

BRIEF
ON
WORKS MANUAL
2007

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WORKS MANUAL – 2007

CPWD is the agency of the Central Government for Planning, Construction, Maintenance and Repairs of all works and Buildings financed from Civil Works Budget including renting and purchase of buildings and Estates Work at places where Directorate of Estates is not functioning. Advising Govt. of India on various Technical matters relating to Public Works.

Section – 1.1

Procedure for Execution of Works by various Department/Ministries will be in accordance with Rule 123-134 of GFR-2005.

Section – 1.2

Original Works mean :-

1) All new constructions; 2) All types of additions, alterations and/or special repairs to newly acquired, abandoned, damaged assets required to make them workable; 3) Major replacements or remodeling of an existing structure which results in increase in life and value of property.

Section – 1.3.1

Operations undertaken to maintain buildings and works in proper condition are known as repairs, divided into 1) Annual Repairs, 2) Special Repairs.

Section – 1.3.2

1. Annual Repairs :

Annual Repairs are carried out annually like White Washing. Special repairs are carried out as and when necessity arises. Covers major repair not result in genuine increase in value of property.

Section – 1.3.2 (ii)

Budgeted Works :

Works that are undertaken under an outlay provided wholly from the financial estimates and accounts of Union of India that are laid before and vetted by both the Houses of Parliament.

Section – 1.4.1

Deposit Works :

Works undertaken at the discretion of the Department outlay for these works is either provided from Govt. grants or financed from Non-Govt. sources.

Section – 1.4.2

Execution of Work/Project has 4 stages – Administrative Approval, Expenditure Sanction, Technical Sanction & Availability of Funds.

Section – 2.1 (i)

Urgent Works/Emergency Works :

Works may be executed into absence of any or all of formalities mentioned in 2.1. For urgent works, authority to commence in anticipation of administrative approval and expenditure sanction shall vested in Ministry of urban Development and in anticipation of technical sanction to the estimates with Chief Engineers.

For emergent work, the Chief Engineers are competent to undertake such works in anticipation of Administrative Approval and Expenditure Sanction.

Section – 2.2

Material deviation from original proposal should not be made without sanction of authority which accorded Administrative Approval, even cost is covered by savings.

Section – 2.3.4

Technical sanction can be executed by 10% beyond which, revised technical sanction shall be necessary.

Section – 2.5.2

Powers to appropriate & re-appropriate on public works vested in DGW/CE.

Section – 2.6.1

Execution of a Project/Work has 2 stages : 1) Pre-construction stage; 2) Construction stage.

Section – 2.7

Works of Construction or repairs, cost of which is not met out of Govt. funds financed from Non-Govt. sources are known as Deposit Works. Funds either be deposited in cash or placed at the disposal of Executive Engineer.

Section – 3.1

No interest will be allowed on sums deposited as private contributions for works.

Section – 3.4

Preliminary Estimate is prepared on the basis of plinth area/length of Road worked out on the rate per unit area, length or other method adopted for ready and rough calculation.

Section – 4.1 (i)

Preliminary estimate shall be prepared on the basis of preliminary drawings prepared by Sr. Architect and shall appropriately indicate in the history sheet to items that are included/excluded in the estimate.

Section – 4.1 (2)

Detailed Estimate :

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

Section – 4.2

For preparation of Estimates, guide in settling rates in connection with contract agreements, a schedule of rates for each kind of work commonly executed is maintained in Division up-to-date. Prepared

on the basis of rates prevailing in each station, analysis of rates for each work and it should be practicable issued by DG (W) for Delhi & ADGs for other regions will be revised once in Two years.

Section – 4.3

No addition and alteration should be carried out without concurrence of Chief Architect/Sr. Architect in Writing.

Section – 4.7

For Hiring of Private Accommodation for any Civil Department, EE (Licence Fee) is Chairman, ADE, AD (Finance) will be members.

Section – 4.13 (i)

No work is taken in hand without proper Technical sanction, except in the case of urgent/emergency work as stated in para-2.2.

Section – 5.1 (2)

Work should be inspected frequently to ensure works are executed in accordance with design, drawing, and specifications as per contract.

Section – 5.2.1

Minimum number of inspection for each work will be one for every 2 bills for works in HQrs. and one for 3 bills outside HQrs.

Section – 5.2.1 (2)

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

Section – 5.2.3 (1)

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

Section – 5.3

Calling Spot Quotations :

Works to be taken up or material to be procured under critical situations, such as breakdown of essential service, works brooks no delay spots quotations be called for from reputed and established agencies dealing with work/supply of material.

Section – 5.4.1 (1)

Register of Buildings :

Every Division should maintain a Register of Buildings upto date indicating additions in the cost and in structure upto date at the end of every financial year.

Section – 6.5 (1)

Consultation with local Civil Aviation Authority and Environment & Forest Department may be required as per location and magnitude of the project.

Section – 6.12

DG(W)/ADGs has full powers to engage Consultants/Private Architects subject to conditions laid down by Ministry of Urban Development.

Section – 6.13

Expenditure on Construction/Maintenance of a work will be divided into 2 classes namely Cash and Stock Charges.

