Foreword

Over the years, the CPWD works Manual has served as a guide book for CPWD. The Government of India in the last few years has issued instructions in the domain of public procurement. Some of these important changes include introduction of Central Public Procurement Portal (CPPP), Government e-Marketplace (GeM), preferential market access for micro and small enterprises, preference for domestic manufacturers of electronic goods, Contracts on EPC mode etc. The Department of Expenditure has also issued General Financial Rules (GFR) 2017, Manual for procurement of Goods 2017 and “Manual for procurement of Consultancy and other services 2017.

With new emerging construction technologies gaining dominance over the conventional construction practices and with the rising expectations of various stakeholders for timely delivery of the projects, there is need of transformative changes requiring revision of the works manual to make it more effective and delivery oriented rather than process centric and eliminate the obsolete provisions.

This Works Manual has been written covering inter-alia set of instructions contained in the GFR 2017 and two manuals issued by the Department of Expenditure and in consonance with the fundamental principles of delivery, customer focus, efficiency, transparency, fairness, competition, economy and accountability. Efforts have been made to cover all major aspects of construction & maintenance in a user-friendly manner with clear demarcation of roles, responsibilities of the executing officers.

There were extensive consultations and suggestions with various stakeholders and consultation was held with the E & Y team. I am confident that CPWD officers, by using the present manual, will be able to ensure quality and speedy delivery of the works. I also hope that this Manual would be of great help and guidance to the officers engaged in planning and execution of public works.

Manual issued by CPWD is to be taken as generic guidelines with the spirit of effective execution of works.

I would like to acknowledge the lead taken by Shri Manu Amitabh, Chief Engineer CSQ(Civil) and dedicated efforts of Shri Sudhir Kr. Dak, SE(C&M), Shri Ashish Kumar Singh, Director Finance and Shri Shivani Kaushal EE(Manual), Shri A.K.Sikka, EE(CSQ), Shri Vimal Khetan, EE(E), CSQ, Shri. M.C. Singhal, EE(QA), CSQ, Shri D.S. Adhikari, AE(QA), CSQ & all other officers of CSQ and other units who have individually provided their valuable inputs in revision of this Manual.

Date:

(Prabhakar Singh)
Director General, CPWD
PREFACE

CPWD Works Manual was last published in the year 2014. Over the years, various guidelines have been issued on procurement policies by the Government of India. GFR 2017 has also been brought out, which further enabled an efficient and effective framework of fiscal management while providing the necessary flexibility to facilitate timely delivery of services.

Further, the need to bring about changes in CPWD in the changed scenario has been engaging the attention of the Ministry. In the above background, the Ministry commissioned a study on the ‘Working and reorganization of CPWD’ through Ernst & Young (EY) in May, 2017. The objective of the assignment was, inter-alia, to study in detail the working of CPWD keeping in view its mandate and functions, to carry out an analysis of its structure and organization and to suggest measures for enhancing the efficiency and effectiveness of the organization by ensuring optimal utilization of resources. One of the prime recommendations of E&Y was to redraft the CPWD Works Manual in line with the latest trends in the construction sector and global best practices and make it concise, effective and delivery oriented.

Keeping in view the above, ‘CPWD Works Manual 2014’ has been re-written and revised with ‘CPWD Works Manual 2019’ by making major conceptual changes.

This manual provides mandatory provisions and guidelines whereas the processes form part of the SOPs (Standard Operating Procedures). Efforts have been made to make the manual more user friendly by arranging the chapters with the sequence of execution and by introduction of “Definitions” and “Glossary of terms”. A writeup on “About the manual” has been incorporated to facilitate field officers.

Though every effort has been made to bring out the Works Manual with utmost precision and accuracy, however, if any discrepancy comes to the notice, it may be brought to the notice of Chief Engineer (CSQ) (Civil), CPWD, Room No. 325-A, Nirman Bhawan, New Delhi- 110011.

I am grateful to Shri Prabhakar Singh, Director General, CPWD, but for his worthy guidance and support, it would not have been possible to complete the assiduous and challenging task of re-writing this manual. I also acknowledge the lead taken by Shri Manu Amitabh, Chief Engineer, CSQ (Civil) and the efforts of Shri Sudhir Kr. Dak, SE(C&M), Shri Ashish Kumar Singh, Director Finance, Shri Shivani Kaushal EE(Manual), Shri A. K. Sikka, EE(CSQ), Shri Vimal Khetan, EE(E), CSQ, Shri. M.C. Singhal, EE(QA), CSQ, Shri D.S. Adhikari, AE (QA), CSQ and all other members of his team who deserve deep appreciation for their sincere and untiring efforts in bringing out this Manual.

Place: New Delhi
Dated:

(Dr K.M. Soni)
Addl. Director General (TD)
PREAMBLE

The Central Public Works Department solemnly resolves to achieve Customer Satisfaction through Quality, Timely Delivery and Transparency in effective execution of works emphasizing on Sustainable Development.
1) The manual has been divided into three parts:
   Part I: General provisions common to both construction & maintenance works.
   Part II: Provision related to only Construction works
   Part III: Provisions related to only Maintenance works.

   The financial powers which were earlier part of the CPWD Works Manual 2014, are now given separately as “Compendium of Financial Powers in CPWD”.

2) The Manual follows the ordinary sequence of execution of construction and maintenance, including pre-construction and pre-maintenance activities.

3) The Standard Operating Procedures (SOPs) for CPWD Manual 2019 is a compendium of standard procedures and work-flowsas prevalent in CPWD.

4) It shall always be open, where authorities of one or more levels may be missing, for a higher authority to exercise the powers delegated to a lower authority. Similarly, whenever any lower authority fails to take action(s) as per the SOP, it will always open to the higher authority to take the said action(s) if the requirements of the work so demand.

5) The manual should be read as imposing a positive duty for timely delivery of works with quality.

6) In case of any conflicting provisions in the manual and SOP vis a vis the General Conditions of Contract (GCC), the provisions made in the GCC shall prevail in contract management.
DISCLAIMER

Whereas every care has been taken to ensure that all relevant and essential provisions required for execution of Construction and Maintenance Works are incorporated in this manual in a simplified and transparent manner, all executing entities are requested to bring it to the notice of the Directorate, if any conflicting provisions are noticed in the Manual.
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DEFINITIONS

Administrative approval & Expenditure sanction: Communication of formal acceptance of the proposals by the competent authority of the Administrative Ministry/Department requiring the work.

Additions/Alterations/Upgradation: Works which are carried out as per norms laid down for the existing structure or as per requirement of the Client department.

Budgeted works: The 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.

Composite tenders: Tenders for combined Civil, horticulture, internal Electric Installations and other internal & external electrical works.

Contingencies: Provision made in the estimates for meeting out expenditure on incidental works and activities contingent to the project.

Construction stage: Stage between acceptance of tender and completion of work.

Comprehensive Maintenance works: Combined Civil, Electrical and horticulture maintenance works carried out under a single contract.

Cost index: An indicator of the average cost movement over time of a fixed basket of representative goods and services related to execution of works.

Departmental Charges: Agency charges to be levied by CPWD in lieu of execution of works other than those of the Government and autonomous bodies.

Detailed Estimate: Complete and comprehensive estimate of a work, based on the rates given in the SOR for those items covered by it and on market rates for the remaining items, supported by detailed drawings and specifications.


Deposit work: Works of construction or repairs and maintenance, the cost of which is not met out of Government of India budget.

Deviation in quantities: Variation in quantities of items of the contract and actually executed.

Earnest Money: Amount paid by a tenderer in required form as a security for not backing out from his tender before its acceptance or refusing to execute the work after it has been awarded to him.

Emergent works: Works which arise out of any Critical or Emergent situation of inescapable nature and which brooks no delay and are to be awarded expeditiously.

Engineer-in-Charge: The Officer entering into the agreement on behalf of President of India or his representative responsible for execution of the work.

Enabling Estimate: Estimate prepared for carrying out pre-planning activities of a work.
**Extra Item**: Items that are completely new and are in addition to the items contained in the contract.

**Item Rate Tender**: Tenders in which the contractors are required to quote rates for individual items of work on the basis of schedule of quantities.

**Negative Deviation**: When total quantity of an item executed is lower than the quantity of the item stipulated in the contract.

**Normal works**: Works which are not of Emergent and/or Urgent nature and/or specialized works.

**Open call of Tenders**: Tendering process in which tenders are not invited on restrictive call basis.

**Original Works**: Works involving all new constructions, site preparation, additions and alterations, special repairs to newly purchased or previously abandoned buildings or structures, including re-modelling or replacement.

**Percentage Rate tender**: Tenders in which the contractors are required to quote rates on percentage basis i.e. above or below the estimated cost put to tender.

**Petty Repair**: Repairs of minor nature to be executed in an existing building.

**Preliminary Estimate**: Estimate prepared for construction/repair/maintenance works based on plinth area cost basis or similar method without detailed items for obtaining A/A & E/S.

**Pre-construction Stage**: Stage before acceptance of the work.

**Post construction stage**: Stage after completion of the work.

**Preventive Maintenance**: Maintenance carried out to keep the structure and its services in operational condition before repair becomes essential.

**Repairs and maintenance works**: All works undertaken to maintain the assets in a proper condition and for maintenance and operation of all services.

**Rough Cost Estimates**: Estimates which are prepared only on approximation basis with or without any preliminary design/drawings.

**Special repair works**: Major repairs of an existing structure / installation or other works which needs replacement of deteriorated major component of structure/ installation.

**Specialized Works**: Specialized works /items/ jobs are those works that requires expertise/specialized skill and are executed after Prequalification of agencies.

**Substitute Item**: Item executed in place of item of work available in the contract.

**Technical Sanction (T/S)**: Technical Sanction is the approval of the authority guaranteeing structural soundness of the work.

**Technical Sanction Authority**: The authority submitting the PE and according sanction to T/S and NIT
**Urgent works:** Urgent works are works which requires fast start/completion within compressed schedule and are to be taken up on top most priority at the instructions of competent authority or on specific request of the user department.
PART I

CHAPTER 1

GENERAL PROVISIONS

1.0 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 as assigned by the Central government Ministries, Departments, PSUs, autonomous bodies and other organizations.

(ii) Valuation of properties/assets as and when requested by the statutory authorities such as Income Tax, ED, CBI, etc.

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

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

1.1 Standard Forms of Contract
The following different forms of contract are used in CPWD depending upon the nature of work:

(i) Percentage Rate Tender document (CPWD Form 7): This form is used for work in which contractors are required to quote rates on percentage basis i.e. above or below the estimated cost put to tender.

(ii) Item rate Tender document (CPWD Form 8): This form is used for work in which contractors are required to quote the rates against each item of work. This form is generally used where most of the items are non-scheduled or specialized items and detailed analysis of rates are not available.

(iii) Supply of materials (CPWD Form 9): 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.

(iv) Piece Work (CPWD Form 10): This form is to be used mainly in the cases, in which it is necessary to start the work in anticipation of formal acceptance of contract, an agreement on piece work form may be drawn and the contract may be cancelled as soon as regular contract is signed.

(v) Work Order (CPWD 11A): This form is normally used for works where the work is to be awarded without call of tender. In Form 11A, the contractor is bound in respect of the quantity of work and the time in which it is to be completed.

(vi) Lump sum Contract document (CPWD Form 12): This form is used for work in which contractors are required to quote a lump sum figure for completing the works in accordance with the given designs, specifications and functional requirements.

(vii) Tender document for demolition of Buildings (CPWD Form 47): This form of tender is adopted for demolition of buildings and removal of debris from the site.

(viii) Annual Rate Contract for Maintenance: This is suitable for repetitive nature of jobs which require immediate start and uniformity of rates, mainly for minor works and works of Additions and Alternations. The works have to be planned in advance and a number of agencies for works in each colony should be fixed before the start of financial year. Normal A/R & M/O works, however, shall be dealt with under normal tendering system.

