



दिल्ली सरकार

प्रमुख अभियंता, लो०नि०वि०,

12वां तल, बहु-मंजिलाभवन, इंद्रप्रस्थसंपदा, नईदिल्ली: 110002

☎ 23490260, 23724560, 23317520, फ़ैक्स 23319021

Toll Free Complaint No. 1800 11 0093

वेबसाइट: <http://pwd.delhigovt.nic.in>

ई-मेल: pwdhqdelhi@gmail.com/dppwdhqdelhi@gmail.com



सं०: 27(40)/प्रमुख अभियंता/लो०नि०वि०/कार्य/2017/4953

दिनांक: 24/7/17

To,

The Pr. Secretary,
PWD, GNCTD, 5th Level,
B-Wing, Delhi Secretariat,
New Delhi - 110002

Sub: Provision of Contingency and its utilization.

Ref: Finance (Infra) Department, GNCTD OM No. F.1 (9)/2015-16/Fin./Infra/012318065/JSFina/ 323-344 dated 12 July 2017 - issued by JS (Accounts).

Vide above referred OM (Copy enclosed for ready reference), Finance (Infra) Department, GNCTD has directed that contingency expenditures, even for the work related one, shall be incurred by the work executing agencies **only after getting the approval of Finance Department**. Also, the Letter of Credit (LOC) will be issued by Pr. Accounts Officer after deducting 1% contingency.

2.0 As Engineer-in-Chief of the PWD GNCTD, the undersigned is constrained to point out that the above order of the Finance Department is retrograde, would increase red-tape and would scuttle the smooth progress of all works under PWD due to the following reasons:

i. By definition, a contingency is a future event or circumstance whose occurrence is possible but cannot be predicted with certainty, usually causing problems or making further arrangements necessary. If engineers responsible for execution of work at site have to deal with contingencies only after the approval of Finance Department, their effectiveness to deal with emergent conditions at work-site would be seriously hampered – delaying works resulting in enhanced payment of escalations and causing hardships to the public.

ii. It will also seriously compromise PWD's capability to deal with emergencies such as flooding of streets and disasters/ accidents at work-sites risking lives of ordinary citizens. Implementation of this order may even lead to increasing incidents of dereliction of duty at work site – with the convenient excuse that Finance did not approve the proposal for expenditure.

iii. If a bold officer still takes action, after the implementation of the said OM, all approvals in contingency would have to be ex-post-facto approvals – often when the contingency would have blown away – leading to doubting by the Finance Department the very nature of decisions-made by the field-engineers and levelling of allegations thereof. This will make site-engineers diffident and wary of taking quick decisions, compromising the response of GNCTD to disasters and emergencies, and affecting timely execution of works.

iv. The finance officers, while approving such expenditures – being far removed from real-time information and responsibilities of action at site - would often be poor judges of what was required at the moment of the contingency. At best, approvals would be delayed – hampering progress of works.

v. More often than not such contingencies arise due to changed requirements of the client department, but which are contingent to timely completion of works.

By its very nature therefore, the cardinal principle followed by all works organizations/ departments is that the contingencies **are to be expended under the direction and at the discretion**

of the site-engineer. Because the site-engineer alone has full information about the contingency which has arisen and he alone should be held accountable and responsible for the same.

vi. Accordingly, the CPWD Works Manual (Appendix - I), which is the guiding manual in GNCTD for execution of works, has delegated powers to CPWD officers, duly vetted by the IFD of MoUD and approved by the Hon'ble Minister of Urban Development, GOI, which includes the power to utilize the contingencies of the sanctioned estimates. The CPWD Manual authorizes site-engineers to charge expenditure for field requirements to work contingencies as per para 4.1.5 of the Manual (Copy attached for ready reference). The provisions of CPWD Works Manual 2014 are followed all over India, especially for execution of public works, and it is the reference manual for all oversight and audit agencies such as CTE and CAG.

