CBEC
Manual on Infrastructure
2015

Directorate General of Human Resource Development
Customs, Central Excise & Service Tax
New Delhi
Infrastructure is the lifeline of the economy of a country. It is the base on which economic growth of a nation/institution is built and human capital is the foundation for creating value in the new global economy. This also applies fully to the infrastructure and capital asset building in the CBEC for enhancing the efficiency in service delivery of the indirect tax administration in line with the Government's policy of 'ease of doing business'.

Infrastructure Wing of the Directorate General of Human Resource Development has come out with an updated Infrastructure Manual by compiling the latest instructions, circulars and various guidelines issued from time to time by the Ministry, Directorate of Estates, Ministry of Urban Development, and CPWD.

This effort needs to be applauded as it is coming at an appropriate time when the Cadre restructuring in CBEC has just taken place, which has led to increased demand for infrastructure by the Commissionerates and Directorates. This endeavour will be of tremendous help to the formations in drafting their various Infrastructure proposals. A Check List based format has been adopted to facilitate drafting of all proposals such that they are complete in all respects, thereby reducing the time taken in processing for sanction.

I am sure this updated Manual on Infrastructure, 2015 will be gainfully utilized by the officers and staff working in the field formations.

I compliment the Directorate General of Human Resource Development for this exercise.
FOREWORD

As you are all aware, the primary goal of the Directorate General of Human Resource Development is to develop a skillful, productive, healthy, efficient and diverse work force. This can be achieved through proper career planning, training, promotion and placement, motivation and retention policies. In addition, the DGHRD provides for development of Infrastructure and also takes Welfare measures in order to ensure that the officers and staff at all levels get the optimum facilities to discharge their duties and responsibilities.

On implementation of the Cadre Restructuring in 2014, the anticipated structural tax reform of GST in the near future would entail creation of new assets by way of Infrastructure Development expecting the departmental officers to take a futuristic approach for acquiring office and residential space to cater to challenges of efficient service delivery to the tax payers as also the man power resources under the CBEC which is likely to increase multifold.

I am sure that this updated compilation consisting of Nine Chapters and various annexures detailing the procedures for acquisition of land, construction of office/residential accommodation, hiring and purchase of ready built accommodation would facilitate the Departmental officers in preparing deficiency free Infrastructure proposals.

I deeply appreciate the exceptional contribution made by all the officers and staff of the Infrastructure & Welfare Wing of the Directorate in updating the Infrastructure Manual.

(VANAJA N. SARNA)
PREFACE

The Directorate General of Human Resource Development has updated the Infrastructure Manual detailing the procedures for acquisition of land, construction of office/residential accommodation, hiring and purchase of ready built accommodation, etc., which is in response to the need, often expressed by the departmental officers for enhanced clarity and guidance on the policy and administrative aspects of preparing deficiency free proposals. It has been the experience of the Directorate that such guidance not only assists the decision makers and administrators in dealing with complex infrastructure issues, it also provides for uniformity in approach to the field formations of the Central Board of Excise and Customs.

While it is for each Commissionerate to identify its infrastructure requirements, this Manual acts as a ‘tool-kit’ and seeks to apply a check-list approach to infrastructure issues as a guide for all practical purposes. In offering practical guidance to policy makers and administrators on the application of the check-list principle, it recognizes the fact that the needs of different Commissionerates, along with their capabilities, will evolve over time.

This manual would therefore be of assistance to the Commissionerates in drafting the project proposals and methods to address the infrastructure issues. It will also play a part in signposting areas where more support and assistance may be needed from the DGHRD at various stages of their infrastructure projects.
There are a number of other guiding principles that have been incorporated in this Manual. This will only improve its relevance to users which can also be relied upon in the capacity building efforts of the DGHRD and others. I would be happy if any more useful inputs can be advised by the formations to make this manual more user friendly.

The Manual could be updated due to the untiring efforts of Ms. Meenu Kumarr, Additional Director (I&W), DGHRD and her team of officers and staff who deserve to be complimented.

(SUNIL KUMAR SAWHNEY)
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INTRODUCTION

The Directorate General of Human Resource Development (DGHRD) under the Central Board of Excise and Customs (CBEC), Department of Revenue, Ministry of Finance was constituted by the Government of India vide Notification dated 18th November, 2008.

The DGHRD was created by merging two Directorates:

(i) Directorate of Organization and Personnel Management, and

(ii) Directorate of Housing and Welfare.

The Welfare function which was hitherto with the Directorate of Logistics was also transferred to the newly created DGHRD.

DGHRD became operational with effect from 1st December, 2008 and its work was further distributed among five divisions:

(i) Cadre Management Division (CRM);

(ii) Performance Management Division (HRM);

(iii) Capacity Building and Strategic Vision Division;

(iv) Welfare Division; and

(v) Infrastructure Division.

In order to efficiently and effectively carry out its responsibilities and functions, a need was felt to update the Infrastructure Manual by including all the guidelines/instructions issued from time to time.

The primary object of this updated Manual being brought out by the Infrastructure Division is as under:-

a) to inform all Officers of the Customs, Excise and Service Tax Department the various procedures to be adopted in drafting of a proposal for Infrastructure projects;

b) to consider all issues regarding approval and sanction for purchase and disposal of land;

c) hiring of accommodation and continuation of hiring of already hired spaces;

d) construction of office and residential buildings;

e) repair/maintenance/renovation/modifications/replacements/alterations in the Departments buildings, residential complexes, etc;

f) to account and document the assets of the CBEC through creation, maintenance and regular updation of Asset Register;

g) to consolidate and project budgetary requirement for purchase of ready-built office space and residential accommodation for Departmental officers and staff of the CBEC;

h) to ensure uniformity in infrastructure proposals, with policy guidelines and administrative instructions concerning their sanction;

i) to function as a link between the CBEC and its field formations by communicating the observations/queries/approvals/sanctions of the Ministry on the proposals to the field formations.

It is expected that after the release of this updated Manual, the officers of the Department would have easy and ready access to various instructions and guidelines issued by the Department/Ministry on the preparation and submission of Infrastructure proposals in a timely manner.
1.1 Financial Powers regarding various items of expenditure are defined and explained in the Delegation of Financial Power Rules, 1978 (hereinafter referred to as DFPRs). In terms of Rule 5 of these Rules, all financial powers, not specifically delegated to any authority under these Rules, shall vest in the Union Ministry of Finance. Rule 13(2) of the DFPRs, provides that a Department of the Central Government may, by general order, confer powers, not exceeding those vested in the Department, upon the Head of Department (HOD) or any other subordinate authority in respect of any matter covered by these Rules subject to the provisions contained therein. The power delegated under these Rules can also be exercised for validation of an action already taken or expenditure or liability already incurred even when the authority validating the action or incurring the expenditure or liability, as the case may be, had no competence to do so at the time the action was taken or expenditure, or liability was incurred (Rule 6 of DFPRs).

1.2 "Head of the Department" (HOD) under Rule 3(f) of these Rules has been defined in relation to an office or offices under his administrative control as an authority specified in Schedule-I and includes such other authority or person as the concerned Department in the Central Government may, by order, specify as the Head of Department (HOD) provided that such a person is the Head of an identifiable organization and the minimum of his revised scale of pay is not lower than that of a Deputy Secretary to the Government of India.

1.3 In pursuance of DFPRs, the delegation of financial powers to Heads of Department of the Central Board of Excise and Customs (CBEC) are reviewed from time to time by the Integrated Finance Unit (IFU) of the Department of Revenue under the Ministry of Finance. These powers were last revised by the IFU vide Office Memorandum F.No. 15/6/2008-IFU-III (EC) dated, the 15th September 2011 (Annexure-1.1). In order to exercise delegated financial power, as mentioned in the Memorandum, there is no need to refer the proposals to the Department/IFU except where expenditure incurred/likely to be incurred is in deviation of the existing
The provisions of General Financial Rules (GFRs) and other instructions issued by Department of Expenditure, Budget Division and other authorities such as the Central Vigilance Commission (CVC) and Directorate General of Supplies and Disposal (DGS&D) etc. would also have to be followed.

1.4 A snapshot of the delegated powers of HOD with regard to Infrastructure proposals is as under:

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<td>Provision of DG set</td>
<td>Rs. 15 lakhs per annum per building for each HOD for purchase of DG (Diesel Generating) set subject to GFRs 2005, Works Manual and guidelines for essential and non-essential loads for DG Sets. (Annexure-7.3)</td>
</tr>
<tr>
<td>(iii)</td>
<td>Repair and maintenance work in hired office buildings.</td>
<td>A total of Rs. 50,000/- in a year, non-recurring. Provisions of GFRs 2005 will apply.</td>
</tr>
<tr>
<td>(iv)</td>
<td>Hiring of office accommodation</td>
<td>Rs. 3 lakhs per month for 13 major Cities (A-I and A) &amp; Rs. 1.5 lakhs per month for other cities.</td>
</tr>
<tr>
<td>(v)</td>
<td>Note: These powers are subject to non-availability certificate from the Directorate of Estates</td>
<td>and/or the Central Public Works Department (CPWD), Fair Rent Certificate (FRC) from the CPWD, adherence to GFRs 2005, admissibility of space norms as prescribed and relevant instructions on this item issued from time to time. Any deviation from norms including acceptance of single offer, should be referred to the Ministry. Hiring should be recommended by a Hiring Committee duly constituted by the HOD. Note: The classification of any city in the A-I and A categories for 13 major cities would be the same as is the classification for HRA.</td>
</tr>
</tbody>
</table>
|        | Original works (through the CPWD) on Department land and buildings. (Only in cases where funds are provided by the Ministry of Urban Development (MOUD)). The power shall not be exercised for purchase of land/building. | A. Delegated to Commissioner upto Rs. 10 lakhs in each case (office & residential both). Provisions of GFRs 2005 will apply. Government of India's decision under Rule 10 of DFPRs on New Services/New Instrument of Service shall apply. Budget provisions should be available under the grant provided by MOUD.  
B. Delegated to Chief Commissioner upto Rs. 1 Cr. only in case of owned office building. |
1.5 **FINANCIAL POWERS OF MINISTRIES/DEPARTMENTS WITH REGARDS TO EXPENDITURE ON NON-PLAN SCHEMES/PROJECTS**

(i) Proposal(s) requiring sanction of expenditure beyond HOD powers as prescribed vide OM No. 15.6.2008-IFU-III (EC) dated 6th June, 2008 and **upto Rs. 2 crores** will be approved by the Member concerned of CBEC after obtaining concurrence of IFU. All such cases will be referred to IFU by the Joint Secretary (Admn.) CBEC.

[(Authority: F.No.15/6/2008-IFU-III dated 22nd September, 2008) **Annexure-1.2**]

(ii) Proposal(s) requiring sanction of expenditure **beyond Rs. 2 crores and upto Rs. 5 crores** will be routed through the J.S. (Admn.)/Member/Financial Adviser to the Chairperson of the Board for approval.

[Authority O.M. F.No.15/6/2008-IFU-III dated 6th June, 2008 **(Annexure-1.3)**]

(iii) Proposal(s) requiring sanction of expenditure **beyond Rs. 5 crores and upto Rs. 20 crores** will be routed through the concerned J.S. (Admn.), Member concerned, Financial Adviser, Chairman CBEC, to the Revenue Secretary for obtaining approval. **Competent Authority to approve the scheme in such cases is the Revenue Secretary.**

[Authority O.M. F.No.15/6/2008-IFU-III dated 6th June 2008 and O.M. No. 1(9)/E. II (A)/07 New Delhi dated 6th April, 2010 **(Annexure-1.4)**]

(iv) Proposal(s) requiring sanction of expenditure **beyond Rs. 20 crores and upto Rs. 50 crores** will be routed through the J.S. (Admn.), Member (P&V), FA (Finance), Chairman, to the Revenue Secretary. Thereafter, the proposal will be put up for approval from the Minister-in-charge of the Ministry/Department. **Appraisal forum is the Standing Finance Committee (SFC) of the Department of Revenue under the Chairmanship of Secretary (Revenue) with Financial Advisor and JS/Director of the concerned Division as Members with provision for inviting representative from any other Department that the Secretary/FA may suggest.**

[(v) Proposal(s) requiring sanction **beyond Rs. 50 crores but less than Rs. 75 crores** will be routed through the J.S. (Admn.), Member (P&V), FA (Finance), Chairman, and then to the Revenue Secretary. Thereafter, the proposal will be put up for approval to the Minister-in-charge of the Department of Revenue. **Competent Authority to approve the scheme is the Minister-in-charge of the Ministry. Appraisal forum is SFC of the Department of Revenue as at (iv) above with a representative of the Department of Expenditure as Member.**]

[(vi) Proposal(s) requiring sanction of expenditure **beyond Rs. 75 crores but less than Rs. 150 crores** will be routed through the J.S. (Admn.), Member (P&V), FA (Finance), Chairman, then to the Revenue Secretary. Thereafter, the proposal will be sent to the Department of Expenditure for appraisal by the Committee on Non-Plan Expenditure (CNE). After appraisal by the CNE, the proposal will be put up for the approval of the Minister-in-charge of the Department of Revenue. **Competent Authority to approve the scheme is the Minister-in-charge of the Ministry/Department. Appraisal forum is the CNE comprising of Secretary (Department of Expenditure) as Chairman and Secretary (Planning Commission) and Secretary (Revenue) as members.**]

[(vii) Proposal(s) requiring sanction of expenditure **beyond Rs. 150 crores but less than Rs. 300 crores** will be routed through the J.S. (Admn.), Member (P&V), FA (Finance), Chairman, to the Revenue Secretary. Thereafter, the proposal will be put up to the
Department of Expenditure for appraisal by the CNE. On appraisal by the CNE, the file will be put up for approval by the Minister-in-charge of the Department of Revenue and then to the Minister of Finance. The Competent Authority to approve the scheme is the Minister-in-charge of the Ministry/Department. Appraisal forum is CNE.

(viii) Proposal(s) requiring sanction of expenditure involving Rs. **300 crores and above** will be routed through the J.S. (Admn.), Member (P&V), FA (Finance), Chairman, and then to the Revenue Secretary. Thereafter, the proposal will be put up to the Department of Expenditure for appraisal by the CNE. On appraisal by the CNE and approval by the Minister concerned, the proposal has to get the approval of the Cabinet/ Cabinet Committee on Economic Affairs (CCEA). The Competent Authority to approve the scheme is the Cabinet/CCEA. The Appraisal Forum is CNE.

[Authority for (iv to viii) above: O.M No.1 (9)/E II(A)/07 dated 6th April, 2010 (Annexure-1.4)]

1.6 Further, approval of the Ministry of Finance shall not be required to sanction excess expenditure over the original estimates of a sanctioned Non-Plan scheme/project up to ten percent or rupees ten crores, whichever is less, unless the scheme or the project has been substantially altered.

At the time of sanctioning of alteration/ modification in the estimates of the project subsequent to original sanction, the decision whether the scope of the scheme has not been substantially altered is to be taken by the Secretary of the Department. The following changes shall be deemed to constitute a substantial alteration in the scope of the scheme —

(a) Any change that may lead to a change in the objectives of an approved scheme (which includes any material change in its physical scope).

(b) Any change in the programmes through which the objectives of an approved scheme are to be achieved.

(c) Any change in the pattern of resources including funds.

All the decisions in this regard should be taken in consultation with the Internal Financial Adviser attached to that Ministry/Department.

[Authority: G.I., M.F., O.M. No. F.1 (10)-E. II (A)/75, dated the 13th July, 1976].

The financial limits specified are for a composite project and under no circumstances, shall a proposal be split (e.g. land acquisition for project site and construction activities, thereon) so as to avoid appraisal/approval by the Competent Authority. The Ministries/Departments are therefore advised not to incur any expenditure on account of investment in land and projects unless schemes/projects are appraised/approved by the Competent Authority.

1.7 **ILLUSTRATION:**

**ILLUSTRATION IN RESPECT OF NON-PLAN SCHEMES/PROJECTS WHERE APPROVAL OF THE FINANCE MINISTRY SHALL NOT BE REQUIRED TO SANCTION EXCESS EXPENDITURE OVER THE ORIGINAL ESTIMATES OF A SANCTIONED NON-PLAN SCHEME/PROJECT UPTO TEN PERCENT OR RS. TEN CRORES, WHICHEVER IS LESS, UNLESS THE SCHEME OR PROJECT HAS BEEN SUBSTANTIALLY ALTERED:**

(i) Let us assume that a project for construction of a Central Excise Office building measuring ten thousand sq ft. area was sanctioned for Rs. 50 crores by the Ministry of Finance on the basis of an original estimate.

(ii) Assuming that the expenditure overshoots its sanctioned limit by Rs. 4 crores and the total cost of the Project now becomes Rs. 54 crores.
(iii) The objective of construction of the Office Building remains the same and neither is there any material change in the approved scheme, nor is there any change in the pattern of resources of funds.

(iv) In such a scenario there is no necessity for obtaining any fresh approval of the Finance Ministry, since the expenditure has not exceeded the original estimates of the sanctioned scheme by ten percent or Rs. Ten crores, whichever is less.

(v) Regarding the same project, let us assume that the expenditure overshoots by Rs. 7 crores although the objective of construction of the Central Excise Office building remains the same and there is also no change in the pattern of resources of funds.

(vi) In such a scenario as at (v) above, approval of the Finance Ministry shall again be required as the expenditure has exceeded the original estimates of the sanctioned scheme by more than ten percent i.e., by Rs. 7 crores over Rs. 50 crores.

(vii) Let us further assume that the proposed area of the office building is reduced from ten thousand sq. ft. to eight thousand sq. ft. and twenty residential quarters are also proposed to be built, and the expenditure overshoots the original estimate of Rs. 50 crores by Rs. 4 crores.

(vii) In such a scenario as at (vii) above, approval of the Finance Ministry shall again be required since there is a material change in the objective of the approved scheme although the cost has not escalated beyond ten percent of the originally sanctioned amount or Rs. Ten crores, whichever is less. In this case, the scheme has been substantially altered in as much as the area of the office building has been reduced and residential quarters are also proposed to be constructed.

The decision whether there is substantial alteration in the scope of the scheme is, however, to be taken by the Secretary of the concerned Department.
Flow Chart in respect of Financial Powers of Ministries/Departments concerning sanction of expenditure on non plan Schemes/Projects

- **Member (P&V)**
  - **IFU**
  - **Powers upto ₹ 2 crores**

- **Chairman CBEC**
  - **Financial Advisor**
  - **Member (P&V)**
  - **J.S. (Admn.)**
  - **Powers ₹ 2 crores to ₹ 5 crores**

- **Revenue Secretary**
  - **Chairman CBEC**
  - **Financial Advisor**
  - **Member (P&V)**
  - **J.S. (Admn.)**
  - **Powers ₹ 5 crores to ₹ 20 crores**

- **Minister of Finance**
  - **Cabinet/CCEA**
  - **Revenue Secretary**
  - **Chairman CBEC**
  - **Financial Advisor**
  - **Member (P&V)**
  - **J.S. (Admn.)**
  - **Powers ₹ 20 crores to ₹ 50 crores (Appraisal forum is SFC)**

- **Minister-in-charge**
  - **Revenue Secretary**
  - **Chairman CBEC**
  - **Financial Advisor**
  - **Member (P&V)**
  - **J.S. (Admn.)**
  - **Powers ₹ 50 crores to ₹ 75 crores (Appraisal forum is SFC)**

- **Minister-in-charge**
  - **Revenue Secretary**
  - **Chairman CBEC**
  - **Financial Advisor**
  - **Member (P&V)**
  - **J.S. (Admn.)**
  - **Powers ₹ 75 crores to ₹ 150 crores (Appraisal forum is CNE)**

- **Minister-in-charge**
  - **Revenue Secretary**
  - **Chairman CBEC**
  - **Financial Advisor**
  - **Member (P&V)**
  - **J.S. (Admn.)**
  - **Powers ₹ 150 crores to ₹ 300 Crores (Appraisal forum is CNE)**

- **Minister-in-charge**
  - **Revenue Secretary**
  - **Chairman CBEC**
  - **Financial Advisor**
  - **Member (P&V)**
  - **J.S. (Admn.)**
  - **Powers ₹ 300 crores and above (Appraisal forum is CNE)**
CHAPTER 2

PURCHASE OF LAND

WHAT’S NEW?

1. Acquisition of land from CPWD in GPOA/GPRA (Ref: Para 2.2).
2. Acquisition of surplus Salt Land (Ref: Para 2.6).

2.1 The purchase/acquisition of land is the first step towards construction of either a Departmental office building or residential quarters. Land for these purposes can be acquired from the Government of India (Ministry of Urban Development), State Government, Local Authority, Public Sector Undertaking or even a private party. However, preference should be given to purchase/acquisition of land from Central Government agencies such as MoUD the Directorate of Estates/the Central Public Works Department (CPWD) and thereafter to State Government/Local authorities/Development authorities/Public Sector Undertaking (PSUs) etc.

2.2 ACQUIRING OF LAND FOR CONSTRUCTION OF OFFICE/RESIDENCE FROM CPWD IN GPOA/GPRA.

For meeting the requirement of land for construction of office/residence, the Department should be in touch with the local CPWD whether they are in the process of developing plots for construction of General Pool Office or Residential Accommodation. If any such complexes are being developed, Department should immediately take-up the matter with local CPWD authorities & book their requirement and submit a proposal as prescribed in the Office Memorandum issued vide No. 11011(1)/80-Pol. IV dated 3.10.1980 by the Directorate of Estates (Annexure-2.1). Copies of the correspondences made with the CPWD/MoUD may be forwarded to DGHRRD alongwith space calculation sheet as per the prescribed norms as per para 2.4 of Chapter 2 of this Manual with a draft certificate duly filled in (Annexure-2.2) for getting the “Eligibility Certificate” from the JS (Admn), CBEC.

2.3 While purchasing land, its end use must be kept in mind. As such, care needs to be taken that the land proposed to be acquired and used for construction of the office building is suitably/centrally located, well connected by public transport, conveniently accessible to Departmental officers and tax payers with appropriate facilities and approach roads, etc. In case of acquiring the land for residential purpose,
other factors such as, distance from the office, vicinity of market, school, post office, bank, railway station, bus stand, etc., have to be kept in mind.

**2.4 Steps Involved:** The first step involved in preparing a proposal for purchase of land is to determine the space requirement as per applicable norms. The requirement of office space should be calculated as per the **norms mentioned under PART- (A)** of this Para. The number and type of residential quarters proposed to be constructed should be calculated as per details mentioned in **PART- (B)** of this Para.

**(A) NORMS FOR DETERMINATION OF OFFICE SPACE**

(i) MoUD has laid down special scales of office accommodation (Sitting space) for various categories of officers of the Central Excise & Customs Department vide O.M. No.26/19/65-Acc.II(3) dated 20.12.1965 (Annexure-2.3).

As per the present designations, the space requirement may be calculated as under:-

(ii) To study and recommend special requirements of space for the Revenue Department’s buildings, a special Committee was formed under the Chairmanship of Shri H.R. Laroya, Chief Architect, CPWD, New Delhi. The Committee’s Report (Annexure-2.4) was accepted with certain modifications vide O.M. No.6/16/89-WI (Director General) dated 31th July, 1986, issued by Director (Works), Directorate General of Works, CPWD, New Delhi (Annexure-2.5). Accordingly, the space requirement for various special components of an office building should be worked out as under:-

(a) For calculating the space requirement for special components, the offices have been divided into four categories as per details given below:-

<table>
<thead>
<tr>
<th>Designation as per 1965 O.M.</th>
<th>Area</th>
<th>Present designation for space calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collector &amp; Deputy Collector</td>
<td>23 sq. mtrs.</td>
<td><strong>Principal Chief Commissioner/Chief Commissioner/Principal Commissioner/Addl. Commissioner/Joint Commissioner and equivalent</strong></td>
</tr>
<tr>
<td>Assistant Collector</td>
<td>18 sq. mtrs.</td>
<td>Deputy Commissioner/Assistant Commissioner and equivalent</td>
</tr>
<tr>
<td>Deputy Superintendent (Executive)</td>
<td>14.5 sq.mtrs.</td>
<td>Superintendent and equivalent</td>
</tr>
<tr>
<td>Preventive Inspector/Preventive Officer/Asstt. Preventive Inspector/Appraiser Examiner</td>
<td>11 sq. mtrs.</td>
<td>Inspector/PO/Examiner and equivalent</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category of Building</th>
<th>Highest Rank Officer</th>
<th>Equivalent present rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Superintendent (Range)</td>
<td>Superintendent (Range)</td>
</tr>
<tr>
<td>II</td>
<td>Assistant Collector</td>
<td>Deputy/Assistant Commissioner</td>
</tr>
<tr>
<td>III</td>
<td>Collector</td>
<td><strong>Principal Chief Commissioner/Chief Commissioners/Principal Commissioner/Commissioner</strong></td>
</tr>
<tr>
<td>IV</td>
<td>Multi-Collector Charges three or more Collectors.</td>
<td>Multi-Commissioner Charges, three or more Principal/Chief Commissioner/Principal Commissioner/Commissioner.</td>
</tr>
</tbody>
</table>
(b) The space requirement for these categories of offices should be calculated as under:-

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Special Components</th>
<th>Carpet Area (sq. mtrs.) for Category</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>I</td>
<td>II</td>
</tr>
<tr>
<td>1</td>
<td>Entrance Hall with Reception, Waiting etc.</td>
<td>33</td>
<td>66</td>
</tr>
<tr>
<td>2</td>
<td>Public Relations Unit</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>3</td>
<td>Conference Room</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>4</td>
<td>Strong Room</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>5</td>
<td>Record Room</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>6</td>
<td>Telecommunication Centre</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>a) Telephone Exchange</td>
<td>-</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>b) Wireless Control</td>
<td>-</td>
<td>77</td>
</tr>
<tr>
<td></td>
<td>c) Computer Room *</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td></td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>7</td>
<td>Waiting lounge on each floor</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>8</td>
<td>Stores for Forms &amp; Stationery</td>
<td>11</td>
<td>16.5</td>
</tr>
<tr>
<td>9</td>
<td>Visiting Officer’s Room</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10</td>
<td>In Service Training Room</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Guests Room *(includes dormitory)</td>
<td>-</td>
<td>66</td>
</tr>
<tr>
<td>12</td>
<td>Malkhana for confiscated goods</td>
<td>16.5</td>
<td>33</td>
</tr>
<tr>
<td>13</td>
<td>Covered shed for confiscated vehicles*</td>
<td>-</td>
<td>50</td>
</tr>
<tr>
<td></td>
<td>(outside city limits)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Sales Shop for confiscated goods</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>15</td>
<td>Interrogation Cell</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>16</td>
<td>Guard Room with dormitory facilities for 8 persons</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>17</td>
<td>Library</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>18</td>
<td>Rest Room for ladies</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>19</td>
<td>Recreation Room</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>20</td>
<td>Canteen</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>21</td>
<td>Cooperative Stores</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>---</td>
<td>-------------------------------------------</td>
<td>--------------</td>
<td>------------------------</td>
</tr>
<tr>
<td></td>
<td>(A) Office space (sitting space) requirement as per norms</td>
<td>(A)</td>
<td>(B)</td>
</tr>
<tr>
<td>22</td>
<td>Bank/ATM &amp; Post Office</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>23</td>
<td>Staff Association Room</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>24</td>
<td>Garage for Head of Department - one car</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>25</td>
<td>Garages for Departmental Vehicles</td>
<td>-</td>
<td>20</td>
</tr>
<tr>
<td>26</td>
<td>Internal Audit Party Room</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>27</td>
<td>Bar Room</td>
<td>--</td>
<td>-</td>
</tr>
</tbody>
</table>

* For Certain “Special Components” Laroya Committee has recommended space as per requirement (Annexure -2.4). Based on the inputs received from field formations, DGHRD has quantified the maximum space for these Components. All the field formations are requested to calculate the space requirement accordingly.

(c) In addition to the above, if the requirement exists, reasonable space for Computer Room/Server Room may be provided giving proper justification.

(d) The components not relevant to the proposed office need not be included while determining the space required. As an illustration, a Telecommunication Centre and Sales Shop for confiscated goods may not be relevant for a Central Excise Commissionerate. Similarly, space for bank/ATM, post-office & co-operative store should be calculated only if the same are required in the premises.

(e) The carpet area for office is the sum of the carpet area required for all categories of staff and the carpet area required for special components. To this, 15% can be added to take care of future expansion. From the area so determined after adding 15%, 10% austerity cut is to be affected to arrive at the final requirement of carpet area for office space.

(f) The above calculations are summarized as under:

### (PART-B) NORMS FOR RESIDENTIAL ACCOMMODATION

(i) Satisfaction ratios in respect of various categories of accommodation have been prescribed by the Ministry vide letters F.No.207/25/90-Ad.VIII(EC) dated 12.09.1990 and 16.01.1991 (Annexure- 2.6 (a &b)). These ratios are summarized as under.

<table>
<thead>
<tr>
<th>Type</th>
<th>Metropolitan City (State Capital)</th>
<th>Other Places</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Phase-I</td>
<td>Phase-II</td>
</tr>
<tr>
<td>I (Abolished)</td>
<td>40%</td>
<td>20%</td>
</tr>
<tr>
<td>Erstwhile I &amp; II</td>
<td>50%</td>
<td>40%</td>
</tr>
<tr>
<td>(Merged)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>IV &amp; above</td>
<td>80%</td>
<td>80%</td>
</tr>
</tbody>
</table>
(a) Once again as an illustration, if at a particular station, 40 officers are eligible for allotment of Type-II residential quarters, only 20 quarters can be constructed, the satisfaction ratio being 50% in case the station is a metropolitan city/State capital.

(b) However, if the station does not fall under category of a metropolitan city/State capital, only 16 quarters are permissible to be constructed, as the satisfaction ratio under this category has been prescribed as 40% only in Phase-I. However, the balance no. of quarters out of an aggregate satisfaction ratio of 50% can be taken up in Phase-II, after satisfying that there exists sufficient demand for Government accommodation on that date.

(c) It is needless to say that while determining the number of quarters to be constructed, the departmental quarters already constructed at the station, quarter occupied from General Pool & actual demand for quarters as ascertained through demand survey, all have to be taken into account.

(ii) Subsequent to the implementation of the 6th Pay Commission Report, the classification of types of residential accommodation has been amended by the Ministry of Finance vide F.No.213/09/2009-Adm.VIII(EC) dated 26.02.10 (Annexure-2.7) as under:-

<table>
<thead>
<tr>
<th>Type</th>
<th>Grade Pay/Basic Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>I (Abolished)</td>
<td>Rs.1300, Rs.1400, Rs.1600 Rs.1650 and Rs.1800</td>
</tr>
<tr>
<td>I &amp; II (Merged)</td>
<td>Rs. 1800, Rs.1900, Rs.2000, Rs.2400 and Rs.2800</td>
</tr>
<tr>
<td>III</td>
<td>Rs.4200, Rs.4600 and Rs.4800</td>
</tr>
<tr>
<td>IV</td>
<td>Rs.5400 to Rs.6600</td>
</tr>
<tr>
<td>IV (Spl.)</td>
<td>Rs.6600</td>
</tr>
<tr>
<td>V-A (D-II)</td>
<td>Rs.7600 &amp; Rs.8000</td>
</tr>
<tr>
<td>V-B (D-I)</td>
<td>Rs.8700 and Rs.8900</td>
</tr>
<tr>
<td>VI-A (C-II)</td>
<td>Rs.10000</td>
</tr>
</tbody>
</table>

(iii) While sending proposals for acquisition of land for construction of residential quarters, the requirement of quarters should be worked out strictly as per Annexure-2.8. The number of persons who are eligible for a particular type of quarter is to be calculated on the basis of the sanctioned staff strength at the particular station and their grade pay/basic pay.