(ix) World bank documents: The standard bidding documents finalized by the world bank are used for works aided by it. Only work specific changes, acceptable to the bank can be introduced through additional conditions or contract data sheets. No changes may be made in the standard wordings of the standard bidding document. 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/T/S authority "and "The Executive Engineer/Engineer in Charge represented by the Assistant Engineer/ Junior Engineer "respectively in the Additional Conditions of Contract, should be got approved by the World Bank representative. It should be mentioned that it shall be open for the Executive Engineer/Engineer in Charge to invite a third party to inspect the work and advise him on the quality, work man ship etc. of the work.

1.2 Funding of project work:
The various modes for funding of a Project/works are as under:

a) By Letter of Authorization: The budget is received through the Pay and Accounts Officer of client department. The PAO of CPWD/MoHUA is authorized by the PAO of the client Department for charging the expenditure to the Heads of Account operated by the respective Ministries. This mode is adopted for transfer of funds from one department of government of India to other.

b) MoHUA budget: In this mode, outlay is provided from the financial estimates and accounts of the Union of India that are laid before and voted by both the Houses of Parliament through Ministry of Housing & Urban Affairs.

c) Deposit: This mode is adopted for the works of state governments, local bodies, PSUs, autonomous organisations etc.

d) CSSA-Cash Settlement Suspense Account: In this mode of funding, the funds are made available after carrying out the work and are now followed only for the works pertaining to the Cabinet Secretariat, and the Ministry of Defence. The expenditure is booked by CPWD first in suspense account and then the bill is raised on the client against which payments are made by the client and the suspense account is cleared. LOC for this is also given by CCA against assurances given by the clients.

e) Funding by foreign countries: This system is followed when a project executed in India is completely funded by abroad countries.

1.3 Central Works Board (CWB)
As laid down in the CPWD Code, the Government of India has constituted a Central Works Board for approval of tenders and other miscellaneous matters relating to execution of works. The procedure for acceptance of tenders by the CWB is as per the SOP No. 1/1.

1.3.1 Composition of the Board
(1) The Board consists of a Chairman and two Members. The Director General is Chairman, Director (Works) of MoHUA, and Chief Controller of Accounts in the MoHUA as members. The Director finance, CPWD acts as the Secretary of the Board.

(2) The Board has the authority to co-opt members including non-official experts and the representatives of the other Administrative Departments of the Government of India when so required for advice on matters as to the execution of specialized projects, i.e. Aviation Works, Factory Works, Projects, etc.

1.4 Regional works Board (RWB)
Regional works Boards are constituted in each region for approval of tenders within its delegation of financial powers. Procedure for acceptance of tenders by the RWB is as per the SOP No. 1/2

1.4.1 Composition of the Board
1) The RWB consists of a Chairman and three members. Special DG of the respective region acts as Chairman, ADG of the Sub Region and Director (Finance) CPWD/representative of CCA as members. Chief Engineer/Chief Project Manager/Project Manager being Engineer in Charge responsible for execution of the work presents the case before the board. Director
CPWD is the member of the RWB for Delhi and Northern region while for other regions, the member is nominated by CCA, MoHUA. The DDG(HQ) of the Region is the member secretary of the RWB. The secretarial work of the Board is to be done by the office of the respective Spl. Director General.

2) The Regional Works Board has the authority to co-opt the representative of client department as member, when so required.

1.5 Clarifications, Amendments and Revision of Manual
For any clarification or interpretation of any of the provisions of the manual, the matter shall be referred to DG, CPWD who being technical Advisor to GOI, shall be the competent authority to decide and make necessary amendments in engineering and technical matters. For matters relating to financial policy, Delegation of Financial powers or any other policy matters issued by the GOI, shall be referred to MoHUA.
CHAPTER 2  
BUDGET AND RECONCILIATION OF ACCOUNTS

2.1 Documentations of Accounts
The following documents are mandatory for proper accounting for the works as prescribed in CPWD-A Code and O/o CCA, MoHUA:

(i) Bills Register
(ii) Contractor’s ledger
(iii) Register of works
(iv) Materials Account
(v) Cash Book

The procedure and responsibility for the above documents are defined in SOP

2.2 Losses of Government Assets
Refer GFR 2017 (as amended from time to time). The reporting of losses, and follow-up action to be taken thereon as defined in SOP

2.3 Accounting Procedure for works outside India
For the works outside India executed by CPWD as and when assigned by Govt. of India through Ministry of External Affairs, general requirement and accounting procedure for works is mentioned in SOP 8/5

2.4 BUDGET
2.4.1 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. 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 the Ministry of Finance in their annual budget circular.

2.4.2 Definitions

2.4.3 Budget Authority
The Director General is the Budget Authority for the preparation and submission of the budget estimates to MoHUA.

2.5 Consolidated Fund of India
All revenues received by Government, loans raised by it, and 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. All appropriations granted by the Parliament expire at the end of financial year and no deduction of unspent budget can be appropriated for meeting the demands in the next financial year. Thus, all unutilized funds within the year ‘lapse’ at the end of the financial year.

2.6 Demands for Grants
For details regarding ‘procedure for compilation of detailed demands for grants’ and ‘Procedure to be followed in connection with the demands for supplementary grants’, GFR 2017 and Budget Circulars may be referred.

2.7 Expenditure relating to New Services & New Instrument of Services
"New Services" refer 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.

Recoveries, Appropriation Bill, Vote on account, Finance Bill. Final Budget is the part of Budget processes and Budget Manual of the Ministry of Finance and their circulars may be referred for details.

Final budget is required to be submitted to the Government according to prescribed format and date in 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.

2.8 Recoveries
2.9 Appropriation Bill
2.10 Vote on account
2.11 Finance Bill
2.12 Final Budget
2.13 Budget head of CPWD

2.14 Preparation of Budget for CPWD

Budget Estimates (including Revised Estimates) for works etc. should be prepared in the forms prescribed by the Ministry of Housing and Urban Affairs (MoHUA). For Schemes and Non-Scheme expenditure, the Estimates should be submitted before 31st October.

2.15 Budget Heads of Accounts

The budget is prepared under various Heads of Accounts depending upon the nature of expenditure. Different Heads of Accounts are controlled by different Ministries/Departments. The same are detailed under List of Major Minor Heads and CPWD Accounts Code issued by CGA/CCA, MoHUA. The Main Heads, Minor heads and other heads are defined in Annexure- I of the SOP

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.

2.15.1 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.

2.16 Lease charges

The following information needs to be supplied:
(a) The accumulation of arrears for previous years, and
(b) The likely commitment for the current year.

2.17 New Constructions
Ministries/Departments prepare proposals for "New" construction projects to be included in the Budget Grants of MoHUA. These proposals are to be furnished in the proforma (MIS/B-I) as given at Annexure -I and II in SOP

2.18 Charged Expenditure
(1) All expenditure connected with the satisfaction of decrees of the Courts is to be treated as 'Charged expenditure' for payment of award on budgeted works. 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 (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.

2.19 New construction projects, projects other than MoHUA
(1) The separate statements for Scheme (erstwhile Plan) Residential, Non-Scheme (erstwhile Non-Plan) Residential, Scheme (erstwhile Plan) non-Residential and Non-Scheme (erstwhile Non-Plan) Non-Residential works are to be prepared under respective Major Heads and Schemes, the works being grouped zone-wise for each category under the MoHUA Demand.

(2) The new works proposals, after complying with the above requirements, should be sent by the concerned Chief Engineer to the Director (Fin), CPWD O/o Director General, CPWD by 31st August, every year.

(3) The Director (Finance), CPWD will scrutinize the proposals and forward his findings through ADG(TD)/DG to the MoHUA by 30th September, of every year.
2.20 Works in progress/ Work Annexure for Pink Book
(1) The Revised Estimates for current year and Budget Estimates for ensuing year in respect of capital works in progress under Demand for MoHUA are to be prepared under the prescribed format circulated by Budget section, O/o DG, CPWD.
(2) Separate schedules should be prepared for Residential Scheme, Residential Non-Scheme, Non-Residential Scheme and Non-Residential Non-Scheme works costing more than prescribed limit. Similar statements may also be prepared for works costing less than the prescribed limit, and for which lump sum amounts are provided in the schedules for works costing more than the prescribed limit. The works may be arranged in the manner as they appear in the Detailed Demand for Grants of the current year. Abstracts of each schedule should also be added.
(3) The provision for Civil, Electrical and Horticulture portions of works, as the case may be, should be shown together. No new works costing the prescribed limit or more should be taken in hand or included in the proposals for Revised Estimates unless prior and specific approval of the competent authority. Instructions given in preparation of RE/BE are to be followed as given from time to time.

2.21 Scheme works
(1) The demands should be confined to those works only which have received administrative approval in cases where such approval is required.
(2) For "Minor Works" and "Maintenance and Repairs" chargeable to the Major head "2059 Public Works" and "2216 Housing-Government Residential Buildings", 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.
(3) In cases where such lump sum provisions are made for Scheme or Non-Schemes, detailed justification should be given in support of the demands made.

2.22 Demands 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, considering 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. For this Annexure I shown in SOP may be referred to.
(3) Provisions for posts lying vacant, deputation, etc should be considered for making realistic demand provision in the budget Estimates.
(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.

2.23 Revenue estimates
(1) The CPWD being an expenditure Department does not deal with the revenue portion of the budget, except in respect of miscellaneous receipts occurring 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 and sale of produce 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, unclaimed balances under "Purchases", recovery of departmental charges, lapsed deposits and fines, confiscated/forfeited deposits of works other than the deposit works(which do not represent compensation for damage to works-in-progress). This is required to be submitted in Annexure I shown in SOP NO. (CPWD A Code/ PFMS) by 30th November every year to the Chief
Controller of Accounts of MoHUA.

(2) Estimates of rent recoveries adjustable under Major head "0216" in respect of Government accommodation, will be furnished by the Chief Controller of Accounts, MoHUA, except where a Department has separate pool of accommodation (e.g. Delhi and other Union Territories, Indian Meteorological Department and the Central Board of Direct Taxes and Central Board of Indirect Taxes and Customs etc.) of which rent receipts, although adjustable under the Major head 0216, are not passed on to the Director of Estates, MoHUA. Apart from the Chief Controller of Accounts, MoHUA, 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- I shown in SOP.

2.24 External assistance in the shape of materials, equipments and other commodities received from foreign Governments without involving any cash inflow or outflow – Account and Budget provisions

The procedure for such assistance can be of different type and for each case matter may be referred to the office of DG CPWD/ Director (Finance) for suggesting the suitable accounting and payment system based on consultation with IFD, MoHUA and Ministry of Finance.

2.25 Savings, Excesses and Supplementary Demands

2.25.1 Surrenders of savings (Revised)

(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 to original overestimating or administrative causes
(iv) All anticipated savings noticed in a grant or allotment has to be surrendered 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.

(2) No savings are to be held in reserve for meeting possible excesses in future.

(3) Budget Division, Ministry of Finance has issued instructions on the need for the individual Ministry/Department to put in place effective mechanism for realistically assessing their requirement of funds in a way that would ward off the occurrence of unwarranted surrender of savings at a later date. In this regard, Rule 62 of GFR 2017 may be referred.

2.25.2 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.

If the amount authorized through appropriations for a particular service is found to be insufficient for the purposes of that year or when a need has arisen during the current financial year for supplementary or additional expenditure upon some new service not contemplated in the annual financial statement for that year, a supplementary demands for grants proposal shall be made before parliament. However, if any money has been spent on any service during a financial year in excess of the amount granted for that service and for that year, demand for such excess, as the case may be
is to be laid before both the Houses of Parliament for authorizing (subject to the report of the Public Accounts Committee) the expenditure incurred in excess.

2.25.3 Supplementary Grant
(1) As per Rule 66 of GFR, if savings are not available within the Grant to which the payment is required to be debited, or if the expenditure is on “New Service” or “New Instrument of Service” not provided in the budget, necessary Supplementary Grant or Appropriation in accordance with Article 115 (1) of the Constitution should be obtained before payment is authorized. Instructions issued from the Budget Section of CPWD/ MoHUA from time to time are to be followed in this regard.