3.0 PWD is now at the forefront of the renewed efforts of the GNCTD to improve the quality of service delivery to the citizens of Delhi. Besides their designated responsibilities for execution of works, PWD officers and staff are now routinely called in by the Govt. of Delhi to help the civic agencies and also take over civic functions such as de-silting and cleaning of drains, removal of water-logging on roads / colonies, cleanliness drives, decongestion of streets, flood-fighting measures, fogging of insecticides for eliminating vector-borne diseases, clearing bus-lanes, challaning of vehicles, and organizing large public functions/ gatherings.

These functions are additional duties emergent in nature, and have to be attended to promptly and effectively mostly at odd hours without any delay. Several court orders including those from the Hon'ble Supreme Court/NGT/Delhi High Court have explicitly fixed responsibility for civic functions on PWD officers. Powers delegated to the site-engineers for sanctioning and incurring contingency expenditure is the key to effective discharge of these responsibilities.

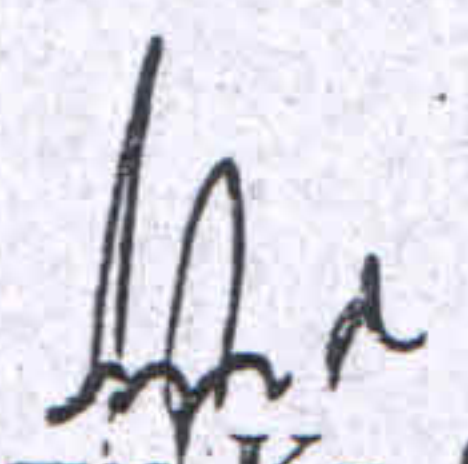
4.0 Also, as a standard practice in the public works sector, the GFR of Govt. of India, Finance Ministry GOI Rules, World Bank Documents, FIDIC Documents have guidelines for contingency provisions in the sanctioned estimated cost. Several departments of the Govt. of India including those under the Ministry of Finance have delegated powers for contingent expenditure to line-department officials at different levels. These powers include powers to hire conveyance, purchase and hire of office furniture and fixtures, computers, hiring of consultants, repairs of fixed assets, hiring of accommodation, stationery, printing etc.

GNCTD has also already delegated similar powers to line-officials with approval of the Hon'ble LG of Delhi.

5.0 To conclude, it is strongly felt that rules for sanction and incurring of contingency expenditure by site-engineers, as per provisions of a sanctioned estimate by competent authority, have already been clearly laid down in the CPWD Works Manual and other GOI/ GNCTD Documents and therefore the same is best left to the discretion of the site engineer for which the site engineer alone should be responsible and held accountable.

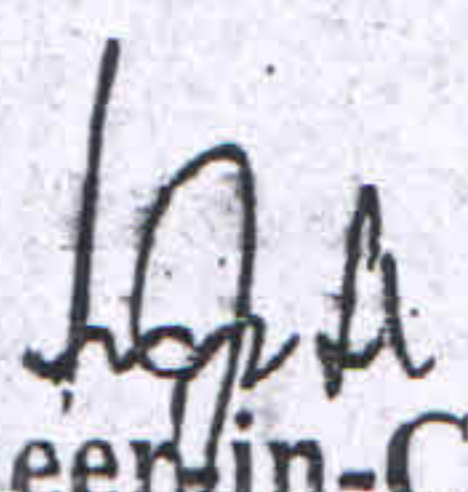
6.0 It is requested that the matter may please be taken up at the highest levels to withdraw the Finance Department OM dated 12 July 2017 because the same does not take into account the functional requirements of PWD.

Encl.: As above


(Sarvagya Kr. Srivastava)
c/f Engineer-in-Chief, PWD

Copy to:-

1. The Chief Secretary, GNCTD, 5th Level, A-Wing, Delhi Secretariat, New Delhi-02.
2. The Pr. Secretary (Finance), GNCTD, 4th Level, Delhi Secretariat, New Delhi-02.


Engineer-in-Chief, PWD

प्रमुख अभियन्ता
आवडी सं.

दिनांक

प्रमुख अभियन्ता

निष्ठाक (कार्य एवं स्था.)