Section – 7.1

Payment to Work Charged Estt., will be made monthly in the same manner as it is made to regular staff and charged to the work on which labour is actually employed. Prepared in Bill Form CPWA-29.

Section – 7.1 (3)

Measurement Book is basis of all Accounts of quantity, whether of work done by contractors or by labour employed departmentally or material received.

Section – 7.2

Very important Account Records maintained carefully, accurately for production in Court of Law, as evidence.

Section – 7.2 (2)

No measurements need be record for petty purchases made through Permanent Imprest Account.

Section – 7.5.1 (1)

All measurements should be recorded neatly. Contractors/authorized representative's signature should be obtained in Measurement Book for each set of Measurements.

Section – 7.5 (6,7)

3 days notice to contractor be given by Engineer-in-charge before taking and measurement of any work. If fails to attend, countersign or record objection within a week, measurements recorded in his absence deemed to have been accepted by him.

Section – 7.6 (1)

Measurement should be recorded in ink. No erasure or overwriting.

Section – 7.6 (8,9)

When bill is prepared for a work or supplies, every page containing detailed measurements be scored out by a diagonal red-ink line. Measurement should be recorded by EE/AE/JE to whom Measurement Book have been issued for this purpose.

Section – 7.7 (2)

In case of works in HQrs of Sub-Division, AEE/AE must test check the measurements recorded by JE, before Running/Final bill is paid.

Section – 7.10.1 (3)

EE should test check 10% of measurements recorded by subordinates at least every alternate bill for work at his HQrs., and every 3rd bill for outside his HQrs.

Section – 7.10.2 (1)

Measurements shall be recorded and entered in computerized format in the first instance by the contractor.

Section – 7.12.2 (1)

Contractor shall submit his RA and final bills in computerized form in same format as the existing conventional bills.

Section – 7.12.4 (1)

When Measurement Book is lost, FIR should be lodged with Police. Also necessary, the measurements in the lost Measurement Book should be re-constructed.

Section – 7.14 (1.4)

Standard Measurement Book in Form CPWA-23A is maintained to record measurement of permanent Standing in a Building. Updated year-to-year on the basis of additions used for preparing repair estimates.

Section – 8.1

It should be written by AEE/AE or JE

Section – 8.3.2

Contractor has to prepare the bill in the prescribed form for the work done by him and submit the same to Sub-Division for checking by AEE/AE. Then bill is checked and paid in the Division by Executive Engineer.

Section – 9.1

Full rates be paid as per agreement if work done/supplies made according to specification.

Section – 9.2 (1)

If contract is for completed item of work and contractor is required to obtain materials of any such description from Govt., necessary recoveries on account of the cost of material supplied to him from Govt. stores should be effected from each bill at the recovery rates fixed for.

Section – 9.2 (3)

First & Final bill in Form CPWA-24, single form be issued for making payments to several/payees, if it relates to same work/same head of Account.

Section – 9.3 (a)

RA Bills – CPWA-26

Lumpsum Contracts – CPWA-27A / 27B

Hand receipt – CPWA-28 – simple form of voucher for miscellaneous payments.

Section – 9.3 (b) (c)

Permanent and collective record of expenditure incurred in Division, during a year in each work is “Register of Works”, maintained in Division.

Section – 10.3 (1)

Form No.40 is for major Work and form No.41 – for Minor Work. Register of work is posted monthly from Work Abstract.

Section – 10.3 (2)

In addition to Materials, Contractors can also use Plant & Machinery of the Department at fixed rate. The rates are fixed from time to time. Day means for 8 hours including 1 hour lunch break.

Section – 10.6 (1,2)

All losses of assessed values of Rs.10,000/- and more shall be regarded as “Material Losses” excepting losses due to suspected sabotage.

Section – 10.8.1 (8)

Accounting procedure for Works executed by CPWD outside India is detailed in Section-11.

Section – 11

No Departmental Charges are to be levied for Govt. Works and those of autonomous bodies fully funded by Central Govt. For others, Departmental Charges are to be levied. Before levying Departmental Charges, it should be ascertained by obtaining a letter from Head of

such Undertaking or from head of Finance Department of Undertaking whether it is funded fully by the Govt. No Departmental Charges to be levied for works undertaken for 15th August & 26th January.

Section – 12.1

When in a PWD, works are executed, the cost of which is met from sources other than grants for 2059 – Public Works, 2216 – Housing, Recovery of cost of Establishment and machinery & Plant be affected. In all cases, on a % basis (General D/charge).

Section – 12.1

Govt. of N.C.T. of Delhi will be treated on par with Govt. of India Department and D/c will be charged accordingly.

Section – 12.8

No D/C levied on Horticultural works.

Section – 12.9

When 2 or more persons have common intention, communicated to each other to create some obligation between them, there is said to be an agreement. An agreement which is enforceable by law is a contract.