2.25.4 Annexure to the Supplementary Demands
As recommended by the Public Accounts Committee, any order for re-appropriation, issued during a financial year, which has the effect of increasing the budget provision under a sub-head or standard object head by more than the limit specified in Budget Division’s OM or as mentioned in the Delegation of Financial Power Rules, is required to be reported to Parliament along with the final batch of the Supplementary Demands for Grants. This information is also called for from the Ministries/Departments by the Budget Division.

2.26 Appropriation Account
(1) As required by the 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 the prescribed limit. 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 the prescribed limit.

(i) Where the variation is an excess
All cases in which the excess exceeds 10% of the total sanctioned provision or as prescribed, 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 as prescribed, 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 the prescribed amount may be picked up. If, however, there is no individual sub-head involving an excess of over such prescribed amount, 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.

2.26.1 Re-appropriation
(1) 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 prescribed under DFPR and Orders of Ministry of Finance from time to time.

(2) 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.

(3) Rule 64 of GFR 2017 regarding provisions relating to the Re-appropriation of Funds, relevant rules under DFPR are mentioned in SOP

2.26.2 Restrictions on appropriations/re-appropriations

All Re-appropriation shall be done as per GFR 2017/ DFPR provisions and according to orders issued by MoF from time to time.

2.26.3 Powers to Reappropriate

2.27 Allotment of funds

(1) After the budget grants are approved by the Parliament, the Ministry allocates the sanctioned funds to the DG, CPWD. Director Finance, CPWD who functions as IFD of CPWD distributes the allocated funds with the approval of DG, CPWD among the concerned Heads of Departments/ Other Budget Controlling authorities in the field/ or to any sub-ordinate offices as approved by the DG, CPWD based on priority, urgency and specific need according to their demands and availability of funds. The distribution of budget by the Head of Department/ subordinate offices shall be informed to the IFD of CPWD and Pay & Accounts Officers for check against allocations.

(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 the budget controlling officers in consultation with respective finance officers of the Zones/ Divisions which are primary 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) Provision for Voted and Non-Voted (charged) items should be shown separately.

(iv) The amounts and details of the allotment/ ceilings intimated by the Ministry should be strictly adhered to and on no account altered/ breached.

(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.

2.28 Review of Budget allocations

(1) All budget controlling and monitoring officers should review every month the progress of expenditure vis a vis physical progress against the funds placed at their disposal from time to time. Physical progress vis a vis financial is important to be monitored. They should submit excesses or savings anticipated as soon as noticed to the IFD of CPWD. These statements should include all items and should be prepared separately for voted and non-voted expenditure.

(2) To ensure effective control of the expenditure against the appropriations made vis a vis physical progress in the prescribed Performa issued by the IFD of CPWD, a quarterly review of the expenditure is conducted until the end of September and thereafter every month till the month of February hence excess/savings must be reported to IFD of CPWD time to time.
(3) Where the progress of expenditure is not even and upto the required standards, timely action should be taken the CE’s/ Budget controlling authorities/ IFD of CPWD to accelerate the expenditure by the spending units. According to the guidelines issued by the MoF last Quarter expenditures should not exceed 33% of BE and 15% in the month of March of the FY. Rush of expenditure in any month should be avoided following Guidelines of the MoF. FOs shall also watch the pace of expenditure vis a vis physical progress of the works in their respective zones. IFD of CPWD should take corrective actions in view of imbalanced pace of expenditure and availability of funds in form of budget reduction/ adjustment among zones/budget controlling units. The units will not try to spend all the surplus funds at their disposal, merely to avoid their lapses without following prescribed procedure and formalities.

2.29 Reconciliation of Accounts

The Budget controlling authorities and concerned DDO/ Divisional Officer/AAO of divisions 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 Pay and Accounts Office (here in after called PAO) Accounts Officer's books. Concerned ADG/SDG’s will oversee the overall functioning of Accounting and Financial matters with help of senior most Account & Finance officer available at their office and ensure that all divisions are performing their function under stipulated time and 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 prescribed under CPWD- Acct. Code and GFR 2017.

2.29.1 The Chief Engineers/Director General 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.

2.30 Regularisation of Excess

2.30.1 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.

2.30.2 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.

2.31 **Departmentalization of Accounts- AGs/ CAGs Inspection and Internal Audit By O/o CCA, MoHUA**

2.31.1 **General**

(1) Under the scheme of Departmentalization of Accounts, the Chief Accounting Authority (Secretary) shall be responsible for preparation of Monthly and Annual Accounts inter alia Chief Controller of Accounts, MoHUA prepares annual Appropriation Accounts for the Demands for Grants of the 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 i.e. Secretary MoHUA.

(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.

(3) 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.

(4) 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.

The responsibilities of compilations of accounts, procedures regarding account compilation and consolidation of accounts, various audit inspection authorities, settlement of audit objections, guidelines for internal audit of the departmental organizations issued by CCA, internal audit, checks to be exercised by internal audit, frequency of audit etc. are mentioned in **SOP**.

Audit Committees for monitoring and reviewing the status of Audit Paras and their replies/compliance at different stages have been formed in CPWD. Detailed orders have been issued in this regard as required by MoHUA. These are as below:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chairperson</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Audit Committee</td>
<td>DG, CPWD (Chairman)</td>
</tr>
<tr>
<td>Regional Audit Committee</td>
<td>Regional SDG, CPWD (Chairman)</td>
</tr>
<tr>
<td>Sub-Regional Audit Committee</td>
<td>Sub-Regional ADG, CPWD (Chairman)</td>
</tr>
<tr>
<td>Zonal Audit Committee</td>
<td>Zonal Chief Engg., CPWD (Chairman)</td>
</tr>
</tbody>
</table>

2.32 **Public Accounts Committee (PAC) of the Parliament**

2.32.1 **General**
(i) The PAC 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.

(ii) The scope of functions of PAC, role of CAG, Draft Audit Para, Action to be taken by CPWD offices, Audit Report, Presenting the case before PAC, Disciplinary actions against the officials etc. are mentioned in SOP.
PART II
CHAPTER 3
CONSTRUCTION WORKS

3.0 Classification of construction works:
Construction works are those which are taken up as new works, rehabilitation and seismic retrofitting works, the expenditure of which is charged to capital heads.

3.1 Preconstruction Activities: The pre-construction activities involved in execution of a construction work are given in Annexure … of SOP 3/1

3.1.1 FOR NORMAL WORKS
3.1.1.1 Preparation of Preliminary Estimate (PE)/Enabling estimate/Rough Cost Estimate
As soon as requisition from the client department is received, Preliminary estimate/Enabling estimate or Detailed Project Report (DPR) is prepared and submitted to the Client department for obtaining A/A & E/S.

For guidelines for handling Client Requisition, Team Formation, Framing Enabling Estimate and PE refer SOP 3/1. A MOU as per Annexure…..of SOP document shall be sent with the Estimate, however, It will be open for the government departments to sign the MOU. In such cases the main provisions of MOU are to be mentioned in the preliminary estimate.

For Guidelines on preparation of PE/DPR, Refer SOP 3/2. In case, enabling estimate or rough cost estimate is submitted, the same will be followed by preliminary estimate for obtaining A/A & E/S of the main work.

3.1.1.2 Detailed Project Report / Detailed Estimate
On receipt of A/A & E/S, Detailed estimate for the work to be prepared after obtaining an assurance from the Client that the site is available, and without any encumbrance is available or likely to be made available within a reasonable time. For guidelines on preparation of DE refer SOP 3/4

3.1.1.3 Special provisions of green buildings, energy efficiency and barrier free construction.
All new works will have the provision of green buildings, energy efficiency and barrier free accessible constructions. Separate provisions in PE will only be made if the rates are not inclusive in the Plinth Area rates. Guidelines and Norms for Green building and Barrier free built environment issued by CPWD shall be followed which are available in CPWD website www.cpwd@gov.in

3.1.1.4 Provision for contingencies and its utilization
1) Provision of contingency for unforeseen expenditure contingent to the project shall be kept in the Estimate
2) The T/S Authority after obtaining approval from client, shall have full powers, upto their tender acceptance limits, to Execute smaller works likely to crop up during the execution of work /project for which no provision exists in the sanctioned estimates, subject to availability of funds under sub head “contingencies” in the sanctioned project estimate.

For guidelines on Contingencies & its utilization Refer SOP 3/3

3.1.1.5 Provision for Departmental charges (DC)
1) No departmental charges are to be levied for Government works. For this purpose, Government works shall include Central and/or State Govt., Autonomous bodies fully funded
by Government of India. For the works of private organizations, departmental charges are to be levied as per the rates given in Annexure. CPWD officers have powers of reduction of DC up to a certain percentage given in “Compendium of Financial powers in CPWD”. They can decide final rates within their competence for which no formal request will be required from the client.

2) In case of the GOI and local bodies who entrust their works regularly to the CPWD, no DC shall be charged if the project has not taken off even after preparation of plans, estimates from the Departments.

3.1.1.6 Accord of Administrative approval and Expenditure Sanction (A/A & E/S)
(a) The competent authority of the Administrative Ministry/Department/Client shall accord A/A & E/S on the basis of DPRs/Preliminary estimate/Detailed estimate.
(Note: For works undertaken under MoHUA Budgetary head, A/A & E/S shall be accorded by the competent authority as per powers given in “Compendium of Financial Powers in CPWD”.

3.1.1.7 Accord of technical sanction
1) The technical sanction for the works (in which percentage rate tenders or item rate tenders are to be invited will be issued before inviting tenders consisting of the following;
(a) Technical sanction memo
(b) A/A & E/S memo/order
(c) Detailed estimate Detailed Architectural drawings and specifications
(d) Geotechnical investigation report
(e) Structural drawings for the foundation and preliminary structural drawings of the superstructure to calculate quantities of the items
(f) Preliminary drawings for internal and external services
2) In case of work for which tenders are to be invited on “Design and construct”/EPC contract, technical sanction will be accorded before execution. The technical sanction will consist all of the above except that the schedule of quantities/BOQ of the contract document will form part of it for the rates and amount.
3) The powers delegated to officers of the Central PWD for accord of technical sanction are given in Compendium of Financial powers in CPWD. The powers are exclusive of departmental charges. The powers to accord technical sanction to revised estimates shall be the same as for the original estimates. For guidelines on according Technical Sanction Refer SOP 3/6

3.1.1.8 Exemption of Government buildings from operation of municipal laws to regulate their erection:
(1) Section 3 of “Government Buildings Act 1899”, provides for exemption of Government buildings from the regulation of the municipal byelaws and hence there is no need of approval of Architectural drawings from local bodies in respect of construction of Govt. Buildings. However, the Engineer in charge shall give notice to the local bodies as per provision to Section 3 of the Act before erection of a building. In this connection, OM No DG/P&WA/91 Dated 18th May 2016 is placed as Annexure ….. of SOP documents which may be referred. (BLUE COLOUR GOES IN SOP of Coordination in Pre Construction stage)
(2) Wherever the above provisions are not applicable, drawings will be prepared by the architectural unit/consultant as the case may be and approvals shall be taken from the respective local bodies.

3.1.1.9 Packages for accord of technical sanction.  
It is upto the technical sanctioning authority to combine various sanctions and issue single technical sanction provided total of all sanctions fall under his competence or to split any sanction
falling within his competence with recorded reasons.

While splitting a single sanction into different packages, the T/S authority shall decide different authorities to accord T/S and accept the tenders for different packages, as per the Technical Sanctioning powers of those authorities.