(iv) While determining the requirement of office space, the space for common circulation areas such as corridors, bathrooms, stairs, lifts, etc. should not be included as the same are calculated by the CPWD while arriving at the requirement of the total built-up area.

(v) Similarly, the Department should calculate the number and type of residential quarters only. The size of the quarters and built-up area for these quarters is to be calculated by the CPWD.

(vi) Also, the requirement of land should not be calculated by the Department. Only the requirement of office space and the number and type of residential quarters should be conveyed to the CPWD, which shall thereafter, determine the area of land to be acquired.

(vii) **Demand Survey**: Even though satisfaction norms have been fixed for determining the number of residential quarters required, the demand for residential quarters may vary at different stations. **Hence, it is essential** that a demand survey is conducted among the eligible staff of various categories to ascertain the actual demand for residential quarters and details thereof should be incorporated in the proposals. The proposed no. of quarters...
may be restricted to either the satisfaction ratio or the actual demand, whichever is less. A report on the basis of the demand survey should be prepared as per Annexure-2.9.

However, at a future date, it may so happen that the demand survey carried out earlier may not reflect the actual requirement of residential accommodation as the postings of staff are subject to transfers. Therefore, while arriving at the requirement of residential quarters, other relevant factors such as availability of cheaper private accommodation on rent, no. of houses owned by the staff at the station, duration of posting in a particular station and other local factors which may affect the demand for Government accommodation should also be taken into consideration. In a nutshell, Commissionerates should endeavor to ascertain the actual demand to avoid a situation where excess residential quarters are constructed and several of them remain unoccupied.

2.5 PURCHASE OF LAND FROM GOVERNMENT/GOVERNMENT BODIES

The requirement of carpet area for office accommodation and residential quarters (Nos./Type) should be conveyed to the CPWD to enable it to issue a Minimum Requirement of Land Certificate. After ascertaining the minimum requirement of land from the CPWD, a suitable plot of land has to be identified. For purchase/acquiring of land from authorities other than the Central Govt. (MoUD/Estates/CPWD), a certificate regarding non-availability of Central Government land/building is also required. The possibility of acquiring land from Government of India, State Government, Local Authorities, Development Authorities, Avas Vikas Parishads or PSUs should first be explored before other private bodies are approached. In case of acquisition of land from the State Government, Local Authorities or PSUs, a certificate of reasonableness of cost should be obtained from the CPWD. Further, a certificate regarding suitability/feasibility of the identified/earmarked piece of land for construction has also to be obtained from the CPWD.

2.6 PROPOSALS FOR TRANSFER OF SURPLUS SALT LAND TO THE GOVT. DEPARTMENT BY THE DEPTT. OF INDUSTRIAL POLICY AND PROMOTION (DIPP).

Deptt. of Industrial Policy and Promotion (DIPP) vide their Internal Policy Guidelines issued vide F. No. 04011/10/2010-Salt dated 24.01.2012 (Annexure- 2.10) has decided that surplus SALT LAND will be transferred for the public purpose in accordance with Rules 278 & 279 of the GFR under intimation to the MoUD. Accordingly, the Commissionerates are requested to find out the availability of surplus SALT LAND from the local Salt Commissioner, and if found suitable, in consultation with the CPWD regarding feasibility for construction of office/residential building, an application for transfer of such land from Salt Department to CBEC may be forwarded to DGHHRD for obtaining formal approval from DIPP. After getting the formal approval from DIPP, a proposal in the prescribed format with all supporting documents and annexures as prescribed in the Manual of Infrastructure and should be routed through the Zonal Principal Chief Commissioner/ Chief Commissioner with specific justification and recommendation for obtaining Administrative Approval & Expenditure Sanction from the Ministry.

2.7 SUBMISSION OF PROPOSAL

Upon completion of all the requirements as discussed earlier, and obtaining necessary certificates from the CPWD, a comprehensive proposal giving detailed justification for purchase/acquisition of land, along with required documents should be prepared in Part A & C of
the Instructions issued vide F.No.207/36/2002-Ad.VIII (EC) dated 26.06.2003 (Annexure-2.11) and forwarded to the Directorate General of HRD (Infrastructure and Welfare Wing). For speedy examination and processing of such proposals, a Check-list has been devised by the IFU which should be filled up and sent alongwith the proposal (Annexure-2.12 (a). If required, the SFC/CNE Memorandum (as applicable) should also accompany the proposal as discussed in para-2.9. While forwarding the proposals, field formations are advised to refer to DGHRD’s Circular dated 23.10.2009 (Annexure-2.13) regarding streamlining of procedure for submission of infrastructure proposals to the Infrastructure Division, Directorate General of HRD. While preparing the Checklist and working out the space requirement, norms discussed in the foregoing paras are to be strictly adhered to.

2.8 RECOMMENDATION/ FORWARDING OF THE PROPOSAL BY JURISDICTIOINAL PRINCIPAL CHIEF COMMISSIONER/ CHIEF COMMISSIONER

The proposals for acquisition of land are to be submitted to I&W Wing of DGHRD only through the jurisdictional Principal Chief Commissioner/ Chief Commissioner providing the requisite details/documents. While recommending/forwarding the proposal, the Principal Chief Commissioner/ Chief Commissioner’s office shall ensure and certify that adequate and proper justification for the proposal exists. The Principal Chief Commissioner/ Chief Commissioner’s office shall also verify that the proposal has been thoroughly scrutinized by it and that a complete, self-contained proposal is being submitted in the prescribed format alongwith checklist and requisite documents. Incomplete proposals are liable to be returned without taking any action thereon.

2.9 SFC/CNE MEMORANDUM

Proposals involving (i) expenditure over Rs. 20 crores but less than Rs.75 crores and (ii) proposals involving expenditure more than Rs.75 crores should be accompanied by a Memorandum for Standing Finance Committee (SFC) & Memorandum for Committee on Non-Plan Expenditure (CNE) respectively, (see Annexures-2.14 (a), (b) & (c). The financial limits specified for SFC/CNE are for the composite project and under no circumstances shall a proposal be split (e.g. land acquisition for project site and construction activities thereon) so as to avoid appraisal/approval by the Competent Authority. Therefore, Ministries/Departments have been advised by the Department of Expenditure not to incur any expenditure on account of investment in land and building unless schemes/projects are appraised/approved by the Competent Authority (Annexure-1.4).

2.10 SHORTCOMINGS/DEFICIENCIES OBSERVED IN LAND PROPOSALS

Some common shortcomings/deficiencies generally observed in the infrastructure proposals submitted have been enumerated as per Annexure-2.15 (a). General guidelines for preparing the land proposals & common shortcomings/deficiencies observed in proposals concerning acquisition of land are given at Annexure-2.15(b). These may be kept in mind while preparing the land proposals.

2.11 MAJOR DOCUMENTS/DETAILS REQUIRED

The details of basic documents & details required under Part A & C and Check-List have been enumerated as per Annexure-2.16.

2.12 CLASSIFICATION OF ‘WORKS’ EXPENDITURE UNDER PROPER HEAD OF ACCOUNT

The proper Budget Head etc. alongwith details of availability of the Budget may be mentioned correctly in the proposal as per IFU’s O.M. bearing F.No.18/2007/IFU-III dated 10th October, 2007 (Annexure-2.17).
2.13 All the relevant provisions of General Financial Rules (GFRs), Delegation of Financial Powers Rules (DFPRs) and various instructions issued by CVC etc. should also be scrupulously followed while preparing the proposals. The following GFRs/DFPRs are relevant for the land proposals.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Rule No.</th>
<th>Applicable Rules</th>
<th>Other relevant provisions/instructions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>28</td>
<td>GFRs</td>
<td>O.M. No.8(18)/EII(A)/2010 dated 25.06.10 (see Annexure-2.18(a) &amp; (b))</td>
</tr>
<tr>
<td>2</td>
<td>278</td>
<td>GFRs</td>
<td>O.M. No.8 (18)/EII(A)/2010 dated 25.06.2010 (see Annexure- 2.18(a) &amp; (b))</td>
</tr>
<tr>
<td>3</td>
<td>279 (1)  to (5)</td>
<td>GFRs</td>
<td>Appendix-11 to Rule 279 (4) &amp; 279 (5) (see Annexure- 2.18 (a) &amp; (c))</td>
</tr>
<tr>
<td>4</td>
<td>Rule 13</td>
<td>DFPRs</td>
<td>S.No.8 of Annexure to Schedule V to Rule 13 (see Annexure- 2.18 (d))</td>
</tr>
</tbody>
</table>

2.14 The following Instructions are also relevant to proposals pertaining to purchase/acquiring of land:

(i) Instructions dated 18.05.07 on vetting of the Conveyance Deed by the branch Secretariat of the Ministry of Law before execution. (Annexure-2.19).

(ii) Guidelines dated 10.05.2000 for purchase of land (and ready built office/residential accommodation) issued by CBEC. (Annexure-2.20)

2.15 **APART FROM THE GUIDELINES MENTIONED IN THE MANUAL ON INFRASTRUCTURE FOLLOWING POINTS MAY BE KEPT IN MIND WHILE DRAFTING THE PROPOSAL:**

a) If the land is on lease basis, its terms/period alongwith rate of the lease premium payable should be incorporated in the offer letter/sale/lease deed.

b) Payment schedule should be mentioned clearly in the offer letter/agreement.

c) Before forwarding the proposal, adequate provision of funds should be made. If the funds are to be provided from CPWD grant, then a commitment letter may be obtained from the CPWD.

d) Where the funds are to be provided from the CBEC grants, the fund requirement should be projected well in advance so that necessary provision can be made in the Detailed Demands of Grants (DDG) of the concerned financial year. A commitment letter may be obtained from the EMC Wing of DGHRD.

e) The proposal should be forwarded with all supporting documents and annexures as prescribed in the Manual of Infrastructure and should be routed through the Zonal Principal Chief Commissioner / Chief Commissioner with specific justification and recommendation.

2.16 The various steps involved in the land proposal have been summarized in flow-chart on next page.
**FLOW CHART OF LAND PROPOSALS**

Calculation of office space requirements (as per norms) and/or No. & type of residential quarters (As per satisfaction ratio & demand survey whichever is less)

Seeking of non-availability of Central Government land/building certificate from Estates/CPWD & Minimum Requirement of land certificate from CPWD

Taking up the matter with State Government/local development authorities for offer of allotment of land, with details of terms & conditions of allotment & costs involved, seeking the undertaking on finality of price & non-encumbrance certificate

Seeking the certificate of suitability of land certificate, reasonability of land price & certified lay-out of land plan, availability of budget (with heads) from CPWD/EMC, DGHRD

Preparation of the proposal in (i) Part A & C of the Instructions dated 26.06.03, (ii) Check-List prescribed by IFU & (iii) SFC/CNE Memo (if required)

Forwarding of the proposal by the Commissionerate to jurisdictional Principal Chief Commissioner / Chief Commissioner

Scrutiny of the proposal in the office of the jurisdictional Principal Chief Commissioner / Chief Commissioner for justification of the proposal and its completeness/correctness & seeking of details/clarifications from Commissionerate, if required.

Forwarding of the proposal by the jurisdictional Principal Chief Commissioner / Chief Commissioner to the Infrastructure Division of DGHRD with clear recommendations/comments/view on the proposal
Scrutiny of the proposal in the Infrastructure Division of Dte. General of HRD and submission thereof to J.S. (Admn.)/Member (P&V)

Submission of proposal to Financial Advisor (Finance) for concurrence and then to the Chairman/Revenue Secretary etc. (wherever required)

Approval of SFC/CNE if proposal involves expenditure beyond Rs.20 crores.

Issuance of Sanction Order by Ad. VIII (EC) Section of CBEC. Forwarding of Sanction Order directly to Commissionerate by AD.VIII(EC)

Return of the proposal file to Infrastructure Division of Dte. General of HRD
WHAT’S NEW?

i) **Public Works Organization (PWO)**- The powers of awarding work to a PWO, other than CPWD, on nomination basis, is vested with the Revenue Secretary. The permission for appointing an agency on nomination basis shall be obtained before calling for Preliminary Estimate from the said agency. DGHRD circular dated 16.09.2015 may be referred to (Annexure 3.1).

ii) **E-Procurement**– All the Commissionerates/Directorates working under CBEC and all attached/subordinate offices, CPSEs and autonomous/statutory bodies etc. under their administrative/financial control are required to commence e-procurement for all tenders with estimated value of Rs. 2.00 lakhs or more compulsorily in a phased manner as per the prescribed schedule vide Department of Expenditure O.M. No. 10/03/2012-PPC dated 09.01.2014 & 21.01.2015 and to publish their enquiries, corrigenda thereon and publish details of bid award on CP Portal (Details available on Department of Expenditure website http://finmin.nic.in. (Annexure – 3.2)

3.1 The next step in the process of development of infrastructure after the purchase of land is the construction of office building or residential quarters depending upon the requirement. Administrative Approval and Expenditure Sanction must be obtained as soon as possession of land is taken. The proposal for seeking the administrative approval and expenditure sanction for construction purposes involve the following steps:-

(i) To begin with, the Agency entrusted with the execution of the work (herein after referred to as the Construction Agency) e.g. CPWD, etc. should be requested to prepare the drawings as per the Department’s requirement and applicable norms. It is essential to ensure while forwarding the request to the Construction Agency, that the total requirement of space for office/residence is based on the sanctioned strength and requirement of space for other necessary facilities such as guest house, record room, recreation room, visitors room, computer centre, information and facilitations counter, inbuilt cupboards for files, conference room etc. are taken into account. Further, due care should also be taken to include space requirements for
generators, air conditioners, cabling work for all office related works such as computers, telephones, electrical gadgets, fire alarms, etc.

(ii) While approving the drawing prepared by the Construction Agency, the specifications based upon the Department's requirement have to be clearly spelt out so that the Construction Agency can thereafter prepare accurate estimates based on the requirements/entitlements communicated to it. At the time of preparing the drawings, it is advisable that specifications/features proposed to be incorporated in the building are of such a nature that there are no chances of delay in the completion of the project.

3.2 AWARD OF ORIGINAL WORKS TO A PUBLIC WORKS ORGANIZATION (PWO)

(i) For awarding original works to organizations other than CPWD, the procedure has been provided under Rules 126(2) GFR, 2005. Agencies like NBCC, NPCC and other public work organizations (PWO) listed under MoUD can also undertake the construction of office or residential complex.

(ii) The powers of awarding work to a PWO, other than CPWD, on nomination basis is vested with the Revenue Secretary. The permission for appointing an agency on nomination basis shall be obtained before calling for Preliminary Estimate from the said agency. DGHHRD circular dated 16.09.2015 may be referred to (Annexure 3.1).

(iii) A sample of Memorandum of Understanding to be signed by the Department and the executing agency is placed as Annexure- 8. The terms of MoU will have to be approved by the Ministry of Legal Affairs and be vetted by IFU, if the terms differ from the precedent cited in the above referred sample in Annexure-8.

(iv) Phasing of expenditure to be specifically mentioned by the executing agency.

(v) The Preliminary Estimate (PE) should be based on the latest Plinth Area Rate (PAR)/Delhi Plinth Area Rate (DPAR) and in any case the same should not be older than 2 years.

(vi) With respect to Department of Expenditure O.M. No. 10.03.2012-PPC dated 09.01.2014 and 21.01.2015, all Commissionerates/ Directorates working under CBEC and all attached/subordinate offices, etc. are required to commence e-procurement for all tenders of Rs. 2 lakhs and above, compulsorily and to publish their enquiries, corrigenda thereon and publish details of bids awarded on Central Public Procurement CPP Portal (http://finmin.nic.in). Also the bids should be called in e-tender. The instructions issued by the Department of Expenditure, Public Procurement Cell are enumerated as Annexure-3.2. DGHHRD circular dated 09.07.2015 is placed as Annexure -3.3.

STEPS INVOLVED

The first step involved in preparation of a proposal for construction of office & residential complex is to determine the space requirements for office and Type-wise number of quarters. The requirement of office space should be worked out as per the norms mentioned in the succeeding paragraphs.

3.3 NORMS FOR DETERMINATION OF OFFICE SPACE

(i) MoUD has laid down special scales of office accommodation (Sitting space) for various categories of officers of the Central Excise & Customs Department vide O.M. No.26/19/65-Acc.II (3) dated 20.12.1965 (Annexure-2.3). As per the present designations, the space requirement may be calculated as under:-
Designation as per 1965 O.M. | Area | Present designation for space calculation
---|---|---
Collector & Deputy Collector | 23 sq. mtrs. | Principal Chief Commissioner/Chief Commissioner/Principal Commissioner/Commissioner/Addl. Commissioner/Joint Commissioner and equivalent
Assistant Collector | 18 sq. mtrs. | Deputy Commissioner/Assistant Commissioner and equivalent
Deputy Superintendent (Executive) | 14.5 sq. mtrs. | Superintendent and equivalent
Preventive Inspector/Preventive Officer/Asstt. Preventive Inspector/Appraiser Examiner | 11 sq. mtrs. | Inspector/PO/Examiner and equivalent

(ii) To study and recommend special requirements of space for the Revenue Department's buildings, a special Committee was formed under the Chairmanship of Shri H.R. Laroya, Chief Architect, CPWD, New Delhi. The Committee’s Report (Annexure-2.4) was accepted with certain modifications vide O.M. No.6/16/89-WI (Director General) dated 31th July, 1986, issued by Director (Works), Directorate General of Works, CPWD, New Delhi (Annexure-2.5). Accordingly, the space requirement for various special components of an office building should be worked out as under:-

(a) For calculating the space requirement for special components, the offices have been divided into four categories as per details given below:-

<table>
<thead>
<tr>
<th>Category of Building</th>
<th>Highest Rank Officer</th>
<th>Equivalent present rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Superintendent (Range)</td>
<td>Superintendent (Range)</td>
</tr>
<tr>
<td>II</td>
<td>Assistant Collector</td>
<td>Deputy/Assistant Commissioner</td>
</tr>
<tr>
<td>III</td>
<td>Collector</td>
<td>Chief Commissioner/Principal Commissioner/Commissioner</td>
</tr>
<tr>
<td>IV</td>
<td>Multi-Collector Charges three or more Collectors.</td>
<td>Multi-Commissioner Charges three or more Principal/Chief Commissioner/Principal Commissioner/Commissioner</td>
</tr>
</tbody>
</table>
(b) The space requirement for these categories of offices should be calculated as under:-

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Special Components</th>
<th>Carpet Area (sq. mtrs.) for category</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>I</td>
<td>II</td>
</tr>
<tr>
<td>1</td>
<td>Entrance Hall with Reception, Waiting etc.</td>
<td>33</td>
<td>66</td>
</tr>
<tr>
<td>2</td>
<td>Public Relations Unit</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>3</td>
<td>Conference Room</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>4</td>
<td>Strong Room</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>5</td>
<td>Record Room</td>
<td>*</td>
<td>*</td>
</tr>
<tr>
<td>6</td>
<td>Telecommunication Centre</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>a) Telephone Exchange</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td>b) Wireless Control</td>
<td>-</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>c) Computer Room *</td>
<td>-</td>
<td>77</td>
</tr>
<tr>
<td>7</td>
<td>Waiting lounge on each floor</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>8</td>
<td>Stores for Forms &amp; Stationery</td>
<td>11</td>
<td>16.5</td>
</tr>
<tr>
<td>9</td>
<td>Visiting Officer’s Room</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10</td>
<td>In Service Training Room</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Guests Room* (includes dormitory)</td>
<td>-</td>
<td>66</td>
</tr>
<tr>
<td>12</td>
<td>Malkhana for confiscated goods</td>
<td>16.5</td>
<td>33</td>
</tr>
<tr>
<td>13</td>
<td>Covered shed for confiscated vehicles* (outside city limits)</td>
<td>-</td>
<td>50</td>
</tr>
<tr>
<td>14</td>
<td>Sales Shop for confiscated goods</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>15</td>
<td>Interrogation Cell</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>16</td>
<td>Guard Room with dormitory facilities for 8 persons</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>17</td>
<td>Library</td>
<td>-</td>
<td>11</td>
</tr>
<tr>
<td>18</td>
<td>Rest Room for ladies</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>19</td>
<td>Recreation Room</td>
<td>-</td>
<td>22</td>
</tr>
<tr>
<td>20</td>
<td>Canteen</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>21</td>
<td>Cooperative Stores</td>
<td>-</td>
<td>11</td>
</tr>
</tbody>
</table>
(c) The components not relevant to the proposed office need not be included while determining the space required. As an illustration, a Sales Shop for confiscated goods may not be relevant for a Central Excise Commissionerate. Similarly, space for bank/ATM, post-office & co-operative store should be calculated only if the same are required in the premises.

(d) The carpet area for office is the sum of the carpet area required for all categories of staff and the carpet area required for special components. To this, 15% can be added to take care of future expansion. From the area so determined after adding 15%, 10% austerity cut is to be affected to arrive at the final requirement of carpet area for office space.

(e) The above calculations are summarized as under:

<table>
<thead>
<tr>
<th>(A)</th>
<th>Office space (sitting space) requirement as per norms</th>
</tr>
</thead>
<tbody>
<tr>
<td>(B)</td>
<td>Add: Space for old &amp; new records (30%+25%)</td>
</tr>
<tr>
<td>(C)</td>
<td>Special components</td>
</tr>
<tr>
<td>(D)</td>
<td>Total requirement</td>
</tr>
<tr>
<td>(E)</td>
<td>Add: 15% for future expansion</td>
</tr>
<tr>
<td>(F)</td>
<td>Less: 10% austerity cut</td>
</tr>
<tr>
<td>(G)</td>
<td>Net requirement</td>
</tr>
</tbody>
</table>

3.4 NORMS FOR RESIDENTIAL ACCOMMODATION

(i) Satisfaction ratios in respect of various categories of accommodation have been prescribed by the Ministry vide letters F.No.207/25/90-Ad.VIII(EC) dated 12.09.1990 and 16.01.1991 (Annexure-2.6 (a & b)). These ratios are summarized as under:

<table>
<thead>
<tr>
<th>Type</th>
<th>Metropolitan City (State Capital)</th>
<th>Other Places</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Phase-I</td>
<td>Phase-II</td>
</tr>
<tr>
<td>I (Abolished)</td>
<td>40%</td>
<td>20%</td>
</tr>
<tr>
<td>Erstwhile I &amp;II (Merged)</td>
<td>50%</td>
<td>40%</td>
</tr>
<tr>
<td>III</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>IV &amp; above</td>
<td>80%</td>
<td>80%</td>
</tr>
</tbody>
</table>

(a) Once again as an illustration, if at a particular station, 40 officers are eligible for allotment of Type-II residential quarters, only 20 quarters can be constructed, the satisfaction ratio being 50% in case the station is a metropolitan city/State capital.

(b) However, if the station doesn't fall under category of a metropolitan city/State capital, only 16 quarters are permissible to be constructed, as the satisfaction ratio under this category has been prescribed as 40% only in Phase-I. However, the balance no. of quarters out of an aggregate satisfaction
ratio of 50% can be taken up in Phase-II, after satisfying that there exists sufficient demand for Government accommodation on that date.

(c) It is needless to say that while determining the number of quarters to be constructed, the departmental quarters already constructed at the station, quarter occupied from General Pool & actual demand for quarters as ascertained through demand survey, all have to be taken into account.

(d) No proposal of Type-I quarters should be sent for residential projects.

(ii) Subsequent to the implementation of the 6th Pay Commission Report, the classification of types of residential accommodation has been amended by the Ministry of Finance vide F.No.213/09/2009-Adm. VIII(EC) dated 26.02.10 (Annexure-2.7) as under:-

<table>
<thead>
<tr>
<th>Type</th>
<th>Grade Pay/Basic Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>I (Abolished)</td>
<td>Rs.1300, Rs.1400, Rs.1600 Rs.1650 and Rs.1800</td>
</tr>
<tr>
<td>I &amp; II (Merged)</td>
<td>Rs. 1800, Rs.1900, Rs.2000, Rs.2400 and Rs.2800</td>
</tr>
<tr>
<td>III</td>
<td>Rs.4200, Rs.4600 and Rs.4800</td>
</tr>
<tr>
<td>IV</td>
<td>Rs.5400 to Rs.6600</td>
</tr>
<tr>
<td>IV (Spl.)</td>
<td>Rs.6600</td>
</tr>
<tr>
<td>V-A (D-II)</td>
<td>Rs.7600 &amp; Rs.8000</td>
</tr>
<tr>
<td>V-B (D-I)</td>
<td>Rs.8700 and Rs.8900</td>
</tr>
<tr>
<td>VI-A (C-II)</td>
<td>Rs.10000</td>
</tr>
<tr>
<td>VI-B (C-I)</td>
<td>Rs.67000 to Rs.74999</td>
</tr>
<tr>
<td>VII</td>
<td>Rs.75000 to Rs.79999</td>
</tr>
<tr>
<td>VIII</td>
<td>Rs.80000 and above.</td>
</tr>
</tbody>
</table>

(iii) While sending proposals for acquisition of land for construction of residential quarters, the requirement of quarters should be worked out strictly as per Annexure-2.8. The number of persons who are eligible for a particular type of quarter is to be calculated on the basis of the sanctioned staff strength at the particular station and their grade pay/basic pay.

(iv) Similarly, the Department should calculate the number and type of residential quarters only. The size of the quarters and built-up area for these quarters is to be calculated by the CPWD as per their prevalent norms.

(v) DEMAND SURVEY

Even though satisfaction norms have been fixed for determining the number of residential quarters required, the demand for residential quarters may vary at different stations. Hence, it is essential that a demand survey is conducted among the eligible staff of various categories to ascertain the actual demand for residential quarters and details thereof should be incorporated in the proposals. The proposed number of quarters may be restricted to either the satisfaction ratio or the actual demand, whichever is less. A report on the basis of the demand survey should be prepared as per Annexure-2.9.

However, at a future date, it may so happen that the demand survey carried out earlier may not reflect the actual requirements of residential accommodation since the postings of staff are subject to frequent transfers. Therefore, while arriving at the requirements of residential quarters, other relevant factors such as availability of cheaper private accommodation on rent, number of houses owned by the staff at the station, duration of posting in a particular station and other local factors which may affect the demand for government accommodation should also be taken into consideration. In a nutshell, Commissionerate should endeavor to ascertain the actual demand to avoid a situation where excess residential quarters are constructed and several of them remain unoccupied.

3.5 CHECK LIST FOR PREPARING A PROPOSAL

The following Check Lists are to be submitted for Board's Administrative Approval/Expenditure
Sanction for the proposal for construction.

(A) Information as per Part A of the instruction issued by the Ministry under F.No.207/36/2002 Ad.VIII (EC) dated 26.06.2003 (Annexure-2.11)

(B) Check List for Infrastructure Proposal prescribed by IFU-

<table>
<thead>
<tr>
<th>No.</th>
<th>Subject</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Available area (Land in sq. mtrs.)</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Encumbrances if any (Enclose certificate from concerned District/ Local Authority</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Date of Administrative Approval / expenditure sanction (for the cost of the land (copy of Ministry’s letter to be enclosed)</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Date of possession of the land</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Sanctioned strength at the station (category-wise as on date)</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Working strength at the station (category-wise as on date)</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Requirement of quarter (worksheet as per the Table to be attached (Annexure –2.8)</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Requirement of office space to be worked out on the basis of the sanctioned strength and as per the prescribed norms (work sheet to be enclosed)</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Deviation if any from the norms / reasons thereof</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Lease rent/Ground rent and other one time (Non-Recurring) /Recurring payment to local authority.</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Particulars of administrative approval of construction (copy of Ministry’s letter to be enclosed)</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Non construction fee and other charges payable for delay of construction.</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>Cost of construction (Preliminary estimate prepared by CPWD to be enclosed).</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Plan of building (drawing/layout plan of the building to be attached induplicate).</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Date of completion as per estimate.</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Budget availability and phasing of expenditure year wise (To be confirmed from CPWD).</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Ongoing works at the place/station.</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>Commitment of any other work by CPWD.</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>In case the proposed accommodation is the residential accommodation whether willingness of the officers/staff have been obtained. (Report of demand survey duly signed by eligible officer showing their willingness/ non-willingness are to be enclosed).</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>Revenue collection (last five Financial Year wise).</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>Anti-smuggling/Anti evasion formations - Value of seized goods, confiscated goods, sale proceeds etc. during last five years are to be provided.</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Statement of all immovable assets (Land and Building) of CBEC, both owned and hired, to establish the necessity of fresh requirement, is to be furnished.(Annexure – 2.12 (b))</td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Reason for gap, if any, between taking possession of land and initiative the proposal for construction.</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Reasonableness of the cost of the land already purchased may be confirmed</td>
<td></td>
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<tr>
<td>25</td>
<td>Cost economics of hire vs construction may be worked out in detail.</td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>It may be confirmed whether economic cost analysis of building vs hire supports the proposal.</td>
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</tr>
<tr>
<td>No.</td>
<td>Subject</td>
<td>Remarks</td>
</tr>
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</tr>
<tr>
<td>27</td>
<td>Total saving in the form of HRA from staff/officers once the proposed quarters are constructed.</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>The validity and date of the CPWD estimates be clarified.</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>Agency responsible for day to day/annual maintenance of the building after its construction?</td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>What is the expenditure likely to be incurred on day to day/annual maintenance of the building?</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Information in SFC memorandum (Cost of the project between Rs.20 crores to Rs.75 crores) or CNE Memorandum (Cost of project above Rs.75 crores) may also be furnished. Format of SFC Memorandum as per (Annexure 2.14(a)) and CNE Memorandum as per (Annexure 2.14(b)).</td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Whether the proposed office building is IT (Infrastructure Technology) friendly i.e. whether requirements for Consolidation project for Computerization have been accounted for and whether the Directorate of Systems consulted for any specific requirements.</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Budget Head under which expenditure should be accounted (Information to be obtained from CPWD).</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>Cost of construction per sq. ft. of super area/carpet area/plinth area/covered area to be mentioned</td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Permissible Floor Area Ratio (FAR)/Floor Space Index (FSI) available on the plot to be mentioned</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>Certificate from the appointed agency regarding the GRIHA norms to be obtained</td>
<td></td>
</tr>
<tr>
<td>37</td>
<td>Measures regarding the Disaster Management to be mentioned in the proposal (Annexure-2.14(c)).</td>
<td></td>
</tr>
</tbody>
</table>

(C) In addition to the desired information in the checklist at Sl. No. (B) the following information (as applicable) also has to be submitted.