Section – 13.1.1

1. Agreements which are enforceable by law
2. Made by free consent of parties
3. Parties should be competent to contract
4. For lawful consideration
5. For a lawful object
6. Not expressly declared to be void [Section-10 of Indian Contract Act, 1872]
7. Contract should be in writing and attested by witnesses

Section – 13.1.2

Essentials of Contract :

1. Offer by one person – called “Promisor”
2. Acceptance by another – called “Promisee”
3. For consideration – doing an act or abstaining from doing an act
4. Offer and acceptance not barred by law
5. Agreement between two
6. Competent to make agreement

Section – 13.1.3

NIT :

Notice Inviting Tender – CPWD Form No.6 issued invariably in respect of works for which tenders are to be issued includes name of work, estimated cost, period of completion, time, date of opening of tender, site of work is available, site of work will be made available.

Section – 13.2.1

Percentage Rate Tender :- CPWD Form No.7 is based on Department schedule of Rates irrespective of value of work.

Section – 13.2.2

Item Rate Tender :- CPWD Form No.8 are required to quote rates for individual item of work on the basis of schedule of quantities furnished by Department in cases where value of work exceeds Rs.10 lacs.

Section – 13.2.3

Supply of Materials :- CPWD Form No.9 used where purchase of material involved either for raw or finished.

Section – 13.2.4

Piecework :- CPWD Form No.10

1. For work costing less than Rs.5 lacs.
2. To start work in anticipation of formal acceptance of contract.
3. For pipes – laying sewerages

Section – 13.2.5

Work Order :- CPWD Form No.11 used for works costing Rs.10 lacs and below in works awarded in Form No.11, work can be stopped by both Executive Engineer and the Contractor at any time.

Section – 13.2.6

Work Order : CPWD Form No.11-A : for small works costing less than 10 lacs where it is not necessary to use Form No.7,8 & 12.

Section – 13.2.7

Lumpsum Contract : CPWD Form No.12.

Section – 13.2.8

Tenders for Demolition of Buildings – CPWD Form No.47 : Form is adopted for demolition of Buildings and removal debris from site.

Section – 13.2.10

Tender should be called for all works costing more than Rs.50,000/-. In urgency, prescribed period of notice may be reduced.

Section – 14.1

In emergent cases/interest of work demands, work may be awarded without call of tenders after approval accorded by Competent Authority.

Section – 14.1 (2)

Works can be awarded to Registered Labour Co-operative Societies at current market rates without call of tenders.

Section – 14.3.1

Before inviting Tenders, the following documents have to be prepared:

1. NIT IN Form No.6
2. Form of Tender to be used along with conditions
3. Schedule of quantities of work

4. Set of drawing
5. Specification of Work to be done.

Section – 15.1 (1 to 3)

Composite Tenders can be called for works, where combined estimated cost of different components put together exceeds 10 Crores.

Section – 15.3

Preparation for NIT is laid down in Section-16. Wide publicity to be given to NITs. Tenders be called for in most open and public manner possible by advertising in the Website, Press and Notice in English/Hindi written language of the district, posted in public place. A copy of notice sent to all CPWD/PWD Offices.

Section – 16.1.1

Works costing more than Rs.5 lacs, brief advertisement inviting tenders be inserted in press in classified category.

Section – 16.1.3

Advertisement in DAVP be made at short intervals of 1 or 2 days.

Section – 16.1.4

In urgent cases, NIT be sent direct to Press.

Section – 16.1.5

Time limit of publicity of Tenders :

Time limit between call of Tenders and opening of Tenders are as below :-

7 days	--	Works costing upto Rs.20 lacs.
10 days	--	Between 20 lacs & 2 Crores.
14 days	--	Costing more than 2 Crores.

The above time limit will not apply to Global Tenders, NIT approving authority will fix time limit.

Section – 16.5

Formalities for Re-invitation of Tenders :

1. All formalities in NIT will be followed
2. Change in date, time will be put up in Notice Board and published in Website.

Section – 16.8

All Tenders sent to Contractors be invited in the name of President of India for and on behalf of President of India be in-corporated in draft notice sent to DAVP for publishing in Newspaper.

Section – 16.9

At the direction of NIT approving authority, a Pre-Bid conference be held by Engineer-in-Charge 5 days before last date of submission of Tenders for clarification of any doubt/or any condition of Contract. Minutes must be circulated to all prospective tenderers attending conference.

Section – 16.10

Restricted Tenders can be called for with the approval of DG (W) in

1. Work to be executed with great speed.
2. Special nature of work requiring special equipments
3. Secret nature of work, where public announcement is not desirable.
4. Shortcoming of pre-qualified contractors to limited number
5. Maintenance of VIP residence/important Bungalows as decided by Chief Engineers.
6. Other exigencies of work demanded.

Section – 16.11.1

Tender with 2/3 envelop system :

1. When work cost exceeds Rs.10 crores.
2. Pre-qualification of Contractors be resorted to

Section – 16.12 (1)

Tender documents should be kept ready, before notice is sent to Press/pasted in Notice Board. Every Contractor should apply for Form in Writing.

Section – 17.1 (1)

Tender documents should be sold to contractors who full all conditions. Not to be sold to near relatives of Divisional Accountant or Superintending Engineer, Executive Engineer, Assistant Engineer & Junior Engineer of the Circle in which work has to be done.

Section – 17.1 (2)

Tender should be issued for specialized works to the firms who deal in items of work.