3.1.10 Schedule of Rates - Refer SOP 3/5

3.1.2 DEPOSIT WORKS: (other than EPC contracts)
The Pre-construction activities in the case of Deposit works are similar to activities under Normal works with the following important provisions

3.1.2.1 Preliminaries for Deposit works
(i) Officers of CPWD have been delegated powers to undertake Deposit works as shown in “Compendium of Financial powers in CPWD
(ii) Before acceptance of any deposit, Engineer-in-Charge shall send the preliminary estimate to the client Department.
(iii) The norms regarding plinth areas and specifications adopted will be as approved by the client department.
(iv) The scope of work shall not be altered either during preparation of detailed estimate or execution without written permission of the client.
(v) MOU as per Annexure…….. of SOP documents shall be drawn with the client before taking up the work. SDG/ADG may make suitable modifications as per the site conditions and project requirements.
(vi) For multiple small works under one client, a combined MOU can be signed as per requirement.
(vii) Estimates of fees of private architect/consultant are to be added in the estimate only if the estimate for deposit works do not include DC.
(viii) If specific provision is not available in the sanctioned estimate, then separate enabling estimate is to be submitted to the client for fees of Architect/consultant.
(ix) For Executing, Realization of deposits and settlement of accounts of Deposit works refer SOP 3/7,

3.1.3 SPECIALIZED WORKS
The Pre-construction activities in the case of Specialized works are similar to activities under Normal works with the following important provisions
(i) The list of specialized Civil, E&M and Horticulture works are given in Annexure…….. of SOP 3/9 & 3/10 documents.
(ii) ADG/SDG of CPWD shall have powers to declare any other work as specialized in respect of their regions after giving due consideration to the nature of work and the specialized skill required for its execution. The declared work should be uploaded on CPWD web site. It is desirable that all the Preliminary Estimates of specialized nature E&M Systems including Lifts and for HVAC, DG Sets, Automatic Fire Alarm System, Sub-Station, Wet Riser & Sprinkler System should have 5 year’s provision for maintenance/comprehensive maintenance and Operation for budgeted works of MoHUA. For works of other ministries and deposit works, the estimates shall have distinct components of construction and maintenance/operation provided that client agrees for the same.
(iii) The completion of construction work shall be recorded on its completion and main agreement closed. Supplementary agreement will be drawn for maintenance/operation keeping necessary contract and accounting provisions.
(iv) Wherever there is a corresponding provision as above in the A/A & E/S of the project/work, the same shall be included in the detailed estimate and NIT of the work keeping Guarantee/
Warrantee period provisions in considerations. (THIS GOES IN **SOP** OF NIT of Specialized works)

(v) For original specialized E & M works including lifts, HVAC, DG sets, Fire alarm system, Fire fighting, Wet Riser and Sprinkler system works, the guidelines mentioned in **SOP 3/10** to be followed.

3.2 **Preparation of NIT**

1) The estimated cost put to tender in the NIT shall be worked out based on the rates considered in the Technical sanction.

Before approval of NIT by the Engineer in-Charge, the following are required.

a) A/A & E/S except in Emergent works
b) Availability of site in full or part
c) Approval of plans from local bodies, wherever required.
d) other approvals required before commencement of work in case the same are not part of the NIT.
e) Technical sanction except in case of “Design and Construct”/EPC contracts & Emergent works
f) Funds availability
g) For guidelines on preparation of NIT for tenders to be invited on single bid system Refer **SOP 3/8** and on Two/three envelope system Refer **SOP 3/9**

3.2.1 **Invitation of Tenders for works**

1) All tenders should be invited in the name of the President of India.
2) Tenders for works costing up to the maximum limit of class – I registered CPWD contractors or as instructed from time to time shall be invited in Single Bid system
3) Tenders for works costing more up than the maximum limit of class – I registered CPWD contractors or as instructed from time to time shall be invited in Single/Two Envelope System.
4) Tenders for all Specialized works shall be invited in Single/Two Envelope System.

3.2.2 **Special Conditions of Cement and Steel:**

In all contracts where departmental issue of cement and steel is not stipulated, special conditions shall be incorporated. For guidelines to be followed Refer **SOP 5/26 & 5/28**.

3.2.3 **Issue of cement & steel and other materials** – Refer **SOP 5/27**

3.3 **PUBLICITY OF TENDERS**

All tenders of any amount shall be invited through e-tendering system. Notices for all the works, irrespective of their value, shall be published on the website [www.tenderwizard.com/cpwd](http://www.tenderwizard.com/cpwd) or as instructed from time to time. Once published on the website, the tender notices will also become available on [www.eprocure.gov.in](http://www.eprocure.gov.in) through system link. Sample notice for inviting tender forming par of NIT and to be posted in website is given as Annexure ,,,,,, of **SOP** documents

3.4 **Time limit for Publicity of Tenders**

The following time limits between the date of uploading of tender on web site and the date of receipt of the tenders are desirable. However, these time limits may be varied by the NIT approving authority keeping in view the exigencies and complexity of the work.

(i) 7 days in the case of works with estimated cost put to tender upto Rs. 5 crores
(ii) 14 days in the case of works with estimated cost put to tender more than Rs. 5 crores
(iii) If the banks are closed on the last date of receipt of tenders, the date shall be postponed
suitably to next working day

3.5 **Validity period of Tender**: The validity period for acceptance of tenders in case only financial bids are invited shall be 30 days from the last date of receipt of bids. In all other cases 75 days from the last day of receipt of technical bid.

3.6 **Action in case of no response /Unreasonably high rated response to tenders**

If no response to tenders from the contractors of the appropriate classes is received or if unreasonably high rates are received following measures may be taken by the NIT approving authority as below.

(a) Tenders will be opened to next lower class including to contractors registered with other departments like railway, MES, Telecommunication & state PWDs of appropriate class and works, and /or

(b) Modify the eligibility criteria suitably.

3.7 **Formalities for 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 call tender at short notice if so justified in the interest of work. Tender will not be issued to the contractor who has backed out. All other formalities mentioned in aforesaid paras shall be observed. All notices regarding any change in dates and time of sale and receipt of tenders are to be uploaded in the website.

3.8 **Call of Tenders**

3.8.1 **All notices in the name of the President**

All tenders 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 NIT’s.

3.8.2 **Tendering limit of contractors registered with CPWD and other Central/State Government Departments**

If a contractor is enlisted in the CPWD as well as in MES, BSNL, Railways or Buildings and Roads wing of State Govt, he shall be eligible to tender for works up to the amount permitted by virtue of his enlistment limit in the CPWD or by virtue of his enlistment in MES, BSNL, Railways or Buildings and Roads wing of State Govt. whichever is higher if tenders are opened for them.

3.8.3 **Past experience of work executed**

A non-CPWD Contractor shall be eligible to tender for works based on the past experience gained from the works executed by the earlier firm (partnership firm) in the same proportion of share of the applicant in that partnership firm where the applicant was a partner earlier.

3.9 **WORKS OF INESCAPABLE NATURE**

Various works of inescapable nature can be classified as under:

**Emergent Works**

(i) Natural calamities like Earth quakes, Blizzards, Hurricanes/lightening, Tornados, Tsunami waves, Floods

(ii) Other causes like Explosions/Arson, Fire, War, Sudden collapse of building/bridge, Terrorist attack, Mass strike affecting civic services such as water, sewer and power supply, Spread of epidemic, works required for maintaining law and order,

(iii) Restoration of essential services in case of accidents/ break down etc.

(iv) Ceremonial functions at the time of death of President/Ex President, Vice President/Ex Vice President and Prime Minister/Ex Prime Minister.

(v) Restoration of services in Parliament, President/ Vice President House/ Prime Minister House,
Prime Minister’s Office, Hyderabad House, National Security Council Secretariat and other Buildings of National importance and prestige.

(vi) Works ordered by OSD/PS to PM, OSD to Dy PM and Vice President Secretariat to be executed by CPWD within a specific time frame.

(vii) Works on a specific reference from the Secretariat to the President of India.

(viii) Critical Hospital services works on the requisition from Medical Supdt. or equivalent.

(ix) Works on the specific reference from Chief of Protocol, Min of External Affairs or on his behalf for Hyderabad House, New Delhi.

The TS authority as per his competence shall proceed to carry out the necessary work and shall immediately intimate PAO concerned that such liability is being incurred with approximate amount of liability. The TS authority should initiate action for the A/A&E/S and accord of T/S to regularize the liability.

Such emergent works can be executed without call of Tenders by issuing work order or on Hand receipt after collecting spot quotations as per delegation of powers given in “Compendium of Financial powers in CPWD

(Normal works which require compressed schedule for completion/early start should not be considered as Emergent works.)

i. Urgent Works:
The urgent works need not to be treated at par with the works to be taken up under emergency situations. Under these situations availability of funds needs to be ensured before taking up execution of works. E-in-C shall be responsible for assessing the urgency of the work. Normally, unless situation warrants otherwise, work orders shall be placed after call of quotations with publicity through web for works upto Rs 5 lacs, however, for works with estimated cost more than Rs. 5.0 lacs such quotations shall be invited through e-tendering platform. In case of exigencies, with recorded reasons, the urgent work may be executed by collecting spot quotations as per delegation in Compendium of Financial powers in CPWD. In case of deposit works, urgent works can be taken up on written request of the client.

Works Executed by CPWD outside India:
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) 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.

CHAPTER 4

MODES OF BIDDING SYSTEM

4.0 Award of work without call of tenders

4.1 Procedure

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

(ii) Normally tenders should be called for all works. However, in case where the work is to be awarded expeditiously, the prescribed period of notice may be reduced by NIT approving authority.
(iii) The precise reasons should be recorded by the E –in-C before dispensing with call of tenders
(iv) In respect of works of inescapable nature, method will be followed as prescribed in Chapter 3.

4.2 Award of works to Registered Labour Co-operative Societies

(i) Works costing upto the limit fixed from time to time can be awarded to Registered labour Co-operative Societies at current market rates without call of tenders as per financial powers delegated. EMD is exempted for works with EC upto Rs 3lakhs , however, Security Deposits shall be deducted as prescribed by way of percentage deduction from their bills.
(ii) Monthly running payments may be made if value of work executed is more than Rs. 30,000/-.
Such works awarded to Registered Labour Co-operative Societies shall not be counted towards the annual ceiling for issue of work orders.

4.3 Award of work to contractors belonging to Scheduled Castes and Scheduled Tribes
(under consideration after clarification from CVC)

4.4 E-Tendering

(i) As per Rule 159 and 160 of GFR 2017, it is mandatory to publish all Tender Enquiries, Requests for Proposals, Requests for Expressions of Interest, notice for pre-qualification/registration or any other notice inviting bids or proposals in any form, corrigenda thereon and details of bid awards on the Central Public Procurement Portal (CPPP) and receive all bids through e-procurement portals in respect of all procurements respectively. However, individual cases, where confidentiality is required for reasons of national security would be exempted. The decision to exempt any case on the said grounds should be approved by the Secretary of the Ministry/Department with the concurrence of the concerned Financial Advisor.
(ii) All the tenders/quotations are to be published on cpwd portal which is linked to CPP portal. At present, the e-Tendering platform for CPWD has been hosted by the service provider with URL addresswww.tenderwizard.com/cpwd or as per instructions issued. The link of the service provider is available on CPWD web site.
(iii) The details regarding procurement of digital signature, procedures and instructions to Engineer-in-Charge for inviting and uploading of bids including 2/3 envelops bids, bids for the works of specific nature, specimen press notice, Specimen CPWD 6 for e-tendering, downloading of bids submitted by contractors, opening and processing of bids, preparation of comparative statements and General guidelines on e-tenders etc. are given in SOP 4/1.

4.5 Restricted Tenders
Restricted tenders of any value can be called with the prior approval of the competent authority, as per the delegated financial powers, with recorded reasons. Tenders invited from CPWD registered contractors or through two/three envelope system shall not constitute to be restricted tenders. For works falling in the category of Restricted tenders and procedure for preparation of restricted list of contractor SOP 4/2 may be referred.

4.6 Tenders with two/three envelope system

1) Two envelope system
Tenders are called in two envelopes:
Envelope - 1: -Technical cum eligibility Bid.
Envelope - 2: - Financial bid.

2) Three envelope system
Generally, works for which technical specifications have not been finalized and the same are to be finalized on receipt of the details from the tenderers are called on three bid system. The
tenderers shall be required to submit the bids in three envelopes.
Envelope - 1:- Eligibility bid
Envelope - 2:- Technical specifications
Envelope - 3:- Financial bid.

