



# CENTRAL PUBLIC WORKS DEPARTMENT

OFFICE MEMORANDUM

No.DGW/MAN/ 142

ISSUED BY AUTHORITY OF DIRECTOR GENERAL OF WORKS

NIRMAN BHAVAN, NEW DELHI

DATED 28.12.2006

**Subject: Departmental issue of materials.**

Reference is invited to this office letter of even No. 899 dt. 30.8.06 vide which instructions were issued that departmental issue of materials to contractors in future contracts, even free of charge, be stopped.

Some of the Chief Engineers(Elect.) have expressed that lot of materials used in electrical works are being procured through DGS&D and a blanket ban on departmental issue of materials to contractors will result in the increase in cost of work since bulk supply of electrical items comes through DGS&D which is cheaper as compared to market rate. It was also stressed that the departmental issue is having some advantage particularly in ensuring proper quality and also being cost effective to some extent.

The matter was examined by the Technical Board during its meeting held on 28.9.06. After considering the views expressed by various officers, it was decided that exemption can be given by the Directorate on case to case basis on merit primarily on the criteria of involvement of payment of sales tax on such materials.

Further it is clarified that in cases, where materials are already purchased and lying in store, prior to issue of our order dated 30.8.2006, stipulation in the contract for departmental issue of these materials can be made but no fresh procurement of departmental material beyond 30.8.2006 is admissible.

Superintending Engineer (C&M)

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Copy as per mailing list.

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निर्माण विभाग, भारत
DW (S & D) Unit
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