Assistant Engineer/Executive Engineer under clause 5 of the agreement in the proforma shown in Appendix 30. The form provides that the extension of time is granted without prejudice to right of Government to recover liquidated damages in terms of clause 2 of the agreement. In all cases, a copy of the letter granting extension of time will be endorsed to the concerned Audit/Accounts Officer. While doing so, it should be made clear in the endorsement whether the Superintending Engineer has decided to levy or not to levy compensation or liquidated damages.

(5) The decision in regard to levy of liquidated damages for delay in the execution of works in terms of clause 2 of the contract Forms 7 and 8 (and corresponding clause in other contract forms) should not be recorded in the Measurement Book of the concerned work.

28.9 Extension of time without levy of compensation

In the case where extension is granted without levy of compensation after approval of the competent authority, provision suggested in the preceding paragraph should stand with a view to safeguard the interest of the Government, especially against unforeseen circumstances.

28.10 Compensation under clause 2

The word 'compensation' should be used in relation to clause 2 of the agreement in CPWD Forms no. 7 and 8 and similar clauses in other contract Forms instead of the word 'penalty'.

28.11 Section 74 of the Indian Contract Act, 1872

(1) When a contact has been broken, and if a sum is named in the contract as the amount to be paid in case of such breach, or if the contract contains any other stipulation by way of compensation, the party complaining of the breach is entitled, whether or not actual damage or loss is proved to have been caused thereby, to receive from the party who has broken the contract, a reasonable amount not exceeding the one so named or as the case may be the compensation stipulated for.

(2) According to clause 5 of the agreement, all letters of extension of time to be issued to the contractor should be over the signature of the Engineer-in-charge, as he is the only officer so empowered contractually to grant extension of time. Similarly, all letters intending to impose compensation or to recover liquidated damages under clause 2 of the agreement should be issued over the signature of the Superintending Engineer, as he is the only officer competent to do so under clause 2 of the agreement, in order to fulfill contractual obligation.

28.12 Proforma for intimating compensation under clause 2

The Government of India have prescribed a proforma for intimating the contractor with regard to levy of compensation under clause 2 of the contract as shown in Appendix 31.

Annexure
Proforma For Hindrance Register
[Reference para 28.7(3)]

Sl. no.	Nature of hind -rance	Items of work that could not be executed due to this hindrance	Date of start of hind-rance	Date of removal of hind-rance	Over-lapping period,If any	Net hind-rance in days	Sign. of AEs	Weightage of this hindrance	Net effective days of hindrance	Sign. of EE	Remarks of Review ing Officer
1	2	3	4	5	6	7	8	9	10	11	12

SECTION 29
PAYMENTS TO CONTRACTORS

29.1 Requirement of clause 7

(1) Clause 7 of the conditions of contract in Forms no. CPWD 7, 8 & 9 provides that no payment shall be made for works or supplies estimated to cost less than Rs. 50,000 till after the whole of the work or supply shall have been completed and a certificate of completion given. In the case of works or supplies estimated to cost more than Rs.50,000, the contractor shall, on submitting the bill thereof, be entitled to receive a monthly payment as passed by the Engineer-in-charge. Para 7.12 of this Manual may be seen for submission of computerized bills by the contractor.

(2) On account payments are also permissible under the conditions of contract in Forms no. CPWD 12, piece work agreement in Form no. CPWD 10 and work order Form no. CPWD 11-A. The contractors should be required by the Engineer-in-charge to submit their bills by a fixed date in accordance with the terms of the contract, e.g. clause 7 of Forms no. CPWD 7 and 8. The Assistant Engineer should supply to the contractor a copy of the measurements and a statement of part rates to be paid, at least 3 clear days in advance of such date fixed by the Executive Engineer. The payment to the contractor shall be made only on submission of the bill by him.

29.1.1 Register of Bills and its review

(1) The Divisional Officer should maintain a register to keep a record of the monthly running payments made to the contractors in respect of contracts costing above Rs.50,000 in the proforma prescribed in Appendix 12. As and when a bill is submitted, the same shall be entered in this register.

(2) The register should be reviewed by the Executive Engineer regularly to ensure that payments are being made to the contractors in time.

(3) The register should be posted at the time of making monthly running payment to the contractor.

29.1.2 Objections raised by the Divisional Accountant

If any objection is raised by the Divisional Accountant for payment of a particular item or rate in any bill, the Engineer-in-charge should make up his mind and pass final orders then and there whether the item on which objection has been raised should be allowed or not, and if it is not to be allowed than the item should be deleted from the bill, but in no circumstances the payment should be delayed.

29.2 Final payments

(1) Final measurements should be recorded within one month of the completion of work. Final payments for works costing more than Rs. 15 lakhs should be made within 6 months of the completion of work, and for other works within 3 months.

(2) Para 21.1.3 of this Manual may be referred to regarding prompt completion of all the formalities in connection with the release of the final payment.

29.3 Time schedule for payment of bills

The following time schedule for payment of bills and issue of completion certificates has been prescribed:

Stage	*Time Limit*
1	2
Payment of running bills	As far as possible before expiry of 6 working days from the presentation of the bill. Both AE/AEE and EE should not take more than 3 working days each (clause 7).

Contractor's notice of completion of work	Within 10 days on completion of the work (clause 8).
Issue of completion certificates for works	Within 30 days (clause 8) of receipt of contractor's notice.
Submission of final bill by the contractor	Within One month of the date of the final certificate of completion furnished by the Engineer-in-charge or 3 months of the physical completion of the work, whichever is earlier (Clause 9).
Payment of final bills for works up to Rs. 15 lakhs	3 months. (clause 9) of receipt of final bill from the contractor.
Payment of final bills for works over Rs. 15 lakhs	6 months (clause 9) of receipt of final bill from the contractor.

29.4 Inspection of works and issue of completion certificate

(1) Before the work is declared as completed in all respects and final payment is released to the contractor in respect of the following works, it has to be inspected by the Superintending Engineer/ Director of Horticulture.

	Contract Amount
(i) Building works ……..	Rs. 50 lakhs and above
(ii) Electrical works ……..	Rs. 20 lakhs and above
(iii) Water supply/sanitary works ……..	Rs. 20 lakhs and above
(iv) Road/runway works ……..	Rs. 50 lakhs and above
(v) Horticulture works ……..	Rs. 4 lakhs and above

(2) The Superintending Engineer/Director of Horticulture shall also record the following certificate:
"I have inspected the work of ..... contract value of which is Rs. ..... vide Agreement No. ..... today. As a result of this inspection and my previous inspections, I find that the work has been carried out generally to specifications, and has been completed satisfactorily. There are no noticeable defects except for the following:
……."

(3) The above certificate is required to be recorded within a period of 3 months from the date of completion of the work.

(4) In the case of works whose contract value is less than the above, the Executive Engineer/Deputy Director of Horticulture have to record similar certificate as the case may be.

(5) The defects so pointed out if any should be rectified by the contractor, or by the Department at his cost expeditiously, action for which should be taken in terms of the contract.

(6) An attested copy of the completion certificate will be attached with the office copy of the Final bill of the contractor, and it shall remain on the record of the Division. The Executive Engineer shall not make final payment till this certificate is recorded and attached to the office copy of the bill. This certificate, however, will in no way reduce the responsibility of the Executive Engineer and the Divisional Accountant for due check of the work and the bill as required by the rules and code of practice of the Department.

29.4.1 Completion certificate to be recorded by the Superintending Engineer in whose tenure the work is completed

(1) The completion certificate is required to be recorded by the Superintending Engineer in whose time the work is completed irrespective of the fact that a part of the work may have been done during the incumbency of his predecessor. The Superintending Engineer recording the certificate is not responsible for work which may have been covered up during the incumbency of his predecessor, for instance, work in foundations or below the concrete flooring, but he is required to

point out the defects which are visible, for instance, defects in the doors and windows, plastering flooring, painting etc. The Superintending Engineer should necessarily record the completion certificate for the works completed in his tenure on the post before he handover the charge to his successor on transfer.

(2) In specific cases where there are practical difficulties, such as the Superintending Engineer being no longer in the Department due to resignation, death etc, in getting the completion certificate recorded by him, the Chief Engineer may decide any relaxation of the existing instructions after examining the details of the case, and issue directions accordingly. Administrative action should also be initiated against the Superintending Engineer for not taking proper/timely action in getting the completion certificate recorded, whatever justified, as revealed by the facts of the case. Administrative action should also be initiated against the Superintending Engineer for not taking proper/timely action in getting the completion certificate recorded, whatever justified, as revealed by the facts of the case.

29.4.2 Inspection of works by Senior Architect

(1) The Senior Architect In-charge of the work/consultant Architect is required to certify on completion of particular building that it has been constructed according to the approved drawings design and specifications.

(2) In case of any unauthorized deviation, the certificate of completion shall not be given unless the defect or deviation has been rectified to the satisfaction of the Senior Architect/Consultant Architect. Such certificate by the Senior Architect/Consultant Architect will be required for works costing Rs. 100 lakhs and above. The Chief Architect/Chief Engineer may, however, decide whether a particular building involving less than Rs. 100 lakhs (Contract Amount) will require the certificate from the Senior Architect or not.

(3) The form of certificate to be given by the Senior Architect is as under:-

"Name of Project:……..

I do hereby certify that the work ..... has been inspected on ..... by me and has been completed on ..... according to the plans, elevation, sections, details and specifications of architectural items prepared by me. The work has been completed to my general satisfaction and the workmanship and the whole of the materials used for finishing items are satisfying the architectural aesthetics."

(4) Completion certificate from the Senior Architect/Consultant Architect is necessary before final bill is paid to the contractor.

(5) In the case of such work, the Executive Engineer should inform the Senior Architect/Consultant Architect concerned of the work having been completed in all respects within one month of the physical completion of the work, and request him to carry out his inspection and record the required completion certificate. The Senior Architect/Consultant Architect shall inspect the work and issue the certificate within 3 months of receipt of such an intimation.

(6) An attested copy of this certificate of the Senior Architect shall be attached with the office copy of the final bill along with that of the Superintending Engineer, and it shall remain in the record of the Division.

29.5 Payment through bank

Payment due to a contractor, if so desired by him, may be made to his bank instead of direct to him, provided the contractor furnishes to the Engineer-in-charge all necessary documentation.

29.6 Deduction of income tax at source

(1) Under Section 194C of the Income Tax Act, 1961, deduction of income tax is required to be made at source by disbursing officers from payments made to contractors.

(2) Before signing the First and Final bill/Running Account bill/Final bill, the Sub-Divisional Officer/ Divisional Officer should see that:
   (i) The statutory deduction on account of income tax, wherever due, has been made from the bill of the contractor, and
   (ii) The same is specifically shown in the Memorandum of Payments thereof under the item, "By recovery of amounts creditable to other works or heads of accounts". (Note 5 below para 12.2.16 of CPWA Code).

(3) It is open to the contractor or the sub-contractor as the case may be, to make an application to the Income Tax Officer concerned and obtain from him a certificate authorizing the payer to deduct tax at such lower rate or deduct no tax as may be appropriate to his case. Such certificate will be valid for the period specified therein unless it is cancelled by the Income Tax Officer earlier, and in such cases deduction will be made accordingly.

(4) In view of the existing provision of Section 288 B of the Income Tax Act, 1961, the amount of tax to be deducted at source should be rounded off to the nearest rupee by ignoring amount less than fifty paise and rounding off amounts of fifty paise or more to one rupee.

(5) The tax deducted on behalf of the Government should be paid to the credit of the Central Government on the same day by book adjustment. In other cases, the tax deducted should be paid to the credit of the Central Government within one week from the last day of the month in which the deduction is made.

(6) Challans, for paying tax into the Government account, can be obtained from the Income Tax Officer concerned or the bank.

(7) The authority responsible for making any payment to a contractor or a sub-contractor, as the case may be, should issue a certificate of tax deducted at source in the specified form.

29.7 Deduction of VAT and cess (Building and other Workers' Cess Act 1996)

Cess Act is a central legislation but it is to be implemented by state Government by formation of cess collection mechanism and constitution of welfare Board. It has not been put to implementation by some state Government yet. There are provisions of deduction of cess from contractors bills and depositing them with state welfare Board. VAT is a state subject. The rate and other provisions vary from state to state. Under VAT also there is a statutory provision for deduction of tax at source ie. from contractor's bill. These provisions should be followed wherever applicable.

SECTION 30
PAYMENT FOR SUB-STANDARD WORK

30.1 Avoidance of sub-standard work

(1) The contractors are required to execute all works according to the specifications laid down, and in a proper workmanlike manner. The motto of the Department shall remain quality, speed and economy in cost in the execution of any work. There shall be no compromise on the quality of work. The field staff, namely, the Junior Engineer/Assistant Engineer/Executive Engineer, shall remain vigilant to see that the contractor does not execute any defective/poor quality work. If, despite their vigilance and issue of directions, certain items of work are done below specifications, and/or if they have not been done in a proper workmanlike manner, the contractor should be immediately asked to rectify or re-do them according to the specifications, and according to sound engineering practice. All such defects/deficiencies in the items of works are to be noted in time and recorded in the Site Order Book. It will be the duty of the field staff to point out such defects in the work in time during the progress of the work.

(2) These defects should also be brought to the notice of the Executive Engineer immediately on their occurrence by the Junior Engineer/Assistant Engineer, so that he may take timely action to issue notices to the contractor either to rectify the defects or even to get the work dismantled and re-done if necessary as per clauses 3 and 16 of the agreement. The Executive Engineer shall also on his own inspect the work as frequently as possible and take timely action to issue such notices to the contractor.

(3) Every attempt should be made to issue such notices regarding the defective/deficient items immediately on their occurrence during the progress of the work. Timely action alone can prevent occurrence of defects/deficiencies that will be difficult or impossible to rectify later on. Where such defects/deficiencies crop up during the maintenance period, notices for re-doing/rectifying the same should be issued within the prescribed maintenance period.

(4) If the contractor does not rectify the defect or make good the deficiency, the work should be got re-done or rectified through another agency, or departmentally by employing skilled labourers, at the contractor's cost in terms of clause 16 of the Conditions of Contract in Forms no. CPWD 7 and 8, clause 5 of Form no. CPWD 10, and similar conditions in other forms.

30.2 Acceptance of sub-standard work

(1) In general, sub-standard works should not be allowed to occur, as they reflect poorly on the professional competence of the field staff and adversely affect the image of the Department.

(2) Acceptance of work below specifications and/or below acceptable levels of workmanship, and the resulting payment at reduced rates for such defective/deficient works should be resorted to only for those items where materials conforming to the required specifications are not available, or where it is structurally impossible to get the work re-done or where in opinion of Superintending Engineer incharge it is expedient to do so.

(3) Acceptance of sub-standard work at reduced rates should be done only under exceptional circumstances Superintending Engineer is the competent authority to accept sub-standard work.

(4) The total value of quantities of items at agreement rate for which the Superintending Engineer accepts sub-standard work in a contract shall not exceed 5% of the contract value. In case total value of such items exceeds 5% prior approval of Chief Engineer would be necessary. Before a sub-standard work is accepted by the Department, the Engineer-in-charge, after getting prior approval of competent authority, should write a letter to the contractor, for and on behalf of the President of India, regarding acceptance of the same and the provisional rates pending the decision of the competent authority with regard to final rates. In reply to this letter, the contractor should send his consent for acceptance of the terms specified by the Department. For this purpose two forms, as per Annexures I and II, may be used.

(5) The decision of the Superintending Engineer/Chief Engineer regarding the quantum of reduction as well as justification thereof in respect of rates for sub-standard work that may be decided will be final, and would not be open to arbitration under clause 25 of the agreement.

(6) The amount of compensation once levied by the Executive Engineer under clause 16 of the General Conditions of Contract for CPWD Works, cannot also be waived or reduced by higher officers.

Annexure - I

Specimen of letter by the Executive Engineer to the contractor for provisional reduction in rate for sub-standard work

[Reference para 30.2(4)]

To

M/s .....
.....

Dear Sir(s)

Sub: Construction of ..... Agreement no. .....

1. The President of India considers that the items of work (specified in the statement appended herewith) relating to the work undertaken by you in terms of the above agreement have not been executed in accordance with the prescribed specifications and/or in a workmanlike manner and therefore, cannot be accepted in terms of the above said agreement for payment at the rates specified in the agreement.
2. The President, however, is willing to consider acceptance of the same should you agree to receive payment at rates suitably reduced taking into consideration the sub-standard nature of the said items of work. The Superintending Engineer-in-charge of the concerned Circle of CPWD will determine as to what suitable reductions in the rates should be made from the agreed rates for the said items. His decision shall be final. Pending such decision of the Superintending Engineer, however, the payment for the said items of work will be made at the provisional rates indicated against each item.
3. If you agree to the aforesaid conditions for acceptance of payment for the said items of work you may please return the enclosed form duly executed by you.
4. If no reply is received from you within three weeks of the date of receipt of the letter it shall be presumed that the offer is not acceptable to you. In the said event the offer shall stand withdrawn, without prejudice to the rights and remedies of the President of India in terms of the contract.

Yours faithfully,

Executive Engineer
For and on behalf of the President of India

Encl.: Statement as above.

ANNEXURE – II

Specimen of letter of contractor's acceptance of provisional reduction of rate for sub-standard work

[Reference para 30.2(4)]

To

.....

.....

Sub: Construction of .....

Reference: Your letter no. .....

Sir,

I/We have carefully read the terms and conditions offered in your letter dated ..... and they are acceptable to me/us.

Pending the decision of the Superintending Engineer of the final rates of payment against the items of work specified in the statement attached to your above letter, which will be final and binding, I/we agree to the same being paid at the provisional rates indicated against each of the said item of work for the above work as mentioned in your statement.

Yours faithfully,

Contractor(s)

SECTION 31
ADVANCE PAYMENTS

31.1 Advance payment for work done and measured

(1) Advance payments to contractors against on account bills received in the Divisional Office may be made by the Divisional Officers, on receipt of an application from the contractor for financial aid in the shape of part payment, shall make a lump-sum advance payment on Hand Receipt Form 28, subject to the following conditions:

(i) The bill in respect of which the advance is proposed to be made should actually be under check in the Divisional Office.

(ii) The amount of advance should not exceed 75% of the net amount of the bill under check, but no advance payment will be admissible in cases where the amount of advance payable works out to less than Rs.20,000.

(iii) The payment should be suitably endorsed both on the running bill against which the advance payment is made and the connected abstract of measurements in the Measurement Book. The Hand Receipt voucher on which payment is made should bear reference to the number, date and amount of the bill against which the payment is made, and also to the page number of Measurement Book and the number, date and amount of the voucher, if any, on which the previous on account payment was made. The payment should be treated in the accounts as an advance.

(iv) Before making payment, an undertaking should be obtained from the contractor to the extent that, should the amount of advance paid to him is subsequently found to be more than the amount of the running account bill in respect of which the advance was paid, he will refund to Government forthwith the amount overpaid. The Divisional Officer shall ensure that the advance is adjusted when payment is made on the running account bill in respect of which it was made, and for any overpayment which may occur.

(v) A record of advances authorized by the Executive Engineer shall be kept in a special register which should be inspected by the Superintending Engineer at the time of his inspection of the Divisional Office.

(vi) Grant of a 2nd advance before the first one has been recovered shall not be permitted.

31.2 Advance payment for work done but not measured

(1) The following rules should be observed with regard to advance payments made to contractors for work done but not measured:

(a) Advances to contractors are, as a rule, prohibited and payments to contractors should not be made until detailed measurements of the work have been taken and recorded. Advance payments may, however, be made in cases of real necessity, when it is essential to do so, and in such cases previous sanction of the Superintending Engineer concerned should invariably be obtained.

(b) An advance payment for work actually executed may be made on the certificate of a responsible officer (not below the rank of Sub-Divisional Officer) to the effect that not less than the quantity of work paid for has actually been done, and the officer granting such a certificate shall ensure that no overpayment occurs on the work in consequence.

(c) The certificate printed on the Running Account bill must be signed by the Sub-Divisional or Divisional Officer, and the lump-sum amount paid on account of the several items should be specified against item 2 of Part III of the bill.

(d) If a secured advance has been previously allowed to a contractor on the security of any materials and such materials have been used in the construction of an item, the amount of the advance payment for that item should not exceed a sum equivalent to the value of work done less the proportionate amount of secured advance ultimately recoverable on account of the materials used.

(e) When an advance payment has been authorized by the competent authority, it would be followed by detailed measurements within 2 months at the most. Beyond 2 months, the approval of Chief Engineer will be necessary.
(f) The grant of a second advance before the first one has been recovered shall not be permitted except with the prior approval of Chief Engineer incharge.

(2) Advance payments for work done but not measured should be made on bill Form no. CPWA 26, and the same be classified in the works accounts under suspense Sub-Head "Advance Payments". No such payment must be made on Hand Receipt.

31.3 Advance payment to private firms/autonomous bodies for chemical analysis and testing of materials

(1) A list of laboratories for chemical analysis and testing shall be approved by the Superintending Engineer. Advance payment may be made by the Executive Engineer to an enlisted laboratory, and for this purpose no further approval shall be necessary.
(2) The amount of advance shall be drawn on a simple receipt and accounted for under the final head to which the expenditure on services in question would be debited.

31.4 Secured advances

(1) Secured Advances on the security of materials brought to site may be made to the contractors for items which are to be used on work.
(2) The Divisional Officers can sanction the secured advance up to an amount not exceeding 90% of the value of the materials as assessed by the Engineer-in-charge, or an amount not exceeding 90% of the material element cost in the tendered rate of the finished item of work, whichever is lower.
(3) A formal agreement should be drawn up with the contractor under which Government secures a lien on the materials and is safeguarded against losses due to the contractor postponing the execution of the work or due to shortage or misuse of the materials, and against the expense entailed for their proper watch and safe custody.
(4) Payment of such advances should be made only on the certificate of an officer not below the rank of Sub-Divisional Officer that:
    (i) The quantities of materials for which the advances are made have actually been brought to site.
    (ii) Full quantities of the materials, for which advance is to be made, are required by the contractor for use on items of work for which rates for finished work have been agreed upon.
    (iii) The quality of materials is as per the specifications.
(5) Recoveries of advances so made should not be postponed until the whole of the work entrusted to the contractor is completed. They should be made from his bills for work done as the materials are used, the necessary deductions being made whenever the items of work in which they are used are billed for.
(6) Secured advance shall be granted only for non-perishable items. It can however, be granted for perishable items after the contractor indemnifies the Government through an insurance cover. The Divisional Officer shall identify whether an item is perishable or not.

31.4.1 Stage payments not to be treated as secured advances

Where stage payments are stipulated in certain contracts, like for E&M and other specialized works, such payments shall not be treated as secured advance.

31.5 Grant of mobilization advance to the contractors for executing capital intensive works

In respect of certain specialized and capital-intensive works with estimate cost put to tender Rs. 2.00 crores and above, provision of mobilization advance may be kept in the tender documents. Chief Engineers should use their discretion carefully in deciding whether any particular work shall be considered as specialized or capital intensive one. Applicability or otherwise of relevant clause of GCC shall be clearly indicated in Schedule 'F', while finalizing NIT of a particular work.

(i) The Mobilization advance limited to 10% of tendered amount at 10% simple interest can be sanctioned to the contractors on specific request as per term of the contract.
(ii) The mobilization advance shall be against a Bank Guarantee of a Scheduled Bank for the full amount of advance. The advance should be released in not less than two instalments. The interest on the advance shall be calculated from the date of payment to the date of recovery, both days inclusive.
(iii) The recovery should be commenced after 10% of work is completed and the entire amount together with interest shall be recovered by the time 80% of the work is completed.

31.6 Grant of advance for plant and machinery and for shuttering material

(1) An advance for plant and machinery that are required for the work and brought to site by the contractor may be given if requested by him in writing within one month of bringing them to site. Such an advance may be given if the Engineer-in-charge feels that the plant and machinery would add to the expeditious execution of the work and improve the quality of the work.
(2) The amount of advance shall be restricted as follows:
  (i) For new plant and machinery 5% of the tendered value, or 90% of the price of such new plant and machinery paid by the contractor [for which he shall produce satisfactory evidence to the Engineer-in-charge], whichever is lower.
  (ii) For second hand and used plant and machinery 5% of the tendered value, or 50% of the depreciated value of the plant and machinery [as may be decided by the Engineer-in-charge], whichever is lower. The contractor, if so required by the Engineer-in-charge, shall submit the statement of value of such old plant and machinery duly approved by a registered valuer recognized by the Central Board of Direct Taxes under the Income Tax Act, 1961.
(3) No such advance shall be paid on any plant and machinery of perishable nature, or of value less than Rs. 50,000.
(4) 75% of such amount of advance shall be paid after the plant and machinery is brought to the site, and balance 25% on their successful commissioning.
(5) The recovery should be commenced after 10% of work is completed and the entire amount together with interest shall be recovered by the time 80% of the work is completed.
(6) The contractor shall be at liberty to take away the plants and machinery after the advance(s) along with the interest due on it(them) is(are) realized by the Department, and in the opinion of the Engineer-in-charge, they are not required at site for the execution of the balance items of work.

31.6.1 Leasing of equipment

Leasing of equipment shall be considered at par with purchase of equipment, and shall be covered by tripartite agreement with the following:

(i) Leasing company which gives certificate of agreeing to lease equipment to the contractor,
(ii) Engineer-in-charge, and
(iii) Contractor.

31.6.2 Hypothecation of equipments

(1) All such plant and machinery, for which payment of advance is requested by the contractor, shall be hypothecated to the Government before the payment of advance is released.
(2) The contractor shall not be permitted to remove from the site such hypothecated plant and machinery without the prior written permission of the Engineer-in-charge.
(3) The contractor shall be responsible for maintaining such plant and machinery in good working order during the entire period of hypothecation, failing which such advance shall be recovered in lump sum.

31.6.3 Insurance of equipments

(1) The contractor shall insure, at his cost, the plant and machinery for which mobilization advance is sought and given, for a sum sufficient to provide for their replacement at site.
(2) Any amount that is not recovered from the insurers shall be borne by the contractor.

31.6.4 Advance for shuttering materials

Steel scaffolding and formwork shall be treated as plant and machinery for the purpose of grant of advance. All provisions under para 31.6 and up to para 31.6.3 shall apply for this purpose.

SECTION 32

GENERAL GUIDANCE FOR OPERATION OF CONTRACT CLAUSES

32.1 Clause 2 of CPWD Forms no. 7 and 8 and clause 16 of the CPWD Form no. 12

(1) These clauses refer to recovery of compensation from the contractor for delays and defaults on his part. This clause can be divided mainly into three parts, viz.:
   (a) Observation of time allowed for completion of the work.
   (b) Payment of compensation by contractor for non-commencement, not finishing in time or slow progress during execution.
   (c) The decision of the Superintending Engineer regarding compensation payable by the contractor shall be final.

(2) As already explained under section 28 of this Manual relating to extension of time to contractors and imposition of compensation for delayed performance, time allowed for completion of the work is essence of the contract on the part of the contractor. The date for commencement of the work starts from the stipulated date that is mentioned in the letter of acceptance to the contractor.

(3) For slow performance or delay in the completion of the work, compensation, subject to a maximum of 10% of the tendered value, is recoverable.

(4) The compensation for slow progress or non-completion of work in stipulated time, at the rates specified therein, is an "agreed compensation" under clause 2, which the contractor has to pay in case of default. Therefore, there is no choice for the Engineer-in-charge but to recover the same at the rates mentioned in clause 2 of the contract, if the progress of the work is slow or the work is not completed in stipulated time. In case the contractor feels aggrieved, he may appeal to the Superintending Engineer against such recovery, who may uphold the recovery at the original rates or at reduced rates or completely waive off the same depending upon the merits of each case. In such cases the decision of the Superintending Engineer shall be final and out of purview of the Arbitration clause.

(5) In case the contractor does not achieve a particular milestone as stipulated under clause 5 of the agreement, or as re-scheduled, the amount shown against that milestone shall be withheld automatically and without any notice to the contactor, and may be adjusted against the compensation that may be levied at the final grant of extension of time. However, if the contractor catches up with the progress of the work on the subsequent milestone(s), the withheld amount shall be released to him. In case the contractor fails to make up the delay in the subsequent milestone(s), the amount mentioned against each milestone missed shall also be withheld. No interest shall be payable on the withheld amount.

32.1.1 Notice to the contractor

Under these clauses, irrespective of the value of the contract, the SE alone is the competent to levy compensation. The decision as to the quantum of compensation calculated on basis of rate given in the clause, to be levied has therefore necessarily to be given in all cases by the SE.

The Superintending Engineer should give a registered notice to the contractor, of his intention to levy the compensation. A specimen notice is given in Annexure. Reply submitted by the contractor, if any should be taken while deciding the compensation.

32.1.2 Recovery of compensation after EOT is sanctioned

The recovery of compensation should be effected after decision on extension of time has been obtained.

32.2 Clause 2A of CPWD Form No 7 and 8 (Incentive for early completion)

(1) This clause, provides for incentive payable to contractor in case of early completion of work by him. This clause is applicable if so provides in Schedule F of General condition of contract.

(2) Normally this clause may be provided in NIT for works where estimated cost put to tender is more than Rs. 1 crore. However, technical sanctioning authority may provide this clause in NIT for works of lower value also, considering the advantage arising out of early completion of the work.
(3) Quantum of Bonus to be paid to the contractor shall be with the approval of Tender accepting authority but not below the rank of Superintending Engineer.

32.3 Clause 3 of CPWD Forms no. 7 and 8 and clause 17 of CPWD Form no. 12

(1) These clauses deal with determination and/or rescission of contract, forfeiture of security deposit and execution of work through other agencies. These clauses are very important and are of vital importance. According to the clauses, when the contractor has rendered himself liable to action under relevant clause, the Engineer-in-charge, for and on behalf of the President, shall have powers to determine or rescind the contract. Termination or rescission notice given in writing to the contractor under the hand of the Engineer-in-charge, for and on behalf of the President, shall be conclusive evidence for enforcement of this clause.
(2) Clause 3 of the agreement inter-alia provides that if contract is determined or rescinded, the earnest money deposit, security deposit already recovered and performance security/guarantee under the contract shall be liable to be forfeited and shall be absolutely at the disposal of the Government.
(3) The contractor, whose contract is rescinded or determined as above, shall not be allowed to participate in the tendering process for the balance work.

32.3.1 Action under clauses 2 and 3 are independent

The provision of clause 3 can be applied even after recovery of compensation under clause 2, as the two clauses are independently enforceable to the full extent.

32.3.2 Notice to the contractor

(1) Two model forms of letters have been introduced to be issued by the Engineer-in-charge for and on behalf of the President of India for serving the "Show cause Notice" as well as the Notice on final action to the contractor under clause 3 of the agreement in respect of works undertaken in the Department have been introduced. Copies of these model forms are as per Appendices 32 and 33.
(2) While making use of these forms, the following points should be kept in view:
    (a) Alternatives wherever not applicable should be deleted and suitable additions made wherever considered necessary.
    (b) While determining the contract under any of the sub-clause (i) to (vii) of clause 3 for causes other than the causes as mentioned in the standard form for "Show Cause Notice" (viz. wrongful delay or suspension of work or slow progress) suitable modifications may be made, where necessary, according to the requirements of the case.
(3) Final notice under clause 3 of the agreement form may thereafter be drafted and approval of the competent authority that accepted the tender obtained. This acceptance is with reference to financial limit under the delegation of financial powers to the CPWD officers for acceptance of tenders.

32.4 Clause 3A of CPWD Form No 7 and 8 (Closure of the contract)

If the work cannot be started due to reasons beyond the control of the contractor within 1/8th of the stipulated time for completion of the work, either party may close the contract. In such an eventuality, the earnest money deposit, and the performance security/guarantee of the contractor shall be refunded. Interest, loss of profit, damages, etc. shall not be payable to the contractor.

32.5 Clause 5 of Forms no. CPWD 7 and 8 clause 4 of Form no. CPWD 9

Under clause 2, time is deemed to be the essence of the contract on the part of the contractor. The time allowed for execution of the work as specified in Schedule 'F' of the contract, or the extended time in accordance with the conditions in the contract, shall be the essence of the contract. It is, therefore, necessary for a contractor to complete the job within the stipulated period.

32.5.1 Action on failure to commence the work

If the contractor commits default in commencing the execution of work within the stipulated date, Government shall, without prejudice to any other right or remedy available in law, be at liberty to forfeit the earnest money deposit and performance security/guarantee absolutely.

32.5.2 Progress of work as per milestones

As soon as possible after the contract is concluded, the contractor shall submit a time and progress chart for each milestone and get it approved from the Department. The chart shall be prepared in direct relation to the time stated in the contract documents for completion of the items of the work. It shall indicate the forecast of the dates of commencement and completion of various trades of sections of the work and may be amended as necessary by agreement between the Engineer-in-charge and the contractor within the limitations of time imposed in the contract documents, and further to ensure good progress during the execution of the work. The contractor shall in all cases in which time allowed for any work exceeds one month (save for special jobs for which a separate program has been agreed upon) complete the work as per milestones given in Schedule 'F'.

32.5.3 Re-scheduling of milestones

(1) If however, he cannot complete the work against any of the milestone(s) due to having been unavoidably hindered in execution thereof, or on any other ground, he can apply for re-scheduling of the milestone(s) and extension of time within 14 days of the happening of the event causing delay, on the prescribed form. The contractor may also, if practicable, indicate in such a request the period for which extension of time is desired. The detailed procedure of granting extension of time under this clause has been dealt under secton 28 of this Manual - "Extension of Time".

(2) Extension of time is also justified to the contractor for additional work that is required to be worked out as provided in clause 12 of the agreement [para 32.11.1 may be referred to].

(3) The Engineer-in-charge shall give a fair and reasonable extension of time and re-schedule the milestone(s) for completion of the work. Rescheduling the milestones will include changing the number of milestones also.

32.5.4 Finality of decision on EOT

According to this clause, the opinion of the Engineer-in-charge as to whether the grounds shown for extension of time are or are not reasonable, are final. If the Engineer-in-charge declines to grant extension of time, it is not within the competence of the contractor to challenge the soundness of the opinion by reference to arbitration under the relevant clause. The Engineer-in-charge should give extension as may be, in his opinion, necessary or proper. His opinion as to whether the period of extension granted by him is proper, is not, however, final. The contractor can seek arbitration on the question whether the period of extension granted is or is not proper.

32.5.5 Grant of EOT when the contractor does not apply

The period during which the contract remains valid is a matter of agreement and if the period originally set for the completion of the work comes to an end, nothing short of agreement of the party can extend the subsistence and validity of the contract. When the period fixed for the completion of the contract is about to expire, the question of extension of the contract may be considered at the instance of the contractor or the Department or of both. The extension, in order to be binding, will have to be by parties to agreement express or implied. It, therefore, follows that if the extension of time is granted by the Executive Engineer suo-moto, and such extension of time is accepted by the contractor either expressly or implied by his action before and subsequent to the date of completion, the extension of time granted by the Executive Engineer is valid. It is, therefore, necessary that the Executive Engineer grants extension of time even when the contractor does not apply for extension of time in order to keep the contract alive. If the contractor refuses to act upon the extension granted by the Executive Engineer, it will attract the provisions of clauses 2 & 3 of the agreement.

32.5.6 Compensation for delayed performance

The compensation for delayed performance, on account of which extension of time is granted by the Executive Engineer, which could be leviable under clause 2 would be a distinct matter. The decision to levy compensation under clause 2 would depend on:

(i) Prior notice as contemplated by Section 55 of the Indian Contract Act, 1872.
(ii) Fault/delay/hindrance being attributable to the contractor, and
(iii) Proof of the loss occasioned thereby (in case it is challenged by the contractor before the Arbitrator).

32.5.7 Hindrances to be carefully weighed before deciding on EOT

(1) The contractor in his application for extension of time, points out the various delays and the lapses on the part of the Department that he considers unavoidable hindrances. The Engineer-in-charge, while recommending or granting cases for extension of time, generally accepts these reasons for delay to be correct. The contractor may claim damages or compensation in arbitration, for prolongation of work due to defaults or lapses on the part of the Department. When such cases come before the Arbitrator, the action of the Engineer-in-charge in accepting the reasons for extension of time may assist the evidence for the claims of the contractor for damages etc.
(2) Though there may be delays and lapses on the part of the Department, yet at the same time there are also delayed lapses on the part of the contractor. For such delays during the stipulated or extended period of completion, the contractor is responsible, but these are also to be taken into account by the Divisional Officer while recommending or granting extension. To safeguard Government's interest these lapses on the part of the contractor should invariably be clearly mentioned by the Engineer-in-charge while granting/recommending extension of time.
(3) In granting extension of time, a balanced view should be taken of the delays on the part of the contractor, vis-a-vis the delays of the Department. The mention of the delays on the part of the contractor along with those of the Department would ultimately help the Department in properly defending its position before the Arbitrator against the claims of the contractor for damages.

[There is no corresponding clause in Forms no. CPWD 10, 11 and 11A. Clause 18 of Form no. CPWD 12 is similar to clause 5 of Forms no. CPWD 7 and 8 with minor change.]

32.6 Clause 7 of Forms no. CPWD 7 and 8

The circumstances under which intermediate payments can be made to the contractor have been explained in para 29.1 of this Manual. The Engineer-in-charge should fix a date by which the contractor should submit the bill each month. The amount admissible shall be paid by 10th or 15th working day after submission of the bill by the contractor to the Engineer-in-charge or his Assistant Engineer, with all the required details, depending upon whether the work is in the headquarters of the Engineer-in-charge or outside his headquarters. The payment to the contractor shall be made only on submission of the bill by him. If the contractor fails to submit the bill as aforesaid, he forfeits all claims whatsoever due to delays on payment including that of interest. [Para 7.12 of this Manual may be seen on submission of the computerized bills by the contractor.]

32.7 Clause 8 of Forms No. CPWD 7 and 8

(1) According to this clause a completion certificate is to be given by the Engineer-in-charge to a contractor on completion of the work. No final bill will be accepted from a contractor unless such a bill is supported by a completion certificate. Further, the date of the completion certificate will determine the date upto which a contractor can be held responsible for making good damages under relevant clauses of the agreement.
(2) It has been observed that generally no certificate is given and only the date of completion is noted in the Measurement Book. Since this practice is not in conformity with the provision of this clause, a completion certificate must be recorded in the manner detailed under para 29.4 of this Manual.
(3) If, on inspection of the work by the Engineer-in-charge on receiving intimation from contractor, the work is not found satisfactorily complete, the contractor should be intimated of the defects etc. in writing, but no provisional completion certificate should be issued.

(4) The date of completion of work is the date on which it is finished, and not the date on which the final measurements are recorded by the Engineer-in-charge or his subordinate. It will therefore, be necessary to enable the Audit/Accounts to satisfy itself that the work was completed within the time prescribed in the contract, to note the date of its actual completion both in the bill of the contractor as well as in the Measurement Book in which the last measurements are recorded.

32.7.1 Recording of completion certificate after site clearance and measurements

(1) If the contractor fails to remove the scaffolding, surplus material and rubbish, and does not clean up the dirt from the wood work, doors, windows, walls, floors and other parts of the building, etc. it should be got removed at the cost of the contractor as laid down in this clause. The completion certificate should not be given till the site is cleared of all malba, rubbish, etc.

(2) The clause further states that, the certificate of completion shall not be issued until the work is measured by the Engineer-in-charge. The intention behind the provision is that all the measurements for works shall be recorded in time. The measurements for works are the most vital details, which get measured and accepted by both the parties. Delay in the taking of measurements by the Engineer-in-charge cannot of course delay the date of completion, since shelter under this provision cannot be resorted to for the lapse by the party taking advantage of it. Anyhow, if the contractor delays/avoids finalizing of measurements, application of this provision will be reasonable.

32.8 Clause 10(C) of Forms no. CPWD 7 and 8

(1) Clause 10(C) provides for re-imbursement to contractor due to increase/decrease caused as a direct result of coming into force of any fresh law or statutory rule or order (but not due to any changes in sales tax/VAT), in the price of material incorporated in the works and/or wages of labour which were prevailing at the time of receipt of tender for the work. The increase should not be attributable to delay in the execution of the contract within the control of the contractor.

(2) The operation of the clause includes both the increase as well as decrease in price of materials and/or the wages of labour.

(3) To ensure uniformity in working out the rates so payable, the rates are to be analyzed and fixed by the Superintending Engineers (P) of the Zones and approved by the Chief Engineers. The Executive Engineers can make payments on the basis of these rates after satisfying the other requirements of clause 10(C).

(4) Clause 10(C) forms an exception to the general rule of the contract that nothing more than what has been agreed to be paid for work done is to be paid to the contractor. It is in the nature of recompense to the contractor if during the progress of the work the price of any materials incorporated in the works and/or wages of labour increases as a direct result of the coming into force of any fresh law or statutory rule. The first thing is that the exception has to be strictly construed. Secondly, it contains an in-built safeguard because it is in the nature of an equitable reimbursement.

(5) The claim for increase shall not be payable if such increase has become operative after the stipulated date of completion of the work in question.

32.9 Clause 10(CA) of Forms no. CPWD 7 and 8

(1) Clause 10 CA provides for varying the amount of contract due to increase or decrease in prices of various materials pertaining to the work.

This clause shall be applicable for allowing adjustment in cost of work due to variation in prices of costly materials constituting substantial part of the work. The NIT approving authority may consider bringing materials like cement, steel, structural steel, bitumen etc. under the ambit of this clause. Such list of materials (other than Cement and Steel reinforcement bars) shall be got approved from ADG concerned, who shall have full powers for such approval. The material, the estimated cost of which is less than 5% of estimated cost of work and the materials like sand, stone etc., the prices of which vary from place to place, need not be considered. The items which are supplied by the department at fixed price to the contractor shall also not be considered.

(2) All India Whole Sale Price indices for various materials is published regularly by Economic Advisor to Government of India, Ministry of Commerce and Industry which is available at their website http.eaindustry.nic.in. In case, for a particular material, price indices is not being published by Ministry of Commerce and Industry, the price indices of nearest similar material shall be followed. List of materials for which this clause is applicable and nearest similar material shall be indicated in schedule F of GCC while finalizing NIT of a work as illustrated below.

Clause 10 CA	
Material covered under this clause	Nearest material for which All India Whole sale Price Index is to be followed
1. Cement	Cement
2. Steel	Steel (bar & rods)
3. Barbed Wire	Steel Wire
4. ……..	……..

(3) The base price for cement and steel is issued regularly by the Directorate. ADGs shall intimate the Directorate about inclusion of any material other than cement and steel so that base price and All India Whole Sale Price indices of such materials may also be issued by Directorate on regular basis thereafter.

In the contract where clause 10 CC is applicable, this clause shall not be operational. For materials covered under clause 10 CA, price variations under clause 10 C shall not be applicable.

32.10 Clause 10(CC) of Forms no. CPWD 7 and 8

(1) This clause provides for variation in contract amount due to variations in price of materials, POL and/or wages of labour required for execution of work (not for the materials supplied or services rendered at fixed price in accordance with clauses 10 and 34), subject to certain conditions.

(2) Clause 10(CC) will be applicable in contracts where the stipulated period for completion is more than 18 months.

(3) Payment under clause 10(CC) is applicable for work done during the stipulated period of the contract including the justified period extended under the provision of clause 5 of the contract without any action under clause 2. However for work done during the justified period extended as above, payment shall be worked out on basis of prices/wages prevailing at the time of stipulated date of completion or as prevailing for the period under consideration whichever is lesser.

32.10.1 Pre-determination of all components affecting clause 10(CC)

(1) The components of materials, cement, steel, labour and P.O.L. for every work have to be pre-etermined and incorporated in the schedule 'E'. For this purpose, the works, shall be classified broadly as under:

(i) Building works including sanitary and water supply.
(ii) Road works and pavement works in airfields.
(iii) Development works.
(iv) Carriage works.
(v) Internal electrical installations.
(vi) External electrical works.
(vii) Supplying and installation of machinery, like lifts, sub-stations, pump sets etc.

(2) In the case of building works, the component of P.O.L. is very small and need not be indicated separately. Following percentages may be indicated for various categories of civil works:

S. no.	Category of work	Cement + Steel + Material*	Labour	P.O.L.
1.	Buildings	75%	25%	—
2.	Road Works & pavements in airfields	90%	5%	5%
3.	External sewerage	90%	10%	-
4.	External water supply	95%	5%	-
5.	Bridgework/flyover works	70%	25%	5%

***** Further break up may be worked out.

(3) The above percentage components are for normal types of works with ordinary/hard soil strata etc. Where the soil strata is pre-dominantly rocky, involving heavy cutting or there are other special features, percentages may be fixed by the various authorities approving NIT taking into consideration the detailed estimate.

(4) In respect of carriage works and for other development works, such as leveling, etc. also, the NIT approving authority may decide the percentage components.

32.10.2 Calculation of escalation/de-escalation

(1) The contractor shall prepare the statements of escalation or de-escalation at the end of every 3 months, and submit to the Engineer-in-charge. The first statement of escalation shall be prepared at the end of 3 months, excluding the month in which the work was awarded. The work done from the date of start to the end of this period shall be taken into account. For subsequent statements, cost of work done during every quarter shall be taken into account. At the completion of work, the work done during the last quarter or fraction thereof shall be taken into account. For the purpose of reckoning the work done during any period, the bills prepared during the period shall be considered. The dates of preparation of bills as entered in the Measurement Book by the Assistant Engineer shall be the guiding factor to decide the bills relevant to any period. The date of completion as finally recorded by the competent authority in the Measurement Book shall be the criterion.

(2) The Executive Engineer will communicate the base index to the contractor in respect of each work.

(3) The Executive Engineer will sanction the compensation for escalation or deduction on account of de-escalation, and the amount thus sanctioned will be included in the next running account bill or final bill, as the case may be. The cost of work for which escalation/de-escalation is applicable/deductible shall be worked out as below:

(a) Gross value of work done upto this quarter ....(A)

(b) Gross value of work done upto the last quarter..... (B)

(c) Gross value of work done since previous quarter: (A – B) .....(C)

(d) Full assessed value of secured advance fresh paid in this quarter .....(D)

(e) Full assessed value of secured advance recovered in this quarter ....(E)

(f) Full assessed value of secured advance for which escalation is payable in this quarter:(D– E).....(F)

(g) Advance payment made during the quarter .....(G)

(h) Advance payment recovered during the quarter .....(H)

(i) Advance payment for which escalation is payable in this quarter:(G – H) .....(I)

(j) Extra items/deviated quantities of agreement items paid as per clause 12 based on prevailing market rate during this quarter ..... (J)

M = C + F + I – J

N= 0.85 M

(k) Less cost of materials supplied by the department as per clause 10 & recovered during the quarter.....(K)

(l) Less cost of services tendered at fixed charges as per clause 34 & recovered during the quarter .....(L)

(m) Cost of work for which escalation/de-escalation is applicable

W = N – (K + L)

(4) All India Wholesale Price Index for civil component/electrical component of construction material as worked out on the basis of 'All India Wholesale Price Index for Individual Commodities/Group Items', and All India Wholesale Price Index for 'Fuel, Oil and Lubricant', both published by the Economic Adviser to the Government of India, Ministry of Industry and Commerce, and applying weightages to the Individual Commodities/Group Items, and the higher of the 'Minimum wage of an unskilled male mazdoor' notified by the Ministry of Labour and that notified by the Local Administration, will be collected by the Superintending Engineer (TAS). He will work out the indices

relevant to each month as per definition given in the sub clause and communicate to all the ADGs, Chief Engineers and Superintending Engineers, who would arrange to circulate these figures to all the Executive Engineers under their jurisdiction.

(5) Copies of all sanctions issued by the Executive Engineer shall be sent to his Superintending Engineer and to his Chief Engineer also if the tender for the work was accepted by the Chief Engineer.

32.11 Clause 12 of Forms no. CPWD 7 & 8

(1) Under this clause the Engineer-in-charge has powers to make any alterations in, omission from, addition to or substitution for the original specifications, drawings, designs and instructions.

(2) The Engineer-in-charge is empowered under this clause to give necessary instructions to the contractor, and the contractor is bound to carry out the work in accordance with such instructions, but the following three conditions should be satisfied in the issue of such instructions:
   (i) Instructions must be given before any additional or substituted item is taken up.
   (ii) They must be given in writing.
   (iii) They must be signed by the Engineer-in-charge.

32.11.1 Extension of time due to variations in items executed

As regards the extra time for completion of the work due to deviations in agreement items [para 23.1 of this Manual may be referred to], and altered, additional or substituted items, the Engineer-in-charge should determine the proportion that the algebraic sum of deviated, altered, additional or substituted work bears to the original contract work and certify for such portion. For substituted items, the additional cost of modified component only is to be taken. Payment made towards clause 10C/10CA/10CC should not be considered. He should extend the time for the completion of the work according to such proportion plus 25% thereof. The proportion so determined by the Engineer-in-charge is final, and the contractor cannot raise a dispute as to such proportion and demand arbitration. However, if the contractor feels that the period of extension given is, having regard to the proportion so determined miscalculated, it is open to him to request arbitration under the relevant clause about the propriety or otherwise of such period of extension.

32.11.2 Precautions to be taken during sanction of items

(1) Some times while sanctioning items the Engineer-in-charge gives the impression to the contractor that although he had recommended higher rates, the Superintending Engineer or the Chief Engineer has reduced them. It should clearly be borne in mind that under the terms of the contract it is the Executive Engineer who is the competent authority for according such sanction, and it should be so worked as to convey clearly to the other party that the items have been sanctioned by him and not for or at the instance of the higher authority.

(2) Sometimes the Executive Engineer endorses copies of communication addressed by him to the competent authority for sanctioning rates for certain items, to the contractor concerned. This practice is irregular and is likely to cause legal complications. All communications in connection with fixation of rates etc. should be marked “Confidential”, and copies thereof should not be endorsed to the contractor or any other private party. In reply to the communications of the contractor asking for early settlement of items, which are required to be examined and sanctioned by higher authorities and the sanction is awaited, the contractor should not be informed that sanction of the competent authority is awaited. They should only be informed that the matter is under consideration and is receiving attention.

32.11.3 Procedure for sanction of items

(1) On receipt of the items duly supported by analysis of rate from the contractor as intimated by him under clause 12.2 of the contract, the Engineer-in-charge should consider whether the rates demanded therein are reasonable. If he is of the opinion that they are reasonable, he may agree to

the rates after consulting the competent authority. If on the other hand he is of the opinion that the rates demanded are not reasonable and he does not agree to them, but agrees to the admissibility of these items, he should determine the rates on the basis of the market rates within one month. As far as possible, the market rate analysis should be based on coefficients given in the Delhi Analysis of Rates.

(2) Clause 12.2 provides that in case of contract items, substituted items, contract-cum-substituted items, which result in exceeding the limits specified in Schedule 'F', the contractor shall within 15 days from the receipt of order or occurance of excess can claim revision of rates for the quantities exceeding the deviation limit. Such claims should be submitted by him duly supported by analysis. The Engineer-in-charge shall revise the rates based on market rates within one month of receipt of such claims.

(3) The contractor on no account shall suspend the work on the plea of non-settlement of rates of items.

(4) For operation of this clause, the following points may be necessary:
   (i) There should be written order for deviation.
   (ii) The contractor is to apply for revision of rates supported by analysis within 15 days after receipt of such communication.
   (iii) The rates for deviated quantities beyond deviation limits are to be based on market rates.
   (iv) The work shall not be suspended on the plea of non-settlement of rates.
   (v) The rates shall be revised only for the quantities beyond the deviation limits, and only if all the limits specified in Schedule 'F' are exceeded. It should be noted that the whole operation of clause 12 for deviation is for works which appear necessary in the execution of work specified in scope of work.

32.12 Clause 16 of Forms no. CPWD 7 & 8

(1) This is an important clause that casts an obligation on the contractor and the departmental staff to ensure execution of quality work.

(2) Under this clause the contractor may be required to make good the defects in work at his own expenses, or re-execute the work if it is not in accordance with the specifications, designs, etc.

(3) The clause authorizes the Engineer-in-charge to offer lower rates to the contractor for work done that is not conforming to specifications, if the work so done is otherwise acceptable to the Department.

(4) This clause empowers the Engineer-in-charge to ask the contractor to rectify or re-do the defective work, and in the event of his failing to do so within the period to be specified by the Engineer-in-charge in his demand, the contractor shall be liable to pay compensation at the rate specified in clause 2 while his failure to do so continues, and in case of any such failure the Engineer-in-charge may rectify, remove or re-execute the work at the risk and expenses of the contractor. Notice to the contractor of the intention to recover compensation is not necessary under this clause.

(5) The Superintending Engineer has not been given any power to reduce or waive compensation levied by the Executive Engineer under this clause.

[Form no. CPWD 9, 10, 11 and 11A - There is no corresponding clause in these forms.

Form no. CPWD 12 - Clause 12 of this Form is almost identical with clause 16 of Forms no. CPWD 7 and 8.]

32.13 Clause 21 of Forms no. CPWD 7 and 8 and clause 20 of Form no. CPWD 12

(1) These clauses specify, in addition to those mentioned in clause 3 of Forms no. CPWD 7 and 8, the circumstances under which the tender accepting authority can rescind the contract.

(2) Permission to sublet or assign the contract to another party should not be given to a contractor under clause 21 by the Divisional Officer without prior reference to the authority who accepted the tender.

(3) The tender accepting authority should keep the following points in view in case they decide to grant such a permission:
   (i) Sub-letting should be permitted only in exceptional cases and for recorded reasons as to why contractor himself cannot directly run the contract.
   (ii) In all cases, the sublettee should be a contractor of the same or higher capacity or class as the original contractor.
   (iii) Examining the terms and conditions of the agreement between the contractor and the sublettee in order to satisfy himself that the contractor is not subletting the work for earning a middle man's profit.
   (iv) It should be seen at the time of subletting that the Government will not be put to any loss on this account and that no risk is involved.
   (v) Individuals holding general power of attorney cannot operate a contract awarded to a contractor.

Note: Engagement of labour on a piece work shall not be deemed to be subletting.

[Clause 13 of Forms no. CPWD 9 is identical to clause 21 of Forms nos. CPWD 7 and 8 as far as the subletting is concerned.

Forms no. CPWD 10, 11 and 11A - There is no corresponding clause in these forms.]

32.14 Clause 36 of Forms no. CPWD 7 and 8

(1) This clause casts an obligation on the contractor to deploy well-trained, qualified and skilled professionals at site of work to execute only quality work, and the consequences that would arise on his failure to do so. In order to effectively operate the provisions under clause 36, certain instructions on this clause are given below:

Executive Engineer should ensure that the contractor is called upon, immediately after award of work, to intimate the details i.e. name(s), qualifications, and address(es) of the qualified Engineer(s) required to be employed by him as per terms of the contract and to ensure that properly qualified engineer(s) employed by contractor is/are actually available at site to supervise construction at all stages and note down the instructions conveyed by the Engineer-in-Charge or his authorized representative namely AE or JE in site order Book. The engineer(s) should be invariably present fully during all stages of the execution of the work. It is also essential that the certificate that qualified engineer(s) the provisions of clause 36 has/have looked after the work during its execution is verified and recorded by the AE alongwith each running bill. Executive Engineers should also verify the fact of employment during their visit of works.

(2) Certain Administrative instructions as regards this clause are given as under:-
   (i) Engineer(s) and/or Overseer(s) deployed as per stipulation in the contract shall look after only the work under contract and no other work and shall be available fully during execution of work.
   (ii) Even if contractor (or partner in case of firm/company) is himself an Engineer/Overseer, it is necessary on part of contractor to employ Engineer(s) and/or/Overseer for the supervision of the work(s) as per stipulation.
   (iii) The Retired Engineer/Asstt. Engineer who are holding Diploma may be treated at par with Graduate Engineers for the operation of the Clause.

(3) Requirement of technical staff for a work shall be decided and stipulated in Schedule F as per guidelines given at Appendix 18.

32.15 Clause 42 of Forms no. CPWD 7 and 8

This clause imposes an obligation on the contractor to manage an effective inventory control of the expensive and essential stipulated materials, and the resultant consequences in case of non-observance of diligence in their usage by the contractor. Clause 42 (ii) and (iii) of Forms no. CPWD 7 and 8 lays down that recovery at a specified rate (higher than the normal issue rates) is to be made from the contractor for

use of cement and steel in excess over the quantity arrived at by theoretical calculation. The intention behind the clause is that the contractor shall take only the required quantity of materials, and if any such materials remain unused at the time of completion or determination of the contract, it has to be returned to the Engineer-in-charge. The clause specifically provides that the material not so returned shall be recoverable at the rates as specified. The rates so specified forms the reasonable compensation for the breach of the provisions therein. Thus this particular clause is not in the nature of penalty, but provides a reasonable compensation. The aggrieved party for the breach of the contract can receive reasonable compensation, not exceeding the amount so named relating to the excess issue of materials not returned by the contractor.

32.15.1 Theoretical consumption statement with every bill

(1) In order to operate the provision of this clause effectively, it is necessary that with every running account bill a statement showing the theoretical requirements of materials for the items of work done and measured should be prepared and got signed from the contractor at the time of obtaining his signature on the running account bill, so that he is aware of the basis on which the theoretical calculations are worked out. It will also enable the Department to exercise a broad check over the consumption of these materials during execution of the work. As already mentioned above, the recovery at the rates so specified in the clause is for the materials issued in excess over the quantity which is expected to be used in the work if the material is used with prudence and economy, and is arrived at through theoretical calculations of the quantity that is required and the quantity that is not returned by the contractor. The recovery is not for excess consumption. It is therefore absolutely necessary that a notice in writing should be issued by the Engineer-in-charge to the contractor to return the materials issued in excess of the theoretical quantity as provided in clauses 42 and 10 of the contract. Only thereafter action for recovery under clause 42 should be taken.

(2) Once the distinction that recovery is for excess over theoretical consumption and not for consumption in the work becomes clear, it will be inappropriate for the Engineer-in-charge to admit that the entire quantity of materials issued has actually been consumed in the work. In the counter-statement of facts in arbitration also, statement such as, “Excess materials have actually been used in the work”, should never be made.

(3) For non-scheduled items, the decision of the Superintending Engineer regarding theoretical quantities of materials that should have been actually used shall be final and binding on the contractor.

32.15.2 Validity of recovery at double issue rate

In the judgment of the Delhi High Court delivered in Civil Suit no. 27-A/75 Mehta Teja Singh & Co. vs. Union of India, etc. the High Court have upheld that recovery at double the issue rate (existing in GCC at that time) for the excess quantity of materials issued over the quantity calculated on theoretical basis under Clause 42 (ii) of the Contract Forms no. CPWD 7 and 8 is justified.

Annexure

[Reference para 32.1.1]

Specimen Notice

To

The…….....

Sub :……..……..

Dear Sir,

The stipulated date of completion for the above mentioned work was....as per agreement dated the ....under clause 2 of the aforesaid agreement you have rendered yourself liable to pay compensation.

You are therefore, requested to show cause within a fortnight of the issue of this letter as to why the compensation should not be levied upon you under the above referred clause of the general conditions of contract for delay in performance of the contract and to maintain the progress. If no, reply is received from you within the above period it will be construed that you have nothing to say in the matter and the necessary action will be taken.

Yours faithfully,

Superintending Engineer

SECTION 33

FAIR WAGE CLAUSE AND CPWD CONTRACTOR'S LABOUR REGULATIONS

33.1 Provision of Act

(1) The Contract Labour (Regulation and Abolition) Act, 1970 applies to every establishment in which 20 or more workers are employed or were employed on any day of the preceding 12 months as contract labour, and to every contractor who employs or who employed on any day of the preceding 12 months; 20 or more workmen. The Act also provides for registration of establishment and Licensing of Contractors. Accordingly, every principal employer is to make an application to the Registering Officer for registration of the establishment. Section 9 of the Act lays down that no principal employer of an establishment, required to be registered under Section 7 but which has not been registered within the prescribed time limit, shall employ contract labour after the date.

(2) It has been clarified by the Ministry of Labour that the 20 contract labourers can be through one or more contractors, and it does not matter that a single contractor may not be employing 20 or more contract workers. It is sufficient that a total of 20 contract workers (through contractors) are working in an establishment of Principal Employer.

(3) If a contractor employs 20 or more workmen on any day in the preceding year, the contractor is legally bound to take license from the Licensing Officer i.e., Assistant Labour Commissioner (Central).

(4) As required under Section 2 (i) (g) of the Act, the Ministry has decided to declare every Divisional Officer (Executive Engineer or Deputy Director of Horticulture) or any Sub-Divisional Officer in-charge of an independent Sub-Division as "Principal Employer".

(5) The fees to be paid for the grant of Certificate of Registration shall be as prescribed under the Act.

(6) In pursuance of Section 12 of the Act, no contractor to whom the said Act applies, shall undertake or execute any work through contract labour except under and in accordance with a license issued in that behalf by the Licensing Officer.

33.2 Acts/Omissions

(1) The Appropriate authority in terms of Section 6 (ii) of the Central P.W.D. Contractors' Labour Regulations to approve the list of acts and omissions for which fines are liable to be imposed is the "Chief Labour Commissioner."

(2) The list of acts and omissions for which fines can be imposed on workers by contractors is given in the General Conditions of Contract.

33.3 Fair wages

(1) The term 'Fair wages' under CPWD Contractors' Labour Regulations means wages fixed and notified under the provisions of the Minimum Wages Act, 1948 from time to time. The fair wages clause is applicable only to those employees whose wages do not exceed the limit prescribed in the Act.

(2) It should be the duty of the Labour Officer to make enquiries about non-payment of wages for preventing wages' claims of contractors' labour falling in arrears. For this purpose, it is essential that Labour Officer should make frequent site inspections, as this is the only way of contacting Labour in the field and thus preventing wages falling in arrears. Any case of accumulation of arrears should be specifically brought to the notice of the Executive Engineer and Superintending Engineer for enquiry.

(3) The responsibility for identification of labour rests with the Labour Officer. He will, however, be afforded all assistance by the Junior Engineers.

(4) The contractor shall also abide by the provisions of the Child Labour (Prohibition and Regulation) Act, 1986. No labour below the age of fourteen years shall be employed on the work.

(5) Normally, working hours of an employee should not exceed 9 hours a day. The working day shall be so arranged that inclusive of interval of rest, if any, it shall not spread over more than 12 hours a day.
(6) When a worker is made to work for more than 9 hours on any day or for more than 48 hours in any week, he shall be paid overtime for the extra hours put in by him at double the ordinary rate.

33.4 Responsibilities of field officers

(1) In order to ensure regular payment of wages to the labour by the contractor, the Fair Wages clause 19B (d) provides that the Executive Engineer or the Sub-Divisional Officer concerned shall have the right to deduct from the money due to the contractor any sum required or estimated to be required for making good the loss suffered by the workers, non-payment of wages or of deductions from his or their wages which are not justified by the terms of the contract, or non-observance of the Labour Regulations. In view of this provision and other provisions of Fair Wage clause as embodied in the agreement, it is incumbent upon the Executive Engineer and the Sub-Divisional Officer to see that the labour employed by the contractor is paid regularly, and that no arrears are allowed to accumulate on this account. For this purpose, they should see that the returns that are prescribed are duly submitted by the contractor, and they should scrutinize them with a view to see that the contractor is duly fulfilling the conditions of the contract.
(2) In case an Executive Engineer finds it difficult to take action on the advice tendered by the Labour Officer under Contractor's Labour Regulations for any reason, the matter should be immediately reported to the Superintending Engineer concerned and directions obtained from him.
(3) Security Deposit of the work shall not be refunded till the contractor produces a clearance certificate from the Labour Officer. As soon as the work is virtually complete, the contractor shall apply for the clearance certificate to the Labour Officer under intimation to the Engineer-in-charge. The Engineer-in-charge, on receipt of the said communication, shall write to the Labour Officer to intimate if any complaint is pending against the contractor in respect of the work. If no complaint is pending on record till after 3 months after completion of the work, and/or no communication is received from the Labour Officer to this effect till 6 months after the date of completion, it will be deemed to have received the clearance certificate and the Security Deposit will be released, if otherwise due.

33.5 Responsibilities of contractor

(1) The contractor shall comply with all the provisions of the Minimum Wages Act, 1948, Contract Labour (Regulation and Abolition) Act, 1970 and rules framed there under, and other labour laws affecting contract labour that may be brought into force time to time.
(2) It shall be the duty of the contractor to ensure the disbursement of the wages in the presence of the Junior Engineer or any other authorized representative of the Engineer-in-charge, who will be required to be present at the place and time of disbursement of wages by the contractor to his workmen.
(3) The contractor shall obtain from the Junior Engineer or any other authorized representative of the Engineer-in-charge, as the case may be, a certificate under his signature at the end of the entry in the prescribed 'Register of Wages', or the 'Wage-cum-Muster Roll', as the case may be, in the following form:
"Certified that the amount shown in column no. ..... has been paid to the workman concerned in my presence on ..... at ....."

33.6 Deductions to be made from contractor's bills

(1) The Labour Officer, or other persons authorized as aforesaid, shall submit a report of result of his investigation or enquiry to the Executive Engineer concerned indicating the extent, if any, to which the default has been committed, with a note that necessary deductions from the contractor's bill be made and the wages and other dues be paid to the labourers under clause 13 of these regulations. Actual payment to labourers will be made by the Executive Engineer after the Superintending Engineer has given his decision on such appeal.

(2) The Executive Engineer shall arrange payments to the labour concerned within 45 days from the receipt of the report from the Labour Officer or the Superintending Engineer, as the case may be.
(3) The contractors in the CPWD are required to pay to the labour employed by them, either directly or through sub-contractors, fair wage as defined in the Contractors' Labour (Regulation and Abolition) Act, 1970 and the rules made thereunder.
(4) No deduction on account of Jamadar's commission charges etc. is to be deducted from the wages of labourers. In no case the liability of the commission charges shall fall on the workers.

33.7 Procedure in case of accidents to contract labour

(1) In case of fatal accidents or accidents involving permanent total disability, the accident must invariably be reported to the Chief Engineer, with a copy, among others, to the Superintending Engineer and Labour Officer concerned immediately after the accident.
(2) A meeting of the Executive Engineer and the Labour Officer, and the Medical Officer (for Delhi only), should be held within 24 hours of the accident for enquiry and report.
(3) Thereafter the Labour Officer (Executive Engineer concerned for Delhi) should make personal investigation into the matter and submit a brief report to the Chief Engineer, with a copy to the Superintending Engineer concerned. The disposal of accident cases should be given priority at all levels.

SECTION 34

RULES FOR ENLISTMENT OF CONTRACTORS

34.1 General

The enlistment of contractors in various classes and categories and the further revalidation of enlistment shall be regulated as per Enlistment rules – 2005. These rules updated by incorporating all the amendmends made so far is given in Appendix 34.

34.2 Dismissed Govt. Servants cannot be enlisted

Dismissed government servants should not be enlisted as contractors in the CPWD except with the prior approval of the C.W. Board.

34.3 Composite category

Enlistment in 'Composite category has been discontinued in 'Enlistment Rules – 2005'.