(I) GENERAL INFORMATION

1. Present arrangement concerning office accommodation, whether hired or owned and the space available in it.
2. What is the maximum permissible space that can be constructed on the available land? (Information to be obtained from the CPWD).
3. Details of land to be used for each unit i.e. office, residential quarters, guest house, should be provided separately (Information to be obtained from the CPWD).
4. It needs to be confirmed/certified that requirements projected are the minimum and are as per applicable norms. (Information to be obtained from the CPWD).
5. It has to be ensured that the materials used in the construction are energy efficient. (Information is to be obtained from the CPWD/implementing agency).
6. It needs to be confirmed that the cost estimates and the schedule of completion of the project are firm and realistic and there will be no additionalities at a later date. (Information is to be obtained from the CPWD/implementing agency).
7. Whether all approvals if required from local agencies have been obtained?
8. In case of land owned jointly by CBDT and CBEC, documents pertaining to title of land are to be submitted.
9. Cost of construction per sq. ft. of the projects undertaken by the appointed agency in the nearby area to be mentioned.

[*: In addition to the 33 points of the checklist provided by IFU, it will be reasonable and advisable to add the following 4 points, i.e. 34-37]
II INFORMATION RELATED TO GUEST HOUSE

1. Actual necessity/justification for construction of a guest house.

2. Whether any other arrangement i.e. rooms in private hotels/rent free accommodation on per night basis at that station is available to the Department.

3. Details of officials alongwith their names, duration of their stay in the last three years at that station.

4. Recurring and one time expenses for construction of the guest house.

5. Running expenses of the guest house.

6. Arrangement regarding cleaning and general housekeeping etc., of the guest house.

7. Budget Head under which the expenditure for construction of the guest house shall be accounted.

III INFORMATION PERTAINING TO CONSTRUCTION OF BOUNDARY WALL

1. Justification in detail for the boundary wall proposal.

2. The reasons for not including the construction of the boundary wall in the proposal for construction of the main building may be cited.

3. Whether cheaper alternatives like fencing etc. for the purpose of protection of the Department's property have been considered?

4. Reasons for delay in construction of the boundary wall in case of extra ordinary lapse of time since the purchase and physical possession of the plot.

5. The status of project for construction of main building (i.e. preparation of estimates/plans etc.).

3.6 It is highly desirable that the proposal for administrative approval and expenditure sanction for construction of the building be moved simultaneously with that for construction of the boundary wall as it saves considerable time and effort. The combined proposal for both requesting for administrative approval and expenditure sanction should be sent alongwith preliminary estimate, drawings/designs of the proposed building, layout, floor-wise sectional plan along-with three dimensional artistic impression, highlighting the architectural finesse, elevations and interior layout etc. It is at this stage that delays normally occur and to minimize these, close liaison with the CPWD/implementing agency must be maintained. It must be ensured that the design submitted by the CPWD/implementing agency is acceptable and is conformity with the latest and updated guidelines and the basic principles like latest technology, adoption of best practices, aesthetic factors, senior-citizen/disabled friendly building, environment friendly, energy efficient i.e. green building norms etc. Special attention has to be paid by the Department towards construction of a modern, state-of-the-art building with all quality features. A comprehensive proposal for administrative approval and expenditure sanction should be forwarded only after satisfying that all the conditions as discussed above have been complied with.

3.7 RECOMMENDATION/FORWARDING OF THE PROPOSAL BY JURISDICTIONAL PRINCIPAL CHIEF COMMISSIONER/CHIEF COMMISSIONER:-

All the proposals are to be submitted to Infrastructure &Welfare (I&W) Wing of DGHRD only through the jurisdictional Principal Chief Commissioner / Chief Commissioner as per Annexure-2.13. If necessary, the Principal Chief Commissioner / Chief Commissioner Office shall call for the requisite details/documents from the concerned Commissionerate before sending the proposal to this Directorate. While recommending/forwarding the proposal, the Principal Chief Commissioner / Chief
Commissioner office shall ensure and certify that adequate and proper justification for the proposal exists. The Principal Chief Commissioner / Chief Commissioner’s office shall also verify that the proposal has been thoroughly scrutinized by it and a complete, self-contained proposal is being submitted in the prescribed and proper format alongwith Checklist and requisite documents. Incomplete proposals are liable to be returned without taking any action thereon.

3.8 FINANCIAL LIMITS FOR APPROVAL OF THE PROJECT

Proposals involving (i) expenditure over Rs. 20 crores but less than Rs. 75 crores and (ii) proposals involving expenditure more than Rs. 75 crores should be accompanied by a memorandum for Standing Finance Committee (SFC) & Memorandum for Committee on Non-Plan expenditure (CNE) respectively. (see Annexures-2.14(a) & 2.14(b)). The financial limits specified for SFC/CNE are for the composite project and under no circumstances shall a proposal be split (e.g. land acquisition for project site and construction activities thereon) so as to avoid appraisal/approval by the Competent Authority. Therefore, Ministries/ Departments have been advised by the Department of Expenditure not to incur any expenditure on account of investment in land and building unless schemes/projects are appraised/ approved by the Competent Authority (Annexure-1.4).

3.9 COMMON DEFICIENCIES NOTICED IN THE PROPOSALS

(a) Proposals are received without the checklist prescribed by IFU/Ministry.

(b) The proposed area of construction is not in conformity with the prescribed norms. The requirement of space for construction is to be arrived at on the basis of the present sanctioned strength of staff.

(c) If more than one number of offices are to be accommodated in one building, then the space for essential components such as canteen, library, entrance hall, parking etc., has to be shared.

(d) If additional floor is proposed to be built on the basis of future requirement on grounds such as impending GST, restructuring, etc. the same is not permissible as the Ministry/IFU does not regard it as a proper basis for superfluous construction.

(e) Certificate of non-encumbrance from the concerned authority is not enclosed.

(f) Availability of sufficient funds in the budget for the proposed expenditure on construction is not informed.

(g) Worksheet depicting calculation for space requirement is not enclosed.

(h) Copy of Ministry’s Sanction Order relating to a/a & e/s pertaining to the land on which construction is proposed is not enclosed.

(i) Where there is a time gap between taking possession of the land and initiating the proposal for construction, then a full justification for such a delay has to be furnished.

(j) The correct Budget Head under which the expenditure has to be debited is not mentioned/or is incorrectly mentioned.

(k) Running expense/recurring expense/expense on housekeeping etc are not mentioned in proposals for construction of a guest house. Full and elaborate justification for construction of guest house is not provided.

(l) Full justification for construction of the boundary wall is not provided. Explanation as to why the same cannot be included in the estimate for construction of the main building is not provided.

(m) Revenue collection for the last five years is not provided.

(n) Ground plan/out lay of the building proposed to be constructed is not enclosed.
(o) Demand survey reports, duly signed by the eligible officers, are not provided.

(p) The requirement of space is not worked out as per applicable norms. The number of residential quarters to be constructed has to be determined either as per the norms or as per the demand survey whichever is lower.

3.10 COMMON OBSERVATIONS RAISED BY IFU

a) Proposed area of the office building is more than the requirement.

b) Where the budget is not available with CPWD, then how is the expenditure on construction proposed to be met?

c) Non-Encumbrance certificate issued by the local authority should not be older than 2 years. A fresh valid certificate is required.

d) Cost-benefit analysis of savings on Rent v/s cost of construction is not provided.

e) Reason for delay in initiating the proposal is not provided.

f) The proposal should be sent in the financial year in which the construction is likely to be commenced and phasing of expenditure should be planned in the subsequent financial years accordingly.

g) Full justification for construction of a guest house has not been provided.

h) Construction of more than one conference hall unless properly justified with facts and figures is superfluous.

i) Construction of auditorium may not be necessary as one large conference hall will meet the requirement. Proper justification with facts and figures justifying the need for an auditorium in an office complex is necessary.

j) A fresh demand survey, in case of residential quarters, is required to reflect the updated requirement as far as possible.

k) A list of visiting officers/dignitaries (in case of construction of a guest house) for last three years has to be provided to properly justify the need for a guest house.

l) Is there any financial implication in demolition (in case of demolition of old/dilapidated buildings)? Whether the same can be met by disposing off the materials salvaged after demolition?

3.11 TERMS (Ref: CPWD Manual)

i) Carpet Area – It refers to the total usable area within the four walls of a building/apartment. In other words it refers to the area for which a carpet can be laid if required by the owner.

ii) Plinth Area – It refers to the entire carpet area alongwith thickness of the internal & external walls and columns.

iii) Super Built up Area – It refers to the plinth area of a building/apartment as added by balconies and other common area such as corridors, staircase, lift room, motor room and other circulation areas etc.

iv) FSI – Floor Space Index (If an office has 1000 sq mtr of land and if permissible FSI is 1.6 then total area inclusive of all the floors will be admissible upto 1600 sq. mtr. (i.e. 1000 x 1.6). For example, if the ground coverage is 40%, then construction can be done only on 400 sq mtrs of land and accordingly four floors each of 400 sq mtrs can be constructed covering a total area of 1600 sq mtrs.

3.12 NOTE

II) As per the guidelines issued by the Ministry of Social Justice and Empowerment “All the Government Department/Public Sector Undertakings should earmark adequate funds to make their public utility building including the rented offices, barrier free to ensure proper accessibility to persons with disabilities.”

III) Regarding provision for Air Conditioners in an office building the recommendation of the Laroya Committee, accepted by the Government with certain modification, as mentioned below, should be strictly followed.

RECOMMENDATIONS OF THE LAROYA COMMITTEE

a) Structural provisions for air-conditioning at a later date are to be provided in office building as per MOUD No. 110015/76-WI dated 14.10.1981 in different cases, the same may also be applicable for Central Revenue building under category III/IV.

b) Wherever climatic conditions make it functionally efficient and economical; the provision of centralized cooling/heating systems (in preference to large number of individual room cooler/heaters) is recommended for valid technical and financial reasons. Necessary provision for centralized cooling/heating systems has to be made at the construction stage itself in so as to get the best possible advantage of the system.

ACCEPTANCE OF THE RECOMMENDATIONS WITH MODIFICATIONS

The Laroya Committee has recommended structural provisions for air-conditioning in all new office buildings for the Income Tax and Central Excise Department and also the provision for centralised cooling/heating systems at the construction stage itself wherever climatic conditions make it functionally efficient and economical. It has now been decided that the structural provision for air conditioning in new office buildings for the Department of Revenue will be considered separately for each building and decision taken on merits. Similarly, the provision for centralised cooling and heating systems would also be considered and decided on merits, for each building.

IV) If a building accommodates more than one office, then the space for essential components such as canteen, entrance hall, library, parking, Malkhana, Guest House, Conference Hall etc. are to be shared by all the offices keeping in view land constraints and rationalization of expenditure.

V) Although it is desirable to seek both the administrative approval and expenditure sanction together to avoid delay and duplicity of work, yet, if it is felt that administrative approval should be obtained first, then in this case too an approximate cost (to be obtained from the CPWD) needs to be submitted to decide the competency/appraising forum for the proposal.

VI) In case of any deviation from the norms in the proposal, a full justification needs to be provided.

VII) Items which are not applicable should be marked as Not Applicable.

VIII) Complete information should be provided against each item. Proposals which do not contain complete information as discussed earlier, will not be considered by the DGHRD and will be returned without any further action.
Ensure that the land is free from encumbrances. Non-encumbrance Certificate from the concerned District Authority to be enclosed.

Work out the requirement of quarters (type wise) and office space including space for special components as per applicable norms.

Conduct the demand survey for residential quarters among the eligible persons which should be signed by the eligible persons showing their willingness/non-willingness. Construction of residential quarters will be restricted either to requirement as per the applicable norms or to the actual demand whichever is lower. A worksheet of the demand survey is to be prepared.

Prepare a detailed worksheet for requirement of space for office and special components keeping in view the austerity cut and a fixed allowance for future expansion on the basis of applicable norms.

Submit the requirement to the CPWD/implementing agency and get the drawings and preliminary estimate (P.E.) prepared.

Submit a self-contained proposal alongwith preliminary estimate (P.E.), drawings and checklist to the office of the DGHRD for processing and necessary action.

Proposal is examined and processed in the (I&W) Wing of the office of the DGHRD. Deficiency, if any noticed, to be communicated to the concerned office for clarification / rectification.
Proposal found complete in all respects is sent to the Ministry for administrative approval and expenditure sanction.

Proposal approved by the Ministry and sanction is accorded if found complete in all respects. Where any observations are made by the Ministry, it is communicated to the concerned office for necessary clarification/rectification.

On receipt of a/a & e/s, the sanction order is sent by the Ministry to the concerned office and DGHRD (I&W and EMC Wings).
CHAPTER 4

PURCHASE OF READY BUILT OFFICE AND RESIDENTIAL QUARTERS

WHAT’S NEW?

1. The formations should first consider any upcoming projects constructed by CPWD as General Pool Office or Residential Complexes and examine their suitability vis-a-vis the requirement.

2. Commissionerates should consider exchange of property with State/Central Government if Departmental owned buildings/residential flats are lying unutilized due to reasons such as posts abolished / withdrawn, residential flats are irreparable/ not at suitable location/far away from civic amenities.

3. Purchase of Ready Built accommodation on “Nomination Basis” from Public Works Organization (PWO) should be examined as per guidelines.(Ref:Para 4.3 (D).

4.1 The Department can augment the shortage of office/residential space as per applicable norms through purchase of ready-built space. Past experience demonstrates that construction proposals right from the purchase of land, preparation of a construction plan, its execution and completion takes a lot of time and in many cases there is a cost overrun. The cost escalation requires a revision of the financial sanction already accorded to the construction project by the Ministry. Funds for purchase of land as well as construction are to be earmarked and disbursed from the budget of MOUD. Even if the proposals are expeditiously cleared and the construction progresses smoothly, its completion takes not less than 2-3 years before the accommodation is actually available for occupation. The funds are released by the MOUD on the request of respective Chief Engineer of the CPWD, which itself takes a long time. Moreover, at some stations, land available for construction is too scarce to be acquired. In such situations it is expedient to purchase ready-built space if available on offer.

4.2 While considering the purchase of ready-built office and residential accommodation, the following pre-requisites are necessary:

(i) The office building in which ready-built space is proposed to be purchased should be centrally located and well connected by public transport in order to ensure easy accessibility to the staff, tax payers and ordinary citizens.
(ii) Common facilities like parking, lifts, generators, adequate natural light, fire fighting facilities, water storage facilities, public convenience, provision for safe drinking water, smooth access for differently-abled people to the building, adequate facilities for senior citizens all have to be kept in mind while deciding to purchase of ready-built office accommodation.

(iii) Similarly, ready-built residential accommodation should be well located preferably in a decent residential area of the town/city, well connected by public transport should not be very far from the place of work and in the vicinity of schools, post offices, markets, banks, hospitals etc.

(iv) The identified building should be in harmony with the surroundings and should have adequate ventilation, proper natural light, internal roads, proper water distribution lines, well laid-out sewer/drainage systems etc.

4.3 Guidelines have been framed for such purchase which are elaborated below:-

(A) Acquiring Office/ Residential Building from CPWD in GPOA/ GPRA.

For meeting the requirement of Ready built office/ residence Department should be in touch with the local CPWD whether they are in process of constructing General Pool Office or Residential Accommodation complex, if any such complexes are being constructed Department should immediately take-up the matter with local CPWD authorities and place their requirement based on the prescribed space calculation norms and get the space earmarked by submitting a proposal as prescribed in the Office Memorandum issued vide No. 11011(1)/80- Pol. IV dated 3.10.1980 by the Directorate of Estate (Annexure-2.1). Copies of the correspondences made with the CPWD/ MoUD may be forwarded simultaneously to DGH RD along with space calculation sheet as per the prescribed norms as per Chapter 2 of the Manual on Infrastructure with a draft certificate duly filled in (Annexure-2.2) for getting the “Eligibility Certificate” from the JS (Admn), CBEC.

(B) PURCHASE OF READY-BUILT ACCOMMODATION FROM HOUSING BOARD OF STATE GOVERNMENT ORGANIZATION OR LOCAL BODIES.

(i) Requirement of office/residential accommodation should be projected on the basis of MOUD’s norms circulated by the Board (refer to relevant paras of Chapter 2/3 for calculation of office space requirements and calculation of requirement of admissibility number and type of residential quarters).

(ii) The construction quality should confirm to specifications prescribed by the CPWD. The construction should be certified by the CPWD/ other Government agencies or PSU’s having specialization in the area.

(iii) The design should be subjected to a detailed check by competent engineers/architects/professionals.

(iv) As far as possible, the construction should be on free hold land.

(v) Where the accommodation proposed to be acquired is part of a building complex, the Department should ensure that all the portions proposed to be acquired are clearly identifiable and described in detail in the sale agreement.

(vi) The Department should obtain a structural soundness certificate and valuation of reasonableness of cost in respect of the premises to be purchased from competent engineers e.g. from the CPWD/ Valuation Cell of I.T. Department etc.

(vii) Norms for maintenance of buildings laid down by the CPWD should be adhered
to even in cases of outright purchase of buildings/quarters.

(viii) Comparative cost benefit analysis for all option viz. construction of the Department’s own building, hiring of space from the market and purchase of ready-built buildings should be done before preparing a detailed justification for the purchase of the identified ready-built office accommodation.

(C) Exchange of Un-Utilized/Irreparable Office/Residence Complex

Wherever any Departmental owned buildings/residential flats are lying un-utilized (due to reasons such as posts abolished / withdrawn, residential flats are irreparable/ not at suitable location/far away from civic amenities), the concerned Commissionerate should take-up the matter for exchange of such property with the concerned State/Central Government owning an appropriate piece of land or building. The proposal should be examined in the light of its feasibility (Value-wise and location wise) and submitted to the DGHRD through the Zonal Principal Chief Commissioner/ Chief Commissioner with specific justification and recommendation with specific offer letter from the concerned owner.

(D) PURCHASE OF READY BUILT OFFICE/RESIDENCE ACCOMMODATION FROM PUBLIC WORK ORGANIZATION (PWO).

Commissionerate can consider purchase of ready built office/residence accommodation from Public Work Organization (PWO) on “Nomination Basis” in terms of Rule 126(2) of GFR. As the powers of approving the Nomination are vested with the Revenue Secretary, proposal alongwith the prescribed check-list as prescribed in this Manual may be forwarded to DGHRD. Circular dated 16.9.2015 issued by DGHRD for getting the approval (Annexure-3.1) may be referred to.

(E) PURCHASE OF READY BUILT ACCOMMODATION FROM PRIVATE BUILDERS

(i) Requirement of office/residential accommodation may be projected on the basis of MoUD’s norms circulated by the Board.

(ii) The land should be freehold. If it is leasehold land, the same should ideally be for not less than 99 years.

(iii) The property should be without any encumbrances and should have a clear legal title.

(iv) An open advertisement may be placed in leading newspapers calling for offers from vendors/builders for ready built accommodation in a two bid system, namely inviting techno-commercial and financial bids separately.

(v) The offers received from the bidders should be evaluated by a Committee which should include a Technical Member from the CPWD or any GOI/State Government/ Public Sector Agency having expertise in the field. Short-listing of the properties should be done on the basis of the criteria advertised and the applicable instructions in force.

(vi) While examining the offers of the bidders, the Committee should take into consideration the experience of the builder in the field, location of the land and local restrictions in force (the restrictions imposed by local authorities like the Municipal Corporation or other Municipal Bodies) with regard to construction and FAR/FSI permissible and detailed building bye-laws of the local authority etc.

(vii) Plinth area for various types of flats has been specified by the MoUD and the requirement of space for different types of flats at the field level should be determined in consultation.
with the local CPWD office. The norms prescribed by the MOUD should be adhered to by the field formations while issuing the advertisement and evaluating the offers.

(viii) A proposal regarding the most suitable offer evaluated and selected by the Committee from amongst the short listed bids should be submitted through the jurisdictional Principal Chief Commissioner / Chief Commissioner of Customs & Central Excise/Director General of the concerned Directorate, (as the case may be ) who will examine and recommend the proposal keeping in view the feasibility and viability of the project and forward the same to the (I&W) Wing of DGHRD for obtaining approval and sanction from the Ministry/ IFU.

(ix) A Price Negotiation Committee comprising of the J.S. (Admin.) CBEC, FA (Fin), the concerned Commissioner of Customs/ Central Excise (Convenor) and the Technical Member shall examine the short listed offers. Technical Member could be from the CPWD/ any Govt. agency/ PSUs having expertise in the field.

(x) If the total cost of the proposed acquisition is more than Rs. 20 Crores, appraisal of the proposal by the Standing Finance Committee (SFC) would be required and if the proposal is more than Rs. 75 Crores, the same will be placed before the Committee for Non-plan Expenditure (CNE) for appraisal (refer Chapter 1 and 10 for details on SFC/CNE).

(xi) An agreement which may be drawn for the construction of the office/residential accommodation by the vendor should be drawn in a manner that it safeguards the interests of the Government.

(xii) With regard to the building’s safeguards, it may be ensured that the builder has clear title to the land on which the construction is proposed.

(xiii) The builder should transfer the property to the Department immediately after the initial payment of the first instalment.

(xiv) While purchasing an accommodation, it should be ensured that basic amenities such as fans, mirrors, washbasins, etc. have been provided.

(xv) The Department should obtain a structural soundness certificate and valuation of reasonableness of cost from competent engineers e.g. from the CPWD/Valuation Cell of I.T. Department etc.

The proposal for acquisition of ready built accommodation should be submitted in the format (Part A & B) of the Ministry’s instruction F.No. 207/36/2002-Ad.VIII(EC) dated 26.06.2003 (Annexure-2.11) in terms of guidelines issued vide letter F.No. 204/2/97-Ad.VIII(EC) dated 10.05.2000 (Annexure-2.20).

APART FROM THE GUIDELINES MENTIONED HERE-IN-ABOVE, THE FOLLOWING POINTS MAY ALSO BE KEPT IN MIND WHILE DRAFTING THE PROPOSAL:-

i. Current market rate: The construction cost should be compared with similar buildings being constructed by CPWD or other approved agencies in the same vicinity.

ii. Circle rate of the land and cost of the construction should be examined to justify the cost of the project.

iii. If the premises are on lease basis, terms and rate of the lease should be properly incorporated in the offer letter/sale deed.

iv. Payment schedule should be mentioned clearly in the offer letter/agreement.

v. It should always be insisted upon that major part of the cost should be payable at the time of taking over of the building and not at the time of agreement.
vi. Before forwarding the proposal funds arrangement should be made, if the funds are to be provided from CPWD a commitment letter and phasing of funds may be obtained from the CPWD.

vii. Where the funds are to be provided from the CBEC funds, the requirement should be projected well before so that necessary provision can be made in the Detailed Demands of Grants (DDG).

viii. The proposal should be forwarded with all supporting documents (SFC or CNE as the case may be) and annexures as prescribed in this Manual and should be routed through the Zonal Principal Chief Commissioner / Chief Commissioner with specific justification and recommendation.

FLOW CHART

PROPOSALS FOR PURCHASE OF READY-BUILT OFFICE/RESIDENTIAL ACCOMMODATION

Requirement and justification for accommodation to be purchased with reference to the norms applicable

Selection of such accommodation from Government Organizations or Local Civic or Development Bodies

Certification by the CPWD or any other Government agency or PSU having expertise as to the quality of construction and its specification as prescribed by the CPWD and the structural soundness of the building

Prior permission from the Board has to be obtained in case the total cost of the project exceeds 3 crores

Certification of reasonableness of cost of the project from the CPWD/Valuation Cell of I.T. Department

Submission of a self-contained proposal along with the duly-completed check-list and all relevant certificates/documents/letters from the originating field formation to the jurisdictional Chief Commissioner.
Submission of the proposal by the jurisdictional Principal Chief Commissioner/Chief Commissioner to the (I&W) Wing of DGHRD with the former’s specific justification and recommendation for the project

Examination and processing of the proposal by the I&W Wing of the DGHRD

Submission of the proposal to the Ministry by the I&W Wing

Provision for expenditure to be incurred on the purchase of the ready-built accommodation under Demand No.by (I&W) Wing of DGHRD

Concurrence of the Ministry’s for A/A & E/S conveyed directly to the concerned field formation
CHAPTER 5

HIRING OF ACCOMMODATION ON LEASE/RENTAL BASIS

WHAT’S NEW?

1. **E-Procurement**— All the Commissionerate/Directorates working under CBEC and all attached/subordinate offices, CPSEs and autonomous/statutory bodies etc. under their administrative/financial control are required to commence e-procurement for all tenders with estimated value of Rs. 2.00 lakhs or more compulsorily in a phased manner as per the prescribed schedule vide Department of Expenditure O.M. No. 10/03/2012-PPC dated 09.01.2014 & 21.01.2015 and to publish their enquiries, corrigenda thereon and publish details of bid awarded on CP Portal (Details available on Department of Expenditure website http://finmin.nic.in. (Annexure – 3.2).

2. Minimum lease period for hiring an office building will be 3 years (Ref:Para 3 of SLA/(Annexure-5.8(a) & (b)).

3. In case of re-hiring, the revision of rent by more than 8% per annum is permissible if the revised rent is within the FRC/RRC range. Refer Deputy Director of Policy letter F.No.16011/2/2011-Pol-III New Delhi dated 16.01.2015 (Para 5.3 (D) iii/Annexure–5.8 (e).

4. Tendering process for hiring an office building should be strictly as per GFRs,2005 (Refer Para 5.3 (A).

5.1 COMPETENCY TO HIRE

Rule 13(2) of DFPR, 1978 lays down the guidelines for hiring of office accommodation in major/other cities. The Heads of Department (HODs) under the control of CBEC can hire new office accommodation under Rule 13(2) of DFPR, 1978 upto the revised financial limit of Rs. 3,00,000/- per month in 13 major cities (A-1 & A class cities) and Rs. 1,50,000/- per month in respect of the other cities as per O.M. F.No.15/6/2008-IFU-III (EC) dated 15.09.2011 (Annexure- 1.1 ) issued by Integrated Finance Unit (IFU) of the Ministry of Finance. The hiring is subject to the observance of the existing instructions of the Ministry, provisions of GFRs and instructions issued by Department of Expenditure, Budget Division and other competent authorities, i.e., CVC and DGS&D, etc.
As per Government of India’s decision No.2 appearing below Rule 13(2) of DFPRs (Annexure-5.1), HODs are empowered to decide rental matters in respect of past cases too. Whenever powers are delegated to any authority under DFPRs, that authority is deemed to be competent to exercise those powers in respect of similar past cases also. Further, the term ‘past cases’ here means a case which has not been finalized until the date of the said delegation, although it occurred prior to that date.

While exercising the powers by HODs under the aforesaid O.M. dated 15.09.2011, it has been clarified by IFU as contained in the Ministry’s instructions F.No.207/4/2002-Ad.VIII(EC) dated 20.04.2004 (Annexure-5.2) that the existing monetary ceilings laid down in respect of A1/A class and other cities respectively have to be taken as monetary ceilings in each case, i.e., separately each case of hiring. In view of the spirit of GFRs, the hiring shall not be split to avoid the necessity for obtaining the sanction of higher authorities required in connection with the expenditure on hiring and its relation to the existing ceiling.

The list of A-1 & A Class cities is as per Annexure-II attached to the O.M. No.2(21)/E. II(B)/2004 dated 18.11.2004 issued by the Department of Expenditure (Annexure-5.3). However, the administrative approval and expenditure sanction will invariably have to be obtained from the Ministry/IFU through the (I & W) Wing of the Directorate General of Human Resource Development in those rental cases

(i) where the monthly rental outgo exceeds the monetary ceiling prescribed in the said O.M.
and/ or

(ii) where HODs find it difficult to implement the mandatory requirements/conditions contained in the instructions issued by the Ministry, IFU, Budget Division, CVC & DGS&D, etc. This includes cases where RRC is not issued by the CPWD, the proposed rent exceeds the rent ranges recommended by the CPWD, only single bid received, rent proposed not conforming to clause 3 of SLA, etc.

5.2 PREMISES WHICH CAN BE HIRED

The office accommodation can only be hired provided that the Directorate of Estates/the CPWD, as the case may be, has certified that no Government accommodation is available for the Department for office use at that place as per Para VII of Part-A contained in the Ministry’s Instructions F.No.207/36/2002-Ad.VIII(EC) dated 26.06.2003 (Annexure-2.11) read with Para 14 of the Checklist for initial hiring circulated by the Ministry vide Instructions F.No.207/01/2006-AD.VIII(EC) dated 18.09.2006 (Annexure-5.4). No accommodation hired originally for office shall be converted into an office-cum-residence or an office-cum-guest-house as per instructions vide F.No. 207/44/97-Ad.VIII(EC) dated 02.04.1998 (Annexure-5.5). It is however made clear that no residential accommodation can be hired by HODs.

5.3 ACQUISITION OF ACCOMMODATION ON LEASE/RENTAL BASIS ETC.

(A) ADVERTISEMENT IN PRINT MEDIA/CALLING OF TENDERS

Whenever new office/residential premises is to be acquired on lease/rent, an advertisement containing salient features like area of accommodation required, approximate location and other terms and conditions must be given in the local as well as national newspapers with maximum circulation in the area. This is to ensure maximum participation in the tendering process. Tenders shall be invited in a two bid system, viz. technical and financial bids separately as per the provisions of CVC’s O.M.6-DD-5-CTE-6 dated 08.07.1999 (Annexure-5.6(a)) read with the Ministry’s Instructions F.No. 207/29/99-Ad.VIII (EC) dated 28.07.1999
Minimum 21 days’ time should be given for submission of bids from the date of advertisement as per GFRs, 2005. The procedure for tendering as per GFRs, 2005 should be followed scrupulously. This will ensure adequate response from interested parties. In case of receipt of only one bid, a re-tender may be preferred as per CVC guidelines. The technical bid should be opened first and suitability of the accommodation, terms and conditions offered, specifications and other financial implications should be carefully examined. The market rate for the areas at which the property is available has to be justified which must be properly ascertained before opening the financial bid. The financial bids of only those bidders should be opened which are found to have qualified the technical requirements. The most suitable property offered by the lowest bidder should be shortlisted keeping in view all the terms and conditions as advertised.

In addition to the print media, advertisement may also be placed on the Departmental Website for wide publicity.

As per CVC’s O.M. No. 6DD-5-CTE-G dated 08.09.1999 (Annexure-5.6(c)), it is clarified that press advertisement is not necessary in the case of office accommodation with monthly rent upto Rs. one lac in metro towns of Delhi, Mumbai, Calcutta and Chennai. For other places, advertisement is not necessary where the monthly rent is upto Rs. 50,000/-. It is further clarified that no publicity is essential for any residential accommodation to be leased and that no advertisement is necessary in case of transactions between PSU to PSU, Government to Government and Government to PSU.

“In case of hiring of office accommodation, preference should be given to buildings owned by PSUs/Govt. Organizations.”

As per CVC’s O.M. No. 6 DD-5-CTE-G dated 21.02.2000 (Annexure-5.6(d)) that the transactions in the PSU or Government and Public Financial Institutions shall also be covered by the exemption from advertisement.