4.6.1 Procedure for opening of Two/Three Envelope system tenders can be seen from SOP 4/5

4.6.2 Pre-bid conference:
Before submission of tenders, there shall be a pre-bid conference to clarify the doubts of the contractors, besides discussions on any additional suggestion proposed by the contractors. If found necessary, a corrigendum to the tender documents would be issued and would be put up on e-tendering portal for the information of all contractors 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 complex types of works. The NIT approving authority shall decide the time gap between pre-bid conference and last date of submission of technical bid based on the importance and complexity of work to avoid extension in the last date of submission of tender.

4.7 Manual Tendering: In exceptional cases with recorded reasons when manual tendering is resorted to due to work requirement instead of E tendering platform, then in such cases, the general procedure for Receipt, Opening and Acceptance of Manual tenders has been laid down in SOP 8/4.

4.7.1 Procedure for dealing with corrections, Omissions etc in Manual Tenders are given in SOP No…….

4.8 EPC(Engineering, Procurement and Construction) Contracts
The NITI AAYOG vide OM No. N-14070/14/2016-PPAU dated 5th September, 2016 have communicated the decision taken by Cabinet Committee on Economic Affairs (CCEA) regarding substituting of item rate contracts by EPC (Turnkey) contracts, wherever appropriate. In pursuance to above, Erstwhile MoUD (Works Division) vide its OM No 28012/11/2016-W-3 Dated 29th November 2016 has issued directions which interalia included that Cutoff value of projects, above which, all contracts will be taken up under EPC methodology, will be Rs 100 Crore.

For executing contract on EPC methodology, the following important provisions are to be considered while framing estimate, preparing NIT etc.

i. Tenders costing above Rs 100 Crores may be executed under EPC mode or as decided by the department from time to time.

ii. Enabling estimate can be submitted as per client requirement for carrying out pre-investment activities wherever required for conceptual planning purpose to assess the precise requirement of the scope of work.

iii. The concerned CA/SA unit shall prepare the concept design, preliminary drawings and specifications based on detailed requirements of the work, in consultation with the client before preparation of PE.

iv. The tenders based on EPC mode cannot be the model based on item rates and quantities, hence the estimated cost for such tenders may be worked out on the basis of CPWD plinth area rates as per norms and the cost suitably modified considering applicable cost index or by adopting any other appropriate method as decided by NIT approving authority in case cost index is not applicable

v. Preliminary drawings and specifications approved by the client shall form part of the NIT.

vi. Soil investigation report shall be appended in the NIT for indicative purpose only.

vii) The responsibility of investigations, designing, planning, procurement, construction, safety,
quality, and risk of engineering lies with the contractor and the same will be incorporated in the NIT.

viii) Mode of measurements for payment purpose will be decided by the NIT approving authority.

ix) The award of work shall be decided based on competitive call of tenders and no justification is required.

x) In case the tender received is more than A/A & E/S, revised A/A & E/S or in principle approval from the competent authority shall be necessary.

General guidelines for EPC contracts with a sample item along with scope of work to be adopted for EPC contracts are mentioned in SOP 4/4. The standard contract form is being developed by the Directorate. However, T/S authority may incorporate special and particular conditions as per specific requirements of the project. Till such time the standard form is released, the contract form as decided by the T/S authority may be used.

4.9 Special Purpose Vehicle:

On the requirements of MoHUA or any other Ministry/Government department, DG, CPWD may take up the works on “Alternate Mode” of funding. For this purpose, a “Special purpose vehicle” (SPV) under Company Act shall be created after obtaining due approval from MoHUA. The SPV shall have the officers from CPWD for planning and execution of works. The SPV will be governed by CVC and CAG rules and guidelines. Before taking up any such work, a Memorandum of Association (MoA) shall be signed at appropriate level.

4.10 Acceptance Of Tenders In Anticipation Of Revised Expenditure Sanction

The CPWD Officers at appropriate levels are authorized to accept tenders in anticipation of revised expenditure sanction by the competent authority subject to the following conditions and limits and as per procedure at SOP 4/5: (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.
CHAPTER 5

CONTRACT MANAGEMENT

5.0 Essential Guidelines Features while drawing contract
   (i) All contracts shall be executed by the Engineer-in-Charge “for and on behalf of the President of India” as per Article 299 (1) of the Constitution of India.
   (ii) Standard forms of contracts should be adopted as far as possible. Deletion/modifications of the clauses will be made by NIT approving authorities keeping CVC, and Government of India guidelines.
   (iii) Save in exceptional circumstances, no work of any kind should be commenced without prior execution of contract as per the Indian Contract Act.
   (iv) The terms of the contract once entered into should not be materially varied.
   (v) 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.
   (vi) Provision of Integrity Pact shall be made in GCC as per provisions contained in CVC Circular No 02/01/2017 dated 13/01/2017 vide which Revised SOP has been formulated for adoption of Integrity pact in Government Departments/Organizations and appointment of Independent External Monitors (IEM) to oversee the Integrity pact. For details refer Annexure …….. of SOP documents

5.1 Earnest Money, Receipt, Opening and Acceptance of Tenders

5.1.1 Necessity for earnest money
   To safeguard against a bidder’s withdrawing or altering his bid during the bid validity period, earnest Money shall be obtained from the bidders unless otherwise mentioned in the Manual.

5.1.2 Rates of 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.

5.1.3 Mode of Deposit
   (1) The Earnest money to be deposited as prescribed in GCC. the procedure shall be followed as prescribed in SOP 5/1
   (2) In case of postponement of tender due to bank holiday on the last date of receipt of tender, the validity of already prepared earnest money will be acceptable as provided originally.
   (3) The Bank Guarantee submitted as a part of Earnest Money shall be valid for a period of 90 days where only financial bids are invited and 180 days for two bid system or more from the date of submission of the tender.

5.1.4 Refund of earnest money – For refund of earnest money, the procedure shall be as described in SOP 5/2

5.1.5 Earnest money stipulation in work/supply to be awarded after call of quotations
   In case condition for depositing earnest money is laid down in the Notice Inviting Quotation (NIQ), the following condition shall be stipulated:
   "The quotation for the work/supply shall have validity for a period of 3 to 7 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 during validity period or makes any modification in the terms and conditions of the quotation which are not acceptable to the department, and to forfeit absolutely 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."

5.1.6 Justification of Tenders: Justification of tenders shall be prepared based on prevailing market rates at site on the last day of Receipt of tenders before the date of opening of Financial bids in case of Single Envelope system and before opening of Technical Bid in case of Two/Three Envelope System. For guidelines on Justification of Tenders Refer [SOP 5/4].

5.1.7 Forfeiture of earnest money
(1) The forfeiture of earnest money shall be done as per the General conditions of contract.
(2) If contractor fails to furnish the prescribed performance guarantee within the prescribed period, the earnest money is absolutely forfeited to the President automatically without any notice.
(3) In case of forfeiture of earnest money as prescribed in 1 and 2 above, the tenderer shall not be allowed to participate in the retendering process of the work.

5.1.8 Procedure for conducting negotiation
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 only under exceptional circumstances.
2. The justification and details of such negotiations should be duly recorded and documented without any loss of time. Convincing reasons must be recorded by the authority recommending negotiations. For guidelines Refer [SOP 5/8].

5.1.9 Acceptance of tenders: The powers delegated to various officers of this department for acceptance/approval of tender are as given in “Compendium of Financial powers in CPWD”. The same powers shall be applicable in case of rejection of tenders also. The detailed guidelines for processing and acceptance of tenders are given in [SOP 5/6].

5.1.10 Responsibilities of the Finance Officer/SE(P)/EE(P)/Divisional accountant /AE(P) in scrutiny of tenders Refer [SOP 5/5].

5.1.11 Guidelines on Acceptance of tenders by the Central Works Board and Regional Works Board, Refer [SOP 5/9]

5.1.12 Acceptance of Tenders in anticipation of Revised Expenditure Sanction – Refer [SOP 5/7]

5.2 Performance Guarantee
(1) To ensure due performance of the contract, Performance Security shall be obtained from the successful bidder.
(2) Rates of PG shall be 5% of the accepted contract amounting the form as prescribed in GCC. Performance Security shall remain valid for a minimum period of sixty days beyond the date of completion of all contractual obligations as per GCC. In case of contracts where supplementary agreement is drawn, the PG shall be based on the amount of the supplementary agreement. PG received against the original work shall be released as per Contract conditions.
Earnest money shall be refunded to the successful contractor on receipt of Performance Security.

The time allowed for submission of the performance guarantee may be decided by NIT approving authority but not beyond 7 days of issue of the letter of intent depending upon the magnitude and/or urgency of the work. For extension of time for submission of PG beyond stipulated time period in NIT, the NIT approving authorities may include provision of suitable interest chargeable on per day basis but such extension should not exceed by another seven days. However, in case last day of submission of PG happens to be a bank holiday the last day of submission shall be the next working day.

5.3 Date of start:
(1) The date of start of the work may be decided by NIT approving authority ranging from 3 days to 10 days from the date of issue of letter of acceptance.
(2) The letter for commencement of work shall be issued to the contractor only after he submits the performance guarantee in an acceptable form. Sample copy of letter of acceptance and letter for commencement of work are shown in Annexure-………of SOP documents

5.4 Execution of agreements
5.4.1 Power to sign Agreement. Each page of the Agreement and all attached documents shall be signed by the Engineer in Charge T/S authority or his authorized representative and the contractor, as per the conditions of the NIT. One duplicate copy of the Agreement shall be supplied to the contractor free of cost. Additional copies to the contractor shall be charged @Rs 2000/- per copy.

5.4.2 Custody of the original Agreements: The Engineer in charge shall be responsible for the safe custody of the Agreements. A record of the agreements drawn up should be kept in Form CPWD 42.

5.5 Security deposit
The security deposit shall be collected by deductions from the running bill as well as final bill at the rates prescribed and as per provisions of the GCC.

5.5.1 Forms of Security Deposit
The security from a contractor shall be taken in one of the forms given in Annexure of SOP documents

5.5.2 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.
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.

5.6 Execution of Works
5.6.1 Administration
(1) The administrative set up of CPWD units will be as decided by DG from time to time.
(2) All the correspondences with contractors shall be made by Engineer-in-Charge as defined in GCC.

5.6.2 Preliminaries
(a) The T/S Authority and his representatives shall be responsible in execution of works and contract management according to the drawings, design, specifications, quality, and agreement etc. Time of completion of work shall be considered as an essential factor of contract management.

(b) For timely delivery of the project, the T/S Authority, architect, structural designer and services designers, if any, shall ensure timely availability of drawings for construction and availability of details. Similarly, water supply, drainage, E & M services etc. drawings shall be ensured before execution of services work. In case of EPC contracts, the responsibility will be on the contractor but monitoring shall be done by the Engineer in Charge.

(c) In case, private consultant(s) has been appointed by the T/S Authority, the T/S Authority shall ensure timely availability of drawings and details from the consultant(s). In case, the consultant has been appointed by the client, close interaction and monitoring shall be made by him for timely availability of the drawings and details.

(d) Details of the work from the Pre-construction stage to completion and handing over the work including payments made, and any other details of importance should be maintained by the T/S Authority, in digital mode and should have QR (Quick Response) coding facility. This QR coding will facilitate any visitor to get complete details of the work by scanning the QR code monitoring the progress of the work as and when required.

(e) The T/S Authority shall post on the CPWD website, the details of all the field officers engaged in the project and resource person to facilitate contact.

5.6.3 Co-ordination at construction stage: The co-ordination during construction stage shall be done by the Engineer-in-charge as per procedure laid down in SOP 5/11.

5.6.4 Responsibility for quality of work

The officer who records/test checks the measurements for an item of work will be responsible for the quality, measurements and specifications of that item of work.

The JE/Assistant Engineer should make special efforts to be present at site when concreting is going on to ensure quality of the concrete in work to obtain the designed or desired strength of concrete.