34.4 Concessions to SC/ST contractors

The following concessions have been extended to contractors belonging to SC/ST communities. The concessions are by way of requirement of working capital/Banker's certificate for lesser amount for registration in Class V (Civil), Class IV (Elect) and Class IV (Furniture) category. However, the tendering limit of such contractors is also restricted as indicated below:-

Class/Category	Tendering limit (Rs.)	Banker's certificate (Rs.)	Working capital for qualified engineer (Rs.)
Civil Class V	5 Lakh	4 Lakh	60,000/-
Electrical Class IV	3 Lakh	2.5 Lakh	60,000/-
Furniture Class IV	3 Lakh	2.5 Lakh	-

While issuing the enlistment order based on above concessions, tendering limit may also be indicated in the order.

34.5 Availability of Enlistment/Revalidation Forms

Forms downloaded from internet may be accepted. In event, the Forms are issued to applicant by the department, charges as incurred by issuing Office may be realized towards cost of Forms.

34.6 Inspection of works

Ordinarily, works executed by CPWD/PWD(NCTD)/ CCU of Ministry of Environment need not be inspected.

34.7 Inspection Teams

The Inspection teams for inspecting the non CPWD works of the contractor and furnishing their reports on quality of construction, workmanship etc., to the enlistment authorities shall be as follows:-

(A) For Class I:
  (1) Chief Engineer of the zone
  (2) One Superintending Engineer as nominated by CE.

(B) For Class II:
  (1) Superintending Engineer of the circle
  (2) One Executive Engineer as nominated by S.E.

(C) For Class III, Class IV and Class V:
  (1) Executive Engineer of the division
  (2) One Assistant Engineer as nominated by EE.

The inspection team will give detailed Inspection Report of work inspected and make categorical comments and recommendations. A suggestive format for inspection and recommendation of Building work is given at Annexure. Similar detailed formats may be evolved depending on nature of work and class and category of enlistment. Inspecting Officers will also ascertain from copy of agreement Architectural/ structural drawings and other document that the work being inspected has actually been done by the applicant contractor.

34.8 Advisory Committee

The advisory Committee shall assist the enlistment authority in scrutinizing the cases, make recommendations regarding suitability of the contractor, evaluate annual confidential reports/performance reports of contractors and advise the enlistment authority in revalidation process and weeding out the contractors. Such Advisory Committee shall be as follows:-

Enlisting Authority	**Advisory Committee**	**Categories**
DG(W)	Chairman : ADG(TD) Member Secretary: S.E. (C&M)	
	CE(CSQ) & any two officers of the rank of CE(C)	For Civil, Furniture & Horticulture contractors
	CE(CSQ) & any two officers of the rank of CE(E)	For Elect. & Other specialized E&M contractors
ADG(NR)	CE(MAP) – Chairman DW under ADG(NR) & any two officers of the S.Es (C) rank	For Civil, Furniture, Horticulture & Nursery contractors
	CE(E)NZ – Chairman S.E.(E)P (NZ) & any two officers of the rank of S.Es(E)	For Elect. & other specialized E&M contractors
ADG(WR)	CE(WZ)I – Chairman DW under ADG(WR) & any two officers of the S.Es (C) rank	For Civil, Furniture & Horticulture contractors
	CE(E) WZ – Chairman S.E.(E)P (WZ) & any two officers of the S.Es (E) rank	For Elect. & other specialized E&M contractors
ADG(SR)	CE(SZ)I – Chairman DW under ADG(SR) & any two officers of the S.Es (C) rank	For Civil, Furniture, Horticulture & Nursery contractors
	CE(E)SZ – Chairman S.E.(E)P (SZ) & any two officers of the S.Es (E) rank	For Elect. & other specialized E&M contractors
ADG(ER)	CE(EZ)I – Chairman DW under ADG(ER) & any two officers of the S.Es (C) rank	For Civil, Furniture & Horticulture contractors
	CE(E)EZ – Chairman S.E.(E)P (EZ) & any two officers of the S.Es (E) rank	For Elect. & other specialized E&M contractors
CE(Zone)	S.E. (A)/S.E.(P), one S.E.(C), one E.E.(C)	For Civil, Furniture contractors
	S.E. (A)/S.E.(P), one Dir. (H), one Dy. Dir. (H)	For Horticulture contractors

CE(E) Zone	S.E.(A)E/S.E.(P)E, one S.E.(E), one E.E.(E)	For elect. and other specialized E&M contractors
S.E.(Circle)	E.E.(A) of Circle, one E.E. (Civil) Division, AE(P) of Circle	For Civil & Furniture contractors
S.E.(E) Circle	E.E(E)A of Circle, E.E.(E) of Electrical Division, AE(E)P of Circle	For Elect. contractors

As a general rule, in stations where there are more than one CE or S.E., CE of Zone 1 or S.E of Circle – 1 shall be the enlisting authority and chairman of the Advisory Committee. However, ADGs shall at their discretion nominate any other CE/S.E. as enlisting authority and Chairman of the Advisory Committee.

34.9 Scrutiny of Cases

As and when an application is received from contractor, the same should be scrutinized and if some documents/information is missing, the application should be returned back to the contractor with reasons for return. Applications received by post or through messengers should be scrutinized and deficiencies be intimated to the contractor and application returned in original, within one month. If all the documents are complete, an acknowledgment shall be issued to the contractor within one month of date of receipt of complete application.

34.10 Endorsement of copy of 'letter of acceptance of tender

Copy of letter of acceptance of tender be endorsed to enlisting authority, so that enlisting authority may ensure submission of ACRC form duly competed by contractor.

34.11 Time schedule for completion and submission of Annual confidential report of contractors (ACRC)

Following time schedules for submission of ACRC shall be followed (Reference para 20.0 of enlistment rules)

Completion of Part II of ACRC ……..... 3 days
Completion of relevant part by Reporting officer……..... 2 days
Completion of relevant part by Reviewing officer ……..... 3 days
Completion of relevant part by counter signing officer……..... 5 days

Writing of ACRs is in practice since 1.5.05 i.e. date of coming into effect of the 'Enlistment Rules 2005' but will be considered at the time of consideration of Revalidation as per 'Enlistment Rules 2005' i.e. after 30.4.08. It means that till 30.4.08, Enlisting authority will require performance report as per 'Enlistment Rules 2001' also.

34.12 Change in jurisdiction and Enlistment authority

In case of Horticulture and Nursery categories, DG(W) was Enlisting Authority as per 'Enlistment Rules 2001'. Changes in jurisdiction and Enlistment authority have been made in case of horticulture class II & III and Nursery categories under Enlistment Rules 2005. Keeping in mind provision related to 'para 3.0' of the 'Enlistment Rules 2005, it is decided that Enlistment incase of applications received on or before 22.11.04 shall be continued to be done by the authority as provided in 'Enlistment Rules 2001. Jurisdiction for tendering as per 'Enlistment Rules 2005', however, has to be chosen by the applicant before issue of Enlistment Order. After issue of order indicating the jurisdiction, the file be transferred to concerned Enlistment Authority as per "Enlistment Rules 2005"

34.13 Registers of Enlisted Contractors

Each Office shall maintain registers showing the enlistment of various contractors in different classifications. Whenever contractor are blacklisted, removed or temporarily suspended from the list of approved contractors a remark shall be made in the register against the contractors concerned.

Each Division and Circle Office should maintain a register for Circulars imposing penalty of one kind or the other as a result of review of the Performance report in the following proforma :

1. Sl.No.
2. Name of the Contractor.
3. Regd/Un-regd.
4. Class of Registration.
5. Warnings issued.
6. Suspension of business for years.
7. Demoted from Class…. To Class.
8. Debarred/Blacklisted.
9. No. & date of Office Circular.
10. Remarks.

It would be the personal responsibility of the EE to see that he has received all the circulars under the said series. At the time of handing over charge, the file should be handed over to his successors.

Annexure
Proforma for Inspection Report
(For Building work)

Reference -
Name of work -
Name of Contractor -
Brief description of work -
Grading based on inspection -

Item inspected	Grading
(i) Foundation and plinth	Outstanding/Very Good/Good/Satisfactory/ Poor
(ii) Super structure	Outstanding/Very Good/Good/Satisfactory/ Poor
(iii) Water proofing	Outstanding/Very Good/Good/Satisfactory/ Poor
(iv) Steel work	Outstanding/Very Good/Good/Satisfactory/ Poor
(v) Finishing	Outstanding/Very Good/Good/Satisfactory/ Poor
(vi) Water supply	Outstanding/Very Good/Good/Satisfactory/ Poor
(vii) Lines and levels	Outstanding/Very Good/Good/Satisfactory/ Poor
(viii) Doors and windows	Outstanding/Very Good/Good/Satisfactory/ Poor
(ix) Sanitary installation	Outstanding/Very Good/Good/Satisfactory/ Poor
(x) External services	Outstanding/Very Good/Good/Satisfactory/ Poor
Seepage/leakage	
Over all Grading	Outstanding/Very Good/Good/Satisfactory/ Poor

Superintending Engineer Chief Engineer

SECTION 35

ARBITRATION AND LITIGATION CASES

35.1 Dispute Redressal Committee

In order to drastically reduce the number of cases filed by the contractors for arbitration, and to redress the disputes with the contractor in accepting any decision of a competent authority on any matter relating to a contract there shall be a Standing Committee, convened by the Additional Director General, for each Zone in the Region, comprising of the following Members:

(A) For claims more than Rs. 5.0 lakh
  (a) One Chief Engineer (other than under whose jurisdiction work falls)
  (b) Superintending Engineer (TLCQA)/Director works
  (c) Superintending Engineer concerned

(B) For claims upto Rs. 5.0 lakh
  (a) One Superintending Engineer other than under whose jurisdiction the work falls.
  (b) Superintending Engineer (TLCQA)/Director works
  (c) Executive Engineer concerned

(2) In the first instance, the Executive Engineer, Superintending Engineer, or the Chief Engineer shall positively give his decision on any matter relating to the contract, for which he is competent to do so. If the decision so given is not acceptable to the contractor due to any legitimate reason, efforts shall be made to reason with the contractor to arrive at a consensus that is reasonable and legitimate under the terms and conditions of the contract. If, however, no consensus can be reached, the matter shall be referred to the next higher authority, and if no consensus can be reached at that level too, then the Chief Engineer shall refer the matter to the Committee for adjudication. In other words, cases shall be referred to the Committee only after exhausting all other remedies available with the officers of the department who are a party to the contract.

(3) The Superintending Engineer and his Executive Engineer, who are parties to the contract under dispute, shall present the case of the department before the Committee, alongside the contractor who shall present his case. The Committee shall hear both the parties, and suggest an amicable and legitimate solution to the problem, based on the principle of equity and natural justice. If the same is acceptable to both the parties, it shall be accepted by the officer in the department under whose competence the matter falls, and conveyed for implementation. If, however, the Committee fails to resolve the issue, the decision taken by the competent authority of the department in the matter would stand. It would then be upto the contractor to either accept it, or to apply for arbitration under the provisions of the contract.

(4) Wherever such a Dispute Redress Committee is constituted in a Region, suitable provisions for the same shall be incorporated in the tender documents, and these shall form a part of the contract. The contractor shall be entitled to invoke the arbitration clause only after exhausting the remedy available under the Dispute Redress Committee.

35.2 Application of arbitration clause 25 of standard contract form

(1) Clause 25 of the standard Forms No. CPWD 7 and 8 and other relevant clauses in Forms no. CPWD 9, 11, 11 A and 12, provides for appointment of an Arbitrator in case of questions and disputes relating to certain matters, specified therein arising at any stage, whatever, between the parties. This, however, does not apply to action taken under following clause where the decision of the specified officer is final to the extent given below:
Clause 5: Opinion of the Engineer-in-charge as to the reasonability of the grounds shown by the contractor for granting extension of time.

(2) The Contractor cannot have recourse to a court of law for the redressal of his grievances, unless he has exhausted the channel of the 'Disputes Redressal Committee', or arbitration as envisaged

in relevant arbitration clause. Even if the contractor goes to court, the Executive Engineer should take a plea that the contractor being a signatory to the agreement containing arbitration clause, any dispute arising out of or in any way connected with the execution or work has first to be settled by reference to the 'Dispute redress Committee', failing which, to arbitration.

35.3 Application for appointment of Arbitrator

(1) A standard application form seeking appointment of arbitrator has been evolved. Contractors seeking arbitration should apply in this Form as shown in Annexure-I.

(2) The application form, duly filled in, shall be submitted by the contractor to the Chief Engineer, with two copies thereof to the concerned Executive Engineer. All the three copies of the application form shall be accompanied by a statement of claims in the matter indicated in the application form.

(3) The arbitration clause can be invoked by the Engineer-in-charge as well by applying to the Chief Engineer for appointment of the Arbitrator. He should apply for arbitration as and when the dispute arises and should not wait till the end. He should also stick to the time schedule mentioned in the clause 25(i) for contractor.

(4) The party invoking arbitration clause should give information enough to justify existence of dispute. For this purpose, the party has to give details about the demand having been made and its refusal by the other party. It is held by Courts of Law that a "dispute" implies an assertion of right by one party and repudiation thereof by the other. Existence of a dispute is a condition precedent to arbitration. If there is no existence of dispute there cannot be any right to demand arbitration.

(5) In view of the above, before appointing arbitrator, the Chief Engineers should ensure that existence of dispute(s) has been established. For this purpose the party invoking arbitration clause should be asked to produce documentary evidence of its claims having been duly lodged with the other party and refusal by the other party to accede to them or no response by other party within stipulated time.

35.4 Preparation for arbitration cases

(1) The following steps should be taken by the Divisional Officers with a view to properly defend the Arbitration cases:

(i) As soon as a contractor applies for arbitration, the Executive Engineer should prepare a detailed history sheet containing the data regarding estimates, designs and drawings, NIT, agreements, extra and substituted items, reduction statements, extension of time/notices issued under clause 2, 14 etc., and send a copy to his Superintending Engineer.

(ii) List out important letters in respect of the issues that are raised by the contractor, or the important notices by the contractor, or the important notices issued to the contractor, and place these originals in a separate file. In the routine file, true copies of these documents may be placed.

(iii) Keep original agreements, plans, designs including the calculations for these if available, details of measurements and analysis of rates attached to the technically sanctioned estimates, all the Measurement Books connected with the work, Cash Book, Site Order Book, Cement Register in safe custody of the Executive Engineer along with originals listed in para (ii).

(iv) The Measurement Books should be closed.

(v) All the files connected with the work should be properly page-numbered, stitched and sealed, and kept by the Executive Engineer along with the above records.

(vi) If there are important situations or circumstances which are not available on the file, but are only known to the Executive Staff, their signed statements regarding the factual information should be obtained and kept on record, as after a lapse of time they may not be available for personal discussions, or they may be unable to recall past events.

(vii) The Executive Engineer may call the Executive Staff in-charge of the work from their new stations for any information that he may need to collect by personal discussions, but only under orders from the Superintending Engineer concerned.

(2) If the work has been completed, the final bill should be prepared as early as possible, and in any case before the disputes are referred to arbitration. The Superintending Engineer/Executive Engineer should ensure that the bills are finalized immediately, if not already done.
(3) The Executive Engineer shall inform the authority with whom Extra/Substituted/Deviations/RR items are pending about the arbitration case with a request to approve the items immediately. The concerned authority shall ensure that all such pending items are finalized before CSF is submitted.
(4) A detailed note on the facts of the case dealing with each and every item of the claims and/or counter claims should be prepared by the Executive Engineer, along with reference to various relevant documents supporting the Government case or negotiating the contractor's claim(s).

35.5 Processing of contractor's application

(1) The Executive Engineer shall send one copy of the application of contractor direct to the Chief Engineer with the under-noted information, without waiting for a reference from the Chief Engineer, within 15 days from the date of receipt of the contractor's application in his office, with a copy to Superintending Engineer. The Superintending Engineer should send his report to Chief Engineer immediately.
   (a) An attested copy of relevant arbitration clause.
   (b) A note regarding verification of the factual data furnished by the contractor in the application form.
   (c) Brief comments on each claim of the contractor. While giving such comments, the admissibility of the claims in the light of arbitration clause and Limitation Act, should be kept in view and commented upon.
   (d) Statement of counter claims of the Department, if any. However, if counter claims are not readily enlisted or available, comments on contractor's claims should not be delayed.

35.6 Appointment of Arbitrator

(1) The standard form of appointment letter at Appendix 35 is to be used for appointing an Arbitrator.
(2) In those cases where the amount of the claim is less than Rs.1,00,000 (Rupees One lakh), para 2 of the standard form should be deleted. (Para 2 states that the Arbitrator shall give reasons for the award if the amount of claims in dispute is Rs. one lakh or above).
(3) The Government of India have appointed a panel of Arbitrators in the Ministry, and generally the cases of disputes between the Government and other parties are referred to the sole arbitration of one of them as may be decided by the Chief Engineer/Director General (Works).
(4) The person thus appointed shall be the sole Arbitrator, and his award shall be final and binding on all parties to the contract, unless it is set aside by the Court.
(5) Whenever a notice for appointment of an Arbitrator is received from a contractor in terms of clause 25 of Agreement Forms No. CPWD 7 and 8 (and corresponding clauses in other forms), the Chief Engineer should process the case so as to appoint an Arbitrator within 30 days from the receipt of such a notice. The time limit of 30 days for appointment of Arbitrator should be strictly adhered to.
(6) In cases where no agreement exists, or where no clause exists in an agreement for referring the matter of dispute to the sole arbitrator of a person to be appointed by the Chief Engineer/Director General (Works), the disputes should not be referred to arbitration by mutual consent and no agreement should be drawn up for this purpose.
(7) The authority of an appointed Arbitrator does not become revocable except with the order of the Court. It shall not be revocable by the death of any party or parties to the contract.
(8) The draft letter for appointment of a new Arbitrator due to transfer or vacation of office by the old Arbitrator shall be as per Appendix 36.

35.7 Action subsequent to appointment of Arbitrator

(1) When the Arbitrator enters into reference and writes to the parties to the contract to file the statement of facts and counter statement of facts before him, the Executive Engineer should take prompt action to prepare the defence, duly supported by adequate documentary evidence and witnesses,

and arrange for its submission to the Superintending Engineer and the Departmental Counsel, as may be necessary, and get their approval, and send to the Arbitrator by the date and within the time specified by him. In cases where the claims (excluding interest) exceed Rs. 20 lakhs, advice of the Techno-Legal Cell should be sought as given in para 35.10.1.

(2) The Executive Engineer should deal with submission of counter statement with utmost urgency and priority. Taking into account the various difficulties in filing the counter statement, it has been decided that the Executive Engineer should submit the counter statement of facts normally within two month, and in exceptional cases within three months from the date of receipt of the statement of the facts.

(3) The Executive Engineers should invariably follow this time limit. However, in cases where they foresee some unavoidable delay in adhering to the time limit, they should explain the position to the Arbitrator under intimation to the other party and obtain extension of time before the expiry of the stipulated date.

35.8 Engagement of lawyers other than Departmental Counsel

(1) Where the Counsel of the Department is not available and/or where it is considered desirable to avail of the services of a local lawyer to conduct a case on behalf of the Department or assist the Departmental Counsel, fees may be paid at the rates approved by the State in which the cases are conducted. In such cases, approval of the Chief Engineer/Additional Director General/Director General (Works) as the case may be, should be obtained before engaging such lawyer.

(2) Where the fees are in excess of the approved rates of charges laid down by the State Administration, prior approval of the Government should be obtained.

(3) In the case of Executive Engineers at stations where Senior/Junior Counsel is also stationed, the Executive Engineers should not engage Private Lawyer/Standing Government Counsel locally, except in case where the Senior Counsel/Junior Counsel is not available due to unforeseen circumstances, and the case can not be adjourned.

(4) However, the mere fact that the Counsel has not been able to come should not ordinarily call for adjournment of whole case. In such circumstances, the Arbitrator may hear the Executive Engineer on the claims involving technical and physical points. For hearing on legal issues, the Arbitrator may, if he is satisfied that hearing the Government Counsel is necessary, adjourn the case only to hear him on that or those issues. The Executive Engineer may also, where the nature of the claim warrants the presence of the Government Counsel, seek adjournment, if necessary, in writing.

35.9 Engagement of Departmental Counsel (Junior/Senior/Standing/Private)

(1) In all cases, where the value of the claims is Rs. 15 lakhs or more, the Counsel should invariably defend the cases with the help of the Executive Engineer concerned before the Arbitrator. In all cases that are defended by the Counsel, the Executive Engineer should supply him detailed brief at the initial stage itself, and should ensure that the hearings are fixed by the Arbitrator to suit the availability of the Senior Counsel. The Executive Engineer concerned should make it a point to contact the Counsel and discuss the arbitration cases with relevant documents.

(2) If the case is to be defended by the Counsel of the Department, a copy of the detailed note referred along with copies of the documents referred to therein should also be forwarded to him with a draft counter statement/counter claims. For individual claims upto Rs. 50,000 which do not involve any point of law or interpretation of clauses, the Executive Engineer should prepare the case himself without taking the assistance of the Counsel.

(3) Where required, the Departmental Counsel would assist in preparation of the counter statement of facts on the basis of the notes/matter to be made available to him by the Executive Engineer.

(4) All the documentary evidence in the case has to be examined carefully and placed before the Arbitrator as the situation and circumstances in each hearing demands, stressing the points of the Department to counter act the contractor's claim(s).

(5) Where the contractor's claims are based on entries in the Measurement Books recorded by our own officer who may have colluded with the contractor and made false entries, it is necessary that sufficient evidence contesting the correctness or veracity of the entries in the Measurement Books should be placed before the Arbitrator in support of the contention of the Department and extra care should be taken in such cases with regard to selection of the witnesses and evidence that is to be placed before him.

35.10 Techno-Legal Units

(1) The Techno-Legal Units handle all arbitration cases where the claim amount exceeds Rs. 20lakhs (excluding interest). Cases pertaining to Regions of Additional Director General (S&P) and Additional Director General (TD) are handled by the Superintending Engineer (TLQA) in the headquarters (called the 'Core Unit'), and those pertaining to other Regions, by the Superintending Engineer (TLCQA)/Director Works of the concerned Region.

(2) The Techno-Legal Units are required to take up the cases as soon as CSF/SF is prepared by the Department and is vetted by the concerned Superintending Engineer. These Units scrutinize the CSF/SF and render necessary advice to the Executive Engineer/Superintending Engineer regarding defence of the case. The Executive Engineer/Superintending Engineer should, however, continue to follow the procedure of getting the CSF/SF vetted further by the Counsel.

(3) The Techno-Legal Units scrutinize the cases of acceptance or otherwise of arbitration award in the power of Additional Director General and Director General (Works) and render necessary advice. The Chief Engineers may also seek their advice in such cases.

(4) The Core Unit also deals with the cases of appointment of Arbitrator other than the designated Arbitrators of the Ministry of Urban Development, correspondence regarding legal opinion/opinion of the Senior Counsel and suggestions for modifications to the existing Rules and Procedures, and any clarifications needed.

(5) The Techno-Legal Units are required to examine the awards with a view to check:
   (a) Whether the case has been properly defended before the Arbitrator, and
   (b) Whether there are any lapses on the part of concerned officials due to which the award has gone against the department.

(6) The Techno-Legal Units shall bring such cases to the notice of the Chief Engineer for appropriate action.

35.11 Production of official documents before Court/Arbitrator and claiming 'Privilege' concerning the same

(1) In the course of legal/arbitration proceedings, the Court/Arbitrator may either themselves or at the instance of the opposite party, require production of official records, e.g. files, correspondence, registers or the other documents which are supposed to have a bearing upon the case. While the Court/Arbitrator may require production before them of any document relevant to the case, it must be borne in mind that in terms of Sections 123, 124 of the Indian Evidence Act, the Government is permitted ' to claim privilege for not producing documents, the disclosure of which may be considered detrimental to public interest. Such privilege may invariably be claimed in respect of all "unpublished records" of the Government i.e. documents which have not come to the knowledge of the other party. For this purpose "Notes Portion" of a file and all communications and letters other than those emanating from or sent to the party (original or copies) should be treated as "Unpublished" records of the Govt. in respect of which privilege, as aforesaid, can be claimed. This will be done by producing before the Court/Arbitrator a declaration, signed by the Director General (Works)/ Chief Engineer as Head of the Department, stating that documents referred in the declaration contain unpublished official information relating to the affairs of the State, and that privilege in respect of the same is being claimed as their disclosure would be detrimental to the public interest.

(2) A departmental officer may appear as a witness if summoned by the Arbitrator at the request of a contractor also. He is expected to give true and correct facts of the case. Deterrent action should be taken against the officials concerned, if they are found responsible for giving wrong evidence or concealing materials facts in an arbitration case.
(3) Wherever required and found necessary, records of Central Technical Examiner/Chief Engineer (CSQ)/QA Unit's objections on overpayments and defective work, reports of C.B.I./S.P.E. or the Vigilance Unit of the Department may be consulted and their assistance availed of.

35.12 Default of a party

If the claimant fails to communicate his statement of facts in accordance with the time determined by the Arbitrator without showing sufficient cause, the Arbitrator may terminate the proceedings. If the respondent fails to communicate his counter statement of facts within the time determined by the Arbitrator, the Arbitrator may continue the proceedings without treating the failure in itself as an admission of allegations by the claimant. In case a party fails to appear at hearing or fails to produce documentary evidence, the Arbitrator may continue the proceedings and make the award on the evidence before him.

35.13 Issue of award

(1) Whenever an award is made by an Arbitrator appointed otherwise than through a Court, and if under the award some money is payable to the Government by the contractor, the Executive Engineer should first supply to the Arbitrator stamped paper of appropriate value as may be asked for by the Arbitrator according to amount of the award as per the rules of the State where the award is likely to be made by the Arbitrator, and request the Arbitrator to write the award on the stamped paper (non-judicial) so supplied to him.
(2) It is open to objection in a Court of law to write the award on ordinary paper and afterwards rewrite it on the stamped paper. The award should, therefore, always be obtained on stamped paper. It is for the Arbitrator to say as to which party should supply the stamped paper in such cases.
(3) As per the provision in the arbitration clause, in all cases where the total amount of all the claims in dispute is Rs. One lakh and above, the Arbitrator shall have to give the reasons for the award.

35.14 Filing of award

(1) After the award is published, it should be examined if it is acceptable to the Government. Once the competent authority decides to accept the award, immediate action should be taken to make the payment to the contractor.
(2) The payment should be made to the contractor after obtaining an undertaking from the contractor for acceptance of the award in full and final settlement. Immediate payment ensures that the Department is absolved of the liability of payment of interest on the amount awarded. The undertaking is to be obtained from the contractor on stamped paper, as per specimen form approved by Ministry of Law shown at Annexure-II. Before obtaining the said undertaking, the contractor will be addressed, as per specimen letter at Annexure-III, formally informing him of the intention of the Department to accept the award. Thereafter the contractor will be called upon to sign the undertaking.
(3) Immediately on decision to accept the award by the Govt. of India (i.e. by Chief Engineer/Additional Director General/ Director General (Works) as the case may be), or on receiving such intimation from the contractor, a communication as per Annexure-III should be issued to the contractor intimating the fact of such acceptance, and offer payment in terms of the award if the contractor communicates acceptance of the award within the specified time. Payment so made would bar the contractor from suing again in respect of the same dispute.
(4) An Arbitration award shall not be discharged by the death of any party thereto either as respect to the deceased or any other party, but shall in such event be enforceable by or against the legal representative of the deceased.

35.15 Acceptance/Challenge of award

(1) The Director General (Works)/Additional Directors General/Chief Engineers in the CPWD have been delegated powers for acceptance/Challenge of arbitration awards as given in Appendix 1.

(2) (i) When, in the opinion of CE/ADG/DG(W) the award is just and reasonable and there are no grounds to challenge, the case need not be referred to the Sr. Counsel/Min. of Law for their advice. However if considered necessary, CE can refer the matter to Sr. Counsel, C.P.W.D./ Min. of Law (either Delhi or Local Branch) before accepting/recommending for acceptance of the award.

(ii) Where, in the opinion of CE/ADG/DG(W), there are good grounds available to challenge the award (whole or part of the award), Ministry of Law should be consulted by the competent authority before taking a decision.

(3) As per provisions contained in section 34(3) of Arbitration Act 1996 an application for challenging the award may not be made after 3 months have elapsed from the date of receipt of award or, if a request had been made under Section 33, from the date on which such request had been disposed of by the Arbitrator. Provided that if the Court is satisfied that the Applicant was prevented by sufficient cause from making application within the said period of 3 months, it may entertain the application within a period of 30 days, but not thereafter. In view of this specific provision of Section 34(3) of the Arbitration Act, the following Time Schedule will be strictly followed:

Sr. No.	Authority to accept/ challenge the award	By EE to SE	By SE to CE	Action by CE
1	CE	30 days from the date of receipt of award or from the date of disposal of application filed u/s 33 of Arbitration Act.	10 days. The SE shall offer his specific comments about acceptance or challenging award against each claim.	The CE will take decision about accepting or challenging the award within 30 days after receipt of case from SE
2	ADG	15 days from the date of receipt of award or from the date of disposal of application filed u/s 33 of Arbitration Act.	5 days. The SE shall offer his specific comments about acceptance or challenging award against each claim.	The CE will submit the case to ADG within 10 days of receipt from SE with his specific comments about accepting/ challenging award against each claim.
3	DGW	- do -	- do -	Within 10 days of receipt from SE, the CE will submit the case to the DG(W) under intimation to ADG who will send his comments to DG(W) within 10 days.

Assuming that it takes about a month in the ADG or DG(W)'s office to take decision, even then the EE will have at least 15 days to prepare grounds and file application in the competent court, if the decision is to challenge the award.

(4) The Executive Engineer should make payment to the contractor in terms of the award within a period of 30 days from the receipt of acceptance of award from the competent authority, and intimate the actual date of payment of award to the contractor.
(5) The payments made towards arbitration awards shall be charged to the work.
(6) In all arbitration cases where awards of the Arbitrator go against the Department (whether by upholding the claims of the contractors or by rejecting the counter claims of the Department), detailed reasons and lapses, if any, on the part of concerned officials due to which the awards have gone against the Department, should be gone into in detail by the Chief Engineer concerned. The Chief Engineer should send his recommendations to the Director General (Works) on the issue of fixing of responsibility and for taking action against the officers, wherever necessary.
(7) The Chief Engineers will keep statistics of all such cases for the information of Government whenever required.
(8) The arbitration award means the total award including the interest awarded by the Arbitrator. The amount of such interest is to be worked out upto the date specified in the award. Therefore, the amount of the interest has to be taken into consideration while deciding the authority competent to accept the award. However, in case no fixed date is specified in the award and the interest is to be paid upto the date of actual payment of award amount to the contractor, the likely date of such payment may be taken into consideration. There may be a situation that after acceptance of the award by the competent authority, the actual payment to the contractor gets delayed beyond the anticipated date due to some unavoidable circumstances, and the amount of interest increases to an extent that the total amount of award exceeds the power of acceptance of the authority that accepted the award. In such cases, the payment may be made to the contractor as early as possible, and the case may be submitted to the authority competent to accept the increased amount of award for ex-post facto approval.

35.16 Setting aside of the award

(1) The question of challenging the arbitral award in a Court of law should be considered very carefully. Under section 34 of Arbitration and Conciliation Act, 1996, there are very few grounds available to challenge the arbitral award as follows:
  (a) The party making the application furnishes proof that:
    (i) a party was under some incapacity, or
    (ii) the arbitration agreement is not valid under the law to which the parties have subjected it or, failing any indication thereon, under the law for the time being in force, or
    (iii) the party making the application was not given proper notice of the appointment of an Arbitrator or of the arbitral proceedings or was otherwise unable to present his case, or
    (iv) the arbitratal award deals with a dispute not contemplated by or not falling within the terms of submission to arbitration, or it contains decision on matters beyond the scope of submission to arbitration, provided that, if the decision on matters submitted to arbitration can be separated from those not submitted, only the part of the arbitral award which contains decisions on matters not submitted to arbitration may be set aside, or
    (v) the composition of the arbitral tribunal or arbitral procedure was not in accordance with the agreement of the parties, unless such agreement was in conflict with a provision of this Part from which the parties cannot derogate, or failing such agreement, was not in accordance with this Part, or
  (b) The Court finds that:
    (i) the subject matter of the dispute is not capable of settlement by the arbitrator under the law for the time being in force, or
    (ii) the arbitrate award is in conflict with the public policy of India.

(2) An application for setting aside an arbitration award may not be made after 3 months have elapsed from the date on which the party making that application had received that arbitral award or from

the date on which his application for correction in or interpretation of arbitration award in terms of Section 33 of the Arbitration and Conciliation Act, 1996 was disposed of by the Arbitral Tribunal/ Arbitrator. Under Section 33, a party can make an application for correction or interpretation within 30 days of receipt of the arbitration award.

(3) If the award is found to be in order from all aspects, it need not and should not be challenged. In cases, where, in the opinion of authority competent to accept/challenge the award, there are good grounds available to challenge the award (whole or part), Ministry of Law should be consulted.

(4) The following documents may be sent invariably with all awards:
   (a) Contract agreement in original.
   (b) Award of the Arbitrator.
   (c) Legal opinion of Govt. Counsel/Counsel of CPWD/Local Legal Department of Ministry of Law, where obtained.
   (d) A statement in the proforma is given below.

Proforma

Claim Wise Statement Of Arbitration Award For The Work.

1. Claim no.
2. Brief description of claim/counter claim as justified by the arbitrator.
3. Amount of claim.
4. Amount of award.
5. Executive Engineer's recommendations.
6. Superintending Engineer's recommendations.
7. Chief Engineer's recommendations.

35.17 Award amount not to be deposited in court

Liability to pay further interest does not ceases even if award amount is deposited in court. Therefore in case of challenge to the award, the award amount should not be deposited in the court unless otherwise directed by the court.

35.18 Period of Limitation

(1) It is a term of the contract in the relevant arbitration clause that if the contractor does not make any demand for arbitration in respect of any claim (s) in writing within 120 days of receiving of intimation from the Government that the bill is ready for payment, the claim of the contractor (s) will be deemed to have been waived and absolutely barred from the liabilities under the contract in respect of these claims.

(2) In spite of the above specific provision in the arbitration clause, the Chief Engineer should not withhold appointment of Arbitrator on the ground that the request was received after the expiry of the specified period mentioned in the relevant arbitration clause of the agreement, but should appoint the Arbitrator clarifying in the letter of appointment of the Arbitrator that the reference is without prejudice to the defence that may be raised by the Government regarding the tenability of the claim on all necessary and available grounds including those of limitation, and the parties to the agreement will be free to raise the question of limitation before the Arbitrator.

(3) While examining the request for arbitration from a contractor or supplier or any claim in a litigation case, the Executive Engineer should examine whether the claim of the contractor is time barred, in accordance with the provisions of the Limitation Act, 1908 or 1963 as the case may be. This point should be taken into consideration in preparing the defence.

(4) The question as to whether any dispute has become time barred will itself be a dispute which can only be settled by arbitration. The stage of reference is not concerned with the question whether the claim of the party to the arbitration agreement is barred by the Law of Limitation and that question falls within the province of the Arbitrator to whom the dispute is referred. The reference of

the disputes, even though seemingly time barred, would therefore be made to the Arbitrator. The parties would be free to agitate the question of time bar before the Arbitrator, who would no doubt consider this point and give his award. However, it can be clarified in the letter of appointment of the Arbitrator that the reference is without prejudice to the defence that may be raised by the Government regarding the tenability of the claim on all necessary and available grounds including those in limitation.

(5) An appeal before the Division Bench is to be filed within thirty days of pronouncement of judgment by the High Court. If for any reason a delay occurs, the Court has to be approached for condonation of delay in filing the appeal, and the Department has to explain the day-to-day delay to the satisfaction of the Court. Every care should, therefore, be taken in handling such arbitration/court cases, and it should be ensured that timely and prompt action is taken within the period of limitation.

35.19 Court cases

(1) Before any action is taken in a court of law against some party for amounts due to the Government, a reliable report of its financial standing should be obtained, and simultaneously the expenditure likely to be incurred to recover this amount should be carefully estimated so that unnecessary expenditure on litigation may be avoided where there is no reasonable chance of recovering the judgment debts from the party concerned.

(2) Although it is the primary responsibility of the Departmental Counsel or Government Counsel at the particular station where the case has jurisdiction to see to the proper defence of the case, it is equally the responsibility of superior officer of the Department to keep a constant watch over the progress of these cases and see that all such cases, at every stage, are processed properly so that the cases do not go against the Government interests by default, resulting in financial loss, etc. to the Government.

(3) The Superintending Engineer should, therefore, see that all such cases are reported to the Chief Engineer as soon as a suit against Government is threatened by any aggrieved party, or the Department itself intends to file a suit against a contractor or third party. The first report from the Superintending Engineer about such cases should give a brief description of the case, and the steps that are being taken or have been taken for the proper defence or prosecution of the suit. Thereafter, monthly reports on each such case should be sent to the Chief Engineer detailing the progress of the case and further action taken or to be taken for its defence or its successful prosecution.

(4) To enable him to discharge properly the responsibility that has been placed upon him in the matter of defence of court cases, the Superintending Engineer should observe the following:

(a) The Executive Engineers of the Division concerned will be primarily responsible for handling and defending the court cases. He will collect all the relevant records and compile it for the benefit of the Counsel.

(b) The Superintending Engineer should also give adequate and timely instructions to the Executive Engineer to ensure that case is defended properly and handled expeditiously.

(c) If it is considered necessary to obtain the advice of higher authorities at any stage, the Superintending Engineer should refer the matter immediately to the Chief Engineer concerned for advice, either personal or in writing, according to the needs of the occasion.

(d) In order that the Superintending Engineer keeps himself fully conversant with the progress of each case, he should obtain regular reports from the Executive Engineer about the progress of the case from time to time. He will send monthly reports to the Chief Engineer. All defence statements to be filed by the Executive Engineer should be approved by the Superintending Engineer and the Counsel before the statement is filed.

(5) In all court cases concerning the Department which the Executive Engineers have to defend with the assistance of Government Advocates/Counsels, the Executive Engineers concerned should intimate the complete postal address and telephone numbers (both offices and residence) to the Advocates/Counsels, so that any information/developments relating to the case is intimated to them straight away without referring the matter through the Secretary of the Ministry or any other higher ranking officer.

35.20 Judgment in Court cases

(1) The progress of the cases in the Court should be watched by the Executive Engineer who is in charge of the cases as well as by the Office of the Chief Engineer concerned on the basis of the monthly reports. It shall be the responsibility of the Executive Engineer to send a report to the Chief Engineer direct within 48 hours after the court has delivered a judgment that is adverse to the Government with copies to the Superintending Engineer and the Ministry for information.

(2) It shall also be his responsibility to apply for and furnish with minimum delay a copy of the judgment and all other relevant papers, his own comments and the opinion of the Counsel conducting the case, on the advisability of filing an appeal/revision petition to enable the Government to come to a decision whether an appeal/revision should be filed or not. There should be no delay in communication between the Executive Engineer and the local Counsel and personal contact by telephone, etc. should be maintained with him.

(3) On receipt of the relevant papers from the Executive Engineer, the Superintending Engineer should send his own comments to the Chief Engineer. The Chief Engineer should examine the matter on receipt of the Executive Engineer's report, and should consider the advisability of the filing an appeal/revision petition in the light of the comments of the Superintending Engineer. Thereafter, the Chief Engineer should forward his proposals to the Ministry to enable them to seek the advice of the Ministry of Law.

(4) The proposal should be made well in advance of the last date of filing an appeal, and it should be complete in every respect, i.e. copy of the judgment (if such copy has not been received, a verbatim report of the same), and all other relevant papers should accompany the proposal.

(5) It is essential that there is co-ordination between the different sections of the Directorate General of Works and Chief Engineer's Office in such matters, i.e. the Section concerned should communicate to the other Sections wherever any important decision of general interest is taken on a contractor's claim.

(6) In all cases where the officers of the Central PWD are required to give instructions to the Government pleaders in connection with court cases, they should give complete written instructions in regard to each case. The Executive Engineers and Superintending Engineers should also see that there is no avoidable delay in the issue of the instructions to the Government pleader. In any case the instructions must be communicated at least a day before the date of hearing.

35.21 Law charges on civil suits

(1) The costs and expenses incurred on civil suits in connection with the execution of Government works may be divided into three categories given below:
   (i) The amount of the claim for which a decree is given.
   (ii) The amount of incidental costs incurred by the executing department in connection with a work financed from its own departmental heads of expenditure, e.g. when the PWD carried out a work chargeable to the Public Works Heads of Expenditure, and
   (iii) The amount of incidental costs incurred by the executing department in connection with a work financed from a different head of expenditure, for instance when the Public Works Department executes a work, the cost of which is debitable to the head of account other than the Public Works Expenditure e.g. Civil Aviation, Defence etc.

(2) The decretal amount of the claim vide item (i) above should be debited in all cases to the works concerned, and the charges referred to in item (ii) above to the sub-head "Establishment Contingencies" of the executing department. As regards item (iii), the amount should generally be borne by the department on whose behalf the work is undertaken on the ground that the action of the executing department was as agent and taken in the interests of the work.

(3) When, however, it is established that the law suit has been caused by a deliberate act of an employee of the agent department for his personal gain, the charges should be adjusted by recovery from the individual concerned or by debit against the merits of each case. Such cases should be submitted to the Government of India for their orders.

35.22 General

(1) In order to enable the Executive Engineers to put up proper defence of the case, it is necessary that as and when the Executive Engineers hand over charge of the Division, or transfer arbitration cases/works, they should, unless all the facts and arguments are already explained in the written counter statement of facts, prepare and place on record a self-contained note giving all the facts of the case and detailed comments on the claims.

(2) In order to enable speedy disposal of cases, the Executive Engineers should not ask for adjournment to the extent possible.

(3) The Executive Engineer should always maintain a separate file so far as the disputes that have cropped up on the work during the progress of the work. In case of his transfer or relinquishing charge due to any reason, he should leave a self contained note on the file at the time of his handing over charge, giving full background of all the disputes that have cropped up during the time of his incumbency, various developments thereon and the orders passed with due reference to the connected files. This should form a necessary and essential feature of all the handing over notes. Suitable method and procedure should be devised in the Divisional Office by which such files are carefully preserved and become available at a later stage to the Executive Engineer who is required to defend the case.

(4) The transferred Executive Engineers should make a comprehensive note about the pending claims of all the contractors for works in progress or completed in their time, except those where counter statements of facts have already been prepared. The note should indicate the admissibility or otherwise of each claim and the orders of competent authority. The note along with attested true copies of important letters mentioned therein should be handed over to their successors/ other Divisions.

(5) It should be made a rule in the Divisional Office that all the drawings issued with the NIT, and those subsequently followed for execution of works are properly preserved and kept along with the contract documents. It should be ensured by the Executive Engineer that suitable and adequate arrangements are made in his Division regarding preservation of all important documents, registers etc. Besides others, a list of all such records should be prepared and kept handy so that correct position of each case may be known to the Executive Engineer who is required to conduct the case, to enable him to do so on proper lines.

(6) The arbitration cases should not be considered as legacy of old and defunct Divisions handed over to subsequent Executive Engineers. These should, on the other hand, be given due importance and dealt with on priority basis at all stages till these are finally disposed of.

(7) One of the important documents for defence in an arbitration case is the agreement. It is essential that a copy of the Superintending Engineer's orders conveying his decision on recovery of compensation and copies of sanctioned extra, substituted and deviated items and sanctions to extension of time, etc. are attached to the original agreement so that these are readily available during the hearings of the arbitration case. It would be better if these papers are got signed by the contractor as far as possible, so that any claim on these issues can be refuted before the Arbitrator.

(8) Before a dispute is put to arbitration, the Department should know its exact position with regard to each item of the claims under dispute. It is very necessary that a very close and thorough study of the relevant documents is made and the case prepared accordingly.

(9) The Executive Engineer should send a quarterly statement (ending March, June, September and December) of pending arbitration cases in the proforma Annexure IV on 7th April, 7th July, 7th October and 7th January every year to the Superintending Engineer, who should send a similar statement for the entire circle to the concerned Chief Engineer on 15th April, 15th July, 15th October and 15th January every year. These reports should be reviewed by the Chief Engineer during periodical meetings with his Superintending Engineers/Executive Engineers to expedite the finalization of arbitration cases.

(10) All correspondence between the Executive Engineer and his Superintending Engineer/Chief Engineer regarding appointment of Arbitrator, or on award, and subsequent court cases, if any, should be through D.O. letters, and should be sent through special messenger in the same station.

35.23 Jurisdiction of Courts

The Court of the place from where the letter of award of work has been issued shall have the jurisdiction to decide any dispute arising out of or in respect of the contract.

Annexure - I
Notice for appointment of Arbitrator
[Reference para 35.3(1)]

To

The Chief Engineer,
..... (Zone)
.....

Dear Sir,

In terms of clause 25 of the agreement, particulars of which are given below, I/we hereby give notice to you to appoint an arbitrator for settlement of disputes mentioned below:

1. Name of applicant
2. Whether applicant is Individual/Prop. Firm/Partnership Firm/Ltd. Co.
3. Full address of the applicant
4. Name of the work and contract number in which arbitration sought
5. Name of the Division which entered into contract
6. Contract amount in the work
7. Date of contract
8. Date of initiation of work
9. Stipulated date of completion of work
10. Actual date of completion of work (if completed)
11. Total number of claims made
12. Total amount claimed
13. Date of intimation of final bill (if work is completed)
14. Date of payment of final bill (if work is completed)
15. Amount of final bill (if work is completed)
16. Date of request made to SE for decision
17. Date of receipt of SE's decision
18. Date of appeal to you
19. Date of receipt of your decision.

Specimen signature of the applicant
(only the person/authority who
signed the contract should sign)

I/We certify that the information given above is true to the best of my/our knowledge. I/We enclose following documents.

1. Statement of claims with amount claims.
2.
3.
4.

Yours faithfully,

(Signature)

Copy in duplicate to:

1. The Executive Engineer,
..... Division.

Annexure – II
Specimen form of undertaking to be obtained from the contractor on stamped paper for acceptance of award
[Reference para 35.14(2)]

(i) WHEREAS the Union of India, represented by ……..(EE) operating the contract No. …… with M/S ……. (Name of the contractor to be indicated) for execution of the work …….. (Detail of work to be indicated, i.e., name of work and agreement No.).

WHEREAS certain disputes had arisen in the execution of the said contract –

WHEREAS the parties decided to go for arbitration, the demand for arbitration having been made by …….. (indicate contractor/Government);

WHEREAS the Director General (Works)/Additional Director General/Chief Engineer ……. (delete whichever is not applicable; in the case of ADG/CE, indicate the Region/Zone), under his powers as vested in clause 25 of the agreement had appointed Shri …… as Arbitrator;

WHEREAS the said Arbitrator had given his award dated……., and had awarded a sum of Rs. ……. (in figures and words) in favour of the contractor in arbitration case No. ……..; and

WHEREAS the Union of India have decided to accept the said award,

(ii) It is hereby agreed upon and accepted by both the parties to the above-mentioned contract that the said award in its entirety is final and binding as regards to all the disputes referred to the Arbitrator by them and an amount of Rs. ……. (in figures and words) given in the award in favour of the contractor will be paid by the Union of India in full and final settlement of the amounts due to the contractor under the said contract.

Signature of contractor

Signature of Executive Engineer

For and on behalf of the President of India

Witnesses:
1.
2.
3.
4.

Annexure – III

Specimen letter asking for undertaking from the contractor for acceptance of award

[Reference para 35.14(3)]

To

.....
.....

Sub: Award dated ..... made by Sri ....., Arbitrator in regard to the disputes arising out of agreement no. ..... and referred to arbitration in arbitration case no.

Dear Sirs,

With reference to the award mentioned above, I am to say that the President of India has decided to accept the said award provided you accept the same as final and binding. Please intimate that you agree to accept payment of the sum awarded in full and final settlement of all your claims forming the subject matter of the reference to arbitration in the above case.

Yours faithfully,

Executive Engineer
For and on behalf of the President of India.

Annexure – IV

Quarterly statement showing position of pending arbitration cases (numbers only) for the quarter ending ……..

[Reference para 35.22(9)]

Name of Division	Name of Circle	Name of Zone

Part I

	As at the end of previous quarter	Added during the quarter	Cleared during the quarter	Total	Balance	
					Over 3 months	Over 6 months
	1	2	3	4	5	6

(A) Requests made, appointments not made
(B) Appointments made, S.F. received, but CSF not sent
(C) CSF sent, but award not received
(D) Award received, but payment not made

Part II

Details of cases pending with Arbitrators for more than 12 months

Case no.	Name of Arbitrator	Name of work & contractor	Appointed on	Remarks why pending

CHAPTER IV
STORES

SECTION 36

ACQUISITION OF STORES

36.1 Classification of stores

(1) The stores of the Central PWD are divided into the following classes:
   (i) Stores or general stores;
   (ii) Tools and plant;
   (iii) Road metal; and
   (iv) Material charged direct to works.

(2) The Tools and Plant of a Division are further divided into following kinds:
   (a) General or ordinary tools and plant, i.e. those required for the general use of the Division.
   (b) Special tools and plant, i.e. those required for a specific work.

(3) The cost of the supply, repairs and carriage of articles of class (a) above is charged to the Minor Head "Tools and Plant'' under the Head "2059 Public Works'', whereas similar charges of class (b) are borne by the work concerned. In both cases, the cost is charged in the accounts against sanctioned estimates in the same way as expenditure on works, though for the purpose of sanction, it is treated as expenditure on Tools and Plant.

36.2 Reserved stock/stores

(1) Ordinarily, the materials should be purchased only for the works in progress and no reserve stock should be kept, except with the specific sanction of and to a monetary limit to be prescribed by the competent authority. Due consideration of the anticipated requirements of the stores according to the nature and quantum of work to be executed in each Division during a year should be taken and estimate prepared on the basis of these figures.

(2) In order to facilitate control over the purchases of stores for works in the Division, particularly Maintenance Divisions, all estimates for a year should be sanctioned well in advance of commencement of that year. A statement of materials required for the work in each Sub-Division should be attached to each estimate. To facilitate consolidation, the materials should be grouped in a pre-determined order in each statement. Before the commencement of the year, the requirements of materials of all the works in a Sub-Division and the Division should be consolidated.

(3) The manufacture or collection of materials involving an outlay of Rs. 50,000 or upwards must, in all cases, be covered by an estimate showing proposed outlay and the materials to be received.

(4) If the material is required for a work duly sanctioned, or for reserve stock within the sanctioned limit for the Division, the estimate will require the approval of the Superintending Engineer before a purchase exceeding Rs. 2 lakhs is made. In other cases, it would require the administrative approval, expenditure sanction and technical sanction of the competent authority as done for an original work.

(5) The Additional Directors General/Chief Engineers have full powers to sanction the limits of reserve stock for various Divisions under their control. This power does not vest in any lower authority.

(6) When a reserve stock limit has been sanctioned, the Executive Engineer is authorised, subject to the approval of a proper estimate thereof, to purchase or manufacture stock within the sanctioned limit. It should be ensured that the materials are purchased strictly in accordance with the requirements of the work and utilized to the best advantage of the Government. The purchase or indenting in excess of the requirements should be avoided.

(7) In case certain materials are rendered surplus to requirements as a result of certain deviations, alterations, substitutions or reduction in the quantity of items during the course of execution of work, or where some materials become surplus on completion of work, because they were purchased as a precautionary measure for avoiding any possible delay in procurement, or where some provisions have to be made for any other contingencies arising during execution of work, or where the outlay has been prohibited for any considerable length of time, the Executive Engineer should take action to transfer such materials to other works in progress where these are likely to

be used within a reasonable time, or bring such materials to the stock account, as the case may be, provided that they are serviceable. Where the materials rendered surplus cannot be utilized in any of the manners indicated above, the Executive Engineer should take necessary steps to dispose of the materials by sale.

36.3 Road metal

The stock of road metal is maintained mostly in the Divisions which are in charge of maintenance of roads. Same requirements, as in case of stores, as referred to above, are to be fulfilled in respect of acquisition of stock of road metal.

36.4 Tools and Plant

(1) Ordinary tools and plant required for the general use of the Division can be purchased or manufactured against sanctioned estimates, with the exception of purchases or manufactures not exceeding Rs.10,000, for which estimates are not required. The powers of officers to sanction estimates for purchase, manufacture and repairs of Tools and Plant are, subject to the instructions hereunder, the same as their powers to sanction estimates technically. Before sanctioning the estimate for Tools and Plant, it should be ensured that necessary budget allotment exists under the minor head "Tools and Plant''.

(2) Purchase of motor cars, trucks, jeeps and other plant and machinery will be regulated by special orders of the government.

(3) Budget provision under the Head "Tools and Plant'' should be restricted to ¾% of the anticipated works outlay of the Central PWD for one year.

36.5 Special Tools and Plant

Cost of special tools and plant needed for a specific work would be included in the estimate for the work concerned, or they should be covered by a specific estimate and specific sanction.

SECTION 37

PURCHASES OF STORES

37.1 Bulk purchases

Materials that are required for construction and maintenance by the Central PWD Divisions in Delhi are generally stocked in the Central Stores. In Divisions located outside Delhi, the concerned Executive Engineers are required to take necessary steps for arranging procurement of stores direct in accordance with the procedures laid down in this Section.

37.2 Central stores

(1) In Delhi, the statements of annual requirements of Divisions are required to be scrutinized by the concerned Executive Engineer so as to earmark distinctly the items to be procured through the Central Stores Division and those to be procured direct. A copy of the statement showing the materials and quantities required to be procured through the Central Stores Division is sent to that Division by 1st of April, every year for arranging bulk purchase after consolidating requirements of all Divisions located in Delhi.

(2) Some of the important building materials that are generally procured by the Central Stores Divisions are as under:
   (i) Cement
   (ii) Steel reinforcement bars
   (iii) C.I. pipes
   (iv) G.I. pipes
   (v) Sanitary wares and sanitary fittings
   (vi) Water supply fittings
   (vii) Door and window fittings
   (viii) Glassware and sheets,
   (ix) Rotomoulded polythelene tanks.

(3) The Executive Engineer, Central Stores Division arranges the bulk purchases through the DGS&D/ open market and then issues to the respective Divisions at Delhi against their requisitions.

(4) Such items that are not meant to be procured through the Central Stores Divisions should be listed out separately, and the Executive Engineer of the Division concerned should draw out a program for placing orders for the same against the DGS&D rate contracts. For materials that are not to be purchased through the DGS&D, tenders/quotations should be invited after observing the procedure laid down for local purchase.

(5) In places outside Delhi, the Executive Engineer concerned should himself take action as above for the stores required for the works in his Division.

37.3 Procedure for Purchase of Materials.

(1) Purchases costing upto Rs. Two thousands can be made through Hand receipt/Imprest/Cash. Such Purchase shall not count towards annual ceiling of powers of purchase of materials.

(2) Purchases of materials costing upto Rs. fifteen thousands on each occasion may be made without inviting quotations or bids on the basis of a certificate to be recorded by the competent authority in the following format.
   "I, ...am personally satisfied that these goods (materials) purchased are of the requisite quality and specification and have been purchased from a reliable supplier at a reasonable price."

(3) Purchases of materials costing above Rs. fifteen thousands and upto Rs. one lakh on each occasion shall normally be made through call of quotations/bids. However in cases of Urgency, Proprietary items, or items with exclusive specifications, purchases can be made by a purchase committee consisting of Executive Engineer, two Assistant Engineers or one Assistant Engineer and one Junior Engineer as decided by Executive Engineer. The committee will survey the market to ascertain the reasonableness of rate, quality and specifications and identify the appropriate supplier.

The members of the committee will jointly record a certificate as under : -
"Certified that we....., members of the purchase committee are jointly and individually satisfied that the materials recommended for purchase are of the requisite specification and quality, priced at the prevailing market rate and the supplier recommended is reliable and competent to supply the goods in question."

(4) Purchase of materials costing more than Rs. one lakh shall be made as under:-
   (a) The items which are borne on DGS&D rate contract and the rate contract is valid at time of making purchase, and the total cost of such items being more than Rs. one lakh shall be purchased at such rate contracts either through DGS&D or from the firm directly at rate contracts.
   (b) Items for which no valid rate contract exists shall be purchased from open market through call of tenders/quotations.
   (c) Above procedure at (a) & (b) can be deviated in the interest of work by the Chief Engineer with recorded reasons.

(5) Quotations or tender should be invited preferably from manufacturers directly. In case manufactures are unwilling to supply the materials, quotations/tenders can be invited from authorized dealers.

(6) While inviting Quotations/tenders, proper publicity should be given as laid down under Section 16 of this Manual with the only change that the publicity in press shall be given for the supply having estimated cost more than Rs. 2 lakh. Provision of Earnest money/Performance guarantee may be decided by the Notice approving authority.

37.4 Delegation of Powers for purchase of materials

Powers delegated to various officers for making purchases of materials through DGS&D or through open market shall be as laid down in Appendix – 1.

37.5 Realistic procurement

As it is not business like to purchase stores in driblets, periodical indents should be prepared and as many articles as possible be obtained by means of such indents. At the same time, care should be taken not to purchase stores much in advance of actual requirements, if such purchases are likely to prove unprofitable to Government.

37.6 Purchase through DGS&D

The DGS&D is the Central Purchase Organisation of the Government of India and is required to conclude rate contracts with the registered suppliers for goods and items of standard types which are identified as common user items and are needed on recurring basis by various Central Government Ministries or Departments. DGS&D furnishes and updates all the relevant details of rate contracts in its website. The department shall follow these rate contracts to maximum extent possible.

37.7 Direct Demanding Officers

(1) In Central PWD, normally the Executive Engineers are authorised as Direct Demanding Officers by the DGS&D. The Executive Engineers should invariably take steps to get their names included as Direct Demanding Officers, for which they should take up the matter, wherever required, through their Superintending Engineers. Items for which a rate contract exists, the order may be placed direct with the concerned firm, provided the name of the indenting officer is included by the DGS&D in the list of Direct Demanding Officers. The list of such items is revised from time to time by the DGS&D, and such items are indicated in the booklet issued by them every 6 months, titled "List of stores on rate/running contracts".

(2) A large number of Executive Engineers of CPWD have been declared as Direct Demanding Officers for placing supply orders against items that exist on the rate contracts of DGS&D. It has, however, come to the notice of this Directorate that supply orders are placed without verifying availability of funds or budget provision, and in certain cases, for quantities far in excess of their immediate requirement.

(3) The indenting officers should not enter into direct correspondence with the suppliers or their agents in cases where the work of procurement is entrusted to the DGS&D.

37.8 Precautions on drafting of indents

(1) It has also come to notice that while placing supply orders, all the columns are not filled in, and the quantities are not mentioned in words, with the result that the quantities can be easily tampered with. A few cases of issue of fake supply orders have been pointed out by DGS&D.

(2) The following instructions should be strictly adhered to while placing the supply order against DGS&D R/C items:
   (i) All the columns of the supply order should be filled in and supply order signed and affixed with seal of the DDO.
   (ii) The quantities, rates, and amounts against each item should be given in figures as well as in words. Where the rates/charges, such as incidental charges, cannot be ascertained fully, the approximate rates and amount should be given, both in figures and words.

(3) The specifications of the stores that are required should be carefully decided before placing indents on the DGS&D so that changes can be avoided after the contract has been finalised as far as possible. Where Indian Standard Specifications are not available, specifications as consistent with the requirement of safety, security and end use of the stores according to necessities of the structures and installations, may be decided having regard to technical limitations of indigenous productions.

37.9 Financial sanction

(1) The indentor should ensure that necessary financial sanction of the competent authority exists before the demand is placed on the DGS&D. No indent would be complied with unless it is accompanied by a certificate over the signatures of the indentor to the effect that:
   (a) The expenditure involved in the indent including the estimated cost of freight and the departmental charges (in the case of non-Government and Deposit works), has received the sanction of the competent authority. The indent will give an indication as to whether the stores indented for are required for bonafide use or for non-Government and Deposit works.
   (b) Funds are available to meet the expenditure under the proper head in the sanctioned budget allotment of the indenting Department/office.
   (c) A sanction shall not lapse if tenders have been accepted (in the case of local or direct purchase of stores) or the indent has been placed (in the case of Central Purchases) on the DGS&D within the period of one year of the date of issue of that sanction, even if the actual payment in whole or in part has not been made during the said period.

(2) The indenting officer should, however, make provision for the funds required in the budget of the next financial year depending upon the delivery period of the stores as per the contract and subsequent amendment, if any.

(3) As an exception to the above provision, the DGS&D accepts indents from the Executive Engineers of the CPWD in emergent cases in anticipation of sanction. Indents for such works should be accompanied by a certificate in the following form:
   "I certify that sanction of the competent financial authority has been applied for the expenditure involved which is being incurred in anticipation of sanction under para 118 of CPWD Code."

(4) The DGS&D can (within certain monetary limits) place contracts at price higher than those intimated in the indents without reference to the indentor.

(5) Whenever the cost of stores indented for exceeds the prescribed limit, the DGS&D will obtain the indentor's concurrence for the extra expenditure involved before the actual placement of the order. The indenting officer should, when giving concurrence, certify the availability of funds as under:
   "I certify that the extra expenditure involved has received the sanction of the competent financial authority and that the funds are available under appropriate head in the sanctioned budget allotment of the indenting department for the year".

37.10 Careful filling of the indent form

Apart from the availability of funds, other columns of the indent/order forms should be carefully filled in, indicating clearly:

(i) Head of Account to which the cost of the stores in question is debitable.
(ii) Name of the Pay & Accounts Officer through whom the debit is to be passed.
(iii) Detailed specifications and standards of the stores required.
(iv) Date by which the stores are required to be supplied.
(v) Detailed consignment instructions, giving clearly the postal and telegraphic address of the consignee and indentor.
(vi) The manner in which the consignment is to be despatched, viz. "Owner's Risk" or "Railway Risk", "Goods train" or "Passenger Train" or "QTS'' (Quick Transport Service) where it operates.
(vii) The rate and amount should be clearly mentioned specifying in clear terms if it is F.O.R./F.O.B./ C.I.F. station of despatch/destination/port of despatch/port of disembarkation.

37.11 Cancellations and change in the indent

(1) The officers of CPWD should carefully note the following procedure prescribed for observance by the DGS&D on receipt of reduction/cancellation of demands intimated to them by the indentors:
   (i) The terms of a contract are binding on both the parties and a contract during its currency can be cancelled or modified only by mutual consent. The DGS&D will not, therefore, proceed to cancel a contract in whole or in part straightway on receipt of the indentor's request. On receipt of request for cancellation/reduction, each case will be examined by the DGS&D immediately with reference to the terms and conditions of contract by the Purchase Officer within whose powers of purchase the contract falls, and after obtaining legal opinion where necessary. If the legal opinion confirms that the purchaser is within his rights with reference to the terms and conditions of the contract to cancel the contract, as for example, where the delivery period has expired, action will be taken to give effect to cancellation/reductions straightway.
   (ii) Where, however, it is clear that the terms and conditions of the contract do not permit cancellation/reduction without the contractor's consent, the firm will be approached and persuaded to agree to cancellation/reduction without any financial repercussion. If the firm agrees, the formal amendment of cancellation will be issued by the Purchase Officer concerned, making it clear that the reduction/cancellation is by mutual consent.
   (iii) Where the firm does not agree to cancellation/reduction without financial repercussion, the firm will be asked not to make further supply and not to incur further expenditure pending decision as to whether the contract should be terminated pursuant to the Termination of Contract Clause, and what the quantum of compensation payable, if any, should be. The indentor/ consignee will also be advised of the position. Simultaneously, arrangements will be made for independent inspection of the stores in an unfinished state of supply, with a view to ascertain the correct position of the supply of stores contracted for and the reasonableness or otherwise of the compensation claimed by the contractor. After the Purchase Officer, in consultation with Associated Finance, is satisfied that the amount of compensation claimed by the contractor is reasonable, the indenting officer will be addressed, explaining the issue involved and the amount of compensation that may have to be paid to the contractor, and asked whether he wants the contract to be cancelled and is prepared to bear the compensation. If the indenting officer still desires cancellation and is prepared to bear compensation, the cancellation/reduction will be effected by the DGS&D with the approval of the Head of the Organisation/Ministry.
   (iv) In all cases involving financial repercussions, the Associated Finance will be consulted at every stage right upto the payment of compensation.

37.12 Delay in supplies

In case supplies are delayed beyond the period stipulated by the indentor, it would not be necessary for the DGS&D to have the availability of funds re-certified from the indentor, and so long as the indent is

not cancelled they shall assume that funds are being provided from time to time to cover the cost of stores. They will, however, keep the indentor informed of the prospects of supply from time to time to enable the indentor to carry forward the funds accordingly.

37.13 Inspection of stores ordered through DGS&D

In case of supplies ordered against DGS&D rate contracts or indented through them, inspection of the supplies received is to be made by the respective Inspection Wing of that Department. The Inspection Wing's certificates are furnished by the supplier to the consignee, who after having recorded the required certificates about receipt of the goods in good condition, sends specific number of copies back to them and to the Controller/Deputy Controller of Accounts (Supply) as indicated by them.

37.14 Purchase of plant and machinery

(1) When indenting for plant and machinery etc., the indenting departments should take a decision as to the quantity of spares to be purchased along with the main equipment, and also to place an indent for them on the DGS&D. The indenting officer should also specify whether any of the following guarantees is required to be obtained from the supplier of the equipments:
   (i) A guarantee from the supplier of the equipment that he will supply spare parts if and when required on an agreed basis for an agreed period. The agreed basis should be an agreed discount on the published catalogue prices.
   (ii) A warranty to the effect that before going out of production for the spare parts, he will give adequate advance to the purchaser of the equipment so that the latter may order the balance of the life time requirements in one lot.
   (iii) If possible, a warranty to the effect that the supplier of the original equipment will make available the blue prints of drawings etc. of the spares if and when required in connection with the main equipment.

(2) In the indent for spare parts, reference to the number and date of the contract for the main equipment and any guarantee/warranty incorporated therein should be quoted by the indenting officers.

(3) The indenting department should endeavour to adopt Indian Standard Specifications wherever available, and where such specifications are not available, they should permit relaxation in indigenous production, which should be consistent with the requirement of safety, security and end use of the stores.

(4) Machinery and equipment which is not indigenously manufactured, or for manufacture of which certain parts are required to be imported from abroad, are arranged against specific quota of foreign exchange for the purpose from "Soft Currency" or "Hard Currency" countries.

37.15 Advance Payments

Ordinarily payments for services rendered or supplies made should be released only after the services have been rendered or supplies made. However advance payments may be made in following types of cases:-

(i) Advance payment demanded by firms holding maintenance contracts for servicing of Air-conditioners, computers, other costly equipments etc.

(ii) Advance payment demanded by firms against fabrication contracts, turn key contracts etc.

Such advance payments should not exceed the following limits:-

(i) 30% of contract value to private firm.