(i) Apart from the Ministries/Departments of the Central Government, their attached and subordinate offices/Central Public Sector Enterprises (CPSEs) autonomous/statutory bodies would need to commence e-procurement in respect of all procurements with estimated value of Rs. 2.00 lakhs or more in a phased manner as per the prescribed schedule in view of the Department of Expenditure’s O.M. No. 10/3/2012-PPC dated 09.01.2014 and 21.01.2015 (Annexure-3.2).

While inviting tenders, all the Commissionerates/Directorates working under CBEC and all other attached/subordinate offices are required to commence e-procurement for all tenders above the prescribed limit compulsorily and to publish their enquiries, corrigenda thereon and publish details of bids awarded on CP Portal as per the instructions issued by the Department of Expenditure vide above OM’s and other OM’s available on Department of Expenditure website http://finmin.nic.in. For further details, DGHRD’s circular issued vide F.No. 900/33/Admn/e-procurement/HRD/2015 dated 09.07.2015 may be referred (Annexure-3.3).

(B) ASSESSMENT OF REASONABLE RENT RELATING TO THE BUILDING PROPOSED TO BE TAKEN ON LEASE BY THE DEPARTMENT BY THE CPWD HIRING COMMITTEE.

(a) FRC/RRC FROM CPWD

The guidelines on the subject have been circulated vide DG Works, CPWD’s O.M. dated 24.05.2004 (Annexure-5.7(a)) & O.M. dated 30.06.2004 (Annexure-5.7(b)) substituting Para 10 & 11 of O.M. dated 24.05.2004. The assessment of reasonable rent is done by CPWD’s Hiring Committee which is the competent authority to issue the Rent Reasonableness Certificate (RRC) (also called Fair Rent Certificate-FRC). The Hiring Committee is required to associate a
representative of the Department. The reasonable rent shall be relevant to a date as specified by the Hiring Department. The Department will send a proposal to the CPWD for assessment of rent for the short-listed premises. The rent assessed by the CPWD’s Hiring Committee would be according to the either of the following two methods:

(i) On the basis of recognized principles of valuation or,

(ii) On the basis of prevailing market rent.

(b) RENT REASONABILITY

The reasonable rent is intimated to the hiring department by way of model format as per Annexure-1 or Annexure-2 of the O.M. dated 24.05.2004 (Annexure-5.7(a)(i) &((ii) ). However, it shall be the responsibility of the hiring department to settle the issue of subsequent changes in municipal taxes right in the beginning through a mutual agreement with the owner. The CPWD shall not entertain any request for revision of rent on account of subsequent increase/decrease in municipal taxes, if any after the RRC has been issued.

(c) RRC FOR GOVT. BUILDINGS/PSU

When the office accommodation is proposed to be hired from PSU’s or Government (Central/State), RRC/FRC is not mandatory, since the same is required for Private Buildings only taken on lease by the Central Government Departments (refer Annexure-I Para 4.13 of CPWD Works Manual 2014) (Annexure 5.7(c)). The same has also been reiterated in the letter F.No.1(1A)/PCC/2013/902 dated 03.07.2013 of Executive Engineer (P), Patna Central Circle, CPWD, Patna (Annexure 5.7(c)(i)). The above facts are also confirmed in the letter No. 1(3)/Rent/BCC/2014/1460 dated 24.12.2012 of Superintendent Engineer, CPWD, Bangalore Central Circle, Bengaluru (Annexure 5.7(c)(ii)). However, the FRC from CPWD and comparative and contemporary rent rates in nearby Govt. Offices may be taken wherever possible for a realistic comparison.

(C) RENT NEGOTIATION WITH LANDLORD & FIXATION OF RENT

The RRC contains two rates which provide a range of rent considered to be reasonable for the premises. The hiring department has to take the final decision regarding the rate of rent, based upon the rent indicated in the RRC, the needs of the Department and the availability of accommodation in the locality. Normally, the lower rate of the range is accepted for this purpose, if the landlord agrees to the proposed rent. The range of rent given by CPWD’s Hiring Committee is only an advisory and such aspect as negotiations with the owner for settlement of mutually acceptable rent, budget provisions etc., are entirely the responsibility of the hiring department. In view of this, the Principal Chief Commissioner/ Chief Commissioners/ Director Generals under CBEC are advised to constitute a Rent Negotiation Committee comprising of officers of an appropriate level of seniority to negotiate with the landlords and forward their recommendations for consideration of the Competent Authority.

(D) PERIOD OF LEASE & STANDARD FORMAT OF LEASE AGREEMENT (SLA)

(i) The fixation of rent should be done so as to not to exceed the rent prescribed on the basis of RRC issued (as per the instructions of DG (Works) in force) and for at least period of three years mandatorily. Thereafter, a lease agreement between the Department (lessee) and the owners of private buildings (lessor) taken on lease for office accommodation should be entered into strictly according to the format of the “Standard Lease Agreement (SLA)” prescribed by the Directorate of Estates under O.M. F.No.16011/1/2000-Pol.III dated 03.09.2001 (Annexure-5.8(a)) read with the Ministry’s Instructions F.No.207/16/2000-Ad.VIII (EC) dated 21.10.2001 (Annexure-5.8(b)). It is hereby emphasized that all efforts should be made to either terminate or renew
an existing lease agreement well before its expiry. In case of renewal of lease agreement action may be initiated at least six months in advance.

(ii) It has been clarified vide the Directorate of Estates’ O.M. No.16011(3)/82-Pol.III dated 01.10.1999 (Annexure-5.8(c)) read with the Ministry’s Instructions F.No.207/01/2006-Ad.VIII (EC) dated 21.05.2007 (Annexure-5.8(d)) that in case of any departure from the Standard Lease Agreement (SLA) becomes inevitable, the Administrative Ministry may consult the Ministry of Law before making any modification to the Standard Lease Agreement (SLA). The CBEC generally discourages departures from the conditions mentioned in the SLA which has been approved by the Ministry of law.

(iii) It has been further clarified by the Dy. Director of Estates (Policy), MoUD vide letter F.No.16011/1/2011-Pol-III New Delhi dated 16.01.2015 (Annexure-5.8(e)) that Ministry may negotiate and fix the rent at their end and also modify the terms & conditions prescribed in the SLA in consultation with their respective Internal Finance Division and Department of Legal Affairs, if required.

(E) APPROVAL OF MINISTRY/IFU REQUIRED FOR HIRING OF OFFICE PREMISES

1. In cases where the office premises are proposed to be hired at a monthly rent beyond the financial power/limit of HODs or where HODs find it difficult to implement the mandatory requirements/conditions contained in the instructions issued by the Ministry/IFU/ the Budget Division/CVC & DGS&D etc., then the approval of the Ministry/IFU has to be sought by the HODs submitting the proposal through the (I&W) Wing of the DGHRD.

2. For this purpose a self-contained proposal enclosing the relevant check list circulated under the Ministry’s Instructions F.No.207/36/2002-Ad.VIII (EC) dated 26.06.2003 (Annexure-2.11) together with the checklist circulated by the Ministry under Instructions F.No.207/01/2006-Ad.VIII (EC) dated 18.09.2006 (Annexure-5.4(a) & (b)) should be prepared by the Commissionerate and sent to the jurisdictional Principal Chief Commissioner/ Chief Commissioner.

3. The statement of all immovable assets of CBEC as required in Column (A) 1 of the check-list should be given in a tabular form as given below:-

<table>
<thead>
<tr>
<th>Total available office space of CBEC at station</th>
<th>Total space as per sanctioned staff strength</th>
<th>Shortage of space</th>
<th>Space proposed to be hired</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned</td>
<td>Hired</td>
<td>Shortage of space</td>
<td>Space proposed to be hired</td>
</tr>
</tbody>
</table>

In addition, availability of funds may also be informed in the check-list and if funds are not available, a request for provision of funds (financial year wise) should be made to the ADG, EMC, DGHRD through the jurisdictional Principal Chief Commissioner / Chief Commissioner with a copy to ADG (I&W), DGHRD.

4. On receipt of such proposal, the Principal Chief Commissioner / Chief Commissioner’s Office shall ensure and certify the correctness of the justification for the proposal particularly with reference to the already existing owned/ hired office accommodation at the location where the space is proposed to be taken on rent/lease. The jurisdictional Principal Chief Commissioner / Chief Commissioner’s Office shall also verify that the proposal has
been thoroughly scrutinized by it and that a complete, self-contained proposal is being submitted in proper format along with the required checklist and necessary documents to the (I&W) Wing of the DGHRD for obtaining administrative approval & expenditure sanction of the Ministry/IFU.

(F) INFORMATION REQUIRED IN A PROPOSAL FOR RENTING OFFICE ACCOMMODATION.

The proposal drawn up by the Commissionerate and recommended by the Office of the jurisdictional Principal Chief Commissioner/Chief Commissioner should contain the following details:

(a) Description of Proposal
   - Name of station
   - Name of building proposed to be hired, its address, location
   - Name(s) and address(s) of the landlord(s)
   - Area (Plinth/covered/carpet)
   - Whether parking space available
   - Other facilities provided to the building’s tenants

(b) Details of Carpet Area required as per norms
   - Carpet Area available in owned & hired building to be shown separately for that station
   - Carpet Area required as per norms applicable
   - Shortage of space in terms of carpet Area
   - Justification for hiring the premises identified

(c) Fair Rent Certificate (Rent Reasonableness Certificate)
   - Whether FRC/RRC is as per prevailing guidelines (DG Works’ O.M. dated 24.05.2004)

- Whether rate of rent has been specified in the certificate.
- Whether carpet area/ plinth area/covered area, full address of the premises proposed to be hired, owner of the building, date from which the rent assessed is effective, period of hiring, liabilities of the hiring department and landlord for payment of municipal tax and any other tax, regular repairs and maintenance of the premises, maintenance of common areas of the building including power back-up, charges for any special facilities such as air-conditioning, modular work-station and furniture & fittings etc., if any provided by the landlord, charges for electricity and water consumed are all to be specified clearly in the FRC/RRC.
- When FRC/RRC is issued by CPWD, it should be ensured that Carpet area along with built-up area is also mentioned in the FRC/RRC.

(d) Recommendation of Commissioner/Chief Commissioner/Principal Chief Commissioner regarding acceptance of the proposed rent has to be clearly and unambiguously spelt out.

(e) Consent letter accepting the rate of rent proposed and recommended by the Commissioner/Chief Commissioner/Principal Chief Commissioner along with the fact of inclusion/exclusion of municipal tax & any other tax payable, repairs and maintenance charges for the proposed space and the common areas of the premises, charges for power back-up, air-conditioning, modular work-station and furniture & fittings etc., if any provided by the landlord, period of lease, terms and conditions incorporated in the CPWD’s RRC/FRC etc. all have to be obtained in writing from the landlord.

(f) Draft SLA in the format prescribed under the Directorate of Estates’ O.M. F.No.16011/1/2000-Pol.III dated 03.09.2001
(Annexure-5.8(a)) duly signed by the landlord is to be obtained from the landlord in token of having agreed to the terms and conditions of the lease stipulated therein.

(g) Part-A and Part-D of the Checklist contained in the Ministry’s Instruction F.No. 207/36/2002-Ad.VIII(EC) dated 26.06.2003 (Annexure-2.11) along with the required Checklist applicable to initial hiring of a premises circulated by the Ministry vide Instructions F.No.207/01/2006-AD.VIII(EC) dated 18.09.2006 (Annexure-5.4(a)) must be filled up entry-wise with correct/proper inputs. It should be ensured that no entry of the said two Checklists is left unanswered/blank. The proposal should be submitted with the copies of all the documents as required under the various items of both the Checklists viz.

(i) Non-availability certificate for office accommodation to be obtained from Directorate of Estates/ CPWD as the case may be,

(ii) RRC/FRC from CPWD,

(iii) Letter containing permission of the Board prior to placement of advertisement in the case of estimated annual rental outgo exceeding Rs. 3 crores as per the said instruction dated 26.06.2003 (Annexure-2.11) read with the Ministry’s Instructions F.No.207/13/2002-Ad. VIII(EC) dated 09.07.2002 (Annexure-5.9(a)) & F.No.207/13/2002-Ad. VIII(EC) dated 14.05.2004 (Annexure-5.9(b)),

(iv) Newspaper clippings of the advertisement inviting tenders,

(v) Evaluation sheets of technical and financial bids received,

(vi) Synopsis of the negotiation between the Rent Negotiation Committee and the landlord,

(vii) Consent letter of the building owner,

(viii) Draft SLA in the prescribed pro forma duly signed by the landlord,

(ix) Proof evidencing the rent being paid by any other Central/ State Government Departments in and around the proposed location,

(x) Statement of all immovable assets (land & building) (both owned and hired),

(xi) Worksheet of space entitlement as per austerity norms prescribed under O.M. No.26/19/65-Acc.II(3) dated 20.12.1965 issued by MoUD etc. should accompany the proposal (Annexure-2.3 & 2.5).

To avoid delay in processing the proposal, complete information as per check-list is sent at one time along with the proposal.

5.4 PAYMENT OF SERVICE TAX ON RENTALS

Renting of immovable property is a taxable service under Chapter V of the Finance Act, 1994, since it is not covered by any exemption Notification.

It is to bring to the notice of all stakeholders that clarification has been sought whether Service Tax is payable on rent paid by them to various building owners who have given the buildings on rent to Government Departments for official purpose. In this connection, it is clarified that w.e.f. 01.07.2012, Service Tax is payable by landlord(s)/ property owners on rent received by them for buildings given on rent to such organizations like State Governments/Central Government offices, even though the said organizations are non-commercial organizations. This clarification is based on legal provisions that Section 66D of the Finance Act, 1994 (Negative List) as well as Notification No. 25/2012-ST dated 20.06.2012, do not provide any exemption for such activities.
All Municipal Taxes/Levies such as Cess, Education Cess or any other statutory Govt. Levies, as applicable may specifically be factored into the terms of the lease agreement.

5.5 PREMISES TO BE HIRED MUST CONFORM TO LOCAL BUILDING BYE-LAWS & FIRE/SECURITY COMPLIANT

The premises proposed to be hired should be free from all encumbrances and must be in compliance to building bye-laws of the local civic bodies & fire/security norms prescribed by the local authorities.

5.6 HIRING OF GODOWN SPACE

Field formations especially Customs Preventive Commissionerates/DRI etc. need godown space for storage of seized/confiscated goods. Most Custom Houses have their own space to stock such goods. Sometimes, the godown/warehouse space owned by the Commissionerates/DRI may not be sufficient to store a huge stock of seized/confiscated goods which necessitates the hiring of godown space. Normally godown space is hired from CWC, a Government of India Undertaking or from the State Government-owned warehousing Corporations. Before resorting to hiring of godown space, the HODs/Chief Commissioners should satisfy themselves that all the space (owned and hired) at that station is fully utilized to its capacity and no space is left to accommodate more goods. Hiring of godown space by the field formations for storage of seized/confiscated goods with reference to the existing storage space may be resorted to, provided the total stock of seized/confiscated goods have been reviewed at regular intervals so as to dispose goods ripe for disposal which are occupying valuable space.

5.7 COMMON DEFICIENCIES OBSERVED IN HIRING/ CONTINUED HIRING/REVISION OF RENT PROPOSALS RECEIVED FROM FIELD FORMATIONS

1. Check-list devised by IFU: The prescribed check-lists are often not submitted by the field formations along with the proposal. If submitted, in many cases either entries of the check-list are left blank or these contain inadequate information and or are not accompanied by the required documents. The hiring proposals should invariably be accompanied by duly filled in mandatory checklists supported by the relevant documents. No entry should be left blank/unanswered.

2. Submission of Rent Reasonability Certificate (RRC) obtained from CPWD: Sometimes, RRCs issued by CPWD accompanying the proposals are found to be not relevant for the period for which hiring/revision of rent is proposed. Some old RRCs are found to be enclosed with the proposals. In some cases, RRCs do not contain (i) the name of the property's owners/landlords, (ii) the actual office space (built-up-area/carpet area) of the premises along with its full address, (iii) specific mention of the liability of the hiring office and the landlord in respect of regular repairs and maintenance, payment of municipal taxes and any other taxes payable to the local bodies, payment of electricity and water charges, and any other payments concerning the hiring. It should be ensured that the RRC should pertain to the current period. The proposed rent of continued hiring/proposed revised rent for the existing premises should be within the rent ranges
assessed by CPWD in their RRC as well as in conformity with the provisions laid down under clause 3 of the prescribed SLA. If the amount of rent/revised rent demanded by the landlord is more than the rent ranges assessed by CPWD under RRC or the revised rent is found to exceed the rate fixed as per clause 3 of SLA, the Commissionerates/Directorates should negotiate with the landlord to bring it down to the level conforming to the rate prescribed in the RRC and acceptable under clause 3 of SLA.

3. Submission of Standard Lease Agreement (SLA) as prescribed by MOUD:- Draft Lease Agreement for the proposed period of lease as per the format of SLA prescribed by the MOUD is not often enclosed with the proposal and if submitted, the same is either in some other format or the details required in the SLA are not filled up and/or SLA is not signed by the landlords along with the date in token of having accepted all the terms and conditions of hiring by the landlord. It must be ensured that the proposal is accompanied by the draft SLA duly filled in and signed by the landlord(s) and there should not be any deviation from the prescribed SLA. Any addition/inclusion/deletion/amendment/modification/supplementation/interpolation or any other modification etc. to the SLA is subject to its approval by the competent authority.

4. It is often observed that rent is paid to the landlord without the SLA being executed between the Department and the landlord. Special care should be taken that the prescribed SLA is executed before the rent is released to the landlord.

5. Submission of copy of the current Lease Agreement:- Copy of the current lease agreement for the period of lease prior to the proposed period in case of continued hiring should be annexed to the proposal submitted to the DGHRD.

6. Submission of Statements of all immovable assets (land & building) of the CBEC:- In some cases, statement of all immovable assets of the CBEC at that station (both owned and hired) is not provided against the relevant entry of the checklist (refer Annexure-2.12(a)). The proposal should invariably be submitted with a statement of all immovable assets (land & building) of the CBEC, both owned and hired, at that station mentioning therein the latest status of the construction of the office building on the departmental land and that of the existing office space as to whether these are utilized/occupied to their capacity in order to justify fresh hiring/continuity of hiring.

7. Submission of work-sheet of space entitlement vis-à-vis staff strength as per norms:- Most often, space requirements are not calculated as per the prescribed norms. So work-sheet showing the actual space entitlement as per norms in terms of O.M. No.26/19/65-Acc-II(3) dated 20.12.1965 issued by the MOUD and reduced by 30% for ‘A1 & A’ class city and 20% in other cities for hiring should be annexed to the proposal. While working out the space entitlement for housing more than one office in the same building, common facilities such as Conference Room, In-service Training Room, Library, Recreation Room, Canteen and Staff Association Room etc. have to be shared by the staff of all these offices at an optimal level so that less space will be required to be hired in order to economize on the rental outgo, and accordingly, the space requirement needs to be properly calculated. Further some components provided in the norms which are not applicable to a particular organization should be excluded while working out the office space requirement. Components such as Tele-Communication Centre (Wireless), Malkhana for confiscated goods, Sales Shop for confiscated goods etc.
are not relevant to Central Excise/ Service Tax Commissionerates but are relevant for Customs Preventive Commissionerates/ Customs Houses.

8. Submission of the newspaper clippings of the advertisement and evaluation sheet of the hiring Committee of the Commissionerates/Directorates of the financial and technical bids: - Copies of the advertisements published in the local leading newspapers along with the evaluation sheets of the Hiring Committee of the Commissionerates/Directorates in respect of technical/financial bids received are generally not submitted with the proposals. Even if provided when requested, the evaluation sheets do not contain full facts i.e. the facilities available against each of the offered premises vis-à-vis the terms and conditions advertised and the grounds under which each offered space has been either rejected or accepted for short-listing of properties. These are indispensable requirements of the proposal and have to be mandatorily be compiled with.

9. Submission of the consent letter of the landlord: - The consent letter obtained from the landlord(s) is sometimes found to be not dated and signed by the owners of the premises proposed to be hired. Sometimes it does not contain the amount of rent demanded/sought to be revised, period of lease, the fact of acceptance of the terms and conditions of the CPWD’s RRC/FRC and that of SLA. In case the landlord agree to pay municipal tax & any other tax payable, repairs and maintenance charges for the proposed space and the common areas of the premises, charges of power back-up, air-conditioning, modular work-station and furniture & fittings etc., if any provided by the landlord, these facts are often not incorporated in the landlord’s consent letter. While obtaining consent letter from the landlord(s), it should be ensured that it contains all the facts including those stated herein above. In case of continued hiring, the consent letter should also contain the request of the landlord for continued hiring of the existing premises.

10. Submission of copies of previous sanction letter of the Ministry: - Proposals for hiring of premises are not often accompanied by the copies of all the previous sanction letters of the Ministry in respect of previous as well as current hiring/renewal of hiring. It has to be ensured that all proposals must be accompanied by copies of all the previous sanction letters of the Ministry in respect of previous as well as current hiring/renewal of hiring.

11. Submission of copy of non-availability of office accommodation from CPWD and/or Directorate of Estate: - Non-availability certificate in respect of the proposed office space in and around that station should be obtained from CPWD and/or Directorate of Estates for submission with hiring proposals. Such certificate should contain the quantum of office space asked for from CPWD/ Directorate of Estates within the entire periphery of that station (not the particular point of the city) in which office space is sought.

12. Submission of proof evidencing rent being paid by any other Central/Estate Government Department in the vicinity/same locality: - Most proposals for hiring of office premises are not backed by evidences reflecting the rent being paid by any Central/state Governments Departments in and around the proposed location. In order to justify that the proposed rent is reasonable, it is advisable that the proposal for hiring should be accompanied by proof evidencing the rents being paid by other Central/State Government Departments in the vicinity/same locality. While furnishing such proof, there should be clear mention of the amount of rent being paid (whether exclusive
or inclusive of charges of repairs and maintenance, electricity & water etc. and the component of municipal taxes and any other taxes payable to local bodies etc) and the date from which such rent is effective.

13. Financial Implication:- Financial implication is not provided correctly in most cases. The rental outgo on monthly, yearly and the projected total period of hiring should be clearly reflected in the Check-list.

14. Actual quantum of office space:- The area of office space mentioned in the RRC issued by CPWD sometimes differs from the quantum of space mentioned elsewhere in the proposal as well as in the consent letter from the landlord. Such discrepancies are to be avoided altogether.

15. Fresh hiring in lieu of existing hired accommodation:- In case it becomes necessary for the Department to vacate the existing office accommodation hired by it and a new premises is hired in lieu thereof, it should be clearly mentioned in the proposal for hiring whether there is any financial involvement for shifting due to shifting of the office from the existing premises to the premises proposed to be hired on account of furniture the new premises and providing furniture, air-conditioners, electrical and other gadgets/equipments, LAN/WAN connection etc. It should also be explained clearly as to, why the existing furniture/air-conditioners/electrical and other gadgets/equipments would not serve the purpose after shifting to the premises proposed to be hired.

16. Justification for hiring in preference to construction of the Department’s own building/purchase of ready-built office accommodation:- The proposals for hiring should specify the reasons for exercising the hiring option in preference to constructing the Department’s own building on acquisition of land/purchase of ready-built office accommodation by way of a proper cost benefit analysis, highlighting the efforts made in this regard and stating whether the State Government/Municipal Corporation/Local Development Authority etc., has been approached to obtain the land/ready-built building.

17. It is noticed that proposals for continued hiring/revision of rent are initiated after the expiry of the existing lease, leading to a lot of complications/disputes and even litigation. In terms of the directions contained on the top of the Check-list pertaining to revision of rent for hired premises vide letter F.No.207/01/2006-Ad.VIII (EC) dated 18.09.2006 (Annexure-5.4) read with the Ministry’s instructions F.No.207/01/2006-Ad.VIII(EC) dated 21.05.2007 (Annexure-5.8(d)), the procedure for revision of rent has to be initiated at least 6 months before expiry of the current hiring period. Undue delay in furnishing the proposal by the field formations has invited the Ministry’s adverse notice in the past. To avoid such a situation, utmost care should be exercised to initiate the process for renewal of lease at least six months prior to the expiry of the current lease period.

18. Proposals are often not routed through the jurisdictional Principal Chief Commissioner/Chief Commissioners. All proposals from the field formations must be routed through the jurisdictional Principal Chief Commissioner / Chief Commissioner pursuant to the Ministry’s letter F.No.207/36/2002-Ad.VIII (EC) dated 26.06.2003 (Annexure-2.11) & DGHRD’s circular dated 23.10.2009 (Annexure-2.13).
What's New?

In case of re-hiring, the revision of rent more than 8% per annum is permissible if the revised rent is within the FRC/RRC range. {Refer Deputy Director of Policy letter F.No.16011/2/2011-Pol-III New Delhi dated 16.01.2015 (para 5.3 (D) iii/Annexure-5.8 (e)).

The rent of any premises taken on long lease is required to be revised from time to time depending upon the terms and conditions of the initial lease agreement. The Directorate of Estates has devised a Standard Lease Agreement (SLA) incorporating therein the rent enhancement clause which envisages an increase in rent not exceeding 8% per annum after expiry of the lease period of three years. This format of the SLA circulated by the Directorate of Estates vide O.M. No.16011(3)/82-Pol.III dated 01.10.1999 (Annexure-5.8(c)) was subsequently amended under Directorate of Estates O.M. 16011/1/2000-Pol III dated 03.09.2001 to take care of the various eventualities in order to minimize dispute/litigation. It has further been clarified vide CBEC’s letter F. No. 207/01/2006-Ad.VIII(EC) dated 21.05.2007 that the procedure for continuation of hiring of any leased premises at the same or at altered rates has to be initiated at least 6 months before the expiry date of original / current hiring agreement/deed which was circulated to all the field formations so that litigation in this area could be minimized. CBEC made a reference to the MOUD to make changes in the Standard Lease Agreement. The MOUD refused to make changes and observed that “modification have been sought on the grounds of administrative efficiency which cannot be rectified by making certain provisions in the lease deed. The inaction on the part of the hiring authority may continue indefinitely even if certain provisions are incorporated in the lease deed.” In view of the observations by the Directorate of Estates, no blanket amendment in the SLA to be executed by CBEC’s offices is permitted. If any need arises, suggested amendments will be considered with the concurrence of MOUD (Directorate of Estates) and Ministry of law on a case to case basis.

6.1 Competent Authority for Rent Revision

(i) The CBEC’s subordinate offices have hired office buildings at various places in the country from private persons/Organizations/PSUs/Local Bodies etc. The rent is revised periodically on the basis of extant instructions and guidelines issued by the Directorate of
Estates, Ministry of Urban Development, CBEC, IFU, Budget Division, CVC and DGS&D etc.

(ii) The Heads of Department (HODs) under the control of CBEC can hire/revise the rent of office accommodation under Rule 13(2) of DFPR, 1978 upto the revised financial limit of Rs. 3,00,000/- per month in the 13 major cities (A-1 & A class cities) and Rs. 1,50,000/- per month in respect of the other cities as per O.M. F.No.15/6/2008-IFU-III (EC) dated 15.08.2011 (Annexure-1.1) issued by Integrated Finance Unit (IFU) of the Department of Revenue subject to the observance of the conditions stipulated therein and of the existing instructions of the Ministry, provisions of GFRs and other instructions issued by Directorate of Estates, Ministry of Urban Development, Department of Expenditure, Budget Division and other competent authorities i.e. CVC and DGS & D etc.

(iii) For those cases where proposed rent after revision exceeds these financial limits the rent revision proposals have to be submitted to the Ministry for sanction through the I & W Wing of the DGHRD. The list of A-1 & A Class cities is as per Annexure-II attached to the O.M. No.2(21)/E.II(B)/2004 dated 18.11.2004 issued by the Department of Expenditure (Annexure-5.3). However, the administrative approval and expenditure sanction will invariably have to be obtained from the Ministry/IFU through the I & W Wing of the DGHRD in those cases of revision of rent (i) where the monthly rental outgo (revised) exceeds the monetary ceiling prescribed in the said O.M. and/ or (ii) where HODs find it difficult to implement the mandatory requirements/conditions contained in the instructions issued by the Ministry, IFU, Budget Division, CVC and DGS&D etc.

(iv) For this purpose, a self-contained proposal with the relevant check list circulated under the Ministry’s Instructions F.No.207/01/2006-Ad.VIII (EC) dated 18.09.2006 (Annexure-5.4(a) & 5.4(b)) should be prepared by the Commissionerate and sent to the jurisdictional Principal Chief Commissioner/Chief Commissioner.

(v) The statement of all immovable assets of CBEC as required in Column (A) 1 of the check-list should be given in a tabular form as given below:-

<table>
<thead>
<tr>
<th>Total available office space of CBEC at station</th>
<th>Total space required as per sanctioned staff strength</th>
<th>Shortage of space</th>
<th>Space proposed to be hired</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned</td>
<td>Hired</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In addition, availability of funds may also be informed in the check-list and if funds are not available, a request for provision of funds (financial year wise) should be made to the ADG, EMC, DGHRD through the jurisdictional Principal Chief Commissioner / Chief Commissioner with a copy to ADG (I&W), DGHRD.

(vi) On receipt of such proposal, the Principal Chief Commissioner/Chief Commissioner’s Office shall ensure and certify that justification for the proposal does exist particularly with reference to the already existing owned/hired office accommodation at the location where the space is proposed to be taken on rent/lease. The Jurisdictional Principal Chief Commissioner / Chief Commissioner’s Office shall thereafter thoroughly scrutinize the proposal and a complete, self-contained proposal should be submitted in proper format along with the relevant checklist and requisite documents to the I&W Wing of
the DGHRD for obtaining administration approval and expenditure sanction of the Ministry/IFU.

### 6.2 PROCEDURE FOR RENT REVISION

The SLA came into effect vide the Directorate of Estates’ O.M. No.16011(3)/82-Pol.III dated 01.10.1999 (Annexure-5.8(c)) and was subsequently amended under the Directorate of Estates O.M. 16011/1/2000-Pol III dated 03.09.2001. The revision of rent is subject to the terms and conditions set out in the SLA as prescribed vide Directorate of Estates O.M. 16011/1/2000-Pol III dated 03.09.2001. The SLA which has taken care of most eventualities was revised with a view to remove the legal anomalies and inconsistencies coming in the way of the Government hiring Pvt. Buildings and a maximum of 8% per annum increase in rent after expiry of lease period of three years (on straight line method) was prescribed.

It has been clarified by the Ministry vide letter F.No.207/01/2006-AD.VIII (EC) dated 21.05.2007 (Annexure- 5.8(d)) that-

(a) The HOD has to initiate the process of review of immovable assets/accommodation at that station and of hiring the already leased premises at least 6 months before the date of expiry of original hiring period.

(b) After following the established procedure on verification of rent reasonability for extended period, the rent for the extended period is either equal to the rent of original hiring period or even if the rent is increased it has to satisfy the established parameters and instructions of competent authority. The advantage of an established office can be retained and there is no need to go for fresh advertisement. An agreement for hiring the premises for a further period may be executed. But again, the process for extension of hiring has to be initiated at least 6 months before the expiry of original hiring period.