Section – 17.2 (3)

Eligibility criteria should be made clear in Press Notice and NIT to get competitive rates.

Section – 17.2.3 (1)

After ascertaining experience, expertise from contractors, tender be issued to them.

Section – 17.2.3 (2)

Tender documents for CPWD Works costing upto Rs.10 crores shall be issued to Contractors registered in CPWD in appropriate classes.

Section – 17.3.1 (1)

Duplicate copy cannot be submitted as tender. In case of loss of original set, contractor has to buy a second set and submit as Tender.

Section – 17.4

Tender Form should be signed by DE/SDE.

Application for Tender documents will be stopped at 16 hours “4” days before date fixed for opening of Tenders. Issue of tender form will be stopped 3 days before date fixed for opening of Tenders.

Section – 17.6

Charges for Sale of Tender Forms :

a) Work upto Rs.1 lakh	--	Rs.150/-
b) Work upto Rs.1 lakh and 50 lakhs	--	Rs.500/-
c) Work upto Rs.50 lakhs and upto 2 Crores	--	Rs.1000/-
d) Work above Rs.2 Crores	--	Rs.1500/-

Section – 17.7

Accounting of Tender Documents :

1. All should be priced and price given on document
2. Kept with cashier of Division/Sub-Division
3. All received are entered in register.
4. Chronologically maintained showing name, number of forms and amount received.
5. The register will be subsidiary cash book, machine numbered.
6. Money received will be entered in Cash Book as lump sum.
7. On 25th each month, register be closed.
8. Surplus/unused tender forms be destroyed after 1 Month of acceptance of Tenders.

Section – 17.8 (1)

Tender documents sold individually and acknowledgement taken from contractors to avoid bogus and fake tenders.

Section – 17.8 (2)

Earnest money paid by each tenderer ensures Govt. to that tenderer does not refuse to execute work after awarded to him. If he fails to commence work, Earnest Money is forfeited to the President.

Section – 18.1

Earnest Money may be dispensed with by Executive Engineer at his discretion for petty works costing Rs.5,000/- or less. In other cases, the rate of Earnest Money is as under :

1. Works costing upto 10 Crores -- 2% of estimated cost.

2. Works costing more than 10 Crores -- Rs.20 lacs + 1% of excess estimated cost over Rs.10 Crores.

Section – 18.3

Tender received after due date and time neither be opened nor entered in Tender opening Register.

Section – 18.3.1

Mode of Deposit :

1. Cash upto Rs.10,000/-
2. Tender Challan
3. DACR
4. Bank Cheque/DD of Scheduled Bank
5. FDR of Scheduled Bank

Section – 18.4 (1)

If bank is closed on last date of receipt of Tender application, date shall be postponed.

Section – 18.4 (2)

Earnest Money in cash upto Rs.10,000/-. FDR must valid as long as required and must be pledged in favour of Tender Inviting Authority.

Section – 18.4 (1)(2)

Earnest Money given by all contractors except the lowest one be refunded with in a week from the date of receipt of tenders.

Section – 18.5.1

No part payment be made for referred of Earnest Money Deposit.

Section – 18.5.5

Earnest Money is not Security Deposit and hence no account be opened for deposit of Earnest money into Post Office Savings Bank.

Section – 18.6

If tenderer withdraw the tender within validity period or makes modification which are not acceptable to Department, 50% Earnest Money is forfeited.

Section – 18.8.1

If contractor fails to commence work with in 15 days or date of handing over of site which ever is later, Govt. can forfeit full amount.

Section – 18.8.3

Divisional Accountant should be encouraged to be present at the time of opening of tenders.

Section – 19.1.1 (2)

After opening of tender and preparation of comparative statement they be sent to Chief Engineer/Superintending Engineer for acceptance.

Section – 19.2 (1)

Officials handling tender should do work in branch only and not to be taken outside branch.

Section – 19.2.1 (2)(i)

Divisional Accountant himself should not be called on to do any of the actual computing work or preparation of comparative checking arrangement.

Section – 19.2.2 (2)

Tenders with any condition including conditional rebates shall be rejected.

Section – 19.3.2 (3)

Single Tender in response to call can be accepted subject to conditions as laid down in Appendix-I

Section – 19.4.5

Negotiations should not be conducted with Tenderer. If necessary, can be negotiated with the lowest tenderer. No post tender rebate reduction will be accepted.

Section – 19.4.7 (1)

Central Works Board as per CPWD Code constituted by Govt. will act for acceptance of contacts and other miscellaneous matters relating to execution of works.

Section – 19.6

Board will have Chairman DG (Works) and other two members are Director (Works) and CCA, Ministry of Urban Development FO to DG (W) will be Secretary of Board.

Section – 19.6.1

Tenders above the power of acceptance of DG (W) are submitted to the Board for consideration.

Section – 19.6.2

Officer will mark all corrections, cuttings, conditions, additions, over-writings and number then and attest them in red ink. They should be mentioned at end of each page.

Section – 19.12

Security Deposit will be collected by deduction from RA Bill at prescribed rate.