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 ……. of SOP 7/2 documents

In case, the quality has been checked by the QA unit of CPWD, the removal of defects shall be ensured within reasonable time by the Engineer in Charge and the QA unit. The responsibility of quality for the items checked by the quality assurance unit of CPWD will also lie with the QA unit in addition to the Engineer in Charge and his representatives.

5.6.5 Responsibilities of field officers and contractor with regard to the labour laws:

Important responsibilities and guidelines for field officers with regard to labour regulations are given in SOP 5/12.

5.6.6 Periodic Inspection of works: The works shall be inspected frequently by various officers concerned with the work to ensure that the work is in general being carried out according to design, drawing, and specifications. The programme for inspection of the works shall be followed as per details given in SOP 5/13.

5.7 Site documents

Site documents for work shall be maintained and operated as per SOP 5/14.

5.7.1 Documentations on Accounts: For Documentations on Accounts of a work viz Bill register, Contractors Ledger, Register of works guidelines can be seen from Refer SOP 5/30
5.7.2 Testing of Materials from Outside laboratories: Extensive testing of the materials used for construction is a pre-requisite for attaining high quality of the work. This shall also require tests which cannot possibly be carried out in a site laboratory. Therefore the need arises for carrying out the tests in outside laboratories. For guidelines on Testing of Material from outside laboratories Refer SOP ..... 

5.8 Grant of mobilization advance to the contractors for executing capital intensive works
(i) In respect of specialized and capital-intensive works, provision of mobilization advance may be kept in the tender documents by the NIT approving authorities.
(ii) The NIT approving authority should use his 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. (SOP 5/15)
(iii) For conditions on which the mobilization advance are to be paid refer SOP 5/15

5.9 Grant of Plant, Machinery and Shuttering material Advance
In respect of capital-intensive works, provision of Plant, Machinery and Shuttering material Advance may be kept in the tender documents by the NIT approving authorities. The NIT approving authority should use his discretion carefully in deciding whether any particular work shall be considered as 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. Such advance may be given as per GCC conditions. For conditions on which the T &P advance are to be paid refer SOP 5/16.

5.10 Secured Advances
Secured advance is a term applied specifically to an advance made on the security of the materials brought to site of work, to a contractor whose contract is for the completed item of work. However, 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.
For conditions on which the Secured advance is to be paid refer SOP 5/17.

5.11 Extra, Substituted and Deviation Items in work
The Rates for Extra items, substitute items, and deviation in the Agreement items beyond the limit specified in Schedule F of the Agreement shall be based on provisions in GCC.

5.11.1 Powers to sanction of EI/SI/deviations
1) The Engineer in charge shall accord sanction to extra/substituted items/Deviation items for works as per delegation of financial powers.
2) The deviation/extra/substituted items shall be utilized exclusively within the scope of particular work. Further, the expenditure on all works covered under the sanction (after sanction of deviation/extra/substituted items) should not exceed the A/A & E/S amount, except in case of MoHUA budgetary works where the total cost of work should not exceed 10% of A/A & E/S amount.
3) The authorities preparing, examining and sanctioning extra/substituted items should ensure proper preparation of nomenclature of items and record specific reasons to execute them. Casual remarks/reasons like “Required as per site conditions” or “Required at site” etc should not be recorded.
4) It shall be ensured by the authorities preparing, examining and sanctioning extra items that no extra item is paid against negative deviations. In such case substitute items shall be prepared.

5.12 E-measurements: All payments to contractor’s bills should be made after measurements are entered in e-MB module through PFMS portal.
5.12.1 In case physical measurements books are used: then the guidelines on, operation of MB i.e writing of MB, Recording of measurements, Movement of MB, Transfer of MB, Review of MB, Loss of MB etc can be referred from SOP 5/29.

5.12.2 Where measurements need not to 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).

5.12.3 Measurements for inadmissible items
Items claimed by the contractor which in the wisdom of the Engineer in Charge are not admissible for payment, measurements should be recorded without prejudice for record purposes only under heading “Inadmissible items claimed but not included in the payment” 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.

5.12.4 Measurements for Earth levelling works
For procedure on measurements of earth levelling work - Refer SOP 5/29

5.13 Advance payments for work done and measured/not measured:
Advance payments can be made to the contractor on a running account for the work done and measurement submitted by him, but not checked, on receipt of an application from the contractor for financial aid in the shape of part payment. It can be paid by the Engineer in Charge as a lump-sum advance payment on Hand Receipt Form 28, subject to the conditions spelt out in SOP 5/18

5.13.1 Acceptance of Substandard work
i) 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.
ii) 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 Chief Project Manager/ Project Manager/Superintending Engineer in charge it is expedient to do so. - Refer SOP 5/18.

5.14 Test checking of Measurements.
Test Checking of measurements shall be carried out by respective officers as prescribed in. The Engineer in Charge shall be responsible for the overall quality of the work. For details refer SOP 5/19

5.15 Recording of Hindrances:
Any event that causes justified delay in the work for any reasons should be recorded in real time in Hindrance register by the Engineer in charge or his representative and reviewed regularly. The procedure is mentioned in SOP 5/20

5.16 EOT & Rescheduling of milestones
Should be as per the provisions in contract. For general guidelines refer SOP 5/21
5.16.1 Compensation under clause 2
The compensation under clause 2 is to be operated by following due procedure and proper application of mind. The condition under which compensation under clause 2 is levied on the contractor is provided in SOP 5/22. Notice to adjust or set off compensation from dues to the contractor shall be notified by the Engineer in Charge accordingly.

5.17 Completion Certificate
5.17.1 Recording of Provisional completion certificate:
On substantial Completion of any work which has been completed to such an extent that the intended purpose of the work is met and is ready for use, then a provisional Completion certificate with a list of outstanding balance items of work that need to be completed in accordance with the provisions of the contract shall be recorded by the Engineer-in-Charge &T/S Authority.

5.17.2 Recording of completion certificate
The Final Completion Certificate shall be recorded by both the Engineer-in-Charge& S Authority under whose tenure the work is completed.

5.17.3 Occupancy Certificate: The Engineer-in-Charge shall obtain the Occupancy certificate with the help of concerned Architect/Consultant before handing over of buildings where ever applicable for the budgeted works. For all works, the Engineer in Charge shall also ensure that all the “Completion”/“As Built drawings” drawings of services i.e Water supply, Drainage, E & M services are handed over to the Client as well as to the maintenance unit invariably. Incase if consultant is engaged, the responsibility will be as per the agreement signed between the Engineer in Charge and the Consultant but overall responsibility will be of the Engineer in Charge. For deposit works, responsibility will be as per the MoU.

5.18 Payment
5.18.1 Payment through Public Financial Management System (PFMS)
All the payment, to the extent possible, shall be released ‘just-in-time’ through PFMS.

5.18.2 Deduction of income tax at source - 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. The guidelines are prescribed in SOP 5/23

5.18.3 Deduction of GST
GST will be deducted from the payment made to the Contractor as per the GST Act and instructions issued from time to time.

5.18.4 Time schedule for payment of bills –The time schedule for payment of bills and issue of completion certificate by various officers shall be as per the terms of the contract. The time schedule in general shall be as per details given in Annexure…….. of SOP documents.

5.19 Conditions for refund of security deposit and performance guarantee
(1) The security deposit and performance guarantee shall be refunded to a contractor as per GCC.
(2) Refund of security deposit in cases of delay in final bill shall be as per procedure described in SOP 5/24
(3) Refund of security deposit regarding specific work shall be as per SOP 5/25

5.20 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 in Annexure …… of SOP documents

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.

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 shall be accepted by the T/S authority if the amount of such residual work is up to 10% of the their power to accord Technical Sanction power.

5.21 Arbitration and Litigation

5.21.1 Pre-arbitration and arbitration mechanism
The pre-arbitral and arbitration process shall be as per provisions in arbitration clause in the contract and the Arbitration and Conciliation Act, 1996 or any amendment thereof. The arbitration clause shall come into existence on issuance of LOI.

5.21.2 International Commercial Arbitration When a tender is open also to a foreign nationality, the NIT approving authority shall take due care to amend the arbitration clause to have an alternative provision for international commercial arbitration and this should be part of NIT by reference as an amendment to the General Conditions of the Contract. The following need to be invariably mentioned in the arbitration clause after due care to ensure the enforcement of arbitral award (in case the award is in favour of Government of India), as per the New York Convention 1958 and reciprocal arrangements with the country where the Seat of arbitration exists-
   The Seat of arbitration to govern the law of arbitration
   The Governing law of the contract
   The law of arbitration agreement

In case of specifying any institutional arbitration rules, the same can be done with the approval of concerned SDG. The alternative provision of international commercial arbitration shall be applicable only in case the successful bidder is a foreign nationality, as per the Arbitration and Conciliation Act, 1996.

The procedure and steps to be taken by the Engineer-in-Charge to properly prepare and defend the arbitration cases before Arbitrator are defined in SOP 5/33

5.21.3 Acceptance/Challenge of award
The Director General/Special Directors General/Additional Directors General/Chief Engineers in the CPWD have been delegated powers for acceptance/Challenge of arbitration awards as given in “Compendium of Financial powers in CPWD”.

5.22 Court cases: The procedures/guidelines as described in SOP 5/34 shall be followed in court cases.

5.23 Payment for substandard work - Refer SOP 5/31
5.24 Operation of contract clauses - Refer SOP 5/32
5.25 Dispute redressal committee - Refer SOP 5/35
CHAPTER 6

STORES

6.0 PURCHASE OF STORES

Stipulation of material in contracts has since been stopped in CPWD works. Hence the need of purchase of stores does not arise. However, in case of exceptional circumstances which may require purchase of stores for stipulation in the contract then the “Manual for Procurement of Goods and Services” issued by the Ministry of finance can be referred. The Engineer –in-charge may decide the eligibility criterion & terms and conditions for purchase of material by taking guidance from this document. The document is available on website of Ministry of finance www.finmin.nic.in (Department of Expenditure) which is hyperlinked as ...........

The financial powers for procurement of goods and service shall be as per delegated financial powers for purchase from open market through tenders given in the “Compendium of Financial powers in CPWD”.
CHAPTER 7

QUALITY ASSURANCE

7.1 Chief Technical Examiner’s Organisation

7.1.1 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.

7.1.2 Returns
Quarterly return of the works in progress, as per CTE’s circulars from time to time, are required to be submitted to CTE after consolidation at SDG level. For details refer SOP 7/1.

7.2 Quality Assurance and Technical Audit Wing

7.2.1 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. 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 feedback 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 ‘firefighting’ activities after the damage has been done by way of post-construction ‘quality control’. Concept of total quality management (TQM) has to be built in the system hence everyone in the system has to share the responsibility.

(3) For budgeted works, TPQA agency will be engaged for the works amounting to the specified contract value, as per the directions issued from time to time. For Deposit works, TPQA provisions will be made as per MOU. For all other contracts where no TPQA is engaged, QA unit of CPWD shall carry out the Quality assurance on random basis. For details SOP 7/2 may be referred.

7.2.2 Responsibility of Officers for quality of work
Refer Para 5.6.4 of chapter 5 i.e Contract Management.

7.3 Outside/Independent testing facilities – Refer SOP 7/3
CHAPTER 8

MISCELLANEOUS

8.1 Co-opting of CPWD Officers as Member in Building Works Committee constituted by various Department/Organizations
The CPWD Officers are co-opted as member in Building Works Committee constituted by various Department/Organizations. In such cases, instruction contained in SOP 8/1 shall be followed.

8.2 Consultations with Department of Archaeology and other departments for new constructions.
The guidelines and instructions for consultation with Department of Archaeology and other departments for new constructions shall be as per SOP

8.3 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 “Compendium of Financial Powers in CPWD”.

8.4 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 “Compendium of Financial Powers in CPWD”.
(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/Additional Directors General/Chief Engineers are delegated Financial Powers in CPWD to sanction such survey reports.
(4) After the survey report is sanctioned, the reserve price shall be fixed by the officers, as per delegated powers, 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.