Therefore, the prescribed procedure for revision of rent upto 01.10.1999 and thereafter differs and is described here under:-

(a) **PROCEDURE BEFORE 01.10.1999**

1. Before 01.10.1999, on an application made by the landlord for revision of rent, the matter used to be referred to the CPWD/Hiring Committee for their recommendation. The CPWD/Hiring Committee on their part used to furnish a Fair Rent Certificate (FRC) on the basis of guidelines laid down in O.M. No.21/8/85-WI(DG) dated 13.06.1985. This FRC contained two rates based on either

(a) Recognized principles of valuation, or

(b) Prevailing market rent, which provided a range considered to be reasonable.

The hiring department was to take final decision in the matter regarding the rate of rent keeping in view the two figures of rent indicated in the FRC, their own needs and availability of accommodation in the locality. Normally, the lower rate between the two was adopted for this purpose. The revision of rent was applicable for a period of five years. Ministry's letter F.No.211/45/94-Ad.VIII(EC) of Sept.,1995 (Annexure-6.1) has clarified that the revision of rent in respect of buildings taken on rent is to be allowed after the expiry of a period of five years or from the date a formal request is made by the landlord, whichever is later. In cases in which lease agreement as per the format existing prior to the issue of O.M. dated 01.10.1999 has been signed, the reassessment of rent is to be initiated only after such a request is received from the landlord and the revised rent may be allowed from the date of receipt of request or from the date from which revision is due, whichever is later.

(b) **PROCEDURE AFTER 01.10.1999**

The rent revision of hired office premises is to
be done as per the revised guidelines of Directorate General of Works, CPWD, as circulated vide their O.M. No. 8/1/2002-WII (DGW) dated 24.05.2004 (Annexure-5.7(a)) and its further amendment vide O.M. dated 30.06.2004 (Annexure-5.7(b)). These guidelines clearly state that:-

(i) The date from which rent is to be assessed and also the period the assessed rent shall remain effective for shall be decided by the hiring Department and hence no such period shall be indicated in the rent Reasonableness Certificate (RRC or FRC).

(ii) Reasonable rent shall be assessed according to two alternate methods -

(a) Recognized Principles of Valuation or
(b) Prevailing Market Rent and Rent Reasonableness Certificate (RRC) shall be issued strictly as per modified model formats (Annexure-I & Annexure-II) attached to the aforesaid O.M. dated 24.05.2004 (Annexure-5.7(a)(i) & 5.7(a)(ii)).

(i) The hiring Department will nominate a representative of an appropriate level to be a member of the Hiring Committee of CPWD and associated with the said Committee’s work in market survey/enquiries for collecting relevant data.

(ii) (a) It shall be the responsibility of the hiring department to settle the issue of subsequent changes in municipal taxes right in the beginning through a mutual agreement with the owner as CPWD shall not entertain any request for revision of rent on account of subsequent increase/decrease in municipal taxes, if any after the RRC is issued.

The range of rent in RRC given by the CPWD Hiring Committee is only an advisory and all other aspects such as ad-hoc percentage increase, negotiations with the landlord for settlement of mutually agreeable rent, budget provisions etc., do not fall under the purview of the Hiring Committee but are the responsibility of the Hiring Department.

In view of this, the Chief Commissioners/HOD are advised to constitute a Rent Negotiation Committee comprising officers of appropriate level of seniority to negotiate with the landlords and forward their recommendations for consideration of Competent Authority.

(b) (i) Further, in view of the clause 3 of SLA circulated vide Directorate of Estates O.M. dated 01.10.1999 (Annexure-5.8(c)) which puts a cap of maximum 8% increase per annum after 3 years lease period, it is implied that even if the RRC of CPWD recommends more than 24% increase in basic rent and maintenance charges after a lease period of three years, the rent will be fixed within the maximum permissible 24% increase by straight line method on the existing basic rent and maintenance charges as the case may be after excluding the municipal taxes. Similarly where last lease was for a period of 5 years, the rent will be fixed within the maximum permissible 40% increase on the existing basic rent and maintenance charges after excluding the municipal taxes.

Further, if the reasonable rent as per the RRC is less than 8% increase per annum, then the proposed rent should be fixed as per the RRC.

(ii) It has been further clarified by the Dy. Director of Estates (Policy), MoUD letter F.No.16011/1/2011-Pol-III New Delhi dated 16.01.2015 (Annexure 5.8(e)) that Ministry may negotiate and fix the rent at their end and also modify the terms & conditions prescribed in the SLA in consultation with their respective Internal Finance Division and Department of Legal Affairs, if required.

(c) The municipal taxes component of the proposed rent should be as per the actual payable where the rent assessed under the RRC is exclusive of municipal tax.
Normally the rent fixed under the RRC is inclusive of municipal tax. The negotiated rent recommended by the Rent Negotiation Committee along with the written acceptance of negotiated rent by the landlord(s) may then be forwarded for the consideration of the Competent Authority for rent revision.

(d) The Lease Deed should be signed for a period of three years in the modified SLA format as prescribed by the Directorate of Estates vide O.Ms. dated 01.10.1999 (Annexure-5.8(c)) & 03.09.2001(Annexure-5.8(a)). If the owner/landlord(s) does not accept any of the conditions of the SLA then the hiring office has to seek the opinion of Ministry of Law/Ministry of Urban Development through the I&W Wing of the DGHRD before finalizing the lease agreement with the owner of the building.

6.3 PROCEDURE TO BE ADOPTED IN A CASE WHERE THE REVISION OF RENT IS DUE PRIOR TO 01.10.1999 AND THE LANDLORD HAS ALSO APPLIED FOR A REVISION BEFORE THAT DATE BUT THE MATTER IS DECIDED AFTER 01.10.1999 BY HOD/CBEC

The retrospective operation of O.M. dated 01.10.1999 (Annexure-5.8(c)) is not permitted. The 8% per annum increase cap would be applicable w.e.f. 01.10.1999 and not prior to that date.

Therefore, cases where rent revision was due prior to 01.10.1999 may be dealt with in accordance with the earlier provisions without subjecting them to the cap of 8% per annum increase.

6.4 PERIODICITY OF RENT REVISION

It is clarified that:-

(i) In cases in which Standard Lease Agreement as per the modified format attached to O.M. dated 01.10.1999 as amended by O.M. dated 03.09.2001 has been signed with the landlord, rent revision is to be done after every three years, irrespective of whether or not request from the landlord(s) for revision of rent has been received.

(ii) In cases in which the lease agreement as per the format existing before the issue of O.M. dated 01.10.1999 has been signed, the reassessment of rent is to be initiated only after such a request is received from landlord(s) and the revised rent may be allowed to be paid from the date of receipt of the request or from the date from which revision is due, whichever is later.

(iii) Even after issue of the SLA format under O.M. dated 01.10.1999, assessment/reassessment of rent of buildings hired by the Central Government Departments continues to be done by the CPWD Hiring Committees; and

(iv) Irrespective of the format of the lease agreement signed between the Government Department and the landlord, all the terms and conditions of that agreement are to be adhered to by both the parties till the expiry of the terms mentioned therein. At the time of renewal of the lease, the SLA format in vogue is to be signed.
An integral part of the effort to augment and develop departmental infrastructure is the repair and maintenance of existing office and residential buildings. The Infrastructure and Welfare Wing of the DGHRD, being the ‘nodal authority’ in respect of all infrastructure proposals received from field formations under CBEC, also receives proposals for repair and maintenance work of existing departmental buildings. No authority may incur any expenditure or enter into any liability involving expenditure from the Government’s account unless the same has been sanctioned by a competent authority.

7.1 DEFINITIONS

7.1.1 CLASSIFICATION OF WORKS (Ref: GFRs, 2005)


✓ ‘Original Works’ means all new constructions, additions and alterations to existing works, special repairs to newly purchased or previously abandoned buildings or structures, including remodelling or replacement.

✓ ‘Repair works’ means works undertaken to maintain building and fixtures. (Rule 123 of the GFR 2005)

✓ ‘Administrative control’ of works includes:-

(i) Assumption of full responsibility for construction, maintenance and upkeep;

(ii) Proper utilization of buildings and allied works;

(iii) Provision of funds for execution of these functions. (Rule 124 of the GFR 2005)

7.1.2 CLASSIFICATION OF WORKS (Ref: CPWD MANUAL)

The works undertaken by CPWD are classified as follows:

(i) ‘Original Works’

These shall mean:

(i) All new constructions,
(ii) All types of additions, alterations and/or special repairs to newly acquired assets, abandoned or damaged assets that are required to make them workable.

(iii) Major replacements or remodelling of a portion of an existing structure or installation or other works, which results in a genuine increase in the life and value of the property.

(ii) ‘Repairs and maintenance Works’

These cover operations undertaken to maintain the assets in a proper condition and include maintenance and operation of all services.

The “Repairs” are further classified into two categories as follows:

(i) Annual repairs: These cover the routine as well as yearly operation and maintenance works.

(ii) Special repairs: These cover major repair or replacement or remodelling of a portion of an existing structure or installation or other works due to major breakdowns, or deterioration, or periodic renewal, which do not result in a genuine increase in the value of the property.

7.2 POWERS TO SANCTION ‘WORKS’:

The powers delegated to various subordinate authorities to accord administrative approval, sanction expenditure and re-appropriate funds for works are regulated by the “Delegation of Financial Powers Rules, 1978”, and other orders contained in the respective departmental regulations (Rule 125 of the GFR 2005).

7.2.1 ‘WORKS’

Rule 126 of GFR, 2005 as amended by the Ministry of Finance, Department of Expenditure under OM No.15(1)/E-II(A)/2010 dated 20th August, 2010 (Annexure-7.1) reads as under:

(i) ‘Works’ (upto `Thirty lakhs)

A Ministry or Department at its discretion may directly execute repair works estimated to cost upto Rupees thirty Lakhs after following due procedure indicated in Rule 132.

(ii) ‘Works’ (more than `Thirty lakhs)

A Ministry or Department may, at its discretion, assign repair works estimated to cost above Rupees thirty lakhs and original works of any Public Works Organisation, such as Central Public Works Department (CPWD), State Public Works Divisions, other Central Government organizations authorized to carry out civil or electrical works such as Military Engineering Service (MES), Border Roads Organisation (BRO) etc., Public Sector Undertakings set up by the Central or State Government to carry out civil or electrical works or and other Central /State Govt. organization/PSU which may be notified by the Ministry of Urban Development after evaluating their financial strength and technical competence.

(i) ‘Works’ to be executed through Public Works Organization.

A Ministry or Department may also execute works of the nature and values mentioned at Rule 126 (2) through a well reputed and technically competent organization, other than Public Works Organisations as defined in Rule 126(2), after consultation with Ministry of Urban Development. While considering the proposals of the Ministries/Departments as a part of the consultation process, Ministry of Urban Development would take into consideration the financial strength and technical competence of the proposed executing agency, the available capacity of CPWD to take up such works and other features such as adherence to authorized norms/scales of accommodation in the design, use of appropriate Plinth Area Rates for estimate etc. While executing such works, the Ministry/
Department would also follow the provisions of the other Rules in Chapter 5. DGHRD has issued a circular dated 16.09.2015 (Annexure-3.3)

(i) ‘Works’ executed through the department’s own civil construction agencies

The consultation with Ministry of Urban Development referred to in Rule 126(3) would not be necessary if the work is executed through the Ministry’s/Department's own civil construction agencies as in the case of Ministries of Railways, Defence, Environment & Forests, Information & Broadcasting and Departments of Posts, Space etc.

7.3 ‘WORKS’ EXPENDITURE TO BE INCURRED UNDER CORRECT ‘HEAD OF ACCOUNT’ AND ‘DETAILED DEMAND FOR GRANTS’ FOR THE FINANCIAL YEAR.

Proposals for administrative approval and expenditure sanction submitted to the (I&W) Wing of DGHRD must correctly mention the budget heads, the classification of the works for repair & maintenance as clarified under the OM F.No.18/2007/IFU-III dated 10th October, 2007. (Annexure-2.17). The various budget heads are as under:-

Grant/Demand No.45-Indirect Taxes (in F.Y. 2015-16):-

<table>
<thead>
<tr>
<th>Item of expenditure</th>
<th>Object Head</th>
<th>Major Head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repairs/maintenance of Departmental Office Building of Customs.</td>
<td>Minor Works</td>
<td>2037</td>
</tr>
<tr>
<td>Repairs/maintenance of Departmental Office Building of Central Excise.</td>
<td>Minor Works</td>
<td>2038</td>
</tr>
<tr>
<td>Repairs/maintenance of Departmental Residential Building of Customs and Central Excise.</td>
<td>Minor Works</td>
<td>2216</td>
</tr>
</tbody>
</table>

Grant/Demand No.105-Public Works (in F.Y. 2015-16):-

<table>
<thead>
<tr>
<th>Item of expenditure</th>
<th>Description</th>
<th>Major Head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special repair works of Departmental Office Building of Customs and Central Excise.</td>
<td>Minor Works</td>
<td>4059 (To be incurred from CBEC lump sum grant).</td>
</tr>
<tr>
<td>Special repair works of Departmental Residential Building of Customs and Central Excise.</td>
<td>Minor Works</td>
<td>4216 (To be incurred from CBEC lump sum grant).</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item of expenditure</th>
<th>Description</th>
<th>Major Head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Repair Works of Office/Residential Building for Customs and Central Excise and other construction activities e.g. boundary wall etc.</td>
<td>Finance (Revenue)</td>
<td>4059/4216 (To be incurred from MoUD/CPWD grant).</td>
</tr>
</tbody>
</table>

In so far as the expenditure towards ‘Special Repair Works’ in the Government buildings constructed and maintained by the CPWD is concerned, the expenditure should be met from the grant of ‘Public Works’ (to be incurred from MoUD/CPWD grant) for residential and office buildings respectively.

It is hereby clarified that on the date of forwarding the proposal to the (I&W) Wing of DGHRD the availability of funds in the budget to incur the proposed expenditure, under the respective Head of Accounts and Demand for Grants must also be mentioned.

For ‘Original Repair works’ and/or ‘Minor Works’ (Regular Nature/Special Repair Works) entrusted to a ‘Public Works Organizations’ as defined in Rule 126(2), the administrative approval and expenditure sanction is granted
and funds are allotted by the Ministry/IFU. The Public Works Organization is then required to execute the work entrusted to it in accordance with the rules and procedures prescribed for that organization including the CPWD.

### 7.4 DELEGATION OF FINANCIAL POWERS TO THE HEAD OF THE DEPARTMENT OF REVENUE, CBEC

The powers of HOD’s under Office Memorandum F. No 15/6/2008-IFU-III dated 15.09.2011 (Annexure 7.2) and dated 01.11.12 (Annexure 7.3) and the Circular issued by DGHRD vide F. No. 919/07/R&M/DFR/HOD/HRD/201 dated 15.04.13 (Annexure 7.4) for repair and maintenance are as under:

(a) Proposals exceeding the delegated powers.

Proposals for repair and maintenance with estimates exceeding the powers of the HODs as outlined above have to be referred to the Ministry/IFU for approval and sanction through the (I&W) Wing of DGHRD.

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Item of Expenditure/Subject (Nature of Work)</th>
<th>Budget Head</th>
<th>Power delegated to....</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Repairs/maintenance of Departmental Office Building of Customs. (Minor Works) through CBEC.</td>
<td>2037</td>
<td>HOD(Commissioner) up to ₹ 30 lakhs per annum</td>
</tr>
<tr>
<td>2</td>
<td>Repairs/maintenance of Departmental Office Building of Central Excise. (Minor Works) through CBEC.</td>
<td>2038</td>
<td>HOD(Commissioner) up to ₹ 30 lakhs per annum</td>
</tr>
<tr>
<td>3</td>
<td>Repairs/maintenance of Departmental Residential Building of Customs and Central Excise (Minor Works) through CBEC.</td>
<td>2216</td>
<td>HOD(Commissioner) up to ₹ 30 lakhs per annum (within the overall ceiling of ₹ 30 lakh limit of delegated financial powers)</td>
</tr>
<tr>
<td>4</td>
<td>Replacement of DG Sets, Lifts etc./Upgradation of Departmental Office Building of Customs and Central Excise (Special Repair Work) through CBEC.</td>
<td>4059</td>
<td>Financial powers are not delegated to HOD. All proposals may be sent for approval of IFU/Ministry.</td>
</tr>
<tr>
<td>5</td>
<td>Replacement of Lifts etc./Upgradation of Departmental Residential Building of Customs and Central Excise (Special Repair Work) through CBEC.</td>
<td>4216</td>
<td>Financial powers are not delegated to HOD. All proposals may be sent for approval of IFU/Ministry.</td>
</tr>
<tr>
<td>6</td>
<td>Original Work* (through CPWD) on Departmental land and building</td>
<td>4059/4216</td>
<td>HOD(Commissioner) up to ₹ 10 lakh in each case. (Only in case where funds are provided by CPWD/MoUD).</td>
</tr>
<tr>
<td>7</td>
<td>Original Work * (through CPWD) on Departmental land and building</td>
<td>4059</td>
<td>Chief Commissioner up to ₹ 1 Cr in each case. (Only in case where funds are provided by CPWD/MoUD but for Office Accommodation only).</td>
</tr>
</tbody>
</table>

* Original Works are defined in para 7.1.1 and 7.1.2
(b) The field formations under CBEC should approach EMC for provision of funds before moving the proposal to I&W Wing of DGHRD as the annual budgeting and allocation of funds for repair and maintenance is to be made by EMC wing of DGHRD.

7.5 WORKS UNDER THE HEAD ‘OFFICE EXPENSE’

It is observed that at times the contingent expenses for running an office such as furniture, postage, purchase and maintenance of office machines and equipment etc. which correctly should be met from the ‘Office Expense’ Head are mistaken to be funded from “Minor Works” Head (2037/2038). Hence, it is clarified as follows-

(a) The proposals involving expenditure on operation and maintenance of electrical and mechanical equipment are booked under the head ‘Office Expense’ as clarified under the Circular issued by DGHRD vide No. 919/27/R&M/JNCH./HRD/2012 dated 17.06.15 (Annexure 7.5)

(b) The file containing such proposal for seeking expenditure sanction, over and above the delegated financial powers of HOD under the head ‘Office Expense’ are not dealt with by DGHRD and may be endorsed to the JS (Adminn.)/Ministry directly under the signature of HOD for obtaining necessary administrative approval and expenditure sanction as clarified under the Circular issued by DGHRD vide F.No. 919/63/R&M/Misc./HRD/2015 dated 09.07.15 (Annexure 7.6).

7.6 PROCEDURE FOR EXECUTION OF WORKS (RULE 132 OF GFR 2005)

The broad procedure to be followed by the Department for execution of works under its own arrangements is as under:-

(i) Preparation of detailed design and estimates is the first step in obtaining sanction for works;

(ii) No work shall be undertaken by field formations before grant of Administrative Approval and Expenditure Sanction by the competent authority on the basis of estimates framed;

(iii) Open tenders/ Limited tenders may be called as per current GFR regulations and in consultation with Department of Expenditure instructions vide O.M. No. 10/03/2012- PPC dated 09.01.2014 & 21.01.2015 on E-Procurement (Annexure-3.2 pertaining to E-Procurement may be referred)

(iv) Execution of a Contract Agreement or award of work must be done before commencement of the work;

(v) Final payment for work is to be made only on receipt of the personal certificate of the officer-in-charge of execution of the work in the format given below:

Ï................................., Executing Officer of (Name of the Work), am personally satisfied that the work has been executed as per the specifications laid down in the Contract Agreement and the workmanship is upto the standards followed in the Industry”.

7.7 ESTIMATE OF WORKS

The CBEC’s field formations must obtain a certificate from the CPWD that there shall be no enhancement in estimates at the time of execution of the work. The estimates submitted with the proposal from the works executing authority such as the CPWD should not be very old and out dated otherwise additional sanctions on the basis of any revised estimate from the CPWD in each case would become necessary. This is to prevent any further revision of estimates by the CPWD.

7.8 BUDGETING OF EXPENDITURE

The expenditure for which no provision has been made in the original Budget Estimates/ or in
Revised Budget Estimates (RBE) for the current year cannot be incurred.

7.9 LIABILITY FOR ARRANGEMENT OF FUNDS

The CPWD has clarified through ‘Office Memorandum’ F.No.18/29/97-W.1(DGW) dated 17th August, 2005 (Annexure-7.7) that the CPWD shall make payment to meet the expenditure on maintenance of bulk services like Electricity/Water consumption charges in respect of General Pool Office buildings only and for common facilities in respect of General Pool Residential Complexes. However, in respect of the residential/non-residential properties belonging to other individual Ministries/Departments, the payment of the following shall be their responsibility.

(a) Lease charges.
(b) Water and electricity consumption charges for all services including street lighting, running of tube wells, sewerage pumps and other installations.
(c) Running charges of generators including cost of P.O.I. operational charges and minor/major repairs etc.
(d) Any other service charges to be paid to local Municipal Authorities.

In recent times specific Electrical & Mechanical Services like standby DG Sets, UPS systems, Central AC Plants, Security systems, Audio visual systems etc. are installed. For operation, maintenance and repair of such systems, funds have to be provided by the Department after submission of estimates by the competent CPWD unit.

It has been further clarified under Office Memorandum F.No.18/29/97-WI (DG) 1161 dated 15.09.2008 (Annexure-7.8) that in respect of residential and non-residential building complexes belonging to the Department, other than those in the General Pool, the arrangement of funds for operation and maintenance of the following services shall also be the responsibility of concerned Ministries/Departments:-

(a) Sub-Stations
(b) Lifts
(c) Fire Fighting & Fire Alarm Systems and
(d) Any other specialized services

For operation, maintenance and repairs of such items, funds will be provided by the respective client departments on submission of the estimates by the competent CPWD Unit.

7.10 CHECK-LIST

The following Check-list has been prescribed for submission of proposals for repair & maintenance work. It must be ensured that the Check-list is carefully filled and complete information is provided. It is required to be submitted under the signature of the Commissioner (HOD).

Check-list for submission of proposals requiring administrative approval and expenditure sanction for repair & maintenance of office and residential buildings owned by the CBEC.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Subject</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>(a) Date of acquisition or completion of construction of the building and (b) Total cost of acquisition or construction of the building.</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>The agency which constructed the office/residential building or the agency from which the ready built office/residential building had been purchased.</td>
<td></td>
</tr>
<tr>
<td>S. No.</td>
<td>Subject</td>
<td>Remarks</td>
</tr>
<tr>
<td>-------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>3.</td>
<td>(a) The status of utilization i.e. whether the building is fully used for office or residential purpose. (b) In case of office building - whether the entire building is being used or not. If not, the reasons thereof. (c) In case of residential quarters/flats, details of type of flats and the number of flats under occupation. (d) If not occupied fully, the reasons thereof and the plan of the Department to utilize the unoccupied quarters or to dispose off these unutilized quarters/buildings to prevent wastage in maintenance expenditure.</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Whether the repair and maintenance estimates are of regular nature (2037/2038/2216) or works of special repair nature (4059/4216) or both.</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Whether the funds (viz. ₹ 30 lakhs) allocated to the zone under MH – 2037/2038/2216 for utilization under the Delegated Financial Powers of HOD have been fully utilized by the zone before referring the proposal to DGHHRD for seeking IFU/Ministry approval. If yes, a certificate to the effect is to be produced.</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>(a) If the repair and maintenance estimates are of regular nature then the previous financial year's estimates and approval for the same items may be indicated. (b) If the repair and maintenance estimates are of special nature then the details of last such special repair and maintenance work undertaken and approved may be indicated. (c) Number of such special repair and maintenance works undertaken after taking possession of the building. On completion of construction or after purchase, may be indicated.</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>(a) Certification from the CPWD that only those items of repair and maintenance (whether repairs of special nature or regular/annual repair) have been included in the estimates which are permissible in general pool office or residential accommodation of similar types. (b) If the agency is other than the CPWD, whether GFR provisions have been followed in its engagement and the certification as required in item 6(a) above has been provided.</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Whether the items of regular or special repair falls within the liability of the agency which constructed the building or from whom the building had been purchased. If yes, whether that agency has been contacted for this repair work/expenditure. The details thereof.</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>The availability of budget along with the Demand Number, Major Heads, Object Heads, etc. from which the expenditure will be booked.</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Date of the estimates and the total amount involved.</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Time to be taken by the repair and maintenance agency for completion of the work for which the estimates has been sent.</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Whether the HOD/Commissioner and the users of the building are satisfied with the quality of repair/maintenance work of the agency who had undertaken similar works in the past.</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>All annual repair and maintenance proposals are to be received in the first quarter of the financial year and if received late, the reasons thereof.</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Whether the proposal has been routed through the Chief Commissioner's office of concerned zone.</td>
<td></td>
</tr>
</tbody>
</table>
7.11 COMMON SHORTCOMINGS IN THE PROPOSALS BY FIELD FORMATIONS

A list of most common discrepancies noticed in submission of the proposals for repair & maintenance has been prepared as detailed in Annexure-7.9. The same may be carefully examined and such shortcomings should be avoided to ensure smooth and early approval.

7.12 FLOW CHART FOR PROPOSAL FOR R&M

A step by step action plan and requirements for submission of proposals for repair and maintenance work has been summarized in a flow chart as given in Annexure-7.10. However, for any clarity, the text of the Chapter and relevant annexures may be referred to and the same shall prevail.

(CIRCULAR ISSUED BY DGHRD VIDE F.NO. 919/25/R&M/ACTION PLAN/HRD/2014 DATED 09.07.15) (ANNEXURE 7.10)

FLOW CHART FOR PROPOSALS FOR REPAIR & MAINTENANCE

<table>
<thead>
<tr>
<th>Step</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identification of Requirement, its justification and scope of Work</td>
</tr>
<tr>
<td>To obtain detailed designs and estimate form the CPWD</td>
</tr>
<tr>
<td>Provisioning for expenditure under the correct Budget Head</td>
</tr>
<tr>
<td>Completion of Check-list to be signed by the Commissioner</td>
</tr>
<tr>
<td>Submission of detailed note on the necessity of the work, scope, financial provisioning by the Commissioner to the Chief Commissioner</td>
</tr>
<tr>
<td>Scrutiny, justification, approval and recommendation by the Principal Chief Commissioner/Chief Commissioner</td>
</tr>
</tbody>
</table>
Submission of the proposal to the I & W Wing of DGHRD

↓

Examination and processing by the I & W Wing of DGHRD

↓

Submission of the proposal to the Ministry/Board

↓

Administrative Approval & Expenditure Sanction by the Ministry

↓

Approval directly conveyed by the Ministry to the concerned Commissionerate.

↓

Funds released by EMC wing of DGHRD to the concerned formation.

---

**For project sanctioned from CBEC Grant**

Pay and Accounts Office of the formation to make an online request to the Office of Principal Chief Controller of Accounts (Pr. CCA), Delhi for release of said funds to Zonal CPWD.

↓

Pr. CCA, Delhi issues a Letter of Authorisation (LoA) in favour of Zonal CPWD authority for transfer of funds to the CPWD/MoUD account.

↓

CPWD releases the funds received from CBEC to the successful bidder who is to be awarded the contract for execution of the project.

↓

Completion of work in the same financial year following the provisions of GFR, 2005

---

**For project sanctioned from CPWD Grant**

For project sanctioned from CPWD Grant, the formations should approach the local CPWD authorities for initiating the project.
7.13 POWER OF HEAD OF DEPARTMENTS IN RESPECT OF PURCHASE OF DG SETS

Each HOD under the CBEC may exercise the powers conferred for purchase, installation and maintenance of diesel generating sets subject to the availability of funds under the appropriate budget head. The power for purchase, installation and maintenance of DG Sets were delegated to the HODs up to a financial limit of ₹ 15 lakhs per annum per building as clarified under OM No. 15/06/2008-IFU.III dated 15.09.2011 (Annexure 7.2). As per provisions of GFRs 2005, the Works Manual and Guidelines for Essential and Non-Essential Loads for DG Sets, the delegation is subject to the following conditions:

(i) Only essential load will be taken into account while arriving at the required capacity of the DG set for any particular office.

(ii) The purchase, installation and maintenance of the DG sets will be done by following the provisions of GFRs 2005.

7.14 FURNISHING OF PROPOSALS

(A) The proposals for purchase, installation & maintenance of DG Sets where the expenditure involved is more than the financial limit delegated to the HODs (Rs. 15 lakhs), have to be submitted to the I&W Wing of DGHRD for obtaining administrative approval & expenditure sanction.

(B) It is imperative that a complete proposal be sent to the I&W Wing for examination and processing. To avoid unnecessary delays, the proposal pertaining to DG Sets must clearly mention the exact financial implication and include the following:

(i) Preliminary cost estimates of each DG Set at each site/station prepared by the CPWD.

(ii) Computation of essential load requirement for each DG Set at each site/station as estimated by the CPWD.

(iii) Whether the DG set is already available at the site/station. If yes, then the present age of the DG Set, its capacity and how is it proposed to be utilized.

7.15 PROCEDURE FOR PROVISIONING, INSTALLATION AND MAINTENANCE OF DG SETS

Guidelines in this regard have been prescribed for the formations under CBEC vide Circular F.No. 212/51/2006-Ad.VIII(EC) dated 23rd August, 2006 (Annexure 7.11) in respect of installation, maintenance, etc., of Diesel Generator Sets (DG Sets). The following course of action is to be undertaken:

(i) Norms regarding the officer/offices eligible for installation of ACs should be obtained by the HOD and strictly implemented within the HODs jurisdiction.

(ii) Considering that a DG Set is installed only as a power backup facility to provide power during periods of power cuts, only the following essential loads may be connected to the DG Set:

(a) Only one AC installed in the rooms of officers who are entitled to the same.

(b) 50% of the ACs installed in the Conference Room.

(c) All lifts, booster pumps and submarine pumps.

(d) All computers, 20% of the printers and 50% of the Photo state/Xerox machines.

(e) All lights, ceiling fans, exhaust fans and water coolers.

While submitting proposals for obtaining approval and sanction from the Ministry concerning installation, maintenance etc., of Diesel Generator Sets, the above mentioned...
instructions are mandated to be strictly implemented. A certificate has to be obtained from the CPWD to the effect that estimates have been prepared keeping in view the applicable guidelines for installation, maintenance etc., of DG Sets.

7.16 BUDGETING OF EXPENDITURE

The work concerning allocation of Budget comes under the Expenditure Management Cell (EMC) of the DGHRD. 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-estimation of expenditure or insufficient allowance for factors leading to the increase in expenditure or excess expenditure on a particular item of the budget estimate is inevitable, a request for allotment of additional funds by way of supplementary grant or Revised Budget Estimates (RBE) has to be communicated directly to the Ministry.

7.17 CHECK-LIST

The following Check-list (as mentioned below) has been devised for submission of proposals pertaining to DG Sets. It must be ensured that the information required in the Check-list is carefully and completely filled in and submitted under the signatures of the jurisdictional Commissioner.