Section – 20.2 (1)

5% of gross amount of Bill deducted from each bill till sum along with sum already deposited as Earnest Money will be Security Deposit of 5% of tendered value of work. In addition he has to deposit an amount equal to 5% of tendered value of contract as performance guarantee with prescribed period for commencement of work in letter awarded.

Section – 20.2 (2)

Promissory Note & Stock Certificate of Govt. -- Accepted at 5% below their Market price or their face value Whichever is less

Section – 20.3 (1)

Performance guarantee be refunded to contractor on completion of work and recording of completion certificate.

Section – 21.1.2

Claim for Refund of Security Deposit is governed by Limitation Act. Period of limitation is 3 years from the date right to due accrues.

Section – 21.4

Divisional Accountant is responsible for prompt payment of Security Deposit. Security Deposit can be refunded without waiting for application from contractor.

Section – 21.6

Ministry has full powers to accept tenders and authorized to frame subsidiary Rule, relating to call for/acceptance of tenders and General procedures connected with contracts.

Section – 22.1.1

Only Authorities directed or authorized by the President under Article 299 (1) of the Constitution of India can make contracts.

Section – 22.1.3

President of India should be made a party to every contract and it will have “for and on behalf of the President.”

Section – 22.1 (4)

Term of contract must be precise and definite.

Section – 22.1 (5)

No relaxation of specification in a contract or relaxation of terms of an agreement be made without proper examination and financial effect.

Section – 22.1 (6)

Cost plus contracts be avoided generally.

Section – 22.1 (7)

Terms of contract once entered will be not be materially varied without previous consent of competent authority.

Section – 22.1 (8)

No uncertain or indefinite liability be involved with previous consent of Ministry of Finance.

Section – 22.1 (9)

EE/SDO can sign all agreements as per powers.

Section – 22.2.1 (i, ii)

Date of Acceptance of tenders will be entered in the Agreement.

Section – 22.2 (4)

Supply of copies of Contracts :

Two sets of contract documents should be prepared and signed by both the parties on each page. One set stamped “**Original**” & other “**Duplicate**”. Duplicate copy should be given to Contractor free of cost. For extra copy contractor has to pay the charges. Additional copy be marked as “True copy” & not Triplicate.

Section – 22.3

Agreements be checked by Executive Engineer/Assistant Engineer with NIT.

Section – 22.4.1

Original contract documents be kept in personal custody of Executive Engineer and given to Divisional Accountant as and when required after getting acknowledgement.

Section – 22.4.2 (1)

No first payment to contractor will be made without copies of agreement, without specific sanction from Superintending Engineer. Subsequent payment be made only if agreement has been signed.

Section – 22.4 (5)

Deviation means deviation in quantities of items (increase/decrease in quantities of work) Nomenclature will remain same quantities varies with those of agreement.

Section – 23.1
and 34 of Appendix-I

Sanction of Deviations :

Deviation in quantities of individual items upto +/- 10% of agreement quantities, no prior approval of TS and sanction of deviation not required.

Above +/- 10%, prior approval of TS is necessary.

Section – 23.1 (2)

Item which are completely new and in addition to the items in contract are known as extra items of work?

Section – 23.2.1 (1)

Items which are taken up in lieu of those already provided in contract all substituted items. They are in partial modification of items of work in contract.

Section – 23.2.1 (2)

Site Order Books :

Detailed procedure laid in Appendix-27

Section – 24

Issues of Material to works are of 2 types.

Section – 25.1

Issue of Contractors : issued to contractors with whom agreement in respect of completed items of works (for both labour and materials) entered into.

Section – 25.1.1

Issue Direct to works : When work done departmentally or by contractors whose agreement is for labour only.

Section – 25.1 (2)

Issue of material is stipulated in contracts, for completed item of work only, when supply is retained for imported material and in the interest of work.

Section – 25.2.1

Description of material to be issued should be specified to avoid any dispute.

Section – 25.1.3 (1)

Contract should specify

- 1) material to be supplied
- 2) place of delivery
- 3) rates to be charged

Section – 25.1.3 (iii)

Stipulation to issue of departmental materials free of cost be avoided.

Section – 25.1 (4)

Issue of stock materials for bonafide use on works to contractors are exempted from 10% supervision charges.

Section – 25.3.4

Issue rates of Cement, Steel or any other items in the contracts should not be less than Market rates, irrespective of the issue rates of Central Stores.

Section – 25.4 (1)

Recovery from contractors for material issued to him will be made from first bill authorizing advance payment or on account payment.

Section – 25.4 (2)

Return of surplus material will be charged not exceeding amount charged to him excluding storage charges.

Section – 25.5

When T&P articles are hired out to contractors without being provided for in agreement, full economic rate be charged.

Section – 27.1 (3)

At the time of issuing NIT for a particular work, Engineer-in-charge should specify time allowed for completion of work.

Section – 28.1 (1)

Time schedule for physical milestones in NIT can be stipulated by authority.

Section – 28.1.1 (1)

Engineer-in-charge can grant extension of time limit provided

1. Contractors applies in writing for EOT
2. Grounds hindering completion be stated
3. Within 14 days of hindrances arises
4. Engineer-in-charge be of opinion that grounds shown are reasonable.