(ii) 40% of contract value to a State or Central Government agency or a PSU; or

(iii) In case of maintenance contract, the amount should not exceed the amount payable for six months under the contract.

While making advance payment as above, adequate safeguards in form of Bank guarantee etc. should be obtained from the firm.

SECTION 38

PAYMENT FOR THE SUPPLIES

38.1 General

All the stores that are received are verified, and measurements and details thereof are to be recorded in the Measurement Book if the purchase is for specific work, and in the Goods Receipt Sheet if the purchase is for stock. Payments are to be made by the Executive Engineer on the basis of the entries recorded in the Measurement Book or Goods Receipt sheet as the case may be, according to the terms of the payment as finalised in the supply order.

38.2 Payments against rate contract orders and insurance charges

In respect of the supplies received against the orders/indents placed against/through the DGS&D rate contracts, the payments are made on the basis of inspection certificates issued by the Inspection Wing of the DGS&D, and Receipt Certificate recorded thereon by the consignees. After the payment is made to the suppliers by the Controller/Deputy Controller of Accounts (Supply), the office sends the bills and the inspection notes (duly verified by the consignee) to the concerned Pay & Accounts Officer of the consignee (Divisional Officer), who in turn issues cheques for the payment to the Controller/Deputy Controller of Accounts (Supply), prepares PAO adjustment memo for the payment so made, and sends the same to the consignee concerned. The consignee adjusts the memo through transfer entry in the monthly accounts, crediting the amount to the remittance head and debiting to the work concerned.

38.3 Payment for steel & iron

For steel, advance payments shall be made only to main producers, i.e. TISCO, IISCO, RINL and SAIL. The Superintending Engineer shall have full powers for the same. Advance payment as per their standard terms of payment, inclusive of octroi, bending bundling charges may be made for procurement of steel from the stockyard of the Steel Authority of India Limited or any other main producer before the supplier issues the necessary delivery order. Sales tax/VAT, where payable, shall be paid extra.

38.4 Payment for cement

For DGS&D rate contract supplies, 98% payment is made on production of proof of despatch by railway, i.e. railway receipt, and balance 2% after receipt of the consignment in good condition by the consignee. Payment without consignee's receipt certificate is permissible if the later is not received within two months from the date of despatch. In case of local deliveries, 100% payment is made on production of consignee's receipt certificate.

38.5 Short/non-receipt of stores

The consignee should watch the actual receipt of the stores and report non-receipt or shortages or rejections to the paying authority without loss of time, and in any case within 30 days of receipt of proof of despatch/arrival of stores at destination.

38.6 Advance payments for purchase of stores

The Chief Engineers, Superintending Engineers and Executive Engineers are authorised to make advance payments upto 90% to the firms for supply of stores upto the limit of their respective powers of acceptance of tenders subject to the following terms and conditions:

(i) Advance payment shall be made only in cases where it is considered absolutely necessary.
(ii) The amount of advance payment against contract shall be made on the basis of a valid expenditure sanction issued with the concurrence of the competent authority.
(iii) The amount of advance payment against contract for supply of stores shall be restricted to 90% of the cost of stores, and the payment shall be made only against the despatch documents. Pre-inspection of the stores ordered should be ensured before making advance payment.
(iv) Where advance payment is made, transit insurance must be obtained from the supplier and the advance must be against Guarantee of equal amount from a Scheduled Bank.

(v) The officers drawing the money for making advance payment to suppliers of stores shall be responsible for its adjustment within a period of one month from the date of the drawal of advance.

(vi) A second advance shall not be drawn for making advance payment to the firm/supplier unless the earlier advance, if any, made to the same firm/supplier has been adjusted.

(vii) The amount of advance shall be drawn on a simple receipt, and debited to the suspense account "Contractors other Transactions/Advance payments" in the works abstract of stock or work concerned.

(viii) The advance payment in cases not covered by the above conditions shall be made with the approval of the Director General (Works).

SECTION 39

INSURANCE

39.1 General

(1) The Government property, both movable and immovable, should not normally be insured. No subordinate authority, therefore, shall undertake any liability or incur any expenditure in connection with the insurance of such property without prior consent of the Ministry of Finance in the case of immovable property, and the Director General (Works) in the case of movable property.

(2) In cases where it is decided to insure properties or goods under the direct or indirect control of the Central Government, the procedure as laid down by the Ministry of Finance from time to time should be followed.

(3) The Director General (Works) has full powers in the case of insurance of movable property. The Chief Engineer is, however, empowered to incur expenditure on the insurance of materials and equipment received on loan or as aid from Foreign Governments or International or other Organisations, if according to the terms of the contract or agreement, insurance of such materials or equipment is necessary. Materials purchased ex-factory should be necessarily insured.

39.2 Inland transit insurance

(1) In cases of consignment of stores in general, dispatch on F.O.R. station of dispatch basis, and in the case of fragile stores in particular, where the suppliers do not accept DGS&D's transit insurance clause and the stores cannot be booked by the Railway under a clear Railway receipt at Railway risk, and if the indentor/consignee wants the stores to be insured against loss or damage in transit, the supplier should be asked to do so sufficiently in advance by a registered letter under advice to the DGS&D, who will make necessary provision in the contract by means of an amendment, if the acceptance of tender has already been issued.

(2) Payment of extra charges on account of such insurance will be made by the concerned Controller/ Deputy Controller of Accounts (Supply). If the indentor/consignee does not follow this procedure, he will make himself liable to bear the entire loss on account of the losses/breakages in transit. On the other hand, the suppliers will be responsible for the entire loss on account of losses/breakages in transit, if any, if they fail to insure the stores, not withstanding the instructions received by them in this regard. Whenever occasion arises for making provisions for the payment of insurance charges in the relevant accepted tender, the DGS&D should stipulate for information of the suppliers that claims for insurance charges should be shown as a separate item in their bills, duly supported by the insurance receipts and submitted to the concerned Controller/Deputy Controller of Accounts (Supply) for payment. In other cases, where the price quoted by the supplier includes the element of cost of transit insurance, the DGS&D will place contracts containing necessary provision for insurance of the stores during transit.

(3) In cases of FOR station of dispatch contracts, where the suppliers have not accepted the DGS&D's standard clause of transit insurance, the consignee will be responsible to :—

  (i) Lodge claims for loss or damage to stores in transit with the carrier Railway and directly pursue the claims with the carriers;

  (ii) Inform the supplier, Controller/Deputy Controller of Accounts (Supply)/Insurance Company about the loss or damage;

  (iii) To report the cases of dispute to the Purchase Officer for either pursuing the matter with the Railway/higher authority or for suggesting write off; and

  (iv) Write off the amounts that could not be recovered either from the supplier or the carrier Railway in accordance with the procedure laid down in the Departmental Regulations.

(4) In the case of both FOR station of dispatch and FOR destination contracts, where the suppliers accept the DGS&D's standard transit insurance clause, the consignee will merely file the claims with the carrier and report the fact to the suppliers. Thereafter it will be the responsibility of the suppliers to pursue the claims with the carrier and settle the matter.

(5) The inland transit insurance, whenever required by the indentors/consignees, should invariably be arranged with a nationalized Insurance Corporation/Company of India in preference to the Railway.
(6) In case of loss or damage to stores in transit where the stores have been insured by the supplier against such risks, he will take up the matter with the insurer and recover the loss from them. The indentor will be responsible for payment of stores actually received by the consignee.
(7) Where the suppliers arrange transit insurance, they should notify the consignee in writing when forwarding the dispatch documents, such as Inspection Notes, Railway Receipt etc., about the limit within which the claims for shortage/damages in transit should be filed, to enable the consignee to do so within such period. It is the responsibility of the indentor/consignee to prefer the claims within the specified period wherever suppliers notify them that transit insurance cover will be valid only upto a particular period failing which their claims are likely to be ignored.

39.3 Insurance of imported stores in transit

The responsibility for arranging insurance of imported stores is that of the indentors who are expected to take out individual policy with a Nationalized Insurance Corporation of India. Details of the policy should be indicated by the indentors in their indents/contracts.

SECTION 40

LOSSES OR DAMAGES OF/TO STORES

40.1 Booking of stores

(1) Definite and clear instructions are required to be given in the indent/order with regard to mode of despatch and consignee's address, which are very necessary for correct and intact delivery of the stores. To avoid losses and damages to the stores in transit, the following information should be as detailed as possible as not to leave any loophole for any dispute or misinterpretation at a later stage :-
   (i) Consignee's postal and telegraphic address.
   (ii) Station of dispatch (Railway region should be clearly indicated).
   (iii) Whether to be booked by Goods train, Passenger train, Quick Transport Service of Railway, where available.
   (iv) Whether to be booked at owner's risk or Railway risk.
   (v) Whether it should be covered by transit risk insurance.

(2) Where for booking of goods by rail or road, an enhanced risk is provided, additional charges above those prescribed for the booking of goods at owner's risk rate, being in the nature of insurance charges, such additional expenditure for booking goods at Railway risk shall be incurred as per power delegated.

(3) In cases where there is only one set of rates for carriage of goods by rail, and there are no alternative owner's risk rates, such charges are treated as freight charges.

(4) Air lifting of stores should be resorted to only in rare cases of extreme urgency in consultation with the Internal Financial Adviser.

40.2 Taking delivery of consignment

(1) The consignee is responsible for verifying at the time of taking delivery from the Railway authorities that the stores have been received intact without loss or damages. When stores are despatched in full wagonloads, the consignee should verify that the seals of the wagon are intact. If the seals are found tampered with or broken, delivery should be taken in the presence of responsible Railway officials. If there is evidence of loss or damages, necessary certificates to that effect should be obtained from the appropriate Railway officials before taking delivery. The loss or damage should in every case be promptly reported to the suppliers, Purchase Officer who places the order, as well as the Pay and Accounts Officer (Supply) responsible for payment for the stores, as otherwise the consignee will be deemed to have accepted the stores. In any event, the consignee should not give a receipt certificate to the supplier before checking and verifying the stores. Railway receipts for consignment of materials should be endorsed in favour of the Stores Keeper or Junior Engineer or any other responsible officer of the Department, who should personally take delivery of Government stores, and hand them over to the carriage contractor.

(2) Where due to any practical difficulties, it is not possible to deploy any departmental officer for keeping a watch on the arrival of consignment and to take delivery thereof after completing formalities, and it is intended to endorse the Railway Receipts in the name of the carriage or cartage contractor, a condition for obtaining an additional security in the shape of bank guarantee should be stipulated in the tenders for carriage of materials. The amount of the security in the shape of bank guarantee should be 10% of the contract amount, and this will be in addition to the normal cash security deposit recoverable from the contractor's bill as per usual terms of agreement. This condition will apply to all annual carriage contracts and can also be applied even for such contracts that may extend over a long period but less than a year.

(3) Specimen draft conditions to be incorporated in tender documents for such works is as per Annexure. This may be adopted with suitable changes, if required, to suit local conditions.

(4) While endorsing the Railway Receipts in favour of cartage contractor in such a contract where requisite bank guarantee has been received, the under-noted form of endorsement may be adopted,

and the consignee should suffix his dated signature over his stamp showing designation, etc.: "Please hand over the material to Shri..... whose signature is attested below''.

40.3 Responsibility for loss in transit

(1) Whenever the losses or damages occur in transit, the responsibility for the same varies according to the circumstances of each case and the terms of contract. In the case of contracts stipulating delivery F.O.R. station of destination, the supplier is liable for any loss or damage that may occur in transit, and to make good the same by replacement free of charge at destination, or accept deduction from his bill for the quantity lost or damaged in transit.

(2) In the case of contracts stipulating delivery F.O.R. station of despatch, if the suppliers have agreed to the indentor's condition that they will be responsible until the stores contracted for are received in good condition at the destination, the responsibility rests with them as mentioned in para above.

(3) In cases, however, where the suppliers do not agree to take responsibility for loss or damage in transit, the goods pass to the name of the consignee as soon as the same are accepted by the Railway Administration for carriage, the Railway acting as a bailee. Thereafter, the supplier is ordinarily not responsible for any loss or damage to goods that may occur enroute, if he has been able to book the goods in a rail-worthy condition under a clear receipt without any adverse remarks as to the condition of the goods or the packing.

(4) The goods are to be despatched by clear RR only. However, in cases where the goods are despatched under a "Said to contain" receipt, the supplier shall be fully responsible for loss in transit. The consignee should incorporate a certificate on the receipt certificate, in the Inspection Certificate or firm's invoice on the following lines:
"Consignment(s) was/were despatched under clear/said to contain Railway Receipts at Railway/ Owner's risk".

(5) For shortages/ damages in respect of consignments despatched under clear Railway Receipt at Railway risk, the suppliers will not be responsible. The consignee will take up the matter with the carrying Railway for direct settlement. If the claims are rejected by the carrier, the indentor/ consignee will have to bear the loss. The concerned Pay and Accounts Officer (Supply) will make full payment for the quantity despatched.

(6) Full details in respect of deficiencies and breakages, etc. which are clearly attributable to the carriers should be shown against paragraph 3(a) of the Receipt Certificate portion of Form DGS&D 84, and the consignee should prefer a formal claim against the carrier for the loss or damages. The Pay and Accounts Officer (Supply) shall send a copy of the consignee's report to the Purchase Officer. No deduction will be made on this account from the suppliers' bill if the stores are booked against clear R/Rs, and the suppliers are not responsible for breakages/losses in transit.

(7) For shortages/damages in consignment despatched either under said to contain Railway Receipt or at owner's risk, the Pay and Accounts Officers (Supply) will make necessary recoveries on the basis of remarks incorporated by the consignees on the Receipt Certificate.

(8) In cases where consignees do not exhibit particulars mentioned in the Receipt Certificates mentioned above, or where the suppliers get balance 10%/5%/2% payment without consignee's receipt certificate, the Pay and Accounts Officer (Supply) will assume that the R/Rs were clear, and that no recoveries were to be looked for and/or effected by him.

(9) In doubtful cases, in which it is not possible to fix the responsibility definitely on the supplier or the carrier, the deficiency, breakage etc. together with the amount recoverable, should be indicated against paragraph 3 of the Receipt Certificate to enable the Pay and Accounts Officer (Supply) to make necessary recoveries. If it is found later on that the supplier is not responsible, a refund will be made to him and the consignee asked to write off the amount.

(10) The bill for the recovery of compensation in case of losses or damages in transit in the case of contracts placed on F.O.R. station of despatch basis, should in all cases, where the carrier has been found responsible, be prepared against the carrier by the consignee and not by Purchase

Officer. Any compensation recovered from the Railway will be credited to Government if it is held that supplier is not liable to loss or damage. If the supplier is held liable and the value is recovered from him, any amount recovered from the Railway will be paid to the supplier.

(11) In cases where breakages, losses are frequent in respect of consignments despatched by a particular firm, the Inspection Wing will investigate the same and furnish the report to the DGS&D concerned, who will take further action on the merits of each case.

(12) Claims on the Railway should be made by the consignee within 6 months of the receipt of the stores at destination, or otherwise it will be time-barred under the Railway Act. Once a claim is made within 6 months on the Railway Administration, a case against the Railway may be filed in the Railway Claims Tribunal. Where it is decided to pursue a claim in spite of its rejection by the local Railway authorities, the Ministry of Law may be consulted and furnished with full statement of facts expeditiously for their advice.

Annexure
Draft specimen for additional conditions in the carriage contract

[Reference para 40.2(3)]

1. The contractor or his duly authorised agent shall collect the Railway Receipts, duly endorsed in his favour, from the office of the Executive Engineer/Assistant Engineer/Junior Engineer on all working days and give proper acknowledgement thereof.
2. The contractor shall also give a pre-receipted unstamped receipt for the materials mentioned in each Railway Receipt.
3. The contractor shall be fully responsible for the safe custody of the materials after taking delivery from the Railway till the time the materials are delivered to the authorised representative of the Department. The contractor shall submit an irrevocable Bank Guarantee for Rs. ..... in favour of the President of India within 10 days of the date of written order to commence work, to cover the losses which may result due to delay in taking delivery, pilferage or deterioration in the quality of materials while in the custody of the contractor. This Bank Guarantee shall be in addition to the Security Deposit to be deducted under the terms of the agreement, and released on satisfactory completion of the work. The Railway Receipts will be handed over to the contractor only after he has submitted the Bank Guarantee in the manner as specified above, and the contractor will be responsible for all demurrage, wharfage and other losses that the Government may sustain on account of delay in furnishing the Bank Guarantee. The Government will be entitled to recover the amount of such losses from the dues of the contractor.

Contractor Executive Engineer

SECTION 41

RECEIPT OF STORES

41.1 All the materials that are received should be examined, counted or measured when delivery is taken. The record of the detailed count/weighment or measurement should be kept in the Goods Receipt Sheets (Form no. CPWA 8-A) and the total number of quantity should be simultaneously entered in the Bin Card (Form no. CPWA 8) where maintained.

41.2 In the case of Tools and Plant, the items should be brought on Form no. CPWA 13 with complete details. For items of Plant and Machinery, detailed History Sheets in prescribed form should be completed forthwith and recorded carefully especially items like AC plant, substation equipment, DG Sets, Lifts and pumpset etc.

41.3 Coupon Books (duly numbered) will be obtained from the authorised petrol pump dealer and kept in safe custody. Whenever petrol/diesel etc. is required to be drawn, the Junior Engineer/Assistant Engineer/ Executive Engineer, who has been authorised to fill the coupon, will fill the same in triplicate. Two copies of the coupon will be given to the petrol pump dealer, who after issuing the material will return one copy to the paying authority along with the bill.

41.4 All stores of sundry nature, particularly sanitary fittings, electrical fittings, and spares etc., should be allotted an alphabetical and numerical number according to the standards and sizes available, and the same should be indicated accordingly in the registers and on racks where these are kept. Similarly stocks of pipes and steel of different kinds and sizes should also be allotted a distinguishing alphabetical and numerical number to facilitate maintenance of accounts.

SECTION 42

SAFE CUSTODY OF STORES

42.1 The Executive Engineer is responsible to ensure that proper arrangements are made throughout the Division for the safe custody of stores, and for their protection from deterioration and fire.

42.2 The stores will be under the strict supervision and vigilance of a Junior Engineer, who will be particularly responsible for the safe custody of stores. At the end of each day, the locks of the stores should be properly sealed by the Storekeeper in the presence of chowkidar, and entered in the register. At the time of change of duty, proper handing over/taking over should be done by signing the register. The Storekeeper should seal the locks carefully when he closes the godown at the end of the day and examine the seal before opening the godown next time, to see that the seal has not been tampered with. If he finds that the seal has been tampered with in his absence, he should at once bring this fact to the notice of the higher authorities for reporting the matter to the Police. In the absence of the Storekeeper, the Junior Engineer will discharge such functions.

42.3 On the occurrence of any loss, action against the person concerned with the upkeep of stores should be taken promptly so as to avoid delay in obtaining evidence against persons responsible for the loss.

SECTION 43

ISSUE OF STORES

43.1 Preparation of indents

(1) Materials should be issued on receipt of indent on specific Form no. CPWA 7. The indent book for drawing materials should be kept in the safe custody in the office of the Assistant Engineer. The indents shall be signed by the Junior Engineer/Assistant Engineer for transaction within Division, and also by the Executive Engineer for inter-Division transactions.

(2) A register to keep a watch on the issue of materials for works with reference to quantities specified in the agreements should be maintained by the Assistant Engineer in the form prescribed in CPWA 35 (Appendix 37) to avoid excessive issue of materials to contractors and to keep a watch over the issues.

(3) The Executive Engineer should arrange to get the indent examined to see that the indented quantities are roughly correct. For detailed check of the quantities issued, it is the responsibility of the Assistant Engineer to ensure that the materials are not issued in excess of the quantities actually required.

(4) The indents are to be handed over to the contractor or his authorised representative to receive the stores from the stores/Central Stores.

43.2 Issue of materials from stores/Central Stores

The following procedure should be followed for drawal of materials from Central Stores Division:

43.2.1 Procedure for indenting

(1) The indent books should be machine-numbered and kept in stock by the Executive Engineer in-charge of stores/Central Stores. He issues these indent books, stamped with the stamp of his office, to the various indenting Divisions, and only the indents issued from such books are accepted by the Central Stores Divisions.

(2) The Executive Engineer in charge of the work is required to send 3 sets of the specimen signatures of the Junior Engineer and Assistant Engineer in charge of the work at the work site and that of the work Assistant, if any, authorised by the Executive Engineer for receiving stores in the Junior Engineer's absence, duly attested by him, to the Central Stores Division. One set thereof will be kept by the Junior Engineer (Security), and the other two sets will be in the office under the personal custody of the Assistant Engineer (Indents) and the Executive Engineer, Central Stores Division. The specimen signature of the Executive Engineer shall be attested by the outgoing Executive Engineer. For a new Division, it is to be done by the Superintending Engineer.

(3) The signatures of the contractors or their authorised agents to whom the materials are required to be issued, are attested by the Assistant Engineer, and the indent is countersigned by the Executive Engineer of the indenting Division.

(4) The contractors are required to obtain identity photo passes for themselves or their authorised agents, duly attested by the Executive Engineer of the indenting Divisions and of the Central Stores Division. On the photo pass or identity card, the name of the work for which the contractor or his agent is authorised to draw the materials is mentioned, and the contractor or his agent is allowed to draw materials only for that work.

(5) While sending the photographs of the contractors or their authorised agents for drawal of the materials from the Central Stores, the following certificate should be recorded by the Executive Engineer of the indenting Division:

"Shri ..... whose signature and photograph are attested by me is an authorised agent of M/S ..... The indent placed on the Central Stores Division in the name of the above mentioned contractor for the works being carried out by him under this Division may please be honoured, and the materials handed over to the authorised representative, i.e. Shri ..... His photograph duly attested and his specimen signatures are given underneath."

(6) The authorisation letter with identity cards, duly signed and attested, should be sent through the authorised Junior Engineer of the Division in a closed cover in the name of the Executive Engineer, Central Stores Division so that there may be no change or tampering with the original identity card, etc.
(7) The indent shall be presented at the Central Stores within 15 days of the Executive Engineer signing the same.
(8) The Executive Engineer shall have the option to send advance payment for every indent or a lump sum advance for 2-3 months.

43.2.2 Action on the indents in the Central Stores

(1) The Assistant Engineer (Indents) in the Central Stores Division, New Delhi exercises the following checks before giving issue order on the indents:
  (a) Signatures of the Executive Engineer and Assistant Engineer are tallied with their specimen signatures available in the Central Stores Division.
  (b) Signatures of the contractor's authorised agent or the Junior Engineer in-charge of the work, duly attested by the Assistant Engineer on both sides of the indent, are verified.
  (c) Attested photographs of the contractor or his authorised agent who is authorised to sign the indents, exist in the Central Stores Division and it is seen that materials are issued only to such persons whose photographs exist in the Central Stores Division.
(2) The Assistant Engineer (Indents) then prepares list of all the indents received and duly passed for issue of materials during the course of the day for each Stores Section separately and forwards the same to the respective Junior Engineers of the different stores for issuing the materials.
(3) At the stores depot, when the indents are presented by the Junior Engineer or contractor or his authorised agent, the Junior Engineer in-charge of stores verifies that:
  (i) A particular indent is shown in the list received from the Assistant Engineer (Indents) and that the particulars mentioned in the indent tally with those in the list.
  (ii) The indent shall lapse if the materials are not taken delivery within week of the order of the Assistant Engineer (Indent).
  (iii) The signatures of the Assistant Engineer (Indent) on the issue order tally with his specimen signatures in the records of the Junior Engineer.
(4) The Junior Engineer in-charge of stores should put his signature on both sides of the indent in token of having issued the materials, and on this authority the gate-pass is prepared in triplicate. The gate passes are signed by the Junior Engineer in-charge of the stores after the delivery of the materials is taken. The gate pass in triplicate is handed over to the contractor or his authorised agent, who makes over the original copy to the Junior Engineer (Security) on duty, and the other two copies to the Junior Engineer in charge of the work at the site of the work along with materials.

43.2.3 Action on receipt of materials at site

The Junior Engineer in-charge of the work signs the gate pass in token of having received the materials correctly, retains the duplicate copy for his record, and returns the triplicate through the carting agent to the Junior Engineer (Security) to enable him to watch that the material issued has been correctly received at destination. The Junior Engineer should sign and write his full name and put his stamp. In case of his absence, the gate pass may be receipted by his authorised representative, i.e. the Work Assistant, who will receive the material, sign and write his full name on the triplicate copy, of the gate pass on behalf of the Junior Engineer.

43.2.4 Action in Central Stores on the gate pass copy to be returned after delivery of materials

(1) If the gate pass is not received back in 2 days, the indenting Executive Engineer should be informed by the Central Stores. For outstations, suitable time shall be fixed as per actual situation.
(2) The signature of the Junior Engineer in-charge of the work at the site of work (or his Work Assistant representing him) on the gate pass should be checked at the end of the day with his specimen signatures, and any doubtful case should be reported to the Executive Engineer, Central Stores Division immediately.

43.2.5 Procedure to be followed in other Divisions in-charge of stores

Similar procedure as in paras 43.2.1 to 43.2.4 above should be followed in other Divisions dealing with stores.

43.3 Issue of materials to contractors

The Divisional Officers should ensure that the materials to be issued to a contractor for a work are handed over by the departmental officers only to his representative who has valid power of attorney or authorisation to receive materials on behalf of the contractor.

SECTION 44

DISPOSAL OF SURPLUS STORES

44.1 Excessive stocking of stores

(1) The Divisional Officers should not store for long the materials which are likely to deteriorate within a short time. Some of the materials which are likely to deteriorate within a short time are mentioned below:
   (i) Cement
   (ii) Timber and plywood
   (iii) Tars and bitumen
   (iv) Paints
   (v) Distempers
   (vi) Oils
   (vii) Spirit
   (viii) Caustic soda
   (ix) Bleaching powder
   (x) Disinfectants

(2) If such materials are indented for or ordered, these should be used on work as early as possible, and surplus quantity, if any, may be disposed off under the orders of the competent authority as per powers delegated in Appendix-I.

44.2 Transfer to other Divisions/Departments

All articles of stock (excluding tools and plants) that are not likely to be required during the following 12 months, should be reported to the Divisional Officer, who will, if necessary, take the Superintending Engineer's order as to their disposal. Since the materials which are surplus are liable to deterioration if kept unnecessarily, and also involve an avoidable expense on chowkidars, etc. and locking up of capital, it is therefore essential that such materials should be disposed off either by sale or transfer to other Divisions/Departments where these are required.

44.3 Disposal of surplus stores

(1) The Superintending Engineers in CPWD have full powers to issue orders regarding the manner in which particular stores which have already been declared surplus or unserviceable by the competent authority are to be disposed off. This disposal can be either by public auction or through sealed quotations. The question as to who should supervise or conduct the auction will be decided by the Superintending Engineer.

(2) The commission, which should ordinarily not exceed 5%, may be allowed to the auctioneer, not being departmental officer, but no commission can be allowed on private sales. In all such cases recovery should be effected in cash in advance.

(3) No public stores should be sold otherwise than by public auction, without the permission of the Superintending Engineer.

(4) Rules for departmental auction of surplus and unserviceable stores are contained in Appendix 38.

(5) When stores are sold by auction, a responsible officer not below the rank of Assistant Engineer should attend and record the final bids in order to enable the sale account rendered by the auctioneer to be checked. The proforma in which this record is to be maintained is given at Appendix 39.

44.4 Sale of stores to private parties

(1) No public stores should be sold to a private person/body. If, however, sale is made to such private person/body, additional charges on account of supervision and contingencies at 10% should be realized on the value of the stock including storage charges. These additional charges may, however, be waived by the officer empowered to sanction the sale in the case of surplus stock which in his opinion would be otherwise unsaleable.

(2) For sale to private persons, the issues shall be made at market rates. The recovery in all such cases should be made in cash in advance.

SECTION 45

LOSSES ON STORES AND THEIR WRITE OFF

45.1 Unserviceable stores

(1) When stores of any kind become unserviceable, a report thereof should be made in Form no. CPWA 18. This should be done at once on discovery of the facts.

(2) In case of survey reports of stores valued above the powers of acceptance of the Chief Engineer, the certificate that materials proposed to be survey reported are really unserviceable should be recorded by the Superintending Engineer concerned after inspection of the stores. In the case of survey reports below this amount which are within the competence of Chief Engineer, the certificate should be given by the Executive Engineer, while in the case of survey reports within the competence of Superintending Engineer, the certificate should be given by the Assistant Engineer concerned.

45.2 Losses of stock

(1) All losses of stock should be immediately reported to the next higher authority as well as to the Audit Officer and the Accounts Officer even when such loss has been made good by the party responsible for it. Petty cases involving losses need not be reported to the Audit Officer/Accounts Officer unless there are some important features which need detailed investigation and consideration. The losses on stock should be immediately investigated and steps taken to obtain the sanction of the competent authority for their write off, if necessary.

(2) In the case of serious losses, the Divisional Officer should hold a departmental enquiry and record the evidence and his findings thereon, including findings as regards the responsibility and culpability of the persons concerned.

45.3 Losses relating to DGS&D contracts

(1) The procedure regarding write off of irrecoverable losses relating to contracts placed by the Directorate General of Supplies and Disposals is explained below:

(i) In respect of purchase and inspection of stores arranged through the DGS&D, Inspection Wing of Supplies and Disposals Directorate act as agents who utilize their services. The gains or losses, if any, are to go to the indentor's account and money, if any, accruing by way of compensation, liquidated damages, etc. are credited to the indentor concerned. Similarly losses too, if any, arising out of such contracts are also debitable to the indentor.

(ii) On their part, the DGS&D take care to avoid losses. They investigate all such cases and take steps to recover loss, if any, as far as possible. They take appropriate departmental action against the defaulting officers, if it is found that loss has been caused by delinquency on their part.

(iii) If, however, it is not possible to recover a loss, it is debited to the indentor.

(iv) Sanction letters are issued by the DGS&D within his powers in any individual case, and beyond this limit, by the Department of Supply. The head of account to which the loss is debitable is indicated in the sanction letter.

(v) Such sanctions enable the Audit Officer of the DGS&D:

(a) to regularise the amounts recovered and kept under objection in his books.

(b) to make payments to the suppliers of the amounts withheld from their bills, and

(c) to raise debits for the amount involved against the Accounts Officer of the indentor/ consignee.

(d) A copy of the sanction letter is also endorsed to the indentor/consignee, who is to issue a similar sanction for writing off such losses to regularise his stores accounts.

(2) It is not open to the indenting Ministry to raise the question of the liability for the loss once the Associated Finance of the Department of Supply has accepted that there is no escape from the loss. There is, however, no objection to the indenting Ministry being associated in the matter of departmental action to be taken against the delinquent officials.

45.4 Powers to write off

(1) The powers of various authorities with regard to the sale, disposal and write off of stores are as delegated in Appendix-I.

(2) The authority issuing orders under Appendix-I should, after the disposal of stores of which value accounts are kept, determine and intimate to the Audit/Accounts Officer concerned the net amount to be written off to the final head (MH 2059 PW Minor Works-Losses on Stock).

45.5 Expeditious disposal of obsolete/surplus/unserviceable stores/T&P items

(1) In order to ensure that the obsolete/surplus/unserviceable stores/T&P items fetch good returns, it is essential that:
   (i) Such stores/T&P items are got survey reported by the competent authority at the earliest as soon as they reach that condition,
   (ii) Proper protection is given to them till their removal by the purchaser, and
   (iii) The time lag between the declaration and actual disposal of stores/T&P items is minimized.

(2) It is, therefore, incumbent on the Junior Engineer/Assistant Engineer holding such obsolete/surplus/ unserviceable stores/T&P items to initiate the process of preparing the survey reports of such items and forwarding the same to the Executive Engineer for obtaining the approval of the competent authority. Valuable storage space should not be wasted on unnecessarily holding such useless items.

SECTION 46

STOCK TAKING

46.1 Physical verification of stores

(1) The Executive Engineers are to have stock taken through out their Divisions at least once a year. It is not necessary that all the stocks of a Division or even of a Sub-Division should be checked and counted at the same time, but the date on which articles are taken stock of should be entered in the stores returns. The stores should be counted by an officer not below the rank of Assistant Engineer, who is not the custodian, the ledger keeper or the accountant of the stores.

(2) Physical verification should be made in the presence of the authority responsible for the custody of the stores or of a person deputed by him. If such an authority fails to be present during physical checking of stores or fails to depute a person, the verification should be carried out in the presence of another officer who is not in-charge of the stores.

(3) The results of verification of stock should be reported to the Divisional Officer for orders, but as soon as a discrepancy is noticed, the book balance must be set right by the verifying officer, treating surplus as a receipt and a deficit as an issue, with a suitable remark.

(4) The shortages and damages, as well as unserviceable stores, should be reported immediately to the authority competent to write-off the loss.

(5) The verification of road metal and materials charged direct to works will also be done in the manner prescribed above.

46.2 Physical verification of MAS account and dismantled materials account

Apart from the stock, dismantled materials stores and materials at site account are also to be checked in the same manner every year and certificates recorded in the registers.

46.3 Physical verification of T&P

In case of Tools and Plants, the stocktaking should be done every 6 months ending 31st March and 30th September in the same manner as stated above, and certificates of physical verification recorded thereon.

46.4 Report on physical verification

The report about the required stocktaking and physical verification and certification thereof should be reported immediately to the Superintending Engineer.

CHAPTER V
BUDGET

SECTION 47
BUDGET

47.1 General

Budget is the Annual Financial Statement of all transactions of the Central Government in and outside India, including estimated receipts and expenditure occurring during the year in which the statement is prepared as well as during the ensuing year.

47.2 Definitions

(1) The estimates of the current financial year, which are based on the actual transactions recorded till the time of their preparation and the transaction anticipated for the rest of the year are termed as "Revised Estimate". The estimates for the ensuing financial year are termed as "Budget Estimates/ Schedule of Demands".

(2) The instructions about the procedure for the preparation of the Budget Estimates/Schedule of Demands, Revised Budget Estimates are issued by the Budget Division of Ministry of Finance in their annual budget circular.

47.2.1 Budget Authority

The Director General (Works) is the "Budget authority'' for the preparation and submission to the Government the budget estimates relating to Central Public Works Department.

47.2.2 Consolidated Fund of India

All revenues received by Government, loans raised by it, and also its receipts from recoveries of loans granted by it form the Consolidated Fund. All expenditure of Government is met from the Consolidated Fund, as authorised by the appropriate legislature.

47.2.3 Demand for grants

The estimates of expenditure from the Consolidated Fund as are required to be voted by the Lok Sabha are submitted in the form of Demands for Grants. Separate demand for each of the major services is presented, e.g. Demand for Public Works, Demand for Housing and Urban Development, etc. Each Demand normally includes the total provisions required for a service, that is, provisions on account of revenue expenditure, capital expenditure, grants to States and Union Territories and also loans and advances relating to the service.

47.2.4 New services & new instrument of services

"New Services" refers to expenditure arising out of a new policy decision, not brought to the notice of the Parliament earlier. Likewise, relatively large expenditure arising out of important expansion of an existing activity is treated as a "New Instrument of Service". No expenditure can be incurred from the Consolidated Fund of India on a "New Service"/"New Instrument of Service" without prior approval of the Parliament through a Supplementary Grant.

47.2.5 Recoveries

Certain classes of receipts, like payments made by one department to another, and receipts of capital projects or schemes are taken in reduction of the expenditure of the receiving department. "Recoveries" shown for this purpose should be those from other Ministry/Departments of Central Government and in respect of expenditure met from reserve funds in the Public Account. Recoveries from State Governments and from Non-Government Organisations are treated as revenue receipts, and should not be shown as "Recoveries", but included in the estimates of revenue receipts.

47.2.6 Appropriation Bill

As soon as the Lok Sabha passes the grants, a bill is introduced to appropriate money out of the Consolidated Fund of India to meet the following:

(a) The grants so made by the Lok Sabha; and
(b) The expenditure charged on the Consolidated Fund of India, but not exceeding in any case the amount shown in the statement previously laid before the Parliament.

47.2.7 Vote on account

Normally, the process of detailed consideration of the Demands for Grants is completed only by the first week of May. To enable the Government to carry on its normal activities from 1st April till such time as the Appropriation Bill is enacted, a "Vote on account" is obtained from the Parliament through an Appropriation (Vote on account) Bill.

47.2.8 Finance Bill

The proposals of the Government for levy of new taxes, modification of the existing tax structure or continuance of existing tax structure beyond the period approved by the Parliament are submitted to Parliament through the Finance Bill.

47.2.9 Final Budget

Final budget is required to be submitted to the Government by 15th February each year. It is to be based on the expenditure actually incurred for the months till 31st December and assessment of anticipated expenditure during the remaining three months till 31st March, taking into account tempo of the progress of the works in progress and the posts in existence and filled. Any modifications in the requirements thereafter will be considered as "Surrenders of Anticipated Savings" or "Applications for Supplementary Grants" by re-appropriations.

47.2.10 Heads of Account

The budget is prepared under various Heads of Account depending upon the nature of expenditure. Different Heads of Account are controlled by different Ministries/Departments.

47.3 Budget Heads of CPWD

47.3.1 Main Heads:

1. Capital Expenditure budget		
4059	Capital Outlay on Public Works - Office buildings construction	For expenditure on all non-residential buildings in respect of (a) functions/organizations falling under "General Services", except India Security Press, Currency Notes Press, Bank Note Press, Security Paper Mill and Mints, and (b) all general purpose office and administrative buildings, irrespective of the functions they relate to. The capital expenditure on functional buildings relating to "General Services", i.e. police station, court buildings, would be classified under Sub-Major Head "Other Buildings" under this Major Head.
4216	Capital Outlay on Housing	All major (original) works/projects relating to Government residential buildings, i.e. General Pool accommodation, police housing, etc.
4250	Capital Outlay on Labour & Employment	All major (original works) related to labour & employment
5052	Capital Outlay on Shipping	All major (original works) related to shipping

2. Revenue Expenditure Budget Major Head 2059 – Public Works Minor Head		
001	Direction and Administration	All expenditure on "Direction", "Execution", "Architectural Planning", "Structural Planning" etc. for which distinct sub-heads may be opened.
101	Construction	All Minor (original) works relating to non-residential general purpose office and administrative buildings falling under "General Services". All expenditure on temporary structure whether falling under the of "Major works", or "Minor works" could becategory classified under "Other expenses".
102	Maintenance and Repairs	All expenditure on maintenance or repairs of all non-residential buildings, whether functional or administrative. No distinction to be made between "Ordinary repairs" and "Special repairs".
104	Lease charges	All expenditure on (a) Rates and taxes (Municipal) in respect of non-residential buildings, (b) Rent paid by CPWD for non-residential buildings leased for their own use, and (c) Rent paid by CPWD for non-residential buildings hired, requisitioned or leased by them for requirements of other departments.
105	Workshops	The expenditure on Establishment of PW Workshops, Plant and Machinery, and their maintenance, etc.
052	Machinery and Equipment	All expenditure on purchase and repairs of "Tools and Plant" for execution of various works of capital and revenue nature.
799	Suspense	All expenditure on account of purchase of materials required for stock to be ultimately charged to works. Expenditure on "Miscellaneous Works Advances" and "Workshop Suspense" for manufacturing operations in departmental workshops for ultimate transfer (debits) to works concerned.
3.	**Revenue Expenditure Budget Major Head 2216 – Housing Minor Head**	
	Government residential buildings – "Construction"	Expenditure on Minor (original) works on Government residential buildings
	Government residential buildings Maintenance and Repairs	For all expenditure on maintenance and repairs of Government residential buildings. "Ordinary Repairs" and "Special Repairs" to be shown under distinct sub-heads as "Special Repairs" add to the capital cost of the buildings and thus be a determining factor in assessing the "Standard Rent" of the building. Rates and Taxes (Municipal) are to be provided under it.
	Government residential buildings - Lease charges	For all expenditure on lease charges paid by the CPWD in respect of residential accommodation hired, requisitioned or leased by them
	Government residential buildings - Furnishings	For all expenditure on table fans, refrigerators, furniture, etc. provided for residences being maintained by the Government.

47.3.2. Other Heads

(1) Apart from the above heads, the Central PWD also deals with the budget of various other Ministries for which there are different Major heads/Minor heads. In such cases, the Budget Estimates and Revised Budget Estimates, etc. should be sent to the respective Ministries by the Ministry of Urban Development to whom CPWD sends BE & RE of all heads. The estimated expenditure for these kinds of works is shown separately under each such head of accounts as indicated by the concerned Ministry in the expenditure sanction accorded for the work.

(2) Expenditure on works of special requirements like airconditioning, special electrical fittings, strong rooms, swimming pools, special horticulture works, firing range, open-air theatre, etc. that are required by the client Ministries/Departments, would have to be borne by them out of their own grants, and not from the funds provided in the grants of the Ministry of Urban Development. The account of the Ministry of Urban Development should only cover expenditure on normal construction along with electrical requirements.

(3) Expenditure on account of departmental charges, wherever leviable in respect of other Departments, is to be treated as 'Voted'.

47.4 Preparation of Budget for CPWD

(1) Budget Estimates (including Revised Estimates) for works etc. should be prepared in the forms prescribed by the Ministry of Urban Development. For non-plan expenditure, the Estimates should be submitted before 31st October. For plan expenditure, Annual Plan allocations by the Planning Commission and their communication to Ministries/Departments concerned determine the time schedule.

(2) Proposals for Revised Estimates for current year and Budget estimates for ensuing year in respect of Revenue Section (Works) in Demand for Public Works and Demand for Housing and Urban Development may be prepared in the following manner:

[All expenditure estimates will be entered on a Gross basis, and recoveries in reduction of expenditure exhibited thereunder.]

47.4.1 Heads of Account

The demands for Revenue items will be shown under major Head "2059-Public Works" in Demand for Public Works and Major Head "2216 Housing" in Demand for Housing and Urban Development. While all non-residential works will be shown under Major Head "2059 Public Works", all residential works will be shown under Major Head "2216 Housing". The sub-heads/units of appropriation under these Major Heads will be as exhibited in the Book of Demands for the current year.

47.4.2 Direction and Administration and Construction

Proposals for "Direction and Administration", "Construction", "Public Works Workshop", "Machinery and Equipment", etc. under Major Head "2059" may be prepared after taking into account the work load, yardstick laid down and the actual "Machinery and Equipment" required. For "Major Works" and "Minor Works", the Schedules showing items for individual works are to be enclosed.

47.4.3 Maintenance and Repairs

The following instructions may be followed for submission of proposals for provisions for "Maintenance and Repairs":

(a) The Central Public Works Department have laid down scales of expenditure for maintenance and repairs of buildings. The "Plinth area" of the building and the expenditure that is required to be incurred as per the scale may be indicated in a separate Schedule (Schedule I).

(b) The amount required to be paid as "Salary" and "Allowances" to the departmental staff engaged for repairs and maintenance may be shown separately (Schedule-II).

(c) Cost of materials required for maintenance and repairs should be shown separately (Schedule-III).
(d) The amount required for special repairs to specified buildings, may also be shown separately (Schedule IV).

47.4.4 Suspense

In the case of proposals relating to suspense head "Stock", a working sheet containing the following information should accompany the proposals:

(a) Stock holding at the beginning of the year.
(b) Value of stock expected to be purchased during the year.
(c) Value of stock expected to be issued during the year.
(d) Value of expected stock holding at the end of the year, and
(e) Percentage of stock holdings based on the above data.

47.4.5 Lease charges

The following information may be supplied:

(a) The accumulation of arrears for previous years, and
(b) The likely commitment for the current year.

47.4.6 New constructions

Ministries/Departments prepare proposals for "New" construction projects to be included in the Budget Grants of Ministry of Urban Development. These proposals are to be furnished in the proforma (MIS/B-I). Annexures I and II may be seen.

47.4.7 Charged expenditure

(1) All expenditure connected with the satisfaction of decrees of the Courts is to be treated as 'Charged' expenditure. The payments made in satisfaction of Court decrees etc., in the following cases will not, however, be treated as 'charged' expenditure:
   (a) (i) Payment of awards under Land Acquisition Act.
   (ii) Payment of compensation under the Workmen's Compensation Act, 1923.
   (iii) Payment of awards by Arbitrators under Arbitration and Conciliation Act, 1996.
   (iv) Payment by Arbitrators under Industrial Disputes Act, 1947.
   (b) Payments involving refunds of revenue and security deposits lodged by the contractor and kept in the Public Accounts.
(2) In case of (a) above, the payments should be made out of the voted portion of the grants. In respect of (b), the payments should be treated as refunds of revenue and adjusted as deduction from the respective heads, provided the original recoveries were treated as receipts and adjusted under the receipt heads of accounts. Where, however, the recourses were adjusted, as deductions from expenditure, the refunds of such recoveries under the orders of the Court etc. should be treated as 'Charged expenditure'.
(3) Refunds of security deposits should be debited to 'Public Accounts' if the same is kept in that account. On the other hand, if the deposit has been forfeited, the refund should be treated as 'Charged expenditure'.
(4) In cases where an appeal is filed against the decree in the lower Court and the decretal amount is deposited in the Court as security for staying the execution of decree, the same should be kept initially as a 'Deposit' in the Public Accounts. Later on, if the amount is refunded as a result of the Court's order, then the expenditure will be charged in accordance with para 47.4.7(1) and (2) above.
(5) In case of deposit works, awards should be charged to the work in all cases (whether deposit balances are available or not) and adjustments in accounts made later on.

(6) Where decrees/awards are normal feature, Ministries/Departments may include provisions for likely payments during a year on the basis of the past trends and other information available with them at the time of framing the estimates. If this provision proves inadequate, it may be supplemented by a Supplementary Appropriation or in the case of an immediate payment, by an advance from the Contingency Fund of India.

47.4.8 New construction projects, projects other than Ministry of Urban Development

(1) The schedules to be prepared are to incorporate new construction projects to be executed by the Central Public Works Department under Major Head "4059-Capital outlay on Public Works" in Demand No.100-Public Works for General Office administrative and other non-residential buildings relating to General Services, and under Major Head "4216-Capital Outlay on Housing" in Demand No.99-Housing and Urban Development for Government Residential Buildings. Projects/Works of Purely functional nature are to be included under the respective "Functional Heads" in Demand No.100 Public Works.

(2) No outlay for civil works (residential and non-residential buildings) should be proposed before land is actually made available and requirements of the buildings have been finalised by the Administrative Ministry concerned.

(3) The new works proposals, after complying with the above requirements, should be sent by the concerned Chief Engineer to the Director General (Works) by the 31st August, every year.

(4) The Director General (Works) will scrutinize the proposals and forward his findings to the Ministry of Urban Development by 30th September, of every year.

(5) The Ministry of Urban Development will, thereafter, convene a meeting of the Works Priority Board by the 15th October. The Chief Engineer and representatives of the administrative ministries proposing the works would be represented in the meeting. The recommendations of the Works Priority Board would form the basis for preparing the Annual Plan proposals/Budget Estimates of the next financial year.

(6) Thereafter, the concerned Ministries/Departments would approach the Planning Commission for necessary outlays for civil works in respect of these schemes.

(7) Simultaneously, they will also take steps to issue administrative approvals and expenditure sanctions for the new works for which plan/non-plan outlays have been cleared by the Works Priority Board.

(8) The schedules are to be prepared for (i) Projects where Expenditure Sanctions have already been issued (Part A) and (ii) Projects where Expenditure Sanctions have not so far been issued, but where need for the work has been approved in principle by the competent authority (Part B). Separate statements for Plan Residential, Non-Plan Residential, Plan non-Residential and Non-Plan Non-Residential works are to be prepared for each part, the works being grouped zone-wise for each category. The Ministries/Departments may give preference to the works where land is already available. Where provision proposed is for only purchase of land, the total cost of the project (cost of land, construction and machinery, if any) may be indicated in consultation with the CPWD so as to clearly establish whether the provisions of "New Service/New Instrument of Service" are attracted. All works may be arranged in order of their priority.

(9) Purchase of land for construction of office and residential buildings is to be provided for separately under the relevant Demands. Provisions are also to be proposed separately for Residential and non-Residential works under the respective major Heads and these are not to be clubbed together as a single item.

47.4.9 Works in progress

(1) The Revised Estimates for current year and Budget Estimates for ensuing year in respect of capital works in progress under Demand for Public Works and Demand for Housing and Urban Development are to be prepared giving the following details for the works under each Chief Engineer separately:

(i) Name and location of the work.
(ii) Estimated cost of the work.
(iii) Expenditure incurred upto March of the previous year.
(iv) Budget Estimates for current year.
(v) Expenditure incurred upto the given month of current year.
(vi) Revised requirements during the current year.
(vii) Detailed reasons for variations, if any, between (iv) and (vi).
(viii) Totals of (iii) and (vi).
(ix) Requirements for the ensuing year.
(x) Reasons for variations, if any between (vi) and (ix).
(xi) Stage of completion of work at the end of the given month of the current year.

(2) Separate schedules should be prepared for Residential Plan, Residential Non-Plan, Non-Residential Plan and Non-Residential Non-Plan works costing more than Rs.250 lakhs each. Similar statements may also be prepared for works costing less than Rs. 250 lakhs, and for which lump sum amounts are provided in the schedules for works costing more than Rs. 250 lakhs. The works may be arranged in the manner as they appear in the Detailed Demand for Grants of the current year. Departmental charges should be shown in one lump sum under each Major Head. Abstracts of each schedule should also be added.

(3) The provision for "Civil and Electrical" portions of works should be shown together by Zonal Offices of CPWD. No new works costing Rs.250 lakhs or more should be taken in hand or included in the proposals for Revised Estimates unless prior and specific approval of Parliament to the works has been taken by the Department concerned. In the case of works included in the list of works costing less than Rs.10 lakhs each, no expenditure is to be incurred if it is found that the work is likely to cost Rs.250 lakhs or more. The Chief Engineers may include token provisions, both in the Revised Estimates and in the Budget Estimates, for works provided for in the original budget but on which no expenditure has been incurred for any reason whatsoever, and the Ministries/ Departments concerned should be informed of the positions, unless the works have been finally dropped by the Ministry concerned.

47.4.10 Plan works

(1) Separate schedule should be prepared for "Plan and Non-Plan" items of works. In respect of Plan works, the following details should invariably be furnished:

(a) The category of the plan items must be clearly indicated, viz. whether Central Plan/Central Sponsored Plan/State/Union Territories Plan. Provision for expenditure on Central or Centrally sponsored Plan, even in UTs, should be included under the approved Head in the relevant Demand for the Ministry/Department, and not in the Area Demands for Union Territories (Ministry of Home Affairs).

(b) The particular head of Development (as approved by the Planning Commission) under which a plan item is categorized must be indicated at the appropriate place on the relevant statement of estimates. This is particularly important, as the Plan provision under each group and sub-ead are arranged according to heads of Development in Schedule 1 to the Demands for Grants which shows the provision for plan expenditure included in each Demand.

(c) The schedule of works, complete in all respects, may be forwarded so as to reach the Ministry by the 31st October, positively through their Integrated Finance Divisions.

(d) In the case of Plan items, the Chief Engineers should forward relevant extracts of the provisions proposed to be made in the B.E. for ensuing year, for works in progress, along with provision for Departmental charges where leviable, to the Ministries/Departments concerned so that those Ministries/Departments can take these provisions into account while preparing their Annual Plan proposals and obtaining allocation thereon from the Planning Commission. The Chief Engineers should ensure that the provision proposed for works in progress is intimated

to the Ministries concerned latest by 15th October. In the case of Plan works, the Ministries/ Departments should, at the time of communicating the provision allocated by Planning Commission for civil works, retain with them provision required by them for works of special nature.

(2) The demands should be confined to those works only which have received administrative approval in cases where such approval is required.

(3) For "Minor Works" and "Maintenance and Repairs" chargeable to the Major head "2059 Public Works" and "2216 Housing-Government Residential Buildings", and for works above Rs.1 lakh and below Rs. 5 lakhs chargeable to the Major head "2059-Public Works Construction" or "2216 Housing Government Residential Building Construction", lump sum demands should be provided justifying the total demand for each work/sub-head. Such demands should be based on realistic assessment of the expenditure likely to be incurred during the current financial year.

(4) In cases where such lump sum provisions are made for plan or non-plan schemes, detailed justification should be given in support of the demands made.

47.4.11 Demand for Establishment

(1) The estimates of the funds required under the Head "Salaries" in the Budget will be framed on the basis of trends over the preceding 3 years, taking into account other relevant factors, like changes in rates of pay, allowances, number of posts and their filling and the economy instructions issued by the Ministry of Finance from time to time.

(2) The Heads of Departments are to furnish the details of posts included in these estimates in order to furnish the statement showing the "Estimated strength of establishment" and provisions thereof to be appended to the detailed Demands for Grants. Appendix 40 may be referred to.

(3) Provisions for posts lying vacant for a long time should not be made in full, but only for the periods these are likely to be filled up, with detailed justification and the reasons for non-filling for periods in question. Care should be taken to exclude provisions for employees on deputation or otherwise absent. Provision in the budget Estimates may, however, be made for vacant posts where the Director General (Works)/Chief Engineer certifies that the filling up of the posts is essential for maintaining the efficiency of the Organisation.

(4) The demand under "Establishment" is shown in all cases under Sub-heads (1) Salary, which includes (a) Salary of Officers, (b) Salary of Staff, (2) Allowances (Other than Travelling allowances), (3) Wages, (4) Travelling Allowances.

(5) Details of provision under "Establishment" should show the estimated strength in the previous, current and ensuing years on 1st March for officers by each category/type of all posts of staff such as supervisory staff, Assistants, Clerks, etc., and Group "D" establishment. The estimated number of officers should indicate designation of each post and strength for which provision is made in the Budget Estimates and Revised Estimates.

(6) These estimates should be shown distinctly (as there are separate object heads of expenditure for grants-in-aid contributions and subsidies). Grants-in-aid to recreation clubs, including those functioning in their subordinate offices in Delhi, will be included in the Demand of the CPWD. So will be the case in regard to provision for subsidy to departmental canteens.

47.4.12 Revenue estimates

(1) The Central PWD being an expenditure Department, does not deal with the revenue portion of the budget, except in respect of miscellaneous receipts occuring in discharge of the departmental functions under the Heads of Accounts "059 Public Works" and "0216 Housing". The receipts generally comprise of rents of land and buildings, license fee, sale of tender forms, sale of flowers, fruits, grass, vegetables and wood etc. from compounds of premises or the premises where such produce is Government property, supervision charges on sales of stock, profits on revaluation of stores, samples on stock verification, unclaimed balances under "Purchases", recovery of percentage charges, i.e. establishment etc. in respect of works done for other Governments, local

bodies, private parties etc., lapsed deposits and fines, confiscated/forfeited deposits (which do not represent compensation for damage to works-in-progress). This is required to be submitted in Appendix 41 by 30th November every year to the Chief Controller of Accounts of Ministry of Urban Development.

(2) Estimates of rent recoveries adjustable under Major head "0216" in respect of Government accommodation, will be furnished by the Controller of Accounts, Ministry of Works and Housing, except where a Department has separate pool of accommodation (e.g. Delhi and other Union Territories, Administrations, Indian Meteorological Department and the Central Board of Direct Taxes and Central Board of Excise and Customs etc.) of which rent receipts, although adjustable under the Major head 0216, are not passed on to the Director of Estates, Ministry of Urban Development. Apart from the Controller of Accounts, Ministry of Urban development, only the Accounts Officers of Departments maintaining such separate pool of accommodation should furnish estimates of "License fee" receipts direct to the Budget Division along with the estimates of other Revenue receipts in Form at Appendix 41.

47.4.13 External assistance in the shape of materials, equipments and other commodities received from foreign Governments without involving any cash in flow or outflow - Accountal and Budget provisions

(1) The value of materials, equipments and other commodities received from foreign countries as aid without involving any cash inflow or outflow, should be taken as a receipt under major head "0606-Aid Materials and Equipment". When the materials and equipments are allocated for use by Government Departments, the debit under the Major head 3606 should be relieved by a deduct entry by per contra debit to the functional Major head. This deduct entry under the Major head 3606 would be outside the scope of the grant, and shown below the line, giving full particulars in the Detailed Demands for Grants. Accordingly, budget provision should also be made in the appropriate functional head to accommodate the debit transferred from Major head 3606.These estimates (RE and BE) are required to be submitted in the form at Appendix 42.

(2) Estimates of interest receipts and loan repayments in respect of categories with which the CPWD is concerned are also required to be submitted to the Chief Controller of Accounts, Ministry of Urban Development in Form at Appendix 43, along with other revenue estimates, by 30th November.

47.4.14 Revised Budget

(1) Revised Estimates give the requirements for the current financial year vis-a-vis the demands made for the items of work in the previous Schedule of Demands/Budget Estimates submitted in the previous year. The reasons for variations between the two are to be recorded, wherever required. This statement (Appendix 44) should include the items carried forward from the previous year to indicate separately items for re-grant of lapsed items, new items, if any, approved or likely to be approved for execution during the current financial year. In all cases, administrative approvals accorded or likely to be accorded during the current financial year should be indicated against each item.

(2) While making provision in the Revised Budget for the current financial year, proper assessment of progress of the works for which the funds are required has to be made.

(3) The creation of office units and sanction to staff posts will mainly depend upon these figures. The yardsticks generally adopted for set up of executive office units, i.e. Executive Engineers etc., are mainly based on the approved workload norms.

(4) Demands for Grants are presented in thousands of rupees; amount of Rs. 500/- and less deleted and amounts of Rs. 501 to 999 rounded to next 1,000 rupees.

(5) No money shall be withdrawn from the Consolidated Fund of India except under appropriations made by law. The Appropriation Bill, when passed by the Parliament, serves as an authority for spending the public funds for the objects/destination of the voted/charged grants/appropriations.

Annexure - I

[Reference para 47.4.6]

MIS/B-I

Plan/Non-Plan Residential/Non-Residential

Due date……. Ministry of…….. Actual date of receipt……. Department of .....……

Statement giving details of new projects for which budget provision is proposed in major head ..... under demand no. ..... of Ministry of Urban Development

(Note: Please see instructions below)

Name & location of project	Estimated cost	Date of issue of expenditure sanction	Proposed budget provision			CPWD Zone concerned	If Plan, whether included in Annual Plan Proposals for next year	Remarks
			For land	For construc-tion	Total			
1	2	3	4	5	6	7	8	9

Instructions

1. The statement should include all new projects which are proposed to be assigned to the CPWD for construction, and for which provision is required to be made in the Demand controlled by the Ministry of Urban Development. The statement should exclude any continuing project on which expenditure had been incurred in the previous year.
2. It is possible that not all the projects can be accommodated by the Ministry of Urban Development in its budget due to overall constraints such as capacity of the CPWD and budgetary restrictions. Projects should, therefore, be arranged in the order of their urgency.
3. Estimated cost in col. 2 should relate only to the portion to be executed by the CPWD for which provision is needed in the budget of the Urban Development Ministry.
4. Information relating to actual/anticipated dates of reaching various stages (col. 3-6) of Part B should be based on the reports from the concerned CPWD authorities. Where no such information has been received, the entry “Not known” should be recorded in the relevant column.
5. Due date for this statement will be that prescribed by the Ministry of Urban Development each year for submission of Budgetary Proposals affecting Demands controlled by that Ministry.
6. Separate statements for
   (i) Plan-Residential,
   (ii) Plan Non-Residential,
   (iii) Non-Plan Residential and
   (iv) Non-Plan Non-Residential may be submitted.

Annexure - II

[Reference-Para 47.4.6]

Plan/Non-Plan Residential/Non-Residential

Due date……..Ministry of……Actual date of submission…....….Department of .....…….....……..

Statement giving details of new projects for which budget provision is proposed in major head ..... under demand no. ..... of Ministry of Urban Development

PART-B

(For projects where Expenditure Sanctions have not been issued)

Name & location of project	Estimated cost	Acquisition/ allotment of land	Request to CPWD for preliminary estimate	Actual receipt of preliminary estimate	Expected date of issue of expenditure sanction	Proposed Budget provision		Total	CPWD Zone concerned	If Plan, whether included in Annual Plan proposal for next year	Remarks
						For land Rs.	For construction Rs.	Rs.			
1	2	3	4	5	6	7	8	9	10	11	12

Instructions

1. The statement should include all new projects which are proposed to be assigned to the CPWD for construction, and for which provision is required to be made in the Demand controlled by the Ministry of Urban Development. The statement should exclude any continuing project on which expenditure had been incurred in the previous year.
2. It is possible that not all the projects can be accommodated by the Ministry of Urban Development in its budget due to overall constraints, such as capacity of the CPWD and budgetary restrictions. Projects should, therefore, be arranged in the order of their urgency.
3. Estimated cost in col. 2 should relate only to the portion to be executed by the CPWD, for which provision is needed in the budget of the Urban Development.
4. Information relating to actual/anticipated dates of reaching various stages (col. 3-6) of Part B should be based on the reports from the concerned CPWD authorities. Where no such information has been received, the entry “Not-known” should be recorded in the relevant column.
5. Due date for this statement will be that prescribed by the Ministry of Urban Development each year for submission of budgetary proposals affecting Demands controlled by that Ministry.
6. Separate statements for (i) Plan-Residential, (ii) Plan-Non-Residential, (iii) Non Plan Residential, and (iv) Non-Plan Non-Residential may be submitted.

SECTION 48
SAVINGS, EXCESSES AND SUPPLEMENTARY DEMANDS

48.1 Surrenders of savings

(1) During the course of the financial year, it may be found that the expenditure under some of the sub-heads is likely to be less than the provisions in the budget owing to one or more of the following reasons:
   (i) Actual postponement of expenditure.
   (ii) Normal savings due to economy.
   (iii) Normal savings due either to original overestimating or to the usual administrative causes, e.g. casualties, non-receipt of A/A and E/S, non-availability of site, slow progress, non-availability of architectural drawings, non-receipt of sanction from client department, objection from Ministry of Defence etc.

(2) All anticipated savings noticed in a grant or allotment have to be surrendered by the Executive Engineer concerned to his Superintending Engineer/Chief Engineer sufficiently in advance before the close of the financial year. The surrenders should be made immediately the savings are foreseen without waiting till the end of the year, unless these are required to meet increased expenditure under some other unit or units which can definitely be foreseen at that time.

(3) No savings are to be held in reserve for meeting possible excesses in future.

48.2 Supplementary demands

Expenditure for which no provision has been made in the original Budget Estimates for the current year cannot normally be incurred. If either owing to (i) an unforeseen emergency, or (ii) under-estimating or insufficient allowance for factors leading to the increase in expenditure, excess expenditure on a particular item of the budget estimate is inevitable, action may be taken for submission of an application for allotment of additional funds by re-appropriation or supplementary grant, where it is not possible to get funds by re-appropriation.

48.3 Appropriation Account

(1) All the grants are made in accordance with the sanctions accorded by the Parliament in the budget/ other sessions. As required by provisions of Article 114-116 of the Constitution, Appropriation Account relating to the expenditure brought into account during a financial year is required to be submitted to the Parliament. The Appropriation Account, thus, compares the total grants (original, supplementary,etc.) made by the Parliament for any particular purpose with the actual expenditure incurred by Government on that purpose. While making such comparison, explanations should be given in the Appropriation Account for the variations between the final grant and the actual expenditure under each sub-head, whether excesses or savings.

(2) The sub-heads in respect of which reason for variations both savings and excesses are required to be included are as follows:
   (a) If the variation in a sub-head exceeds Rs. 50 lakhs
   All variations, both savings and excesses, irrespective of the percentage which the variation bears to the sanctioned provision (original, or supplementary, or both taken together).
   (b) If the variation in a sub-head does not exceed Rs. 50 lakhs
      (i) Where the variation is an excess

      All cases in which the excess exceeds 10% of the total sanctioned provision or Rs. 5 lakhs, whichever is higher. The total sanctioned provision in this clause means the original provision (if there is no supplementary provision), supplementary provision (if there is no original provision), and original and supplementary provision taken together if they exist.

(ii) Where the variation is a saving

All cases in which the saving exceeds 10% of the original provision, or Rs. 5 lakhs, whichever is higher, if in that sub-head there is no supplementary provision in a sub-head either with or without any original provision, all cases, in which the saving exceeds 10% of the supplementary provision will be included.

(c) If the grant/appropriation as a whole has been exceeded (i.e. where excess has occurred in any of the four segments, viz. voted revenue, voted capital, charged revenue and charged capital).

Only such sub-heads as involve an excess of over Rs. One lakh each may be picked up. If, however, there is no individual sub-head involving an excess of over Rs. One lakh, sub-heads which mainly account for the overall excess may be included. Of course, the criteria laid down in (a) and (b) (ii) will also be followed.

48.4 Re-appropriation

(1) In such cases, allotments under other detailed heads inside the primary unit of appropriation should be examined with the object of discovering probable savings, and effecting transfer with the sanction of the competent authority, if necessary.

(2) If such provision of funds from within the primary unit of appropriation is not possible, the whole grant must be examined in order to see whether savings exist under other units of the appropriation. A transfer of fund from one primary unit of appropriation to another such unit may then become necessary. Such a transfer is termed "re-appropriation", and can be sanctioned only by the competent authority.

(3) Re-appropriation of funds shall be made only when it is known or anticipated that the appropriation for the unit from which funds are to be transferred will not be utilized in full, or that savings can be effected in the appropriation for the said unit.

(4) All re-appropriation orders are issued with reference to unit of appropriation in the detailed demands or grants.

(5) Transfer of funds within one primary unit of appropriation under the same grant and involving two or more Zones does not amount to re-appropriation, and does not, therefore, attract the provisions of Rule 18 of the Delegation of Financial Powers Rules, 1978, because Appropriation Accounts are prepared on the basis of the total grant under a particular primary unit of appropriation in all the CPWD Zones.

48.5 Restrictions on appropriations/re-appropriations

(1) Funds shall not be appropriated or re-appropriated in the following cases:

(i) To meet the expenditure which has not been sanctioned by an authority competent to sanction it.

(ii) To meet votable expenditure if the fund provided is for Charged expenditure and *vice-versa*.

(iii) Funds of Charged expenditure of one grant, or appropriation to another grant or appropriation.

(iv) To meet expenditure on a new service not contemplated in the budget as approved by the Government.

(v) From "Plan" schemes to "Non-Plan" schemes shall not be made.

(vi) For any work, which has not received administrative approval and expenditure sanction.

(vii) From or to the "Suspense Head" relating to Public Works.

(viii) If the appropriated amount exceeds the amount approved or sanctioned for that work by the permissible limit of excess.

(ix) From the primary unit "Major Head" to any other unit without the previous consent of the Finance Ministry.

(2) Save with the previous consent of the Ministry of Finance, no re-appropriation should be made for a new work costing Rs. 10 lakhs or above, but less than Rs. 250 lakhs. Any work not provided for in the budget which will cost Rs. 250 lakhs or more should not be undertaken without obtaining the specific approval of Parliament, or an advance from the Contingency Fund of India.