8.5 Disposal of purely temporary structures
The Engineer in charge shall have full powers for fixing the reserve price of the purely temporary structures erected during the construction of a work after its purpose has been served. These temporary structures shall be sold or dismantled/auctioned by the Engineer in Charge, taking into consideration the life and condition of the structure and other local conditions.

8.6 Disposal of surplus or unserviceable stores, T & P
The powers to declared any surplus or unserviceable store, T & P and issue orders regarding the manner in which the particular stores/T & P declared as surplus or unserviceable are to be disposed of is given in “Compendium of Financial Powers in CPWD”. This disposal can be
either by e-auction or through sealed quotations or any other suitable method. Rules for
departmental auction / e-auction of surplus and unserviceable stores are described in
SOP 8/2.

8.6.1 If disposal of any surplus or obsolete or unserviceable item is not possible in spite of its
attempts through auction, then it can be disposed of at its scrap value with the approval of the
competent authority in consultation with finance division. In case the Department is unable to
sell the item even at its scrap value, it may adopt any other mode of disposal including
destruction of the item in an eco-friendly manner.

8.7 Expenditure on survey work
The expenditure on survey of site and soil investigation works for safe bearing capacity
should form part of the main project or enabling work as sanctioned.

8.8 Expenditure on exhibitions & inaugurations
The CPWD officers are delegated powers to sanction such expenditure upto a limit as given in
“Compendium of Financial powers in CPWD” on each occasion. This expenditure shall be
met from the contingencies of the work concerned, as the case may be. However, for deposit
works, such expenditure shall be incurred with the approval of the client.

8.9 Expenditure on architectural models
Wherever required, the CA/SA/T/S Authority shall arrange for the preparation of Project
presentation i/c walk through models and Architectural models and their presentation charging
the expenditure to the sanctioned enabling work or the main work as the case may be.

8.10 Engagement of Private Consultants: The SDG shall appoint and prepare a panel of Private
architects/Consultants taking guidance from the’ Manual for Procurement of Consultancy and
Other Services 2017’ issued by the Ministry of finance. The document is available on website
of Ministry of finance www.finmin.nic.in (Department of Expenditure). Engagement of
Consultant will be done by T/S Authority with recorded reasons, as per Delegation of
Financial powers through bidding.

8.11 Engagement of agencies for preparation of Architectural drawings: To expedite
Architectural planning work, the CA/SA have full powers to engage agencies to prepare
architectural drawings. Such expenditure shall be charged to Contingencies of work and is to
be paid by the Engineer in Charge.

8.12 Checking of drawings/structural design prepared by consultant:
InccaseoftechnicalsanctionaccordedbyCE,CPM,PM,SEorEEthestructural design E&M services
design and drawings prepared by Consultant, shall be authenticated "Good for Construction"
by T/S authority even if it is proof checked by some other consultant, before issuing the
drawings to contractor. The technical proposal of the stream other than stream to which a
CPM/PM belongs should also be technically sanctioned by him in consultation with
SE(Civil/Electrical) of zone/EE(Civil/Electrical) of structural/E&M consultant. The technical
specification proposed by the consultant, if any , shall also be approved by the competent
authority before according the technical sanction.

8.13 Estimates for Purchase, repairs to leased and requisitioned properties
For guidelines on estimates for purchase of built up accommodation to house the offices of
Govt. of India/UT and for estimate for repairs of buildings taken on rent/lease or on
requisition by the Govt., SOP No ……. May be referred.
8.14 **Hiring of Accommodation** –
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 detailed guidelines for hiring of accommodations and procedure for issuing the fair rent certificate are as given in **SOP 8/3**.

.15 **Departmental charges for Fair Rent Certificate** – Refer **SOP 8/7**

8.16 **Powers for hiring accommodation**
a) The financial powers of hiring accommodation shall be as given in “Compendium of Financial Powers in CPWD”.
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.

8.17 **Insurance of Government property**: 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 in the case of movable property.

8.18 **Valuation of Properties**: Income tax authorities, Central Customs and Excise make references to the Income Tax Valuation cell which has encadered officers of CPWD, for valuation of properties or for working out cost of construction etc. during assessment proceedings or for fixing the reserve price for disposal of confiscated properties. Similarly, other statutory bodies like CBI, ED etc also refer to the Valuation unit in certain investigation matters. The guidelines and procedure to be followed for valuation of properties have been detailed out in the Guidelines for Valuation of Immovable Properties 2009 issued by Central Board of Direct Taxes (CBDT), Min. of finance which is available on the CPWD web site www.cpwd@gov.in, in the publication domain for reference.

8.19 **Levy of fees by CPWD for Consultancy Services**
Fees for providing Consultancy Services to be charged as given in Annexure of **SOP 8/8** documents.

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.

8.20 **Weeding out of old agreements**
Old agreements shall be weeded out by a Committee constituted for the purpose. The guidelines on the Committee can be seen from **SOP 8/6**

8.21 **World Bank Documents** – Refer **SOP 8/9**

8.22 **Award of Work to Registered Labour Co-operative Societies** – Refer **SOP 8/10**
PART –III

CHAPTER 9

MAINTENANCE WORKS

9.0 Introduction
As a service provider, CPWD carries out maintenance of Buildings, Roads, other structures, services etc to keep the condition of all the existing structures and fixtures properly maintained and operational.

9.1 Classification of Maintenance works in existing structures
The following category of works is classified as Maintenance works:
(1) Annual repair and maintenance works
(2) Special repair works
(3) Additions/Alterations works
(4) Maintenance of residences of VIPs
(5) Day to day repairs
(6) Petty repairs
(7) Upgradation Work in Existing buildings

NOTE: The Engineer in charge should pre-decide the classification of work as “Construction” or “Maintenance & Repair” for the purpose of Estimate and expenditure to be booked as well as for exercise of financial powers.

9.2 Client Satisfaction and Responsiveness
For customer user friendly complaint management system, a web-based portal “CPWD Sewa” has been set up for registering online complaints. Details of all complaints received, disposed and the response time is managed by CPWD service centers.

9.3 Mode of execution of maintenance works.
1) Maintenance work should usually be carried out in Comprehensive maintenance mode. In this mode, all the maintenance work pertaining to Civil, Electrical (excluding standalone operational works and specialized works) & horticulture works are carried out by inviting composite tender. The normal works of upgradation, special repairs, addition and alteration of civil, E&M services and horticulture should also be clubbed in the composite tender and executed under a single contract. For the following cases, comprehensive maintenance may not be feasible hence other modes may be adopted.

a) Works through Departmental Labour: In this mode, day to day maintenance is carried out through departmental labour and the materials used for the work are issued from the maintenance store under the JE in charge.

b) Works on Individual Contracts: This mode is used for execution of maintenance and repair works by call of tenders, where above refer modes cannot be applied.

c) Works on Work Orders: In emergent and urgent maintenance works, this mode is used by collecting spot quotations in case of emergency and call of quotations in case of urgency, as the case may be. In case of exigencies, with recorded reasons, the urgent work may be executed by collecting spot quotations as per delegation of Financial powers.

d) Petty works: Petty maintenance and repair works upto Rs 25000/- can be got executed by the Engineer in Charge at his discretion through hand receipts with reasonable rates.

e) Annual Rate Contract System for maintenance/minor works
This is suitable for repetitive nature of jobs which require immediate start and uniformity of rates, mainly for minor works. The works have to be planned in advance and a number of agencies for works in each colony should be fixed before the start of financial year. Normal
A/R & M/O works, however, shall be dealt with under normal tendering system. To fix the agencies for the Annual Rate contract works, the contractors who have participated in the tendering system shall be considered qualified if their quoted rates are up to 5% above the rates of L-1 Contractor. The detailed procedure for calling Annual Rate Contract for maintenance/minor works shall be followed as per SOP 9/1

9.4 Power to undertake Maintenance Work

(1) Power to undertake Maintenance Works is laid down in “Compendium of Financial Powers in CPWD”.

(2) The Engineer-in- Charge shall have full powers to undertake works, however for maintenance of buildings that were not originally constructed by CPWD, and maintenance of mechanical/electrical equipment’s that were not originally procured and installed by CPWD, maintenance works of such buildings and installations may be undertaken with prior approval of CE or ADG (where more than one CEs are located).

(3) The Engineer-in-Charge shall have full power for augmentation of electric power supply of the residence of VIPs up to maximum electrical load sanctioned for Ministers, Judges of Supreme Court /High court, Members of Parliament, Secretaries/Additional Secretaries & equivalent officers.
CHAPTER 10

PRELIMINARIES FOR MAINTENANCE WORKS

10.0 Annual Works Plan:
Separate annual works plan for “Maintenance works” shall be prepared by the respective divisions of all disciplines (Civil, Electrical & Horticulture) in advance for finalization and approval by the Superintending Engineer. The priorities of works should be decided based on the funds availability and urgency of the works. The PE/DE shall be prepared according to the approved annual works plan. In case, of any work which is not included in the plan, Executive engineer may take up after taking approval from SE. Tenders for maintenance works shall be invited by the Engineer in charge separately for each subdivision or jointly for one or more subdivisions as per requirement.

10.1 Preparation of Preliminary Estimate/Detailed Estimate
For deposit works/works funded through letter of Authorization, the Preliminary Estimate/Detailed Estimate is to be sent to the client for according A/A&E/S without delay, after receipt of requisition. The Engineer-in-Charge shall be responsible for submission of Preliminary Estimate/Detailed Estimate along with MOU in the prescribed format Annexure “…….” of SOP documents to the client General steps to be followed for preparing PE are described in SOP 10/1.
Whenever an estimate is prepared for the work which also involves Civil/Electrical/Horticulture works, the authority receiving the requisition shall intimate his counterparts to prepare and send their estimate to the client so that sanctions are received in time and work is carried out in a coordinated manner.

10.1.1 Provision for contingencies and its utilization
Provision of contingency for unforeseen expenditure shall be kept as follows:
Estimated cost up to Rs. 1 Crore ............ 5%
Estimated cost more than Rs. 1 Crore ... 3%, subject to minimum of Rs. 5 Lakh
NOTE:- The contingencies can be utilized by the Engineer-in-Charge as per the powers delegated in the Compendium of Delegation of Financial Powers

10.1.2 Provision for Departmental Charges:
No departmental charges are to be levied for Government works. For this purpose, Government works shall include Central and/or State Govt., Autonomous bodies fully funded by Government of India. For the works of private organizations, departmental charges are to be levied as per the rates given in the Annexure .... of SOP documents. CPWD officers have powers of reduction of DC upto a certain percentage. They can decide final rates within their competence for which no formal request will be required from the client.

10.2 Accord of administrative approval and Expenditure Sanction--- The competent authority of the Administrative Ministry/Department/Client shall accord A/A &E/S on the basis of /Preliminary estimate/Detailed estimate.

10.2.1 Excess over administrative approval & Expenditure sanction
For Deposit works and works on letter of authorization, Revised estimate will be submitted for the works having expenditure in excess of 10% of A/A & E/S, however no excess over the A/A & E/S amount is permissible without approval of client and hence before incurring the expenditure the client will be informed in case expenditure exceeds A/A & E/S amount.
In case of MoHUA budgetary works no A/A & E/S is required for maintenance works undertaken from the budgeted works except for Addition & Alteration works for which excess up to 10% of the amount of the administrative approval may be authorized by Officers of the CPWD, up to their respective powers of technical sanction.
10.3 **Technical Section:**
Technical sanction is not required for general maintenance works. However, for works involving structural rehabilitation Technical sanction shall be issued. The guidelines to prepare the Detailed Estimate along with the estimates of different nature of works shall be followed as per guidelines mentioned in **SOP 3/6**.

10.4 **Availability of Fund.**
Before inviting tenders, the Engineer in charge shall draw MOU for the deposit works with the client and ensure availability of funds. In case of authorization works, assessment of requirement will be based on expected expenditure and phasing of fund requirement will be mentioned in PE.