Section – 28.2

EOT can be granted within 15 days of completion of work by the AE/AEE/EE

Section – 28.12

No payment to contractors for work done/supply made for less than Rs.50,000/- till after whole of work/supply have been completed and certificate of completion given.

Section – 29.1.1

Final measurements should be recorded within 1 month of completion work. Final payment for works costing more than Rs.15 lacs be made with 6 months of completion of work, for other works within 3 months.

Section – 29.2 (1)

Deduction of VAT and Cess :

Cess is a Central legislation and VAT is a state subject. Rates and other provisions vary from state to state. Under VAT, there is a statutory provision for deduction of tax at source i.e., from Contractors Bills. This should be followed wherever applicable.

Section – 29.7

Work should be executed by contractors satisfactorily and according to specifications. If some items of work are below specifications, contractors will be asked to redo them according to specifications.

Section – 30.1 (1)

If contractors fail to rectify the defect, work should be rectified by another agency or departmentally by employing labour at contractor's cost.

Section – 30.1 (4)

Acceptance of work below specifications and payment at reduced rate be resorted to only for those items where it is structurally impossible to get the work redone.

Section – 30.2 (2)

Sub-standard work upto 5% contract value will be accepted by SE, Decision of SE/CE with reference to sub-standard work will be final and cannot be called for in arbitration under clause 25 of the Agreement.

Section – 30.2 (4, 5)

Advance payment for work done and measured.

Section – 31.1

Advance payment for work done but not measured.

Section – 31.2

Secured Advance not exceeding 90% of value of material as assessed by Engineer in charge or an amount not exceeding 90% of tendered rate of finished items of work, whichever is lower?

Section – 31.4

Mobilation advance

1. Certain specialized and capital intensive work, estimated Rs.2 crores and above, provision for mobilization advance be kept in tender documents.
2. Advance is limited to 10% of tendered amount at 10% simple interest.
3. Advance against bank guarantee of scheduled Bank. Advance released in not less than 2 installments.
4. Recovery starts after completion of 10% work balance with interest recovered after completing 80% of work.

Section – 31.5

Clause-10 (cc) :- It provides for variation in contract amount due to variation in price materials and/or wages of labour required for execution of work and also downward adjustment in case of decrease in rates in above items.

Section – 32.10 (1)

Clause-10 (cc) will not applicable to contracts where completion period is 18 months or less.

Section – 32.10 (2)

Fair wages under CPWD Contractors Labour Regulations means wages fixed and notified under provisions of Minimum Wages Act, 1948 from time to time.

Section – 33.3 (1)

No labour below age of 14 years shall be employed on work.

Section – 33.3 (4)

No deduction of account of Jamadar's Commission Charges is to be deducted from wages of labourers.

Section – 33.6 (4)

Rules for enlistment of Contractors laid down in Appendix-34.

No dismissed Govt. servants will be enlisted as contractors in CPWD except with prior approval of Central Works Board.

Section – 34.2

An Arbitrator will be appointed in case of question and disputes relating to certain matter, specified at any stage whatever between two parties.

Section – 35.1

A contractor cannot go to court of law unless he has exhausted channel of Arbitration for redressal of grievances.

Section – 35.2 (2)

A contractor should apply in writing to Chief Engineer for appointment of Arbitrator.

Section – 35.3

Party involving arbitration clause should justify existence of dispute, denial by the other by producing documentary evidence.

Section – 35.3 (4)

Govt. appoints panel of Arbitrators in the Ministry. The decision of sole Arbitrator is final and binding unless it is set aside by the Court.

Section – 35.6 (3)(4)

Arbitrator should be appointed within 30 days from receipt of application from contractor.

Section – 35.6 (5)

Appointment of Arbitrator is irrevocable except with order of court
Death of party/parties to contract has no relevance to Arbitration.

Section – 35.6 (7)

Statements and counter statements be made after appointment of
Arbitrator.

Section – 35.7

Counter statements be submitted by Executive Engineer within 2
months.

Section – 35.7 (2)

Another local lawyer can be engaged with the approval of
CE/ADG/DG(W), if departmental counsel is not available.

Section – 35.8

If value of claim is Rs.15 lacs or more, senior counsel must defend the
case.

Section – 35.9 (1)

When award is given by Arbitrator, the same should be written on
Non-Judicial Stamp Papers by XEN when amount is recoverable from
contractors.

Section – 35.13 (1)

Award given by Arbitrator can be challenged in Court of Law.

Section – 35.15

If contractor does not make any demand for arbitration in respect of
any claim in writing within 120 days of receiving intimation from
Govt., that the bill is ready for payment, claim of contractor will be
deemed to have been waived & absolutely barred from liabilities.

Section – 35.18 (1)

Executive Engineer should report to Chief Engineer direct within 48 hours after court delivered judgement, which is adverse to Govt.

Section – 35.20 (1)

Costs and expenses incurred on civil suits with the execution of Govt. works divided into ;

1. Amount of the claim for which decree is given.
2. Incidental costs incurred by executing department chargeable PW Heads of expenditure.
3. Incidental costs debitable to other than PW expenditure.