(3) The transfer or re-allocation funds between different schemes, provision for which is made in the same primary unit of appropriation, does not constitute re-appropriation, and as such the concurrence of the Ministry of Finance is not necessary for such a transfer of re-allocation.
(4) Re-appropriation within revenue head in the budget between Major works/Minor works, Tools and Plants etc. is permissible.
(5) Re-appropriation can be authorized at any time before, but not after the expiry of the financial year to which such grant or appropriation relates. All such order must be communicated to the Accounts Officer/Audit Officer concerned before the 31st of March of the year.
(6) Subject to the above, the authorities mentioned under para 48.6 may order re-appropriations from any primary unit of appropriation to any other such unit within and between major heads in the Grants for "Public Works" and "Housing and Urban Development" so long as they are covered by one grant and provided that:
    (a) No re-appropriation shall be made to meet any expenditure on unsanctioned works costing not more than Rs.250 lakhs, subject to requirements of new service/new instrument of service.
    (b) No re-appropriation shall be made from or to the units "Major Works", "Minor Works", "Maintenance and Repairs" and "Tools and Plants", and involving both revenue and capital provisions.
    (c) Unanticipated credits, i.e. credits not provided for in the budget or in excess of the amounts included therein, which are accounted for as minus expenditure, shall not be re-appropriated to any work.

48.6 Powers to re-appropriate

(1) The Director General (Works) has full powers, and he is empowered to re-delegate the powers subject to the condition that the limits of expenditure laid down for any particular house or houses is not exceeded. No power shall, however, be re-delegated in respect of:
    (a) Creation of posts
    (b) Write off of losses
    (c) Re-appropriation of funds exceeding 10 percent of the original budget provision for either of the primary units of appropriation or sub-heads, i.e. the primary unit or sub-head from which the funds are being re-appropriated, or the primary unit or sub-head to which the funds are to be re-appropriated, whichever is less.
(2) Delegation of powers should not be done to Non-Gazetted Officers.
(3) The Chief Engineers have been delegated powers as below:
    (a) Re-appropriation of the funds available as savings from one major work to another work for which provision has been made in the budget allotment of the respective Chief Engineer, subject to the ceiling within the expenditure sanction for the latter work.
    (b) Re-allocation of funds from one area to another under the same sub-head of the budget grant within the subject allotment at the disposal of the Chief Engineer.
(4) The Chief Engineers cannot exercise these powers in cases, where re-appropriation of funds is involved from one zone to another zone.

48.7 Supplementary Grant

(1) When savings are not available or re-appropriation is not possible, it must be seen whether special economies can be effected under other sub-heads. If this also is not possible, it will have to be considered whether the expenditure can be postponed, or whether an application for a supplementary grant should be made. Normally an application for supplementary grant is not entertained unless the anticipated excess is due to a cause beyond the control of the authority concerned, and the funds cannot be found by legitimate postponement of expenditure for which provision already exists.
(2) The Supplementary Estimates arise in spite of every care taken to include in the budget all possible payments that will have to be made during the financial year owing to one or more of the following causes:

(i) Preparation of annual estimates some months before the commencement of the financial year.
(ii) Fluctuating nature of the services.
(iii) Change(s) of policy or programmes that may occur during the year.
(iv) Under-estimating or insufficient allowance for factors leading to the growth of expenditure.
(v) Other unforeseen causes, and
(vi) Expenditure upon some New Service not contemplated in the Annual Financial Statement of the year.

(3) While submitting Supplementary Estimates for grants or funds under Article 115 of the Constitution, full facts leading to the demand being made, and details of the work with specific mention about administrative approval, expenditure sanction etc., "Plan scheme" and "New Service" etc. should be described to enable the higher authorities to ensure that there is adequate justification for placing it before the Government for allotment of funds. The application(s) for such Demands should be made to the Ministry as soon as a contingency arises. Supplementary Demands for Grants are presented at every session of the Parliament by the Ministry of Finance, if so decided by them.

(4) When a Department fails to take a supplementary grant before the close of the financial year, either through misapprehension or because it ascertained the fact of a deficit too late to do so, it has to be termed as "Excess Grant". In such cases, grant of such excess amounts should be obtained in the following year, and at the earliest practicable moment after the excess is established, for its regularization under Article 115 of the Constitution through the Ministry.

SECTION 49
DISTRIBUTION OF GRANTS

49.1 Allotment of funds

(1) After the budget grants are approved by the Parliament, the Ministry distributes the sanctioned funds, where necessary, among the concerned Heads of Departments as controlling and disbursing officers subordinate to it according to their demands. The whole or a part of the provision under primary unit as sanctioned may be placed at the disposal of a controlling or disbursing officer, or the primary unit may be broken into a number of secondary units, and the provision under any of these, wholly or in part, placed at his disposal. He, in turn, may out of the funds placed at his disposal, allot funds for expenditure on a specific item or a group of items. The distribution of budget provision by/to the Head of Department/subordinate offices shall be informed to the Pay & Accounts Officers for check against allocation.

Note: No cognizance will be taken by the Audit officer and/or the Accounts Officer, as the case may be, of any distribution of appropriation among specific items or groups of items which may be made by a disbursing officer for purpose of control over expenditure, and no such distribution needs, therefore, be intimated to them.

(2) While preparing detailed statement showing the distribution of the funds, the following points should receive the attention of the budget authorities:
   (i) The statement should show the distribution of the final allotments by Circles or Divisions or both, and by primary and secondary units of appropriation to cover a number of individual items or works. It should also contain an abstract of the charges by the prescribed sub-heads.
   (ii) Specific allotment should be made for each individual major work.
   (iii) Lump sum appropriations may be made for minor works (Department/Division-wise) and repairs or maintenance.
   (iv) Provision for voted and non-voted (charged) items should be shown separately.
   (v) The amounts and details of the allotment intimated by the Ministry should be strictly adhered to and on no account altered.

(3) The distribution statement, when issued, should be regarded as the authorised program of expenditure. Any change required therein during the course of the year should be dealt with under the Rules of Re-appropriation referred to in para 48.4.

49.2 Review of Grants

(1) The Director General (Works)/Additional Directors General/Chief Engineers should review every month the progress of expenditure against the funds placed at their disposal from time to time. They should submit to the Ministry early in December of each year, separate statements for each major head showing the anticipated savings or excesses under the various units of appropriation. These statements should include only such items as are beyond the powers of appropriation and re-appropriation of their authority, and should be prepared separately for voted and non-voted expenditure.

(2) While preparing such statements, all adjustments that can reasonably be foreseen should be taken into account, and it should be ensured that the revised forecast of expenditure against the appropriation is as accurate as possible. This, however, does not preclude subsequent changes that cannot be foreseen at the time of review being effected. All applications for such subsequent modifications requiring the orders of the Government, should be submitted sufficiently in advance so as to reach the Ministry by 15th February of each year.

(3) To ensure effective control of the expenditure against the appropriations made, a quarterly review of the expenditure is conducted until the end of September and thereafter every month till the month of January.

(4) Where the progress of expenditure is not even and upto the required standard, timely warnings may be issued.

49.3 Control of expenditure

(1) A constant watch is required to be kept on variations so that as soon as it becomes clear that the funds are likely to be in excess or in short, action can be taken to surrender the savings or to obtain sanction for re-appropriation or a Supplementary Grant. In order to maintain proper control over the expenditure, a record of liabilities and commitments that have been or will be made or incurred against the budget allotments in his jurisdiction, should be maintained by the Divisional Officers in Liability Registers Form no. GFR (6), wherein progressive accounts of all outstanding liabilities should be indicated. The Liability Register facilitates preparation of correct estimates of expenditure.

(2) During the closing of a financial year, there is generally a tendency to utilize the unspent budget provision, which may be considerable, if a proper watch has not been kept over the monthly progress of expenditure. As a result of this, there is a rush of expenditure, popularly known as the "March Rush". It is against the interest of the State that money is spent hastily or in an ill considered manner just to avoid lapse of budget grant. A rush of expenditure is therefore regarded as a breach of financial regularity and should be avoided. It is far more in the public interest to surrender funds, which cannot be profitably utilized, so that the same are diverted to other objects, which could otherwise have to be held in abeyance for want of money.

(3) Whenever grants have not been utilized to the full extent for valid reasons, e.g. non-drawl of arrears of pay for want of sanction or non-completion of the transactions relating to purchase of stores in spite of all efforts made to conclude them, the Government will consider proposals to provide funds for the items in question by means of supplementary grants in the ensuing year. There is, thus, no reason for the authorities concerned to try to spend all the surplus funds at their disposal, merely to avoid their lapses.

SECTION 50
RECONCILIATION OF ACCOUNTS

50.1 The Head of the Department and the Accounts Officer are jointly responsible for the reconciliation of the figures given in the accounts maintained by the Head of the Department with those appearing in the Accounts Officer's books. The reconciliation should be made monthly, the initial responsibility resting with the Accounts Officer. The detailed procedure for reconciliation of expenditure incurred by Drawing and Disbursing Officers (DDO's), including cheque drawing DDO's (Divisional Officers), and appearing in the books of the Pay and Accounts Officers has been explained in succeeding paras.

50.2 The reconciliation need not be very close. Its extent should be determined by the following considerations:

(a) That the accounts figures finally published will be those maintained by the Accounts Officers; and
(b) That the main object of the reconciliation is to ensure that the departmental accounts are sufficiently accurate to render possible an efficient departmental control of expenditure.

50.3 It has been decided after consultation with the Comptroller and Auditor General of India that the following procedure will be followed by the departmental Officers and the Pay/Principal Accounts Officers:

(i) The Drawing and Disbursing Officers (DDO's) will continue to maintain the Bill Register in Form TR 28A, and note all bills presented for payment to the Pay & Accounts Officer (PAO) in it. On receipt of cheques from the PAO against bills presented, necessary note would be made in the Register including retrenchments, if any.
(ii) After the compilation of accounts of a month are over, the PAO's should furnish to each DDO, including cheque drawing DDO's (i.e. Divisional Officers), an extract from the Expenditure Control Register etc. indicating the expenditure relating to the grants controlled by him classified under the various major, minor and detailed heads of accounts. The statements from May to March shall also contain progressive figures.
(iii) Each DDO and every controlling officer and Head of Department, in respect of his own expenditure, from the portions of the grant/appropriation allotted/retained to/with him, shall maintain a separate Register in Form no. GFR 9, for each minor or sub-head of account with which he is concerned. In this Register, shall be entered the necessary particulars of the charges drawn on each bill under the appropriate primary unit and detailed head.

50.4 In respect of bills presented/paid by the Pay & Accounts Officer, necessary particulars of token no./date or voucher no./date, as intimated by PAO as the case may be, shall be entered.

50.5 The Divisional Officer shall have the particulars of relevant Sl. no. given in the Bill Register, TR 28A, entered/indicated in the Register in GFR-9.

50.6 On receipt of extracts of expenditure from PAO, each DDO shall compare the details of expenditure, excluding book adjustments, with expenditure worked out in the Register-GFR 9: (the DDO shall also enter separately the expenditure advised by the PAO through book adjustments in this Register) and would furnish certificate of agreement on or before the last day of the following month of such expenditure to the PAO or explain to him the discrepancies, if any, for settlement.

50.7 Simultaneously, the DDO would furnish on the 3rd of next month to his controlling officer, such expenditure as per Register in GFR-9, who would have it noted in the Register in GFR 11/GFR 12 (for Heads of Department) respectively. The controlling officer should maintain a Broadsheet in Form GFR 10 to watch the receipt of such statements from the DDO's.

50.8 The Chief Controller of Accounts, Ministry of Urban Development, would furnish to the Director General (Works), a monthly statement of expenditure (duly consolidated) in the prescribed proforma

vis-a-vis the budget provisions under the various heads of accounts. The Head of Department, i.e. the Director General (Works) would have such expenditure compared with that consolidated by the Directorate in Form no. GFR 12 and have the discrepancies, if any, between the two investigated/settled.

50.9 The Head of Department would furnish a quarterly certificate to the PAO, Ministry of Urban Development, certifying the correctness of the figures for the quarter by 15th of the second following month after the end of the quarters, April-June, July-September, October-December and January-March.

50.10 The Head of Department/Controlling Officer should ensure that the DD0's carry out the reconciliation regularly and in a systematic manner, and furnish necessary certificates and returns to the Controlling Officer/Head of the Department in time.

50.11 The Divisional Officers as cheque drawing DDO's and other DDO's getting funds from the PAO would maintain record of expenditure in the Register in Form no. GFR 9. The Superintending Engineers/Superintending Engineers (P)/Chief Engineers, as controlling officers of the Divisional Officers/Circles respectively, would be responsible for timely reconciliation by the DDO's/Divisional Officers by maintaining as controlling officer, records of expenditure in Form no. GFR 11.

50.12 The Chief Engineers/Director General (Works) as Heads of Department would maintain consolidated Zone-wise and grant-wise records, i.e. Major Head, Minor Head, Sub-Head-wise, of the expenditure in Form no. GFR 12. The final reconciliation of expenditure for the purposes of actuals vis-a-vis unit of appropriations as compiled by the PAO(DGW), CPWD, would be effected between figures of the Directorate General of Works and the PAO(DGW), CPWD.

50.13 A grant or appropriation shall be utilized to cover the charges, including the liabilities, if any, of the past years, to be paid during the financial year or to be adjusted in the accounts of the financial year for which such grant or appropriation is sanctioned. Such charges can be authorised by the competent authority any time before, but not after the expiry of the financial year. Any unspent balance shall lapse and shall not be available for utilisation in the following year.

SECTION 51
REGULARISATION OF EXCESS

51.1 Avoiding excesses

(1) Excesses over voted grants and appropriations and surrenders reflect on the effectiveness of control over expenditure.

(2) In cases where the schemes are not fully worked out at the budget stage, and a realistic estimate of the likely expenditure during the year is not found possible, provision for preliminary expenses and immediate requirements need only be included in the budget as far as possible, subject to review later on during the financial year on the basis of progress made in the planning of and sanction of the schemes.

(3) Apart from the realistic estimation of the budget, adequate steps should be taken for effective control over the progress of expenditure against the sanctioned grants, including expenditure on account of book adjustments and payments for procurement of stores, supplies and services.

51.2 Sanctions to regularise excesses

(1) A statement in Form no.8 should be prepared annually for submission to the Ministry by the end of December every year to show the causes of excesses and savings under different sub-heads, along with reasons why steps were not taken in time to surrender the savings, or to obtain necessary funds to cover the excesses before the end of the financial year. Separate statements should be prepared for each grant.

(2) If the grant has been exceeded, sanction should be obtained to the excess from the Ministry of Finance in case of non-voted expenditure, or from the Parliament in the case of voted expenditure.

(3) As voted and charged portions, as also the revenue and capital sections of a grant/appropriation are distinct, and re-appropriation inter-se is not permissible, an excess in any one portion or section is treated as an excess in the grant/appropriation.

(4) Excess in the demands as a whole requires regularization by the Public Accounts Committee, which generally takes a serious view of such excess, and insists upon satisfactory explanations from the Departments concerned.

(5) Similarly, savings and surrenders should also be avoided. The Public Accounts Committee takes serious view of the same as in the case of excess. Large savings are indicative of loose budgeting in the sense that these prove the inability of the Department to spend usefully the funds to the extent anticipated.

CHAPTER VI

QUALITY OF WORKS

SECTION 52

CHIEF TECHNICAL EXAMINER'S ORGANISATION

52.1 Functions

The Chief Technical Examiner's Organisation is the technical wing of the Central Vigilance Commission. The Chief Technical Examiner's Organisation conducts inspections of works of CPWD from the vigilance angle on its own or on a complaint being received by/referred to them. The inspections can be carried out by them for works of any magnitude, both in respect of original and repair works.

52.2 Returns

(1) In order to facilitate selection of work for inspection, a quarterly return has been prescribed for submission to them giving the list of works in progress. These returns are to be consolidated for each Zone, and sent by the Chief Engineers to the Chief Technical Examiner (CTE). The returns are required on separate sheet, Circle wise, indicating clearly the name and address of the Engineer-in-charge under whose charge the work is being got executed. The Quarterly Progress Reports are to include all civil works where accepted/tender value exceeds Rs. One crore, electrical works exceeding Rs. 15 lakhs, and horticulture works exceeding Rs. 2 lakhs, and these are to be submitted on separate sheets for civil, electrical and horticultural works. These returns are required to be submitted for the quarters ending March, June, September and December. Proforma of the return is given in Annexure I.

(2) Quarterly statements for stores and purchase contracts valuing above Rs. 2 crores are also required to be sent to the CTE Organisation. The scope of supply contracts (including imports) shall include the value of materials/components, the installation and commissioning charges, where applicable. Proforma of statement is given in Annexure II.

(3) In order to ensure timely submission of these returns to the CTE so as to reach them by 15th of succeeding month of the quarter, the following procedure/drill shall be strictly followed:
   (i) The Executive Engineers shall send the returns to their Superintending Engineers by the 5th of the succeeding month of the quarter to which the report pertains.
   (ii) The Superintending Engineers shall send 3 copies of the consolidated report to the Chief Engineers by the 7th of the succeeding month.
   (iii) The Chief Engineers shall send the return to CTE by the 12th of the month.

(4) The returns shall cover works of magnitude as specified above, and not of lower values.

(5) No endorsement/return shall be sent by the Executive Engineer or the Superintending Engineer direct to the CTE. The CTE shall get the returns only from the Chief Engineers concerned.

(6) Apart from the above quarterly return, no other return is to be submitted by the officers to the CTE (unless specifically asked for). The returns of completion of works, work orders, muster rolls, copies of NIT's etc., are not to be sent to the CTE as a matter of routine, unless specifically asked for, in a particular case.

52.3 Inspection by CTE

(1) Intimation regarding the inspection/examination of works by the CTE is sent by CTE to the Executive Engineer concerned with a copy to the Superintending Engineer well in advance. In order to enable the inspection to be carried out properly, various documents relevant to the work are generally asked for by the CTE to be kept ready at site. A list of such documents is given in Annexure III. This list is not exhaustive/comprehensive. Any other record considered relevant for inspection can be called for by them.

(2) The inspection reports are sent by the CTE to the Executive Engineer concerned, to which the Executive Engineer shall reply within the period mentioned in the letter. Matter of serious nature, or such matters pertaining to sanctions of estimates, NIT's acceptance of tenders etc., dealt by the higher officers, may be referred by the CTE to be replied by the higher officers.
(3) In respect of such paras, the Executive Engineer shall send his comments, if required by the higher officers, to the Superintending Engineer concerned, and not directly to the CTE.
(4) In order to expedite replies and settle the points and to ensure timely action, it is essential that the time limit fixed by the CTE is strictly adhered to by the officers of CPWD at all levels. For keeping a proper watch in the disposal, the Executive Engineer/Superintending Engineer/Chief Engineer shall maintain a register in proforma given in Appendix 45.

52.4 Recoveries of overpayments pointed out by the CTE

(1) Normally the recoveries of overpayments pointed out by the CTE should be made within a period of 3 months from the date of issue of memorandum by the CTE. The overpayment arising out of the defects pointed out by the CTE should be promptly assessed and accepted by the Divisional Officer whenever agreed to, and the recoveries effected from the money due to the contractor, either from the same work from the immediate running bill, or from any other work or from the security deposit, if any, with the Director General (Works).
(2) In no case, action to recover the overpaid amount should be kept pending, or be kept in abeyance on account of the case being before the Arbitrator. Action in terms of the award can be taken after the award is received and accepted by the competent authority. Recoveries/adjustment of the amount in question should, in no case, be effected by debiting the amount to Miscellaneous Public Works Advance (MPWA).
(3) In order that the recoveries of overpayment pointed out by the CTE are promptly effected, a Register of Overpayments pointed out by the CTE Organisation and subsequent recoveries effected, should be maintained by the Divisional Officer in the proforma given in Appendix 46.
(4) Although the inspection of CTE is a part of the contract, yet the CTE is not a party to the contract, no reference should be made to his inspection/examination of works in any correspondence made with the contractor. Notice for rectification of defects, recoveries to the made etc., shall be issued by the Engineer-in-charge, who is party to the contract, acting for and on behalf of the President of India.

Annexure - I

Statement showing the quarterly progress of original works for the quarter ending……..

[Reference para 52.2(1)]

Civil Works costing Rs. One crore and above.
Electrical Works costing Rs. 15 lakhs and above.
Horticulture Works costing Rs. 2 lakhs and above.

Sl. no.	Name of work & location	Est. cost in lakhs Rs.	Tender cost in lakhs Rs.	% above/ below Schedule of Rates applicable	Agreement no.	Agency	Date of Commen-cement	Date of comp-letion	Physical progress of work	Name of Engineer- in charge	Remarks
1	2	3	4	5	6	7	8	9	10	11	12

Annexure – II

Statement showing the quarterly progress of supply/purchase contracts for the quarter ending……..

[Reference para 52.2(2)]

Sl. no.	Name of the organization with location	Contract no.	Brief details of the materials required	Value of the contract	Mode of ten-dering	Sched-uled delivery period	Present status	Remarks
1	2	3	4	5	6	7	8	9

Annexure - III
List of documents considered essential for inspections by CTE and which may be called for examination of a work

[Reference para 52.3(1)]

(1) (a) Press Cuttings, including extended dates, if any
  (i) For pre-qualification of architects/consultants.
  (ii) For pre-qualifications of contractors.
  (iii) Call of tenders.
  (b) Register of sale of tenders,
  (c) Register of opening of tender.
(2) File giving reference to financial sanction and approval of competent administrative authority - Preliminary estimate.
(3) Copy of detailed estimate and its technical sanction by competent technical authority.
(4) Approved N.I.T. (Notice Inviting Tenders) in original.
(5) Rejected tenders and comparative statements for :
  (a) Selection of architects/consultants.
  (b) Short-listing or pre-qualification of tenders.
  (c) Other tenders.
(6) Justification statement and corresponding notings in support of tenders/offers accepted.
(7) Details of negotiations, if any, made before acceptance of tenders.
(8) Original contracts with consultant/contractor.
(9) Guarantee Bonds etc. towards security for work, machinery/mobilisation advance etc. including extension of validity.
(10) Insurance policies for work, materials, equipment, men etc. including extension of validity.
(11) Guarantees for water tightness, termite proofing etc.
(12) Standard specifications.
(13) Standard Schedule of Rates.
(14) Drawings - architectural and structural.
(15) All connected Measurement Books, Level Books, field books and lead chart.
(16) All Running Account Bills with all connected statements/vouchers etc.
(17) Statement showing details of check of measurements by superior officers - copies of orders laying down such requirements.
(18) Materials at site accounts/dismantled materials record.
(19) Site Order Books/Texts records/Log Books.
(20) Details of extra/substituted items and of deviated quantities being executed/ considered for execution in the work along with analysis of rates.
(21) Hindrance Register.
(22) Office correspondence files and inspection notes, if any, issued by inspecting officers.
(23) Complaint records, if any.
(24) Any other documents relevant to the works.

SECTION 53
QUALITY ASSURANCE AND TECHNICAL AUDIT WING

53.1 Introduction

(1) The Quality Assurance activity, in order to be truly effective has to ensure a progressively improved and uniform quality of the finished work. Experience gained over years indicate that "Process Control" is essential in building construction to ensure that the work in different phases is executed in a manner pre-determined and laid down in specifications. In order to achieve the above, the pre-requisites cover among other things, an inbuilt provision in the contract for a system of continuous check on quality by the field staff and the contractor for ensuring quality of work, availability of adequately manned and equipped agency for overseeing the quality aspects, and periodical appraisal of quality and a system of feed back for effecting possible improvements.

(2) Maintenance of quality has to be imbibed in the minds of the contractor as well as the officials of the department. It is better to have a system in which the quality of work is achieved during the construction stage itself, rather than indulge in 'fire fighting' activities after the damage has been done by way of post-construction 'quality control'. Quality control does have a place in the system, but this has to be more by way of being a means of enforcement, to ensure that the quality of work is checked and controlled as a continuous process during the construction stage itself. The final output will then be satisfying both to structural as well as aesthetical sensibilities.

53.2 Quality Assurance Plan

(1) A 'Quality Assurance Plan' has to be part of the tender documents. This shall indicate all the required tests to be done during the construction stage, all the relevant and applicable Codes, Specifications, and Standards, as well as the acceptable criteria for each of the relevant items of work, materials used, and the processes employed. All these have to be checked/tested periodically at the required intervals by the contractor and the departmental field officers and staff, and the reports shall have to be signed by the contractor or his authorised representative, as well as the Junior Engineer, Assistant Engineer and Executive Engineer. Copies of all such reports at various stages shall be appended with each running account bill and the final bill, failing which no payment shall be released to the contractor. It will be deemed that work so measured, checked and paid is of the required quality and standard, both in respect of ingredients as well as the intended functions it is supposed to perform. In other words, the work would not only meet the required specifications but also the workmanship as per sound engineering practice.

(2) The Superintending Engineer shall also have to check and sign these reports at suitable intervals in token of his ensuring compliance of the 'Quality Assurance Plan' for the work. For major works costing above Rs. 10 crores, he shall check and sign these reports for works in his headquarter, before every alternate running account bill, beginning from the first bill, as well as before the final bill is paid to the contractor. For works outside his headquarter, he shall check and sign these reports whenever he goes on inspection. The Chief Engineer can waive this requirement in exceptional cases, and for recorded reasons. However, in any case, the Superintending Engineer shall not be absolved of his responsibility to ensure that the 'Quality Assurance Plan' is complied with in every work under his charge. It will be his responsibility to locate the lapses or deficiency and take suitable remedial action if the Quality Assurance Plan is not implemented in spirit and action by the field officers.

53.3 Methods Statement

In all major works of contract costing more than Rs. 10 crores, provision shall be made in the tender documents for the contractor to submit a 'Methods statement' for the approval of the department soon after the award of work to him. The 'Methods statement' is a statement by which the construction procedures for important activities of construction are stated, checked, and approved. The 'Methods statement',

should have a description of the item with elaborate procedures in steps to implement the same, the specifications of the materials involved, their testing and acceptance criteria, equipments to be used, precautions to be taken, mode of measurement, etc.

53.4 Responsibility for Quality Assurance

The direct responsibility for ensuring proper quality of work as per approved specifications for achieving the intended performance and structural, functional and aesthetical parameters, and the desired life of the building/installation/structure rests with the construction team of Executive Engineer, Assistant Engineer and Junior Engineer. The Superintending Engineer shall be overall responsible for management of Quality System and Procedures for the works under his charge. The powers of acceptance of substandard work delegated to the Superintending Engineer should be used sparingly and under exceptional circumstances as emphasized under para 30.2 of this Manual. The Chief Engineer shall periodically review and monitor the Quality Assurance system. Para 53.17 may also be seen in this regard.

53.5 Quality Assurance Set-up

Independent Quality Assurance set up which keeps a watch on the effectiveness/adequacy of quality control measures at site and also provides guidance to the field engineers comprises of the following:

(i) QA wings in each region under the Additional Director General of the Region.
(ii) Core Wing at the Directorate under the Chief Engineer (CSQ).

53.6 Organisational set-up of Quality Assurance Unit

The implementation of Quality Assurance in the field will require close co-operation among the three agencies, namely (a) field engineers (b) the construction agency, and (c) the Quality Assurance team at Circle level for strict compliance of Quality Assurance Procedure forming part of agreement.

53.7 Responsibilities of the construction staff and Engineer-in-charge

The broad responsibilities of the field staff and the Engineer-in-charge will be as under:

(i) To ensure that materials duly approved by the competent authority are used in the work.
(ii) Wherever necessary the Executive Engineer shall approve the sources for respective materials.
(iii) Samples of materials should be approved by the Executive Engineer and signed by him and the contractor and preserved till the end of the project.
(iv) Samples of various materials, fittings to be used shall be approved well in advance and displayed at sites of works with make and name of the manufacturer/supplier.
(v) As early as possible after award of work full-scale sample should be prepared for repetitive items. Such samples should be approved by the Executive Engineer with regard to their specifications, execution, performance and aestheitics. Some examples are:
    (a) Frames and shutters for door windows
    (b) Water supply, drainage and sanitary lines and fittings
    (c) External and internal finishing
    (d) Flooring, including levels and slopes and dado
    (e) Electrical switch board/electrical fittings/points
    (f) Door/window fittings
    (g) Kitchen
    (h) Sample quarter for residential areas
    (i) Sample unit like corridors, toilet, room in case of non-residential areas.
    (j) Various types of service pipes
    (k) AC ducts/AC grills
    (l) Window grills with or without coolers and AC's
    (m) False ceiling
    (n) Fire fighting pipes and fittings, conduit networks, including cable ducts and cable galleries
    (o) Shafts.

(vi) To ensure that all the mandatory field and laboratory tests as laid down in the specifications are carried out at appropriate time and materials failing to conform to the required specifications are promptly rejected and removed from site.

(vii) As far as practicable all tests on materials will be carried out at the construction site in a field laboratory, which will be set up under the control of the Executive Engineer. The equipments for such field laboratories may be purchased directly, charging their cost to the work. A Junior Engineer of the Division with aptitude for testing should be selected by the Executive Engineer for manning the laboratory. He should be given training in the Central Laboratory to familiarize with the various tests, and then placed in charge of the field laboratory. A typical list of equipments and instruments which may be procured for a field Laboratory are given in Annexures I and II. Results of routine tests carried out in the field laboratory will be promptly communicated simultaneously to the Engineer-in-charge and the Quality Assurance team functioning at the Circle level. The Junior Engineer-in-charge of the field laboratory will be responsible for carrying out tests correctly, and for timely communication of test results to authorities mentioned above. These test results shall be analyzed, interpreted and acted upon for the purpose of ensuring quality in the work as per Quality Assurance Plan.

(viii) Although testing of materials is a very important requirement for quality assurance, often testing is not carried out by the Assistant Engineer/Junior Engineer at site till the lapse is pointed out by an inspecting officer. It is essential that the officers who have to get the work executed at site, should be aware of the various tests required to be carried out during the progress of work, and should be adequately prepared for the same before the actual work starts. A consolidated test register, duly signed by the Executive Engineer should be issued from the Divisional Office soon after the award of work.

(ix) It will be incumbent upon the Executive Engineer to keep a watch over regular testing of materials before making payment at the stage of each running bill. For this purpose, a proforma as given in Annexure III, is prescribed. The first five columns of the proforma should be filled by the Assistant Engineer/Junior Engineer, and checked by the Executive Engineer in advance, and copies as required made thereof. The remaining columns will be filled by the Assistant Engineer/Junior Engineer with each running bill and checked by the Executive Engineer before making payment.

(x) Samples for tests are taken mostly by the Junior Engineers, or some by the Assistant Engineers. Samples for 10% of mandatory tests should be collected by the Executive Engineer. 10% of the field tests should be got done by the Executive Engineers in their presence.

(xi) A guard file shall be maintained at all work sites, with copies of all inspection reports to-date, whether these be of the Assistant Engineer (QA), Regional QA units/QA Core Wing, Executive Engineer, Superintending Engineer or Chief Engineer.

(xii) Inspection Register, Site Order book, Record of tests, Hindrance Register, etc. should be put up for entries and review to every inspecting officer.

(xiii) The inspecting officers of the rank of Superintending Engineer and above shall not confine themselves only to review of progress, co-ordination and general matters, but shall also inspect the work from quality Assurance aspects.

(xiv) The Executive Engineer and Superintending Engineer should invariably review and sign the guard file of earlier inspections, Inspection Register, Site Order Book, Register of tests carried out, Hindrance Register, etc.

(xv) The Executive Engineers should ensure that the Assistant Engineers and Junior Engineers, as well as the contractor's supervisors in-charge are fully aware of the specifications and method of execution of any new/fresh item of work to be taken up in the next 2 weeks. The Assistant Engineers/ Junior Engineers/Supervisors should ensure that this important aspect is not overlooked. The Junior Engineers/Assistant Engineers shall carry the required field testing instruments as per Annexure II to ensure on site quality assurance check on a regular basis, and to enable the senior officers to conduct checks during their site visits.

(xvi) Checklist

(a) As and when any important item is taken up for execution, the Junior Engineer/Assistant Engineer should go through the specifications and invariably make a checklist. This checklist should be got approved from the Executive Engineer, and should be shown to the inspecting officers. The important items inter-alia include foundation work, including reinforcement and shuttering, brickwork, cast-in-situ mosaic flooring, doors & windows, plumbing, including water supply pipe lines, roof treatment, earth filling etc. which are a few illustrative items for check-list purpose.

(b) Sample checklists for items of concrete for raft, columns/beams/slabs, water supply lines, brickwork and plastering are given in Annexure IV for guidance.

(xvii) To avoid dampness and leakage, the Executive Engineers shall ensure that necessary tests are carried out for proper slopes of canopies, chajjas, terracing, drainage arrangements, water tightness of expansion joints, joints in the water supply, drainage and sanitary works before these are covered/ concealed, and also ensure rectification of defects noticed.

(xviii) The Executive Engineers shall ensure availability of the required test equipments for field tests, as well as an updated copy of specifications, copies of agreement at sites of works.

53.8 Quality Assurance team at Circle level

(1) The Quality Assurance team with the Superintending Engineer of the Circle as its head will comprise the Assistant Engineer (along with his Junior Engineer for laboratory work), whose main job is quality assurance. In order that the role of the Assistant Engineer (QA) is effective in the process of Quality Assurance, the following points are essential:

(i) The periodicity of visit of works should be such that the process control at various stages is possible.

(ii) There should be minimum delay between inspection of work and communication of inspection report to the field formation.

(iii) The Assistant Engineer (QA) should carry out his tasks in a work that relates operationally to the quality specifications and standards laid down for the work, and to the control actions that can be applied to the construction process. Thus the Assistant Engineer (QA) should assess those aspects which are important to the overall quality of the finished work.

(2) The functions of the Quality Assurance team at Circle level are to check the compliance of Quality Assurance system by the field units, to locate the lapse/deficiency in the implementation of the Quality Assurance Plan, and to guide the field engineers in quality related aspects of the work. For this purpose:

(i) Every Assistant Engineer (QA) should carry out minimum four visits to works every month.

(ii) The Assistant Engineer (QA) should prepare his program and take approval of the Superintending Engineer. The program should be sent to site in advance of inspection.

(3) Such inspections by the QA team shall, however, not absolve the responsibility of the Junior engineer/Assistant engineer/Executive Engineer for accepting only quality work from the contractor.

(4) The following norms have been decided for inspection to be carried out by the Assistant Engineer (QA) of the Circle Office:

(i) Construction works costing more than normal tender acceptance powers of the Superintending Engineer	Each work to be inspected at least thrice during currency of work.
(ii) Construction works costing less than the normal tender acceptance powers of the Superintending Engineer but more than or equal to the normal tender acceptance powers of the Excutive Engineer	Each work to be inspected at least twice during currency of work.
(iii) Construction works of the power of Executive Engineer	Each work to be inspected once.
(iv) Maintenance works	Frequency to be decided by SE.

(5) During periodical visits, efforts of the Assistant Engineer (QA) should be directed at:
   (a) To check the quality of materials accepted by the field units for use in the work and to see whether the laid down system of 'Quality Assurance Plan' has been followed.
   (b) To check the overall quality of the finished items. Random checks shall be applied by the Assistant Engineer (QA), with the help of handy instruments like impact hammer for determining the strength of concrete, portable, penetrometer for testing strength of mortar of plaster, electronic moisture meter for testing moisture content of timber, etc.
   (c) To randomly check the field tests carried out by the field staff during the progress of the work. This is to be with particular reference to the mandatory tests laid down in the CPWD Specifications. In case of any abnormal test results coming to his notice, the Assistant Engineer (QA), with the approval of the Superintending Engineer, shall send samples of such items to the laboratory for repeat tests.
   (d) To provide guidance to the field staff in case of any problem relating to routine field tests.
   (e) Finally, on the basis of these observations with regard to the quality of works, general adherence to the quality assurance procedures and the standard of progress, he shall submit an overall assessment report in the form at Annexure-V to the Superintending Engineer of the Circle. The Superintending Engineer shall complete Part V of the report with minimum delay. The Assistant Engineer (QA) will then send the report to the Executive Engineer concerned. In the case of works accepted by the Chief Engineer, or higher authority a copy of the Inspection Report is to be endorsed to the Zonal Chief Engineer also.

53.9 Action by SE on AE (QA) Report

Based on the report of the Assistant Engineer (QA), the Superintending Engineer shall assess the following:

(i) The general standard of quality of the work at the particular site. This assessment is to be based on the regularity of the routine tests carried out in the field, and general adherence to the quality control procedures.
(ii) Remedial action required to avoid defects of the nature mentioned in the Inspection Report.

53.10 Regional Q.A. units and their functions

(1) Quality Assurance work in various Regions are being looked after by the Regional QA units headed by the Superintending Engineer (TLCQA) or Director Works of the Region.
(2) The Regional QA units shall follow the guidelines and norms relating to Quality Systems and Procedures as laid down by the Quality Assurance Core Wing from time to time. These Regional QA units shall function under the control of the Additional Directors General, who shall be fully responsible for effective quality assurance in their Region. However, the Chief Engineer (CSQ) shall also inspect the works in the Regions on behalf of the Director General (Works) to see the effectiveness of Quality Assurance as well as cases referred to him by the Chief Engineer/Additional Director General.

53.11 The role and functions of Q.A. units under the Region

(1) In general, the QA units shall exercise the role of management of Quality Systems and Procedures to achieve and sustain quality of works executed by the CPWD, and to offer necessary guidance to the field units in this regard.
(2) Major functions assigned to QA Units are as under:
   (i) To carry out inspection of original works costing more than the Superintending Engineer's power of acceptance of tenders in general, and maintenance works (including functioning of Enquiry Offices) from the Quality Assurance angle on selective basis. The QA units will check and comment on the Quality Assurance system in place. They are not supposed to supersede the existing Quality Assurance system. The QA units may also inspect any work irrespective of its value with the approval of ADG.

(ii) In selecting works for inspection, their uniqueness, complexities and special characteristics, if any, shall be kept in view. For effective quality assurance, any major work shall be inspected 3 to 4 times during the progress of the work at various stages. Each QA unit headed by an Executive Engineer shall visit minimum 3 works per month, out of which at least 25% works shall be maintenance/special repair works.

(iii) To carry out comprehensive examination and technical audit of at least one Division per Zone in a year for works costing more than Rs. One Crore. Such examination shall encompass all aspects of the work, right from the requisition stage till its completion and payment of final bill.

(iv) To provide guidance in setting up laboratories at various stations/work sites.

(v) To review the performance of new materials and techniques introduced in the Department from time to time on the basis of the field inspections.

(vi) To convey observations regarding electrical works having bearing on the planning and execution of civil works to the appropriate unit in electrical wing and vice versa.

(vii) To inspect any work, or carry out investigations and enquiries with regard to quality related aspects assigned by the Additional Director General concerned/Director General (Works).

(viii) To submit quarterly reports in brief to the Additional Director General covering:

List of major works inspected, common defects/deficiencies observed in the work, and highlight of the functioning of the Regional QA set-up.

53.12 The Core Wing and its functions

(1) The Core Wing shall have the over-all responsibility of constantly reviewing the existing quality assurance procedures, and updating them on the basis of feed back from the Quality Assurance Teams.

(2) It shall carry out the functions of Regional QA unit for works under all Additional Directors General under whom no Superintending Engineer (QA)/TLCQA is posted. Presently, the QA unit in the Core Wing looks after works under the Additional Directors General (S&P), (TD) and (Border), as well as the Engineer-in-Chief, Delhi PWD. In addition, it performs the following other functions:

(i) To deal with policy issues pertaining to Total Quality Management System (TQM) for the C.P.W.D. as a whole.

(ii) To review the existing procedures regularly on the basis of feed back from the Regional units, and to issue guidelines/instructions to ensure uniformity, consistency and reliability in implementation of Quality Assurance systems and procedures in the Department.

(iii) To lay down norms/guidelines for periodic inspection and effective functioning of the QA units in the Regions/Quality Control teams at Circle level.

(iv) To keep itself updated with modern testing equipments and methods, and disseminate information in this regard to all concerned in the Department.

(v) To review the existing tolerance limits, and to lay down the tolerance limits in respect of finished items for which such limits are not specified in the C.P.W.D. Specifications. Such tolerance limits will be fixed on the basis of the accumulated experience in various works.

(vi) To issue guidelines/instructions for assigning accountability for different items of works.

(vii) To carry out investigations and enquiries with regard to quality related aspects for specific works or any other functions assigned by the Chief Engineer (CSQ)/concerned Additional Directors General/Director General (Works).

53.13 Calendar of returns

(1) To enable the functioning of Core Wing as well as the Quality Assurance teams at the Circle level, the information as detailed below is to be furnished by the Divisions and the Circles:

(a) To be submitted by the Divisions to the Circle office

(i) Quarterly statement of works in progress in respect of all works under the tender acceptance power of Chief Engineer and above level officers, as on 31st March, 30th June, 30th September, and 31st December every year as per proforma at Annexure VI.

(ii) Quarterly statement of works under the tender acceptance power of Superintending Engineer as per proforma at Annexure VI.

(b) To be submitted by Circle Office to the Core Wing/Regional QA Unit Quarterly statement showing the progress of original works under the tender acceptance power of Chief Engineer and above level officers, as on 31st March, 30th June, 30th September and 31st December every year as per proforma at Annexure VI.

53.14 Issue of Inspection Reports by Core Wing/Regional TLCQA units and follow-up action

(1) During the inspection, the QA unit will prepare the necessary observations based on the proforma as Annexure VII.

(2) The emphasis of QA inspection should be more on enforcing the required quality of work rather than on fault finding. The QA cell should also consider itself to be a part of the team with the field units to achieve the quality, and at the same time retain its independent status to ensure the required quality standards in the work. The QA inspections should, therefore, focus on ways and means to give the desired results in terms of quality of work. The report shall be prepared carefully, avoiding tendency to report shortcomings of minor/routine nature possibly covered by the QA unit of the Circle Office. Defects/deficiency in the Quality Assurance system at the field unit level, lapses in the implementation of the Quality Assurance Plan should be indicated for corrective action. The inspection report should consequently be broadly in two parts – the first, being corrective in nature, and the second, mandatory.

(i) The first part should be on the shortcomings that are noticed, with necessary directions, and where necessary with necessary ways/methods, to rectify them. The field units should immediately act upon them, and report compliance to the QA cell.

(ii) The second part should cover serious shortcomings that affect the structural safety or life of the structure or installation. These may be due to oversight, carelessness, inadvertent miscalculation, or deliberate action of a functionary or functionaries in the field formation. Such observations shall require immediate remedial measures that could include rejection of the item of work or supply and re-doing the same, or reduction in payment, or in additional safety/ corrective measures. The inspection report should indicate the action to be taken by the field units. Where such shortcomings are due to, or are suspected to be due to deliberate and/or malafide motives, the QA cell shall refer the case to the Chief Engineer for action to be taken against the erring officer(s) and/or official(s).

(3) After finalization of the report, the Executive Engineer (QA) shall sign and send the report to the concerned Executive Engineer, simultaneously enclosing copies to the concerned Chief Engineer and the Superintending Engineer. A copy of the report will also be endorsed to the Additional Director General of Region by the Regional TLCQA unit, and to the Chief Engineer (CSQ) by the Core Wing.

(4) Any point considered serious enough to be brought to the specific notice of the concerned Superintending Engineer/Chief Engineer will be intimated by the Superintending Engineer (QA) of the Region/Chief Engineer (CSQ) through a separate letter by name in addition to the normal report.

(5) Where some observation paras have been brought to the notice of the Superintending Engineer/ Chief Engineer, they should send their comments/replies after personal inspection in case the work is located at the same station/headquarter. For outside works, the Superintending Engineer/ Chief Engineer can take the assistance of the Assistant Engineer(QA)/Superintending Engineer (P&A) in order to ensure that the replies are sent within 4 weeks from the date of receipt of the Inspection Reports/letters from the Superintending Engineer (QA)/Chief Engineer (CSQ).

(6) Notwithstanding the above, serious irregularities/defaults, over-payments, shortages, frauds like wrong certification, or wrong report of rectification of defects etc. may be referred to the Chief Engineer (Vig/CVO) immediately by the Chief Engineer (CSQ).

53.15 Action in Divisions on the Inspection Report of Core Wing/Regional QA unit

Proper attention by the field units to the concept of Quality Assurance as dealt in para 53.1 above and a continuous check over process control should as a matter of fact give no opportunity to the Core Wing to bring out any shortcoming in quality related aspects of the work. Following action shall be taken by the Executive Engineer on receipt of the Inspection Report from the Core Wing/Regional QA unit:

(i) It should be immediately brought to the notice of the Assistant Engineer and the Junior Engineer in charge of the work.

(ii) The following further action should be taken:
   (a) The various observations involving the contractor's work or any other obligation of the contractor shall be brought to the notice of the contractor through the Site Order Book.
   (b) The work should be checked up for defects similar to the ones observed at other locations, and all such findings also brought to the notice of the contractor suitably as above. It should be ensured that similar defects do not recur in further work.
   (c) Wherever the defects are rectifiable, action should be taken for their rectification, simultaneously ensuring that such works are not placed in a position beyond rectification. No further work shall be done at that location till the defects are rectified. Also to investigate why such defects were not arrested by process control quality assurance set-up in the Divisional Office in the first instance.
   (d) For items of observations not involving the contractor's work/obligations, the Executive Engineer shall ensure that due action is taken in time.
   (e) Wherever any para is referred to the Superintending Engineer/Chief Engineer, the Executive Engineer should send an action taken report to the Superintending Engineer on priority.
   (f) The Executive Engineer concerned shall take action on the observations, and send compliance report on rectification of defects/deficiencies to the QA Unit within a period of 4 weeks from the date of receipt of the Inspection Report.

(iii) There should be concerted efforts on the part of the field units as well as the QA cell to comply with the observations of the QA cell, and finally settle all the paras during the progress of the work itself so that the bill for the work is finalised in time. Such observations should not be allowed to linger on indefinitely.

53.16 Action in Circle Office on Inspection Reports of QA units

Following action shall be taken by the Superintending Engineer on receipt of the Inspection Report from the Core Wing/Regional QA unit:

(1) To analyze the reason for occurrence of the reported defects/shortcomings as to how the QA set-up in Divisional and Circle levels failed to arrest them in the first instance, and taking action including seeking explanation from the concerned field officers.

(2) Watching the compliance of the observations by the Executive Engineer and his Assistant Engineers/Junior Engineers, and to ensure that replies to the Inspection Reports of the Core Wing are sent expeditiously.

(3) On paras referred to the Superintending Engineer/Chief Engineer by the QA Wing, they shall not endorse the reply of the Executive Engineer as it is. They shall duly satisfy themselves about the same before sending their comments/reply to the QA unit.

(4) Further, action on similar lines as mentioned under para 53.9 shall be taken by the Superintending Engineer on the inspection reports of the QA unit.

(5) It is necessary that the observations made by the Q.A. unit are attended to on priority and compliance reported. The Superintending Engineer (P&A) of the Zone shall be responsible to monitor the compliance of observations made by the Q.A. unit, and bring cases to the notice of the Chief Engineer for appropriate action where there is delay of more than 3 months.

(6) The Chief Engineer should have regular quarterly review of pending Inspection Reports. Similarly review should be done at Superintending Engineer's level at monthly intervals.

53. 17 Responsibility for quality

In respect of all works, the responsibility of various officers for checking of materials and workmanship of items of works shall be as given in Annexure VIII. However, this does not absolve the Junior Engineer and other officers of their responsibility to get the work executed as per specifications and provisions of Manual. Paras 5.2.3 and 53.4 above may also be seen in this regard.

53. 18 Field testing laboratories

(1) The salient functions of the Field Testing Laboratories have already been outlined while discussing the functions of the field formation in exercising control of quality. A list of field equipments for a typical field laboratory is given in Annexures I and II. The Superintending Engineer shall from time to time review the functioning of these Field Testing Laboratories, and suggest ways and means of improving the standard of their performance, in consultation with the Core Cell if necessary.

(2) In all major works of contract costing more than Rs. 10 crores, the contractor shall be required to establish complete field testing laboratory, and arrange all the relevant Codes and Standards. The list of such testing equipments, Codes, and Standards shall be specified in the tender documents. The contractor shall also arrange for more equipments, Codes, and Standards, if they are needed during the execution of the work. The contractor shall also provide the minimum staff, as specified, for quality assurance. He shall also provide for a temporary shed, of the specified size and specifications, at the allotted space at site, for housing the testing laboratory.

53. 19 Central laboratory

The Central Laboratory shall provide guidance in setting up the field level and circle level laboratories, both in respect of equipping them and training the testing personnel. These laboratories shall carry out confirmatory tests of samples collected by the Assistant Engineer (QA)/QA units during routine inspections of various works at the site. Besides, calibration of equipments of the field laboratories is another task assigned to Central Laboratory.

53. 20 Outside/Independent Testing Facilities

Extensive testing of the materials used for construction is a pre-requisite for attaining high quality of the work. This shall also require specialized tests, physical, chemical, ultrasonic, x-ray and various other types of tests which can not possibly be carried out in a site laboratory. These tests also require specialized personnel who regularly deal in such testing. Therefore the need arises for carrying out the tests in out side laboratories. These laboratories may be in the Government sector, Semi Government or Private sector. The outside laboratories shall be short listed before hand by EE and approval obtained from SE. In case of laboratories in the private sector, the past record and reputation of the laboratory must invariably be given due consideration. The infrastructure in these laboratories can also be inspected before they are short-listed.

Annexure - I
List Of Equipment For Field Testing Laboratory
[Reference para 53.7(vii)]

A. For Building Works

1. Balances
   (i) 7 kg. to 10 kg. capacity, semi-self indicating type - accuracy 10 gm.
   (ii) 500 gm. capacity, semi-self indicating type - accuracy 1 gm.
   (iii) Pan balance- 5 kg. capacity - accuracy 10 gms.
2. Ovens-electrically operated, thermostatically controlled upto 110°C - sensitivity 1°C.
3. Sieves: as per IS 460-1962.
   (i) I.S. sieves - 450mm internal dia, of sizes 100 mm, 80 mm, 63mm, 50 mm, 40 mm, 25 mm, 20 mm, 12.5 mm, 10 mm, 6.3 mm, 4.75mm, complete with lid and pan.
   (ii) I.S. sieves- 200mm internal dia (brass frame) consisting of 2.36mm, 1.18mm, 600 microns, 425 microns, 300 microns, 212 microns, 150 microns, 90 microns, 75 microns, with lid and pan.
4. Sieve shaker capable of 200 mm and 300 mm dia sieves, manually operated with timing switch assembly.
5. Equipment for slump test- Slump cone, steel plate, tamping rod, steel scale, scoop.
6. Dial gauges, 25 mm travel - 0.01 mm/division least count - 2nos.
7. 100 tonnes compression testing machine, electrical-cum manually operated.
8. Graduated measuring cylinders 200 ml capacity - 3 Nos.
9. Enamel trays (for efflorescence test for bricks).
   (i) 300 mm × 250 mm × 40 mm- 2 nos.
   (ii) Circular plates of 250 mm dia - 4 nos.

B. For Road Works

1. Balances
   (i) 7 kg to 10 kg capacity, semi-self indicating type - accuracy 10 gm.
   (ii) 500 gm capacity, semi-self indicating type, accuracy 1 gm.
   (iii) Chemical balance, 100 gm capacity - accuracy- 0.1 gm.
   (iv) Pan balance - 5 kg. capacity - 10 gm accuracy.
   (v) Platform scale- 300 kg capacity.
2. Oven electrically operated, thermostatically controlled.
   (i) Upto 200°C for determination of loss on heating of bitumen.
3. Sieves as per IS 460-1962.
   (i) I.S. sieves - 450 mm of internal dia of sizes 100 mm, 80mm, 63mm, 50mm, 40mm, 25mm, 20mm, 12.5mm, 10mm, 6.3mm, 1.75mm, complete with lid and pan.
   (ii) I.S. sieves - 200 mm internal dia (brass frame) consisting of 2.36mm, 1.18mm, 600 microns, 425 microns, 300 microns, 212 microns, 150 microns, 90 microns and 75 microns with lid and pan.
4. Sieves shaker capable for shaking 200mm and 300mm dia sieves, electrically operated with timer.
5. Dial gauge
   (i) 25mm travel - 0.01mm/division.
6. Load frame-5 tonnes capacity, electrically operated with speed control.
7. Aggregate impact test apparatus as per IS 2386-Part IV-1963.
8. Compaction apparatus (Proctor) as per IS 2720-Part VII-1974.
9. Modified ASHO compaction apparatus as per IS 2720-Part-III-1974.
10. Sand pouring cylinder with control funnel and tube complete as per IS 2720-Part XXVIII-1974.
11. Sampling tins with rods 100mm dia × 50mm ht., 1/2kg capacity, and miscellaneous items like moisture tins etc.

12. Constant temperature bath for accommodating bitumen test specimen, electrically operated and thermostatically controlled.
13. Penetrometer with automatic time controller and with adjustable weight accessories and needles as per IS 1203-1958.
14. Oxhlet extraction apparatus complete with extraction thimbles etc.
15. Laboratory mixer, about 0.02 cu-meter capacity, electrically operated with heating jacket.
16. Hubbard field stability test apparatus complete.
17. Marshall compaction apparatus as per ASTM 1559-62T, and complete with electrically operated leading unit, compaction pedestal bearing head assembly, dial micrometer, and bracket for flow measurement, load transfer bar, specimen mould (4 inch. dia) with base plate, columns, mould (4 inch, dia) with base plate, collars, specimen extracted. Compaction hammer, 4.53 kg (10lb)/457 mm (18inch) fall.
18. Distant reading thermometers.
19. Graduated cylinder 1000 ml. capacity.
20. Enamel tray.

Annexure - II
Field Testing Instruments
[Reference para 53.7(vii)]

1. Steel tapes - 3 m
2. Vernier calipers
3. Micrometer screw 25 mm gauge
4. A good quality plumb bob
5. Spirit level, minimum 30 cms long with 3 bubbles for horizontal vertical
6. Wire gauge (circular type) disc
7. Foot rule
8. Long nylon thread
9. Rebound hammer for testing concrete
10 Dynamic penetrometer
11. Magnifying glass
12. Screw driver 30 cms long
13. Ball pin hammer, 100 gms
14. Plastic bags for taking samples
15. Moisture meter for timber
16. Earth resistance tests (for Electrical Divisions)
17. Meggar (for Electrical Divisions)

Annexure –III
Proforma For Mandatory Tests To Be Attached With Running Bills
[Reference para 53.7(ix)]

Name of the work: ……Name of ontractor…….. Agreement no. and date …… R/A Bill No……

Sl.no.	Item	Quantities as per agreement	Frequency as per specifi-cation	No. of tests required	Upto date quantity	No. of tests required	No. of tests actually done	Remarks
1	2	3	4	5	6	7	8	9

Note: If the number is less than that required, then reasons shall be recorded.

Signature of Junior Engineer

Signature of Assistant Engineer

Signature of Executive Engineer

Annexure -IV
Check Lists For Various Items
[Reference Para 53.7 (xvi(b)]

PART — A
CHECK LIST FOR ITEMS OF FOUNDATION CONCRETE

Name of work:……
Name of contractor …….
Agreement no. …….

1. Date of inspection
2. Location
3. Material used for concrete whether tested
   (a) Sand — Yes/No
   (b) Coarse aggregate — Yes/No
   (c) Water — Yes/No
   (d) Admixture, if any — Yes/No
4. Raft top level, whether provided as per details — Yes/No
5. Architectural/structural drawing correlated — Yes/No
6. Whether location of construction joint has been discussed with Executive Engineer, and he has approved it — Yes/No
7. Cleaning over water proofing surface and construction joint done — Yes/No
8. CC cover blocks of 60 mm, thickness provided (min 2 in one square metre area) — Yes/No
9. Reinforcement placement as per relevant structural drawing checked — Yes/No
10. Layout of columns as per relevant structural drawing checked — Yes/No
11. Placement of shuttering plates and key board for proper construction joint with shuttering oil — Yes/No
12. Cement slurry applied on construction joint before pouring of concrete — Yes/No
13. Trained mason available — Yes/No
14. Concreting to start from farthest point to nearest point with respect of weight batching plant — Yes/No
15. Concrete mix has been designed — Yes/No
16. Plasticiser being used — Yes/No
17. Adequate number of concrete vibrators in working condition available — Yes/No
18. Slump checked — Yes/No
19. Sample cubes taken — Yes/No
20. Signature of Junior Engineer …….
21. Signature of Assistant Engineer …….
22. Signature of Executive Engineer …….

PART — B
CHECK LIST FOR COLUMNS/BEAMS/SLABS

1. Date of inspection
2. Drawing no.
3. Location
4. Whether materials used conform to relevant Specifications?
   (a) Sand — Yes/No
   (b) Coarse aggregate — Yes/No
   (c) Water — Yes/No
   (d) Admixture, if any — YesNo/NA

5. Whether structural drawings correlated with architectural drawings? Yes/No
6. Whether the centre line of column/beams checked with reference to grid lines as per architectural drawings? Yes/No
7. Whether treatment of expansion joint, wherever required, is done? Yes/No
8. Whether cleaning, repairing and approval of shuttering plate, application of quality shuttering oil is done? Yes/No
9. Whether shuttering is in true plumb and vertical and properly done and maintained during concreting? Yes/No
10. Whether reinforcement detailing, their placement are as per structural drawings? Yes/No
11. Whether proper gauge binding wire is used and with full cross binding and tightening of reinforcement bars with stirrups? Yes/No
12. Whether required minimum cover to reinforcement is maintained? Yes/No
13. Whether stainless steel cramps, angle irons for holding stones and any holding arrangement for electrical/mechanical/fire fighting/other services have been seen and approved by JE (E)/AE(E) Yes/No
14. Whether conduits for various electrical/mechanical/fire fighting/other services have been seen and approved by JE(E)/AE(E)? Yes/No
15. Whether concrete of approved design mix within maximum permissible water-cement ratio is used? Yes/No
16. Whether admixture of good brand quality approved by Engineer-in-charge is used? Yes/No
17. Whether technical supervision at batching plant/mixer and at point of concreting done? Yes/No
18. Whether concreting is placed within initial setting time of mixing? Yes/No
19. Whether proper compaction with vibrator is done? Yes/No
20. Whether the concreting has been done in a lift not exceeding 1.5 m? Yes/No
21. Whether cubes as per requirement filled for testing? Yes/No
22. Signature of Junior Engineer ……
23. Signature of Assistant Engineer ……
24. Signature of Executive Engineer ……

Post-concreting:

25. Whether shuttering stripped off as per specification, and laitance removed immediately thereafter? Yes/No
26. Whether proper arrangement of curing and curing period maintained as per specifications? Yes/No
27. Whether hacking of RCC surface by proper hacking tool for subsequent plastering/finishing is carried out ? Yes/No
28. Signature of Junior Engineer ……..
29. Signature of Assistant Engineer ……
30. Signature of Executive Engineer ……

PART — C
CHECK LIST FOR BRICK WORK

1. Date of inspection
2. Drawing no.
3. Location
4. Whether materials used conform to relevant Specifications and whether mandatory tests done?
   (a) Sand Yes/No
   (b) Bricks Yes/No
   (c) Water Yes/No

5. Whether structural drawings co-related with architectural drawings? Yes/No
6. Whether the centre line of brickwork checked with reference to grid lines as per architectural drawings? Yes/No
7. Whether bricks soaked in water before use for sufficient period? Yes/No
8. Whether queen closers are used at junction of walls? Yes/No
9. Whether brickwork is in true plumb and vertical and all layers truly horizontal? Yes/No
10. Whether graduated wooden straight edge storey rod being used for keeping height of brick courses uniform? Yes/No
11. Whether wall height being constructed in a day is being restricted to 1 m height? Yes/No
12. Whether parts of wall left at different levels are raked back at an angle of 45 degrees or less with the horizontal? (Toothing is not to be permitted) Yes/No
13. Whether top courses of all plinths, parapets, steps and top of walls below floor and roof slabs laid with brick on edge? Whether marucona provided at corners in such brickwork? Yes/No
14. Whether thickness of joints in brickwork is kept 1 cm ± 20%? Yes/No
15. Whether mortar of approved mix within maximum permissible water cement ratio is used? Yes/No
16. Whether all horizontal and vertical joints are being filled? Yes/No
17. Whether proper arrangement of curing and curing period maintained as per specification? Yes/No
18. Whether date of work done written? Yes/No
19. Signature of Junior Engineer ……..
20. Signature of Assistant Engineer ……
21. Signature of Executive Engineer ……

PART — D
CHECK LIST FOR PLASTERING

1. Date of inspection
2. Drawing no.
3. Location
4. Whether materials used conform to relevant specifications and whether mandatory tests done? Yes/No
5. Whether surface cleaned of all loose mortar and efflorescence? Yes/No
6. Whether all conduiting and electrical piping done? Yes/No
7. Whether all doors, windows etc. fixed? Yes/No
8. Whether all defects of brickwork/CC/RCC rectified? Yes/No
9. Whether preparation of surface done? Yes/No
10. Whether 2.5 m long aluminum straight edge and plumb bob being used to check verticality and evenness of surface? Yes/No
11. Whether 15 cm x 15 cm bunda at every 2 m horizontally and vertically being provided to serve as gauges? Yes/No
12. Whether uniform groove provided at junctions of all plaster and ceiling plaster? Yes/No
13. Whether mortar of approved mix within maximum permissible water cement ratio is used? Yes/No
14. Whether proper arrangement of curing and curing period maintained as per specifications? Yes/No
15. Whether date of work done written? Yes/No
16. Signature of Junior Engineer ……..
17. Signature of Assistant Engineer ……
18. Signature of Executive Engineer ……

PART — E
CHECK LIST FOR WATER SUPPLY LINES

1. Date of inspection
2. Drawing no.
3. Location
4. Whether materials used conform to relevant Specifications and whether mandatory tests done? Yes/No
5. Whether plumber employed is licensed plumber or not? Yes/No
6. Whether plan for piping system has been prepared and got approved? Yes/No
7. Whether all pipes and fittings are ISI marked? Yes/No
8. Whether a sample system has been prepared and got approved? Yes/No
9. Whether clamps provided at specified spacing? Yes/No
10. Whether pipe lines checked at required pressure before covering? Yes/No
11. Whether weight of flushing pipe checked? Yes/No
12. Whether flushing cistern is ISI marked and internally painted with bitumastic paint? Yes/No
13. Whether fittings like wash basin, sink pan, cistern, bib cock, stop cock, wheel valves, etc. are ISI marked? Yes/No
14. Whether PVC water storage tank is ISI marked? If not, whether sample sent for testing? Yes/No
15. Signature of Junior Engineer …….
16. Signature of Assistant Engineer …….
17. Signature of Executive Engineer …….

Annexure - V
Central Public Works Department Proforma For Quality Control Inspection
By Circle Office QA Team
[Referred in para 53.8(5)(e)]
PART - I

1. General
   - 1.1 Name of work.
   - 1.2 Division and Sub-Division.
   - 1.3 Inspecting officer.
   - 1.4 Assisted by.
   - 1.5 Date of present inspection.
   - 1.6 Referenc-e to memos of previous Inspection.
2. Particulars of work
   - 2.1 Estimated cost put to tender.
   - 2.2 Tendered amount.
   - 2.3 Agreement no.
   - 2.4 Name of contractor.
   - 2.5 Registration class of contractor.
   - 2.6 Date of start of work.
   - 2.7 Due date of completion.
   - 2.8. % age progress of work at the time of inspection
3. Routine Quality Control
   - 3.1 Quality control aids.
   - 3.1.1 Is field staff equipped with:
     - (a) Copy of agreement with relevant specifications (detailed as well as special).
     - (b) Copy of preliminary estimate, detailed estimate and measurements.
     - (c) Upto date architectural as well as structural drawings.
     - (d) Testing facilities with the help of necessary field instruments/equipments (List of equipments available at site including level, theodolite, etc. may be given).
4. Observations on compliance of Quality Control system after intensive inspection under following sub-heads:
   - 4.1 Earthwork.
   - 4.2 Concrete work.
   - 4.3 R.C.C. work.
   - 4.4 Brick work.
   - 4.5 Stone work.
   - 4.6 Steel work.
   - 4.7 Flooring (including marble work, if any).
   - 4.8 Roofing.
   - 4.9 Finishing.
   - 4.10 Miscellaneous.
   - 4.11 Services, etc.
5. Quality and Testing of materials/Products
   - 5.1 Comment on:
   - 5.1.1 Testing facilities available with the Department at site.
   - 5.1.2 Testing facilities arranged with other Department/institution.
   - 5.1.3 Testing facilities further required to be arranged.

5.2 Testing
5.2.1 Are all mandatory tests being carried out at the frequency mentioned in CPWD Specifications?
5.2.2 No. of tests failed and approximate quantity rejected.
5.2.3 General observations on tests, viz. erratic results, consistently low or high results etc.
5.2.4 Follow up action taken on unsatisfactory results, with lapses in prompt follow up action.
5.2.5 Samples tested by Assistant Engineer (P) and their results (Samples should invariably be taken where material/product at site does not appear to conform to the latest test results.
5.3 Is material/product of make borne on approved list of Department/ISI?
5.3.1 Are tests carried out on materials/products (covered under 5.3) found satisfactory?
6. Comments on adequacy of resources employed by the contractor at site for timely completion of work.

PART - II
TECHNICAL AUDIT

1. General details of work.
   1.1 A/A & E/S amount for the work and corresponding provision available for this work in the sanction.
   1.2 Amount of detailed estimate.
   1.3 Item rate/percentage rate/lump sum tender.
   1.4 No. of tenders received and tendered amount (call of tender).
   1.5 Authority accepting the tender.
   1.6 Is the detailed estimate technically sanctioned on the basis of complete set of architectural and structural drawings?
2. Deviation from plan/drawings.
   2.1 Deviations, if any.
   2.2 Reasons for deviation, financial implication and sanction of competent authority.
3. Deviation in quantities of items.
   3.1 Reasons for deviations.
   3.2 Sanction of competent authority for the deviation.
4. Extra and substituted items.
   4.1 Amount of items sanctioned so far.
   4.2 Sanction of competent authority.
   4.3 Any minus extra item paid? Detail the reasons.
5. Issue of materials.
   5.1 The theoretical consumption commensurate with the work executed and quantity lying at site.
   5.2 Check recovery memo from the last running bill/final bill and short recovery made, if any.
   5.3 Any material not stipulated issued?
   5.3.1 Sanction/approval of competent authority for such issue.
   5.3.2 Approval of rate under three rate formula.
6. Payment to contractor.
   6.1 Amount of last bill paid to the contractor.
   6.2 Normal frequency of payment.
   6.3 Test check of measurements by Assistant Engineer/Executive Engineer.
   6.4 Part rates paid/justification for the same.
   6.5 Advances to contractor.
   6.5.1 Checking up of secured advance, if any, with reference to materials lying at site.
   6.5.2 Reasonableness of advance for unmeasured work.
   6.5.3 Hypothecation of documents and safe custody of materials for which advances have been given.