No. F.1(9)/2015-16/Fin./Infra/012318065/jstfina/323-344
Finance (Infra) Department
4th level, 'A' wing, Delhi Secretariat
New Delhi-110002

Dated: 12/07/2017

OFFICE MEMORANDUM

Subject: Provision of Contingency and its utilization


एक संतर्कण अधिकारी

It has been brought to the notice of Finance Department that no significant improvement has been observed in the matter of compliance of the directions issued by Finance department vide O.M. No. F.1(9)/2015-16/Fin-Exp-4/Infra/6277-6416 dated 22.12.2015 and 28.12.2016 regarding utilisation of contingency. The contingency provisions are continued to be utilised for incurring miscellaneous expenditures not related to the Project, in contravention to the guidelines as prescribed in para 4.1.5. of the CPWD Works Manual.

02. Therefore, it was decided by the Competent Authority that henceforth, following procedure shall be followed before utilisation of contingency provisions;

- i. Letter of Credit (LOC) will be issued by Pr. Accounts Office after deducting 1% Contingency.
- ii. Contingency expenditures, even for the work related one, shall be incurred by the Work Executing agencies only after getting the approval of Finance Department.
- iii. Bills in respect of contingency charges shall be preferred as per procedure specified in the Civil Accounts Manual.
- iv. Bills for contingencies shall be presented through departmental D.D.O to the Pay & Accounts Office after compliance of procedure as laid down in Receipts & Payments Rules.

03. The instructions issued by Finance Department are to be strictly adhered and any deviation brought to the notice would be viewed seriously.


(L.D. Joshi)
Joint Secretary (Accounts)
23392133

No.F1(9)/2015-16/Infra/012318065/323-344 Date: 12/07/2017

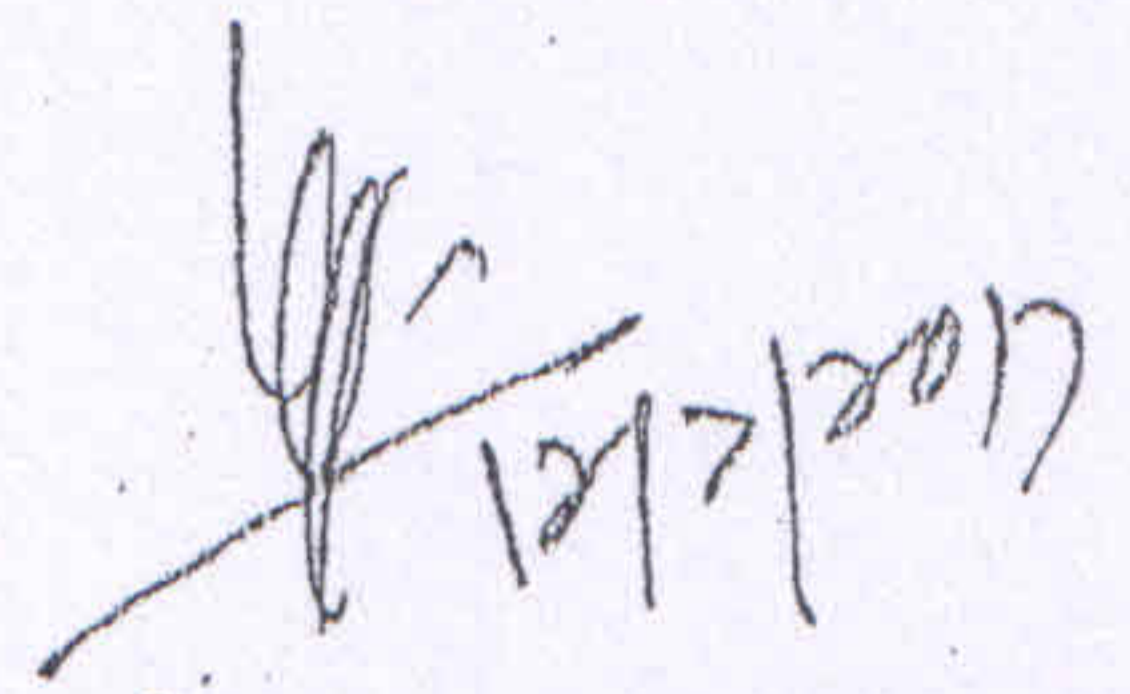
1. All Administrative Secretaries, GNCT of Delhi
2. All Heads of the Departments, GNCT of Delhi

P.T.O.