Check List for proposal for installation/maintenance of D.G. Sets

(1) Location/Premises for which the proposal for provision/maintenance etc. relates to:

(2) Grounds on which the provisioning of the DG set is considered essential:

(3) Age and repair worthiness of the existing DG Sets:

(4) Specifications of the new DG Sets:
   (i) Capacity of the DG Set.

   (ii) Whether DG Set required for Communication Room.

   (iii) Whether the DG Set is installed/ to be installed as a back up to main power source during periods of power cuts for only the following essential loads:-

   a. Only one AC installed in the rooms of officers who are entitled to the same.

   b. 50% of the ACs installed in the Conference Room to be connected.

   c. All Lifts, booster pumps and submarine pumps.

   d. All computers, 20% of the printers and 50% of the Photostat Machines/ Fax Machines.

   e. All Lights, Ceiling fans, exhaust fans and Water Coolers.

(5) Whether the Delegated Financial Powers of HOD viz. ₹ 15 lakhs have been exhausted in the current F.Y. If yes, a certificate to the effect is to be produced.

(6) Details of Preliminary Cost estimates of the proposed DG Sets at each site/station framed by the CPWD.

(7) Whether a certificate has been obtained from the CPWD to the effect that estimates have been prepared keeping in view the guidelines for installation, maintenance etc. of DG Sets.

(8) The availability of funds in the Budget along with the Demand Number, Major Heads, Object Head, etc from which the expenditure will be booked:

(9) Date of preparation of the estimate and the total amount involved:

(10) Whether the HOD/Commissioner is satisfied about the essentiality of the requirement of DG Set at that station:
7.18 COMMON SHORTCOMINGS/DEFICIENCIES OBSERVED IN PROPOSALS FOR PROVIDING & INSTALLATION OF DG SETS

1. For the proposals of DG Sets, a unique Checklist for DG Sets is prescribed (please see para 7.17). However, it has been noticed that the formations either do not submit a Check List or wrongly furnish Check List for Repair and Maintenance or furnish an incomplete Check List which is not signed by the Commissioner (HOD).

2. A detailed justification of the proposal is not furnished by the formations. The justification should be self-contained and submitted after proper scrutiny.
BUDGETING

WHAT’S NEW?

Clarification of ‘Revenue’/‘Capital Expenditure’ (Para 8.3)

8.1 Budget is the Annual Financial Statement of all transactions of the Central Government in and outside India, including estimated receipts and expenditure during the year for which the statement is prepared. It also estimates and projects the likely receipts and expenditure during the ensuing year. It is an essential tool to ensure that organizational needs of maintenance and expansion go on smoothly. The Government has to undertake this elaborate exercise annually to ensure that approved plans and projects do not face any resource crunch hampering their timely execution. As things stand today, the role of the Customs & Central Excise Department in this extensive process is limited to making projections for budget heads like office expenses, salary, wages, publication etc. The budgeting for infrastructure maintenance and creation can be understood on the lines of activities that form part of it, namely;

(i) Capital outlay on other fiscal services.
(ii) Capital outlay for office building works.
(iii) Capital outlay for housing works.
(iv) Capital outlay for ready built accommodation.
    (a) Office
    (b) Housing
(v) Land.
(vi) Repairs and maintenance of existing Housing/Offices.

“Revised Estimate” is the sum total of the actual expenditure incurred till the time of preparation of the estimates and the expenditure anticipated for the rest of the year. The estimates for the ensuing financial year are termed as “Budget Estimates/Schedule of Demands”.

8.2 BUDGETING BY THE MINISTRY OF FINANCE

The Budgeting in respect of the following items of work is being done by the Department of Revenue, Ministry of Finance:-

(a) Acquisition of ships and fleets/acquisition of anti-smuggling equipment's. Major Head ‘4047’
(b) Office- Major Head ‘4059’
(c) Housing- Major Head ‘4216’

EMC Wing of DGHRD is required to project the requirement of funds under the Heads mentioned above on the basis of proposals for acquisition of ready-built office and residential accommodation received from the field formations, which are likely to be approved by
the competent authority. It must be ensured by the field formations that funds are requested for on the basis of concrete proposals and no funds remain unspent.

8.3 OBJECT HEADS PERTAINING TO REVENUE/CAPITAL SECTION OF GRANT

The budgeted expenditure is required to be spent strictly on the basis of the budget provided under various object heads. The Object Heads pertaining to the Customs, Central Excise & Service Tax Department (Grant No.45- Indirect Taxes) can be categorized under Revenue Section and Capital Section.

What is Capital/Revenue Expenditure?

As per Rule 90 of GFR ‘Significant expenditure incurred with the object of acquiring tangible assets of a permanent nature (for use in the organization and not for sale in the ordinary course of business) or enhancing the utility of existing assets, shall broadly be defined as Capital Expenditure. Subsequent Charges on maintenance, repair, upkeep and working expenses, which are required to maintain the assets in a running order as also all other expenses incurred for the day-to-day running of the organization, including establishment and administrative expenses, shall be classified as Revenue Expenditure. Capital and Revenue expenditure shall be shown separately in the Accounts.’

The details of expenditure falling under different object heads are described herein below, which is mentioned in the Delegation of Financial Powers Rules.

Revenue Section:-

1. Salaries: Include pay, allowances in all forms of personnel including honoraria and leave encashment except travel expenses (other than leave travel concession). This object classification will also be utilized for recording expenditure on emoluments and allowances of Heads of States and other high dignitaries including sumptuary allowance.

2. Wages: Include wages of labourers and of staff at present paid out of contingencies.

3. Overtime Allowance: The amount paid to a Non-gazetted Government servant for performing official duties beyond office hours in addition to his working hours.

4. Medical Treatment: Include amount paid towards medical reimbursement to Government servants/Pensioners.

5. Domestic Travel Expenses: Cover all expenses on account of travel on duty in India including conveyance and fixed travelling allowances but excluding leave travel concessions which would be part of salaries. This Will also include T.A./D.A. to non-official members on account of travel in India.

6. Foreign Travel Expenses: Cover all expenses on account of travel on duty outside India including deputation of Scientists abroad. This will also include the expenditure on T.A./D.A. to non-official members going on tour abroad.

7. Office Expenses: Include all contingent expenses for running an office such as furniture, purchase and maintenance of office machines and equipment, liveries, hot and cold weather charges (excluding wages of staff paid from contingencies), telephone, electricity and water charges, stationery, printing of forms, purchase and maintenance of staff cars and other vehicles for office use as distinct from vehicles for functional purposes like ambulance, vans, etc. This will also include POL expenses on vehicles for office use.

8. Rent, Rates & Taxes: Include payment of rent for hired buildings, municipal rates and taxes, etc. It will also include lease charges for land.
9. **Publication**: Include expenditure on printing of office codes, manuals and other documents, whether priced or unpriced but will exclude expenditure on printing of publicity material. This will also include discount to agents on sale of publication, etc.

10. **Other Administrative Expenses**: Include expenditure on Departmental canteen hospitality/entertainment expenses, gifts and expenditure on conducted tours, expenditure on conferences/seminars/workshops, etc. and expenditure on other training programmes.

11. **Advertising and Publicity**: Include commission to agents for sale and printing of publicity material. This would also include expenditure on exhibitions, fairs.

12. **Minor Works**: Record expenditure on repairs and maintenance of works, machinery and equipment.

13. **Professional Services**: Include charges for legal services, consultancy fees, fees to staff artistes, remuneration to the examiners, invigilators, etc. for conducting examinations, remuneration to casual artistes, by the All India Radio, Doordarshan and all other types of remunerations. It will also include payments for services rendered, supplies made by other departments such as Railways, Police, etc. a distinction being made in respect of supplies made, services rendered for running of an office in which case the expenditure will be recorded under office expenses.

14. **Contribution**: This will also include expenditure on membership of International bodies.

15. **Secret Service Expenditure**: The funds under Secret Service Expenditure can be spent for specific purposes on requirements which need to be kept secret.

16. **Other Charges**: Include payment out of discretionary grants, other discounts, customs duty compensation, awards and prizes, etc.

Any other expenditure which cannot be classified under any of these specified object heads will be debited to this head.

17. **Other Expenditure (Department Canteens)**: Include expenditure related to Departmental Canteens.

18. **Information Technology (O.E)**: Include payment for works related to Information Technology.

**Capital Section:-**

1. **Capital Outlay on Other Fiscal Services (Major Head-4047)**: This is for Acquisition of Ships and Fleets/ Acquisition of Anti-smuggling equipments.

2. **Capital Outlay on Public Works (Major Head-4059)**: This is for Construction/ Acquisition of Office Accommodation. It also includes ‘Special repair works’ as defined in para 7.1.2 (ii).

3. **Capital Outlay on Housing (Major Head-4216)**: This is for Construction/Acquisition of Residential Accommodation. It also includes ‘Special repair works’ as defined in para 7.1.2 (ii).

**8.4 BUDGETING BY THE MoUD**

As per the current procedure, budgeting in respect of items at S. No.(i), (ii) and (iv) of items mentioned in para 9.1 above is done by the MOUD. The CPWD under the MOUD is the organization entrusted with the task of construction/maintenance of all offices/residential buildings of Customs & Central excise Department apart from those of other Central government Departments. Field formations of the CPWD in consultation with the field formations of the CBEC arrive at estimates of funds required for construction/maintenance for the current fiscal year. Field formations of the CBEC have the responsibility of projecting likely expenditure in the ensuing year which would in turn depend upon the latest appreciation of the projects to be executed and
their specific status in terms of likelihood of sanction from the competent authority.

8.5 PREPARATION OF BUDGET FOR THE CPWD

(1) Budget Estimates (including Revised Estimates) for works etc., should be prepared in the forms prescribed by the MOUD. For non-plan expenditure, the estimates have to be submitted before 31st October.

(2) Proposal for Revised Estimates for the current year and Budget Estimates for the ensuing year in respect of Revenue Section (Works) under Demand for Public Works and Demand for Housing and Urban Development may be prepared in the following manner:-

(A) New construction projects or purchase of land

(i) The schedules to be prepared must incorporate new construction projects to be executed by the Central Public Works Department under the following categories:-

(a) Major Head “4059”-Capital outlay for purchase of land/construction of office building for Customs & Central Excise and other construction activities on such purchase e.g., boundary wall etc. in Demand no.105-under Public Works.

(b) Major Head “4216- Capital Outlay on Housing” in Demand No.104 for purchase of land/Construction of residential building for Customs & Central Excise and other construction activities on such purchase.

(ii) No outlay for civil works (residential and non-residential buildings) should be proposed before the land is actually made available and requirements of the buildings have been finalized by the administrative Ministry.

8.5 PROJECTION FOR PROVISION OF FUNDS

The provision for funds should be made only when the specific project is most likely to be approved by the competent authority. Accordingly the department and the CPWD have the twin responsibility of ensuring that the desired funds are projected in such a way that the funds should neither remain unspent nor should the project suffer for want of funds. The projection of funds needed should be well analysed to avoid over/under budgeting. Over budgeting is likely to result in funds provided in the budget remaining unspent due to:-

(i) Delay in sanction

(ii) Delay in execution

The Standing Finance Committee of Parliament examines all such cases of unspent budget amounts and takes a very serious view of such cases. As such this aspect needs to be well understood at all levels of officers engaged in the process of budgeting.

8.6 HEADS OF ACCOUNT

The budget is prepared under various Head of Account depending upon the nature of the expenditure to be made. Different Heads of Account are controlled by different Ministries/Department.
Main Heads:

**Demand No.44- Indirect Taxes**

<table>
<thead>
<tr>
<th>Item of expenditure</th>
<th>Object Head</th>
<th>Major Head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repairs/maintenance of Departmental Office Building of Customs</td>
<td>Minor Works</td>
<td>2037</td>
</tr>
<tr>
<td>Repairs/maintenance of Departmental Office Building of Central Excise</td>
<td>Minor Works</td>
<td>2038</td>
</tr>
<tr>
<td>Repairs/maintenance of Departmental Residential Office Accommodation by Customs and Central Excise</td>
<td>Minor Works</td>
<td>2216</td>
</tr>
<tr>
<td>Purchase of Ready built Office Accommodation by Customs and Central Excise</td>
<td>Major Works</td>
<td>4059</td>
</tr>
<tr>
<td>Purchase of Ready built Residential Accommodation by Customs and Central Excise</td>
<td>Major Works</td>
<td>4216</td>
</tr>
</tbody>
</table>

**Demand No.100-Department of Urban Development**

<table>
<thead>
<tr>
<th>Item of expenditure</th>
<th>Description</th>
<th>Major Head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of land/Construction of Residential Building for Customs and Central Excise and other construction activities on such purchase e.g. boundary wall etc.</td>
<td>Finance (Revenue)</td>
<td>4216</td>
</tr>
</tbody>
</table>

**Demand No.101-Public Works**

<table>
<thead>
<tr>
<th>Item of expenditure</th>
<th>Description</th>
<th>Major Head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of land/Construction of office building for Customs and Central Excise and other construction activities on such purchase e.g. boundary wall etc.</td>
<td>Finance (Revenue)</td>
<td>4059</td>
</tr>
</tbody>
</table>

**Note:** Demand Grant No pertains to particular Financial Year and these may be confirmed before submitting the proposal and ensure that correct Demand No should be mentioned.
MEMORANDA FOR STANDING FINANCE COMMITTEE (SFC)/COMMITTEE FOR NON-PLAN EXPENDITURE (CNE)/CABINET

9.1 As already explained earlier in Chapter I relating to Financial Powers in respect of works, proposals which involve financial implication of more than Rs. 20 crores but less than Rs. 75 crores are to be appraised by the Standing Finance Committee (SFC) while those that involve expenditure more than Rs. 75 crores but less than Rs. 300 crores are to be appraised by the CNE. Formats of SFC/CNE are placed as Annexures 2.14 {a}, {b} & {c}. In such cases while processing the proposal for approval by the Competent Authority, the I & W Wing of DGHRD prepares a Memorandum for appraisal by the respective Appraising Authority, the draft of which has to be submitted along with the proposal by the concerned HOD. Similarly in case of proposal for which approval of the Cabinet is necessary a Draft Cabinet Note has to be prepared and submitted along with the proposal to the I&W Wing of DGHRD.

9.2 Given below is an outline of the Draft Cabinet Note to be prepared in case of proposals where approval of the Cabinet would be necessary.

I. FORMAT AND PRESENTATION OF THE DRAFT CABINET NOTE

1. The notes are to be prepared in the format at Annex-I and copies of the Notes made on A-4 size paper.

2. The notes are to be typed in double space (in Arial font, size 12-14) and both sides of the paper are to be used.

3. The typing impression should be legible and clear in all pages.

4. In the documents annexed, marginal notings if any, must be removed. In case, such documents have a poor impression, these must be retyped.

5. The main note should, preferably, not exceed 7-8 pages in double space. Other details, especially tables, charts, diagrams, maps etc. which should, as far as possible be brief, can be relegated to annexes.

6. A wide margin (not less than 1.5 inch) should be left towards that edge of the paper.

7. All paragraphs and sub-paragraphs of the Notes are to be appropriately numbered. Bullets, arrows and other similar markings are not to be used as a replacement for paragraphs or sub-paragraphs.

8. The Notes are to be security graded “Secret” or “Top Secret”. However, all proposals to be brought before the Cabinet are to be classified at least as “Secret”.

9. The words “Note for the Cabinet” are to be indicated below the name of the Ministry/Department on the first page.

10. Below the caption “Note for the Cabinet” a brief subject heading is to be given. While being brief, the heading should be fully indicative of the proposals contained in the Note.
11. Every note should, as far as possible, be so structured as to include paragraphs on introduction, background, proposal, justification, details of inter-ministerial consultations, financial implications, and approval required. **Appendix I “Statement of Implementation Schedule, Appendix II “Statement on Equity, Innovation and Public Accountability” and Appendix III “Statement on Major Milestones and Corresponding Target Dates”** (for infrastructure project related proposals only) should also be added and a reference made to that effect in the body of the note.

12. On the top right hand corner of the first page, the date of the note is to be indicated clearly. It has to be the date on which the note is signed and its copies sent to the Cabinet Secretariat. all other pages that are signed by the competent officer should be the same, both in English, and Hindi versions.

13. All pages in the Note, including the annexes, appendices etc. are to carry continuous page numbers on the bottom extreme right hand corner, simultaneously indicating total number of pages, in the manner “page x of y” where “x” is the running serial number of the page, and “y” is the total number of pages in the note including appendices/ Annexures.

14. The fact that Appendices/ Annexes/ Annexures are attached with the note should be indicated in the main note and also duly referenced wherever these are referred to for the first time. On each Appendix/ Annex/ Annexure, the relevant paragraph and page number of the main note, where these have been referred to, should be indicated, for easy reference.

15. Only relevant papers are to be annexed with the Note. Unrelated papers/ annexures are not to be attached.

16. It should be indicated in the final paragraph of the Note that the proposals made therein have the approval of the Minister-in-charge of the sponsoring Ministry.

II. CONTENTS

1. Special attention needs to be paid to the quality of drafting. The note while being brief should bring out all relevant details and no material fact should remain unstated. The main note should be self-contained, lucid, straightforward and contain only the relevant details.

2. All acronyms/ abbreviations used in the text of a note are to be expanded when the term is first used in the note. Its full form, with the acronym/ abbreviation given in brackets should be given. Acronyms that are not commonly used are to be avoided.

3. The note should have a brief introduction that succinctly brings out the essence of the proposal in three-four sentences, followed by a brief background, the details of the proposal, its financial implications, details of appraisal, if any carried out by the financial institutions or prescribed appraisal body/forum, inter-ministerial consultations, consultations with State Government, if relevant, recommendations of any expert bodies etc., details about Appendices/Annexures attached and approval required etc.

4. The Note should state that “the Statement of Implementation Schedule” is at Appendix-I; the Statement on Equity, Innovation and Public Accountability is at Appendix-II to the Note (the brief details of how the proposals in the note will sub serve the objective of ‘Equity, Innovation and Public Accountability’ are to be included in the main note), and the Statement on major milestones and corresponding target dates have been attached at Appendix-III (for infrastructure project related proposals.
These Appendices should be placed immediately after the main note and should be properly referred to and cross-referenced.

5. Brief details of the three appendices are as below:

A. Appendix-I
   (i) The Statement of Implementation Schedule, i.e. Appendix-I should be placed immediately after the main note and contain the following information;
      a) Gist of the decision(s) sought- This has to correspond to the approval sought;
      b) Likely benefits arising out of the decisions; and
      c) Time-frame and manner of implementation of the decision and its reporting to the Cabinet Secretariat.

B. Appendix-II
   i) The aspects of equity, innovation and public accountability would, to the extent relevant, be incorporated as Appendix II to the Note.
   ii) Every proposal being put up for consideration by the Cabinet might not necessarily respond to these three criteria or be amenable to this format or reporting. Where none of the goals can possibly be addressed because these dimensions are not relevant to the proposal under consideration in the Note, the reason for this may be briefly specified in the Note as well as in Appendix-II.

C. Appendix-III
   (i) In all cases concerning infrastructure, the note for Cabinet shall clearly bring out the major milestones and the corresponding target dates for achieving them. This should be reflected in Appendix-III and mentioned specifically as part of the paragraph seeking their approval.

6. All other Annexures/Annexes should be placed after the prescribed Appendices. In no case, should any Annexure/Annex be placed before the Appendices.

7. Only in cases where the comments of the consulted Ministries/Departments are very lengthy and it may not be possible to incorporate them in the main note, may these be reproduced in the Annexure without being para-phrased or edited along with the comments of the sponsoring Ministry in a tabular format. However, the gist of such comments shall necessarily be incorporated in the main body of the note even in such cases.

8. All notes for the Cabinet must specifically mention the dates on which comments of the consulted Ministries/Departments were finalized or received by the administrative Ministry/Department.

III NO. OF COPIES

1. The number of copies of the notes required to be sent to the Cabinet Secretariat are as below:

<table>
<thead>
<tr>
<th>Cabinet</th>
<th>No. of copies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Note for Consideration of the Cabinet</td>
<td>60 copies in Hindi and English [plus additional copies equivalent to the number of Department consulted in the matter]</td>
</tr>
</tbody>
</table>

2. Cabinet Secretariat shall, where necessary, request for additional copies of the notes for Cabinet.
ANNEX-I

SPECIMEN FORMAT OF THE MAIN NOTE

Copy No. .........

No. ...............................

MINISTRY OF .............................................................

DEPARTMENT OF .............................................................

New Delhi, the (date of the note)

NOTE FOR THE CABINET
OR
NOTE FOR THE CABINET COMMITTEE ON
OR
NOTE FOR THE EMPOWERED GROUP OF MINISTERS/ GROUP OF MINISTERS ON

Subject : ..............................................................................................................

1. INTRODUCTION
   A snapshot of the proposal in 3 or 4 sentences.

2. BACKGROUND
   A brief background of the proposal to understand its genesis. This would include consideration of the matter earlier by Cabinet if relevant, and other pertinent details.

3. PROPOSAL
   The proposal may be stated with clarity and precision so that there is no ambiguity in what the Ministry/Department aims to achieve by implementing the proposal. The time-lines for completion of different stages of the projects/scheme/plan etc, where relevant, need to be clearly spelt out.

4. JUSTIFICATION
   Rationale of the proposal may be brought out in this part of the note.

5. INTER-MINISTERIAL CONSULTATIONS
   Details of all inter-ministerial consultations and their views/comments as elaborated in the consolidated instructions should be brought out in this section. This should also give details of the appraisal of the proposal by any appraisal bodies or financial institutions.
6. FINANCIAL IMPLICATIONS
The financial implications of the proposal may be worked out as accurately as possible and should be detailed in this section. Further, the manner in which the expenditure is proposed to be borne may also be clearly indicated.

7. APPROVAL PARAGRAPH
The approval paragraph is the most crucial paragraph containing the proposal on which consideration and approval of the Cabinet is solicited. It should be a self-contained paragraph and drafted with clarity and precision leaving no scope for ambiguity or differing interpretations.

8. STATEMENT OF IMPLEMENTATION SCHEDULE (APPENDIX-I)
As per prescribed format and conforming to the approval paragraph.

9. STATEMENT OF EQUITY, INNOVATION AND PUBLIC ACCOUNTABILITY (APPENDIX-II)
As per prescribed format. Brief details of how the proposal will sub serve the three criteria to be included in the main body of the note.

10. STATEMENT ON MAJOR MILESTONES AND CORRESPONDING TARGET DATES (APPENDIX-III)
In the format prescribed for the purpose. (This is required only for Infrastructure Project related proposals)

11. APPROVAL OF THE MINISTER-IN-CHARGE
The last paragraph should indicate about the approval of the Minister-in-charge to the proposal(s) contained in the note.

Signature : ________________________________
Name : ________________________________
Designation : ________________________________
(Joint Secretary or higher in the Sponsoring Ministry/Department)
Telephone No. : ________________________________

Note: The above format is indicative and the exact headings may vary.
SECRET

No. ........................................

MINISTRY OF .................................................................

DEPARTMENT OF .............................................................

STATEMENT OF IMPLEMENTATION SCHEDULE

Subject : ..............................................................................................................

<table>
<thead>
<tr>
<th>Gist of decision required</th>
<th>Project benefits/results</th>
<th>Time-frame and manner of implementation/reporting to Cabinet Secretariat.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Signature : ________________________________

Name : ________________________________

Designation : ________________________________

(Joint Secretary or higher in the Sponsoring Ministry/Department)

Telephone No. : ________________________________
**STATEMENT OF EQUITY, INNOVATION AND PUBLIC ACCOUNTABILITY**

Subject: ..............................................................................................................................

<table>
<thead>
<tr>
<th>S. No.</th>
<th>The required goal</th>
<th>How does the proposal advance this goal?</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Equity or inclusiveness</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Innovation</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Public Accountability</td>
<td></td>
</tr>
</tbody>
</table>

Signature: ________________________________  
Name: ________________________________  
Designation: ________________________________  
(Joint Secretary or higher in the Sponsoring Ministry/Department)  
Telephone No.: ________________________________
**ANNEX-III**

**SECRET**

Copy No. ......  

No. ...............................

MINISTRY OF .................................................................

DEPARTMENT OF ............................................................

## STATEMENT OF MAJOR MILESTONES AND TARGET DATES

Subject : ..............................................................................................................

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Major Milestones</th>
<th>Time Frame for completion/target date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Signature : ________________________________  
Name : ________________________________  
Designation : ________________________________  
(Joint Secretary or higher in the Sponsoring Ministry/Department)  
Telephone No. : ________________________________
ANNEXURE-1.1

F.No. 15/6/2008-IFU-III (EC)
Ministry of Finance
Department of Revenue
Integrated Finance Unit

New Delhi.
The 15th September 2011

OFFICE MEMORANDUM

Subject: Delegation of financial powers to Head of Departments of Department of Revenue, CBDT and CBEC-reg.

1. The delegation of financial powers to Head of Departments (HODs) of CBDT and CBEC has been reviewed by the Integrated Financial Unit (IFU) of Department of Revenue. Based on, inter-alia, proposals received from CBDT & CBEC, the revised delegation, duly approved by competent authority under Rule-13 of the Delegation of Financial Power Rules, 1978 has been compiled as per Annexure.

2. For exercising delegated financial powers, as mentioned in the enclosed Annexure, there is no necessity to refer the proposals to Department/IFU except where proposals are not in consonance with the existing instructions. The provisions of GFRs and other instructions issued by Department of Expenditure and other competent authorities i.e. CVC and DGS&D etc. shall be followed. The expenditure against these delegations is subject to availability of the Funds with the HoDs.

3. The revised delegation, which is applicable with immediate effect, may be circulated to all HoDs.

Sd/-
(H. Pradeep Rao)
Joint Secretary and Financial Adviser (Finance)

To:
(1) Chairman, CBDT
(2) Chairman, CBEC and
(3) Joint Secretary (Revenue)
(4) Joint Secretary (Admin.), CBDT
(5) Joint Secretary (Admin.), CBEC

Copy to:
(1) Pr. CCA, CBDT
(2) Pr. CCA, CBEC
(3) CCA, Finance (D/O Revenue)
DELEGATION OF FINANCIAL POWERS TO HEAD OF DEPARTMENTS (HODs) OF CBEC, CBDT & DEPARTMENT OF REVENUE

(Ref: O.M. F. No. 15/6/2008-IFU dt.15.09.2011)

Note 1--- The instructions issued by Department of Expenditure vide their O.M. NO. 7(1)/E. Coord/2011 dated 11th July, 2011 and other item wise or general instructions, as issued from time to time by Department of Expenditure, Budget Division, Department of Revenue, CBEC, CBDT and other competent authorities, shall apply while exercising the delegation in respective items.

Note 2---The General Financial Rules, 2005 (effective from 01.07.2005) and the Delegation of Financial Powers Rules, 1978, as amended up to the date of issue of this compilation, shall apply in respect of each of these stated items.

Note 3--- Regarding the position on the available delegation of HODs on various items, after issue of Department of Expenditure Notification No. I (11)/E.II.A/2003 dated 16.9.2003, it is clarified that with the issue of this Notification, the departments have been authorized to decide the extent of financial powers which they can delegate to their HODs in the matter of contingent expenditure and miscellaneous expenditure subject to fiscal codes and procedures and limits being within budgetary allocations. Accordingly, the HODs of CBEC, CBDT and Department of Revenue will continue to have the same delegation as prevailing before the issue of above mentioned notification dated 16.9.2003 unless powers are specifically enhanced under the items in the enclosed compilation.

Note 4--- For exercising delegated financial powers as mentioned in the enclosed compilation, there is no necessity to refer the proposals to Department/IFU except where expenditure is in deviation of existing instructions.

Note 5--- All proposals beyond delegated powers of HODs are to be invariably referred to Ministry/Department for consideration/approval.
## Relevant extracts relating to Infrastructure

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Items of Expenditure</th>
<th>Rules applicable and delegation of financial powers to HODs of CBDT, CBEC and D/o Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.10</td>
<td>Repair and maintenance work in buildings owned by the Department. (Minor Works)</td>
<td>Rs. 30 lakh per annum. Provisions of GFR 2005 will apply.</td>
</tr>
<tr>
<td>2.11</td>
<td>Provision of DG set</td>
<td>Rs. 15 lakh per annum per building for each HOD for purchase of DG (Diesel Generating) set subject to GFR 2005, Works Manual and guidelines for essential and non-essential loads for DG Sets.</td>
</tr>
<tr>
<td>2.12</td>
<td>Repair and maintenance work in hired office buildings</td>
<td>A total of Rs. 50,000/- in a year, non-recurring. Provision of GFRs 2005 will apply.</td>
</tr>
<tr>
<td>2.13</td>
<td>Original works (through CPWD) on Department land and buildings. (Only in cases where funds are provided by MOUD). The power will not be used for purchase of land/building.</td>
<td>Rs. 10 lakh in each case. Provisions of GFR 2005 will apply. Government of India decision below Rule 10 of DFPRs on New Service/New Instrument of Service shall apply. All original works beyond Rs. 10 lakh require reporting to Parliament and beyond Rs. 50 lakhs, requires prior approval of Parliament. Budget provision should be available under the grant provided by MOUD.</td>
</tr>
<tr>
<td>2.14</td>
<td>Hiring of office accommodation.</td>
<td>Rs. 3 lakh per month for 13 major Cities (A-1 and A) &amp; Rs. 1.5 lakh per month for other cities. <strong>Note:</strong> These powers are subject to non-availability certificate from Directorate of Estates and/or CPWD, Fair Rent Certificate from CPWD, observance of GFR 2005, admissibility of space norms as prescribed and also subject to relevant instructions on this item issued from time to time. Any deviation from norms including acceptance of single offer, should be referred to the Ministry. Hiring should be recommended by a Hiring Committee duly constituted by the HOD.</td>
</tr>
</tbody>
</table>

**Note:** The classification of A-1 and A city for 13 major cities would be the same as is the classification for HRA.
Subject: Review of existing levels of consideration and approval of expenditure proposals-routing of files through Integrated Finance Unit in CBDT and CBEC.

Reference is invited to IFU’s O.M. of even number dated 6th June, 2008 on the subject mentioned above. With the approval of the competent authority, it has been decided to modify the procedure prescribed for sanction of expenditure in respect of CBDT and CBEC upto Rs. 2 crore (in so far as it relates to the Heads of Accounts for which CBDT & CBEC are the Controlling Officers), as under:-

“Proposals requiring sanction of expenditure beyond HOD’s power as prescribed vide O.M F.No.15/6/2008-IFU-III(EC), dated 6th June, 2008, upto Rs. 2 crore will be approved by the Member concerned of CBDT/CBEC after obtaining concurrence of IFU. All such cases will be referred to IFU by the respective J.S’ s (Admn.) CBEC/CBDT”.