PART - III
PROGRESS MONITORING

1. System adopted at site for monitoring progress.
2. Percentages progress achieved vis-a-vis time given for completion.
2.1 Steps taken to accelerate progress when shortfall is noticed.
3. Any extension of time required?
4. Co-ordination amongst various agencies involved in execution of work.
5. Constraints noticed in smooth progress of work and directions if any, received from Executive Engineer/Superintending Engineer/Chief Engineer to overcome them.

PART - IV
RECOMMENDATION

1. Give specific recommendations for immediate attention of Superintending Engineer on:
1.1 Improving quality control on specific items.
1.2 Comments on items lagging behind for want of drawings, materials, decision etc.

[Assistant Engineer (QA)]

To
SE

PART - V
DIRECTION OF SE ON THE REPORT

1. EE to improve quality of following items.
2. EE to issue notice to contractor for rectification of following defects at .....
3. EE to improve slow progress.
4. Directions, if any, for solving deadlocks/problems at site.
5. Further follow up action by AE(QA) on next inspection.

[Superintending Engineer]

To
AE (QA)

Annexure – VI
Quarterly Statement Of Works
[Reference para 53.13(1)(a)]

Sl. No.	Name of work	Est. cost (in lakhs) Rs.	Tender cost (in lakhs) Rs.	%age above / below estimat-ed cost	Agree-ment No.	Agency	Date of commen-cement	Stipulated date of completion	Physical progress of work	Name of Engineer incharge with add-ress	Remarks
1	2	3	4	5	6	7	8	9	10	11	12

Annexure - VII
Proforma For Preparing Observations By Core Wing/Regional QA Units

[Reference para 53.14.1]

1.0 Particulars of work
1.1 (a) Name of work:
(b) Description/scope of work:
1.2 (a) Sub-Division and name of Assistant Engineer:
(b) Division and name of Executive Engineer:
(c) Circle and name of Superintending Engineer:
(d) Zone and name of Chief Engineer:
1.3 Agency/contractor:
(a) Name:
(b) Registration class:
1.4 Agreement no:
1.5 Stipulated date of start:
1.6 Stipulated time and date of completion:
1.7 (a) Estimated cost put to tender:
(b) Schedule of rates applicable:
1.8 Accepted tendered cost with overall percentage:
1.9 Percentage progress at the time of inspection vis-a-vis expected as per contract and reasons for delay, if any:
1.10 Inspecting officer:
(Name & Designation)
1.11 Officers and contractor present during inspection:
(Name & Designation)
1.12 Date of inspection and number:
2.0 Quality Control aids:
2.1 Is site equipped with:
(a) Copy of agreement:
(b) CPWD Specifications/along with (upto date) correction slips:
(c) List of ISI marked/approved materials to be used:
(d) Guard File containing Inspection Reports of CTE/QCTA/AE(QC)/CE/SE etc.
(e) Testing facilities to check conformance to acceptance criteria:
(f) QACW Circulars on Quality Control.
2.2 Is field laboratory existing and well equipped?
3.0 Departmental procedure aspects:
3.1 Maintenance of Inspection Register
3.2 Highlights of inspections by CE, SE, AE(P) requiring compliance
3.3 Are Test Registers maintained in standard forms?
3.4 Are Test Registers reviewed by EE/SE with dates?
3.5 Cement Register:
(a) Is Cement store checked by AE/EE periodically as stipulated?
(b) Comment on cement stock with reference to Cement Register:
3.6 Site Order Book and Schedule of defects:
(a) Is Site Order Book properly maintained?
(b) Is the Site Order Book reviewed by EE and SE?
(Mention details)

(c) Have timely notices been issued to the contractor with the Schedule of defects/damages and date of compliance?
In case of failure to rectify defects/damages whether action under clause 14/17 initiated?

4.0 Process control aspects:

4.1 Is soil investigation done? (give brief details)

4.2 Suitability of water for construction:
(a) What is the source of water?
(b) Has water been tested and approved by Engineer-in-charge before construction?
(c) Has water been tested subsequently (i.e. after every 3 months) and found fit for use in works?

4.3 Are 10% (25% for concrete) of all samples for testing taken in presence of EE as per DG(W)'s OM No.28/7/86-WI(DG), Circular No. 9/87 dated 1.9.1987/6.10.1987?

4.4 Are all mandatory tests carried out at stipulated frequency?

4.5 Are materials approved by Engineer-in-charge?
If so, are samples available at site?

4.6 Are sample units/items completed and approved by EE before start of mass finishing work?

4.7 Specific control on RCC work like centering/shuttering, proportioning with boxes: mixing by full bag capacity hopper fed mixer: control of slump: placing/compaction with vibrator:

4.8 Any other particular comments on adequacy of process control:

5.0 Site inspection for observations and comments on Quality Control system in place:

5.1

Sub-head of work in progress	Whether in progress (If so, tick mark)	Whether inspected (If so, tick mark)	Location
(a) Earth work			
(b) Concrete work			
(c) RCC work			
(d) Brick work			
(e) Stone work			
(f) Marble work			
(g) Wood work			
(h) Steel work			
(i) Flooring			
(j) Roofing			
(k) Finishing			
(l) Internal Services			
(m) External Services			
(n) Road/pavement			
(o) Others (specify)			

5.2 Observations on floor slope (especially in Bath, WC, Kitchen, Terrace, Balcony etc.)

5.3 Observations on QC for dampness/leakages prevention.
If dampness/leakage noticed, then state locations and probable reasons.

5.4 Samples collected by QC Core/Cell

6.0 Observations on site material QC aspects.
(Keeping in view the requirements of contract specifications:
BIS marked/CPWD approved products etc.)
(Attach separate sheet, if required)

7.0 Observations on workmanship QC aspects.
(Attach separate sheet, if required).

8.0 Test audit of RA bill:
(Indicate RA bill no., gross amount, Vr. no. and date)
8.1 Whether deviation in quantities noticed?
If so, state reasons thereof:
8.2 Items not conforming to specifications:
(a) Whether notice was issued as specified in contract?
(b) Whether approval in principle was obtained from competent authority before acceptance of sub-standard work?
8.3 Extra/substituted items:
(a) Are justification of items proper?
(b) Sanction of competent authority:
8.4 Part Rates - whether rates held back are adequate?
8.5 Comments on secured advance paid with reference to materials lying at site.
8.6 Test Check by AE/EE
(a) Critical item:
(b) Hidden items:
(c) Extent (whether satisfactory?)
8.7 Any other observation?

[The observation made about quality of material and workmanship relate to only what could be randomly seen at locations specified. Executive Engineer and supervisory staff shall thoroughly inspect the entire work for such defects as observed as well as for other defects and take suitable remedial measures properly. The Executive Engineer shall be responsible for accepting any defective work that went unnoticed but pointed out during such inspection.]

Annexure - VIII
Responsibility For Quality
[Reference para 53.17]

1. Civil Work

Item of work	Works costing	
	Above Rs. 50 lakhs	Upto Rs. 50 lakhs
A. Materials		
(a) Sand, stone, metal & chips, bricks, ordinary glass panes	JE & AE	JE
b) Timber, paints, polish, door, shutters, windows, door/ window fittings, sanitary and water specials, glass panes	JE & AE	JE
(c) Marble, granite, kota stone and similar stone work items	AE & EE	JE & AE
(d) Cement and steel	AE & EE	JE & AE
(e) Bitumen, bitumen emulsion, mastic	AE & EE	JE & AE
B. Items of work		
(a) Foundation upto plinth	AE & EE	JE & AE
(b) Brick masonry/stone masonry	JE & AE	JE
(c) Centering and shuttering excluding sunshades/ shelves	AE & EE	JE & AE
(d) Reinforcement and RCC	AE & EE	JE & AE
(e) Structural steel work	AE & EE	AE
(f) Steel work	AE	JE & AE
(g) Aluminum work	AE & EE	JE & AE
(h) Wood work/wood substitutes	AE & EE	JE & AE
(i) Flooring - CC, mosaic glazed/ceramic tiles	AE & EE	JE & AE
(j) Flooring & cladding - marble, granite, kota,sand stone etc.	AE & EE	AE
(k) Plastering, painting & polishing	JE & AE	JE
(l) Joints in pipes i/c testing, slopes in flooring i/c verandah, balcony, toilets, terrace	AE & EE	JE & AE
(m) Bitumen painting of roofs	JE & AE	JE
(n) Water proofing treatment	AE	JE & AE
(o) Fittings of doors/windows	AE	JE & AE
(p) False ceiling work	AE & EE	AE
(q) (i) Storage tanks	AE & EE	JE & AE
(ii) Sluice valves, fire hydrants	AE	JE & AE
(iii) CI/Hume pipes & specials and their leadcaulked joints	AE & EE	JE & AE
(r) (i) Manholes i/c covers & frames	JE & AE	JE
(ii) CI Inspection bends & chambers	JE & AE	JE
(s) General quality of work with particular reference to lines & levels/adherence to drawings andspecifications & functionality	EE & SE	AE & EE
(t) Road works		
(i) Preparation of sub grade	JE & AE	JE & AE
(ii) Sub base/base course	JE & AE	JE & AE
(iii) Wearing course	AE & EE	JE & EE
C. Other important material/items	To be decided by tender accepting authority	

2. E & M Works

Item of work	Works costing	
	Above Rs. 20 lakhs	Upto Rs. 20 lakhs
A. **Material**		
(a) Conduit wires, switches, accessories internal wiring, MCB's, MCB DB's	JE & AE	JE
(b) Finished goods of Internal EI i.e. fans, electrical fittings, exhaust fans, call bells etc.	AE & EE	JE & AE
(c) L T / HT cables	AE & EE	JE & AE
(d) S/STN equipments, L T Panel/HT Panel Elect. main boards, DG Sets, Bus trunking, rising mains	AE & EE	JE & AE
(e) All the major equipment concerning wet riser/ sprinkler system, fire detection system etc. like pumps, DG Sets, pipes, valves,hoses, cabinets, panels, sprinklers, detectors,detecting panels, manual call boxes, PA system equipments etc.	AE & EE	JE & AE
(f) Air conditioning equipments like chilling units, cooling towers, Pump AHU's, duct insulation, GI sheets, pipes, control instrument etc.	AE & EE	JE & AE
(g) Major equipments of other special services like CCTV, BMS, EPABX, computer networking etc.	AE & EE	AE & EE
B. Items of Works		
(a) Internal EI work i/c UG cabling etc.	JE & AE	JE
(b) Sub Station work	JE & AE	JE & AE
(c) Fire fighting, fire detection work	JE & AE	JE
(d) A/C works & other specialized Services	JE & AE	JE
C. Other important materials/items	To be decided by tender accepting authority	

3. Horticulture Works

Item of work	Works costing	
	Above Rs. 5 lakhs	Upto Rs. 5 lakhs
A. Materials		
(a) Supply of Plants	SO/ADH & DDH	SO/ADH
(b) Supply of T&P	SO/ADH & DDH	SO/ADH
(c) Supply of Cut Flower	SO/ADH & DDH	SO/ADH
(d) Supply of various materials required for day to day use.	SO/ADH	SO/ADH
(e) Supply of Earth & Manure	SO/ADH & DDH	SO/ADH
(f) Supply of Earthern/Cement pot	SO/ADH	SO/ADH
B. Excavation works		
(a) Trenching	SO/ADH	SO
(b) Excavation	SO/ADH & DDH	SO/ADH
(c) Filling of earth in excavated area	SO/ADH & DDA	SO/ADH
(d) Grassing, fine dressing, spreading etc.	SO/ADH & DDH	SO/ADH
(e) fabricating of Tree Guards	SO/ADH & DDH	SO/ADH
(f) Digging of Holes	SO/ADH & DDH	SO/ADH/DDH
C. Maintenance Works		
(a) Renovation of Lawn	SO/ADH & DDH	SO/ADH
(b) Complete maintenance of garden feature.	SO/ADH & DDH	SO/ADH
(c) Maintenance of Potted plants/cut flowers arrangement.	SO/ADH	SO/ADH
(d) General quality of works & specification and functionally as well as adherence to landscape plan.	DDH/DOH	SO/ADH
D. Other important Material and items not covered above	To be decided by tender accepting authority	

CHAPTER VII

SECTION 54

DEPARTMENTALISATION OF ACCOUNTS-AGs INSPECTION AND INTERNAL AUDIT BY CHIEF CONTROLLER OF ACCOUNTS ATTACHED TO MINISTRY (PERTAINING TO CPWD)

DEPARTMENTALISATION OF ACCOUNTS

54.1 General

(1) Under the scheme of Departmentalisation of Accounts, the Financial Adviser, for and on behalf of Chief Accounting Authority (Secretary) shall be responsible inter alia for preparation of Chief Comtroller of Accounts annual Appropriation Accounts for the Demands for Grants of his Ministry/Department, get it duly audited and submit it to the Controller General of Accounts (CGA) (Ministry of Finance) duly signed by the Chief Accounting Authority.

(2) The CGA prepares annual accounts including summary civil Appropriation Accounts, showing under the respective heads, the annual receipts and disbursements for the purpose of Union Government, and submits the same to the CAG.

(3) The Comptroller and Auditor General of India (CAG) submits the Appropriation Accounts, duly audited/ certified, to the President for laying it before each House of Parliament. The comments on the regularity and propriety etc. of expenditure, as are deemed necessary and proper by the Comptroller and Auditor General of India as a result of the audit observations, are contained in his Audit Report on the Appropriation Accounts.

(4) The Divisional officers and higher officers should furnish the explanations as promptly as possible, and ensure that these are concise, accurate and fully informative. The explanations should indicate with sufficient clarity whether a variation or financial irregularity could not have been foreseen.

(5) While submitting the Appropriation Accounts, the Divisional officers should take into consideration the facts that the Public Accounts Committee, while scrutinizing the Accounts, has to satisfy itself that:

(i) The amount shown in the accounts as having been disbursed were legally available for, and applicable to the services or purpose to which they have been applied or charged;

(ii) The expenditure conforms to the authority which governs it; and

(iii) Every re-appropriation has been made in accordance with the provisions made in this behalf under Rules framed by the Competent Authority.

54.2 Chief Accounting Authority

(1) The responsibility for compiling and keeping the accounts of the transactions rest with the Ministry and Department under it.

(2) The Secretary to the Ministry shall be the Chief Accounting Authority for all the transactions of the Ministry and its departments, and this responsibility is to be discharged by him through and with the assistance of the Integrated Financial Adviser of the Ministry (I.F.A.), who is to function for and on behalf of the Chief Accounting Authority.

(3) The functions to be performed by the Integrated Financial Adviser for and on behalf of the Chief Accounting Authority shall be the following in so far as this scheme is concerned:

(a) He will be responsible for the preparation of the budget of the Ministry and its departments in close coordination with the heads of departments concerned. He will be responsible for distribution of budget allotments among the various wings/departments of the Ministry and for control of expenditure.

(b) He will be responsible for arranging payments to autonomous bodies, corporations, authorities etc.. towards Grants-in-aid, loans etc., as well as contributions to international bodies, as may be sanctioned by the Ministry.

(c) He will arrange for making payments through the Pay and Accounts Offices (as well as departmental officers to whom cheque drawing powers will be delegated), of pay and allowances,

office contingencies, miscellaneous payments, all admissible loans and advances to Government servants and their provident fund claims, in accordance with the prescribed financial and treasury procedures.

(d) He will be responsible for consolidation of the accounts (compiled and rendered by the Pay and Accounts Office) for the Ministry as a whole in accordance with the instructions issued by the Central Government and/or CAG, and for rendering of the accounts to such authority as may be prescribed by the Central Government in consultation with the CAG.

(e) He shall also be responsible on behalf of the Secretary for the preparation of Appropriation accounts for the grants controlled by the Ministry. These accounts will be got duly audited/certified by the principal Director of Audit Economic & Service Ministries, and submitted to Controller General of Accounts (Ministry of Finance), duly signed by the Chief Accounting Authority, viz. the Secretary. The material needed for the preparation of Finance Accounts will also be furnished by him to the Controller General of Accounts.

(f) He will be responsible for organizing a sound system of internal audit to ensure accuracy in accounting and efficiency of operation as part of the management.

(g) He will be responsible for introduction of an efficient system of management accounting, best suited to the functional requirements of the Ministry and its departments.

54.3 Accounts formation of Central PWD

The accounts formation concerning CPWD is under the control of Chief Controller of Accounts. This formation has been divided into a number of Pay and Accounts Officers (P&AO), corresponding to different Zones in CPWD. Each Zonal P&AO shall render compiled accounts in respect of its zone.

54.4 Procedure regarding accounts in respect of Divisional offices

The Divisional offices shall render compiled accounts to the Zonal Pay and Accounts Office in whose jurisdiction they fall. These accounts shall be incorporated in the accounts compiled by Zonal Pay and Accounts Officer.

54.5 Post-check by Accounts Officers

On receipt of the monthly compiled accounts from the Divisional offices, post-check of accounts and items will be carried out in respective Zonal Accounts Offices.

54.6 Compilation of accounts

On the basis of the list of payments/compiled accounts received from various Drawing and Disbursing Officers (enjoying cheque powers), Executive Engineers and the transactions occurring in the Zonal Pay and Accounts Office, the Zonal Pay and Accounts Officer will compile a consolidated monthly account in respect of the Zone as a whole and render it to the Principal Accounts Officer under the Chief Controller of Accounts on dates as prescribed. The account will be prepared according to major, minor and detailed heads of account, as well as according to budgetary units of appropriation for facilitating the compilation of Appropriation Accounts.

54.7 Final consolidation and submission of accounts

(1) The Chief Controller of Accounts, Ministry of Urban Development will be responsible for the final consolidation of accounts for the entire Ministry, and for overall co-ordination and control.

(2) The annual Appropriation Account will also be compiled by the Principal Accounts Office and submitted to the Secretary through the I.F.A. The Appropriation Accounts, signed by the Secretary, will be submitted to the Comptroller and Auditor General of India for audit certification.

54.8 CPWD organisation

While in the case of the PAO(DGW), CPWD and the payments made by the Zonal PAO's themselves, the compilation of the payments made should be done simultaneously, in the case of Divisional offices the compiled accounts in respect of the respective Divisions should be sent by them so as to reach the Zonal PAO by 4th of the following month. While also conducting the post-check, the consolidation of accounts in respect of the particular Zone will be completed by the 7th of the succeeding month and sent to the Principal Accounts Office.

54.9 AG/Director of Audit inspection

(1) The Director of Audit/Accountant General, under whose jurisdiction a Division or Sub-Division is located, checks the monthly accounts. He arranges for the Test Audit and local inspection of the initial accounts of the Divisional and Sub-Divisional offices in order to verify the accuracy of the figures with reference to the original records, and ensure proper upkeep of the registers and records on the basis of which the accounts have been prepared and submitted to the Zonal PAO.

(2) The Principal Director of Audit, Economic & Service Ministries conducts local inspection of Divisions rendering accounts to the Pay and Accounts Offices.

54.10 Central Audit

The monthly check of Divisional Monthly Accounts received in the AG's Office is known as 'Central Audit'. The deficiencies found in the upkeep of the accounts are intimated to the Divisional offices through Audit Notes. These contain all objections of a trivial nature and miscellaneous observations and enquiries etc. on minor matters, which the Executive Engineer is competent to deal with finally, and which are not important enough to be brought to the notice of the higher authorities.

54.11 Inspection

(1) The audit conducted during the inspection of a Divisional or Sub-Divisional office is known as "Local Audit". Each Division and/or any of its Sub-Divisions is inspected once a year. The duration of such inspection of a Division by Audit is based on the work-load factor.

(2) The following revised norms are being followed for local audit of Public Works Divisions by inspection parties with effect from the Revised Estimates, 1982-83 and Budget Estimates, 1983-84.

Nature of Divisions/offices	Working party days
1	2
1. Survey, investigation, design, research and Quality Control Divisions	5 days
2. Maintenance Public Works Divisions	6 days
3. Construction Division with expenditure	
(i) Upto Rs.80 lakhs	8 days
(ii) Above Rs.80 lakhs & upto Rs.1.20 crores	10 days
(iii) Above Rs.1.20 crores & upto Rs.2crores	12 days
(iv) Above Rs.2 crores & upto Rs.2.50 crores	14 days
(v) Above Rs.2.50 crores & upto Rs.3 crores	15 days
(vi) Above Rs.3 crores	16 days
4. Chief Engineer's offices	5 days
5. Superintending Engineers/Executive Engineers (P)	3 days
6. In case of maintenance-cum-construction Divisions the norms prescribed for construction Division will apply.	

(3) The Accountant General/Principal Director of Audit, sends intimation in advance about the specific dates on which the inspection would commence to the concerned Division. On receipt of such intimation, the Executive Engineer should arrange to keep all the relevant records and documents ready for the Inspection Party. Important documents like Service Books, contract agreements, etc. should be produced only after obtaining the written requisition and acknowledgement from the Inspecting Officer. A list of various records usually examined during the local audit is given at Appendix 47.

(4) The Inspecting Officer is authorised to inspect any books and other relevant documents relating to transactions to which his duties in respect of the audit extend. It is, therefore, the responsibility of the Executive Engineer to produce to the Audit Officer all the initial accounts and other records promptly. Where some of the records cannot be produced owing to certain unavoidable circumstances, the Executive Engineer should satisfy himself with the reasons of their non-production. He should make special efforts to produce those records that were not produced to the Audit at the time of previous inspections. In case the Executive Engineer is unable to produce some of the records, he should bring the fact to the notice of higher authorities for orders.

54.12 Inspection Reports

1) The results of the Local Audit are communicated through Inspection Report, which is drawn in three parts as below:—

(i) Part I - It includes :—
  (a) Introduction.
  (b) Outstanding objections from previous reports. (in this part, all old outstanding objections are reproduced in full, every alternate year along with upto date position. This is done to bring the outstanding paras, pointedly to the notice of all concerned for facility of watch and expeditious disposal). The old outstanding objections are to be replied separately through the respective old inspection reports, which should not be treated as closed till all the objections are settled.
  (c) Schedule of persistent irregularities.

(ii) Part II - Contains two sections “A” & “B”. Section “A” includes all important irregularities, i.e. irregularities involving recoveries, questions of violation of principles, losses, etc. Section “B” contains irregularities, though not major, which the Audit wants to bring to the notice of higher authorities.

(iii) Part III - is a Test Audit Note containing minor irregularities to which a schedule is attached to show the items settled on the spot. The procedural irregularities in respect of which the Divisional Officer has given assurances for following the correct procedure in future are also noted in this Schedule.

(Although the Test Audit Note has been termed as Part III of the Inspection Report, the Test Audit Note objections are not included in the Inspection Report).

54.13 Removal of objections

(1) Once a transaction has been challenged by the Audit and entered in one or the other documents referred to in the CPWA Code, the responsibility for having the objection removed and their prompt settlement, will primarily devolve upon the Divisional Officer. An audit objection is usually removed by obtaining the requisite sanction, by making the necessary recovery, by correcting or completing the relevant account or voucher, or by furnishing the necessary documents or information, or by otherwise securing compliance with the provisions of a specified Rule.

(2) Audit Inspection Reports should be promptly dealt with by the Divisional Officers at the initial stage so that the contingency of reporting of any point or para to the Public Accounts Committee does not arise due to the neglect or delay in reply. The following procedure is suggested for disposal of the Inspection Reports.

54.13.1 Procedure in Divisional Office

The Inspecting Officer issues rough Audit Notes to the Division for verification of the factual accuracy of the objections taken by him during the course of inspection. These rough Audit Notes should not be dealt with in a casual manner. These should receive prompt attention and the replies thereto should be based on the personal knowledge of the Executive Engineer. Where necessary the explanation/reply of a subordinate should be passed on with the remarks after checking its correctness. Where the objection can be got settled by obtaining the requisite sanction, by making necessary recovery, by correcting or completing the relevant account or voucher, by furnishing the required documents or information or by otherwise securing compliance with provisions of a specific Rule, the Executive Engineer should endeavour to get these settled before the Inspecting Party leaves his Division.

54.13.2 Discussions with Inspecting Officer

(1) The draft Inspection Report is discussed with the Executive Engineer by the Inspecting Officer before submitting the same to the AG/Principal Dir. of Audit to explain his viewpoint, especially in the case of objection contained in Part II of the Report. The Executive Engineer should avail of this opportunity and should record his remarks against each para in specific and unambiguous terms, thereby either accepting or refuting the factual accuracy of the objections/points that are raised by the Audit. This would help the Audit to appreciate the Department's point of view, and may eventually be helpful in settling most of the objections in the initial stage itself. The remarks like "Seen", "Would be looked into" etc. should not be used, as these defeat the very purpose of a discussion.

(2) During the inspection, if certain important financial irregularities are noticed, which prima facie would be considered in the Audit Office for being developed to the stage of draft para for the Audit Report, the same should be taken up immediately by the Executive Engineer for thorough examination. A chronological history of such cases should be recorded in a separate register, and the connected documents/reports should be collected and kept in the personal custody of the Executive Engineer, so that such important cases are not lost sight of, and effective and prompt action is taken from time to time. At the time of his transfer, the Executive Engineer should mention the upto date position of all such cases in his charge report.

54.13.3 Settlement of outstanding objections

(1) In the intimation memo about the inspection, the Inspecting Officer mentions that the Executive Engineer should keep ready the replies to the outstanding paras in the pending Inspection Reports, along with the relevant records for personal discussion with the Inspecting Officer for settlement of as many objections as possible. The old Inspection Reports should be discussed with the Inspecting Officer personally and results of such discussions should be recorded. This should not be left to the Divisional Accountant or other subordinates, as it would retard the chances of effecting settlement of the old outstanding objections. The objective should be to settle as many cases as possible.

(2) The Executive Engineer should take up the discussions relating to the items brought by the Inspecting Officer from the very start of the inspection. It is not advisable to postpone it to the fag end of the inspection, because very little time is left for holding any constructive, effective, and useful discussions, and achieving the desired results of settling the objections on the spot. The records that are required for production to the Inspection Party in connection with the old paras should be collected in advance, and kept ready duly referenced and flagged. This will save a lot of time and irritation to the Audit Party.

54.14 Control Register

A Control Register should be maintained in the Divisional Office in the form given at Appendix 48, so as to keep watch on the disposal of the Inspection Reports. The following instructions should be followed:

(i) A separate page should be set apart for noting down the position of each Inspection Report.
(ii) The Register should be closed every month with the abstract as shown in Appendix 49.
(iii) The Register should be reviewed by the Executive Engineer every month. While submitting the Register, the Divisional Accountant should record a certificate that reminders, wherever due, have been issued to the Assistant Engineer/Superintending Engineer/Chief Engineer.
(iv) The following procedure should be followed with regard to indicating and calculating the number of paras/sub-paras of the Inspection Reports in Register: —
    (a) The number of sub-paras in each para should be shown against the serial number of paras of the Report. A para having sub-para should be treated as one sub-para. Thus, it should show the number of items that require action.
    (b) Any sub-para dropped subsequently, should be distinctly exhibited, and the balance of their totals worked out.
    (c) An abstract showing the position of sub-paras outstanding from time to time should be kept in the files of inspection reports as well.
(v) The position of the sub-paras outstanding from time to time, as worked out in the Divisional Office Control Register, should be reconciled with a similar Control Register maintained in the Audit Office. The items or objections recommended by the Inspecting Officer to the AG/Principal Dir. of Audit for being dropped, should not be mistaken by the Divisional Officer as actually dropped. These continue to be outstanding in the Audit Office Control Register till the recommendations of the Inspecting Officer are accepted. The actual position of the outstanding paras should be watched by the Executive Engineer from subsequent rejoinders received from the Accountant General/Director of Audit, CW&M.
(vi) The disposal of Audit Notes and Test Audit Notes should be watched through a Progress Register, which should be maintained in the same manner as laid down for the Control Register.

54.15 Time limit for disposal

The Audit Notes/Test Audit Notes are dealt with directly in the Divisional Office, and should be returned to the Audit Office within a month from the date of their receipt. Similar time limit should be observed for Audit Notes received from PAO's.

(2) The Inspection Report (with one spare copy) is received from the Audit Office for reply and return (except first reply) through the Superintending Engineer. The replies to the original Inspection Report should reach the Audit Office within 8 weeks, and to the subsequent rejoinders within 4 weeks from the date of their receipt in the Divisional Office.

54.16 Procedure in Circle office

The Audit Office sends an advance copy of the Inspection Report to the Superintending Engineer, with specific mention of important items concerning serious irregularities and lapses requiring special attention and prompt action. The Superintending Engineer should take necessary steps to obtain the final settlement of the items. Where required, he should himself take up the items of the report with the higher authorities. He should keep the AG/ Principal Dir. of Audit fully informed in respect of cases regarding which reports have been sent to Chief Engineer/Director General (Works)/Ministry. While transmitting replies to the Audit on the original Inspection Reports as well as Rejoinders, the Superintending Engineer should examine the explanation offered against each para by the Executive Engineer and express his independent opinion. Where the para envisages completion of the Divisional/Sub-Divisional records and submission of certain documents/records to the Audit, the Superintending Engineer should ensure that the needful is done by the Executive Engineer with the least possible delay.

54.17 Guidelines for Internal Audit of the Departmental Accounts Organisations issued by Controller General of Accounts

The scheme of departmentalization of Union Government Accounts provides for setting up of an efficient internal audit organisation to ensure both accuracy in accounts and efficiency in the operation of the accounts set up. Accordingly, Internal Audit Organisations have been set up in most of the Ministries/ Departments. The scope and function of the Internal Audit Organisation will depend on the nature of work, the number of subordinate offices, the strength of the establishment, nature and quantum of expenditure etc. Each Ministry/Department will, therefore, draw up a Manual of Internal Audit, specifying the duties and functions of the organisation, with particular reference to the conditions prevailing in the Ministry/ Department. The guideline contained in the ensuing paragraphs will regulate the working of these organisations, but these are of a very broad nature, and have to be supplemented by detailed instructions to be issued by each Ministry/Department.

54.17.1 Scope of Internal Audit

The Internal Audit Organisation will work directly under the CCA with overall responsibility for internal audit remaining with the or the Financial Adviser of the Ministry/Department concerned. The Principal Accounts Office, the Pay and Accounts Office as well as the office of the D.D.O's in the Ministry/Department shall be within the jurisdiction of Internal Audit. This organisation shall also check initial accounts maintained in the executive offices with a view to ascertaining as to how far they are following the rules and regulations, systems and procedures regarding accounting the financial matters. The Internal Audit should, inter alia, cover checking of all accounts records including those relating to fund accounts, loans and advances, and records of physical verification of stores, equipments, tools and plants.

54.17.2 Duties of Internal Audit

The duties of the Internal Audit Organisation will, inter-alia, include the following:

(i) Study of accounting procedure prescribed for the Department with a view to ensuring that they are correct, adequate and free from any defects or lacunae;
(ii) Watch over the implementation of the prescribed procedures and the orders issued from time to time.
(iii) Security and check of payments and accounting work of the accounting units;
(iv) Investigation of important areas in accounting and other connected records;
(v) Co-ordination with other Ministries and C.G.A. regarding internal audit procedures;
(vi) Periodical review of all accounts records;
(vii) Pursuance/settlement of objections taken in Test Audit Notes issued by the statutory audit offices, and other matter relating to statutory audit;
(vii) To examine and report on points or irregularities brought to its notice by the Principal Accounts Officer/P.A.O's.
(viii) Preparation and submission of Annual Review on performance of Internal Audit Wing to comptroller General of Accounts

54.17.3 Procedure for conducting internal audit

The work relating to internal audit should normally be conducted by visiting the various units and offices, and by 'on the spot' verification of accounts records. The work of the local inspection parties may be coordinated by Internal Audit headquarter, depending upon the nature, number and size of the internal audit parties.

54.17.4 Quantum of audit

An internal audit party should conduct a general review of all the accounts records maintained by an office since the last inspection, or in case of new units, since the formation of the office. Apart from the general review, it should also conduct a detailed check of accounts records of one month in a year to be

selected by the Controller/Deputy Controller in-charge of internal audit. The percentage of bills/vouchers/ cases etc., other than those pertaining to the accounts records of the selected month, to be checked in detail by the Internal Audit as part of the general review of the accounts of an office, will be left to the discretion of the Inspecting officer keeping in view the time and manpower available. The extent and nature of checks will include the following:

(a) Detailed scrutiny of accounts records required to be maintained in the Offices of D.D.O's;
(b) Verification of payment and accounting procedures in the departmentalized system of accounts including -check and post-check by the PAO's are adequate, and that the procedures for maintenance of provident fund accounts, finalization of pension cases, etc. are being duly observed;
(c) Verification of the extent and frequency of control and checks exercised by the head of office, in order to locate any lacunae in procedures, whereby frauds or defalcations may be possible either individually or in collusion. Where necessary, steps to remove such lacunae will be suggested;
(d) Scrutiny of sanctioning and purchase procedures in the office inspected, so as to ensure that they are free from any defect or lacunae;
(e) Checking of procedures in regard to disposal of assets to ensure that there exist adequate scrapping/condemning procedures;
(f) Scrutiny of general office management procedures adopted by the heads of offices locally, where these have financial and accounting implications, so as to suggest tightening up administrative and financial control, savings in expenditure, or streamlining of accounting.

54.17.5 Nature of checks to be exercised

Internal Audit parties will inter-alia exercise the following checks during inspection of accounts records of various offices, viz., cheque drawing (i.e. Divisional Officers), non-cheque drawing [i.e. Superintending Engineers/Chief Engineers/Director General (Works) etc.] DDO's:

(a) All accounts records required to be maintained, are maintained in the prescribed forms;
(b) Payments made by the cheque drawing DDO's are in accordance with the rules and orders governing them, their arithmetical calculations are correct, and the recoveries/deductions made from bills are in order; the list of payments accompanied by paid vouchers are sent every week by them as per instructions to the concerned PAO by the prescribed dates;
(c) The instructions for the maintenance of cash books, contingent register, stock and stores accounts, log books and other accounts records are duly observed;
(d) 'Account Payee' cheques (in favour of government servants and third parties, being payable only to the concerned payees) issued by PAO's after pre-check of relevant bills, to DDO's are not being entered in the cash book maintained by them, and that the delivery and acknowledgement of such cheques is being watched through a separate register required to be maintained for the purpose;
(e) Pay fixations are correct;
(f) The weekly accounts of receipts with duplicate copies of challans are being sent to the concerned PAO's;
(g) Purchases are made as per rules and orders governing them; where lowest quotations are not accepted, the reasons therefore are recorded;
(h) All sub-vouchers pertaining to contingent charges not sent to the PAO along with contingent bills are available in office, or otherwise in order and have been properly cancelled;
(i) GPF/CPF accounts of Group "D" employees are maintained properly;
(j) The instructions for processing submission of pension cases to the concerned PAO are observed.

54.17.6 Checking of receipts

(1) While the Departmental authorities are primarily responsible to see that all revenue or other debts due to the Government are correctly and properly assessed, realised and credited to Government account, it would be necessary for the Internal Audit to see that adequate regulations and procedures have been prescribed in a Department to secure an effective check on collection and accounting of all revenue

receipts and funds, and that such regulations and procedures are being followed correctly. It would also be necessary to ascertain the nature of checks exercised by the Departmental authorities to ensure prompt detection and investigation of irregularities, leakage or loss of revenue due to double refunds, refunds with reference to fraudulent and forged vouchers/challans or other types of commissions in the process of levy/collection of taxes in ordering refunds.

(2) In the Internal Audit of revenue receipts, the Internal Audit Party should inter-alia ensure following by such test checks as may be considered necessary:

(a) That the demands are raised promptly in the manner required by the Law or Act of Parliament, and that no amount due to Government is left outstanding in its book without sufficient reasons;
(b) That the collection and refunds are accounted for regularly and properly under the appropriate heads of accounts, and that no sums are credited to Government by debit to a suspense head; Credit must follow and not precede realization;
(c) That proper safeguards exist to ensure that there is no willful omission or negligence to levy or collect taxes or to arrange for refunds wherever due;
(d) That double refunds, fraudulent or forged refund orders, or other losses of revenue through fraud, default or mistake are promptly brought to light and investigated; and
(e) That all revenue receipts collected by departmental officers are promptly remitted to the bank or the PAO, as the case may be, and that the receipts as per their records are reconciled with those booked in Government accounts on the basis of receipted challans, in accordance with the prescribed procedure.

54.17.7 Program for internal inspection

The program for internal inspection for each of the parties will be chalked out by the Internal Audit Organisation and got approved by the Controller/Deputy Controller in-charge of the Internal Audit. Timely intimation of the proposed visit of the inspection party will be sent to all the officers concerned. A copy of the program will also be forwarded to the PAO concerned.

54.17.8 Records documents to be made available to the Internal Audit Parties

(1) The head of the office to be inspected will be advised of the dates of inspection well in advance. A list of records to be examined during internal audit shall also be prepared and sent to him along with the notice of inspection so that these are kept ready by him before the arrival of the party.

(2) The accounts records maintained by the offices visited will be made available promptly to the Internal Audit Parties.

Note 1: (i) The payments made by a cheque drawing DDO during the selected month(s) will be verified by the Internal Audit Party with reference to the counterfoils of cheques, copies of the bank scrolls, pay bill register or office copies of the paid vouchers available with the DDO. It will, therefore, not be necessary for the party to obtain original paid vouchers etc. from the PAO. However, in the case of payments of long term loans/advances etc., for which the bills are presented by him to the PAO for pre-check and payment, the Internal Audit Party shall obtain from the PAO, a list of all such payments made by him during the month(s) selected for audit for the purpose of checking that the cheques/bank drafts marked 'accounts payee' had been made over to the correct payees, and their acknowledgements obtained, and that the cheques/bank drafts issued in favour of the cheque drawing DDO for arranging payment in cash had been entered in the cash book maintained by him.

(ii) During the internal inspection of the office of Drawing and Disbursing Officers concerned, internal check parties shall verify by referring to the vouchers, etc. through which the short term advances were drawn, that the payment entries are made properly in the Pay Bill Register, and that recoveries are being effected regularly from the Government servant concerned, and check the correctness of the entries relating to 'transfers in' and 'transfers out' cases.

Note 2: (i) In the case of DDO's without cheque drawing powers, the original paid vouchers for the month(s) selected for local audit would be required by the internal audit parties.

(ii) These should, therefore, be obtained by them from the PAO's. However, the lists of payments and cheques issued by the PAO/cheque drawing D.D.O's, in the case of payments for such D.D.O's, will not be required by the Internal Audit Parties, and these need not be called for from the PAO's.

Note 3: The list of payments and paid vouchers will be furnished by the PAO to the parties promptly on receipt of necessary requisitions. A list showing particulars of discrepancies, defects or other irregularities, if any, noticed during the course of scrutiny of bank scrolls with reference to the related paid vouchers and cheques, remaining unsettled or any other important point requiring investigation may also be furnished by the PAO's to the Internal Audit Parties for 'on the spot' examination and report.

Note 4: In case of Divisional Officers working on the Public Works system, the paid vouchers and other original records pertaining to the month(s) selected for audit, shall similarly be sent by the PAO to the Internal Audit Party. A record of paid vouchers furnished to/received back from the Internal Audit Party will be maintained by the PAO in a register in the form in Annexure I. The register will be reviewed monthly, and necessary action taken where the paid vouchers have not been received back. It will be the Inspecting Officer's responsibility to return the vouchers immediately after the internal audit of the concerned office is completed.

Note 5: The above instructions will also be followed *mutatis mutandis* in the case of audit of DDO's offices to be conducted by the statutory audit parties.

54.17.9 Frequency of Internal Audit

The frequency of internal audit will obviously depend upon the strength sanctioned for the Internal Audit Organisation, and the number of units to be inspected in a year. However, all efforts should be made to see that the inspection of all the offices within the jurisdiction of an Internal Audit Organisation is done at least once a year. The periodicity may be increased or decreased depending upon the nature of transactions, amount of expenditure incurred, state of arrears and the general health of account of a unit, etc.

54.17.10 Drafting and procedure for submission of Inspection Reports

(1) The Inspection Report should be drafted in a polite language. Offensive or strong words, sarcastic language etc., should on no account figure in the report. No suppositions, assumptions or allegations should be included in the report. Only facts should be mentioned and inevitable conclusions drawn. There should be no reference to responsibility being fixed for any irregularity; it is for the administrative authorities to take action in the matter. The Inspection Report should be in two parts, Part I-containing outstanding objections from the previous inspection, and Part II-irregularities noticed during the current audit/inspection.

(2) Routine errors of omission or commissions noticed during the course of inspection may be got rectified on the spot. Inspection Reports should invariably be discussed with the heads of offices inspected, and their comments, if any, suitably incorporated in the reports. Inspection Reports should be issued after being vetted at the headquarters. One copy of the Inspection Report will be issued to the head of office inspected. An abstract of important nature of paras alongwith a copy of the Inspection Report is sent to Head of Department concerned. Important points should also be brought to the notice of the FA/CCA by the head of Internal Audit Organisation. The progress of settlement of the points raised in the report should be watched by the Controller of Accounts/Deputy Controller of Accounts in-charge of Internal Audit Organisation, and all the outstanding points should be reviewed at the time of the next inspection by the internal audit party.

54.17.11 Pursuance of Test Audit Notes issued by Statutory Audit

In order to keep a watch over the settlement of audit objections included in the Test Audit Notes issued by Statutory Audit Offices, the Internal Audit Organisation will maintain a register in the form in

Annexure II, setting apart separate folios for each D.D.O. The progress made towards the settlement of outstanding objections should be reviewed quarterly, and appropriate action taken to ensure their speedy settlement. The compliance with the objections reported to have been made by the D.D.Os, should be verified during the next internal audit of the concerned office. The register will be produced to Statutory Audit Parties whenever asked for, for verification of settlement of the objections raised.

Annexure – I

Register Showing Particulars Of Paid Vouchers Furnished To Internal/Statutory Audit Parties

[Reference para 54.17.8(2)]

Sl. No.	Parti-culars of office to be inspected	No. & date of requi-sition	No. & date of letter with which sent	Parti-culars of inspect-ing Officer to whom sent	Month(s) to which the vochers required pertain	No.of vouchers furnished	No. & date of letters with which vouchers received back	No. of vouchers received back	No. & date of reminder, if any	Remarks
1	2	3	4	5	6	7	8	9	10	11

Annexure – II

Register to watch settlement of Audit objections included in the Test Audit Notes

[Reference para 54.17.11]

Name of office ……

Particulars of Audit Officer ……

Sl. No.	Letter No. & date with which test audit note received	Period of accounts covered by audit	No. of objections raised	No. of objections settled (quote Sl. No. of paras settled)	Paras outstanding	Action taken	Remarks
1	2	3	4	5	6	7	8

CHAPTER VIII

SECTION 55

PUBLIC ACCOUNTS COMMITTEE

55.1 General

The Public Accounts Committee is really a miniature Parliament/Legislature. It consists ordinarily of the representatives of different political parties of the Parliament/Legislature, but the fundamental difference between the main Parliament/Legislature and this Committee is that while the former functions on party lines, the Public Accounts Committee functions strictly on non-party lines. The reason for this is that this Committee is not concerned with the policies of the Government but with the executive functions of Government. The Committee is primarily a committee of Lok Sabha, with which some members of the Rajya Sabha are also associated. The term of office of Members of the Committee does not exceed one year.

55.2 Scope of functions

(1) The functions of the Public Accounts Committee will be laid down by the Parliament/Legislature. The rules of business provide that the main function of the Committee is to consider the matters that are commented upon in the Audit Report by the Comptroller and Auditor General.

(2) The function of the Public Accounts Committee is to discharge the responsibility of exercising vigilance over the financial working of the Government. The functions of the Public Accounts Committee are limited firstly to see that proper sanction of Parliament/Legislature has been obtained for expenditure to be incurred, that it has been presented in proper form so as to enable the Parliament/Legislature to understand the implication of the expenditure, that at the end of the year the appropriations have been asked upon in the proper way, and that if there are savings and excesses these are adequately explained.

(3) The Public Accounts Committee would see that the Administration has functioned with due wisdom, faithfulness and economy. For this purpose, it is necessary for the Public Accounts Committee to have the material to show exactly that these duties of the Government have been performed, and the Audit Department supplies the Committee with the material in the form of Audit Reports.

(4) In scrutinizing the Appropriation Accounts and the Audit Report thereon, the Committee has to satisfy itself that:
   (a) The moneys shown in the accounts as having been disbursed were legally available for and applicable to the service or purpose to which they have been applied or charged;
   (b) The expenditure conform to the authority which governs it; and
   (c) Every re-appropriation has been made in accordance with the provisions made in this behalf under the rules framed by the competent authority.

(5) The Public Accounts Committee, before taking up consideration of the current year's Report, goes over the past recommendations in which the Government has not taken action considered appropriate by the Committee. If in a particular case, an item appears year after year and the Department has not been giving satisfactory explanation, the Committee may appoint a small Sub-Committee, who might ask the Government to submit all the relevant papers so as to enable the Committee to arrive at proper conclusion.

(6) If the Government directs or wants a certain department to adopt a certain procedure and the officer does not comply with it, the Committee will bring to the notice of the Government through its report that the officer does not appear to have followed the procedure, and the Government should make necessary investigation and take such disciplinary action as is considered necessary. In such case of an item which is placed before the Public Accounts Committee, and is under investigation by the Police Department, or is receiving attention of the Court of Law, the Public Accounts Committee will await the result of the Police investigation or judgement of the Court.

(7) It is the function of the Public Accounts Committee to ensure that the guilty, negligent, corrupt and inefficient Government servant does not escape punishment. The Committee is not, however, concerned with the individual but with the system. The individual is employed by the Government, and the Public Accounts Committee cannot substitute itself for Government in the matter of punishment. But the Committee is certainly entitled to know what action has been taken on its recommendations.

55.3 Role of Comptroller and Auditor General

The role of the Comptroller and Auditor General or his representative before the Public Accounts Committee and before the Executive is to explain the position fully, to give all aspects of the case, to point out whether a failure, if any, has occurred. It is then for the Public Accounts Committee to have an objective examination of the various points of view submitted by the Executive and by the Audit and come to a conclusion. The Comptroller and Auditor General does not influence the Committee in coming to those findings, and it is quite possible that he may even hold somewhat different views on a particular matter. But the Comptroller and Auditor General has still a role to play in the matter of drafting the report of the Public Accounts Committee, because he is to assist the Committee in seeing that all the relevant facts have been brought out in the report.

55.4 Draft Audit Para

(1) The Draft Audit Paras intended for inclusion in the Audit Report of a particular year to be taken and reviewed by the Public Accounts Committee in the end, are first taken up by the Head of Audit Office demi-officially with the Secretary of the concerned Ministry for communicating Ministry's comments/acceptance, if any, of the facts stated in the draft paragraph. The copies of such paras along with 'key' statements are simultaneously endorsed to the Head of Department concerned.

(2) The comments/acceptance of the Ministry are required to be intimated to Audit as expeditiously as possible and invariably within a period not exceeding 6 weeks. If no reply is sent within this prescribed period of 6 weeks, the paragraph as prepared by Audit is treated as final and included in the Audit Report.

55.5 Action required to be taken in Zonal/Circle/Divisional offices

(1) Reports pertaining to existing or likely audit objections and draft audit paragraphs are required to be shown to the Director General (Works)/Chief Engineer in 'DAK' as per departmental instructions.

(2) As soon as draft para is received in the Chief Engineer's office, a copy of the same should be endorsed to the Superintending Engineer/Executive Engineer concerned. The Superintending Engineer/Executive Engineer should communicate acceptance or otherwise of the facts and offer comments, if any, within a period not exceeding 2 weeks. The Superintending Engineer should also take immediate steps to prepare a chronological history of the case and collect the relevant records so as to make them instantly available to the higher authorities for perusal and verification. Where such collection of records is not considered feasible, the Superintending Engineer should keep a careful watch on the movement of such records. The custody of the records and movements of these records are required to be arranged till the Draft Para is finally dropped or discussed in the Public Accounts Committee. In the event of the transfer of the Superintending Engineer/Executive Engineer, the list of such paras, with their chronological history and records connected therewith, should be passed on to the successor, and a mention of this should be made in the handing over notes.

(3) To ensure expeditious disposal of the draft audit paras within the prescribed period of 6 weeks, a suitable register should be maintained in the Chief Engineer's/Circle and Divisional offices.

(4) In so far as the Central PWD is concerned, the recording of a certificate by the respective Chief Engineer to the effect that he has personally verified the explanations and facts mentioned in the Audit Para, would meet the purpose.

(5) The need on the part of all officers and staff dealing with audit objections and audit paras to make sure that all statements made to Audit are factually correct cannot be over emphasized. All concerned should ensure that all facts and figures are carefully checked and verified before replies are sent to Audit, P.A.C., etc.

(6) The general convention is that the officer who submits a case is responsible for ensuring that the facts pertaining to the case are correct, whilst the officer within whose competence the decision falls must accept responsibility for the decision once he concurs in the proposals. This does not, however, mean that the officer who takes the decision or in the case where a statement of facts is made in response to Audit objection or Audit paras, the officer who signs a communication, can be deemed to have no responsibility at all for seeing that the facts as stated or the reasons adduced are prima facie reasonable and correct.

(7) It is enjoined on all the officers of the Central PWD to ensure that all relevant files required for reference by Audit are made available to them with promptitude and expeditiously. Following instructions in this respect should be observed:

(i) A subordinate authority shall afford all reasonable facilities to the Audit Officer/Accounts Officer, for the discharge of his function, and furnish fullest possible information required by him for the preparation of any official account or report.

(ii) A subordinate authority shall not withhold any information, books or other documents required by the Audit Officer/Accounts Officer.

(iii) If the information, books or other documents or part thereof, are of a secret nature, these should be sent by name to the Audit Officer/Accounts Officer, and he will deal with them in accordance with the standing instructions for handling and custody of such documents.

55.6 Production of documents to Audit

(1) Files required by Audit Officers should be readily made available to them without any apprehension that objections may be taken in Audit merely based on contradictions in the views expressed in notes by subordinate officials and higher authorities. If the contents of the file or any parts of it are 'Secret' or 'Top Secret', the file may be sent personally to the Accountant General or the head of the Audit Office specifying this fact, who will then deal with it in accordance with the standing instructions for the handling and custody of such documents.

(2) If any Officer fails to produce the records etc. required by the Audit Department, disciplinary action may be taken against him.

55.7 Audit Report

(1) If replies to draft paras are considered satisfactory these are dropped. If these are not considered satisfactory and need further probe, these are included in the Audit Report. The Administrative authorities should undertake a thorough scrutiny of the Audit Reports immediately on their receipt, both in regard to verification of facts and figures mentioned therein, and for initiating prompt action on the various points brought out in the reports. Whenever irregularities are mentioned in the Audit Report, action to rectify them should be taken in advance of their consideration by the Committee, so that the Committee are informed of the final position, and not merely told that the matter would be looked into.

(2) In case any discrepancy is noticed in the facts and figures mentioned in the Audit Reports, the same should be reported to the concerned Audit Officer immediately, and should not be held up for being discussed in the PAC meeting. It should also be ensured prior to appearing before the PAC that the discrepancies pointed out to Audit have been duly taken notice of by the Audit, so that a complete picture is available to the Committee as regards the facts.

(3) The replies to the Committee's recommendations should be explicit and self-contained. In particular where remedial measures are called for, the details of action taken should be specifically spelt out. These should, in no case, be replied as 'Noted'.

(4) The following procedure should be ensured while furnishing replies to the Committee's recommendations:
   (i) The replies should be furnished (with 40 copies) duly vetted by Audit, and signed by the Secretary/ Additional Secretary/Joint Secretary concerned.
   (ii) The replies to recommendations/observations should be framed with reference to the summary of recommendations as appear in the body of the Report showing the Summary of main conclusions/recommendations.

(5) It is essential to furnish the Committee complete and correct information, duly vetted by the Audit to enable them to come to correct conclusions.

55.8 Time Limit for Disposal of Audit Reports

(1) A well thought out plan should be drawn for processing recommendations of the Committee as soon as a report is presented to the House. It should be possible to draft the replies on recommendations/observations within 6 months from the date the relevant PAC Report is presented to the Lok Sabha. Replies should be got vetted by the Audit within the next 2 months so that the final replies, duly vetted, could be sent to the Committee not later than 6 months of the date of presentation of the report to the Lok Sabha.

(2) Timely submission of Action Taken Notes on the recommendations in the Report of the Public Accounts Committee.

In order that Financial Advisers are able to discharge effectively their responsibility as 'focal point' to monitor timely submission of Action Taken Note on the recommendations of P.A.C., the following drill may be adopted by them with such modifications as may be considered necessary in individual cases:

   (a) As soon as a report is received it should be gone through to spot out the recommendations marked jointly to one or more Ministries/Department. If there is any such recommendation, it should be determined by mutual consultation whether each Ministry/Department should submit Action Taken Notes separately, or one single Action Taken Note should suffice, and if so, which Ministry/Department would be responsible for the same. Such decisions should be taken at sufficiently high level (not below the level of Joint Secretary in any case).
   (b) Every endeavour should be made to finalise the Action Taken Notes within 4 months of the date of presentation of the Report to the Lok Sabha.
   (c) In respect of the recommendations on which Action Taken Notes are not finalised within 4 months, the Financial Adviser should submit a Report to the Secretary to his Ministry/ Department so that the highest level is kept informed of the position.
   (d) During the 5th month, the Financial Adviser should convene inter/intradepartmental meeting of the concerned officers at such level as may be deemed necessary, to ascertain the reasons for delay in finalizing the Action Taken Notes, to remove the possible bottlenecks to cut short delays in prolonged correspondence.
   (e) If at the close of the 5th month of the presentation of the Report, it is anticipated that submission of 'Final Action Taken Note' will not be possible within the remaining one month, the Ministry/ Department shall be advised by the Financial Adviser to seek extension of time from the Lok Sabha Secretariat.
   (f) All communications addressed to the Lok Sabha Secretariat regarding Action Taken Notes (forwarding copies thereof and/or seeking extension of time) will be endorsed to the Ministry of Finance, Department of Expenditure (Monitoring Cell).
   (g) As regards the Action Taken Notes pending with the Audit for vetting, the Government is required to furnish Action Taken Notes, duly vetted by Audit, within a period of 6 months, unless the Committee fixes another specific time limit for furnishing the replies. It will become incumbent on the Ministry/Department concerned to seek any extension for furnishing vetted replies as may be required thereafter, and for whatever reasons.

(3) Notwithstanding the normal limit of 6 months indicated above, in such of those cases where the Committee desires to have a reply within a specific time limit, every endeavour should be made to ensure that replies, duly vetted by Audit, are furnished within that time limit.

55.9 Presenting the case before the P.A.C.

(1) It has always been the practice that the Secretary to the Government in the Department concerned invariably represents the Government in the meetings of the PAC. Generally speaking, the Secretary to the Government is not responsible for executive functions, and accordingly he is able to take a more objective and detached view of the transactions that the Head of the Department is able to take. The Head of the Department, i.e. the Director General (Works) and the Chief Engineers assist the Secretary with information whatever is considered necessary.

(2) If a particular officer who is representing the Department at the moment is not able to explain an item of expenditure fully, the most that the Committee could do is to suggest to him that he might obtain information from the officer who was in-charge of the work. The Committee cannot go to the individuals, because it is the Department which is to answer.

55.10 Time limit for examination of a case by the P.A.C.

The senior Financial Officers and Members of the Public Accounts Committee fix time limits for examination of points of each department. This time is devoted to important matters. In certain cases they form Sub-Committees to examine the specific important points relating to a Ministry/Department in detail.

55.11 Memorandum for P.A.C.

(1) There are, however, other matters for which Administration itself is anxious to put its point of view. But because the time does not permit it to do so, it seeks permission to submit memoranda. These memoranda are submitted to the P.A.C. through Audit so that the facts may be verified. On other occasions, during the course of discussion, some points might rise about which the witness is not particularly well informed. In that case also he is either asked by the Committee, or he himself suggests that he would later on submit a note to the Committee explaining the point which at the moment is not in his knowledge.

(2) In order to ensure that there is no avoidable delay in complying with Committee's requests, highest priority should be accorded by all concerned to supply the information desired by the Public Accounts Committee. In case where compliance is likely to take more than a month, an interim reply apprising the Committee of the position should invariably be sent, and such cases should be marked for scrutiny of pending lists.

55.12 Audit Paras regarding disciplinary action taken against officers responsible for irregularities etc.

Draft Audit Paras after acceptance by the Ministry are incorporated in the Audit Reports and these come up for discussion in the Public Accounts Committee. The Ministry is often placed in an awkward position if it has to tell to the PAC that the disciplinary action is under consideration. The PAC will always insist on the finalization of departmental enquiries, and will like to know the punishment awarded. It has, therefore, been decided that all Vigilance Officers should, with the approval of the Head of Department etc. show them all files dealing with Draft Paras mentioning disciplinary action, and that the Vigilance Officers should keep a close watch on the proceedings of such cases. Highest priority should be given to the disposal of disciplinary cases mentioned in the Draft Audit Paras.

55.13 Written minutes of important meetings where decisions are taken

(1) The Public Accounts Committee has urged strict observance of the requirements of para 36(3) of the Central Secretariat Manual of Office Procedure (Eighth Edition).

(2) The above para envisages that whenever an inter-departmental meeting is convened, an agenda setting up clearly the points for discussion should be prepared and circulated in advance to the Department concerned, and a record of the discussion should be prepared immediately after the meeting and circulated to the other Departments concerned, setting the conclusions reached and indicating the Departments responsible for taking further action on each conclusion. A proper observance of this procedure would help to ensure prompt and effective action on the points which ought to be decided through inter-departmental discussion.

(3) Subordinate officers are expected to exercise the powers vested in them. Serious notice would be taken in cases where responsibility is shirked by senior officers.

55.14 Procedure for obtaining legal advice

(1) The Public Accounts Committee have commented on a case involving the procedure for obtaining legal advice from the Ministry of Law, where the following unsatisfactory features were noticed:

(i) A second reference was made to the Ministry of Law on the point on which their opinion had been obtained earlier without mentioning the earlier opinion given by them. Further, the second opinion, which ran counter to the earlier opinion, was given at a lower level.

(ii) The normal practice of giving Audit an opportunity to present their views before a revised opinion is obtained from the Ministry of Law in cases arising out of Audit objection was not followed.

(2) The Committee have accordingly made the following recommendations:

"There is another point the Committee would like to mention. The Board had in this case made a reference to the Ministry of Law for a second opinion without any mention of the earlier opinion given by that Ministry. This the Committee considers wrong in principle. Besides the second opinion, which ran counter to the first opinion, was from an Assistant Legal Adviser, while the first opinion was given by a Deputy Legal Adviser. The Committee would like to impress on Government the need to ensure that, where a second legal opinion is sought, it should specifically be sought from an official of a status higher than the official who gave the first opinion. In respect of matters included in the Audit Report, which are likely to come up before the Committee, it should also be ensured that Audit are given an opportunity to present their point of view before an opinion is sought from the Ministry of Law, and are associated with any inter-Ministerial deliberation that might take place in this connection".

(3) In cases where a second legal opinion is sought on matters arising out of the Audit objection, Audit should invariably be kept informed and given opportunity to present their points of view.

APPENDIX - 1

FINANCIAL POWERS DELEGATED TO CPWD OFFICERS

Sl No.	Nature of Power	Designation of the officer	Extent of power (in Rupees)	Remarks/Reference
1	2	**3**	**4**	5
1	To accord Administrative Approval and expenditure sanction to Minor works for residential and Non residential buildings			DGW/MAN/125 dated 22.08.2005
		EE	50,000	
		SE	2,50,000	
		CE	15,00,000	
		ADG	25,00,000	
		DGW	50,00,000	
	Note: For works of upgradation of residential/office accommodation, the provision of OM No 18/18/2004-WI (DGW) dt 15.4.2005 will be applicable.			
2	Petty works, repairs, addition & alteration to hired and requisitioned buildings	CE	5,000 p.a. for non-recurring expenditure	CE/Acctt./575 dt. 21.5.84 (Sl No.33)
		CE	1,000 p.a. for recurring expenditure	
3.	To issue orders declaring stores including spare parts of vehicles, other than those not involving losses, as surplus or unserviceable, the original purchase value of articles being estimated if not known			CE/Acctt./589 dt. 23.9.85 Sl. No. 21(C) & Sl No. 12 of DGW/ Acctt./1 dt 27.1.87
		EE	7,500	
		SE	40,000	
		CE	2,00,000	
		ADG	5,00,000	
4.	Losses due to depreciation of stock.	SE	15,000	CE/Acctt./589 dt. 23.9.85 Sl. No. 21(a) & Sl No. 11(a) of DGW/ Acctt./1 dt 27.1.87
		CE	40,000	
		ADG	Full powers	
5.	Write off losses:			CE/Acctt./589 dt. 23.9.85 Sl. No. 21(b)(i) & Sl No. 11 (b) of DGW/Acctt./1dt 27.1.87
	(1) On stores due to theft or negligence of individual	SE	4,000	
		CE	25,000	
		ADG	50,000	

	(2) On stores not due to theft or negligence of individuals			CE/Acctt./589 dt. 23.9.85 Sl. No. 21(b)(ii) & Sl No. 11 (b) of DGW/ Acctt./1 dt 27.1.87
		SE	4,000	
		CE	25,000	
		ADG	50,000	
6.	Issue of order of disposal of stores declared by competent authority to be unserviceable (subject to any orders, the SE may have passed) where the stores were so declared by himself or by Government.			Para 158(d) of CPWD Code 1959 Edn.
		EE	10,000	
		SE	Full powers	
7.	Write off from returns of unservic-eable T&P of which part value is recovered			CE/Acctt./589 dt.23.9.85 Sl No. 21(d)
		EE	10,000	
		SE	20,000	
		CE	Full powers	
8.	Sale of stores to private parties on full value plus 10% unless waived off by competent authority.			Para 158(a) of CPWD Code 1959 Edn.
		CE	Full powers	

Notes:

1 Recovery in all cases should be made in cash in advance

2. Losses mentioned against S.No.4 above may be broadly attributed to:
   (i) Normal fluctuation of market prices
   (ii) Fair wear and tear
   (iii) Lack of foresight in regulating purchases
   (iv) Neglect after purchase
3. Powers mentioned against S.No.5 (1) & (2) will be exercised in respect of actual losses of stores as opposed to losses of stock due to depreciation. Losses against 5(2) may be due to act of God and other calamities such as fire, enemy action, damages, obsolescence etc.
4. The authority issuing orders against S.No.6 should, after disposal of stores, of which value accounts are kept, determine and intimate to the audit officer concerned, the net amount to be written off to the final head (to be specified) as loss on stocks.
   Against item No. 8, see also paragraph 120 of CPWA Code.

