



CENTRAL PUBLIC WORKS DEPARTMENT

OFFICE MEMORANDUM

No. DGW/MAN/63

ISSUED BY AUTHORITY OF DIRECTOR GENERAL OF WORKS

NIRMAN BHAWAN, NEW DELHI

15th March, 2001

Sub: Execution of Deposit works.

Para 3.6.3 and Appendix 76 were added in CPWD Manual Vol.II (1988) vide O.M.No.DGW/CON/74 dated 26.9.1994. It has been decided by DGW to amend Para 3.6.3 as well as Appendix 76. The modified Para 3.6.3 and Appendix 76 shall be as under:

Modified Para 3.6.3 - While submitting preliminary estimates for Deposit works for obtaining administrative approval and expenditure sanction, a copy of the terms and conditions under which the works would be taken up by CPWD as given in Appendix 76 should also be enclosed with the Preliminary Estimate.

Appendix 76 - Terms and conditions for taking up deposit works (refer Para 3.6.3):-

1. Full estimated cost of the work as worked out by CPWD including departmental charges will have to be deposited by the client department before the work is taken up for execution. No interest will be paid by CPWD to the client department for such deposits.
2. The client department should hand over vacant possession of land/site to CPWD. CPWD may, if so required, take responsibility for demolition/disposal of existing buildings/structures.
3. CPWD does not bind itself to complete the work within the estimated cost. If additional funds are required, the same will have to be provided by the client department. Necessary revised estimate will be submitted as and when required.
4. Any dispute arising out of the operation of the contract(s) for the subject work will be subject to arbitration as provided for in the contract agreement. CPWD will defend the arbitration proceedings as best as it can and get the arbitrator's award examined by the appropriate authority. The decision of the competent

authority in CPWD to accept the award or to challenge the same in a Court of Law will be binding on the client department.

5. Funds for making payment of all amounts which may be decreed by a Court of Law, Tribunal or by Award of an arbitrator in relation to the deposit work will be made available by client department promptly irrespective of it not being a party before the Court, Tribunal or arbitrator. Such payments will be in addition to the payments made to the contractors for execution of work.
6. After receipt of A/A & E/S from the client department, the CPWD will prepare and submit various detailed architectural drawings and service plans to Local Bodies whose approvals are required before taking up the construction work. These Local Bodies are independent organisations and CPWD has no control over them. These Local Bodies take their own time for approving the Plans. The time required to get such approvals is not included in the time of construction indicated in the estimate. Although CPWD will make all efforts to get such approvals early, it may be necessary for the client department also to pursue with Local Bodies for early approval.
7. The CPWD has no funds of its own for investing in the work. The client should, therefore, ensure that adequate funds are available with CPWD for executing the work. In case the client department fails to provide funds as per requirements, it may be necessary for CPWD to suspend/abandon the work. In such eventuality, the client department shall be solely responsible for all the consequences arising out of such stoppage/abandonment of work including claims of contractors for compensation/damages.
8. The client department will help CPWD in – (a) providing site for labour huts for the contractors' labour free of cost, (b) providing free access to contractors' materials and labour to the site of work, (c) providing electricity connection for execution of work on payment of usual charges, and (d) sanction and release of load from the concerned Electricity Board/Authority.
9. CPWD may at its discretion allow the clients to deposit the funds in instalments. In such cases 33 1/3% of the estimated cost should be deposited as advance. Thereafter, expenditure incurred should be reimbursed in full through monthly bills. The initial deposit of 33 1/3% would be retained for adjustment against the last portion of the estimated expenditure.
10. In cases where funds are deposited in instalments, CPWD will not be responsible for any delay, damage, stoppage of work, claims of contractors for compensation/damages etc. due to non-receipt of funds in time.


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