Section – 35.21

Important document for defence in an arbitration case is the Agreement.

Section – 35.22 (7)

The courts of the place from where the tender acceptance letter has been issued shall have the jurisdiction to decide any dispute arising out of or in respect of the contract.

Section – 35.23

Stores of CPWD divided into following classes :

1. Stores or General Stores.
2. T&P
3. Road Metal and
4. Material charged direct to works.

T&P is further divided into

1. General or ordinary T&P (required for general use)
2. Special tools and plants (required for specific work)

Section – 36.1 (1) & (2)

Material required for construction and M&R by CPWD in Delhi are generally stocked in Central Stores Division-I & II for all building stores. In outside, Executive Engineers of concerned division will arrange for direct procurement according to procedure.

Section – 37.1

The EE, CSD arranges the bulk purchases through DGS&D/open-market and then issues to Divisions in Delhi against their requirements.

Section – 37.2 (3)

Purchase of Material :

1. Material can be purchased upto 2000/- through Hard Receipt/ Imprest/Cash. This will not count for annual ceilings.
2. Upto Rs.15,000/- can be made on each occasion without calling for quotations.
3. Above Rs.15,000/- upto Rs.1 lakh can be made through quotation call/bids.
4. Above 1 lakh – through DGS&D – if it on RC.
Open market when RC is not there.

Section – 37.3

The Executive Engineer in CPWD is authorized as Direct Demanding Officers by the DGS&D.

Section – 37.7 (1)

All the stores received are verified and measurements and details are to be made/recorded in MB.

Section – 38.1

Advance payment @ 100% are made for Steel by Superintending Engineers.

Section – 38.3

98% advance payments are made under DGS&D Rate Contract on production of proof of dispatch by Rail and balance 2% payment on

production of CRC for good condition of goods. 100% payment made on production of CRCs.

Section – 38.4

Govt. property both movable & immovable should not normally be insured. No subordinate should undertake any liability or incur expenditure any expenditure for insurance without prior approval of Ministry of Finance for immovable or DG (W) for movable property.

Section – 39.1

Insurance of Imported Stores in transit is of Indentors.

Section – 39.3

Consignee is responsible for verifying of stores for loss/damages at the time of delivery from Railways.

Section – 40.2

In loss/damage in transit responsibility varies according to circumstance :

1. FOR station of destination – Contractor is liable.
2. FOR station of dispatch – Supplier and Indentor
3. Despatch by clear RR – Supplier
4. Despatch by clear at Railway Risk – Railways
5. Despatch by clear at owners Risk – Supplier

Section – 40.3 (1) to (7)

Claim on Railways be made within 6 months of receipt of stores.

Section – 40.3 (12)

Executive Engineer is responsible for Safe Custody and protection from deterioration and fire.

Section – 42.1

In case of loss, action be taken immediately against concerned person to avoid delay in obtaining evidence against them.

Section – 42.3

Material be issued on receipt of indent on Form CPWA-7. Indent will be signed by JE/AE for transactions within Division and by Executive Engineer for inter Division transaction.

Section – 43.1

Indents be handed over to contractors/his agent to receive stores from stores/CSD.

Section – 43.1 (4)

Materials/stores, which are likely to deteriorate within short time, should not be stored for long.

Section – 44.1

Materials which are not required within 12 months, be disposed of by sale or transfer to other Division.

Section – 44.2

Superintending Engineers in CPWD have full powers to dispose off stores declared already as surplus/unserviceable either by public auction or sealed quotations. Authority to supervise auction will also be decided by Superintending Engineers.

Section – 44.3 (1)

5% by way of commission be allowed to auctioneer. No commission on private sales. Recovery be effected in advance.

Section – 44.3 (2)

No public stores be sold other wise than by public auction without Superintending Engineer permission.

Section – 44.3 (3)

When sold by Public auction, no one below Assistant Engineer/ Assistant Executive Engineer should attend and record final bids.

Section – 44.3 (5)

Stores becoming unserviceable, on discovery, be reported in CPWA Form-18.

Section – 45.1

All losses of stores should be reported immediately to higher authorities and to Audit and Accounts Officer, even if losses have been made good. Petty losses need not be reported to Audit and Accounts Officer.

Section – 45.2

In case of serious losses, Executive Engineer should conduct departmental inquiry and evidence be recorded and findings including responsibility and culpability of person concerned.

Section – 45.2 (2)

Stocktaking should be done at least once a year. Stores should be counted not below the rank of Assistant Engineer who is not custodian of Stores.

Section – 46.1 (1)(2)

In case of T&P, stocks taking should be done twice a year 31st March, 30th September.

Section – 46.3

DG (W) is Budget authority for CPWD.

Section – 47.2 (1)

New Service means expenditure arising out of a new policy decision not brought to the notice of Parliament earlier.

Relatively large expenditure assigning out of important expansion of an existing activity is treated as “New Instrument of Service”. No expenditure be incurred from CFI on New Service/New Instrument of Service without prior approval of Parliament through a Supplementary Grant.