9.	Accord of sanction to expenditure on ceremonies connected with laying of foundation stone and opening of public buildings			DGW/Acctt. 7 dt. 11.1.88 & DGW/Acctt. 1 dt. 27.1.87 (Sl. No. 6) & CE/Acctt. 589 dt. 23.9.85 Sl No. 19
		CE	2,500	
		ADG	10,000	
10.	To make advance payment to private firms/autonomous bodies for chemical analysis and testing of materials			DGW/MAN129 dated 30.12.2005 (Sl. No. 13)
		EE	-	
		SE	-	
		CE	*45,000	
	Notes*: In each case out of project contingencies subject to fulfillment of the following conditions: (i) Advance payments are made only in cases where it is considered absolutely necessary. (ii) Advance payments made on the basis of a valid expenditure sanction of the competent authority. (iii) The firm should be well established and have reputation for fair dealings. (iv) The officer drawing the money for making advance payment shall be responsible for its adjustment for which purpose he will send the detailed bills to the accounts officer within a period of one month from the date of drawl of the advance. If an advance cannot be adjusted within one month of the drawal, a detailed report should be sent to the competent authority concerned. (v) The amount of advance shall be drawn on a simple receipt and accounted for under the final head to which the expenditure on service in question would be debited.			
11.	To write off infructuous expenditure on construction			CE/Acctt./575 dt. 21.5.84 (Sl No. 19)
		SE	1% of contract value subject to ceiling of 7500	
		CE	1% of contract value subject to ceiling of 30,000	
12.	(a) Grant of extension of time and rescheduling of milestones	AE	Full Powers in respect of cont-racts amounting upto his power to accord TS	
		EE	-do-	
		SE	Full powers	
	(b) Levy of compensation	SE	Full powers	

13.	Augmentation of electrical power supply to the residences of VIPs upto maximum electrical load sanctioned (a) Ministers (b) Judges of Supreme Court/High Court (c) Members of Parliament (d) Secretaries/Additional Secretaries & equivalent officers	DGW	Full powers	OM No. DGW/MAN/ 105 dt 23.02.04
14.	To undertake deposit works	CE	900 lacs	DGW/MAN/129 dt 30.12.05 (Sl. No. 7 & 8)
	(a) at full rates of departmental charges	ADG/DG(W)	Full powers	
	(b) At rates lower than full rates of departmental charges	ADG	600 lacs	
		DGW	Full powers	
	Note: - Delegation of full powers will be subject to the condition that departmental charges to be charged shall not vary by more than 20% of the standard departmental charges and subject to the following conditions. (a) Such Departmental charges will be reviewed at every upward revision of normal departmental charges; and (b) Deposit work will be accepted to utilize spare capacity of the CPWD at the Zonal level and should not in any way affect Departmental working.			
15.	Acceptance of lowest tender with or without negotiations	AE/AEE	1 lac	DGW/MAN/129 dt 30.12.05 (Sl. No. 3)
	Where AE (Planning) is not provided	EE	10 lacs	
	Where AE (Planning) is provided	EE	15 lacs	
		SE	100 lacs	
	Under his own powers	CE	400 lacs	
	With prior approval of ADG	CE	600 lacs	
	With prior approval of DGW	CE	800 lacs	
	With prior approval of C.W. Board	CE	Full powers	
16.	Acceptance of single tender with or without negotiations	AE/AEE	25000	DGW/MAN/129 dt 30.12.05 (Sl. No.4)
	Under his own authority	EE	1.5 lacs	
	With prior approval of next higher authority (para 95 of CPWD Code)	EE	10 lacs	
	Under his own authority	SE	45 lacs	
	With prior approval of next higher authority	SE	100 lacs	
	Under his own authority	CE	200 lacs	
	With prior approval of ADG	CE	300 lacs	

	With prior approval of DGW	CE	500 lacs	
	With prior approval of C.W. Board	CE	Full powers	
	Note: - Full reasons should be recorded by the approving authority who should also Guard against contractors holding out unjustifiably higher rates.			
17	Award of work without call of tenders	AE/AEE	20,000	DGW/MAN/129 dt. 30.12.05 (Sr. No. 5)
		EE	1.25 lacs	
		SE	4.5 lacs	
	Under his own authority	CE	10 lacs	
	With prior approval of ADG	CE	45 lacs	
	With prior approval of DGW	CE	90 lacs	
	With prior approval of C.W. Board	CE	Full powers	
18	Award of work to labour co-operative societies without call of tender			DGW/MAN/137 dt. 22.9.2006
		EE	1.5 lacs	
		SE	3.0 lacs	
	Notes: 1. Award of minor works upto 3 lacs. 2. Award of works at current market rates provided the same are certified as reasonable by the officers of CPWD.			
19	Award of work by negotiation *ab-initio* after infructuous call of tender or with a firm which has not quoted for execution of the remaining work after rescission of the contract			DGW/MAN/129 dt. 30.12.05(Sr. No. 6)
		AE/AEE	30,000	
		EE	2.5 lacs	
		SE	6 lacs	
	Under his own authority	CE	15 lacs	
	With prior approval of ADG	CE	75 lacs	
	With prior approval of DGW	CE	150 lacs	
	With prior approval of C.W. Board	CE	Full powers	
20	(i) Splitting up projects/works/ Sub-heads			DGW/MAN/129 dt. 30.12.05 (Sr. No. 12)
		EE	Upto 10 lacs	
		SE	Above 10 lacs & upto 100 lacs	
		CE	Full powers	
	(ii) Acceptance of tenders for the split up components			
		EE	Upto 10 lacs	

		SE	Above 10 lacs & upto 100 lacs	
		CE	Above 100 lacs & upto 400 lacs	
		ADG/DG(W) /CW Board	Full powers	
	(i) The tenders for the split up portion shall be accepted by the same competent authority who permitted such splitting for projects/works costing upto Rs. 400 lacs. The fact that the project/work has been split up for the purpose of inviting tenders should, however, be clearly brought to the notice of the authority competent for split up, explaining the reasons while forwarding the tenders for such works. (ii) Tenders for the split up portions of projects/works costing more than Rs. 400 lacs, shall be accepted by the ADG/DG(W)/CW Board as the case may be. The fact that the project has been split up for the purpose of inviting the tenders should be clearly brought to the notice of the ADG/DG(W)/CW Board explaining the reasons while forwarding the tenders for their consideration/approval. (iii) Tenders relating to component parts of the project, if the amount of such component part appears as distinct sub-head will be dealt with by the authorities concerned according to their powers of acceptance of the tenders and sanction of estimates and not referred to the higher authority even though they may form part of the project beyond their acceptance as a whole. (iv) The procedure mentioned in note (iii) above will also apply in respect of tenders for sanitary and water supply and electrical and furniture work for which provision is made under the distinct sub-heads. The tenders for such works need not be submitted to the higher authorities if the amount is within the competent of the authority concerned and the provision exists in the estimates under distinct sub-heads even if the total cost of work may be more.			
21	Acceptance of tenders for smaller works likely to crop up during the execution of work/project and for which no provision exists in sanctioned project estimates.	CE	Full powers to accept tenders for such works subject to availability of funds under sub-head "contingencies" in the sanctioned project estimate.	DGW/MAN/7 dt. 1.1.97 Sl. No. 7
22	Award of work order (Annual limit) In addition to sub-division powers	AE/AEE	2 lacs	DGW/MAN/72 dt. 21.8.01
		EE	15 lacs	
	In addition to sub-division and Division powers	SE	45 lacs	
23	(a) To accept highest tender bid for disposal of Government buildings without land at/and above the reserve price fixed by CE/DG(W)	EE	6 lacs	DGW/MAN/ 129 dt. 30.12.05 (Sl. No. 14)
		SE	50 lacs	
		CE/ADG/ DG(W)	Full powers	

	(b) below reserve price	EE/SE/CE	Decision to be taken by next higher authority	
		ADG/DG (W)	Full powers	
	(c) Acceptance of single tender/bid at/and above reserve price			
		EE	30,000	
		SE	30 lacs	
	Within his powers	CE	90 lacs	
	With prior approval of ADG	CE	100 lacs	
	With prior approval of DGW	CE	125 lacs	
	With prior approval of CWBoard	CE	Full powers	
	(d) (i) Sale/dismantlement of public building other than purely temporary structure			
		CE	10 lacs	
		ADG/DG(W)	Full powers	
	(ii) Purely temporary structures	EE	Full powers subject to the conditions mentioned in para 127 of CPWD Code	
		SE	Full powers if the structure is to be sold at lower than reserve price	
	Note: (i) Reserve price shall be fixed on assessed salvage value of dismantled materials only. (ii) Authority competent to fix reserve price will be competent to fix salvage value of dismantled materials also.			
24	Purchase of inspection vehicles	DGW	Only for replacement of vehicles survey reported in accordance with government's instructions on the subject from time to time	DGW/Acctt/19 dt.3.7.92 No. 17013/1/91-EW-1 dt. 9.6.92

25	Accord of technical sanction to detailed estimates (Civil/Electrical Works)			DGW/MAN/ 129 dt. 30.12.05 (Sr. No. 2)
		AE/AEE	1 lac	
	Where AE (Planning) is not provided	EE	10 lacs	
	Where AE (Planning) is provided	EE	15 lacs	
		SE	100 lacs	
		CE/ADG/ DGW	Full powers	
	Note: This delegation of power is subject to restriction and provision of orders issued by the Ministry of finance from time to time and as also the provision contained in various codes. In this context instructions contained in the Ministry of Finance O.M. F - 10(28)/E Coord./ 77 dt. 20.1.1978 should be kept in view.			
26	Acceptance/Challenge of arbitration awards			DGW/MAN/ 145 dt. 23.5.2007
		CE	10 lacs	
		ADG	30 lacs	
		DGW	Full powers	
27	Accord of A/A & E/S for construction of houses for CPWD project staff for major projects			DGW/MAN/ 129 dt. 30.12.05 (Sl. No. 11.)
		ADG	150 lacs	
		DG(W)	Full powers	
	Note: This will be subject to the condition that the cost of construction will be met out of the contingencies of the project where there is no separate provisions for the same.			
28	(i) Accord of Administrative Approval & Expenditure sanction for const-ruction of houses for CPWD main-tenance staff.			DGW/MAN/129 dt. 30.12.2005 Sl. No. 1
		ADG	*40 lacs	
		DG(W)	*100 lacs	
	*In case of project costing more than Rs. 10 lakh pre budget financial scrutiny should have been done by the competent authority i.e. Budget Section, MOUD. Note: (i) Due care should be taken to ensure that powers are not used to create separate pool of accommodation and to ensure that DGW/ADG would draw up a list of maintenance staff for whom the quarters near the inquiry office are essential. (ii) Power should be exercised by CE/ADG/DGW in consultation with FO/CCA/MOUD.			
29	Powers to modify contract conditions			DGW/MAN/75 dt. 27.9.01
		ADG	*15%	
		DGW	**25%	
	As per MAN/75: * Where financial implication is upto 15% of the contract amount. ** Where financial implication is upto 25% of the contract amount.			

30	Acceptance of tender conditions not in line with the standard conditions	DGW	Full powers	DGW/Acctt/19, dt. 3.7.92 No. 17013/1/91-EW-1, dt. 9.6.92
31	Purchase of Tools and Plants	DGW	Full powers	DGW/Acctt/19, dt. 3.7.92 No. 17013/1/91-EW-1, dt. 9.6.92
32	To allow State PWD contractors to tender for the works of CPWD outside the State in which enlisted	ADG	Full powers	DGW/Acctt./1 dt.27.1.87 Sl. No. 2
33	Accord of sanction to extra/substituted items	AE	30% of contract amount or 30% of power to accord TS whichever is lower	
		EE	- do -	
		SE	- do -	
		CE	30% of contract amount or 30% of power to accept tenders under his authority (Sr. No. 15) whichever is lower	
34	Accord of sanction to deviation in quantities of agreement items	AE	10% of contract amount or 50% of Powers to accord TS whichever is lower	
		EE	15% of contract amount or 50% of Powers to accord TS whichever is lower	
		SE	30% of contract amount or 50% of Powers to accord TS whichever is lower	
		CE	30% of contract amount or 50% of power to accept tenders under his authority (Sr.No.15) whichever is lower	
	Note: 1. Deviation means increase or decrease in quantities of agreement items. 2. Deviations upto ± 10% of agreement quantity will not require any sanction. 3. Items deviating beyond ± 10% of agreement quantity needs sanction for total deviation (including initial ± 10%) 4. The amount of a deviation statement will be the algebraic sum of deviation amounts of all individual items.			

35	To approve Supply orders		Individual Supply order	Annual ceiling
		AE	10% of Powers to accord TS	Powers to accord TS
		EE	-do-	-do-
		SE	-do-	-do-
		CE	10% of powers to accept the tender under his authority (Sr.No. 15)	Powers to accept the tender under his authority (Sr . No 15)
		ADG	-do-	-do-
36	(a) Local purchase of petty stationery stores	AE/AEE	Nil	DGW/MAN/135 dated 23/24.3.2006 (Sr. No. 1)
		EE	10,000 PA	
		SE/SA	45,000 PA	
		CE/CA	80,000 PA	
		ADG	1 lacs PA	
		DG(W)	1 lacs PA	
	(b) Local purchase of Drawing Stationery	SE/SA	20,000 PA	
		CE/CA	80,000 PA	
		ADG	1 lacs PA	
		DG(W)	1 lacs PA	
37	(i) Permanent imprest to AE provided imprests are not allowed to JEs at the same time		6,000	DGW/MAN/135 dated 23/24.3.2006(Sr. No. 2)
	(ii) Local Purchase powers of AE out of permanent imprest		1,000 for petty payments	
38	Engagement of private Architects/ Consultants	ADG	Full powers	DGW/MAN/107 dated 08/11.3.2004
		DGW	Full powers	
	Note:- This power is subject to fulfillment of conditions laid down in Section 6 of the Manual.			
39	To sanction mobilization Advance	EE	Upto 50% of the advance or Rs. 20 lakh, which-ever is lower. Balance advance with the prior approval of the SE	DGW/MAN/143 dated 05.02.2007
	Note: The mobilization Advance can be sanctioned to the contractors as per term of the contract on their specific request.			
40	Declaration of specialized items	ADGs	For works in their respective regions.	DGW/MAN/106 dated 05.03.2004
		ADG(TD)	For works in and around Delhi.	

APPENDIX – 2

[Reference para 2.5.1)]

PROFORMA – 1
LEVELLING

1. Name of project
2. (a) Reference to administrative approval and expenditure sanction and their amounts.
   (b) Provision for levelling.
3. (a) Amount of detailed estimate
   (b) Rate per square metre in the detailed estimate and how does it compare with provision in administrative approval.

Part I - Engineering Appreciation

4. (a) Total Area to be levelled
   (b) General description of site
   (c) Are there any low areas which may be left green or developed as lakes or ponds? If so, can earth for filling be made available from such development?
5. (a) Classification and nature of soil
   (b) Result of trial bores, if any.
   (c) Exact classification of the different strata, if rocky.
   (d) Possibility of blasting, keeping in view local bye laws and proximity of important buildings.
   (e) Has necessary credit for hard rock been allowed?
6. (a) Are the proposed formation levels such as cutting and filling balanced.
   (b) (i) Site from where earth is to be brought and its lead, in case of excess filling.
   (ii) Amount involved.
   (iii) Royalty payable, if any.
   (c) In case of excess cutting:
   (i) Site for the disposal of surplus earth
   (ii) Extra lead and amount involved
   (iii) Possibility of selling the earth
7. Levels of the adjoining sites, roads and buildings as compared to the site being levelled.
8. Do the proposed formation levels obstruct the existing natural drainage?
9. (a) Are any terraces proposed to economise on earth work?
   (b) If so, do the proposals have concurrence of Town Planner, Architect, Director of Horticulture?
10. Have the proposals for development/layout been approved by local authorities?

Part II - Materials

11. Special T & P like heavy earth moving machinery needed for the execution of the project.

PROFORMA – 2 OF APPENDIX - 2

FILTERED WATER SUPPLY

1. Name of the Project.
2. (a) Reference to administrative approval and expenditure sanction and their amounts.
   (b) Provision for ancillary works such as overhead reservoirs, pumps, etc.
3. (a) Amount of detailed estimate
   (b) Rate per sq. metre in the detailed estimate and how does it compare with provision in administrative approval.

Part I - Engineering Appreciation

4. Area covered (Give details of areas covered, if any, which have not been provided for in the A/A, future extension, etc.)
5. (a) Population
   (b) Basis of assessment.
   (c) Future increase
6. (a) Source of Water Supply
   (b) Has permission of the local body to tap water from their source been obtained?
   (c) Will sufficient quantity be available for areas under consideration?
   (d) Distance of the source from the periphery of the scheme.
   (e) Brief description of the system of water supply from intake to the distribution stage.
7. (a) Rate of supply with break-up showing allowance for industrial, horticulture and other uses.
   (b) Is unfiltered water supply available?
   (c) If not what, and on what basis, provision has been made for extra water required for lawns, parks etc.
8. (a) Pressure available at source.
   (b) If required pressure is not available, state proposals to augment it.
9. Design formula adopted, value of the co-efficient of rugosity adopted in design.
10. Layout of mains
    (a) Closed ring or tree type pattern with dead ends (give reasons for choice).
    (b) Type of buildings and numbers of storeys recommended.
    (c) Minimum head available in the distribution system; and is it suitable?
    (d) Has minimum size of pipes required as per rule of the local body and Chief Fire Officer been provided?
11. Has the Chief Fire Officer been consulted with regard to the number of fire hydrants, their location and type?
12. Capacity and design particulars of overhead tanks, sumps, wells, pumps etc.
13. Have adequate provisions of sluice valves, reflux valves, air valves, scour valves and public hydrants been made?
14. Have the lines been taken sufficiently deep to keep the air valve spindles flush with the ground level?
15. Has provision been made for laying the pipe or digging the trenches under sub-soil water level?
16. Is cutting through rock involved?
17. Has provision been made for crossing roads and nallahs, where necessary?
18. Are there any obstructions such as transmitting station, aerodrome, etc. which necessitate diversion?

Part II - Materials

19. Requirements of different sizes/type of pipes and specials and method of procurement.
20. Requirements of pig lead.
21. Have requirements of pumps and accessories been determined in consultation with the Electrical Engineer? Give details.
22. Requirements of other materials/tools and plants.

PROFORMA – 3 OF APPENDIX 2

UNFILTERED WATER SUPPLY

1. Name of the project
2. (a) Reference to administrative approval and expenditure sanction and their amounts
   (b) Provision for unfiltered water supply
   (c) Provision for ancillary works such as overhead reservoirs, pumps, etc.
3. (a) Amount of detailed estimate
   (b) Rate per sqm in the detailed estimate and how it compares with provision in administrative approval.

Part I – Engineering Appreciation

4. Total area of development scheme.
5. Area of grassy lawns.
6. Basis of working out requirement of water needed for horticultural purpose.
7. Source from which the unfiltered water is proposed to be tapped.
8. (a) Is the water suitable for horticultural purpose ? Has this been ascertained from laboratory tests ?
   (b) Degree of salinity if the water is saline.
9. If supply is proposed to be from existing unfiltered/filtered water mains,
   (a) Have the mains got the capacity to supply the required quantity ?
   (b) Is the pressure in the existing mains enough to serve the area.
10. If the source of supply is from wells/tube wells indicate :
    (a) Possibility of pumping from existing open wells; if any.
    (b) Feasibility of digging open wells.
    (c) Possibility of putting tube wells, if open wells are not suitable.
    (d) Exploratory work done earlier in the proximity of the area to determine feasibility of providing wells/ tube-wells.
11. Have the development/layout proposals been approved by local authorities?
12. Formula adopted for designs, value of coefficient of rugosity adopted in designs.
13. Layout of mains:
    (a) Closed ring pattern or tree type with dead ends.
    (b) Reason for choice
    (c) Minimum head available in the distribution system and is it suitable?
    (d) In case fire hydrants have been provided in unfiltered water lines, has the Chief Fire Officer been consulted with regard to the number of fire hydrants, their location and type?
14. Capacity and design particulars of overhead tanks, sump wells, pumps, etc.
15. Have adequate provisions of sluice valves, reflux valves, air valves, scour valves been made?
16. Have the line been taken sufficiently deep to keep the sluice valves spindles flush with the ground level?
17. Has provision been made for laying the pipeline or digging the trenches under sub-soil water level?
18. Is cutting through rock involved?
19. Has provision been made for crossing road and nallahs, where necessary?
20. Are there any obstructions such as transmitting station, aerodrome, etc. which necessitate diversion?

Part II - Materials

21. Requirement of different sizes/types of pipes and specials and method of procurement.
22. Requirement of pig lead
23. Have requirements of pumps and accessories been determined, in consultation with the Electrical Engineer? Give details.
24. Requirement of any other materials/tools and plants.

PROFORMA – 4 OF APPENDIX 2

SEWERAGE

1. Name of Project
2 (a) Reference to administrative approval and expenditure sanction and their amounts.
   (b) Provision for sewerage
   (c) Provision for ancillary works such as pumps, sumps, pump houses connection to existing ducts, septic tanks, etc.
3. (a) Amount of detailed estimate
   (b) Rate per sqm as per the detailed estimate and how it compares with provision in administrative approval.

Part 1 - Engineering Appreciation

4. Area covered (Give details of areas covered, if any, which have not been provided for in A/A: future extensions, etc.)
5. (a) Population.
   (b) Basis of assessment.
   (c) Future increase.
6. Sewers
   (a) Shape of sewer
   (b) Minimum size used
   (c) Slopes adopted
   (d) Self cleansing velocity assumed and at what depth of flow.
   (e) If self-cleansing velocity not possible, have flushing arrangements been made?
   (f) Minimum velocity attained in the design
   (g) Is designed discharge three times the average discharge
   (h) Brief description of the system of sewerage
   (i) Design formula and the coefficient of rugosity adopted.
7. Manholes:
   (a) Minimum depth of starting manholes.
   (b) Types of manholes (rectangular, circular, arch type).
   (c) Types of manhole covers used (whether heavy, medium, light) and principles governing their use.
   (d) Has location of manhole been fixed on the consideration that:
      (i) Each manhole should serve maximum number of plots.
      (ii) Manholes provided at bends-change in diameter and gradients.
   (e) Maximum distance between two manholes.
   (f) Distance of vent shafts; has provision of these been made in the estimates?
   (g) Has provision been made for drop connections?
   (h) What is the maximum velocity in the sewer? (upto 2.44 metres per second avoids erosion of invert).
8. Disposal
   (a) Arrangement for disposal of sewerage.
   (b) Has permission of local body been sought if discharge is led into an existing sewer direct?
   (c) Distance of the existing duct from the last manhole in the area.

(d) Do the invert levels permit connection to existing duct by gravity? If not, has provision been made for pumping the sewerage?
(e) If pumping is necessary :
  (1) Has provision been made for sumps, pumps, pump house and rising mains?
  (2) Is electricity available?
  (3) Is arrangement for prime mover in an emergency breakdown required?
(f) Details of sumps with regard to capacity, diameter.
(g) (1) Details of pumps with regard to capacity, horse power, type of pumps (vertical or horizontal) etc.
  (2) Efficiency factor assumed in the design of pumps.
(h) Details of pump house, rising mains, etc.
(i) In case connection to existing duct has not been provided :
  (1) Has provision for septic tank, treatment plant, etc. been made ?
  (2) Have soak pits or dispersion trenches been provided?
  (3) What is the type of soil?
(j) Maximum and minimum depths below ground level of the ground water table.
(k) Arrangements for disposal of treated effluents.
(l) If sewers are to be laid in filling or across nallahs, have supports to firm ground been provided?
(m) Have sewers and water mains been planned on opposite sides of the road?
(n) Where sewers cross nallah, arrel etc. has the design been appropriately made?
(o) In case of stage development schemes or where delay in the procurement of equipment is anticipated, have temporary arrangements been made for disposal work?

9 (a) Has provision been made for concreting upto haunches or all round?
(b) If so, on what basis?

10. Is provision of excavation under sub-soil was necessary?
11. Has provision been made for laying concrete and sewers under sub-soil water?
12. Is cutting through rock involved?
13. Has provision been made for crossing roads and nallahs?

Part II - Materials

14. Requirements of different types/sizes of pipes and specials.
15. Requirements of different types of manhole covers.
16. Have requirements of pumps been determined in consultation with the Electrical Engineer?
17. Requirements of any other materials/tools and plants.

PROFORMA – 5 OF APPENDIX 2

CITY ROADS

1. Name of project.
2. (a) Reference to administrative approval and expenditure sanction and their amounts.
   (b) Provision to cover the portion of work for which detailed estimate has been prepared.
3. Amount of detailed estimate.

Part I - Engineering Appreciation

4. Reference to approval of the layout and alignment by competent authority.
5. Justification for the choice of the alignment indicating *inter-alia* obligatory points.
6. (a) Standards to be followed for :
   (i) Cross-section of the road (indicating number of lanes)
   (ii) Class of road
   (b) Have suitable road junctions and crossings been designed and provisions made in the estimate?
   (c) Has provision been made for road signs?
7. Nature of sub-grade and sub-grade preparation suggested.

8. Earth works : cutting and filling balance, if not, what is the :
   (a) Quantity of surplus/deficit earth.
   (b) Site and lead for disposal of surplus earth (in case of excess cutting)
   (c) Source of obtaining earth required and lead (in case of excess fillings).
   (d) Royalty payable, if any.
9. Method and salient features of road crust.
10. (a) Soling
    (b) Wearing coat
    (c) Surface treatment.
11. (a) Cross section between building lines showing the hard crust edging (if any), berms provisions for future widening (if any), storm water drains and their outlets and other services, both to be provided immediately and in the near future.
    (b) Existing services, if any.
12. Details of bridges including class of loading for which they have been designed, culverts and other structures provided.
13. Details of land acquisition.
14. Phasing of the project.
15. (a) Rate of cost
    (i) per unit length of different types of roads.
    (ii) per unit of the area developed
    (b) (i) Total cost of the work
    (ii) Comparison of total cost with respect to provision in preliminary estimate.

Part II - Materials

16. Soling stone
    (a) Total quantity.
    (b) Name of quarry.
    (c) Distance of quarry from site (Does scheduled rate for supply of soling stone indicate this lead? If not, has provision been made for extra lead?)
    (d) Market rate at quarry.
    (e) Prevalent carriage charges.
17. Stone ballast
    (a) Total quantity
    (b) Name of quarry
    (c) Distance of quarry from site (Does schedule rate for supply of stone ballast indicate this lead?)
    (d) Market rate at quarry.
    (e) Prevalent carriage charges.
18. Bitumen
    (a) Total quantity.
    (b) Arrangements for procurement.
19. Cement
    (a) Total quantity.
    (b) Arrangements for procurement.
20. Steel
    (a) Total quantity.
    (b) Arrangements for procurement.
21. Pipes
    (a) Total quantity.
    (b) Arrangements for procurement.

22. Tools and Plants

Sl.No.	Equipments with details	Source of procurement	Cost	Foreign exchange
1	2	3	4	5

PROFORMA – 6 OF APPENDIX 2

HORTICULTURAL WORKS

1. Name of project.
2. (a) Reference to administrative approval and expenditure sanction.
   (b) Amount provided for horticulture work.
3. Amount of detailed estimate.

Part-I- Horticulture Appreciation

4. Brief scope of the work contemplated.
5. Total area of the development schemes
6. Area of the garden/greenery.
7. Detailed landscape plan of the area quoting SA(TP)'s letter no. approving it.
8. Type of soil
   (a) Nature
      (i) Saline or alkaline
      (ii) Full of kankar, moorum or building rubbish.
   (b) P.H. Value
9. (a) Source of supply of earth if top soil is proposed to be replaced by good sweet earth.
   (b) Site for dumping the replaced earth
   (c) Proposal, if any, to apply cowdung or fresh cowdung to 1.5m – 4.5m depth in case the soil is alkaline.
   (d) Is the area duly levelled for the development of horticulture works.

Part II - Drainage

10. Is the drainage from roof provided in such a way as to drain off the flow of rain water on the back of the house and not on the lawn?
11. Are the levels and slopes of bajri paths and lawns suitably adjusted?
12. Do levels permit a slope in the lawns between 1/12 and 1/300?
13. Is a storm water drain available in the vicinity to catch rain water from the lawns?
14. Suggestions, if any, for improving drainage of lawns.

Part III - Water Supply

15. (a) Is the unfiltered water supply proposed to be tapped from existing unfiltered water mains?
    (b) Is adequate supply of unfiltered water available?
    (c) Are tube-wells proposed to be installed (It should be kept in mind that 3000 gallons of water per acre of green per day will be required).
16. Have unfiltered water mains and distributaries been laid and hydrants installed?

Part IV - External Services

17. Have all the external services including roads, storm water drains, sewerage and electric cables/ wires been provided before horticultural works are taken up?

PROFORMA – 7 OF APPENDIX 2

ELECTRICAL DISTRIBUTION LINES

1. Name of project.
2. (a) Reference to administrative approval and expenditure sanction and their amounts.
   (b) Provision to cover the portion of work for which detailed estimate has been prepared.
3. Amount of detailed estimate.

Part I - Engineering Appreciation

4. Brief specification of the system *****
5. Average rate per sqm of:
   (i) detailed estimate,
   (ii) preliminary estimate
6. (a) Agency of execution
   (b) Departmental charges
7. Special T&P required.
8. (a) Is supply proposed to be taken from the existing L.T. network of the supply authority?
   (b) If yes, is element of cost of service connection taken in estimate, based on estimate from the supply authority?
   *(c) If L.T. supply not available, how is electric supply proposed to be obtained?
9. Provision for future expansion and its extent.
10. Tariff (HT bulk, LT Bulk or retail LT) applicable.
11. In case of bulk supply, has provision been made for
    (a) Equipments?
    (b) Buildings for sub-stations and switching stations?
12. Has Architect been consulted for local siting of 11(b)?
13. Is stand-by required, if yes, has provision been made for it?
14. Statutory requirements of overhead or underground cables.
15. Details of phasing, if any, of different portions of work in consonance with the progress of civil work.
16. Special remarks, if any.

*Give a brief description of the system as in the example below:

"…… Supply is proposed to be taken from the L.T. feeders of the local electricity undertaking by means of over-head/underground lines. The distribution is proposed to be carried out by over-head lines carried on PCC/steel tubular/rail poles, copper/aluminum conductors of ……. size will be run on the main roads and of……..size on the other roads. For roads having a width of ……metres the lines will be taken along the central verge with double armed brackets for lighting fixtures. For roads with a width of ……. metres, a staggered layout will be adopted. … Also indicate the arrangements adopted for sectionalizing and isolating portions of the net work for the purposes of maintenance and repairs".

*In case of composite lines carrying street light and L.T. distribution lines, the basis of allocation of cost to street lighting and L.T. distribution lines should be given.

PROFORMA – 8 OF APPENDIX 2

STREET LIGHTING

1. Name of project.
2. (a) Reference to administrative approval and expenditure sanction and their amounts.
   (b) Provision to cover the component for which this detailed estimate has been prepared.

Part I - Engineering Appreciation

*3. Brief specification of the system.
4. Average rate per sqm of
   (i) detailed estimate,
   (ii) preliminary estimate.
5. (a) Agency for execution.
   (b) Departmental charges.
6. Special T&P required.
7. Brief particular of source of power supply
8. Provision of future expansion and its extent.
9. Tariff applicable.
10. Phasing of different portions of the work in consonance with the progress of civil work.
11. Has the location of poles been decided in consultation with Director of Horticulture and the landscape architect?
12. Special remarks, if any.

*Give a brief description of the system as in the example below:
"…….. Incandescent/High Pressure Mercury Vapour/fluorescent lamps will be provided on ….roads. The type of fittings shall be enclosed/open/semi-open tubes, and these will be suspended/fixed on brackets. The system of wiring will be with over-head copper/aluminum conductors of sizes…..Connections to poles will be given by means of underground cables of …….size and joints shall be used. For the major roads of widths ……, poles will be located on the central verge with double arc brackets for the lighting fixtures. For minor roads, poles will be located in a staggered ……. pattern with an average spacing of ……. An average illumination of ……is arrived at on the main roads. Also indicate scheme of controlling lights, i.e. switching equipment".
In case of composite lines carrying street light and L.T. distribution lines, the basis of allocation of costs to street lighting and distribution lines should be given.

Part II – Information Regarding Procurement of Materials

Sl.no	Principal items to be supplied by Govt. for use on the work	Available with central stores or to be indented on DGS&D	Items to be especially procured for the work. Details of procurement		Foreign Exchange required
			Sources	Time	
1	2	3	4	5	6

Note: 1. For major and important items give full technical description of specification in column 2.
2. For items to be imported, give a separate item wise note on justification and the inescapability of expenditure on foreign exchange.
3. If any special difficulty is likely to be encountered in procuring important materials, give a note suggesting steps that may be taken to overcome them.

PROFORMA – 9 OF APPENDIX 2
TOWN PLANNING AND HOUSING SCHEME

(The following information should be available before a town planning scheme can be prepared)

1. Key plan of the area showing
   (a) Location of site in relation to adjoining land uses.
   (b) Types of development on adjoining plots
   (c) Number of storeys (on adjoining plots)

APPENDIX – 3
[Reference para 3.4]

LETTER OF ACCEPTANCE OF DEPOSIT WORKS
(To be issued to the client department)

To

……..
……..

Subject: Execution of Deposit Works
…….(indicate name of work)

The above work can be taken up by the CPWD as a deposit work under para 118-119 of CPWD Code, subject to the following:

(1) Full estimated cost of the work as worked out by CPWD including departmental charges will have to be deposited by the client department before the work is taken up for execution. No interest will be paid by CPWD to the client department for such deposits.
(2) The client department should hand over vacant possession of land/site to CPWD. CPWD may, if so required, take responsibility for demolition/disposal of existing buildings/ structures.
(3) CPWD does not bind itself to complete the work within the estimated cost. If additional funds are required, the same will have to be provided by the client department. Necessary revised estimate will be submitted as and when required.
(4) Any dispute arising out of the operation of the contract(s) for the subject work will be subject to arbitration as provided for in the contract agreement. CPWD will defend the arbitration proceedings as best as it can and get the Arbitrator's award examined by the appropriate authority. The decision of the competent authority in CPWD to accept the award or to challenge the same in a Court of Law will be binding on the client department.
(5) Funds for making payment of all amounts which may be decreed by a Court of Law, Tribunal or by award of an Arbitrator in relation to the deposit work will be made available by the client department promptly irrespective of it not being a party before the Court, Tribunal or Arbitrator. Such payments will be in addition to the payments made to the contractors for execution of work.
(6) After receipt of A/A & E/S from the client department, the CPWD will prepare and submit various detailed architectural drawings and service plans to Local Bodies whose approvals are required before taking up the construction work. These Local bodies are independent organizations and CPWD has not control over them. These Local Bodies take their own time for approving the Plans. The time required to get such approvals is not included in the time of construction indicated in the estimate. Although CPWD will make all efforts to get such approvals early, it may be necessary for the client department also to pursue with Local Bodies for early approval.
(7) The CPWD has no funds of its own for investing in the work. The client department should, therefore, ensure that adequate funds are available with CPWD for executing the work. In case the client department fails to provide funds as per requirements, it may be necessary for CPWD to suspend/ abandon the work. In such eventuality, the client department shall be solely responsible for all the consequences arising out of such stoppage/abandonment of work including claims of contractors for compensation/ damages.
(8) The client department will help CPWD in –
    (a) providing site for labour huts for the contractor's labour free of cost,
    (b) providing free access to contractor's materials and labour to the site of work,
    (c) providing electricity connection for execution of work on payment of usual charges, and
    (d) sanction and release of load from the concerned Electricity Board/Authority.

(9) CPWD may at its discretion allow the clients to deposit the funds in instalment. In such cases 33-1/3% of the estimated cost should be deposited as advance. Thereafter, expenditure incurred should be reimbursed in full through monthly bills. The initial deposit of 33-1/3% would be retained for adjustment against the last portion of the estimated expenditure.

(10) In cases where funds are deposited in instalments, CPWD will not be responsible for any delay, damage, stoppage of work, claims of contractors for compensation/damages etc. due to non-receipt of funds in time.

You are requested to convey acceptance of the above to enable this office to proceed further.

Yours faithfully

Executive Engineer

APPENDIX – 4

[Reference Para 4.1.2]

PROFORMA 1

PROFORMA FOR PARTICULARS TO BE FURNISHED BY ADMINISTRATIVE DEPARTMENTS WHEN INITIATING BUIDLING PROJECTS WHICH ARE TO BE EXECUTED BY THE CPWD

1. Name of Ministry/Department/Organisation
2. Name of work
3. Location
4. Whether land is available. If so, what is the area available. Attach letter of allotment/lease deed of land specifying land use.
5. Estimate of total funds required for the project and availability of the same.
6. Details of available budget provision year-wise
7. Schedule of requirements:
   (i) Details of officers and staff grade-wise/students/care-taking/ maintenance staff in
      (a) Annexure-A1 for Non-residential buildings
      (b) Annexure-A2 for Hostels
      (c) Annexure-A3 for Residential Complexes
   (ii) Details of special requirements, if any, in
      (a) Annexure-B1 for Non-residential Buildings
      (b) Annexure-B2 for Hostels
      (c) Annexure-B3 for Residential Complexes
8. Future requirements, if any, including phasing.
9. Any other particulars.

Note: (1) Generally lifts are provided for buildings of more than four storeys. If lifts are required for lesser storeyed buildings, reasons for the provision of the same may be given.
(2) In a technical building, relative position of the rooms may be indicated by means of a rough sketch.
(3) Attach separate sheets if the space provided in the proforma is not sufficient.

Signature

Forwarded to :

1. Chief Architect
2. Senior Architect
3. Chief Engineer (Civil)
4. Chief Engineer (Electrical)
5. Superintending Engineer (Civil)
6. Superintending Engineer (Electrical)

PROFORMA 1 OF APPENDIX 4

ANNEXURE - A1 OF PROFORMA -1

SCHEDULE OF REQUIREMENTS IN RESPECT OF OFFICERS AND STAFF INCLUDING CARE TAKING & MANAGEMENT STAFF (NON-RESIDENTIAL BUILDINGS)

S. No.	Desig-nation of officer & staff	Grade/ Scale of pay	No. of Officers/Staff in Grade/ Scale	Additional functional faciliies/requirement beyond normal (May be indicated if actually required, otherwise left blank)					
				Area	Power Require-ment	Air-Condi-tioning Require-ment	Acoustic Require-ment	Special type of flooring light fittings etc., false ceiling requirements	Any other Special Requirements like computer Terminals, Telephones,etc.

ANNEXRE-A 2 OF PROFORMA - 1 OF APPENDIX - 4

SCHEDULE OF REQUIREMENTS FOR HOSTELS

S. No.	Status of incumbent	Numbers	Designation Grade/Scale of pay in case of faculty/ officers/ Warden/Staff	Entitled Type of Accomodation		Special amenities, such as attached Toilet & Kitchen/ Kitchenette. Servant Quaters, Telephone, Airconditioning etc. (Indicate whether approval of the competent authority is available)	Remarks
				Single/ Double/ Triple seated rooms with area prescri-bed (in case of Students only)	Single/double/ triple seated rooms with area prescri-bed (in case of Officers/ Hostel/Staff/ Warden		
1	2	3	4	5	6	7	8
1.	Officers/Faculty members						
2.	Research students						
3.	Post graduate students						
4.	Under graduate students						
5.	Warden						
6.	Office staff (specify) including mainten-ance staff						

ANNEXURE –A 3 OF PROFORMA 1 OF APPENDIX - 4

SCHEDULE OF REQUIREMENT FOR RESIDENTIAL COMPLEXES

S. No.	Grade/Scale of pay of the incum-bent including care taking & Maintenance personnel	Numbers	Residential Accommodation required category wise					Details of Norms & Specifications to be provided if norms* & specifications prescribed by Min. of UD&PA are not to be followed	Remarks
			Total	Avai lable	Additional required along with reference of approval of the competent authority	Numbers to be accomo dated in Hostel if any	Future requier-ment		
1	2	3	4	5	6	7	8	9	10

Note**: ***For Norms prescribed by Ministry of UD please see Appendix – 5

ANNEXURE –B1 OF PROFORMA 1 OF APPENDIX- 4

SCHEDULE OF SPECIAL REQUIREMENTS (NON-RESIDENTIAL BUILDINGS)

S. No	Requirement	Numbers Area/ Capacity	Special requirement for functionality beyond normal provision (May be indicated if actually required, otherwise left blank)										
			Power Requirement		Air conditioning Requirments	Acoustic Requirement	Special Flooring	Special lighting	False ceiling	Computer Terminals	Telephone	Water supply in places other than toilets	Any other service like,gas goods, lift etc.
			Normal	Emergency									
1.	Visitors room												
2	Conference room												
3	Auditorium with capacity												
4	Common room												
5	Recreation room												
6	Laboratory, Workshop, telephone exchange, library, lecture hall, etc. as may be specially required												
7	Canteen including kitchen, store												
8	Inspecting Officers Rest room												
9	Storage space for records, stationery furniture, etc												
10	Post office or sub-post office												
11	Bank												
12	Kendriya Bhandar												
13	Kiosk for photo copying												
14	Association room												
15	Covered parking and closed Garages required vehicle wise including Scooters and Cycles												
16	Maintence Stores												
17	Any other requirement (specify)												

ANNEXURE – B 2 OF PROFORMA 1 OF APPENDIX- 4

SCHEDULE OF SPECIAL REQUIREMENTS FOR HOSTELS

S.No.	Nomenclature	Capacity /Area	Special Amenities Required, if any	Whether approval of the competent authority is available	Remarks
1.	Office				
2.	Reception				
3.	Lounge				
4.	Common room				
5.	Recreation room				
6.	Reading room & library				
7.	Dining hall & kitchen				
8.	Canteen				
9.	Dispensary & sick beds				
10.	Covered parking/garages				
11.	Caretaker				
12.	Service personnel				
13.	Guard room				
14.	Maintenance office & stores				
15.	Any other requirement (Specify)				

ANNEXURE – B 3 OF PROFORMA 1 OF APPENDIX - 4

SCHEDULE OF SPECIAL REQUIREMENTS FOR RESIDENTIAL COMPLEXES

S. No.	Nomenclature	Capacity/Area	Special Amenities Required, if any	Remarks including availability approval of the competent authority
1.	Hostel (Details to be submitted in separate annexures) (Annexures B1 & B2 of Proforma 1)			
2.	Community Hall/Recreation Centre			
3.	Out door Recreation facilities			
4.	Dispensary including sick beds			
5.	Shopping facilities / Cooperative store			
6.	Post Office			
7.	Bank			
8.	Schools			
9.	Guest House			
10.	Guard room			
11.	Maintenance office & stores			
12.	Any other requirement (specify)			

PROFORMA – 2 OF APPENDIX - 4

CENTRAL PUBLIC WORKS DEPARTMENT

No. Dated, the

To

……

……

Subject:

Reference:

The following particulars in connection with the above may kindly be furnished to this office at an early date:

(1) Dimension of all boundaries and diagonals or angles sufficient to enable to draw out the complete site plan.

(2) Position of all existing structures or/and permanent marks such as wells, trees, paths, roads, drains may be clearly indicated on the plan together with their dimension, widths etc. Any of the above features to be retained may be shown on the plan.

(3) Any structure existing within 6m of the boundaries giving height of the same; also general buildings existing in the near vicinity giving their character, heights and purpose. The sizes of window and door openings, if any, of the structures abutting the site, and their right of way and light etc. may be clearly mentioned.

(4) All roads abutting the site together with their widths, berms and importance with regard to traffic etc.

(5) All levels, if any, may be marked in relation to all existing roads (crown or road level)

(6) Direction of north as also the general prevailing winds in the different parts of the year. Average rainfall during the year.

(7) All services available in the localities, such as municipal sewers, water supply, its pressure in relation to height, and electric supply together with their mains, if possible.

(8) All local Municipal Bye-laws or layout schemes affecting the site, particularly in relation to the set-back lines on roads front, rear or side, total built-up area allowed and permissible height.

(9) All local materials for construction together with their uses in local practice, and mode of construction with regard to walling, roofing and general finishes.

(10) Complete plans, elevation and section of the existing structures together with photographs and brief specification in case extension is desired to the same.

(11) Any other information pertaining to nature of soil and its capacity, or zone falling in the seismic area etc. may be given.

NOTE: All information desired above may please be duly signed by the issuing officer.

Architect

PROFORMA 3-A OF APPENDIX - 4
CENTRAL PUBLIC WORKS DEPARTMENT

No. Dated, the

The Executive Engineer,
……

Name of the work:

Kindly furnish the following information for the above work as early as possible in order to enable this office to prepare preliminary estimate

(i) Name and nature of soil strata upto 3m to 3.5m where footings are to be founded. If black cotton or filled up soil is met with, depth of such soil.
(ii) Approximate recommended depth of foundations.
(iii) Approximate recommended bearing capacity of soil.
(iv) Whether any special type of foundations are to be provided.
(v) Sub-soil water level (Maximum and Minimum).
(vi) Any existing building to be dismantled, or telegraph or electric poles or cables or sewers to be shifted, or thick jungle clearance to be done with rough details. Encroachment by foundations of the structures abutting our site, if any, may be indicated with sketches.
(vii) Whether site requires extensive levelling, and if so, the cost with approximate details.
(viii) Data regarding High Flood Levels in case area is liable to flooding.
(ix) Details of external services:
  (a) Water mains: Whether they are available for our connections, and if so, at what distance, and of what size. If not, specify what type of well to be constructed (open well, etc. with size and depth) and the approximate cost of construction. In case of large requirement of water, whether the local body will give adequate supply should be assured.
  (b) Sewer mains: Whether they are available for our connection, and if so, at what distance.
  (c) Electric Mains:
  (d) Road: Whether any approach road is to be constructed beyond that shown on site plan: if so, of what length? Give specification locally adopted and the rate per 10 sqm of road surface.
  (e) Storm water drain and culverts: general arrangement of drainage:
  Any storm water drains required with approximate cost, number of culverts to be provided with approximate sizes.
(x) Cost index with detailed calculations, leads of materials and reference to Schedule of Rates applicable.
(xi) Nearest Railway Station and distance of site from the Station.
(xii) Whether any special provisions are required due to special local conditions, e.g. stone work instead of brick work, etc.

For Superintending Engineer(P)
..... Zone, CPWD.

Copy to

1. The Executive Engineer (Elect) ..... Division ..... for intimating the amount required for external electrical services to be provided for in the preliminary estimate. The amount should be given separately for connection to electric mains, sub-station equipments, pumping sets for water supply and their erection, street lighting, etc. (along with prescribed percentages on PAR, etc. as applicable.) If the provision required for internal electrical services is more than the usual provision of 12.5% of the building cost, the additional amount (or percentages as required) should be given in a specific manner.
2. The Executive Engineer (Elect) (P),..... Zone, for supplying the above information.

For Superintending Engineer(P)
..... Zone, CPWD.

PROFORMA 3-B OF APPENDIX - 4

CENTRAL PUBLIC WORKS DEPARTMENT

No. Dated, the

The Executive Engineer,

.....

Name of Work: .....

Kindly furnish the following information for the above work of Water Supply Scheme as early as possible in order to enable this office to prepare project estimate for the same.

1 (a) What is the area in acres to be served by the Scheme?
(b) Present population to be catered for
(c) Probable population after 20 years to be catered for
(d) Per capita water supply required by the sponsoring authorities or Municipal bye-laws.

2 (a) Site plan of the area for which water supply is required showing the buildings to be served, with spot levels at 60m intervals. The plan should show the layout of the buildings, main roads, service roads etc., and ground formation levels alongside of all roads shall be given at intervals of 60m.
(b) If it is anticipated that any additional areas are to be covered in this scheme at any future date, these should be marked in the plan and the requirements given.

3. State if there is any existing filtered water supply in the area or in the vicinity. If so, furnish the following particulars:
(i) A key plan showing the area to be served, and the nearest main from which water is proposed to be tapped, and the point of tapping.
(ii) State the size of the main, and if it is adequate to cater for the additional supply required for the project.
(iii) Pressure available in the main at the proposed point of tapping, and the reduced level of the main at this point.

4. If supply is to be taken direct from the storage reservoir, give the following details:
(i) Site of the reservoir with reference to the site to be developed for water supply and distance from site.
(ii) Capacity of the reservoir.
(iii) Whether it is capable of meeting the extra demand in the worst summer?
(iv) Reduced level of the reservoir floor and depth of water in reservoir.
(v) Longitudinal sections of the proposed alignment of the main from the reservoir to the site, with nature of soil and sub soil.

5 (a) If there is no water supply in the area, how do you propose to provide water supply:
(i) From open or tube wells for smaller groups of buildings or colonies.
(ii) From any existing perennial sources of water supply, e.g. river, stream, canal etc. Give the details of dry weather and monsoon flow, low water level and RFL etc. Give details of weirs, if any required for heading up water in the stream, arrangements for purification, location of intake well, filter beds, pumping station etc. Also give an index plan showing the recommended location of water works.
(b) Indicate the size and depth of open or tube wells, expected supply per hour and approximate cost of the installations including cost of delivery main upto site.

6. In case storage or service reservoir is required, possible location of reservoir to be indicated on an index plan along with the ground levels at the site. In case a high level reservoir is to be constructed, local restriction regarding maximum height due to proximity of air field, if any, may be indicated.

7. Information about the quality of water available from the source and suggestions for treatment.

For Superintending Engineer(P)
..... Zone, CPWD.

No. Dated, the

Copy to:

1. The Executive Engineer (Elect) ..... Division ..... for intimating the information in connection with the existing electric mains, their distance from the area, type of power available and adequacy of electric energy etc.
2. The Superintending Engineer ..... Circle, CPWD, for information.
3. The Superintending Engineer ..... Electrical Circle, CPWD, for information.

For Superintending Engineer(P)
..... Zone, CPWD.

PROFORMA 3-C OF APPENDIX- 4

CENTRAL PUBLIC WORKS DEPARTMENT

No. Dated, the

To

The Executive Engineer,
.....
.....

Name of Work:

Kindly furnish the following information for the above work of sewerage scheme of the area as early as possible in order to enable this office to prepare project estimate for the same.

1 (a) What is the extent of the area for which sewerage scheme is to be designed?
(b) What is existing population?
(c) What is the proposed ultimate density of population?
(d) What is the per capita water supply?

2. Give a site plan of the whole area showing the existing and proposed buildings and other structures, spot levels at intervals of 60m, and ground formation levels alongside of all main and service roads (existing or proposed).

3. Is there any sewerage system in the area? If so, the following particulars should be furnished:
(a) Size of the nearest sewer and its distance from the site.
(b) Size of the nearest trunk sewer and its distance from the site.
(c) Whether the existing sewer is capable of taking the additional sewage from the site to be developed. If not, state alternative proposals for disposal of sewage.
(d) If the existing sewer is capable of taking the additional sewage, give "L" section of the sewer for a reasonable length showing the ILs, GLs., gradients and falls, if any, as well as position of manhole to which the proposed sewer from the colony to be developed may be conveniently connected.
(e) What is the level of sewage in the manhole reference to (d) above for peak discharge.
(f) A plan showing the layout of the branch or trunk sewer, and proposals for the outfall sewer connecting to manhole with invert and ground levels.

4. Whether the proposed outfall sewer from the area to be developed will have to be designed to carry sewage from any other area also. If so, the additional areas to be served may be shown on the site plan giving their extents with the present and anticipated density of population.

5 (a) Whether a long outfall sewer is necessary? If so, give a plan and longitudinal section of the proposed alignment showing the ground levels.
(b) What is the nature of the soil and sub-soil along the proposed alignment?
(c) State the ownership of the land through which the proposed alignment passes.
(d) Are there any obstructions, e.g. railway lines, drainage courses etc., on the alignment? If so, their nature and other relevant details may be given.

6. If there is no sewerage system in the area
(a) How do you propose to dispose of the sewage?
(b) A survey plan showing the likely location of the disposal works (septic tanks or other plants) may be furnished showing the prevailing direction of wind.
(c) How is the effluent proposed to be disposed off? If there is any natural water course in which the effluent is proposed to be discharged, the following particulars should be furnished:
(i) Normal water level and H.F.L.
(ii) Specify if there are any objections to discharge the effluent into the water-course or Nallah, and if so, what alternative do you suggest?

(d) Nature of soil, i.e. whether it is absorbent or otherwise.

7. Any other information in connection with the sewage scheme.
8. Full particulars about any local rules and restrictions regarding sewage disposal.

For Superintending Engineer(P)
..... Zone, CPWD.

No. Dated, the

Copy forwarded to:

1. The Executive Engineer (Elect) ..... Division ..... for intimating the information in connection with the existing electric mains, their distance from the area, type of power available and adequacy of electric energy etc.
2. The Superintending Engineer ..... Circle, CPWD, for information.
3. The Superintending Engineer ..... Electrical Circle, CPWD, for information.

For Superintending Engineer(P)
..... Zone, CPWD.

PROFORMA 3-D OF APPENDIX - 4

CENTRAL PUBLIC WORKS DEPARTMENT

No. Dated, the

To

The Executive Engineer,
.....
.....

Name of Work:

Kindly furnish the following information for the above work of Storm Water Drainage of the area as early as possible in order to enable this office to prepare project estimate for the same.

1. Give a survey plan of the area for which the Drainage system is to be designed showing the spot levels at intervals of 60m and proposed layout of roads and buildings. Formation levels of ground along side of the roads and crown levels of roads may be given at intervals of 60m.
2. (a) If the area forms of part of a bigger catchment, a site and contour plan of the entire catchment area should be given.
   (b) If it is likely that drainage from the upper portion of the catchment enters the area now proposed to be developed, suggest measures to intercept the drainage or indicate the probable additional run off to be allowed for.
3. The maximum intensity of the rainfall in the area and its duration and the total annual rainfall.
4. Nature of the soil and vegetation in the area.
5. Full particulars of any natural water course or Nallah passing near the area into which the area under consideration can be drained, together with the HFL in the storm water drainage. A plan showing the Nallah and "L" section of the Nallah showing the HFL for about 400 metres above and below the point where it is proposed to discharge the drainage into the Nallah may also be supplied.

For Superintending Engineer(P)
..... Zone, CPWD.

No. Dated, the

Copy forwarded to:

1. The Executive Engineer (Electrical) ..... Division ..... for furnishing the information in connection with the existing electric mains, their distance from the area, type of power available and adequacy of electric energy etc.
2. The Superintending Engineer ..... Circle, CPWD, for information.
3. The Superintending Engineer ..... Electrical Circle, CPWD, for information.

For Superintending Engineer(P)
..... Zone, CPWD.

PROFORMA 3-E OF APPENDIX- 4

CENTRAL PUBLIC WORKS DEPARTMENT

No. Dated, the

The Executive Engineer,
.....
.....

Name of Work:

Kindly furnish the following information for the above work of development of the area as early as possible in order to enable this office to prepare project estimate for the same.

1. Survey plan of the area. The plan should show all local features such as existing structures, Nallahs, wells, drains, sewers, water mains, electric mains and cables, telegraph and electric poles, brick kilns, fields, ponds, trees, roads, culverts and bridges etc.
2. Contour plan of the area with spot levels taken at not more than 60m distances. If possible, the levels should be reduced with reference to GTS Bench Mark. Otherwise, full description of assumed R.L. of the Bench Mark should be given.
3. Index plan of the area showing places from where earth for filling the area, if necessary, may be brought, or where the earth obtained from cutting of the area should be disposed off.
4. Crown levels of all the adjoining roads, at suitable intervals.
5. Nature of soil surface as determined by visual inspections.
6. Nature of sub soil strata as determined by trial pits or trial bores at the rate of one pit or bore for every 20 acres or less. Cross sections of trial pits or bores should be suitably increased.
7. Details of water mains as existing, indicating the distance, diameter, pressure in the water mains.
8. Details of existing sewer mains, if available, indicating distances, invert level, diameter and spare capacity of the sewer mains.
9. Details of existing storm water drains and culverts, indicating section of drains, slope, spare capacity, invert level etc. It should also be indicated if the area itself is a part of bigger catchment area and thus receives storm water from other areas. If so, full details should be given.
10. Cost index of the place with details calculations.
11. Data regarding High Flood Levels, in case area is subject to flooding or is lower than HFL.

For Superintending Engineer(P)
..... Zone, CPWD.

Copy to:

1. The Executive Engineer (Elect) ..... Division ..... for furnishing the information in connection with the existing electric mains, their distance from the area, type of power available and adequacy of electric energy etc.
2. The Superintending Engineer ..... Circle, CPWD ....., for information.
3. The Superintending Engineer ..... Electrical Circle, CPWD ..... , for information

For Superintending Engineer(P)
..... Zone, CPWD.

APPENDIX – 5

(Reference para 4.1.3)

ANNEXURE TO MINISTRY OF URBAN DEVELOPMENT
O.M.No.17020/86/W2 dt.25th August, 1987

REVISED SCALE OF PLINTH AREA

Type	Pay Range	Area of Unit		Staircase/ circulation		Sleeping out balcony		Cycle/Scooter shed/Garage		Remarks
		Sq M.	Sq. ft.	Sq M.	Sq. ft.	Sq M.	Sq. ft.	Sq.M	Sq.fi.	
I	(A) Upto Rs. 949/-	34.00	365.00	5.00	54.00	7.45	80.00	2.50	27.00	Cycle shed 100%
II	(B) Rs. 950-1499/-	45.00	484.00	5.00	54.00	7.45	80.00	2.50	27.00	Cycle shed 100%
III	(C) Rs. 1500-2799/-	55.75	600.00	5.00	54.00	7.45	80.00	4.20	45.00	Scooter shed 100%
IV	(D) Rs. 2800-3599/-	83.60	900.00	5.00	59.00	7.60	84.00	4.20	45.00	Scooter shed 100%
V	(E) Rs. 3600-4499/- Main Unit	139.35	1500.00	6.00	65.00	9.85	106.00	20.90	225.00	75% (Garage)
	Servant Qrs. Attac-hed to the Main Unit	18.60	200.00	4.50	50.00	-	-	-	-	
VI	(EI) Rs. 4500 and above Main Unit	198.00	2200.00	6.00	65.00	11.00	118.00	20.90	225.00	100% (Garage)
	One servant quarter	25.00	269.00	4.50	50.00	5.00	54.00	-	-	

NOTE:

1. These plinth area standards shall be applicable to the construction of residential accommodation in all places in India.
2. Plinth areas proposed above are on the wall thickness achieved with the standard brick size 9"×4-1/2"×3" (Normal). When standard size bricks are replaced by modular bricks (20 cm×10 cm×10 cm) in course of time, the plinth areas specified above will not change. Where wall thickness has to be more for technical reasons, plinth areas may be suitably increased. In places where stone construction is more economical and is normally adopted, the plinth areas may be suitably increased to allow for additional thickness of walls. In areas, where standard size of brick is 10", an increase of plinth area to the extent of 4% in case of type I, II and III Qrs. and 2.5% in case of type IV, V and VI (D, E, EI) Qrs. will be allowed. In areas where local specifications permit use of thinner walls such as 'accra' walling or timber construction, the plinth areas would be reduced suitably.
3. (a) Sleeping out balconies shall be provided in region of hot and dry climate and for construction which is more than two storeyed. In the case of regions with hot and humid climates, i.e. coastal regions, where it is not customary to sleeping out during summer, sitting balconies with half of the areas stipulated above, shall be provided in lieu of sleeping out balconies in places other than Mumbai and Kolkata (for which reduced standard as indicated at 3(b) will apply). In regions of cold climate, viz. hill stations, glazed verandahs in lieu of sleeping out balconies may be provided with the areas of sleeping out balconies. Where sleeping out balconies are provided, facility of use of terrace by occupants need not be provided.
   (b) The area of sitting out balconies in Mumbai and Kolkata will be 1.5 sqm(16.15 sq.ft.) for type I, 2.5 sqm (26.90 sq.ft.) for type II, 3.50 sqm (37.65 sq.ft.) for type III, 4.5 sqm (49 sq.ft.) for type IV, 5.50 sqm (60 sq.ft.) for type V and 6.5 sqm (71 sq.ft.) for type VI(EI).

(c) Areas of sleeping and sitting out balconies may vary with the type design, depending on architectural and structural considerations. The areas stipulated in this statement are maximum that will be allowed.

(d) In hot and dry region, sitting out balconies may be provided for two storeyed construction.

4. In case of type I, II and III quarters, the standard plinth area may be exceeded upto 2% when found necessary on architectural consideration. This is to allow for some flexibility in architectural planning.
5. In type V quarters, car garages will be provided for 75% of the number of units to be constructed. Out of these, 1/3rd of the garages will be partitioned temporarily so as to provide scooter sheds for remaining 50% of the allottees. Provision in planning and layout should be made for construction of additional garages for cars to an extent of 25% of the number of residential units.
6. In the case of double storied quarters, cycle or scooters sheds shall not be provided. Also no scooter/ cycle sheds will be provided in Mumbai and Kolkata.
7. In case of main buildings, areas for staircase/circulation are based on a stair width 3'-6''. Where bye-laws require more width than this, areas to be provided will be increased suitably. For 4 feet wide stair, areas for staircase shall be 6.5 sqm.
8. Where local bye-laws so require, additional area for fire escape staircase will be allowed.
9. Sanitary pipe shafts open to sky, wherever provided, are not to be included within the standard plinth areas.
10. Area required for services, such as garbage chutes, electric sub-station, pump room, etc. wherever necessary, will be allowed over and above the standard plinth areas.
11. In multi-storeyed flats, where lifts are necessary, additional areas over and above the standard plinth areas for the different types, will be allowed for the provision of one or more lifts and lift landings.
12. In the case of construction of four storied and above, in places other than Mumbai and Kolkata, in respect of types I to IV, cycle/scooter sheds may be provided separately, or one or more quarters on the ground floor may be earmarked for covered parking of cycles and scooters.
13. Normally no deviation from the prescribed scales should be made but in case it is desired that any deviation is to be made, this can be done only in semi-urban and rural areas where only single storey construction is involved, and proposal for such deviation should be sent to the Ministry of Urban Development for specific clearance.
14. The Public Sector Enterprises need not follow the scales prescribed by the Ministry of UD, but may follow the scales prescribed by the Bureau of Public Enterprises.

APPENDIX – 6
(Reference para 4.2.2)
(Refer CPWD Code para no. 87)

HISTORY SHEET OF ESTIMATE

CPWD 1

CENTRAL PUBLIC WORKS DEPARMENT

Estimate No. : for

State :

Branch :

Division :

Name of Work :

Fund :

Major Head :

Minor Head :

Detailed Head :

Note: The entries against each of the above should be made in accordance with the classification prescribed in para 3.1.8 of CPWA Code.

Estimate framed by …… Engineer …….. of the probable cost of ……..

REPORT

APPENDIX – 7
(Reference para 4.2.2)
(Refer CPWD Code para no. 87)

CPWD-2

DETAILS OF MEASUREMENTS

Name of Work……..

Details of Work	No.	Measurements			Quantities
		L	B	H	

APPENDIX – 8
(Reference para 4.2.2)
(Refer CPWD Code para no. 87)

CPWD-3

ABSTRACT OF COST – ORIGINAL ESTIMATE

State ……. Division ……..

Branch…….. Sub-Division …….

Name of work…….

Item No.	Sub-head and items of work	Quantity or No.	Rate		Per	Amount		Total	
			Rs.	P.		Rs.	P.	Rs.	P.

APPENDIX – 9
(Reference para 4.6)

CPWD-4

ABSTRACT OF ORIGINAL AND REVISED ESTIMATES WITH EXPLANATIONS OF DIFFERENCES IN QUANTITIES AND RATES
[CPWA CODE, PARAS 330-332]

Name of work.....

Sub-heads of estimate and items of work	Original estimate				Revised Estimate				Difference	Explanations
	Quan-tity	Rate Rs.	Per	Cost Rs.	Quan-tity	Rate Rs.	Per	Cost Rs.		

APPENDIX – 10

(Reference para 7.14)

PROFORMA FOR WRITE OFF OF LOST MB's

1. Serial number of the MB
2. To whom issued
3. The date on which the M.B. was lost
4. Details of FIR lodged with the police
5. From whose custody it was lost?
6. Detailed circumstances leading to its loss
7. What efforts were made to trace the M.B.?
8. By whom the last measurements were recorded?
9. Whether the measurements have been checked upto the required %age by the Superior Officer as required under the rules? If not, why ?
10. If any register is maintained to watch the movement of the M.B.?
11. Whether the M.B. contained the details of any work for which payment has not been made or all the works have been finalised?
12. Whether any audit objection or contractor's dispute relating to the M.B. is pending, and if so, nature thereof, and how it is proposed to settle up?
13. Whether work is susceptible of measurement again? If not, what is the basis on which the AE proposes to make final payment for the outstanding bills?
14. Whether the EE is satisfied that by writing of fresh measurements on the basis of other subsidiary records, if any, the Government will not be put to any loss, and there will be no dispute from any quarter? If not, what steps be suggested to safeguard against any such shortcoming?
15. Details of disciplinary action taken against the persons responsible for the loss
16. Details of remedial measures taken to avoid recurrence of such cases
17. Any other remarks

Executive Engineer
……Division , CPWD

APPENDIX – 11
(Reference para 9.4)

AUTHORITIES EMPOWERED TO PREPARE, VERIFY AND PASS THE BILLS

Bills to be paid	Prepare	Authority competent to examine or verify	Pass for payment
1	2	3	4
1. Wages of labourers, current or arrears, except those mentio-ned in item 2 below	Junior Engineer	Assistant Engineer	Executive Engineer
2. Unpaid wages removed from the account of a work in respect of muster roll	Executive Engineer/ Assistant Engineer/ Junior Engineer if an imprest holder	Executive Engineer/ Assistant Engineer/ Junior Engineer if an imprest holder	Executive Engineer
3. Bill of work charged staff	Assistant Engineer	Assistant Engineer	Assistant Engineer, subject to condition that employment of WC staff in question is approved by the competent authority and bill is prechecked by the Divisional Office
4. Petty payments for work done or supplies made not exceeding Rs. 150/-	Junior Engineer	Assistant Engineer/ Junior Engineer if an imprest holder	Imprest holder
5. Running and final bills of contractors or suppliers involving work done or supply made to the value of Rs. 10,000/- and less, but exceeding Rs. 150 against agreement entered into by them-selves.	Assistant Engineer	Assistant Engineer/ Junior Engineer	Assistant Engineer stationed away form Divisional Head Quaters, provided that the cash book, is maintained by him.
6. Running and final bills of contractors or supp-liers involving work done or supply made in excess of Rs. 10000/- bills or advance (both secured and others & claims for refund)	Assistant Engineer	Assistant Engineer	Executive Engineer

APPENDIX – 12

(Reference para 10.1)

BILL BOOK OF THE …… DIVISION FOR THE YEAR ……..

Sl.no of item	Date of receipt	Name of Sub-Division on to which the bill pertains	Name of work	Name of con-tractor	Amount of the bill	Date of com-pletion of work (if final bill)	Date of last payment (if a running a/c bill)	Signature of receiving clerk in Division	Date on which cheque is drawn	Signature of cashier	Ref of cash voucher no. and date	Initial of Divl. Accountant	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13	14

APPENDIX – 13
(Reference para 10.7.1]

REGISTER OF DISMANTLED MATERIALS

1. Name of Work .....

2. Name of Division .....

Sl.no	Date of receipt	Ref. to no. & page of MB	Full particulars of material giving size, etc. if any	Opening balance	Qnty recd.	Total	Ref. to its disposal, whether by write off, sale, or transfer to other works	Qnty issued or disposed off	Closing balance	Dated initial of the AE	Date of verification of balance & by whom verified	Remarks
1	2	3	4	5	6	7	8	9	10	11	12	13

APPENDIX – 14

(Reference para 12.2)

STATEMENT SHOWING THE RATES OF DEPARTMENTAL CHARGES LEVIABLE ON CPWD WORKS AND THEIR BREAK-UP

Objectivies of works	All maintenance works, and minor works costing upto Rs. one lakh	Construction works costing upto Rs. two crores	Construction works costing between Rs. two and five crores	Construction works costing more than Rs. five crores
1	2	3	4	5
A) Establishment Charges				
1. Preparation of preliminary sketches	1/2 %	1/4 %	1/4 %	1/4 %
2. Preparation of detailed working drawings	1%	3/4 %	1/2%	1/4 %
3. Preparation of preliminary estimates	1/4 %	1/4 %	1/4 %	1/4 %
4. Preparation of detailed estimates	1/2%	3/4 %	1/2%	1/4 %
5. Preparation of structural designs	1%	1%	3/4 %	3/4 %
6. Execution	19-1/4 %	7-3/4 %	4-3/4 %	4-1/4 %
Total Establishment charges	22-1/2 %	10-3/4 %	7%	6%
B) T&P (Machinery Equipment)	3/4 %	3/4 %	1/2%	1/2%
C) Audit & Account	1/4 %	1/4 %	1/4 %	1/4 %
D) Pensionary	1/4 %	1/4 %	1/4 %	1/4 %
	23-3/4 %	12%	8%	7%

Note: 1. The indicated rates of tools and plants are exclusive of the cost of special tools and plant, the cost of which will be charged to the estimate for the work.

2. The DDA will be allowed a rebate in the departmental charges on account of preparation of preliminary sketches, and detailed architectural drawing relating to their works as per the figures given in the breakup of departmental charges.

APPENDIX – 15
(Reference para 12.6)

DEPARTMENTAL CHARGES FOR COAL MINES WORKS

For works costing upto Rs. two lakhs	For works costing more than Rs. two lakhs
1.Preliminary Estimates ¼ %	¼ %on first Rs. two lakhs plus 1/8 % on amount that exceed Rs. two lakhs
2.Detailed Estimates ¾ %	¾ % on first Rs. two lakhs plus ½ % on amount that exceeds Rs. two lakhs

APPENDIX – 16

(Reference para 12.11]

FEES FOR CONSULTANCY SERVICES

(a) Planning	4%
(b) Construction Management	5%
(c) Visits of CPWD Officers from India	1%

For planning and designing work, the following charges shall be levied:

(i) Development of Master Plan	Rs.3210/- per hectare
(ii) Architectural plans and drawings	3 % for original work ½ % for repetition
(iii) Structural designs and drawings	1% for original work ½ % for repetition

APPENDIX – 17

[Reference para 15.4(7)]

STANDARD SCHEDULE OF CONTRACT PERIODS FOR BUILDINGS WORKS

Sl. No.	Number of Storeys	Time Period (Months)
1.	Upto 4 Storeys	8 to 12
2.	Beyond 4 and upto 6 storyes	12 to 15
3.	Beyond 6 Storeys	16 to 21

(Note:- Basement may be treated equivalent to one storey)

Time may be varied suitably due to following factors.

(a) Rainy season and inundated conditions

(b) Depth of subsoil water

(c) Special features of the building

(d) Scattered/concentrated works

(e) Congested site

(f) Type of foundation

(g) Urgency/Importance of the work

(h) Extent of Mechanization involved

(i) Logistics available in area.