3. Chairman, NDMC
4. Commissioner, EDMC/NDMC/SDMC
5. CMD, DSIIDC/DTTDC/DIMTS/DTIDC/DTL/DTC
6. CEO, DJB/DUSIB
7. Engineer-in-Chief, PWD, Delhi
8. Accountant General (Audit), AGCR, Delhi.
9. Controller of Account, Pr. Accounts Office, New Delhi..
(Henceforth, 'LOC' shall be issued only after deducting 1% contingency).
10. Controller of Audit, Directorate of Audit, New Delhi
11. All Deputy Secretaries in Finance Department
12. Programmer, Finance department
13. Guard file.

Copy for information to:

- 1) Secretary to Hon. Dy. Chief Minister/Minister(Finance),GNCTD
- 2) Secretary to Hon. Minister (UD/Health/ Industries/PWD /Home), GNCTD
- 3) Secretary to Hon. Minister (Employment/Development/ Labour/ I&FCD), GNCTD
- 4) Secretary to Hon. Minister (Law & Justice/Transport), GNCTD
- 5) Secretary to Hon. Minister (Food & Supply/Environment), GNCTD
- 6) Secretary to Hon. Minister (Social Welfare/Tourism), GNCTD
- 7) Pr. Secretary (Finance/Planning)
- 8) Director (Planning)
- 9) Guard File



(L.D. Joshi)
Joint Secretary (Accounts)

Sl No.	Nature of Power	Designation of officer	Extent of Powers (in Rupees)		
37	(i) Permanent imprest to AE /Asstt. Architect/Deputy Architect provided imprests are not allowed to JEs at the same time	AE / Asstt.Architect/ Deputy Architect	10,000		
	(ii) Local Purchase Powers of AE/Asstt. Architect/Deputy Architect out of permanent imprest	AE / Asstt.Architect/ Deputy Architect	2000 for petty payments		
38	Engagement of private Architects/ Consultants	CE/CA	Full Powers*		
	Note: * The power is subject to fulfillment of conditions laid down in para 6.13 of Section 6 of the Manual.				
39	To sanction Mobilization Advance	EE/DDH	Full Powers as per terms of agreement.		
40	Declaration of specialized items	ADGs/Spl. DG	For works in their respective regions.		
		ADG (TD)/Spl. DG (HQ)	For works for entire CPWD		
41	Contingencies and its utilization	Designation of officer	Extent of Power (In Rupees)		
			When sanctioned cost of the work is within his power to accord TS	Other works	
			EE	Full Powers to utilize available contingencies	5 lac
			SE/ DOH	Full Powers to utilize available contingencies	15 lac
	CE/PM(SE)	Full Powers to utilize available contingencies	Full Powers		
42	Invitation of tenders for components parts	EE	Up to 10% of TS power		
		SE	Up to 10% of TS power		
		CE	Full Powers		

Note :

- The delegation of Powers for Project Manager will be same as per his existing designation i.e. SE/CE/ADG except SE designated as Project Manager where Powers of Project Manager (SE) for Technical Sanction, Extra/SI & Deviated Items will be equal to Chief Engineer i.e. for item No. 21, 25, 33, 34 & 41. The Powers of CPM shall be equal to Chief Engineer.
- The Powers delegated to any officer to be used by Senior Officer also if required or if officer of the similar rank is not available in the unit. For example the Powers for Extension of time to be used by CE where SE is not available in the unit.
- The power delegated to individual officer are also applicable to officers of equivalent rank for all four streams i.e. Civil, Electrical, Horticulture & Architectural depending upon nature of duties.
- Project and original work in buildings or New road construction works and the strengthening of road surface shall be considered as **original works**. Maintenance works including works of upgradation, aesthetic, special repair, addition/ alteration in building and items related to road work like upgradation/ improvement of footpath & central verge, improvement of carriage way by patch repair or annual/periodical repairs of road surface and A/R & M/O works shall be treated as **maintenance work**.