Section – 47.2.4

Proposals for levy of new taxes, modification of existing tax structure or continuance of existing tax structure beyond the period approved by parliament, are submitted to Parliament through the Finance Bill.

Section – 47.2.8

Value of material, Equipment & Other commodities received from foreign countries as aid without involving any cash inflow should be taken as Receipt under Major Head “0606 – Aid Materials and Equipment.”

Section – 47.4.13 (1)

Demands for Grants are prepared in thousands of rupees. Amount less than Rs.500/- deleted.

Section – 47.4.14 (4)

No Money shall be withdrawn from CFI except under appropriations made by law.

Section – 47.4.14 (5)

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

Section – 48.1 (3)

Supplementary Demands :- Expenditure for which no provision has been made in the Original Budget estimates for the current year cannot be normally be incurred. If owing to unforeseen emergency or underestimating/insufficient allowance due to increase in expenditure, excess expenditure on particular item of budget estimates, action be taken to for allotment of funds by re-appropriation or supplementary grant.

Section – 48.2

Re-appropriation can be authorized at any time, but not after expiry of financial year.

Section – 48.5 (5)

DG (W) has full powers for re-appropriation and he can re-delegate them.

Section – 48.6

Chief Engineers cannot exercise re-appropriation of funds from one zone to another zone.

Section – 48.6.4

When savings/re-appropriation is not avoidable/not possible and the anticipated excess is due to cause beyond the control of authority, supplementary grant is resorted to.

Section – 48.7

When Department fails to take supplementary grant before close of financial year, then it is known as “**Excess Grant**”. Grant of such excess amounts be obtained in the following year and at the earliest for its regularization under Article-115 of Constitution of India through the Ministry.

Section – 48.7 (4)

If the grant has been exceeded, sanction be obtained to the excess from Ministry of Finance in case of non-voted expenditure or from Parliament in case of Voted expenditure.

Section – 51.2 (2)

Excess in demands as a whole requires regularization by Public Accounts Committee.

Section – 51.2 (4)

Savings and Surrenders should also be avoided. The Public Accounts Committee will view seriously as in cases of excess. Large savings indicates loose budgeting shows inability of Department to spend usefully the funds.

Section – 51.2 (5)

Chief Technical Examiner’s Organisation is the technical wing of CVC. CTEO conducts inspection of works from vigilance angle either own or on complaint received/referred to.

Section – 52.1

Overpayments pointed out by Chief Technical Examiner be effected within 3 months from issue of Memo by Chief Technical Examiner.

Section – 52.4 (1)

Inspection by Chief Technical Examiner is part of contract, yet Chief Technical examiner is a not a party to the contract.

Section – 52.4 (4)

For desired quality of work, the Engineer-in-charge has to adopt relevant quality control measures.

Section – 54.2.1

Close cooperation for implementation of quality control among field engineers, Construction Agency, Quality Assurance Team at circle level.

Section – 53.6

Samples for tests are taken by Junior Engineers/Assistant Engineers, 10% mandatory test be done by Executive Engineer.

Section – 53.7 (x)

Public Accounts Committee is a miniature of Parliament/Legislature and functions on a non-party line. Consists members from Lok Sabha and some from Rajya Sabha. Terms of office bearer are for 1 year.

Section – 55.1

Functions of Public Accounts Committee will be laid down by Parliament/Legislature. Committee will consider matters commented upon in the Audit Report by Comptroller & Auditor General.

Section – 55.2

Public Accounts Committee will see that the Administration has functioned with due wisdom, faithfulness and economy.

Section – 55.2 (3)

Public Accounts Committee before taking current year's report will go over to past recommendations in which Govt., has not taken appropriated considered action.

Section – 55.2 (5)

Comptroller & Auditor General will explain position fully, point out failures before Public Accounts Committee. Public Accounts Committee will have objective examination and come to a conclusion after hearing from Executive and Audit. C&AG will not influence committee for a conclusion. He has to draft the report of Public Accounts Committee.

Section – 55.3

Draft Audit Para for inclusion in Audit Report after review by Public Accounts Committee will be sent to Secretary for comments/acceptance.

Section – 55.4

Comments/acceptance by Ministry to C&AG will have to be done within 6 weeks.

Section – 55.4 (2)

File Secret/Top Secret will be sent personally to Audit.

Section – 55.6 (1)

Non-production of Records will invite disciplinary action.

Section – 55.6 (2)

Vetted Reply be sent to Public Accounts Committee within 6 months from the date of presentation of report in Lok Sabha.

Section – 55.8 (1)

Secretary of Department will represent Govt. in meetings of Public Accounts Committee as he is not responsible for executive functions and he can take more objective and detached view of transactions than the Head of the Department.

Section – 55.9 (1)

Public Accounts Committee cannot go to the individuals because it is the Department which is to answer to Audit Report.

Section – 55.9 (2)

Highest priority should be accorded to supply information to Public Accounts Committee and there should be no delay in complying with Public Accounts Committee requests.

Section – 55.11 (2)

Draft paras after discussion by Ministry are included in Audit Report and will come up for discussion in Public Accounts Committee. Public Accounts Committee be apprised of finalization of departmental enquiries and punishment award for irregularities.

Section – 55.12