2. This modification may be brought to the notice of all concerned in CBDT, CBEC and field formations.

-Sd-
(M. Deena Dayalan)
Joint Secretary & Finance Adviser (Finance)

To
(1) Chairman, CBDT
(2) Chairman, CBEC
(3) Additional Secretary (Revenue)
(4) Joint Secretary (Revenue)
(5) Joint Secretary (Admn.), CBDT
(6) Joint Secretary (Admn.), CBEC
(7) Director (Finance-DT)
(8) Director (Finance-EC)
(9) CCAs (CBDT)/CBEC- for conducting of Internal Audit for all cases following revised delegation.
(10) Under Secretaries/SO in IFU
OFFICE MEMORANDUM

Subject: Review of existing levels of consideration and approval of expenditure proposals-routing of files through Integrated Finance Unit in CBDT and CBEC.


a) With the approval of the competent authority following procedure is prescribed for sanction of expenditure in CBDT and CBEC.

Proposals requiring sanction of expenditure beyond HOD powers as prescribed vide OM No. 15.6.2008-IFU-III (EC) dt. 6th June, 2008 and upto Rs. 2 crore will be routed through J.S. (Admn)/ Member concerned to Financial Adviser for consideration and approval.

b) Proposals requiring sanction of expenditure beyond Rs. 2.00 crore and upto Rs. 5.00 crore will be routed through the J.S. (Admn)/Member concerned. Financial Adviser to the Chairperson of the Board for approval.

c) Proposal requiring sanction of expenditure beyond Rs. 5 crore and upto Rs. 10 crore will be routed through the concerned J.S. (Admn), Member concerned, Chairman and Financial Adviser for obtaining the approval of the Revenue Secretary*.

(*All single tender/proprietary contracts and contracts for technical collaboration and consultancy services irrespective of the value will be submitted to Revenue Secretary for consideration/approval).

2. The above changes in the level of consideration and disposal of expenditure proposals may be intimated to all the concerned in CBDT, CBEC and other organizations.

3. Irrespective of the amount of expenditure involved, the existing scheme of levels of approval shall continue where specific approval of Revenue Secretary/Finance Minister is required as per existing instructions e.g. foreign visit proposals etc.

Sd/-
(M. Deena Dayalan)
Joint Secretary and Financial Adviser (Finance)
(1) To:
(2) Chairman, CBDT
(3) Chairman, CBEC
(4) AS (Revenue)
(5) Joint Secretary (Revenue)
(6) Joint Secretary (Admn), CBDT
(7) Joint Secretary (Admn), CBEC
(8) Director (Finance-DT)
   Director (Finance-EC)
(9) Under Secretaries/SOs in IFU
OFFICE MEMORANDUM

Subject: Enhancement in the Financial Powers of Ministries/Departments with regard to expenditure on Non-Plan Schemes/Projects.

1. The undersigned is directed to refer to this Ministry’s OM No.1 (9)/E.II(A)/2007 dated 28th January, 2008 on the subject cited above. In the light of the revision of the threshold for proposals to be placed before the Cabinet/CCEA, it has been decided to revise the financial limits for appraisal and approval of Non-Plan Schemes/Projects by competent authorities. Accordingly, the Government of India Decision (4) (B) below Rule 18 of the Delegation of Financial Powers Rules, 1978 has been substituted as per the amendment enclosed.

2. Further, approval of the Finance Ministry shall not be required to sanction excess expenditure over the original estimates of a sanctioned Non-Plan scheme/project up to ten percent or Rupees Ten Crore, whichever is less, unless the scheme or project has been substantially altered.

3. Hindi version of the Office Memorandum will follow.

Encl.: as above

Sd/-

(Madhulika P. Sukul)
Joint Secretary to the Govt. of India

To
(i) All Ministries/Departments of Government of India
(ii) All FAs

Rule 18 Government of India Decision No. 4(B)

Substitute the following for the Government of India’s decision 4(B) below Rule 18 of the Delegation of Financial Powers Rules, 1978-

4(B) Sanction of Non-Plan Expenditure-

(a) A Committee on Non-Plan Expenditure (CNE) has been constituted with Secretary, Department of Expenditure as Chairman and the following members:

(i) Secretary, Planning Commission
(ii) Secretary of the Department concerned.

(b) CNE will serve as an appraisal forum and the following types of cases shall require submission to the Committee on Non-Plan Expenditure-

(i) All Non-Plan proposals involving expenditure of over Rs. 75 crore recurring or non-recurring, on a new service or for expansion of existing services.

(ii) Any other Non-Plan proposal which a Department may like to be considered in the CNE.

(c) No item of Non-Plan expenditure will be referred to the EFC/PIB. Procedure for submission of cases to the CNE will be the same as for submission of proposals to EFC and PIB. The Integrated Finance of the concerned Department shall function as the Secretariat for the CNE.

(d) A Department of the Central Government with the Integrated Finance Scheme, may exercise power to sanction Non-Plan expenditure on schemes in the manner mentioned below subject to the condition that (i) No Non-Plan post will be created and (ii) No autonomous institution will be set-up. The powers will continue to be governed by procedural and other instructions issued by Government from time to time, e.g. General Economy Instructions.
<table>
<thead>
<tr>
<th>Financial limits of Non-Plan Scheme*</th>
<th>Appraisal Forum</th>
<th>Competent Authority to approve the scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Up to Rs. 20 crore</td>
<td>Ministry/Department concerned in the normal course.</td>
<td>Secretary of Administrative Ministry.</td>
</tr>
<tr>
<td>Beyond Rs. 20 crore up to Rs. 50 crore</td>
<td>Standing Finance Committee of the Department concerned under the chairmanship of Secretary with Financial Advisor and JS/Director of the concerned Division as members with provision for inviting representative from any other Department that the Secretary/FA may suggest.</td>
<td>Minister-in-charge of Administrative Ministry/Department</td>
</tr>
<tr>
<td>Beyond Rs. 50 crore but less than Rs. 75 crore</td>
<td>Standing Finance Committee of the Department concerned as at (b) above with representative of D/o Expenditure also as a member.</td>
<td>Minister-in-charge of Ministry/Department</td>
</tr>
<tr>
<td>Beyond Rs. 75 crore but less than Rs. 150 crore</td>
<td>CNE</td>
<td>Minister-in-charge of Ministry/Department</td>
</tr>
<tr>
<td>Rs. 150 crore and above but less than Rs. 300 crore</td>
<td>CNE</td>
<td>Minister-in-charge of Ministry/Department and Minister of Finance.</td>
</tr>
<tr>
<td>Rs. 300 crore and above</td>
<td>CNE</td>
<td>Cabinet/CCEA</td>
</tr>
<tr>
<td>Proposals for new autonomous organizations irrespective of outlay</td>
<td>CNE</td>
<td>Cabinet/CCEA</td>
</tr>
</tbody>
</table>

* The financial limits specified are for the composite project and under no circumstances, shall a proposal be split (e.g. land acquisition for project site and construction activities thereon) so as to avoid appraisal/approval by the Competent Authority. Therefore, Ministries/Departments are advised not to incur any expenditure on account of investment in land and building unless schemes/projects are appraised/approved by the Competent Authority.
OFFICE MEMORANDUM

Subject: Procedure for obtaining the approval of location of offices in stations other than Delhi.

In continuation of the Ministry’s OM No, 11011(1)/67-Pol.IV dated 10.07.1967, the undersigned is directed to say that it has been decided that all proposals relating to location or otherwise of office in Faridabad and Ghaziabad will henceforth be referred to the Committee headed by the Secretary, Ministry of Works & housing which will examine the proposal and make recommendation to the CCA as in the case of location of offices in Delhi. Insofar as proposal relate to location of offices in Calcutta, Bombay, Madras, Bangalore, Nagpur, Indore and Chandigarh where General Pool accommodation exist the proposal should be forwarded to this Ministry in duplicate after obtaining the approval of Joint Secretary or an officer of equal status in the Ministry concerned. While forwarding the proposal, the following details should also be furnished.

i) Status of the office, i.e. whether attached or subordinate office or public sector undertaking or autonomous organization.

ii) Source from which the offices and staff will be paid i.e., from the Consolidated Fund of India or otherwise.

iii) Whether the office will be within the Municipal limit of the city or the town.

iv) The total sanctioned strength of the proposed office.

v) Whether the offices and staff are eligible for residential accommodation from any other pool.

2. The Ministry of Home Affairs etc. are requested to bring the above instructions to the notice of all concerned for their information and guidance.

-Sd/-

(Neelam Nath)

Deputy Director of Estates

To

1. All the Ministries/Departments of Government of India.
2. All attached and subordinate offices under the Ministry of Works & housing.
3. All the Estate Manger and Asstt. Estate Managers.
ANNEXURE: 2.2

F. No.

CERTIFICATE

(Prescribed Vide OM No. 11011(1)/80-Po-IV dated 03.10.1980 issued by Deputy Secretary, Director of Estate, Ministry of MoUD, Department of Estates, New Delhi.)

1. Status of the office i.e. whether attached or Subordinate Office or Public Sector taking or under autonomous organization and Customs.

   Subordinate Office

   Attached to the Ministry of Finance, Department of Revenue Central Board of Excise

2. Source from which the officers and staff Consolidated. Will be paid i.e. from the India Consolidated fund of India or otherwise.

   From the Fund of

3. Whether the office will be within the Municipal limits of the City or the town.

   Yes, within the Municipal of

4. The total sanctioned strength of the proposed office

5. Whether the Officers and staff are eligible for residential accommodation from any other pool.

   Joint Secretary (Admn.)
   Central Board of Excise and Customs Ministry of Finance Department of Revenue New Delhi
Copy of O.M. No. 26/19/65-Acc.II(3) dated the 20th December, 1965 from the Ministry of Works & Housing to the Ministry of finance (Department of Revenue) New Delhi.

Subject: Scales of office accommodation laid down under the austerity standards for officers of Income Tax Department and the Central Excise and Customs Department on change over to Metric System.

The undersigned is directed to refer to this Ministry’s Memorandum No. (i) 5711-WII/52, dated 22.07.1952 (ii) WII-95(26)153 dated 30.11.1953 and (iii) Letter No. EE/26(69)/56, dated 17.06.53 (copy enclosed for ready reference) and to say that the scales of office accommodation for various categories of the officers mentioned therein have been revised in rationalized Metric Units as under:-

I. Income-Tax Department

5. Non-gazetted staff (excluding Inspectors) 3.5 sq. metres

II. Central Excise and Customs Department (Gazetted)

<table>
<thead>
<tr>
<th>Custom Personnel</th>
<th>Central Excise Personnel</th>
<th>Scale of accommodation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Collector &amp; Deputy Collector</td>
<td>Collector &amp; Deputy Collector</td>
<td>23.0 sqm.</td>
</tr>
<tr>
<td>2. Assistant Collector</td>
<td>Assistant Collector</td>
<td>18.0 sqm.</td>
</tr>
</tbody>
</table>

Non-Gazetted

Deputy Superintendent (Executive) 14.5 sqm.

1. Preventive Inspector
   Officer Assistant Preventive
   Inspector, Appraiser Examiner

2. Draughtsman
3. Records

25% of the area for gazetted staff
(excluding Inspectors and equivalent
categories of staff mentioned against item
above).

7. Supervisors of the Central Excise Deptt.
as hold an independent charge of a Customs
House at Sub-posts.

Sd/-
(B.M. Lal)
Under Secretary to the Government of India
REPORT OF LAROYA COMMITTEE
COMPOSITION OF THE COMMITTEE & TERMS OF REFERENCES

On request of the Ministry of Finance, Department of Revenue, the Director General of Works, Central Public works Department in a meeting held on 24/08/1981 appointed a Committee to study and recommend special requirements and specifications for Revenue Buildings all over India which may serve as guidelines for designing such Building.

The Committee was constituted of following members:-

Central Public Work Department
S/Shri
1. H.R. Laroya, Chief Architect, Nirman Bhawan, New Delhi. (Chairman)
2. Chief Engineer (Northern Zone), Shri A. Sankaran upto 17/02/1983 and Shri S.S. Kaimal 22/02/1983 onwards, R.K. Puram, New Delhi.
3. Chief Engineer (Design), represented by Shri N. Vembu, Superintending Engineer, Central Design Organisation, Nirman Bhawan, New Delhi.
6. M.V. Korgaonkar, Architect (Secretary), SA (H&TP) II Unit, Nirman Bhawan, New Delhi.

Ministry of works and Housing

Ministry of Finance
8. T. Jacob, Secretary, Central Board of Direct Taxes, Ex-officio Director, Department of Revenue, North Block, New Delhi.
9. P. P. Singh, D.F.A (E.C), Department of Revenue.
10. R. Luikham, Director (Finance), Department of Revenue, New Delhi.
11. I. K. Kakkar, Deputy Director, Directorate of Inspection, Central Excise and Custom Department.
12. D. Rehman, Deputy Director, DOMS (IT) Aivane-Ghalib, Mata Sundari Road, New Delhi.
13. R.K. Sanger, Under Secretary, Department of Revenue, Central Board of Central Excise and Custom, North Block, New Delhi.
2.1 Terms of Reference

2.1.1 To examine, evaluate and recommend norms for norms for special requirements of the Income Tax and Central Excise Department and to increase the existing insufficient space and to add special requirements then provided by the government.

2.1.2 To provide guidelines for structural module for planning of revenue buildings.

2.1.3 To Standardize specifications and finishes for common areas in revenue buildings.

Deliberations of the Committees

3.1 The Committee held number of sittings at New Delhi during which it examined the norms laid down by the government to meet special requirements and specification of revenue buildings.

3.2 The Committee also visited two buildings in New Delhi for on-the-spot study, namely, Central Revenue Building and Mayur Bhawan and had detailed discussion with Shri Shaikh Abdulah, the than Director of Inspection (RS&PR) and now Director General (Inspection), Mayur Bhawan, Shri Julka, Collector, Custom, Shri Har Govind, Chief Commissioner, Income Tax, Delhi Charge and Commissioner of Income Tax and Collector of Custom at Jaipur (by Chairman). The representative of Directorate of Estates was also associated with deliberations of the Committee.

3.3 The information/date was obtained from the user departments and plans, specifications and comments from Chief Engineer and Senior Architects of the various Zones. The Senior architects in particular were requested offer specific comments on the performance of the existing building designed for Revenue departments.

3.4 The departments were requested to identify their additional special requirements and offer comments on the special requirements already provided where revision to desirable.

3.5 Statistics/data/charts supplied by the client departments, Senior Architects, Chief Engineers of Central Public Works Department and the observations of the Committee members during on-the-spot study of buildings were closely examined and evaluation/assessments of the special requirement and specifications were made so as to evolve the principles for new norms and standards.

3.6 The Committee decided to assess and work out the space norms on the basis of objective analysis of the functional utilization and actual utilization of various spaces and overall performance of the existing buildings. Also the Committee visualized the set of requirements and officers to head the functional unit/office on the basis of existing organizational set up in the revenue departments. With a view to Identify general and special requirements and lay down rationally area norms the buildings are divided into four categories (refer table I and II).

4.1 Existing norms and Standards of space for special requirements.

<table>
<thead>
<tr>
<th>Conference</th>
<th>82 to 44 Sq. m.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visitors’ Room</td>
<td>44 Sq. m.</td>
</tr>
<tr>
<td>Reception/Security staff</td>
<td>11 Sq. m.</td>
</tr>
</tbody>
</table>
Canteen/Tiffin 0.093 Sq. m.
Telephone Exchange 22 Sq. m.
Class room 44 Sq. m. Max
Library 0.093 Sq.m. for 25 books.
Old record 0.093 Sq. m. for 20 files.
Futures expansion 10% of total requirements

Note: The requirement should be worked out strictly as per the norms prescribed in Table II.

**RECOMMENDATIONS**

5.1 It is recommended that there should be separate plot each for Income Tax and Central Excise and Custom Departments.

   This will facilitate their smooth functioning since each of the departments has to carry separate functions ad deal with different sets of people.

5.2 It was noted that a concept of separate public block like an O.P.D block in hospital complex can be accepted with a view to segregate dealings with public from routine transactions. Areas like recreation room, toilets, space for water coolers, ladies rest room etc. can be compactly grouped together in separate core. It was also envisaged that public relations unit with enquiry and form distribution counters, tax payers’ assistance booths, telephone exchange, public working and display area and could be planned in another core.

5.3 Spacious circulation space in lobby areas is suggested. Main corridor which may be kept minimum 2.5 meters clear. However, it is suggested that as far as possible the area/wings should be so planned that they may come separately under three categories namely (a) Heavy public dealing (b) moderate (c) not dealing with public. In view of the heavy construction expenditure involved wider corridor which can be considered only for category of blocks under (a) above. Even here the width may be kept as less as required any 2.3 m. While planning, it can also be insure that the offices heavy public dealing are invariably located on lower floors. Similarly, locations of areas like canteen etc. may be so located that use of life is restricted to minimum.

5.4 Specification for the strong room and malkhans should be decided by the Department as per the requirements.

6.1 Lighting and heating/cooling system

6.1.1 Standby generating set of required capacity may be provide wherever considered necessary for meeting essential lighting and power requirements for lifts, pumps etc.

6.1.2 Coiling fan points may be provided in waiting areas, corridors and life lobbies etc. so that the ceiling fans may be provided depending upon the requirements. Use of pedestal and table fans in
corridors/public areas should be discouraged to eliminate risk of electric shock, mishandling of the electrical equipments etc.

6.1.3 It was felt necessary to provide enough illumination in office areas i.e. upto 300 Lux. Provision of fluorescent lighting is, therefore, essential. Preferable the depth of room should not be more than 8 meters in order to avail natural light and ventilation.

6.2.1 Structural provisions for air-conditioning at a later date are to be provided in buildings as per Ministry of Works and Housing No. 110015/76_WI dated 14.10.1981 in different cases, the same may also be applicable for Central Revenue buildings under category III/IV.

6.2.2 Wherever climatic conditions make it functionally efficient and economical; the provision of centralized cooling/heating systems (in preference to large number of individual room coolers/heaters) is recommended for valid technical and financial reasons. Necessary provision for centralized cooling/heating systems has to be made at construction stage only to get best possible advantage of the system.

6.2.3 Storage type water coolers should be provided at least one on each floor. The number of water coolers may be decided as per IS No. 1475-78. Their location in the building should be pre-determined at the planning stage so that water supply, power supply and drainage arrangements are properly made during construction as to keep the surrounding space of the water cooler neat and clean.

7.1 OTHER FUNCTIONAL REQUIREMENTS

7.1 Provision of space for bank/post office is recommended for category IV buildings.

7.2 Transit guests accommodation including drawing, dining and kitchen within office complex is recommended (refer table II).

7.3 It was mentioned that Internal Audit parties and staff of the A.G’s office keep on visiting the revenue offices almost throughout the year. One room for each party is recommended as indicated in table II.

7.4 As regards to current and old records of the two departments, it was considered that the existing norm of 25% of the area for non-gazetted staff (excluding Inspectors) is inadequate. It is, therefore, recommended to provide 25% of the area for current record and 30% of the area for old record for gazetted and non-gazetted staff. While referring to government circulars, the Committee observed that there is no consistency while setting space norms for records storage. One circular has recommended 25% of area to be allocated for records while another has calculated it 1 sq. ft. for 20 recorded files. Committee illegible to bring consistency in these norms.

However, committee members expressed that need for employment of modern techniques including electronic systems with optimum use of limited available space by proper classification and timely weeding and storage of records. A feasibility and workability of stacking the office records on the lines of closed stack arrangement of books in big libraries could be examined in consultation with the Chief Architect of Central P.W.D.

7.5 It has been observed that during the period between the date of sanction of the project and its completion, the department is expanded with the result that space falls short. The Committee felt
that 15% extra area may be provided to cover the expansion of the department during the period of construction and later.

7.6 Regarding provision of examination halls. Committee suggested that since it is an occasional requirement same may be met by hiring the accommodation as per present practice.

7.7 Committee suggested suitable rest room with kitchenette and toilet for two chowkidars in view of the nature of their duties (see table II).

7.8 As estimated the numbers of visitors to income tax officers/superintendents per day works out to be 15. However, it was resolved that a space for 12 persons for four Income Tax Officers/Superintendents may be approved at the rate of three visitors per officer at an appointed time. In addition, if necessary a suitable waiting lounge for the visitors may be provided at one or two places on each floor.

7.9 Sufficient open parking may be provided in the complex to meet the requirements.

**SPECIFICATIONS**

8.1 As regards to specifications, Committee did not feel it necessary to suggest any major changes in the present practice. However, it was emphasized that the toilet flooring should be provided in kota stone and dado in glazed files upto minimum 1.20 meters high.

8.1.2 The toilets should have the half stall type urinals, automatic flushing inclining mirror, wash basin, soap box and towel ring.

8.1.3 Proportion of European and Indian type water closets (WCs) may be kept at 1:1. It was mentioned that the recommendation of the panel appointed by Director General of Works regarding leakages in toilets in public buildings may be kept in view for detailed guidelines.*

8.2 The top finishing of the built — in reception counter may be provided in sunmica/kotastone. The floor finish in the important rooms may be provided with marble mosaic flooring and rest of the areas in cement concrete flooring.

Report of the Committee regarding leakages in WCs and toilets in hospitals and public buildings suggesting remedial measures for avoiding unhygienic conditions and rusting of reinforcement by C.P.W.D., Ministry of Works and Housing, New Delhi 1980.

8.3 It was observed that vertical expansion at later stage creates problems with structural frame and also hampers day to day office working. Therefore, the Committee favoured vertical expansion of the building at one time and horizontal expansion should be phased out. However, it was suggested to keep, structural provision for addition of one floor in critical cases.

9.1 **STRUCTURAL MODULE**

Structural module is one the important factors which influences the planning of the office building. The efficiency and economy is very much linked with it. The evolution of the suitable grid plan had to be consistent with the architectural requirements. Grid plan should be so designed that size and grouping of the units can be adoptable to meet varying needs and interior changes. Location
of corridors and passages should be well coordinated with various spaces. It should be further coordinated with location, type and also of partitions to be Used. A flexibility of spaces has to be maintained since expanding offices always undergo various organizational changes. It is, therefore, not advisable to indicate permanent partitions in the architectural drawings.

9.2 The exact module of structural grid is linked with the shape of the building to suit the site condition, requirements of the building etc. It is not possible to lay a rigid specific grid for any building since the factors like earthquake, zones, soil characteristics, number of storeyes etc. shall influence the grid. It may not be desirable to workout and stick to particular grid size for various reasons. The approach shall be only to arrive at a reasonable/practicable grid during planning stage to ensure that it is economical. However, as per the prevailing office norms laid down by Ministry of Works and Housing, carpet areas allowed to general pool office workers according to their pay scales are 3.5, 5.5, 11, 14.5, 18.00, 23.00, sq. mts. Therefore, grid evolved should be capable of accommodating these norms in the best possible way. The study and experience reveals that 6.40m x 6.40 x6.40 or 6.70m x 6.70m may be acceptable and workable grids wherein 3.5 Mts. becomes a basic unit. Thus, the multiple of this unit can be the room dimension which could be worked cut on the basis of the amount of the space required for the individual office worker. Introduction of movable partitions with interlocking arrangement may be an ideal proposition. The furniture design layout with storage facility should be intergraded thoughtfully with architectural planning. It is also suggested to use standardized furniture and other equipment so far as size, design and finishes are concerned. This will help in smooth work, flow, better space management and elegant look to office area.

CONCLUSION

10.1 It is absolutely essential to evolve a proper system and get periodical feedback from the various agencies responsible for designs and construction of the building, maintenance of various services in the building complex and user department. Secondly, it is advisable to involve the architect right from the site selection processing upto handing over of the building. In fact, architects responsibility may not be limited for preparation of architectural designs, working details and supervision but he continues to be a very close associate and advisor to client at every decision with a view to ensure the execution of work as per the architectural concept. It is necessary for the client at every decision with a view to ensure the execution of work as per the architectural concept. It is necessary for the client department to take the help of the designer to understand the architectural concept and drawings before they put their seal of approval. The norms and guidelines finalized on basis of this report should be institutionalized by suitable directives by both Central Boards of Direct Taxes and Excise and Custom. Any deviation from these directives could only be done with explicit approval of concerned authority.

As regards to addition/alteration in the existing buildings of the departments, the Committee recommended that same should be done with concurrence of Senior Architect and Superintending Engineer/Chief Engineer of the respective Zone, with a view to maintain proper architectural control of the buildings/complex.
### TABLE-I

*Para-3.6*

<table>
<thead>
<tr>
<th>Category of Building</th>
<th>Income Tax</th>
<th>Department Designation/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>(1) ITO</td>
<td>Central Excise &amp; Custom</td>
</tr>
<tr>
<td>II</td>
<td>IAC</td>
<td>Superintendent (Reg.)</td>
</tr>
<tr>
<td>III</td>
<td>(1) C.I.T.</td>
<td>Asstt. Collector</td>
</tr>
<tr>
<td>IV</td>
<td>(1) Multi Commission Charges three or more commission</td>
<td>Collector</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Central Excise &amp; Custom</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multi Collector Charges</td>
</tr>
<tr>
<td></td>
<td></td>
<td>three or more Collectors</td>
</tr>
</tbody>
</table>

### TABLE-II (Para 7.5)

**Norms and Standards of Various Special Components of Income Tax and Central Excise and Customs Buildings.**

<table>
<thead>
<tr>
<th>Special Component</th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td><strong>A. INCOME TAX</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>BUILDING</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Entrance hall with reception, waiting etc.</td>
<td>33</td>
<td>66</td>
<td>88</td>
<td>110</td>
<td></td>
</tr>
<tr>
<td>2. Public relations unit</td>
<td>----</td>
<td>----</td>
<td>14</td>
<td>14</td>
<td>Deleted</td>
</tr>
<tr>
<td>3. Waiting Space attached to head of the office.</td>
<td>7</td>
<td>11</td>
<td>14</td>
<td>14</td>
<td>Deleted</td>
</tr>
<tr>
<td>4. Visitors waiting for 4 ITOs</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>Deleted</td>
</tr>
<tr>
<td>I.A.C.</td>
<td>----</td>
<td>11</td>
<td>11</td>
<td>11</td>
<td>Deleted</td>
</tr>
<tr>
<td>Commissioner</td>
<td>11</td>
<td>11</td>
<td></td>
<td></td>
<td>Deleted</td>
</tr>
<tr>
<td>5. Conference Room</td>
<td>22</td>
<td>44</td>
<td>44</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. Strong Room</td>
<td>22</td>
<td>33</td>
<td>33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Record room 25% of the area for current record, 30% of the area for old record for gazetted and non-gazetted staff.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8. Counter area for forms receipt.</td>
<td>11</td>
<td>16.50</td>
<td>22</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Room Description</td>
<td>No.</td>
<td>11</td>
<td>16.50</td>
<td>22</td>
</tr>
<tr>
<td>-----</td>
<td>------------------------------------------------------</td>
<td>-----</td>
<td>----</td>
<td>-------</td>
<td>----</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9.</td>
<td>Waiting lounge on each floor</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10.</td>
<td>Stores for forms and stationary.</td>
<td>11</td>
<td>16.50</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11.</td>
<td>Telephone Exchange/ Telecom.</td>
<td>---</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12.</td>
<td>A.G's Staff Room.</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13.</td>
<td>Internal Audit party Room</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>14.</td>
<td>Visiting Officer’s Room</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15.</td>
<td>In-service training Room</td>
<td>---</td>
<td>Suite</td>
</tr>
<tr>
<td></td>
<td></td>
<td>16.</td>
<td>Guests’ Room</td>
<td>---</td>
<td>---</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Room</th>
<th>No.</th>
<th>11</th>
<th>16.50</th>
<th>22</th>
<th>33</th>
<th>22</th>
<th>44</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guard Room with Dormitory</td>
<td>----</td>
<td>22</td>
<td>22</td>
<td>22</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dormitory</td>
<td>Facilities for 8 persons</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chowkidars Rest Room</td>
<td>16.50</td>
<td>16.50</td>
<td>16.50</td>
<td>16.50</td>
<td>Attached with</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Library</td>
<td>----</td>
<td>11</td>
<td>22</td>
<td>44</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rest Room for Ladies</td>
<td>11</td>
<td>11</td>
<td>16.50</td>
<td>22</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recreation Room</td>
<td>----</td>
<td>22</td>
<td>33</td>
<td>44</td>
<td>This provision to be coordinate with</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canteen</td>
<td>11</td>
<td>11</td>
<td>33</td>
<td>88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Co-operative Store</td>
<td>----</td>
<td>11</td>
<td>22</td>
<td>22</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank and Post Office</td>
<td>----</td>
<td>----</td>
<td>----</td>
<td>----</td>
<td>As per requirement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Staff Association Room</td>
<td>----</td>
<td>----</td>
<td>16.50</td>
<td>33</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Garage for Head of Department</td>
<td>----</td>
<td>----</td>
<td>1 No.</td>
<td>As per requirement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Garages for Departmental vehicles</td>
<td>2</td>
<td>6</td>
<td>8</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A.G's Staff Room</td>
<td>----</td>
<td>16.50</td>
<td>22</td>
<td>Deleted</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internal Audit party Room</td>
<td>11</td>
<td>11</td>
<td>22</td>
<td>33</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Room</td>
<td>Bar Room</td>
<td>11</td>
<td>22</td>
<td>33</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## B. CENTRAL EXCISE AND CUSTOMS BUILDING

<table>
<thead>
<tr>
<th>No.</th>
<th>Description</th>
<th>Proposed Floor Area</th>
<th>Actual Floor Area</th>
<th>Proposed Office Area</th>
<th>Actual Office Area</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Entrance hall with Reception waiting etc.</td>
<td>33 66 88 110</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>Public Relation Unit</td>
<td>--- --- --- As per requirement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Waiting Space attached to head of the office</td>
<td>7 11 14 14 Deleted</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>4 Superintendent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Asst. Collector</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dy. Collector/Collector</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Conference Room</td>
<td>--- 22 44 44</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Strong Room</td>
<td>--- 22 33 33</td>
<td></td>
<td></td>
<td></td>
<td>Deleted</td>
</tr>
<tr>
<td>7.</td>
<td>Record room 25% of the area for current record 30% of the area for old record for gazetted and non-gazetted staff</td>
<td>--- --- --- ---</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Telecommunication Centre</td>
<td>--- 22 22 22</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Telephone Exchange</td>
<td>--- 55 66 66</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Waiting lounge on each floor</td>
<td>11 11 22 33</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Stores for Forms and Stationery</td>
<td>11 16.50 22 44</td>
<td></td>
<td></td>
<td></td>
<td>Provisions for in slaves may be made</td>
</tr>
<tr>
<td>11.</td>
<td>Visiting Officer’s Rooms</td>
<td>--- 22 44</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>In Service Training Room</td>
<td>--- --- 22 44</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>Malkhana for Confiscated goods</td>
<td>16.50 33 66 66</td>
<td></td>
<td></td>
<td></td>
<td>May be located separately outside the campus</td>
</tr>
<tr>
<td>15.</td>
<td>Covered shed for Confiscated vehicles (outside city limits)</td>
<td>--- 5 10 Nos. each 20 Nos. Room</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>Sales shop for confiscated good</td>
<td>--- --- 22 22</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>Interrogation Cell</td>
<td>--- 11 11 11</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>Guard Room with Dormitory Facilities for 8 persons</td>
<td>--- 22 22 22</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>Chowkidars Rest Rooms</td>
<td>16.50 16.50 16.50 16.50</td>
<td>Attach with Kitchenette and toilette</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>Library</td>
<td>--- 11 22 44</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21.</td>
<td>Rest Room for Ladies</td>
<td>11 11 16.50 22</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>Description</td>
<td>Length</td>
<td>Width</td>
<td>Height</td>
<td>Floor Level</td>
<td></td>
</tr>
<tr>
<td>-----</td>
<td>-----------------------------------</td>
<td>--------</td>
<td>-------</td>
<td>--------</td>
<td>-------------</td>
<td></td>
</tr>
<tr>
<td>22</td>
<td>Recreation Room</td>
<td>---</td>
<td>22</td>
<td>33</td>
<td>44</td>
<td></td>
</tr>
<tr>
<td></td>
<td>This provision to be coordinate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>with Director of Canteen Space</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>may be split up for convenient</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>floor level</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23</td>
<td>Canteen</td>
<td>11</td>
<td>11</td>
<td>33</td>
<td>88</td>
<td></td>
</tr>
<tr>
<td>24</td>
<td>Co-operative Store</td>
<td>---</td>
<td>11</td>
<td>22</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>Bank and Post Office</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td></td>
<td>As per requirement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>Staff Association Room</td>
<td>---</td>
<td>---</td>
<td>16.50</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>Garage for Head of Department</td>
<td>---</td>
<td>---</td>
<td>1 No.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>car space</td>
<td></td>
<td></td>
<td>car space</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>As per requirement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>Garage for Departmental vehicles</td>
<td>---</td>
<td>2</td>
<td>6</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>29</td>
<td>A.G's Staff Room</td>
<td>---</td>
<td>---</td>
<td>16.50</td>
<td>22</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Deleted</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>Internal Audit Party Room</td>
<td>11</td>
<td>11</td>
<td>22</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>Bar Room</td>
<td>---</td>
<td>11</td>
<td>22</td>
<td>33</td>
<td></td>
</tr>
</tbody>
</table>
OFFICE MEMORANDUM

Subject: Special requirement and specifications for Buildings of Income Tax and Central Excise and Customs Department.