APPENDIX 18

(Reference Para 15.4(8))

GENERAL GUIDELINES FOR FIXING REQUIREMENT OF TECHNICAL STAFF FOR A WORK

Cost of work (Rs. in lakh)	Contract period (months)	Requirement of Technical staff		Minimum experience (Years)	Designation
		Qualification	Number		
More than 1000	24	i) Project Manager with degree in corresponding discipline of Engineering	1	10	Principal Technical Representative
		ii)Graduate Engineer	1	5	Technical represents
		iii)Graduate Engineer	2	Nil	Technical Representative
		or			
		Diploma Engineer	2	5	
500 to 1000	18	(i) Gradute Engineer	1	5	Principal Techincal Representative
		(ii) Graduate Engineer	2	Nil	Technical Representative
		or			
		Diploma Engineer	2	5	
200 to 500	12	(i) Graduate Engineer	1	5	Principal Techincal Representative
		(ii)Graduate Engineer	1	Nil	Techical Representative
		or			
		Diploma Engineer	1	5	
50 to 200	9	Graduate Engineer	1	5	Principal Techincal Representative
10 to 50	6	Graduate Engineer	1	Nil	Principal Techincal Representative
		or			
		Diploma Engineer	1	5	

Notes: 1. 'Cost of work,' in table above, means corresponding amount available for work in sanctioned Preliminary estimate.

2. 'Contract period' indicated, in table above, should not be considered as standard schedule but should be actually determined as per Appendix 17 for each work.
3. Rate of recovery in case of non compliance of Clause 36(i) be stipulated at following rates:-

Sl. No.	Qualification	Experience (years)	Rate of recovery
(i)	Project Manager with Degree	10	Rs. 20,000/-p.m.
(ii)	Graduate Engineer	5	Rs. 15,000/-p.m.
(iii)	Graduate Engineer or Diploma Engineer	Nil 5	Rs. 10,000/-p.m.

4. Nothing extra need to be added while preparing market rate justified amount of the work if stipulation is made as per above recommended scale of requirement of technical staff.

5. Requirement of technical staff and their experience can be varied depending upon nature of work and contract period determined as per Appendix 17.
6. In event requirement of Technical staff is varied and estimated expenditure on technical staff worked out on the basis of 75% of the rate of recovery exceeds 1% of the cost of work, excess may be added while preparing market rate justified amount of the work.

APPENDIX – 19

(Reference para 16.1)

SPECIMEN OF PRESS NOTICE TO BE ISSUED AS A COMBINED ADVERTISEMENT

"The Executive Engineer,…… Division, CPWD,…… invites on behalf of the President of India sealed item rate / percentage rate tenders from approved and eligible contractors of CPWD and those of approved list of …….. for following works:-

NIT No.	Name of Work & Location	Estimated Cost	Earnest Money	Time allowed	Last date & time of receipt of application/ issue of tender documents & its cost.	Time and date of opening of tender

The enlistment of the contractors should be valid on the last date of sale of tenders. In case only the last date of sale of tender is extended, the enlistment of contractor should be valid on the original date of sale of tenders. In case both the last date of receipt of application and sale of tenders are extended, the enlistment of contractor should be valid on either of the two dates i.e. original date of sale of tender or on the extended date of sale of tenders.

Earnest Money should be deposited along with the applications seeking issue of tender documents in cash (upto Rs. 10,000/-) Receipt Treasury challan/deposit at call receipt of a scheduled bank/fixed deposit receipt of a a scheduled bank/Demand Draft of a scheduled bank issued in favour of …… A part of earnest money is acceptable in the form of bank guarantee also. In such case, 50% of earnest money or Rs. 20 lakh, whichever is less, will have to be deposited in shape prescribed above, and balance in shape of Bank Guarantee.

APPENDIX – 20

(Reference para 16.12.1)

GUIDELINES FOR FIXING ELIGIBILITY CRITERIA FOR TWO/THREE ENVELOPE SYSTEM

1. The eligibility criteria to be inserted in Section-II (Information and Instructions for Bidders) and Section – III (Information regarding eligibility of the document) and in the Press Notice shall be decided on the following lines:

   (A) Para 2(a) of the Invitation for bid, 7.1 of Section-II and Form 'B' of Section–III.

   The 'month' shall be the month previous to the one in which the bids are invited.

   (B) Para 2(a) of the Invitation for bid and 7.1 of Section - II

   Experience of having successfully completed works during the last 5 years ending last day of the month previous to the one in which applications are invited:

   Three similar completed works costing not less than the amount equal to 40% of estimated cost put to tender,

   or

   Two similar completed works, costing not less than the amount equal to 60% of the estimated cost put to tender

   or

   One similar completed work of aggregate cost not less than the amount equal to 80% of the estimated cost.

   (C) Para 2(b) of the Invitation for bid, and 7.2 of Section-II

   Turnover: Average annual financial turn over on construction works should be at least 50% of the estimated cost during the immediate last 3 consecutive financial year.

   (D) Para 2(c) of the Invitation for bid to pre-qualify, and 7.3 of Section – II

   Profit/loss : The date to be filled in this column should be 31st March of the previous financial year.

   (E) Para 2(d) of the Invitation for bid, and 7.5 of Section – II

   Solvency Certificate: Solvency of the amount equal to 40% of the estimated cost of the work.

   (F) Para 7.8 of Section – II

   Performance reports: The performance report of the contractor, to be obtained by him from client/ Executive Engineer in sealed cover and enclosed with the eligibility criteria document, should be on Form 'E'. Before taking a final decision in the matter, the authority competent for approval of technical bid or the evaluation committee constituted by him or any other representative of his, shall inspect the works of those bidders who otherwise pre-qualify, or confidentially obtain reports from their client/ Executive Engineer.

   (G) Para 8.1.2 of Section –II

   Scoring Method of Evaluation : The scoring for evaluation mentioned in this column shall be done as given in Annexure-I. This should be made part of the tender documents.

2. For all works eligibility criteria shall be based on above guidelines. However, the Chief Engineer may insert experience of particular categories of items like stone work, metal false ceiling, basements, form works etc., as an additional condition.
3. The above criteria shall be applicable for normal Civil & Electrical Works in CPWD.

ANNEXURE-I OF APPENDIX - 20

CRITERIA FOR EVALUATION OF THE PERFORMANCE OF CONTRACTORS FOR PRE-ELIGIBILITY

	Attributes	Evaluation
(a)	Financial strength **(20 marks)** (i) Average annual turnover 16 marks (ii) Solvency Certificate 4 marks	(i) 60% marks for minimum eligibility criteria (ii) 100% marks for twice the minimum eligibility criteria or more In between (i) & (ii) – on pro-rata basis
(b)	Experience in similar class of works **(20marks)**	(i) 60% marks for minimum eligibility criteria (ii) 100% marks for twice the minimum eligibility criteria or more In between (i) & (ii) – on pro-rata basis
(c)	Performance on works (time over run) **(20 marks)**	

	Parameter	Calculation For points	Score				Maximum Marks
		If TOR =	1.00	2.00	3.00	>3.50	20
	(i) Without levy of compensation		20	15	10	10	
	(ii) With levy of compensation		20	5	0	-5	
	(iii) Levy of compensation not decided		20	10	0	0	

TOR = AT/ST, where AT=Actual Time; ST=Stipulated Time.

Note: Marks for value in between the stages indicated above is to be determined by straight line variation basis.

(d)	Performance of works (Quality)	**(15 marks)**
	(i) Very Good	15
	(ii) Good	10
	(iii) Fair	5
	(iv) Poor	0
(e)	Personnel and Establishment	**(Max. 10 marks)**
	(i) Graduate Engineer	3 marks for each
	(ii) Diploma holder Engineer	2 marks for each upto Max.4 marks
	(iii) Supervisory/Foreman	1 mark for each upto Max. 3 marks
(f)	Plant & Equipment	**(Max. 15 marks)**
	(i) Hopper Mixer	1 mark for each upto Max. 2 marks

(ii)	Truck/Tippers/Transit mixer	1 mark for each upto Max. 2 marks
(iii)	Steel shuttering	2 marks for each 800sqm upto maximum 4 marks
(iv)	Tower Crane	2 marks for each upto Max. 4 marks
(v)	Building Hoist	1 mark for each upto Max. 2 marks
(vi)	Excavator	1 mark for each upto Max. 2 marks
(vii)	Batch Mix Plant	2 marks for each upto Max. 4 marks
(viii)	Tendom Roller	1 mark for each upto Max. 2 marks
(ix)	Vibration Compactor	1 mark for each upto Max. 2 marks
(x)	Paver Finisher	2 marks for each upto Max.4 marks
(xi)	Hot Mix Plant	2 marks for each upto Max. 4 marks
(xii)	Special Equipment	(Marks to be fixed as per requirement)

Note: Above marking system for plants and equipments may be modified suitably by NIT approving authority depending upon type of plants and equipments required for the work.

Press Notice

Central Public Works Department

Invitation for Bid

1. The Executive Engineer …… on behalf of the President of India invites the bids from firms/contractors of repute in two/three* envelope system for the following work:

Sl. No.	Name of work	Estimated cost	Period of completion

2. Contractors who fulfil the following requirements shall be eligible to apply. Joint ventures are not accepted.
   (a) Should have satisfactorily completed three similar works each costing Rs……., or completed two similar works each costing Rs……,or completed one similar work costing Rs……. of the following nature during the last five years ending last day of the month …… .
   (b) Should have had average annual financial turn over of Rs. …… on construction works during the last three years ending 31st March …… .
   (c) Should not have incurred any loss in more than two years during the last five years ending 31st March …… .
   (d) Should have a solvency of Rs. …… .
   (Not required if applicant is a class I (Civil) registered contractor of CPWD)*****
3. Bid documents consisting of plans, specifications, the schedule of quantities of the various classes of work to be done and the set of terms and conditions of contract to be complied with by the contractor whose bid may be accepted and other necessary documents can be seen in the office of the ……between hours of 11.00 AM and 4.00 PM from …… to……..every day except on Sundays and Public Holidays. Bid documents, excluding standard form will be issued from his office, during the hours specified above, on payment of the following
   (i) Rs……. ……in cash as cost of bid and

(ii) Earnest money of Rs……. in cash (upto Rs.10,000/- Receipt/ Treasury Challan/ Deposit at call receipt of a schedule bank/fixed deposit receipt of a schedule bank/demand draft of a scheduled bank issued in favour of …….. A part of Earnest money is acceptable in the form of Bank Guarantee also. In such case, 50% of earnest money or Rs. 20 lakh whichever is less will have to be deposited in shape prescribed above and balance in shape of Bank Guarantee.

4**. Application supported by prescribed annexure and the financial bid shall be placed in separate sealed envelopes each marked "Eligibility Documents" and "Financial bid" respectively. Both the envelopes shall be submitted together in another sealed envelope. The bids will be received upto 3.00 PM on ……. The envelope marked "Eligibility Documents" shall be opened by the Executive Engineer or his authorized representative in his office on the same day at 3.30 PM. The time and date of opening of financial bid shall be communicated at a later date.

(i) Pre Bid conference shall be held in the chamber of …… at ……. on …… to clear the doubt of intending tenderers, if any.

(ii) The department reserves the right to reject any prospective application without assigning any reason and to restrict the list of qualified contractors to any number deemed suitable by it, if too many bids are received satisfying the laid down criterion.

* May be struck off for works with estimated cost more than Rs. 25 crore.

** Para 4 above be modified suitably for three envelope system.

Executive Engineer
……..

SECTION I

BRIEF PARTICULARS OF THE WORK

1. Salient details of the work for which bids are invited are as under:

Sl.no.	Name of work	Estimated cost	Period of completion

2. The work is situated at ……..
3. General features and major components of the work are as under:
   (i)
   (ii)
   (iii)
   (iv)
4. Work shall be executed according to General Conditions of Contract for Central P.W.D. Works available separately at printer's outlets. The bidder may obtain the address of the outlets from the Executive Engineer.

SECTION II
INFORMATION & INSTRUCTIONS FOR BIDDERS

1.0 General :

1.1 Letter of transmittal and forms for deciding eligibility are given in Section III.

1.2 All information called for in the enclosed forms should be furnished against the relevant columns in the forms. If for any reason, information is furnished on a separate sheet, this fact should be mentioned against the relevant column. Even if no information is to be provided in a column, a "nil" or "no such case" entry should be made in that column. If any particulars/query is not applicable in case of the bidder, it should be stated as "not applicable". The bidders are cautioned that not giving complete information called for in the application forms or not giving it in clear terms or making any change in the prescribed forms or deliberately suppressing the information may result in the bid being summarily disqualified. Bids made by telegram or telex and those received late will not be entertained.

1.3 The bid should be type-written. The bidder should sign each page of the application.

1.4 Overwriting should be avoided. Correction, if any, should be made by neatly crossing out, initialing, dating and rewriting. Pages of the eligibility criteria document are numbered. Additional sheets, if any added by the contractor, should also be numbered by him. They should be submitted as a package with signed letter of transmittal.

1.5 References, information and certificates from the respective clients certifying suitability, technical knowledge or capability of the bidder should be signed by an officer not below the rank of Executive Engineer or equivalent.

1.6 The bidder may furnish any additional information which he thinks is necessary to establish his capabilities to successfully complete the envisaged work. He is, however, advised not to furnish superfluous information. No information shall be entertained after submission of eligibility criteria document unless it is called for by the Employer.

1.7 Any information furnished by the bidder found to be incorrect either immediately or at a later date, would render him liable to be debarred from tendering/taking up of work in CPWD. If such bidder happens to be enlisted contractor of any class in CPWD, his name shall also be removed from the approved list of contractors.

2.0 Definitions:

2.1 In this document the following words and expressions have the meaning hereby assigned to them.

2.2 Employer: Means the President of India, acting through the Executive Engineer …….

2.3 Bidder: Means the individual, proprietary firm, firm in partnership, limited company private or public or corporation.

2.4 "Year" means "Financial Year" unless stated otherwise.

3.0 Method of application:

3.1 If the bidder is an individual, the application shall be signed by him above his full type written name and current address.

3.2 If the bidder is a proprietary firm, the application shall be signed by the proprietor above his full typewritten name and the full name of his firm with its current address.

3.3 If the bidder is a firm in partnership, the application shall be signed by all the partners of the firm above their full typewritten names and current addresses, or, alternatively, by a partner holding power of attorney for the firm. In the later case a certified copy of the power of attorney should accompany the application. In both cases a certified copy of the partnership deed and current address of all the partners of the firm should accompany the application.

3.4 If the bidder is a limited company or a corporation, the application shall be signed by a duly authorized person holding power of attorney for signing the application accompanied by a copy of the power of attorney. The bidder should also furnish a copy of the Memorandum of Articles of Association duly attested by a Public Notary.

4.0 Final decision making authority.

The employer reserves the right to accept or reject any bid and to annul the process and reject all bids at any time, without assigning any reason or incurring any liability to the bidders.

5.0 Particulars provisional

The particulars of the work given in Section I are provisional. They are liable to change and must be considered only as advance information to assist the bidder.

6.0 Site visit

The bidder is advised to visit the site of work, at his own cost, and examine it and its surroundings to himself collect all information that he considers necessary for proper assessment of the prospective assignment.

7.0 Initial criteria for eligibility

7.1 The bidder should have satisfactorily completed three works each costing Rs…… or two works each costing Rs……or one work costing Rs…… of the following nature during the last five years ending last day of the month …… . For this purpose, 'cost of work' shall mean gross value of the completed work including the cost of materials supplied by the Government / Client, but excluding those supplied free of cost. This should be certified by an officer not below the rank of Executive Engineer / Project Manager or equivalent.

7.2 The bidder should have had average annual financial turn over (gross) of Rs…….. on Civil / Electrical construction works during the immediate last three consecutive financial years. This should be duly audited by a Chartered Accountant. Year in which no turnover is shown would also be considered for working out the average.

7.3 The bidder should not have incurred any loss in more than two years during the immediate last five consecutive financial years, duly certified by the Chartered Accountant.

7.4 The bidding capacity of the contractor should be equal to or more than the estimated cost of the work put to tender. The bidding capacity shall be worked out by the following formula:

Bidding Capacity = [AxNx2]-B

Where,

A = Maximum value of construction works executed in any one year during the last five years taking into account the completed as well as works in progress.

N = Number of years prescribed for completion of work for which bids has been invited.

B = Value of existing commitments and on going works to be completed during the period of completion of work for which bids have been invited.

7.5 The bidder should have a solvency of Rs. …….. certified by his Bankers.

7.6 The bidder should own constructions equipment as per list required for the proper and timely execution of the work. Else, he should certify that he would be able to manage the equipment by hiring etc., and submit the list of firms from whom he proposes to hire.

7.7 The bidder should have sufficient number of Technical and Administrative employees for the proper execution of the contract. The bidder should submit a list of these employees stating clearly how these would be involved in this work.

7.8 The bidder's performance for each work completed in the last five years and in hand should be certified by an officer not below the rank of Executive Engineer or equivalent and should be obtained in sealed cover.

8.0 Evaluation criteria

8.1 The detailed submitted by the bidders will be evaluated in the following manner:

8.1.1 The initial criteria prescribed in para 7.1 to 7.5 above in respect of experience of similar class of works completed, bidding capacity and financial turn over etc. will first be scrutinized and the bidder's eligibility for the work be determined.

8..1.2 The bidders qualifying the initial criteria as set out in para 7.1 to 7.5 above will be evaluated for following criteria by scoring method on the basis of details furnished by them.

(a)	Financial strength (Form 'A' & 'B')	Maximum 20 marks
(b)	Experience in similar nature of work during last five years (Form 'C')	Maximum 20 marks
(c)	Performance on works (Form 'E') – Time over run	Maximum 20 marks
(d)	Performance on works (Form 'E') – Quality	Maximum 15 marks
(e)	Personnel and Establishment (Form "F"&"G")	Maximum 10 marks
(f)	Plant & Equipment (Form "H")	Maximum 15 marks
	Total	**100 marks**

To become eligible for short listing the bidder must secure at least fifty percent marks in each and sixty percent marks in aggregate.

The department, however, reserves the right to restrict the list of such qualified contractors to any number deemed suitable by it.

8.2 Even though any bidder may satisfy the above requirements, he would be liable to disqualification if he has:

(a) made **misleading or false representation or deliberately suppressed the information** in the forms, statements and enclosures required in the eligibility criteria document,

(b) record of poor performance such as abandoning work, not properly completing the contract, or financial failures / weaknesses etc.

9.0 Financial information

Bidder should furnish the following financial information:

Annual financial statement for the last five year in(Form "A") and solvency certificate in (Form "B")

10.0 Experience in works highlighting experience in similar works

10.1 Bidder should furnish the following:

(a) List of all works of similar nature successfully completed during the last five years in (Form "C").

(b) List of the projects under execution or awarded in (Form "D").

10.2 Particulars of completed works and performance of the bidder duly authenticated/certified by an officer not below the rank of Executive Engineer or equivalent should be furnished separately for each work completed or in progress in (Form "E").

10.3 Information in (Form "D") should be complete and no work should be left out.

11.0 Organisation information

Bidder is required to submit the information in respect of his organization in Forms "F" & "G"

12.0 Construction plant and equipment

Bidder should furnish the list of construction plant and equipment including steel shuttering, centering and scaffolding to be used in carrying out the work. (in Form "H"). Details of any other plant & equipment required for the work not included in Form "F" and available with the applicant may also be indicated.

13.0 Letter of transmittal

The bidder should submit the letter of transmittal attached with the document.

14.0 Opening of Price bid

After evaluation of applications, a list of short listed agencies will be prepared. Thereafter the financial bids of only the qualified and technically acceptable bidders shall be opened at the notified time, date

and place in the presence of the qualified bidders or their representatives. The validity of the tenders shall be reckoned from the date of opening of the price bids. The price bids shall be opened within 30 days of the date of receipt of tenders.

15.0 Award criteria

15.1 The employer reserves the right, without being liable for any damages or obligation to inform the bidder, to:

(a) amend the scope and value of contract to the bidder.

(b) Reject any or all the applications without assigning any reason.

15.2 Any effort on the part of the bidder or his agent to exercise influence or to pressurize the employer would result in rejection of his bid. Canvassing of any kind is prohibited.

SECTION III
INFORMATION REGARDING ELIGIBILITY
LETTER OF TRANSMITTAL

From:

To

The Executive Engineer

……

Subject: Submission of bids for the work of ……

Sir,

Having examined the details given in press notice and bid document for the above work, I/we hereby submit the relevant information.

1. I/we hereby certify that all the statement made and information supplied in the enclosed forms A to H and accompanying statement are true and correct.
2. I/we have furnished all information and details necessary for eligibility and have no further pertinent information to supply.
3. I/we submit the requisite certified solvency certificate and authorize the Executive Engineer ……..to approach the Bank issuing the solvency certificate to confirm the correctness thereof. I/we also authorize Executive Engineer …… to approach individuals, employers, firms and corporation to verify our competence and general reputation.
4. I/we submit the following certificates in support of our suitability, technical knowledge and capability for having successfully completed the following works:

Name of work

Certificate from

Enclosures:

Seal of bidder

Date of submission:

Signature(s) of Bidder(s).

FORM 'A'

FINANCIAL INFORMATION

I. Financial Analysis – Details to be furnished duly supported by figures in balance sheet/ profit & loss account for the last five years duly certified by the Chartered Accountant, as submitted by the applicant to the Income Tax Department (Copies to be attached).

Years

(i) Gross Annual turn over on construction works.
(ii) Profit/Loss.

II. Financial arrangements for carrying out the proposed work.
III. Solvency Certificate from Bankers of the bidder in the prescribed Form "B".

Signature of Chartered Accountant with Seal Signature of Bidder(s).

FORM "B"
FORM OF BANKERS' CERTIFICATE FROM A SCHEDULED BANK

This is to certify that to the best of our knowledge and information that M/s./ Sh……having marginally noted address, a customer of our bank are/is respectable and can be treated as good for any engagement upto a limit of Rs…… (Rupees……..)

This certificate is issued without any guarantee or responsibility on the bank or any of the officers.

(Signature)
For the Bank

NOTE (1) Bankers certificates should be on letter head of the Bank, sealed in cover addressed to tendering authority.
(2) In case of partnership firm, certificate should include names of all partners as recorded with the Bank.

FORM 'C'
DETAILS OF ALL WORKS OF SIMILAR CLASS COMPLETED DURING THE LAST FIVE YEARS ENDING LAST DAY OF THE MONTH …….

S. No.	Name of work/project and location	Owner or sponsoring organization	Cost of work in crores of rupees	Date of commencement as per contract	Stipulated date of completion	Actual date of completion	Litigation/ arbitration cases pending/ in progress with details*	Name and address/ telephone number of officer to whom reference may be made	Remarks
1	2	3	4	5	6	7	8	9	10

***** Indicate gross amount claimed and amount awarded by the Arbitrator.

Signature of Bidder(s)

FORM 'D'
PROJECTS UNDER EXECUTION OR AWARDED

S.No.	Name of work/project and location	Owner or sponsoring organization	Cost of work in crores of rupees	Date of commencement as per contract	Stipulated date of completion	Upto date percentage progress of work	Slow Progress if any and reasons thereof	Name and address/ telephone number of officer to whom reference may be made	Remarks
1	2	3	4	5	6	7	8	9	10

Certified that the above list of works is complete and no work has been left out and that the information given is correct to my knowledge and belief.

Signature of Bidder(s)

FORM 'E'

PERFORMANCE REPORT OF WORKS REFERRED TO IN FORMS "B" & "C"

1. Name of work/project & location
2. Agreement no.
3. Estimated cost
4. Tendered cost
5. Date of start
6. Date of completion
   (i) Stipulated date of completion
   (ii) Actual date of completion
7. Amount of compensation levied for delayed completion, if any
8. Amount of reduced rate items, if any
9. Performance Report

(1) Quality of work	Very Good/Good/Fair/Poor
(2) Financial soundness	Very Good/Good/Fair/Poor
(3) Technical Proficiency	Very Good/Good/Fair/Poor
(4) Resourcefulness	Very Good/Good/Fair/Poor
(5) General Behaviour	Very Good/Good/Fair/Poor

Dated: Executive Engineer or Equivalent

FORM "F"
STRUCTURE & ORGANISATION

1. Name & address of the bidder
2. Telephone no./Telex no./Fax no.
3. Legal status of the bidder (attach copies of original document defining the legal status)
   (a) An Individual
   (b) A proprietary firm
   (c) A firm in partnership
   (d) A limited company or Corporation
4. Particulars of registration with various Government Bodies (attach attested photocopy)

Organisation/Place of registration	**Registration No.**
1.	
2.	
3.	

5. Names and titles of Directors & Officers with designation to be concerned with this work.
6. Designation of individuals authorized to act for the organization
7. Was the bidder ever required to suspend construction for a period of more than six months continuously after he commenced the construction? If so, give the name of the project and reasons of suspension of work.
8. Has the bidder, or any constituent partner in case of partnership firm, ever abandoned the awarded work before its completion? If so, give name of the project and reasons for abandonment.
9. Has the bidder, or any constituent partner in case of partnership firm, ever been debarred/black listed for tendering in any organization at any time? If so, give details

10. Has the bidder, or any constituent partner in case of partnership firm, ever been convicted by the court of law? If so, give details.
11. In which field of Civil Engineering construction the bidder has specialization and interest?
12. Any other information considered necessary but not included above.

Signature of Bidder(s)

FORM 'G'
DETAILS OF TECHNICAL & ADMINISTRATIVE PERSONNEL TO BE EMPLOYED FOR THE WORK

S.No.	Designation	Total number	Number available for this work	Name	Qualifications	Professional experience and details of work carried out	How these would be involeved in this work	Remarks
1	2	3	4	5	6	7	8	9

Signature of Bidder(s)

FORM 'H'
DETAILS OF CONSTRUCTION PLANT AND EQUIPMENT LIKELY TO BE USED IN CARRYING OUT THE WORK

S.No.	Name of equipment	Nos.	Capa-city or type	Age	Condition	Ownership status			Current location	Remarks
						Prese-ntly owned	Leased	To be purch-ased		
1	2	3	4	5	6	7	8	9	10	11
Earth moving equipment 1. Excavators (various sizes) **Equipment for hoisting & lifting** 1. Tower 2. Builder's hoist **Equipment for concrete work** 1. Concrete batching plant 2. Concrete pump 3. Concrete transit mixer 4. Concrete mixer (diesel) 5. Concrete mixer (electrical) 6. Needle vibrator (electrical)										

S.No. Name of equipment	Nos.	Capa-city or type	Age	Condition	Ownership status			Current location	Remarks
					Prese-ntly owned	Leased	To be purch-ased		
1 2	3	4	5	6	7	8	9	10	11
7. Needle vibrator (petrol) 8. Table vibrator (elect./ petrol) **Equipment for building work** 1. Block making machine 2. Bar bending machine 3. Bar cutting machine 4. Wood thickness planer 5. Drilling machine 6. Circular saw machine 7. Welding generators 8. Welding transformer 9. Cube testing machines 10. M.S. Pipes 11. Steel shuttering 12. Steel scaffolding 13. Grinding/polishing machines **Equipment for road work** 1. Road rollers 2. Bitumen paver 3. Hot mix plant 4. Spreaders 5. Earth rammers 6. Vibratory road rollers **Equipment for transportation** 1. Tippers 2. Trucks **Pneumatic equipment** 1. Air compressor (diesel) **De-watering equipment** 1. Pump (diesel) 2. Pump (electric) **Power equipment** 1. Diesel generators (Any other plant/equipment)									

Signature of Bidder(s)

NOTE: ABOVE LIST MAY BE MODIFIED SUITABLY BY NIT APPROVING AUTHORITY CONFORMING TO MARKING CRITERIA GIVEN AT ANNEXURE – I.

APPENDIX – 21

[Reference para 17.1]

APPLICATION FORM

To

The Executive Engineer,
……. Division,

Subject: Purchase of Tender documents

Sir,

*I/We am/are registered with the CPWD as Class …….. contractor/contractors and our Registration no. is …… It is certified that the said registration is valid as on date ……..

2. *I/We am/are not registered with CPWD.
3. *I/We am /are registered contractor(s) with MES/Railways/P&T/State PWD also.
   Particular of the Authority, class and tender amount/limit upto which I/we am/are eligible to tender are furnished below:

Authority	Class	Tendering limit

It is certified (confirmed) that this registration/these registrations is/are valid as on date and we shall inform the department ourselves as soon as my / our registration expires or is cancelled/revoked.

The particulars of work done are furnished/enclosed (for State PWD contractors)

*I/We request that permission may be granted to me/us for the purchase of tender document for the work of ……

Your faithfully,

(Contractor)*

(*Strike out inapplicable portion)

APPENDIX – 22

[Reference para 17.2.3)

SAMPLE GUARANTEE BOND

This agreement made this ..... day of .....two thousand.....between M/s ..... (hereinafter called the Guarantor of the one part) and the..... (President of India hereinafter called the Government of the other part).

Whereas this agreement is supplementary to the contract (hereinafter called the Contract) dated ..... made between the Guarantor of the one part and Government of the other part, whereby the Contractor, inter alia, undertook to render the buildings and structures in the said Contract recited, completely termite-proof/water and leak-proof.

And whereas the Guarantor agreed to give a guarantee to the effect that the said structure will remain termite-proof for ten years to be reckoned from the date after the maintenance period prescribed in the contract expires.

During this period of guarantee the Guarantor shall make good all defects and for that matter, shall replace at his risk and cost such wooden members as may be damaged by termites, and in case of any other defect being found he shall render the building termite-proof at his cost to the satisfaction of the Engineer-in-charge, and shall commence the works of such rectification within seven days from date of issuing notice from the Engineer-in-charge calling upon him to rectify the defects, failing which the work shall be got done by the Department by some other Contractor at the Guarantor's cost and risk, and in the later case the decision of the Engineer-in-charge as to the cost recoverable form the Guarantor shall be final and binding.

That if the Guarantor fails to execute the anti-termite treatment or commits breaches hereunder then the Guarantor will indemnify principal and his successors against all loss, damage, cost, expense or otherwise which may be incurred by him by reason of any default on the part of the Guarantor in performance and observance of this supplemental agreement. As to the amount of loss and/or damage and/or cost incurred by the Government, the decision of the Engineer-in-charge will be final and binding on the parties.

In witness whereof these presents have been executed by the Obligor ..... and by ..... for and on behalf of the President of India on the day, month and year first above written.

Signed, sealed and delivered by OBLIGOR in the presence of –

1.

2.

Signed for and on behalf of THE PRESIDENT OF INDIA by …….…….....…… in the presence of.

1.

2.

APPENDIX – 23

(Reference para 19.4.1)

TIME SCHEDULE FOR SCRUTINY OF TENDERS

Sl. no.	Classification of tenders	Maximum time allowed for scrutiny and disposal in days				CW Board (if concerned)
		AE	EE	SE	CE	
1.	2	3	4	5	6	7
1.	Tenders within the powers of AE to award	7	-	-	-	-
2.	Tenders within the powers of EE to award	-	15		-	-
3.	Tenders to be accepted by SE	-	7	15	-	-
4.	Tenders to be accepted by CE	-	7	5*	20	-
5.	Tenders to be accepted by ADG/DGW/CW Board	-	7	5*	15	15

Note:

1. The time schedule given above relates to tenders other than lump-sum tenders. For the latter type of tenders, two days more may be allowed at each stage.
2. Period indicated above is in working days.
3.* The SE will send his recommendation in the matter to the CE within 5 days of receipt of copy of tender papers from EE.
4. In case of composite tender the EE while forwarding the tender to the Chief Engineer will send a copy of comparative statement of schedule related to other disciplines to the concerned EE and SE, who will send their recommendation along with justified rates etc. to the Chief Engineer within 5 working days of receipt of the paper.

APPENDIX – 24

(Reference-para 19.7.2)

CENTRAL PUBLIC WORKS DEPARTMENT

..... Zone

MEMO FORWARDING TENDERS TO CENTRAL WORKS BOARD

1. Name of Work
2. Committed date of completion of the work (Project) based on PE & A/A & E/S .....

3. Ref. to administrative approval and expenditure sanction
   (i) Authority ……
   (ii) No. & date .....
   (iii) Amount ……
   (iv) Corresponding amount available for the work included in the present tender .....
   (v) Total No. of packages
   (vi) Details of other packages

Package Number	Contents of Package	Corresponding amount available	Status including amount of work awarded

4. Position of balance items of works/Projects (Not included in the tender) as per A/A & E/S in the following format.

Sl. No.	Description of sub-head/items	Amount as per A/A & E/S	Present Status

5. Ref. to technical sanction
   (i) Scope of work ……
   (ii) Authority .....
   (iii) No. & date .....
   (iv) Amount ……
6. Scope of work for which tenders have been called for, clearly indicating the items omitted from the sanctioned estimate and how the omitted items shall be executed.
7. Ref. to approval of N.I.T.
   (i) Authority ……
   (ii) No. & date ……
   (iii) Estimated amount put to tender .....
8. Ref. to publicity:
   (i) Date on which notice inviting tenders was placed on notice board in Divisional Office .....
   (ii) Date on which it was circulated to other offices .....
   (iii) Name of newspapers (with date) in which the notice inviting tenders was actually advertised. .....
9. (i) The date and time at which tenders were due to be received in Divisional Office .....

(ii) Postponed date and time, if any .....
(iii) Reasons for postponement .....
(iv) Reference to publicity in regard to postponement of tenders .....

10. The date from which tenders were available for sale to contractors .....
11. Particulars of contractors to whom tenders were sold. Quote authority for issue of tenders to contractors not eligible to tender in remarks column.

Name of contractor	Class in which registered	Department in which enlisted	Date of issue of tenders	Remarks
1	2	3	4	5
(i) (ii) (iii) (iv) (v)				

12. Opening of tenders
    (i) Date and time at which tenders were due to be opened .....
    (ii) (a) Date and time at which tenders were actually opened .....
    (b) Name & designation of officer who actually opened the tenders .....
    (iii) Name of contractors present at time of opening of tenders .....
    (iv) Name and designation of any other person present .....
    (v) Have all the contractors deposited earnest money in proper form?

13. List of persons who tendered for the job, with their tendered amount

Name of contractor	Tendered amount percentage above or below	Net tendered amount after negotiations, if any
1	2	3

14. Justified percentage as worked out by CE .....
15. Date on which validity/extended validity of tender of lowest expires .....
16. Important information
    (i) Availability of site .....
    (ii) Availability of stipulated materials .....
    (iii) Approval to layout plan .....
    (iv) Approval to buildings plan clearance from DUAC/Local body .....
    (v) Comment on the capabilities of lowest tenderer including financial and technical resources .....
    (vi) List of works in hand with lowest tenderer indicating the name of works, tendered amount, date of start, stipulated period, progress made, and remarks .....
    (vii) Is this the first call of tenders? If not, details of previous calls and results .....
    (viii) Status of Architectural working drawings and programme of same .....
    (ix) Status of structural drawings and programme of same .....

(x) Status of services drawings and programme of same ……

(a) Internal Electrical Installation.
(b) Internal Water Supply and Sanitary.
(c) External Electrical services.
(i) Street light cabling.
(ii) Sub station Equipments
(d) External Water Supply and Sanitary Lines/Installations.
(e) Fire Fighting System including fire alarm system.
(f) Lifts, Air Conditioning
(g) Sewerage treatment Plant.
(h) Water treatment plant.

(xi) Time period of completion of
a. the total Project ……
b. the work ……

(xii) Availability of funds ……

(xiii) Justification ……

(xiv) Any other information* ……

17. Reference to forwarding of tenders by the Executive Engineer to the Chief Engineer no. and date ……
……

18. Date of receipt of tenders and date of forwarding the same or date of forwarding of comments and justification for sub works in case of composite tender to the next authority/CE.

	Date of receipt	Date of forwarding to higher office.
(a) EE (Civil)	……	……
(b) EE (Elect)	……	……
(c) SE (Civil)	……	……
(d) SE (Elect)	……	……

19. Plant/Equipment required for each activities as assessed by CE and minimum requirement indicated in tender/or during negotiation.

20. Details of milestones of activity (not included in tender for withholding payment but for execution of project).

Details of milestones.

Sl. No.	Description of milestones	Time allowed in days (from date of start)	Amount to be withheld in case of non achievement of milestones.

21. Recommendations of Chief Engineer

Shri……
Secretary, Central Works Board,
U.O. No…… Chief Engineer

* Details of tenders for similar works in the nearby area accepted in the past.

APPENDIX – 25

(Reference para 21.5)

GUARANTEE TO BE EXECUTED BY CONTRACTORS FOR REMOVAL OF DEFECTS AFTER COMPLETION IN RESPECT OF WATER PROOFING WORKS

The Agreement made this ..... day of ..... two thousand and ..... between ..... son of ..... of ..... (hereinafter called the Guarantor of the one part) and the PRESIDENT OF INDIA (hereinafter called Government of the other part).

WHEREAS this agreement is supplementary to a contract (hereinafter called the Contract) dated ..... and made between the GUARANTOR of the one part and the Government of the other part, whereby the Contractor, *inter alia*, undertook to render the buildings and structures in the said contract recited completely water and leak-proof.

AND WHEREAS GUARANTOR agreed to give a guarantee to the effect that the said structures will remain water and leak-proof for five years from the date of giving of water proofing treatment.

NOW THE GUARANTOR hereby guarantees that water proofing treatment given by him will render the structures completely leak-proof and the minimum life of such water proofing treatment shall be five years to be reckoned from the date after the maintenance period prescribed in the contract.

Provided that the guarantor will not be responsible for leakage caused by earthquake or structural defects or misuse of roof or alteration and for such purpose:

(a) Misuse of roof shall mean any operation which will damage proofing treatment, like chopping of firewood and things of the same nature which might cause damage to the roof;
(b) Alteration shall mean construction of an additional storey or a part of the roof or construction adjoining to existing roof whereby proofing treatment is removed in parts;
(c) The decision of the Engineer-in-Charge with regard to cause of leakage shall be final.

During this period of guarantee the guarantor shall make good all defects and in case of any defect being found, render the building water-proof to the satisfaction of the Engineer-in-Charge at his cost, and shall commence the work for such rectification within seven days from the date of issue of the notice from the Engineer-in-Charge calling upon him to rectify the defects, failing which the work shall be got done by the Department by some other contractor at the GUARANTOR'S cost and risk. The decision of the Engineer-in-Charge as to the cost, payable by the Guarantor shall be final and binding.

That if GUARANTOR fails to execute the water proofing or commits breach thereunder then the GUARANTOR will indemnify the Principal and his successors against all loss, damage, cost, expense or otherwise which may be incurred by him by reason of any default on the part of the GUARANTOR in performance and observance of this supplementary agreement. As to the amount of loss and/or damage and/or cost incurred by the Government the decision of the Engineer-in-Charge will be final and binding on the parties.

IN WITNESS WHEREOF these presents have been executed by the Obligor ..... and by ..... and for and on behalf of the PRESIDENT OF INDIA on the day, month and year first above written.

Signed, sealed and delivered by OBLIGOR in the presence of—

1.
2.

Signed for and on behalf of THE PRESIDENT OF INDIA by ..... in the presence of—

1.
2.

APPENDIX – 26

(Reference-para 22.6)

FORM OF SUPPLEMENTARY AGREEMENT

This Agreement made this day the ..... 20..... between ..... hereinafter called the First Party which expression shall include his heirs, executors and administrators/their successors and assigns and the President of India, hereinafter called the Second Party, which expression shall include his successors and assigns, shown as under :

(1) That this Agreement shall be called as Supplementary Agreement to the Agreement No. ..... relating to the construction of ..... entered into by the parties to this Agreement.

(2) That WHEREAS the First Party has substantially completed the execution of the work described in and covered by the Agreement No. ..... except the items mentioned in the Schedule annexed to this Agreement and whereas the items of the work mentioned in the Schedule annexed to this agreement cannot now be executed on account of non completion of the sanitary work, electric installation and some other work; and whereas both the parties are desirous that the items mentioned in the Schedule annexed to this Agreement should be executed by the First Party after the completion of the sanitary work, electric installation and some other work, it is hereby further agreed as under :

(a) That First Party shall and will execute the work covered by the items mentioned in the Schedule annexed to this Agreement at the rates and as per the terms and conditions of the original Agreement No. ..... whatsoever called upon to do so by the Engineer-in-Charge, within a period of one year from the date hereof.

(b) That the First Party shall have absolutely no claim of whatsoever nature against the Second Party for doing the work mentioned in the Schedule annexed to this Agreement as required under clause (a) above, except that which he would be entitled to under the original Agreement No. .....

(c) That the First Party shall have to execute all the items which the Engineer-in-charge consider necessary.

(d) That the First Party shall start with the work of the remaining items mentioned in the Schedule annexed to this Agreement within ..... days from ..... on the receipt of a letter to the effect from the Engineer-in-Charge or from any date fixed in the said letter and shall complete the said work within the time fixed by the Engineer-in-Charge or as extended by him from time to time.

(e) That on the due execution and completion of this Agreement by the parties, the bill of the First Party in relation to the work already done by him under the Original Agreement No. ..... shall be provisionally finalized by the Second Party and payment on account, if any amount due, shall be made to the First Party provided that the Second Party shall have a right to retain such amount as is considered reasonable by him as a security for the execution of the work mentioned in the Schedule annexed to this Agreement and the Second Party shall have right to deal with the said amount of security as he thinks proper under the terms and conditions of the Original Agreement. Further, on the due execution and original completion of this Agreement, the First Party shall be entitled to claim back his security deposit relating to the work in question, subject to the right of the Second Party to retain such amount as he thinks reasonable as mentioned above soon after the maintenance period of three months or six months, as the case may be mentioned in clause of the Original Agreement, is over.

(f) That the final bill relating to the entire work under the two agreements shall be prepared after the completion of the entire work covered by Agreement No. ..... and this Agreement.

(3) Except as modified by this Agreement the said Agreement No. ..... shall remain in full force and effect.

IN WITNESS WHEREOF THE ABOVE MENTIONED PARTIES HAVE PUT THEIR SIGNATURE ON THIS DAY THE .....

APPENDIX - 27

(Reference-para 24.1)

SAMPLE FORM FOR SITE ORDERS BOOK

Name of work ..... Date of commencement/period for completion .....

Sl. no.	Remarks of the Inspecting Officer or Contractor	Action taken and by whom	Remarks
1	2	3	4

APPENDIX-28
[Reference para 25.3.1(2)]
CEMENT REGISTER

Date of receipt	Quantity received	Progres-sive total	Date of issue	Quantity issued	Items of work for which issued	Quantity returned at the end of the day	Total issue	Daily balance at hand	Contr-actor's initial	JE's initial	Remarks AE/EE at periodical checks
1	2	3	4	5	6	7	8	9	10	11	12

APPENDIX – 29

(Reference para 28.5)

FORM OF APPLICATION BY THE CONTRACTOR FOR SEEKING EXTENSION OF TIME

PART - I

1. Name of contractor
2. Name of work as given in the agreement
3. Agreement no.
4. Estimated amount put tender
5. Date of commencement of work as per agreement
6. Period allowed for completion of work as per agreement
7. Date of completion stipulated in agreement
8. Period for which extension of time has been given previously:

	EE's letter no. and date	Extension granted	
		Months	Days
(a) 1st extension …… (b) 2nd extension …….. (c) 3rd extension …….. (d) 4th extension …….. (e) Total extension previously given…..			

9. Reasons for which extension have been previously given (copies of the previous applications should be attached)
10. Period for which extension if applied for
11. Hindrances on account of which extension is applied for with dates on which hindrances occurred and the period for which these are likely to last.
    (a) Serial no.
    (b) Nature of hindrance
    (c) Date of occurrence
    (d) Period for which it is likely to last
    (e) Period for which extension required for this particular hindrance
    (f) Overlapping period if any, with reference to item.
    (g) Net extension applied for
    (h) Remarks, if any.

    Total period on account of hindrances mentioned above……. Months ……. Days
12. Extension of time required for extra work
13. Details of extra work and the amount involved:
    (a) Total value of extra work
    (b) Proportionate period of extension of time based on estimated amount put to tender on account of extra work.
14. Total extension of time required for 11 & 12

    Submitted to the Sub Divisional Officer ……

Signature of contractor
Dated:

APPLICATION FOR EXTENSION OF TIME

PART II

(To be filled in by the Sub-Divisional Office)

1. Date of receipt of application from ……, contractor for the work of ……. in the Sub-Divisional Office
2. Acknowledgement issued by S.D.O. vide his no. ……. dated ……..
3. Remarks of S.D.O. on the reasons given by the contractor are correct and what extension, if any, is recommended by him. If he does not recommend the extension, reasons for rejections should be given.

Signature of Sub-Divisional Officer
Dated

(To be filled in by the Executive Engineer)

1. Date of receipt in the Divisional Office
2. Executive Engineer's remarks regarding hindrances mentioned by the contractor.
   (i) Serial no.
   (ii) Nature of hindrance
   (iii) Date of occurrence
   (iv) Period for which hindrance is likely to last
   (v) Extension of time applied for by the contractor
   (w) Overlapping period, if any, giving reference to items which overlap
   (vii) Net period for which extension is recommended
   (viii) Remarks as to why the hindrance occurred and justification for extension recommended.
3. Executive Engineer's recommendations.

[The present progress of the work should be stated and whether the work is likely to be completed by the date upto which extension has been applied for. If extension of time is not recommended, what compensation is proposed to be levied under Clause 2 of the agreement.]

Signature of
Executive Engineer
Dated

Superintending Engineer's recommendations

Signature of Superintending Engineer
Dated

APPENDIX – 30

(Reference para 28.8)

PROFORMA FOR EXTENSION OF TIME

To

Name ……

Address of the contractor ……..

……

……

Subject:……..

Dear Sir (s),

Reference your letter no. …….. dated ……. in connection with the grant of extension of time for completion of the work …….

The date of completion for the above mentioned work is ……. as stipulated in the agreement dated the ……..

Extension of time for completion of the above mentioned work is granted upto ……. without prejudice to the right of the Government to recover liquidated damages in accordance with the provision of Clause 2 of the said agreement dated the …….

Provided that notwithstanding the extension hereby granted, time is and shall still continue to be the essence of the said agreement.

Yours faithfully

Engineer-in-Charge
For and on behalf of the President of India

APPENDIX – 31
(Reference para 28.12)

PROFORMA FOR INTIMATING THE CONTRACTOR REGARDING LEVY OF COMPENSATION UNDER CLAUSE 2

To

Name……..
Address of the contractor ……....
……
……

Subject:……..

Dear Sir (s),

The date of completion for the above mentioned work was ……. as stipulated in the agreement ……..(here give the number and date etc., of the agreement).

Extension of time for completion of the above mentioned work was granted by the Engineer-in-Charge upto ……. without prejudice to the right of the Government to recover liquidated damages in accordance with the provisions of Clause 2 of the said agreement.

In exercise of the powers conferred on me under Clause 2 of the agreement, I …….. the Superintending Engineer decide and determine that you are liable to pay Rs……. as and by way of compensation as stipulated in Clause 2 of the agreement. The said amount of compensation is hereby levied on you for the period of ……. and at the rate of ……. As determined by me of the estimated cost of the work shown in the agreement and you are hereby called upon to pay the same to the Government within ……..(here mention the period) failing which the said amount shall be recovered by the Government from your security deposit lying with the Government.

Yours faithfully,

Superintending Engineer

APPENDIX – 32

(Reference para 32.3.2)

SHOW CAUSE NOTICE UNDER CLAUSE 3 OF THE AGREEMENT

To

.....
.....

Sub:– Name of work.....
Agreement No……..

Dear Sir (s)

WHEREAS it appears to the undersigned that by reason of your wrongful delay or suspension of work or slow progress, the work entrusted to you under the agreement referred to above will not be completed/ has not been completed within the stipulated/extended date of completion.

Therefore, I, in exercise of the powers conferred on me by the aforesaid agreement, for and on behalf of the President of India, hereby give you notice to show cause within ……. to my satisfaction why an action under sub-clause 3(a) and/or 3(b) of the above agreement will not be taken against you on account of the breach of contract on your part. Please note that in case no cause is shown by you within the stipulated period or the cause shown is not to my satisfaction, I shall take such actions against you as are contemplated under Clause 3 and sub-clauses thereunder of the said agreement and/or other clauses thereof, without further notice.

Yours faithfully

(Designation)
For and on behalf of the President of India

Note: While determining the contract under any of the sub-clause (i) to (vii) of clause 3 for causes other than the causes as mentioned above (viz. wrongful delay or suspension of work or slow progress) suitable modifications may be made.

APPENDIX – 33
(Reference-Para 32.3.2)

NOTICE ON FINAL ACTION UNDER CLAUSE 3 OF THE AGREEMENT

To

……
……..

Subject: Name of work ……..
Agreement no. ……

Dear Sir(s),

Whereas under Clause 3 of the aforesaid agreement the Engineer-in-Charge shall have powers to take action under one or more of the sub-clause 3(a) & 3(c) in the event of delay or suspension in the execution of the aforesaid work by the contractor so that in the opinion of the Engineer-in-Charge (which shall be final and binding) the contractor will be unable to secure completion of the work by the stipulated/have already failed to complete the work by the extended* date of completion, whereas you have delayed/suspended the execution of the aforesaid work and as per the opinion of the undersigned, the Engineer-in-Charge (which is final and binding), you will be unable to secure completion of the work by the stipulated/have already failed to complete the work by the extended* date of completion and, and whereas you were served with a show cause notice in this regard under this office no. ……. dated ……. which has not been replied to the satisfaction of the Engineer-in-Charge by the date specified in the show cause notice, therefore under powers delegated to me under sub-clause 3(a) & 3(c), I …… the Engineer-in-Charge for the aforesaid work under the aforesaid agreement, for and on behalf of the President of India, hereby ---

(a) Determine/rescind the contract as aforesaid upon which determination/rescission your earnest money deposit, security deposit already recovered and Performance Guarantee stand absolutely forfeited to the Government, and
(b) Take out such part of the work out of your hand, as remains unexecuted, for giving it to another contractor to complete the work, and you shall have no claim to compensation for any loss sustained by you by reasons of your having purchased or procured any materials or entered into any engagements or made any advances on account of or with a view to the execution of the work or the performance of the contract. You are also hereby served with notice to the effect that the work executed by you will be measured up on ……. for which you are asked to attend for joint measurement failing which the work will be measured by the department unilaterally in your absence and result of measurement will be final and will be binding on you.

This is without prejudice to Government's right to take action under any other clauses or sub-clauses of the agreement and to realise Government dues and losses and damages whatsoever under such clauses or sub-clauses.

Yours faithfully,

Engineer-in-charge
Executive Engineer
……. Division
for and on behalf of the President of India

*Score out which is not applicable.
Note: While determining the contract under any of the sub-clause (i) to (vii) of clause 3 for causes other than the causes as mentioned above (viz. wrongful delay or suspension of work or slow progress) suitable modifications may be made.

APPENDIX – 34

(Refer para 34.1)

RULES OF ENLISTMENT OF CONTRACTORS IN CPWD, 2005

1.0	**Title:** These rules shall be called the "Rules of Enlistment of Contractors in CPWD, 2005" and shall come into force with effect from the **1st day of May, 2005**
2.0	**Short Title:** Hereinafter these rules shall be referred to as "Enlistment Rules 2005" for the sake of brevity.
2.1	Term' CPWD' whereever occurring, includes PWD (NCTD) and CCU of Ministry of Environment and Forest also
3.0	**Repeal and Saving** 3.1 All rules regarding enlistment/revalidation of contractors in CPWD existing before coming into force of Enlistment Rules 2005 are repealed by Enlistment Rules 2005 . 3.2 Notwithstanding such repeal, the contractors already enlisted on the basis of rules hitherto in force shall continue to enjoy the status of enlisted contractors of CPWD till the period of such enlistment, including revalidation/extension granted before coming into effect of the Enlistment Rules 2005, expires. However, in regard to all other matters and further revalidation of their enlistment, they shall be governed by the Enlistment Rules 2005. 3.3 And also, notwithstanding such repeal, applications as listed below shall be processed on the basis of Enlistment Rules 2001 and amendments issued from time to time and provisionally enlisted/ revalidated if found fit . However, it will be subject to condition as laid down in para 3.3.1 below. (i) Applications for Enlistments received with all required documents on or before 22.11. 04 but not finalized by 30.4.05. (ii) Applications for Revalidation received on or before 1.5.05 but not finalized. (iii) Applications for Revalidation of Enlistment received between 2.5.05 and 30.4.08. 3.3.1 (a) Contractors so enlisted under 3.3.(i) above will have to satisfy the criteria as provided in Enlistment Rules 2005 within 12 months of date of issue of order of provisional enlistment in respect of Banker's certificate, T&P and Engineering Establishment and within 24 months from the date of issue of order of Enlistment in respect of works. (b) The contractors whose enlistment is revalidated under 3.3 (ii) & (iii) above, will have to satisfy the criteria as provided in Enlistment Rules by 31.10.07 in respect of Banker's certificate, T&P and Engineering Establishment and by 30.4.2008 in respect of works as given in para 19 of Enlistment Rules 2005. In case of failure on the part of contractors to satisfy (a) or (b) above, their provisional enlistment/ revalidation will be treated as cancelled. Note 1 – Provision under para 3.3 above i.e. cases to be processed as per Enlistment Rules 2001 relates to eligibility criteria for Enlistment/Revalidation of Enlistment. All other provisions like tendering limit, processing /late fee, disciplinary action etc., shall be applicable as per Enlistment Rules 2005. Note 2 - In cases of revalidation, contractors have to fulfill criteria related to Bankers'/Working capital certificate, T&P and Engineering Establishment by 31.10.07 and criteria related to works by 30.4.2008 as per 'Enlistment Rules 2005'. The revalidation orders issued before 30.4.2008 will be 'Provisional' indicating that continuity beyond these dates will be subject to fulfillment of required criteria as per 'Enlistment Rules 2005'. Note 3 - Enlistment Rules 2001' provided for stage wise revalidation also as per its para 21(ii) & (iii). Provisional revalidation of enlistment shall accordingly continue to be done till the period permitted under para 3.3 of 'Enlistment Rules 2005' with stipulation for up gradation by 31.10.07/30.4.08.

4.0	**Applicability** : CPWD enlists contractors who intend to work with the department. It is done to have a ready list of suitable and competent contractors for CPWD works so as to minimize requirement of verification of credentials of contractors at the time of individual tenders. At the same time only those contractors are allowed to continue in the list that remain active in CPWD and perform well. Any Indian Individual, Sole Proprietorship Firm, Partnership Firm, Public Limited Company or a Private Limited Company may apply for enlistment as a contractor in CPWD under these Rules provided the eligibility criteria and other conditions are satisfied The enlisted contractors have to abide by all the rules made herein and as amended from time to time during the currency of their enlistment.
4.1	No individual, or a firm having such individual as one of the partners, who is a dismissed government servant; or removed from the approved list of contractors; or demoted to lower class; or having business banned/ suspended by any government department in the past; or convicted by a court of law shall be entitled for enlistment.
4.2	No Engineer or any other official employed in Engineering or Administrative duties in the Engineering Department of the Government of India is allowed to work in the CPWD either as contractor or as employee of a contractor for a period of two years after his retirement from Government service unless he has obtained prior permission of Government of India to do so. Even after enlistment, if either the contractor or any of his employees is found to be a person who had not obtained the prior permission of Government of India as aforesaid, the name of the contractor shall be removed from the list of enlisted contractors.
4.3	A contractor is permitted to have enlistment in more than one category and under more than one enlistment authority but not in more than one class of the same category in CPWD.
4.4	A contractor is not permitted to have enlistment in more than one name.
4.5	A partner of a firm or a Director of a company enlisted as a contractor cannot be a partner/ director in any other enlisted firm/company in CPWD.
4.6	A contractor will not be enlisted if it was enlisted in any category or class earlier but had remained inactive in CPWD during its previous enlistment period.
5.	**Scope:** The enlistment of a contractor in CPWD shall only entitle him to be considered for issue of tender papers subject to the conditions laid down in each individual Notice Inviting Tenders. It shall not confer any right on him either to be necessarily issued the tender papers or for award of work.
6.1	**Enlistment Procedure:** The contractor shall have to submit the application in a prescribed form (Annexure – I) to the enlistment authority, complete with all documents as per Annexure-II.
6.2	Incomplete applications and applications not accompanied with necessary documents are liable to be rejected.
6.3	All verification, submission of reports etc are to be pursued by the applicant. Any delay on account of delay in verification, submissions of reports etc will not entitle applicant for any type of enlistment
6.4	The enlistment authority shall have the right to independently verify the details furnished by the contractor and to get works done by the contractor inspected and/or to get such other reports as may be considered necessary.
6.5	If the enlistment authority finds the contractor suitable for enlistment, it shall issue the enlistment order and, otherwise, send a letter of rejection of the application to the contractor. The decision of the enlistment authority shall be final and binding on the contractor.
6.6	The enlisting authority reserves right to limit number of contractors to be enlisted in any class or category on All India/Regional/State/Location basis or any other manner decided by the department.
6.7	Enlistment of contractors in the department may be closed at any point of time. While closing the enlistment, the department may have a reserved list of eligible contractors from the pending applications. Out of this, contractors may be enlisted depending on requirement in a particular area or for the country as a whole.

7.	The **enlistment** shall be valid for a period of **four** years. The enlistment can, however, be revalidated in accordance with rules in this regard. Each **revalidation** shall be for a period of **three** years from the date of expiry of the previous enlistment/revalidation. The enlistment shall be open to review by the enlistment authority and liable to termination, suspension or any other such action at anytime if considered necessary by the enlistment authority, after issue of show cause notice
8.	**Categories & Classes** – The enlistment shall be done in the categories and classes mentioned in Table – 1
9.	**Jurisdiction, Tendering Limits & Location of contractor's office -** The jurisdiction in which contractors enlisted in various categories and classes shall be permitted to tender and the tendering limit upto which they shall be eligible to tender shall be as given in Table-1. Northern Region shall include Delhi Region also. **Tendering limit for different categories and class as per 'Enlistment Rules 2005', will be applicable to all contractors, whether enlisted after or prior to 1.5.05, Registered office of the contractor has to be in the same area as jurisdiction for tendering of class and category in which enlistment is sought.**
9.1	The contractor shall be governed by the provisions existing at a particular point of time irrespective of when he was enlisted.
10.	**Authorities for Enlistment :** Enlistment in different categories and classes shall be done by different authorities. These are identified in Table I.
11.	**Eligibility Criteria** - The contractors shall have to satisfy the minimum eligibility criteria specified in Table – I, before they can be considered for enlistment. All contractors are expected to keep abreast with enlistment/revalidation rules modified from time to time.
11.1	The criterion for experience, in case of enlistment, shall be the completion of requisite number of works (see para 24.0 also), as the case may be, of prescribed nature and magnitude executed on independent contract basis or as a builder, during the last five years. The works should have been executed in the same name and style in which the enlistment is sought. Enlistment of an individual in corresponding category may also be done based on his Technical Qualification in lieu of experience of completion of works in last 5 years if provision exists in Table I of the Rules, but other eligibility criteria remaining the same.
11.2	**The financial soundness shall be judged on the basis of the Banker's certificate or the working capital certificate, as the case may be, issued by the Bankers of the contractor on the format prescribed in Annexure-V. Such certificate shall be issued by a scheduled bank and shall be submitted, in original, in a bank sealed cover, addressed to the enlistment authority.**
11.3	**The criteria for enlistment/revalidation shall be as applicable on date of enlistment/ revalidation. Applicant may be intimated when his application and verification is complete. The application may be decided within 90 days of such completion.**
12.0	**Processing fee : The contractor shall have to pay a non-refundable processing fee by crossed Demand Draft drawn in favour of the authority authorized by enlisting authority. For various categories and classes of enlistment, the fee is prescribed in Table – I. This fee is to be submitted alongwith application form to the enlisting authority**
13.0	**Income Tax clearance :** Deleted
14.0	**Electrical License : The contractors of Electrical category shall have to produce valid electrical license from the competent authority in the name of the contractor. They shall keep valid license throughout the period of enlistment by getting it renewed at suitable intervals and submit an attested copy of the same to the enlistment authority after each renewal. In event of any discontinuity in validity of electrical license of the contractor, its enlistment and authority to work with CPWD will also automatically cease to be valid. For applying for tenders for a work in any state they shall have to possess electrical license of appropriate voltage issued by any State Govt. under Clause 45 of compilation of rule of Indian Electricity Rules 1956 or as amended from time to time**.

15.0	**Change in Constitution of Firm :** The contractor/firm shall not modify the existing partnership or enter into any fresh partnership without the prior approval of the enlistment authority. Such proposal, if any, shall be submitted in advance giving full details of the intended partnership/ sole proprietorship along with the draft partnership deed/affidavit and documents as per Annexure-VI. Any change in status of the contractor as an 'Individual' or in constitution of the firm without prior approval of the enlistment authority will render the contractor/firm liable to be removed from the approved list of contractors.
15.1	If a firm is converted in two or more firms by any action of its partners, the new firm(s) or any separated partner(s) in his(their) individual/joint capacity shall have to apply for the enlistment afresh on the basis of work experience gained as a separate entity.
15.2	If new partners are taken in the firm, each new partner shall have to satisfy the eligibility conditions mentioned in Rule 4.0
15.3	If the number of original partners of a firm reduces to less than half due to any reason including death of partner(s), the enlistment of the firm shall be withdrawn. Original partners means constituents at the time of Enlistment and those who have remained as constituent for more than 5 years.
16.0	**Change in Address -** While applying for enlistment, the contractor should mention address of his Registered office as well as Head Office, if different. All documents i.e. , Bankers' Certificate, Electrical license etc. should bear one of the above addresses, otherwise the same shall not be accepted
16.1	The contractor shall intimate the change, if any, in any of the above addresses, in advance or maximum within one month of such change alongwith acknowledgement of noting down of such change in address from the Bank, Income Tax , Sales Tax authorities etc. Failure to do so may result in removal of his name from the approved list of contractors
17.0	**Near Relatives Working in CPWD:** Contractors whose near relatives are Divisional Accountant or Engineering Officers between the grades of Superintending Engineer and Junior Engineer (both inclusive) in the Central Public Works Department will not be allowed to tender for works if the circle responsible for award and execution of contract is the one where the near relative is working. For this purpose a near relative shall mean wife, husband, parents, grand parents, children, grand children, brothers, sisters, uncles, aunts, cousins and their corresponding in-laws.
18.0	**Review of Approved List of Contractors :** The contractor shall be required to secure works of appropriate magnitude in CPWD during the revalidation/enlistment period. Contractors shall be liable to be weeded out for non-observance of enlistment rules. For this purpose the enlistment authority shall have the power to periodically review the approved list of contractors.
19.0	**Revalidation of enlistment -** The validity of initial enlistment of the contractor shall be as given in Para 7.0. It shall, however, be revalidated on merits, if desired by the contractor. Only the contractor who has secured at least two works (see para 24.0 also) of appropriate magnitude (as applicable for enlistment in relevant class) in CPWD, PWD(NCTD) or CCU of Ministry of Environment & Forest during the period of enlistment or last revalidation period of enlistment as the case may be and at least one of them must have been completed 100%, shall be considered for revalidation. If second work is not completed by more than 50%,the department will select one non CPWD work out of the list furnished by the applicant for inspection and consideration of revalidation.. The work completed/secured as an associate contractor of the main contractor, to whom a composite contract was/has been awarded, shall also qualify for consideration of revalidation
19.1	**Application for Revalidation -**
19.1.1	The contractor shall apply for revalidation for his enlistment in the prescribed form 'Annexure VIII' alongwith all documents as per Annexure IX so as to reach the Enlistment Authority at least 6 months before expiry of his enlistment.

	The revalidation application with all documents shall however be accepted upto the date of expiry of enlistment with late fee.
19.1.2	In cases where the application is received after date of expiry of enlistment/revalidation, but within three months of expiry, the application can be accepted with double the late fee. Applications received, thereafter, shall not be accepted and contractor should apply for fresh enlistment, as per rules.
19.1.3	Late fee will be same as the enlistment processing fee as prescribed in Table I of 'Enlistment Rules 2005'. **This is payable in the form of Demand Draft in favor of the authority, as authorized by enlisting authority**
19.1.4	On receipt of application for revalidation complete in all respect and with all necessary documents, provisional extension upto six months from the date of expiry of enlistment/date of issue of order, which ever is later may be issued.
19.1.5	In some cases orders of revalidation of enlistment of Class I contractors were issued by the enlisting authority for three years w.e.f. 1.5.2005 whereas validity of their last enlistment was upto a date prior to 30.4.2005. The gap between validity of last revalidation/enlistment and 30.4.2005 as provided in the order of revalidation shall be considered as period covered under revalidation.
20.0 Annual Confidential report of contractors (ACRC)	
20.1	Contractors will be required to complete the form of Annual Confidential report (ACRC), in duplicate as per Annexure VII **,** on completion of work or every year in respect of works being executed / executed by them under a CPWD division and submit one copy of the same to the concerned Executive Engineer/Assistant Engineer by 15th January. Second copy of the Annexure(s) bearing acknowledgement of Executive Engineer//Assistant Engineer alongwith list of works as per Annexure III be submitted to enlisting authority by 31st January. This ACRC will be for the works done by them for the period 1st January to 31st December of the previous year or part thereof. Depending upon criteria fixed by the enlisting authority in respect of ACRC, contractors will be considered for revalidation. The enlisting authority reserves full right for fixing criteria for evaluation of ACRC.
20.2	The list of all works, pertaining to CPWD and non-CPWD, secured , in hand and completed during above mentioned period, be furnished as per Annexure III. In case, the contractor hides any information, his revalidation will be liable to be cancelled.
21.0	**Revalidation Procedure :** The revalidation shall be done on the basis of evaluation of ACRC on criteria as per Annexure X or as decided by enlisting authority
22.0	**Contractor's obligations :** The contractor should fulfill all his obligations under these rules in time and manner as specified, failing which he shall be liable for the action as mentioned therein. Some of the obligations are summarized below:- (a) Prior approval shall be obtained from the enlisting authority before changing the constitution of the firm/company.. (b) Intimation of change of address should be given in advance or within one month alongwith acknowledgement from Banker, Income Tax and Sales Tax authorities**.** (c) He shall continue to possess, throughout the period of enlistment/revalidation, a valid electrical licence of appropriate voltage issued by appropriate authority. (d) He should secure works of specified magnitude during the period of enlistment/revalidation as provided in Para 19.0 above (e) He shall abide by these rules. (f) He should not indulge in unethical practices and maintain good conduct (g) He shall execute the works awarded to him strictly as per the terms and conditions of the contract and specifications.
23.0	**Disciplinary Actions:** The contractor shall have to abide by all the rules of enlistment and also by the terms and conditions of the contract and the Notice Inviting Tenders. He shall have to execute the works as per contract on time and with good quality. The enlisting authority

shall have the right to demote a contractor to a lower class, suspend business with him for any period, debar him or remove his name from the approved list of contractors indefinitely or for a period as decided by enlisting authority after issue of show cause notice. Decision of the enlisting authority shall be final and binding on the contractor. The following actions of the contractor shall, in general, make him liable to disciplinary actions

23.1 **Demotion to a lower class -**The contractor shall be liable to demotion to a lower class, by the enlisting authority, if he:

(a) fails to execute a contract or executes it unsatisfactorily or is proved to be responsible for constructional defects; or
(b) no longer has adequate equipment, technical personnel or financial resources; or
(c) is litigious by nature; or
(d) violates any important condition of contract; or
(e) his staff misconducts or misbehaves with CPWD officials or.
(f) **Deleted**
g) is responsible for a conduct which may justify his demotion to a lower class or
h) any other reason which in view of enlisting authority is adequate for his demotion to a lower class.