10.5 **Specialized Works**
a) The list of specialized works of Civil, E&M and horticulture are given in Annexure…. of **SOP** document ADG/SDG shall have powers to declare any work as specialized works.
b) For Maintenance / Comprehensive Maintenance / Operation of Specialized nature E&M System including Lifts and HVAC, DG Sets, Fire Alarm System, Sub- Station and Wet Riser and Sprinkler System works, the guidelines as per **SOP 3/10** shall be followed.

10.6 **Preparation of NIT**
1) The estimated cost put to tender in the NIT shall be worked out based on market rates for general maintenance works. For works involving structural rehabilitation where Technical sanction has been issued, the estimated cost put to tender in the NIT shall be worked out based on the rates considered in the Technical sanction.

2) Keeping in view the nature of maintenance works and applicable/chosen mode of bidding, NIT shall be prepared. For guidelines on preparation of NIT for different mode of bidding system the relevant provision of **SOP 3/8 & SOP 3/9** may be referred. In case where eligibility on the basis of “Similar work” is required, the definition of the similar work is to be spelt out clearly in the NIT by the Engineer- in-Charge as per requirement and scope of work. The definition should be simple, unambiguous and should encourage competitive bidding.

10.7 **Publicity, Validity of Tenders, Action in case of poor response to tenders, Formalities for re- invitation of tenders**
For the above provisions, Refer Para 3.6 of Works Manual

10.8 **Call of Tenders** -- Refer Para 3.8 of Works Manual

10.9 **Works of Inescapable Nature** – Refer Para 3.9 of Works Manual for 1) Emergent Works
2) Urgent Works.
CHAPTER 11

MODES OF BIDDING SYSTEM

11.0 The Mode of bidding system for “Maintenance works” are analogous with construction works. For provisions regarding different modes of bidding system Para 4.1 to 4.6 of the works manual may be referred.

11.1 Procedure for opening of Two/Three Envelope system tenders: Details can be seen from SOP 4/5

11.2 Manual Tendering
In exceptional cases if manual tendering is resorted instead of E- tendering platform, then in such cases, the general procedure for Receipt, Opening and Acceptance of manual tenders has been laid down in SOP 8/4
CHAPTER 12

CONTRACT MANAGEMENT

12.1 Co-ordination for maintenance activities
a) For works within the same discipline, the Engineer-in-charge shall ensure that all related activities are executed in a well-coordinated manner.
b) For works involving other disciplines, the respective Engineer in Charge shall coordinate with his counterparts of other disciplines to ensure timely execution of the work in a coordinated manner, as per procedure laid down in SOP 5/11.

12.2 Principles and procedures
The contract management in Maintenance Works are in consonance and analogous to the principles laid down for Construction works. Hence for provisions relating to “Essential features while drawing contract, Earnest Money, Receipt, Opening and Acceptance of Tenders, Performance guarantee Security deposit etc” Para 5.0 to Para 5.5 of Works Manual may be referred.

12.3 Operational Responsibilities for the work:
a) The Engineer-in-Charge shall be overall responsible for the proper and timely execution of work. However, this does not absolve the other subordinate officers of the Engineer in Charge from their responsibility to get the work executed as per specifications and provisions of Contract.
b) Works involving use of new materials or construction technology should be digitalized with QR (Quick Response) coding to facilitate any visitor to get complete details of the work by scanning the QR code.
c) The officer who records/test checks the measurements for an item of work will be responsible for the quality, quantity and dimensional accuracy of that item of work.

12.4 Responsibilities of field officers and contractor with regard to the labour laws
Important responsibilities and guidelines for field officers with regard to labour regulations for field officers are given in SOP 5/12.

12.5 Site documents
Site documents for works shall be maintained and operated as per SOP 5/14.

12.6 Secured Advances
Secured advance is a term applied specifically to an advance made on the security of the materials brought to site of work, to a contractor whose contract is for the completed item of work. For conditions on which the Secured advance is to be paid, refer SOP 5/17. However, 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.

12.7 Extra, Substituted and Deviated Items of Work
The Rates for Extra items, substitute items, and deviation in the Agreement items beyond the limit specified in Schedule F of the Agreement shall be made as per provisions in GCC.

12.7.1 Powers to sanction of EI/SI/DI
The Engineer in charge shall accord sanction to extra/substituted items/Deviation items for works as per delegation of financial powers. The Engineer-in-Charge shall utilize the powers exclusively within the scope of contract.
12.7.2 Deviation on tendered amount
The completion cost of any agreement for maintenance works shall not exceed 1.50 times of tendered amount for Budget works and the Engineer in charge shall record reasons for such deviation.
For Deposit works & works of letter of authorization, completion cost shall not exceed the A/A & E/S amount without prior approval of the client and availability of funds.

12.8 E-measurements
All payments to contractors’ bills should be made after MB details are entered in e-MB module through PFMS portal.

12.9 Measurements for Inadmissible items --- Refer Para 5.12.3 of Works Manual

12.10 Advance Payment --- Refer Para 5.13 of Works Manual

12.11 Test checking of Measurements --- Refer Para 5.14 of Works Manual

12.12 Recording of Hindrances:--- Refer Para 5.15 of Works Manual

12.13 EOT & Rescheduling of milestones
Should be as per the provisions in contract. For general guidelines refer SOP 5/21

12.14 Compensation under clause 2- --- Refer Para 5.16.1 of Works Manual

12.15 Completion certificate
The Completion Certificate shall be recorded by the Engineer-in-Charge on completion of the work as per the condition in the contract.

12.16 Payment --- Refer Para 5.18 of Works Manual


12.18 Supplementary agreements --- Refer Para 5.20 of Works Manual

12.19 Custody of Original Agreements: The Engineer in charge shall be responsible for the safe custody of the Agreements. A record of the agreements drawn up should be kept in Form CPWD 42.

12.20 Arbitration and Litigation Cases --- Refer Para 5.21 of Works Manual

12.21 Court cases: The procedures/guidelines as described in SOP 5/34 shall be followed in Court Cases.
CHAPTER 13

STORES

13.0 Acquisition of Stores

Stipulation of material in contracts has since been stopped in CPWD works. However, in case of Procurement of Goods and Services Ministry of finance has circulated a document namely "Manual for procurement of Goods 2017 ". The Engineer –in-charge may decide the eligibility criteria & Terms and Conditions for purchase of material by taking guidance from this document. The document is available on website of Ministry of finance www.finmin.nic.in (Department of Expenditure).

13.1 Procurement of Goods and Services through Govt. E-Market place (GeM)

The Procurement of Goods and Services through GeM will be mandatory for Goods or Services available on GeM. The procuring authorities will certify the reasonability of rates. The GeM portal shall be utilized by the Government buyers for direct on-line purchases.

The financial powers for procurement of goods and service under GeM portal shall be as per delegated powers for purchase from open market through tenders in “Compendium of Financial Powers in CPWD”. The Rule 149 of GFR 2017 may be referred for the purchases through GeM.

13.2 Procedure for Purchase of Materials through tender/quotations

Purchases costing uptoRs. Five thousand can be made through Hand receipt/Imprest/Cash. Such Purchase shall not count towards annual ceiling of powers of purchase of materials. If material is not available on GeM, purchases of materials costing uptoRs. 25,000/ (Rupees twenty five thousand) 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.

For Purchase of goods upto Rs 25000/- without quotations, Rule 154 of GFR 2017 may be referred .

For Purchase of goods above Rs 25000/- to Rs 2.50 lacs Rule 155 of GFR 2017 may be referred .

Ministry of finance has circulated a document namely "Manual for procurement of Goods 2017") . The Engineer –in-charge may decide the eligibility criterion & terms and conditions for purchase of material by taking guidance from this document. The document is available on website of Ministry of finance www.finmin.nic.in (Department of Expenditure).

13.3 Reserved items and Preference to Medium and Small-Scale industries (MSMEs)

Ministry of Micro, Small and Medium Enterprises (MSME) have notified Procurement policy under section 11 of the Micro, Small and Medium Enterprises Development Act, 2006. The Central Government may, by notification, provide for mandatory procurement of any goods or services from any category of bidders, or provide for preference to bidders on the grounds of promotion of locally manufactured goods or locally provided services. GFR 2017 Rule 153 may be referred. (To discuss).

13.4 Advance Payments
As per Rule 172 (1) of GFR 2017, ordinarily payments for services rendered or supplies made should be released only after the services have been rendered or supplies made. However, in case of advance payment 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. (To Discuss)

13.5 Payment for the Supplies
13.5.1 Advance payments for purchase of stores-
(i) The CPWD officers and Engineer-in-Charge are authorized to make advance payments upto 90% to the firms for supply of stores upto the limit of their respective powers of acceptance of tenders as per “Compendium of Financial Powers in CPWD” subject to the following terms and conditions:
Advance payment shall be made only in cases where it is considered absolutely necessary. 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 dispatch documents. Pre-inspection of the stores ordered should be ensured before making advance payment. 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. 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. 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. 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. The advance payment in cases not covered by the above conditions shall be made with the approval of the Special Director General.

13.6 Insurance
13.6.1 General
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, CPWD in the case of movable property.

13.6.2 Inland transit insurance
(1) In case of supply from GeM, supplier should be asked well in advance for insurance under intimation to GeM. 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.

13.7 Receipt of Materials
All the materials procured should be examined, counted or measured during its delivery and accounted for in the Material at Site (MAS) A/C Register.

13.8 Safe Custody of Stores
The Engineer-in-Charge is responsible to ensure that proper arrangements are made for the
safe custody of stores and for their protection from deterioration and fire.

**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.

**13.9 Disposal of unserviceable Stores/dismantle materials**

1. The Engineer-in-Charge should not store for long the materials which are likely to deteriorate within a short time.

2. Similarly lot of dismantled material is generated during the continuous maintenance process.

3. Unserviceable Stores/ Dismantled material when stored for longer duration gets deteriorated and loses its worth.

4. Hence, disposal of such Unserviceable/ Dismantled material shall be done immediately.

5. The powers to declare any surplus or unserviceable store, T & P and issue orders regarding the manner in which the particular stores/T & P declared as surplus or unserviceable are to be disposed of is given in “Compendium of Financial Powers in CPWD”. This disposal can be either by e-auction or through sealed quotations or any other suitable method. Refer SOP 8/3

6. If disposal of any surplus or obsolete or unserviceable item is not possible in spite of its attempts through auction, then it can be disposed of at its scrap value with the approval of the competent authority in consultation with finance division. In case the Department is unable to sell the item even at its scrap value, it may adopt any other mode of disposal including destruction of the item in an eco-friendly manner.

**13.10 Transfer of stock (excluding T &P) 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 Engineer-in-Charge, who will issue necessary order for their disposal or transfer to other Divisions.

**13.11 Losses on Stores and their Write Off**

The relevant rules prescribed in GFR 2017 shall be kept in mind while dealing with the cases of losses on stores and their write off.

**13.12 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 Compendium of Financial Powers in CPWD”.

2. The authority issuing orders under Appendix-1 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).

**13.13 Stock Taking**

**13.13.1 Physical verification of stores**
A physical verification of MAS account, Dismantled material Account and T & P account should be undertaken at least once in a year by the Engineer-in-Charge/Assistant Engineer in the presence of the authority responsible for the custody of the stores or of a person deputed by him. A certificate of verification along with the findings shall be recorded in the registers. Discrepancies, including shortages, damages and unserviceable goods, if any, should be identified during verification and action for its disposal to be taken. Report about required stocktaking and physical verification and certification thereof should be reported to the Next higher authority.

13.14 **Register of Buildings**
Every Division shall maintain a Register of Buildings up to date. The instruction regarding maintaining the Register of Buildings are provided in SOP 13/1

13.15 **Safety of Buildings / Structures**
All buildings / structure shall be inspected regularly to ensure that the buildings / structures is safe for use. The duties of various officers and procedure for inspection of buildings are provided in SOP 13/2

13.16 **Demolition of unsafe buildings/structures**
Incase it is decided to demolish such unsafe buildings / structures, it should be survey reported and disposed of without land by option under the power vested in competent authorities as indicated in “Compendium of Financial Powers in CPWD”.