23.2 **Suspension of business** The enlistment authority may suspend business with a contractor for indefinite period or for a period as decided by enlisting authority, pending full enquiry into the allegations,if the enlistment authority is prima facie of the view that the contractor is guilty of an offence in relation to business dealings which, when established would result in his removal/banning business and it is not considered desirable to entrust new works or continue business with the contractor. **Business may also be suspended with a contractor upto a period of one year in case he fails to start the work after the award on two occasions.**

23.3 **Removal from the approved list:** The name of the contractor may be removed from the approved list of contractors, by the enlisting authority, if he:

(A) has, on more than one occasion, failed to execute a contract or has executed it unsatisfactorily; or
(B) is proved to be responsible for constructional defects in two or more works; or
(C) persistently violates any important conditions of the contract; or
(D) fails to abide by the conditions of enlistment; or
(E) is found to have given false particulars at the time of enlistment; or
(F) has indulged in any type of forgery or falsification of records; or
(G) changes constitution of the firm or Individual without prior approval of the enlistment authority; or
(H) changes permanent address / business address without intimation to the enlistment authority; or
(I) is declared or is in the process of being declared bankrupt, insolvent, wound up, dissolved or partitioned; or
(J) persistently violates the labour regulations and rules; or
(K) is involved in complaints of serious nature received from other departments which prima facie appear to be true; or
(L) Default in settlement of tax dues like income tax, Contract tax, sales tax, octroi, duties etc, or
(M) has already been demoted for other reason(s); or
(N) Ceases to fulfil eligibility criteria based on which enlistment/revalidation was done; or
(O) is considered not required to be in list of CPWD for any other reason considered fit by enlistment authority; or
(P) Does not start the work after the same is awarded to him on three occasions.

24.0 - **Definition of building work** – Items of pre fabricated huts, false ceiling, compound walls, storm water drains, sewer lines, water supply lines, Road – Gully chamber and supply of SFRC covers if executed exclusively under separate contract and not as part of main building

contract shall be excluded from the definition of building work Further for the purpose of enlistment/revalidation of class I & II contractors of all categories i.e. Civil, Electrical and Horticulture etc., only the original works, including the works of additions and alterations/ renovation will come under the purview of the work as mentioned in the Table I of the Rules. For enlistment/revalidation of contractors of categories Class III and below, maintenance works excluding the works of sweeping, cleaning, scavenging, care taking, watch and ward and the like will also come under the purview of the work alongwith original work. This shall be applicable to all cases for which applications for enlistment/revalidation were received on or after 1.11.2006. This will also apply to all cases of enlistment/revalidation under Rules 2001 and being processed under para 3.3 of Enlistment Rules 2005.

Annexure - I

Central Public Works Department
APPLICATION FOR ENLISTMENT AS CONTRACTOR

Supporting Documents be annexed with the application form.(Applications found deficient in any respect are liable to be rejected without further correspondence)

CLASS ☐ **Category** ☐

1. Name of applicant ……
2. Nationality Indian ☐ Other ☐
3. Address
   (i) Regd office……
   (ii) Head Office……
   (Attach separate paper for addresses of other offices)
4. Telephone Number ☐☐☐☐☐☐☐☐☐☐ Fax No. ☐☐☐☐☐☐☐☐☐☐
   E-mail address
5. Constitution: Individual ☐ Sole Proprietorship Concern ☐
   Partnership Firm ☐ Public Ltd. Company ☐ Private Ltd. Company ☐
6. If partnership firm, names of the partners/ If Company, name of directors
   1…… 2……
   3…… 4……
   5…… 6……
7. Is the individual/sole proprietor/any partner/director of company:
   (a) Dismissed Government Servant Yes ☐ No ☐
   (b) Removed from approved list of contractors Yes ☐ No ☐
   (c) Demoted to a lower class of contractors Yes ☐ No ☐
   (d) Having business banned/suspended by any government in the past Yes ☐ No ☐
   (e) Convicted by a court of law Yes ☐ No ☐
   (f) Retired engineer/official from engineering deptt. of Govt. of India within last Two years Yes ☐ No ☐
   (g) Director or partner of any other Company/firm enlisted with CPWD or any other department Yes ☐ No ☐
   (h) Member of Parliament or any State Legislative Assembly Yes ☐ No ☐
   If answer to any of the above is 'Yes', furnish details on a separate sheet
8. (a) Name of person holding power of attorney ……
   (b) Nationality Indian ☐ Other ☐
   (c) Liabilities
9. Name of Bankers with full address ……
10. Place of business ……
11. Full time technical staff in applicant's employment (Refer Table I & fill up the columns below in respect of requisite trade and experience only)
    (a) Graduate engineers with minimum ——— years' experience ☐
    (b) Graduate engineers with minimum —— years' experience [excluding (a) above] ☐
    (c) Diploma engineers with minimum' experience ——— years ☐
    (d) Diploma engineers with minimum experience ——— years (excluding © above) ☐
    (e) Furniture/Furnishing Designers of minimum…….years experience ☐

(f) Graduate in Agricultural Sciences of minimum……years experience ☐
(g) Post Graduate in Agricultural Science of minimum…….years experience ☐

12. Does the applicant have sufficient T&P, Machinery, Equipment and workshop as per requirements mentioned in the Enlistment Rules for the class & category applied for Yes ☐ No ☐
[Attach details on separate sheet]
13. [For Electrical]
(i) Does the applicant possess valid Electrical License Yes ☐ No ☐
(ii) Do the permanent electricians employed by contractor posses valid license Yes ☐ No ☐
14. (a) Whether already enlisted with CPWD or any other department Yes ☐ No ☐
(b) If yes, give details:
(i) Name of department ……
(ii) Class & category ……
(iii) Enlistment authority & address ……
(iv) Enlistment No. & date ……
(v) Date of validity
(vi) Tendering limit ☐☐☐☐☐☐☐
15. Is any person working with the applicant is a near relative of the officer/official of CPWD [See Rule 17 of the Enlistment Rules] If yes, give detail Yes ☐ No ☐
16. Enlistment Processing fee enclosed:-

Draft No.	Date	Amount	Issuing Bank & Branch	Branch drawn upon	In whose favour drawn

17. Details of Works completed, in progress and secured during the last 5 years (to be filled in proforma as given in Annexure –III). This list should include all works whose gross amount of work done is more than the required magnitude for the class in which registration is required.
18. Certificates from clients in original or attested copy as per proforma given in Annexure-IV for all eligible works.
19. Certificates :
(i) I/We (including all partners) certify that I/We have read the Rules of Enlistment of Contractors in CPWD as amended upto-date and shall abide by them.
(ii) I/We certify that the information given above is true to the best of our knowledge. I/We also understand that if any of the information is found wrong, I am/ we are liable to be debarred.
(iii) I/We certify that I/We will not get myself/ourselves registered as contractor(s) in the Department under more than one name.
(iv) (a) I certify that I did not retire as an Engineer of Gazetted rank or as any Gazetted Officer employed on Engineering or Administrative duties in any engineering Department of the Government of India during the last two years. I also certify that I have neither such a person under my employment nor shall I employ any such person within two years of his retirement except with the prior permission of the Government. (For individuals seeking enlistment in their own name)
(b) We certify that none of the partners/Directors retired as an Engineer of Gazetted rank or as any Gazetted Officer employed on Engineering or Administrative duties in last two years. We also certify that we have neither under our employment any such person nor shall we employ any person within two years of his retirement except with the prior permission of the Government. (For partnership firms and limited companies).

(Strike out whichever is not applicable)

Signature(s) of applicant(s) :

Name	Signature	Address
1.		
2.		
3.		
4.		
5.		

Date :
No. of Documents attached ☐

Annexure-II
Documents attached for enlistment

S.No. Document	Yes	No
1. Proof of constitution (Sl.no..5) :		☐
(a) In case of sole proprietorship/HUF: an affidavit executed before a 1st Class Magistrate that the applicant is the sole proprietor of the firm/Karta of HUF.		
(b) In case of partnership firm: (Submit attested copies)		☐
(i) Partnership deed attested by Notary Public		☐
(ii) Form "A" or equivalent form issued by Registrar of Firms		☐
(iii) Form "B" or equivalent form issued by Registrar of Firms		☐
(iv) Form "C" or equivalent form issued by Registrar of Firms		☐
(c) In case of Private/Public Ltd Co. Article of Association duly attested by Notary Public.		
2. Power of attorney, if any (Sl.no..8), attested by Notary Public		☐
3. Banker's/ working capital certificate in original from scheduled bank in the Performa given in Annexure-V. The certificate should be on the bank's letter-head and in sealed cover and shall be addressed to the concerned Enlistment Authority (Sl.no..9)		☐
4. Technical Staff: (Sl.no..11)		
(i) List of full time technical staff/Designers with qualification and experience of each (onus of submitting adequate proof of experience of staff lies with the applicant)		☐
(ii) Attested copies of the degrees/diplomas of the technical staff/Designers.		☐
(iii) Declaration from the technical staff/Designers that they are employed with the applicant.		☐
(iv) Documents like PF subscription , Copy of Income Tax return with, IT form 16 etc conclusively proving employment of technical staff with applicant (Onus of submitting adequate proof lies with applicant) (Affidavits sworn in before Ist Class Magistrate both by the employer and the employee as proof of availability of technical staff may be acceptable as an alternate to above mentioned documents)		☐
5. (i) List of M/C, T&P i/c steel centering & shuttering, possessed by the Applicant. Full details and location of workshop including details of Machines & Equipment provided and proof of sufficient stock of Materials as required for Furniture category. (Sl.no..12)		☐
(ii) Copy of purchase document etc (Onus of submitting adequate proof lies with applicant(Affidavit sworn in before Ist Class Magistrate by the firm as proof of possessing T&P/ machinery may be acceptable as an alternate to the above mentioned documents)		☐
6. Attested copies of valid Electrical Licenses (Sl.no..13(i)&(ii)		☐
7. Attested copy of Enlistment order (Sl.no..14)		☐
8. List of all near relatives working in CPWD, including their addresses (Sl.no..15) See also Rule 17.0 of Enlistment Rule.		☐
9. Demand Draft for processing the case (Sl.no..16)		☐
10. Original or attested copies of certificates for works done, from concerned clients, in proforma as given in annexure-IV		☐
11. Attested copies of award letters for works included in Annexure-III		☐

Annexure - III

(1) In case of enlistment- Works completed, in progress & secured during the last five years or
(2) In case of revalidation-List of works completed, in progress & secured during last enlistment/revalidation period

[Add additional sheets, if necessary]

S. No.	Name of work & Agreement No.	Date of start	Date of completion		Reasons for delay & compen-sation levied, if any	Tendered Amount	Gross Amount of the completed work	Net amount received	Name, designation & complete address of the authority for whom the work was done
			Stipulated	Actual					

Contractor's Signatures

Annexure – IV

Client's Certificate Reg. Performance Of Contractor

Name & address of the Client……..
Details of Works executed by Shri/M/s ……
……

1. Name of work with brief particulars	
2. Agreement No. and date	
3. Agreement amount	
4. Date of commencement of work	
5. Stipulated date of completion	
6. Actual date of completion	
7. Details of compensation levied for delay (indicate amount) if any	
8. Gross amount of the work completed and paid	
9. Name and address of the authority under whom works executed	
10. Whether the contractor employed qualified Engineer/ Overseer during execution of work ?	
11. (i) Quality of work (indicate grading) (ii) Amt. of work paid on reduced rates, if any.	*Outstanding/Very Good/Good/Statis-factory/Poor*
12. (i) Did the contractor go for arbitration ? (ii) If yes, total amount of claim (iii) Total amount awarded	
13. Comments on the capabilities of the contractor. (a) Technical proficiency (b) Financial soundness (c) Mobilization of adequate T&P (d) Mobilization of manpower (e) General behavior	 Outstanding/Very Good/Good/ Satisfactory/Poor Outstanding/Very Good/Good/ Satisfactory/Poor Outstanding/Very Good/Good/ Satisfactory/Poor Outstanding/Very Good/Good/ Satisfactory/Poor Outstanding/Very Good/Good/ Satisfactory/Poor

Note : All columns should be filled in properly

"Countersigned"

Signature of the
Reporting Officer with Office Seal

Officer of the rank of Superintending Engineer or equivalent

Annexure – V

Form of Bankers'Certificate From a Scheduled Bank

This is to certify that to the best of our knowledge and information M/s./Sri……..having marginally noted address, a customer of our bank are/is respectable and can be treated as good for any engagement up to a limit of Rs……. (Rupees……..). This certificate is issued without any guarantee or responsibility on the Bank or any of the officers.

This certificate is issued on the request of Shri/Smt./M/s …… for obtaining enlistment/revalidation of Enlistment in CPWD in …… (Name of category) Class……..

(Signature)
For the Bank

Note: (1) Bankers' certificates should be on letter head of the Bank, sealed in cover addressed to enlistment authority.
(2) In case of partnership firm, certificate to include names of all partners as recorded with the Bank.

FORM OF WORKING CAPITAL CERTIFICATE FROM A SCHEDULED BANK

Certified that Shri/Smt./M/s.....S/o/W/o …… and resident(s) of …… has/have been maintaining a saving bank account/current account/fixed deposit account with this branch of bank since .....and an amount not less than Rs.....(Rupees …… ……)has been available to the credit in his/her/their account No. …… for the last six months.

This certificate is issued on the request of Shri/Smt./M/s …… for obtaining enlistment/revalidation of Enlistment in CPWD in …… (Name of category) Class……..

Signature

For the Bank

Annexure - VI
For Change Of Constitution - List Of Documents/Information Required to be Submitted

A. **Documents To Be Submitted**

1. Copy of proposed partnership deed duly signed/proposed Memorandum of articles.
2. An undertaking sworn in before a 1st class Magistrate by all the partners to the effect that the new firm will take over all assets and liabilities.
3. Dissolution deed/consent of retiring partners/death certificate in case of death of a partner.

B. **Furnish The Following Details In Respect Of Each Partner With Whom Contractor's Firm Want To Enter Into Partnership.**

(i) Whether he is enlisted with CPWD/MES/Railway/P&T/State PWD.
(ii) Whether he is a dismissed Govt. servant.
(iii) Whether he is a partner/director of any other firm enlisted with this Department/MES/Rly./P&T/ State PWD.
(iv) Whether he is member of Indian Parliament or State Legislature.
(v) Whether his name has been blacklisted or removed from the approved list of contractors or demoted to lower class or orders banning/suspending business with him by any department in the past.
(vi) Whether he is a dismissed/removed/retired Govt. servant within 2 years.
(vii) Whether he has any relative working in CPWD, if yes, give details.
(viii) Whether he has any civil or criminal case pending in any court in India, if yes, give details.
(ix) In addition Certificate as required under item 19 of Enlistment application form from new partners be given.

C. Documents To Be Submitted After The Proposal Is Agreed In Priniciple By The Competent Authority

(1) Copy of the partnership deed duly attested by the Notary Public.
(2) Fresh Bankers' certificate from banker of the contractor indicating new constitution.
(3) Form A, B & C or equivalent as the case may be.
(4) Acknowledgement from the Income Tax/ Sales Tax department for having noted the change.

Annexure - VII
Confidential Performance Report Of Contractor (ACRC)

PART I

(To be filled in by the contractor in duplicate in respect of each work cost of which falls within the range prescribed for eligibility as per para 19 of enlistment read with Table –I. One copy be submitted to EE/AE and other, containing acknowledgement of receipt and seal of Division/Sub Division office, be submitted to enlisting authority)

1**.** Period**:**
2. Name & Address of contractor:
3. Class, Category and Enlistment No.:
4. Name & address of enlisting authority:
5. Name of Work
6. Name & Address of C.P.W.D. Division:

Sl.	Item	
7.1	Agreement No.	
7.2	Estimated Cost/Tender amount	
7.3	Stipulated date of Commencement & Completion	
7.4	Percentage progress with date/actual date of completion	
7.5	Gross amount of final bill/work done	
7.6	Amount of compensation levied, if any	
7.7	Amount of reduced rate items, if any	
7.8	Did the contractor go for arbitration ?	
7.9	If yes, total amount claimed and amount awarded	

Signature of the contractor

PART II

(To be filled by the department)

8.0 Certified that details given by the contractor in Part - I have been verified and found to be correct/have been corrected wherever necessary.

Delay is partly /not/ fully attributable to contractor.

Signature of Divisional/Sub Divisional Engineer

9.0 Note : This performance report, duly completed by EE/AE handling the agreement, should be forwarded to reporting officer of corresponding Class of enlistment .The counter signing officer, after the report is duly completed, will forward the report to enlisting authority within two weeks of its receipt from the contractor.

Class	I	II	III	IV	V
Reporting Officer	E.E	E.E	AE	AE	AE
Reviewing Officer	S.E	S.E	EE	EE	AE
Counter Signing Officer	CE	CE	SE	SE	E.E
Report to be sent to o/o	DG	ADG	CE	CE	S.E

Part – III

(Serial 1 to 6 are repeat information for proper linkage**)**

1**.** Period**:**
2. Name & Address of contractor:
3. Class, Category and Enlistment No.:
4. Name & address of enlisting authority:
5. Name of Work
6. Name & Address of C.P.W.D. Division:

10.1	Quality of work	Outstanding/Very good/Good/Satisfactory/Poor
10.2	Comments on capability of contractor	
10.2.1	Technical proficiency	Outstanding/Very good/Good/Satisfactory/Poor
10.2.2	Financial soundness	Outstanding/Very good/Good/Satisfactory/Poor
10.2.3	Mobilizations of T&P	Outstanding/Very good/Good/Satisfactory/Poor
10.2.4	Mobilizations of man power	Outstanding/Very good/Good/Satisfactory/Poor
10.2.5	General behavior	Outstanding/Very good/Good/Satisfactory/Poor
10.2.6	General Remarks*	outstanding/Very good/Good/Satisfactory/Poor

Reporting Officer (Designation and Address)

11.1	Quality of work	Outstanding/Very good/Good/Satisfactory/Poor
11.2	Comments on capability of contractor	
11.2.1	Technical proficiency	Outstanding/Very good/Good/Satisfactory/Poor
11.2.2	Financial soundness	Outstanding/Very good/Good/Satisfactory/Poor
11.2.3	Mobilizations of T&P	Outstanding/Very good/Good/Satisfactory/Poor
11.2.4	Mobilizations of man power	Outstanding/Very good/Good/Satisfactory/Poor
11.2.5	General behavior	Outstanding/Very good/Good/Satisfactory/Poor
11.2.6	General Remarks*	Outstanding/Very good/Good/Satisfactory/Poor

Reviewing Officer (Designation & Address)

12.1	Quality of work	Outstanding/Very good/Good/Satisfactory/Poor
12.2	Comments on capability of contractor	
12.2.1	Technical proficiency	Outstanding/Very good/Good/Satisfactory/Poor
12.2.2	Financial soundness	Outstanding/Very good/Good/Satisfactory/Poor
12.2.3	Mobilizations of T&P	Outstanding/Very good/Good/Satisfactory/Poor
12.2.4	Mobilizations of man power	Outstanding/Very good/Good/Satisfactory/Poor
12.2.5	General behavior	Outstanding/Very good/Good/Satisfactory/Poor
12.2.6	General Remarks*	Outstanding/Very good/Good/Satisfactory/Poor

Counter Signing Officer(Designation & Address)

*General remarks may include excessive cutting /over writing in tenders, unsubstantiated allegations, misbehavior, theft of Govt. material, responsiveness, litigative mindedness, conduct etc.

Annexure – VIII
Central Public Works Department
APPLICATION FOR REVALIDATION OF ENLISTMENT

(The applicant should study carefully the Rules of Enlistment and the list of documents to be annexed with the application form before filling the form. Application found deficient in any respect are liable to be rejected without any further correspondence)

CLASS ☐ **CATEGORY ……**

1. Name of applicant ……
2. Nationality Indian ☐ Other ☐
3. Address
   Regd.Office ……
   Head office……
4. Telephone Number Fax No.
   Now E-mail address
5. Constitution Individual ☐ Sole Proprietorship Concern ☐
   Partnership firm ☐ Public Ltd. Company ☐
   Private Ltd. Company ☐
6. If partnership firm, names of the partners/
   If Company name of directors
   1…… 2……
   3…… 4……
   5…… 6……
7. (a) Name of person holding power of attorney……
   (b) Nationality Indian ☐ Other ☐
8. Name of Bankers with full address……
9. Place of business……
10. Full time tech. staff in applicant's employment (Refer Table I & fill up Nos. of staff in respect of requisite trade and experience only).
    (a) Graduate Engineers with minimum … years' experience ☐
    (b) Graduate Engineers with minimum ... years' experience (excluding (a) above) ☐
    (c) Diploma Engineers with minimum... years' experience ☐
    (d) Diploma Engineers with min.……yrs. exp. (excluding (c) above) ☐
    (e) Furniture/Furnishing Designers of min…..yrs .experience ☐
    (f) Post Graduate in Agri. Science of min……yrs. exp. ☐
    (g) Graduate in Agri. Science of min……yrs. exp. ☐
11. Does the applicant have sufficient T&P, Machinery, Equipment and workshop as per requirements mentioned in the Enlistment Rules for the class & category applied for Yes ☐ No ☐
    (attach details on separate sheet)
12. [For Electrical]
    (i) Does the applicant possess valid Electrical License Yes ☐ No ☐
    (ii) Do the permanent electricians employed by contractor posses valid license Yes ☐ No ☐
13(a) Details of enlistment with CPWD
    (i) Enlistment No. & date ……
    (ii) Valid upto .....

14. Is any person working with the applicant is a near relative of the officer/official of CPWD.(See Rule 17 of the Enlistment Rules) Yes ☐ No ☐
    If answer to above is Yes, give details
15. Details of CPWD and Non CPWD Works completed, in progress & secured during the last enlistment/ revalidation period as per Annexure -III. This list should include all works whose gross amount of work done is more than the required magnitude for the class in which registration is required. Receipted copy of the Annexure –VII for CPWD works also be enclosed
    Whether above details enclosed ? Yes ☐ No ☐
16. Certificates:
    i I/We (including all partners) certify that I/We have read the Rules of Enlistment of Contractors in CPWD as amended upto date and shall abide by them.
    ii I/We certify that I/We will not get myself/ourselves registered as contractor(s) in the Department under more than one name,
    iii I/We certify that the information given above is true to the best of our knowledge. I/We understand that if any information is found incorrect, our enlistment is liable to be cancelled.
    iv I/We certify that I/none of the partners/Directors retired as an Engineer of Gazetted rank or as any Gazetted Officer employed on Engineering or Administrative duties in last two years. We also certify that we have neither under our employment any such person nor shall we employ any person within two years of his retirement except with the prior permission of the Government.
    (Strike out whichever is not applicable)

Signature(s) of applicant(s) :

Name	Signature	Address
1.		
2.		
3.		
4.		

Date

No. of documents attached

Annexure – IX

Documents attached for revalidation

S.No.	Document	Yes	No
1.	Attested copy of power of attorney, if any		
2.	Banker's/working capital certificate in original from scheduled bank in the proforma given in the Enlistment Rules. The certificate should be on the bank's letter-head and in sealed cover and shall be addressed to the concerned Enlistment Authority.		
3.	Technical Staff: (Sl.no..10)		
	(i) List of full time technical staff/Designers with qualifications and experience of each (onus of submitting adequate proof of experience of staff lies with the applicant)		
	(ii) Attested copies of the degrees/diploma of the technical staff/ Designers.		
	(iii) Declaration from the technical staff/Designers that they are employed with the applicant.		
	(iv)Documents like PF subscription ,Certificate of IT deduction at source, IT form16 etc conclusively proving employment of technical staff with applicant (Onus of submitting adequate proof lies with applicant) (Affidavits sworn in before Ist Class Magistrate both by the employer and the employee as proof of availability of technical staff may be acceptable as an alternate to above mentioned documents)		
4.	(i) List of Machinery, T&P i/c steel centering & shuttering, possessed by the Applicant. Full details and location of workshop including details of Machines & Equipment provided and proof of sufficient stock of Materials as required for Furniture category. (Sl.no..11). (ii)Copy of purchase document etc (Onus of submitting adequate proof lies with applicant (Affidavit sworn in before Ist Class Magistrate by the firm as proof of possessing T&P/ machinery may be acceptable as an alternate to the above mentioned documents)		
5.	Attested copies of valid Electrical License(s)		
6.	Attested copy of Enlistment order		
7.	Annexure III – List of works completed, in progress & secured during last enlistment/revalidation period		
8.	Attested copies of award letters for works included in Annexure III(as per rule 19.1.1)		
9.	Copies of Annexure – VII with acknowledgement of E.E/AE.		
10.	Late fee(if applicable)		

Annexure - X

Calculation Sheet For Evaluation Of Contractor's Performance In CPWD For Revalidation

Name of contractor:

Name of work:

Item No.	Parameter	Calculation for points	Score	Max.
1.	Time over run TOR	Stipulated Time ST; Actual Time AT: TOR= AT/ST	20 if TOR = 1.0; 10 if TOR = 2.0; 0 if TOR = 2.5;(-)5 if TOR = 3.0	20
	Levy of compensation	Compensation levied for delay = C Tendered Amount = E then B = (Cx100/E) (No Points awarded if compensation is not decided)	(+) 10 if B=0 (+) 0 if B = 1.5 (-) 5 if B = 5 (-) 10 if B = 10	10
	No. of works in CPWD	Number of works completed in last enlistment/revalidation period	2 or more works = 10 1work = 5	10
2.	Quality	Quality	Outstanding = 40, Very Good = 30, Good = 20, Satisfactory =2, Poor =(-) 10 Additional Point- If Reduced Rates are sanctioned = (-) 10	40
3.	Capability	Confidential Performance Report (i) Technical Proficiency	Outstanding =3, Very Good =2, Good = 1, Satisfactory = 0.5, Poor= (-)3	3
		(ii) Financial Soundness	- do-	3
		(iii) Mobilization of Adequate T&P	- do -	3
		(iv) Mobilization of Man Power	- do -	3
		(v) General Behavior	- do -	3
		(vi) General Remarks	Outstanding = 5, Very Good = 4, Good = 3, Satisfactory = 1, Poor = (-) 5	5
			Grand Total = P	100

Note:- (1) Marks for values in between the stage is to be determined by straight line variation.
(2) Marks in respect of each parameter under different ACRC for same works are to be averaged out except for parameter under item1.
(3) Under each parameters, marks given will be over all average of all works.
(4) Eligibility criteria for revalidation of enlistment will be 50 % marks under each item (over all average of all works) with over all minimum marks as 60 %

TABLE – I ENLISTMENT RULES 2005

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
Civil	I	All over India DG (W)	Rs.10 Crore	Three works of Rs. 1.5 Crore each. (At least two works should be building works) or two bldg. works of Rs 3 crore each or one bldg. work of Rs. 8 Crore. For Roads Only :- In case of three works of Rs. 1.5 Crore, two should be Road works or two road works of Rs. 3 Crore each or one Road work of Rs. 8 Crore Note : All Completion cost	Banker's certificate of Rs.10 Crore	(a) One Graduate Engineer(c) with **5** years experience (b) One graduate Engineers(c) with **2** years experience (c) **One** diploma Engineer(c) with 5 years experience . (d) Two diploma Engineers(c) each with 2 years experience.	"For Building work" (i) Total station - 1 No. (ii) Builders Hoist/ Tower Crane- 2 No (iii) Concrete mixers of full bag capacity- 5 Nos (iv) Steel shuttering 4000 sq.m. with minimum of 1600 sqm procured during last two years. (v) Steel props for 12000 m3 space with min. of 4800 m3 space procured during last two years. (vi) Mortar Mixer- 2 Nos (vii) Needle vibrator -10 (5 OIL, 5 ELECTRIC) (viii) Beam vibrator - 2 Nos (ix) Slab vibrator = 4 Nos (xi) Shutter vibrator =6 Nos	Rs. 20,000

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
							(xii) Vibro compactor - 1 No. (xiii) Batching plant (min. 15 m3 capacity) with pump - 1 No. "For Roads Only" (i) Wet macadam mix plant- 1 No. (ii) Pavers finishers 2 Nos (iii) Road rollers - 5 Nos. (iv) Trucks/Tippers - 5 Nos (v) Vibratory road roller - 2 Nos	
Civil	II	Region of CPWD ADG of Region. [For Delhi: ADG (NR)	Rs.2 Crore	Three works of Rs. 50 lakh each. At least two works should be building works. Or Two Bldg. Works of Rs 0.75 crore each. At least one work should be building work .Or One building work of Rs 1.5 crore. For 'Roads only', Three works of Rs. 50 lakh each. At	Banker's certificate of Rs.200 lakh.	(a)One graduate Engineer(C) with minimum experience of 5 years (b)Two-diploma holders (C) out of which one with at least 5 years experience.	(i)Steel shuttering 3000 sqm with minimum of 1000 sqm procured during last two years. (ii) Steel props- 9000 cu.m space with min. of 3000 m3 space procured during last two years (iii)Concrete mixers of full bag capacity - 2 Nos	Rs. 10,000

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
				least two works should be road works. Or Two works of Rs 0.75 crore At least one work should be road works .or One road work of Rs 1.5 crore.			(iv) Mortar Mixer – 2 Nos (v) Needle vibrator -6 (3 OIL, 3 ELECTRIC) (vi) Beam vibrator – 1 No (vii) Slab vibrator - 2 Nos (vii)Vibro compactor - 1 No. For 'Roads only' (i) Wet macadam mix plant - 1 No. (ii) Paver finisher –1No. (iii) Road rollers -3 Nos., (iv) Trucks/ Tippers –3Nos. (v) Vibratory road roller - 1 No,	
Civil	III	Zone of CPWD Chief Engineer. [For Delhi: CE (NDZ) III]	Rs 60 lakh	Three works of Rs.15 lakh each. At least one work should be building work.	Banker's certificate of Rs.60 lakh.	One graduate Engineer(C) with minimum experience of 3 years.	(i)Steel shuttering 1000 sqm with minimum of 500 sqm procured during last two years. (ii) Steel props- 3000 cu.m space with min. of 1500 m3 space procured during last two years.	Rs 10,000

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
							(iii)Concrete mixers of full bag capacity 2 nos. (iv) Mortar Mixer - 1 No (v) Needle vibrator-3 Nos (2 OIL, 1 Electrical) (vi) Beam vibrator - 1 No. (vii) Slab vibrator - 4 Nos	
Civil	IV	Zone of CPWD CE [for Delhi CE (NDZ) III]	Rs.25 lakh	Three works of Rs.6 lakh each Or	Banker's certificate of Rs.25 lakh	One diploma Engineer(c) with minimum experience of 3 years	(i) Concrete mixer of full bag capacity - 1 no. (ii) Mortar Mixer - 1 No	Rs.5000
				Unemployed graduate engineer(c)	Certificate for working capital of Rs.2 lakh for at least last six months	Not required	(iii) Needle vibrator -2 Nos.(1 OIL, 1 Electrical) (iv) Beam vibrator - 1 No (vi) Slab vibrator - 1 No	
Civil	V	Circle of CPWD Superintending Engineer For Delhi: SE (DCC) I	Rs.7 lakh	Two works of Rs. 2 lakh each or one work of Rs.4 lakh.	Banker's certificate of Rs. 7 Lakh	-	-	Rs .2,000
				Or Unemployed diploma Engineer(c)	Certificate for working capital of Rs. 1 lakh for at least last six months			

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
Internal & External Electrical Installation	I	All over India DG (W)	Rs 2 Crore	Three works of Rs.30 lakh each without fittings or of Rs. 50 Lakh each with fittings. At least one work should be of internal electrification of buildings.	Bankers certificate of Rs.2 crore	**One graduate engineer (E/M) with minimum experience of 5 years &** One diploma holder (E/M) with minimum experience of 5 years.OR One Diploma holder E/M with minimum experience of 10 years & one Diploma holder with minimum experience of 5 years.	Minimum two sets of following T&P: Steel/ Aluminum ladder 1.5 m to 8 m; Chase cutting machines, Electrical wire drawing equipment, Torque wrench for nut/bolt/ screws; Conduit die set; Pipe vice; Bench vice; LT Meggar 1000 volts, Tong Tester, Multi-meter; Hydraulically operated & hand operated crimping machines, Earth tester; Portable drilling machine; Overhead conduit puller.	Rs.10,000
Internal & External Electrical Installation	II	Region of CPWD ADG of Region. [For Delhi: ADG (NR)]	Rs.60 lakh	Three works of Rs10 lakh each without fitting or of Rs. 15 Lakh each with fittings. At least one work should be of internal electrification of buildings.	Bankers certificate of Rs.60 lakh	**Two diploma holders (E/M) with minimum experience of 5 years.**	2 Nos. chase cutting machine, 2 Nos. electrical wiredra-wing equipment. Steel/ Aluminum ladder 1.5 m to 8m; Conduit die set; Pipe vice; Bench vice; LT Meggar 500 volts Tong Tester,MultiMeter; Hydraulically operated & hand operated crimping	Rs .10,000

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
							machines, Earth tester; Portable drilling machine; Overhead conduit puller.	
Internal & External Electrical Installation	III	Elect. Zone of CPWD Chief Engineer (El) [For Delhi: CE (E) DR	Rs.20 lakh	Three works of Rs.5 lakh each. At least one works should be of internal electrific-ation of buildings OR	Bankers certificate of Rs. 20 lakh.	**One Diploma Holder (E/M) with three years experience**	2 Nos. chase cutting machine 2 Nos. electrical wiredrawing equip-ment. Conduit die set; Pipe vice; Bench vice; LT Megger 500 volts, Tong Tester, Multi Meter; Hydraulically operated & hand operated crimping machines, Earth tester; Portable drilling machine; Overhead conduit puller,	Rs 5,000
				Unemployed Graduate Engineer (E/M)	Certificate for working capital of Rs. 2 lakh for at least last 6 months	**Not required**		
Internal & External Electrical Installation	IV	Elect. Circle of CPWD S.E (Elect). [For Delhi: SE(DCEC)I]	Rs. 6 lakh	Two works of Rs. 1.00 Lakh each. At least one work should be of internal electrification of buildings **OR**	Bankers Certificate of Rs. 6 lakh.		Chase cutting Machine ,Wire drawing machine Conduit die set, pipe vice bench vice LT meggar 500 volts.	Rs.2,000
				Unemployed diploma engineer (E/M)	Certificate for working capital of Rs.1 lakh for at least last 6 months			

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
HVAC	I	All over India DG(W)	Rs.5 Crore	Three works of Rs. 125 lakh each. Of central A.C. system comprising of 100 TR or more in each case out of which at least one work should be with centrifugal/screw type air conditioning compressor system.	Bankers certificate of Rs 5 Crore	**One graduate Engineer (Elect/ Mech.) with minimum experience of 5 years in the trade & two diploma holders (Elect. Mech). each with minimum 5 years' experience in the trade. In addition the firm should separately have a fully equipped design department with adequate Engineers at their headquarters.**	Refrigerant Gas leak detector, Anaemometer, Hydraulic & hand operated crimping tools, Pitot tube manometer, Psychorometer, Phase sequence indicator, Magnetic dial indicator, LT Meggar 1000V, Acoustic measurement meter, Hydraulic pressure testing equipment, Gas welding and cutting machine, Portable electric welding machine, Portable drilling machine In addition the firm shall have manufacturing and testing facility for atleast one of the following equipments. 1 A C Compressors. 2 Condensers. 3 Chillers 4 AHUs	Rs. 20,000

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
HVAC	II	Region of CPWD ADG of Region. [For Delhi: ADG(NR)]	Rs.150 lakh.	Three works of Rs. 50 lakh each.At least two works should be of Central AC plant of capacity 40 TR or more in each case	Bankers certificate of Rs.1.5 Crore	**One graduate Engineer(Elect./ Mech) with minimum experience of 5 year in the trade and one diploma holder (Elect./Mech). with minimum 5 years' experience in the trade.**	Refrigerant Gas leak detector, Anaemometer, Hydraulic & hand operated crimping tools, Pitot tube manometer, Psychorometer, Phase sequence indicator, Magnet-icdial indicator, LT Meggar 1000V, Acoustic meas-urement meter, Hydraulic pressure testing equipment, Gas welding and cutting machine, Portable electric welding machine, Portable drilling machine	Rs.10,000
HVAC	III	Elect. Zone of CPWD Chief Engineer (Elect). [For Delhi : CE (E) DR]	Rs.60 lakh.	Three works of Rs. 12 lakh each pertaining to Central AC plants/ package type A.C. Plant	Bankers certificate of Rs.60 lakh	**Two diploma holders (Elect./ Mech) each with minimum experience of 5 years in the trade.**	Refrigerant Gas leak detector, Anaemometer, Hydraulic & hand operated crimping tools, Pitot tube manometer,Psyc-horometer, Phase sequence indicator,	Rs.10,000

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
							Magnetic dial indicator, LT Meggar 1000V, Acoustic measurement meter, Hydraulic pressure testing equipment, Gas welding and cutting machine, Portable electric welding machine, Portable drilling machine	
HVAC	IV	Elect. Zone of CPWD CE(E). [For Delhi CE (E) DR]	Rs.15 lakhs	Three works of original/operation/ maintenance nature of Rs. 3.0 lakh each.	Bankers certificate of Rs.15 lakh	-		Rs.5,000
Diesel Generating Sets (D.G.sets)	I	All over India DG(W)	2 crore	Three works of not less than Rs. 30 lakh each and each work should involve D.G. sets of capacity not less than 380 KVA and should be OEM and OEA of one or more reputed makes of engines and alternators	Bankers certificate of Rs. 2 crore	One Graduate Engineer (E/M) having experience of not less than three years in the trade & a Diploma (E/M) qualified Engineer, with not less than seven years experience in the design, erection testing and commissioning of D.G. sets Firm desiring enlist-	Phase sequence indicator, Hydraulic and hand operated crimping tools, Magnetic dial indictor, LT Meggar 1000 V, Acoustic measurement meter, Portable electric welding machine, Portable drilling machine, Earth tester, Battery Tester, Multimeter, Tong Tester	Rs.10,000

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
						ment in this class should have an Engineering Office capable of preparing estimates and submitting bills regularly for work done provided for in the contract. Their Office should have sufficient estimates and submitting tenders in an intelligent manner and for supervision of works		
Diesel Generating Sets (D.G. sets)	II	Region of CPWD ADG of Region	Rs.60 lakh	Three works of not less than Rs.15 lakhs each and each work should involve D.G. sets of capacity not less than 250 KVA and should be authorized supplier of OEM/ OEA of one or more reputed makes of engines and alternators	Bankers certificate of Rs. 60 lakh	One Graduate Engineer (E/M) having experience of not less than two years in the trade, & a Diploma (E//M) qualified Engineer, with not less than five years experience in the erection testing and commissioning of D.G. sets Firm desiring enlistment in this class should have an Engineering Office capable of preparing estimates and submitting	Phase sequence indicator, Hydraulic and hand operated crimping tools, Magnetic dial indictor, LT Meggar 1000 V, Acoustic measurement meter, Portable electric welding machine, Portable drilling machine, Earth tester, Battery Tester, Multimeter, Tong Tester	Rs.10,000

Category	Class	Jurisdiction & Enlistment Authority	Tendering limit	Past experience of completed works in last 5 years	Financial soundness	Engineering Establishment	T&P Machinery	Enlistment processing fee
1	2	3	4	5	6	7	8	9
						bills regularly for work done provided for in the contract. Their Office should have sufficient technical personnel for preparing estimates and submitting tenders in an intelligent manner and for supervision of works		
Diesel Generating Sets (D.G. sets)	III	Zones of CPWD Chief Engineer of Zone For Delhi CE (E)DR	20 lakhs	Three works of not less than Rs.8 lakhs each and each work shall involve D.G. sets of capacity not less than 100 KVA	Bankers certificate of Rs.20 lakhs	One Diploma holder (E/M). Firm desiring enlistment in this class should have an Engineering Office capable of preparing estimates and submitting bills regularly for work done provided for in the contract. Their office should have sufficient technical personnel for preparing estimates and submitting tenders in an intelligent manner and for supervision of works.		Rs. 5,000

1	2	3	4	5	6	7	8	9
Electrical Sub Stations	I	All over India DG(W)	Rs. 2 crore	Three works of not less than Rs. 50 lakhs each involving transformer capacity of not less than 1000 KVA in each work out of which one should be dry type transformer and vacuum circuit breaker	Bankers certificate of Rs.2 crore	One Graduate Engineer (E/ M) having an experience of not less than five years in the trade and one Diploma (E/M) qualified Engineer, with not less than five years experience in the design, erection testing and commissioning of Sub-Station.	Phase sequence indicator, Primary and secondary injection equipment, HT 5000V Meggar & LT 1000 V Meggar, Hydraulic and hand operated crimping tool ,Dielectric strength testing equipment, Portable welding machine, Portable drilling machine, Earth tester, Tong Tester	Rs. 10,000
Electrical Sub Stations	II	Region of CPWD ADG of Region	Rs. 60 lakhs	Three works of not less than Rs. 15 lakh each involving transformer capacity of not less than 500 KVA in each work	Bankers certificate of Rs. 60 lakhs	One Graduate Engineer (E/ M) having an experience of not less than two years in the trade, and a Diploma (E/M) qualified Engineer, with not less than five years experience in the erection, testing and commissioning of Sub-Station.	Phase sequence indicator, Primary and secondary injection equipment, HT 5000V Meggar & LT 1000 V Meggar, Hydraulic and hand operated crimping tool ,Dielectric strength testing equipment, Portable welding machine, Portable drilling machine, Earth tester, Tong Tester	Rs. 10,000
Electrical Sub Stations	III	Zone of CPWD CE of the of Zone For Delhi CE (E)DR	Rs. 20 lakhs	Three works of Rs. 5 lakh each involing transformer capacity of not less than 200 KVA	Bankers certificate of Rs.20 lakhs	One Diploma holder (E/M)	Phase sequence indicator, Primary and secondary injection equipment, HT 5000V Meggar & LT 1000 V Meggar, Hydraulic and hand operated crimping tool ,Dielectric strength testing equipment, Portable welding machine, Portable drilling machine, Earth tester, Tong Tester	Rs. 5,000

1	2	3	4	5	6	7	8	9
Lifts/Ele Vator	I	All Over India DG (W)	Rs.2 Crore	Three works of not less than Rs. 60 lakhs each. The firms should be original manufacturer on the date of applicaton and should be maintaining at least 100 lifts satisfactorily and should have maintenance centers at least at 10 locations in India.	Bankers certificate of Rs. 2 crore	One Graduate Engineer (E/M) having an experience of not less than three years in the trade and a Diploma (E/M) qualified Engineer, with not less than seven years experience in the design, erection testing and commissioning of Lifts/Elevatiors/Esc alators.		Rs. 10,000
Fire Alarm System	I	All over India DG (W)	Rs. 1 Crore	Three works of not less than Rs. 25 lakhs each of fire Alarm System works out of which one should be of addressable fire Alarm System	Bankers Certificate of Rs. 1 crore	One Graduate Engineer (E/M) having an experience of not less than three years in the trade and one Diploma (E/M) qualified Engineer, with not less than seven years experience in the design,erection testing and commissioning of Fire Alarm System.	Chase cutting machine, Wire drawing equipment, Multi meter, LT 500 V meggar, Battery Tester, Hand operated crimping tool	Rs. 10,000
Fire Alarm System	II	Region of CPWD ADG of Region	Rs. 30 lakhs	Three works of not less than Rs. 10 lakhs each of fire Alarm System works	Bankers certificate of Rs.30 lakhs	One Graduate Engineer (E/M) having an experience of not less than three years in the trade, or a Diploma (E/M) qualified Engineer, with not less than five years experience in the design, erection, testing and commissioning of Fire Alarm System	Chase cutting machine, Wire drawing equipment, Multi meter LT 500 V megger, Battery Tester, Hand operated crimping tool	Rs. 5,000

1	2	3	4	5	6	7	8	9
Fire Fighting System (water based wet riser & sprinkler)	I	All over India DG(W)	Rs. 2 crore	Three works of not less than Rs. 50 lakhs each of fire fighting System works	Bankers certificate of Rs. 2 crore	One Graduate Engineer (E/ M) having an experience of not less than three years in the trade and one Diploma (E/M) qualified Engineer, with not less than five years experience in the design, erection testing and commissioning of Fire fighting System	LT 1000 V meggar, Gas cutting and welding machine, Hydraulic pressure testing equipment, Magnetic dial indicator, Hand operated crimping tool, Multi meter, Battery Tester, Portable electric welding machine	Rs. 10,000
Fire Fighting System (water based wet riser & sprinkler)	II	Region of CPWD ADG of Region	Rs. 60 lakhs	Three works of not less than Rs. 15 lakhs each of fire fighting system works	Bankers certificate of Rs.60 lakhs	One Graduate Engineer (E/ M) having an experience of not less than two years in the trade, or a Diploma (E/ M) qualified Engineer, with not less than five years experience in the design, erection testing and commissioning of Fire fighting System	LT 1000 V meggar, Gas cutting and welding machine, Hydraulic pressure testing equipment, Magnetic dial indicator,Hand operated crimping tool, Multi meter, Battery Tester, Portable electric welding machine	Rs. 10,000
Furniture	I	All over India DG (W)	Rs.1 crore	Three works of Rs.20 lakh each.	Banker certificate of Rs.1 crore	Designers capable of producing well thought out schemes for furnishing large buildings.	Properly fitted work shop, paints, polish & other finishing equipment.	Rs .10,000
Furniture	II	Region of CPWD ADG of Region. [For Delhi: ADG NR]	Rs.25 lakh	Three works of Rs.6 lakh each.	Bankers certificate of Rs.25 lakh	-	Properly fitted workshop, paints, polish & other finishing equipment	Rs. 5,000

1	2	3	4	5	6	7	8	9
Furniture	III	Zone of CPWD Chief Engineer. [For Delhi : CE (NDZ)III]	Rs.10 lakh.	Three works of Rs.2 lakh each.	Banker certificate of Rs.10 lakh	-	Properly fitted work shop, paints, polish & other finishing equipment	Rs. 2,000
Furniture	IV	Circle of CPWD Superintending Engineer.[For Delhi: SE (DCC)I	Rs. 3.0 lakh.	Two works of Rs. 50,000 each or one work of Rs. 1 lakh	Banker Certificate of Rs. 3.0 lakh	-	-	Rs. 2,000
Horticulture	I	All Over India DG(W)	Rs. 50 lakh	Three works (excluding main tenance works) of Horticultural activity each costing Rs.10 lakh or more excluding cost of civil and electrical works	Bankers certif-icate of Rs.50 lakh	One M.Sc in any Agriculture subjects & One B.Sc (Agric-ulture) graduate employee with minimum five years experience	Matador -1No. Tractor with triller & trolley -1No Power Lawn movers - 3 Wheel Barrows (Rubber tyred)- 6 No Rub-ber Hose pipes – 200 m Power Sprayers – 1No and all implements for day to day working and carriage	Rs. 10,000
Horticulture	II	Region of CPWD ADG of Region For Delhi ADG (NR)	Rs 15 lakh	Three works (excluding maintenance works) of Horticultural activity each costing Rs. 5 lakh or more excluding cost of civil & electrical works	Bankers certif-icate of Rs.15 lakh	One B.Sc. (Agricult-ure) with minimum 5 years experience	Matador – 1 No.Wheel Barrows (Rubber Tyred) – 3 Nos.Power Lawn Movers – 2 Nos Power sprayer Rubber Hose Pipe- 200 m All imp-lements for day to day working and carriage.	Rs. 5,000
Horticulture	III	Zone of CPWD Chief Engineer For Delhi CE (NDZ)III	Rs.7 lakhs	Three works (excluding maintenance works) of Horticultural activity each costing Rs. 2 lakh or more excluding cost of civil & electrical works	Bankers certificate of Rs. 7 lakh	Qualified or experie-nced employee with experience not less than 10 years in Horticulture activity	All implements for day to day working and carriage. No T&P shall be issued by the deptt.	Rs.2,000

1	2	3	4	5	6	7	8	9
Nursery		Delhi ADG (NR)	Rs. 10 lakh	Three works of Nursery activities each costing Rs. 2 lakh or more	Bankers Certificate of Rs.10 lakh. At least two acres of land under plantation of Nursery	One B.Sc. Agriculture with 5 years experience	Green House, Poly House, Water Source like Tube Well, Irrigation system and all implements for day to day working	Rs. 2,000/-

APPENDIX –35

(Reference para 35.6)

Model form of letter of appointment of Arbitrator

CENTRAL PUBLIC WORKS DEPARTMENT

No. Dated, the ……20……..

Subject: In the matter of arbitration between …… and Union of India, regarding the work ……..Agreement no. ……..

Whereas……has/have written to me vide his/their letter no…… dated……. that certain disputes have arisen between the above noted parties in respect of the above noted work. I, ……,Chief Engineer, CPWD by powers conferred on me under Clause 25 of the said Agreement hereby appoint Shri ……. Arbitrator, Ministry of Urban Development, New Delhi as Sole Arbitrator to decide and make his award regarding the claims/disputes by the contractor, if any, as shown in the statements enclosed subject always, however, to their admissibility under clause 25 of the aforesaid agreement.

**The amount of the claim(s) in dispute being Rs.1,00,000/-* or above Rs.1,00,000/- the Arbitrator shall give reasons for the award.

CHIEF ENGINEER

[*Score out what is not applicable
Note: **This para is to be omitted in cases where the amount of claim(s) is less than Rs.1,00,000]

To

1. Shri……
Arbitrator
Ministry of Urban Development, New Delhi.

2. M/s ……. Contractor, with reference to his/their letter no. ……. dated …….....

Copy to:

1. Shri …….. Superintending Engineer, ……. Circle, CPWD, ……...with reference to letter no. …….dated……..

2. Shri …… Executive Engineer, ……Division, CPWD ……. with reference to his letter no. …… dated …….

Arrangements may please be made to defend the case effectively. Legal assistance of the Counsel/ Superintending Engineer (P) may be obtained where necessary.

Superintending Engineer/Executive Engineer should ensure that the bills of the contractors are finalised immediately, if not already done.

CHIEF ENGINEER

APPENDIX – 36

(Reference para 35.6)

Model form of letter of appointment of substitute Arbitrator due to transfer or vacation of office by the Arbitrator

CENTRAL PUBLIC WORKS DEPARTMENT

No…… Dated, the …….. 20…..

Subject: In the matter of arbitration between :

…… Claimant

vs

…… Respondent

Arbitration case no…….. of ……

Whereas Shri…….. was appointed Sole Arbitrator by letter no. …….. dated …….. in the above matter, and whereas the aforesaid Arbitrator has been transfered/vacated his office on ……, I, ……, Chief Engineer …….. (Zone) in exercise of my powers under clause 25 of the contract appoint Shri…… as the Sole Arbitrator to determine the disputes referred to the aforesaid arbitrator in accordance with the said clause 25. Shri…… may start the proceedings from the stage at which the aforesaid Arbitrator left off.

2. **The amount of the claim in dispute being Rs.1,00,000/- and above, the arbitrator shall give reasons for the award in respect of each claim/dispute.

Chief Engineer

Copy to:

1. Shri……..with the request to transfer the records of the case to Shri…… at the earliest.
2. Shri…… with the request to take over the records of the case from Shri……at the earliest.

Note: **This para is to be omitted in cases where the amount of claim(s) is less than Rs.1,00,000/-

APPENDIX – 37

(Reference para 43.1)

CPWA-35 (Revised)

REGISTER OF MATERIALS AT SITE ACCOUNTS

(Referred to in paragraphs 10.3.11, 10.3.12, 10.3.18, 10.5.7, 10.5.8 of CPWA code)

1. Section ……
2. Name of work ……
3. Name of article ……
4. Estimate requirements ……
5. Issue rate ……

S.no.	Date of receipts/ issues	Received from/ Issued to	Receipts/ Issues	Balance	Remarks
1	2	3	4	5	6

APPENDIX - 38

(Reference para 44.3)

Rules for conducting departmental auction

The following rules shall be observed by the departmental officers while conducting departmental auction for disposal of surplus stores and unserviceable materials:

1. Publicity

(a) Wide publicity shall be given in all cases of auction of unserviceable materials and surplus stores. The notice should be displayed in the CPWD web site irrespective of the value of stores (Reserve Price) to be auctioned. In cases of auction of stores valued at Rs.25,000/- or more (Reserve Price) publicity should invariably be given in the local English and vernacular Press. In the important cases, auction notices should be published at least seven days ahead of the scheduled date of auction.

(b) For all cases of auction, registered notices shall be given to be local Registered Kabari Associations. These should be sent at least seven days in advance of the date of auction. In addition, the notice of auction may be endorsed to certain individuals, at the discretion of Executive Engineer, if it is felt by him that it would be in the interest of the Government to do so.

(c) Auction notices should invariably be endorsed to Sub-Divisions under the Divisions concerned and local Divisions for prominent display on the Notice Boards and also pasted on the Notice Board of the Division concerned as well as at the prominent place at the site of auction. In case auction is proposed to be conducted at stations other than Divisional Headquarters, notice for auction shall be sent to all Sub-Divisions as well as Offices of the State Departments for display on Notice Board. Record of notices sent to the Associations, individuals and offices, shall be properly maintained. Record of the dates on which they are pasted on the Notice Board of the Division etc. and the days they remain on the Notice board will also be kept. It will be the personal responsibility of the Head Clerk to watch that they remain on the Notice Boards till the date of auction.

(d) Auction Notice should clearly indicate the particulars such as value of materials proposed to be disposed off by auction, conditions of auction, earnest money to be deposited and the time and date fixed for auction. It is also necessary to draw a set of detailed additional conditions depending on the materials proposed to be disposed off and also the locality in which the same is stored so that bidders may not prefer any claim due to misunderstanding or incorrect wordings provided in the contract documents.

2. Inspection

The materials to be auctioned should be properly stored and clearly stacked to enable proper inspection by the prospective bidders.

3. Supervision

Auctions shall be conducted in the presence of the Assistant Engineer-in-charge. The Junior Engineer under whose supervision the materials have remained under custody will render all possible help to the Assistant Engineer in discharging his duties and he will attend the auction. In case of auctions of stores the reserve price of which is more than Rs.1,00,000/- the auction will be supervised by the Executive Engineer concerned. In the case of auctions held at a place outside the Sub-Divisional Head Quarter, the auction may be attended and final bids recorded by the Junior Engineer, provided the book value of the materials auctioned is not more than Rs.2500/-.

4. Bid amount

(a) At the fall of hammer the highest bidder will be required to deposit in cash bid amount @ 25% of his bid money. Balance of the sale value shall be paid by the buyer to the Executive Engineer or his accredited representative after the acceptance of the bid within the time limits mentioned below:

(i) In case bids which do not exceed Rs. 10000/-, within 24 hours of the receipt of notice of the acceptance of the bid.
(ii) In case of bids which exceed Rs.10000/-, within three days of receipt of notice of the acceptance of the bid.

(b) The supervising Officer shall have the discretion to demand more than 25% of the bid money upto full amount of the bid, if considered necessary by him.

(c) In case of bidder's failure to deposit the full bid money in time, the earnest money deposited by the bidder shall stand forfeited, the materials shall be re-auctioned. The name of defaulting bidders shall be intimated to Chief Engineer's office for circulation to other Divisions, so that such bidders are debarred from bidding in future.

5. Acceptance of bid

(a) The acceptance of the bid by the competent authority must be conveyed in writing (Registered AD) to the bidder as far as possible within five days from the date of auction. In case, the bid is to be accepted by Superintending Engineer, it shall be conveyed within ten days.

(b) It is not incumbent on officers of CPWD to out-right accept the highest bid, which can be rejected without assigning any reason to the bidder concerned, but he must record in writing his reasons for not accepting the same.

6. Removal of auctioned materials

(a) As far as possible, auctioned materials must be removed by the bidder within 3 days from the date of acceptance of bid. However, the materials will be allowed to be removed only after payment of bid money, which will be accepted in cash or amount deposited by the bidder in branch of RBI/SBI and challan made over to CPWD. No cheques will be accepted under any circumstance.

(b) As soon as the full amount of the bid money is made good by the prospective buyer, he would acquire his lien on the auctioned stores etc. and it will be his duty/responsibility to any damage done by way of pilferage, fire, or any other unforeseen calamity, and no claim on this account shall be entertained.

(c) The bidder will leave storage place of the material quite clean.

(d) The materials will be removed from site in presence of the bidder himself or agent duly authorised by him in writing in this behalf.

(e) If the bidder does not vacate the site within three days, EE may confiscate the balance materials lying at the site. (such Provisions may be kept in Auction Documents)

7. Records of bids

(a) The officer who supervised the conduct of auction, will maintain in his own handwriting, a complete record of all the bids offered by different bidders.

(b) The scroll of bids will indicate the full description of the materials, reserve price, site, date and time of auction and will be signed by the Supervising Officer and at least two witnesses at the conclusion of the auction.

(c) The bid sheet in triplicate should be signed simultaneously by the purchaser and the Supervising Officer.

(d) The Supervising Officer should send an immediate report about the auction to the next higher authority.

8. Power to accept the bid

Bids should be accepted by the Executive Engineer concerned. In case of bids below the reserve price, the bids will be accepted by the next higher authority.

APPENDIX – 39
(Reference para 44.3)

PROFORMA FOR MAINTAINING RECORD OF CONDUCTING DEPARTMENTAL AUCTION
CENTRAL PUBLIC WORKS DEPARTMENT

Name of Division ……

Name of Sub-Division ……

S.no.	Date of auction	Authority for sale(no. & date of sanctioned survey report, if any)	Particulars of articles	Weight or quantity	Reserve price	Name & address of the Bidder I,II,III, IV,V,VI	Amount of bid	Amount deposited by bidder cash receipt no. and date	Remarks
1	2	3	4	5	6	7	8	9	10

APPENDIX – 40
(Reference-Para 47.4.11)

ESTIMATE FOR ESTABLISHMENT CHARGES

DETAILED DEMAND FOR GRANTS ENSUING YEAR

DEMAND No.……

Estimated strength of Establishment and provisions thereof:

Estimated strength, as on 1st March ……..

(In thousands of Rupees)

Last year	Current year	Ensuing year	Budget	Revised Current year	Budget
				1.Salary (a) Officers; Indicate designation of each post and strength and provision thereof. (b) Staff; Indicate types/ Categories of all posts and show in lump the Estimated strength and provisions thereof	
				Total salary	
				2. Allowances (other thanTravel Expenses) 3. Wages 4. Travel Expenses	
				Total	

APPENDIX – 41
(Reference para 47.4.12)

REVENUE RECEIPTS

Ministry/Department/Union Territory:

Major Head

(in thousands of Rupees)

	First		Last month		Total
	Seven month	Eight month	Five month	Four month	
ACCOUNTS Third last year Second last year Last year					
ESTIMATES Current year] Budget / Revised					
Ensuing Year] Budget					

Accounts 7 months		Minor Heads	Accounts			Current year		Ensuing year
Last year	Current year		Third Last year	Second last year	Last year	Budget Estimate	Revised Estimate	Budget Estimate

Explanation for increase/decrease (Minor Head wise)

Signature.....
Designation.....
Date.....

APPENDIX –42
(Reference para 47.4.13)

FORM GFR 5-A:

ESTIMATES OF FOREIGN GRANTS CONCERNING THE …….. MINISTRY/DEPARTMENT OF …….

(In thousands of Rupees)

Name of the grantor country / body	Date of aid agree-ement	Particulars of assistance to be received	Total assistance expected	Receipt Major Head	Amount to be provided in			Manner of utilisation of aid*
					Current year B.E	Current year R.E	Ensuing year B.E	
1	2	3	4	5	6	7	8	9

Signature……
Designation……
Date……

* A brief note may be added indicating the project on which aid is to be utilised. In the case of material and equipment, the relevant grant and expenditure Heads of Account under which (i) utilisation of material by Central Government Department/projects, (ii) transfer of material to State, Union Territories and other Bodies will be adjusted and also whether the utilisation on transfer will be on Plan (State/UT/ Central Sponsored or Central) or Non-Plan schemes should also be indicated. In cases where the aid material is proposed to be sold, the Receipt Major Head under which the proceeds will be credited should be indicated.

Note: Cash grants and assistance in the form of material and equipment should be indicated separately in Columns 3 to 8.

APPENDIX – 43
(Reference para 47.4.13)

FORM GFR 5-B

ESTIMATES OF INTEREST RECEIPTS & LOAN REPAYMENTS
Ministry/Department

(In thousands of Rupees)

	INTEREST RECEIPTS			LOAN REPAYMENT		
	B.E. Current year	R.E. Current year	B.E. Ensuing year	B.E. Current year	R.E. Current year	B.E. Ensuing year
1. ** Other parties (Cooperatives, Educational Institutions*, displaced persons and other individual loanees except Government servants)						
2. ** Government Servants						
Total						

No……

Dated the ……
Signature……
Designation……

Ministry/Department……

Forwarded, in duplicate, to the Ministry of Finance, Department of Economic Affairs, (Budget Division)

*Estimates for each Institution should be separately appended to the Annexure

(**Categories with which CPWD is concerned have only been included).

APPENDIX - 44

FORM GFR7-1

PLAN

(Reference para 47.4.14)

STATEMENT OF ACCEPTED ESTIMATES OF PLAN EXPENDITURE OF MINISTRY/DEPARTMENT OF ……..

*1. Central Plan
*2. Centrally sponsored Plan
*3. U.T. Plan of ……..(Name of U.T.)
*4. State Plan
[*Please score out what is not applicable.]

Revised Estimates - Current year

(Amount in thousands of Rupees)

Head of Development	Major Head of Account	Number and title of Demand	Sub-heads and units of Appropriation in Demand	Budget Estimates Current Year			Revised Estimates Current Year			Brief reasons for variation between R.E and B.E.
				G	R	N	G	R	N	
1	2	3	4	5	6	7	8	9	10	11
@ Total: Major Head …….										
@ Total: Major Head …..….				.....						
Grand Total										

@ Total under each Major Head to be struck separately.
G: Gross expenditure, R: Recoveries, if any, below the Demand. N: Net expenditure

No……
Ministry/Department of ……
Dated, the ……

Forwarded, in (quadruplicate) to Controller General of Accounts, Ministry of Finance, Lok Nayak Bhawan, New Delhi

For Financial Adviser

APPENDIX – 45

(Reference para 52.3)

REGISTER OF OBSERVATION MEMOS RECEIVED FROM THE CHIEF TECHNICAL EXAMINER

Sl.no.	No. & date of Observation Memo	Name of work and Agreement no.	Name of contractor	Remarks regarding subsequent development and disposal
1	2	3	4	5

APPENDIX – 46

(Reference para 52.4)

REGISTER SHOWING OVER PAYMENT ASSESSED/POINTED OUT BY C.T.E. ORGANISATION AND SUBSEQUENT RECOVERIES EFFECTED

Sl. no.	Reference no. and date	Name of work and agreement no.	Name of contractor	Amount of over payment assessed/ pointed out by CTE	Amount of over payment finally accepted by EE for recovery	Actual date of recovery of over-payment	Remarks
1	2	3	4	5	6	7	8

APPENDIX – 47

(Reference para 54.11)

LIST OF VARIOUS RECORDS WHICH ARE EXAMINED BY INSPECTION PARTY DURING LOCAL INSPECTION

1. Cash Book
2. Cash balance report
3. Register of sale of tender forms
4. Register of tenders
5. Cheque counterfoils and receipt books
6. Remittances made into the Bank/Treasury
7. Subsidiary Cash Book
8. Acquittance Rolls and T.A. Bills, Register of passed bills (CPWA 99) and Check Register of pay bills (CPWA 100)
9. Imprest Accounts
10. Register of contingencies
11. Stock accounts
12. T&P accounts
13. Workshop accounts
14. Road metal accounts
15. Manufacture accounts
16. Transfer Entries books
17. Register of property accounts
18. Register of licence fees of land and buildings
19. Register of immovable and landed properties
20. Register of miscellaneous recoveries
21. Register of C.T.E. Observations and recoveries
22. Register of transfers awaited
23. Register of miscellaneous sanctions
24. Register of A.G./Adjustment memos.
25. Register of Cash Settlement Suspense Accounts
26. Register of Deposits
27. Register of interest bearing securities
28. Post Office Savings Pass Books
29. Register of Purchases
30. Register of Miscellaneous Works Advances
31. Schedule of Rates
32. Register of Rates
33. Register of Muster Rolls
34. Log Books
35. Records relating to works
36. Workcharged Establishment pay bills/ Pay Bill Register (TR 28A)
37. Measurement Books
38. Register of review of Measurement Books by the Divisional Accountant
39. Standard Measurement Books
40. Tenders and comparative statements
41. Work Orders and Register of Work Orders
42. Supply orders and Register of local purchases
43. Contractors' Ledgers

44. Register of Contractors' bills
45. Works Abstract
46. Register of Works
47. Materials at Site Accounts.
48. Register of sanctioned estimates
49. Service Books
50. Work Charged Provident Fund Account
51. GPF Accounts of Group 'D' Staff
52. Overtime allowance claims
53. Children education allowance claims
54. Watchings of Actual
55. Budget Estimates Surrender of unanticipated credits
56. Incumbency's Register
57. Register of expenditure on demolition, restoration, etc.
58. Rush of expenditure during March

APPENDIX – 48

(Reference para 54.14)

PROFORMA OF THE CONTROL REGISTER TO BE MAINTAINED IN THE DIVISIONAL OFFICE TO WATCH DISPOSAL OF AUDIT INSPECTION REPORTS

Sl. no.	Year	Period of inspection report	No. & date under which received	Details of outstanding		No. & date under which replies sent to Audit/ Accounts Office or local Inspection Parties	Total no. of paras dropped		Balance no. of outstanding		Remarks
				Sl. no of the para	No. of sub-para		Sl.no of the para	No. of sub-para	Sl. no. of the para	No. of sub-para	
(i)	(ii)	(iii)	(iv)	(v)		(vi)	(vii)		(viii)		(ix)

APPENDIX – 49

(Reference para 54.14)

PROFORMA OF ABSTRACT OF THE CONTROL REGISTER TO BE MAINTAINED IN THE DIVISIONAL OFFICE TO WATCH DISPOSAL OF AUDIT INSPECTION REPORTS

Sl. no.	Period of Inspection Report	Outstanding at the beginning of the month		Added during the month		Dropped during the month		Balance at the end of the month		Remarks
		Paras	Sub-paras	Paras	Sub-paras	Paras	Sub-paras	Paras	Sub-paras	
1	2	3		4		5		6		7

S. No.	Correction Slip No.	Reference No.	Contents in Brief

S. No.	Correction Slip No.	Reference No.	Contents in Brief