In a meeting convened by the Director General (Works) on 24/08/1981 to review the works of Income tax, Central Excise Departments and attended by the representatives of these departments, it was decided to appoint a Committee to recommend norms for Revenue Buildings taking into consideration their special requirements.

Accordingly a committee was constituted with Sh. H.R. Laroya, the then Chief Architect, CPWD as Chairman and with members from CPWD, Ministry of Urban Development and Ministry of Finance. A report of the Committee is enclosed.

(i) The Government has since accepted the recommendations of the Committee as given in paras 5 to 7 and table 11 of its report, with certain modifications, which are as under:

(ii) In para 5.1 of the report, the committee has recommended construction of separate buildings for Income Tax and Central Excise Department. However, in smaller cities where strength of the officers of these two Departments is not large, Common buildings should be provided.

(iii) In para 5.3 of its report, the Committee has recommended that the main corridor width be kept minimum 2.5 meters clear. It has been decided that the width of the corridors should be planned keeping in view the recommendations of the committee on Plan Projects. There will, however, be no limitations in this respect and the width of the corridors should be planned in such a manner that the overall efficiency of space utilization is done in the best possible manner.

(iv) In paras 6.2.1 and 6.22 the Committee has recommended structural provisions for air-conditioning in all new office buildings for the Income Tax and Central Excise Department and also the provision for centralised cooling/heating systems at construction stage only wherever climatic conditions make it functionally efficient and economical. It has now been decided that the structural provision for A/C in new office buildings for the Department of Revenue will be considered separately for each building and decision taken on merits. Similarly, the provision for centralised cooling and heating systems would also be considered and decided on merits for each building.

(v) In para 7.3 of its report, the Committee has recommended provision of separate area for AG’s office staff in addition to area earmarked for internal audit party. This has not been accepted.
(vi) In para 7.7 of its report, the Committee has recommended providing of rest room with kitchen centre for chowkidars in office buildings of the Income Tax and Central Excise Department. This may not be necessary. However, if the Chowkidars in Income Tax and Central Excise Departments are required to work round the clock, they may provide with separate quarters which may constructed a reasonable distance from the office buildings.

(vii) In para 8.1 of its report, the Committee has suggested Kota stone flooring in the toilets. This can be with marble stone.

In table II of the report, the Committee has recommended the norms and standards of various special components of the Income Tax and Central Excise buildings, since suitable provisions under the head waiting lounge on each floor as at item, 9 of the table has been suggested by the Committee. The provisions suggested in items 3 and 4 under the heads waiting space attached to head of office and ‘visitors’ waiting ITO, IAC and CIT are considered too liberal. It has therefore, been decided that in view of the sufficient provision for the purpose having been proposed at item 9, the provisions suggested at items 3 and 4 may be deleted. Other provisions suggested in table II may be adopted for Income Tax and Central Excise buildings.

In so far as allotment of general pool office accommodation under the control of the Directorate of Estates is concerned, this would be in accordance with the orders issued by the Ministry and that Directorate.

All the Chief Engineers/Chief Architects/Additional Chief Architects may keep the above recommendations with the modifications as mentioned above in mind while formulating proposals for construction of office buildings for the Department of Revenue and instruct the Senior Architects under them accordingly.

This memo issues with approval of the Ministry of Urban Development.

Sd/-
(A.K. Paul)
Director (Works)
Subject: Review of the prescribed norms for calculating the requirement of accommodation in different categories for CBEC Staff posted at various Collectorates-Regarding.

Sir,

The question of increase in percentage satisfaction relating to residential accommodation in respect of Group ‘C’ and Group ‘D’ Staff posted in various Collectorates and field formations has been examined by the Board in consultation with the Ministry of Urban Development. It has been decided that in future the percentage satisfaction for residential accommodation for various categories of staff will be as under:-

<table>
<thead>
<tr>
<th>Type</th>
<th>Existing</th>
<th>Revised</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>20%</td>
<td>40%</td>
</tr>
<tr>
<td>B</td>
<td>40%</td>
<td>0%</td>
</tr>
<tr>
<td>C</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>D</td>
<td>80%</td>
<td>80%</td>
</tr>
</tbody>
</table>

Please acknowledge receipt of this letter.

Yours faithfully,

-VIJAY SINGH-
Under Secretary to the Govt. of India
To
All Principal Collectors
All Collectors of Central Excise
All Collectors of Customs
All Director Generals and all Directorates under CBEC.

Subject: Review of the prescribed norms for calculating the requirement of accommodation in different categories for CBEC Staff posted at various Collectorates — Instructions regarding.

Sir,

I am directed to refer to this Ministry’s letter of even number dated 12th September, 1990 intimating the revised percentage satisfaction for residential accommodation for various categories of staff. The matter has been re-examined in consultation with Financial Adviser (Finance) who has observed that due to scarcity of resources sufficient funds are not available even for the ongoing schemes. Therefore, it has been decided that increased percentages satisfaction for constructing departmental residential accommodation from 20 to 40% in the case of Type ‘A’ Quarters and from 40 to 50% in the case of Type 13’ Quarters may be restricted to departmental accommodation constructed in metropolitan cities and the State Capitals. In respect of other places, satisfaction percentages be worked out on earlier norms i.e. 20% for Type ‘A’ Quarters and 40% for Type 13’ Quarters. The balance number of Quarters according to revised percentages could be taken up in these places in second phase after satisfying that there is sufficient demand for Govt. accommodation. It is, therefore, requested that all future proposals may be processed as suggested above. Moreover, you should also concentrate on getting the works taken up in the major cities completed on priority basis so as to avoid cost escalation and also effect saving on account of rents being paid to private parties.

The receipt of this letter may kindly be acknowledged.

Yours faithfully,

-S d-
(VIJAY SINGH)
UNDER SECRETARY TO THE GOVT. OF INDIA
To
All Chief Commissioner of Central Excise, Customs & Service Tax,
All Commissioners of Central Excise, Customs & Service Tax,
All Director General of Central Excise, Customs & Service Tax.

Subject: Amendment to the Department of Revenue and Company Law Allotment Rules, 1964-regarding.

Sir,

In continuation of this Ministry’s letter of even number dated the 19th August, 2009, I am directed to say that it has been further decided to amend the Rule “SR-317. P-3 Classification of residence” of the Department of Revenue and Company Law Allotment Rules, 1964 under the powers conferred on the Government under Rule SR. 317-P-26 of the Department of Revenue and Company Law Allotment Rules, 1964, to the following extent until further orders with immediate effect:-

“SR 317-P-3-Classification of residence-Save as otherwise provided by these rules, an officer shall be eligible for allotment of a residence of the type shown in column-1 of the Table below:-

<table>
<thead>
<tr>
<th>Type of Residences</th>
<th>Grade Pay/Basic Pay</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Rs. 1300, 1400, 1600, 1650 and 1800</td>
</tr>
<tr>
<td>II</td>
<td>Rs. 1900, 2000, 2400, and 2800</td>
</tr>
<tr>
<td>III</td>
<td>Rs. 4200, 4600, and 4800</td>
</tr>
<tr>
<td>IV</td>
<td>Rs. 5400 to 6600</td>
</tr>
<tr>
<td>IV (Spl.)</td>
<td>Rs. 6600</td>
</tr>
<tr>
<td>V-A (D-II)</td>
<td>Rs. 7600 and 8000</td>
</tr>
<tr>
<td>V-B (D-I)</td>
<td>Rs. 8700 and 8900</td>
</tr>
<tr>
<td>VI-A(C11)</td>
<td>Rs. 10000</td>
</tr>
<tr>
<td>VI-B(C-I)</td>
<td>Rs. 67000 to 74999</td>
</tr>
<tr>
<td>VII</td>
<td>Rs. 75000 to 79999</td>
</tr>
<tr>
<td>VIII</td>
<td>Rs. 80000 and above</td>
</tr>
</tbody>
</table>
Explanation:

For the removal of doubt it is, hereby, clarified that,: 

(a) the eligibility of an officer for Departmental pool accommodation shall be determined as per the Grade Pay of such officer in his present post held in Government of India.

(b) the date of priority in respect of lower type accommodation i.e., Type-I to Type-IV shall be the date of joining the Government service.

(c) the inter-se seniority for the higher type accommodation shall be considered on the basis of the following principles, namely:

   (i) firstly, the Grade Pay of the officer;
   
   (ii) secondly the priority date within the same Grade Pay. In this case the priority date shall be the date from which the applicant is continuously drawing his existing Grade Pay;
   
   (iii)where the priority date of two or more officers is the same, the inter-se seniority of the officers shall be determined on the basis of the basic pay i.e., the officers who have a higher pay shall be senior in the waiting list.
   
   (iv)where the priority date and the basic pay of two or more officers are the same, the earlier date of joining in the service of the Government of India shall be the next determining principle of inter-se seniority;
   
   (v) where the priority date, basic pay and date of joining in the service of the Government of India of two or more officers are the same, the officer retiring earlier may be accorded higher priority over the officer retiring later.

(d) where Type-V and Type-VI accommodation has not been classified as Type-V-A and Type-V-B and Type-VI-A and Type-VI-B respectively, all the officers eligible for Type-V shall be grouped together and similarly those eligible for Type-VI shall also be grouped together.

(e) officers entitled for Type-V and above accommodation shall also be eligible to apply for accommodation below entitlement subject to the condition that such accommodation shall not be below Type-IV special accommodation. However, the officers eligible for D-II and Type-IV Spl. shall also be eligible to apply for Type-IV accommodation.

2. This issues with the approval of the Chairman, CBEC.

   Yours faithfully,

   S d/-

   (Satyajit Mishra)

   Deputy Secretary to the Government of India

   Copy also forwarded for information to the Director (DT), Department of Revenue, North Block, New Delhi.
<table>
<thead>
<tr>
<th>S. No.</th>
<th>Type of Quarters</th>
<th>Grade pay/pay scale (Rs.)</th>
<th>No. of eligible Officers as per Sanctioned Staff Strength</th>
<th>Satisfaction norms (%)</th>
<th>Number of quarters admissible as per norms (Col. 4X(5))</th>
<th>Actual Demand as per Demand Survey</th>
<th>Number of Quarters available at station (i. Depttl. + ii. under construction + iii. occupied from General Pool + iv. Total)</th>
<th>Requirement of quarters (Col. 7-8(iv) or 6-8(iv) whichever is lower)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>I</td>
<td>1300, 1400, 1600, 1650, 1800</td>
<td>20 * /40</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>II</td>
<td>1900, 2000, 2400, 2800</td>
<td>40 * /50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>III</td>
<td>4200, 4600, 4800</td>
<td>60</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>IV</td>
<td>5400 to 6600</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>IV(Spl.)</td>
<td>6600</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>V-A(D-II)</td>
<td>7600 8000</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>V-B(D-I)</td>
<td>8700 8900</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>VI-A(C-II)</td>
<td>10000</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>VI-B(C-I)</td>
<td>67000 to 74999</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>VII</td>
<td>75000 to 79999</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>VIII</td>
<td>80000 &amp; above</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* The satisfaction ratio in respect of places other than Metropolitan cities/State Capitals is to be restricted to 20 & 40% for type-I & II respectively in Phase-I. [see para-2.3 (B)(i)]
**ANNEXURE-2.9**

**REPORT OF DEMAND SURVEY SHOWING THE WILLINGNESS/NON-WILLINGNESS OF THE OFFICERS/STAFF FOR GOVT. ACCOMMODATION**

AT _____________________________

_____________________________

(Specify the station)

*(Report should be furnished separately in respect of each CBEC office located at the station.)*

Name of the office

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name Of the officer</th>
<th>Designation</th>
<th>Grade pay/ Basic pay</th>
<th>Type of quarter for which eligible</th>
<th>Whether willing to occupy govt. accommodation</th>
<th>Signature of the officer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SUMMARY OF THE REPORT OF DEMAND SURVEY**

<table>
<thead>
<tr>
<th>S. NO.</th>
<th>Type of quarter</th>
<th>No. of officers eligible</th>
<th>No. of officers willing to occupy the govt. accommodation</th>
<th>No. of officers not-willing to occupy the govt. accommodation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
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<td>IV</td>
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<td>5.</td>
<td>IV (Spl.)</td>
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<td>6.</td>
<td>V-A (D-II)</td>
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<td>7.</td>
<td>V-B (D-I)</td>
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<td>8.</td>
<td>VI-A (C-II)</td>
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<td>9.</td>
<td>VI-B (C-I)</td>
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<td>10.</td>
<td>VII</td>
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<td>11.</td>
<td>VIII</td>
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</tbody>
</table>
ANNEXURE – 2.10

C TRANSFER OF SALT DEPT LANDS FOR THE VARIOUS PUBLIC PURPOSES

The Govt have approval internal policy guideline for transfer of Dept lands to the Central / State Government departments and its agencies for various public purposes. The detailed guidelines are at Annexure – C.

Annexure-C

F. No. 04011/10/2010-Salt
Government of India
Ministry of Commerce & Industry
Department of Industrial Policy and Promotion

Dated 24th January, 2012

INTERNAL POLICY GUIDELINES FOR TRANSFER OF SALT PAN LAND OWNED BY THE GOVT OF INDIA THROUGH THE OFFICE OF THE SALT COMMISSIONER, AT PLACES OTHER THAN MUMBAI AND ITS SUBERBS, FOR PUBLIC PURPOSES.

The department of Industrial Policy and Promotion (DIPP) has receiving request from Central Government Ministry / Departments, State Governments, Central & State Public Sector Enterprises for transfer of land owned by the Govt of India through the office of the Salt Commissioner, at places other than Mumbai and its suburbs, for public purposes.

2. Following Internal Policy Guideline are being issued to deal with such requests:

2 (i) Land used for salt production and related activities, as a rule, shall not be transferred to any agency

(DIPP will take a decision in the matter based on the inputs from the Salts Commissioner regarding the use of land for salt production and related activities).

2 (ii) Not with standing (i) above, land under active salt production shall be considered for transfer for public purposes only in exceptional cases as determined by DIPP. The transfer shall be in exchange for alternative land of equivalent value suitable for salt production, falling which, falling which, on payment of market value.

2 (iii) Land declared surplus to the requirement of the Office of the Salt Commissioner shall alone be considered for public purpose in accordance with Rule 278 and 279 of the General Financial Rule (GFR), under intimation to the Ministry of urban Development.

(Declaration of land surplus to the requirement of the Salt Commissioner will be alone by DIPP based on a report from the Salt Commissioner on the economic viability of salt production).

2 (iv) Land surplus to the requirement of the Office of the Salt Commissioner shall be offered first to other Central Government Department, next to Central Public Sector Enterprises, failing which
the Government of the state in which the land is situated and lastly to the State Public Sector Enterprises.

2(v) The transfer of salt land will be on freehold basis.

2(vi) There shall be no transfer of land to private sector agencies.

2(vii) While consideration requests for transfer of land, due consideration will be given to environment related issue and related restrictions.

2(viii) Request for transfer of land shall be made to DIPP in the prescribe format (copy enclosed).

2(ix) Inter-se priority shall be fixed by DIPP in case of multiple requests for the same land, depending on the nature of public purpose.

2(x) On the direction of DIPP, the Salt Commissioner shall examine, as far as possible, within 60 days, all such requests taking into account the impact of such transfer of salt production, the requirement of the said land for proper salt manufacture in future and the availability if saline land for exchange, if required.

2(xi) The actual extent of land to be transferred shall be worked out by the Office of the salt Commissioner, in consultation with the transferee agency. If required assistance of state government revenue officials for proper survey of land and demarcation by fixing of survey stones would be sought.

2 (xii) For land under active salt cultivation and under consideration for transfer, the transferee agency shall pay compensation to the lessees, if any, for extinguishing the lease hold rights and meet the cost of rehabilitation of the salt workers.

2 (xiii) Any legal case arising out of land transfer proposal in regard to compensation to be paid the lessees, etc. any other matter shall be taken care of and defended by the transferee agency at its own cost.

2 (xiv) A token value of Re. 1 (Rupee) will be charged transferring land to Central Government Department as per Rule 279 (2) of the General Financial Rule after obtaining the Approval of the Minister in charge of DIPP.

(XV) In respect of cases, pertaining to central public sector enterprises, states government an their enterprises, market value will be charged for the land, as defined in paragraph 2 of appendix 11 of the General Financial Rules, 2005

2(XVI) The 4 market value of the land and its transfer shall be approve by the Minister in charge of DIPP.

2 (XVII) Govt. of India / DIPP shall retain the right to resume / retain ownership of the land transferred, as long as the land is vacant or not used for the purposes for which it was transferred on payment of suitable compensation. If the land is required of the cost of allotment and proportionate development.

3. A flow-chart indicating the procedure to be followed for fixing the market value of land is enclosed.

4. The above internal Policy Guidelines will be treated as general delegation required under Rule 28 of GFR 2005 for transfer of land, etc. Whenever ant general policy is framed by the government, these guidelines shall be suitably reviewed / modified to make them consistent with general policy.
## Format

**Application for transfer of land**

<table>
<thead>
<tr>
<th></th>
<th>Name of the organization and address</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Status of organization</td>
</tr>
<tr>
<td></td>
<td>Central government</td>
</tr>
<tr>
<td></td>
<td>Central government Undertaking / Enterprise</td>
</tr>
<tr>
<td></td>
<td>Autonomous body of Central Government</td>
</tr>
<tr>
<td></td>
<td>State government</td>
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<tr>
<td></td>
<td>State Government Undertaking / Enterprise</td>
</tr>
<tr>
<td></td>
<td>Autonomous body of state government</td>
</tr>
<tr>
<td></td>
<td>Private institution / body</td>
</tr>
<tr>
<td></td>
<td>Any other to be indicated</td>
</tr>
</tbody>
</table>

| 3 | Extent of land required for transfer |
|   | Area in acre / hectare               |
|   | Survey number                        |
|   | Name of village / taluka / district  |
|   | Sketch / site plan with boundaries   |

| 4 | Whether the required land is used for slat manufacture of declared surplus to the requirement of department. |

| 5 | If declared surplus, authority and the reference number of DIPP / Salt Commissioner. |

| 6 | Purpose for which the land is required and its notional / regional importance. |

| 7 | Details of project indicating whether it is a permitted activity under CRZ. |
|   | Master plan of the State Govt./ local authority etc. |

| 8 | Efforts made to obtain the land from state Government / private parties. |

| 9 | Undertaking to pay market value fixed by DIPP payment of compensation to the salt lessee/manufacture and cost of rehabilitation of salt workers and right of DIPP to reclaim / resume ownership of the land on payment of suitable compensation. |

| 10 | Undertaking to defend court / legal cases if any, arising out of transfer of land. |

| 11 | Recommendation of the competent authority of ministry department of Central / State government. |
New Delhi, the 26th June, 2003

To

All the Chief Commissioner of Central Excise & Customs,
All Commissioner of Central Excise & Customs,
All D.Gs and Directorates under CBEC.

Subject: Streamlining of procedure for submission of proposals to Board regarding purchase of land, construction of buildings, purchase of ready built accommodation and/or hiring of buildings etc.-Instructions regarding.

Sir/Madam,

Instructions have been issued by the Central Board of Excise and Customs (CBEC) from time to time regarding furnishing of details while forwarding proposals relating to purchase of buildings and/or land and hiring of buildings. These instructions were based on guidelines issued by the Central Vigilance Commission (CVC), Finance Secretary and the Board. The multiplicity of guidelines has resulted in avoidable problems of delays and excessive paper work in practice. Hence, it has been decided to issue consolidated guidelines, which in essence capture the substance of all the guidelines issued earlier. However, the CVC guidelines are again being enclosed so that in case of any doubt concerning the under mentioned guidelines the forwarding officer can rely on them for clarificatory purposes (Schedule ‘A’).

2. Accordingly, it is requested that henceforth all the proposals for purchase of buildings and/or land and hiring of buildings must contain the following details:-

PART ‘A’

(i) Name of Station- whether the station is covered under any CBEC order for special emphasis on infrastructure/accommodation development so as to warrant relaxation in MOF/MOUD/CBEC norms;

(ii) Name of officer who has forwarded the proposal;

(iii) Whether the proposal is for purchase of building and/or land or hiring of accommodation;

(iv) Justification for requirement of land/accommodation on the basis of austerity norms (Annexure A-1). In case of accommodation, requirement may be indicated separately for super area, floor area and carpet area. For residential accommodation type-wise requirement of quarters on the basis of staff strength/prescribed percentage of satisfaction may be given. Actual demand for residential accommodation indicating waiting list etc., may be given.
(vi) Availability of built-up accommodation with all the formations of CBEC in the station:

<table>
<thead>
<tr>
<th>Name of Station</th>
<th>Super area</th>
<th>Floor area</th>
<th>Carpet area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Owned</td>
<td>Hired</td>
<td>Owned</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This should include buildings for which sanctions have been issued, even if construction has not commenced.

(i) Revenue collection for the last three years may be given.

(ii) The accommodation status of a particular station may be reported to Directorate of Housing & Welfare on a quarterly basis by the designated officers in the office of Chief Commissioners.

(vi) Area of vacant land which is available with all the formations of CBEC in the station:

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Plot No.</th>
<th>Area</th>
</tr>
</thead>
</table>

In order to monitor the projects/works relating to accommodation in which CPWD is involved the following information may be provided;

(a) Proposals initiated but not finalized,
(b) Proposals finalized but payment not released by CPWD,
(c) Payment released but possession not taken,
(d) Possession taken but construction proposal not finalized,
(e) Construction in progress,
(f) Construction completed and building occupied.

(vii) Certificate about non-availability of Central Government building and/or land (Annexure A-II). Further efforts made to obtain the land/building from the State Government/Municipal Corporation/Local Development Authority should be indicated.

(viii) If estimated cost is more than 3 crores, whether permission of the Board prior to placement of advertisement was taken.

(ix) (a) Newspaper cuttings to substantiate that the Notice Inviting Tenders (NIT) as per the two bid system was published in local as well as national newspapers (Annexure A-III).
(b) Whether advertisement for purchase of land, purchase of ready built accommodation and hiring of accommodation given in standard format.

(c) Evaluation sheet of techno-commercial bids (Annexure A-IV).

(d) Evaluation sheet of financial bids (Annexure A-V).

(X) Proposal for administrative approval & for expenditure sanction may be finalized within 3 and 6 months respectively from the date of acquisition of land.

**PART ’B’**

**PURCHASE OF READY BUILT BUILDINGS/QUARTERS:**

(XI) (a) i. Reasons for opting for the Purchase Option in preference to constructing the Department’s own building/hiring of space from market. Comparative economics of all options may be given.

ii. Whether the property is without any encumbrance and has a clear legal title.

(b) Certificate from CPWD/other Government agencies or PSU’s having specialization regarding quality of construction vis-à-vis comparable government specifications (Annexure B-I). The certificate may indicate the adequacy of utilities being provided and necessity of open land area appurtenant to the building which is sought to be purchased.

(c) CPWD’s/any other Government agency/PSU’s No Objection Certificate for maintenance of buildings/quarters to be purchased (Annexure B-II).

(d) Certificate from CPWD regarding reasonability of price proposed to be paid for the purchase of building. In case of purchase of land such a certificate may be procured from State Government revenue authorities (Annexure B-III).

(e) Financial (Rupees in crores)

(i) Final cost of purchase

(ii) Availability of budgetary provision

(iii) Cost of furnishing, fixtures etc. for the building

(iv) Annual maintenance cost (including property tax).

(f) Completion/ready to occupy or equivalent certificate from the local development/municipal authority, State Government (Annexure B-IV).

(g) Likely date by which CBEC would get possession of the building.

(h) Efforts made to ensure that objectives of modern, low-upkeep well designed accommodation/housing have been met.
PART ‘C’

PURCHASE OF LAND FOR CONSTRUCTION OF OFFICE BUILDING/RESIDENTIAL COMPLEX

(XII) (a) Certificate from CPWD regarding minimum requirement of land (Annexure CI). For this the Commissionerate should communicate their requirement of land to CPWD in accordance with prescribed norms. The certificate should also take into account the provisions of the local Municipal/Development Authority’s bye-laws viz., FAR, Ground Coverage, population density, etc.

(b) Certificate from CPWD regarding suitability of land for the purpose for which it is being purchased (Annexure C-II).

(c) If the office is currently housed in rented premises, the monthly rent of the said premises.

(d) Certificate from the State Revenue Authority/District Magistrate regarding reasonableness of price of land (Annexure C-III).

   (i) Undertaking from the seller that the price is final and there will be no escalation (prospective or retrospective) after a deal has been finalised between CBEC and the seller (Government or otherwise) (Annexure C-IV).

   (ii) Certificate from local authority that the land is wholly unencumbered without any dispute and has a clear legal title (Annexure C-V).

(e) Financial

   (i) Final cost of land (including registration charges, stamp duty, etc.).

   (ii) Availability of Budgetary provision.

   (iii) Likely date of getting possession over the land.
PART ‘D’

INITIAL HIRING OF PREMISES

(XIII) (a) Copy of consent letter from landlord containing details of the offer (Annexure D-I).

(b) Copy of fair rent certificate received from CPWD (Annexure D-II).

(c) Rent being paid by any other Central/State Government Department in the vicinity/same locality (Annexure D-III).

(d) If a new office has been sanctioned, whether the staff has joined or not.

(e) Item-wise details on financial liabilities of the building owner and the hiring office during the hiring period. CPWD advice on each of these items.

Part ‘A’ has to be filled up in all cases. Part ‘C’ and ‘D’ are to be filled for purchase of ready built accommodation, land and hiring of buildings respectively. For example, in case of hiring of buildings only Part ‘A’ and Part ‘D’ may be filled and the relevant Annexures enclosed. There is no set proforma for the Annexures except Annexure D-II.

3. The jurisdictional Commissioner must certify that all the information/details as above have been incorporated in the proposal.

4. The proposal, complete in all respects, may be forwarded to the Directorate of Housing or Board as per the allocation of work informed vide Ministry’s letter F.No.207/37/2002-Ad.VIII(EC), dated 07.05.2003.

5. All the proposals must be routed through the officer so designated in the office of the Chief Commissioner as per the instructions contained in the letter F.No.207/34/2002-Ad.VIII(EC) dated 14th November, 2002 issued by Member (P&V) addressed to all Chief Commissioners and D.Gs. It may be mentioned that the proposals which do not contain the above mentioned details would not be considered by the Directorate of Housing and at the Board level and returned to the forwarding officer without any further action.

6. Standard format of documents for notice inviting tenders, processing sheets for technical bids and processing sheets for financial bids will be circulated separately.

Yours faithfully,

(SUSHMA KATARIA)
UNDER SECRETARY TO THE GOVT. OF INDIA

Ends: As stated above.
# CHECK-LIST FOR INFRASTRUCTURE PROPOSAL PRESCRIBED BY IFU

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Subject</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Available land (area, in sq.mtr.)</td>
</tr>
<tr>
<td></td>
<td>Encumbrances, if any (also enclose certificate from concerned District/Local Authority)</td>
</tr>
<tr>
<td></td>
<td>Date of administrative approval/ expenditure sanction for the cost of land (copy to be also enclosed)</td>
</tr>
<tr>
<td></td>
<td>Date of possession of land</td>
</tr>
<tr>
<td></td>
<td>Sanctioned strength at the station (category-wise, as on date)</td>
</tr>
<tr>
<td></td>
<td>Working strength at the station (category-wise, as on date)</td>
</tr>
<tr>
<td></td>
<td>Requirement for quarters/office space as per norms. (Work-sheets to be enclosed)</td>
</tr>
<tr>
<td></td>
<td>Deviation, if any from the norms-Reasons thereof</td>
</tr>
<tr>
<td></td>
<td>Lease rent, ground rent and other onetime and/or recurring payment to local authority</td>
</tr>
<tr>
<td></td>
<td>Particulars (including date) of administrative approval of construction (copy to be enclosed).</td>
</tr>
<tr>
<td></td>
<td>Non-construction fee and other charges payable for delay in construction.</td>
</tr>
<tr>
<td></td>
<td>Cost of construction (also enclose CPWD P/E).</td>
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<tr>
<td></td>
<td>Plan of building (drawing/lay-out plan etc. indicating physical characteristics of the building, its elevation, lay-out etc.)</td>
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<tr>
<td></td>
<td>Date of completion as per estimates</td>
</tr>
<tr>
<td></td>
<td>Budget availability (to be ascertained from CPWD). In case budget is not availability, how the expenditure is proposed to be met?</td>
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<tr>
<td></td>
<td>On-going works at the place</td>
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<tr>
<td></td>
<td>Commitment of any other works by CPWD</td>
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<td></td>
<td>Revenue collection for the last 5 years (both targets and actual), year-wise and the future potential for the next 10-20 years may be given.</td>
</tr>
<tr>
<td></td>
<td>In the case of Anti Smuggling/Anti-Evasion formations, value of goods seized, goods confiscated, sale proceeds etc. during the last 5 years, year-wise may be given along with a write-up on the importance of the Station for anti-smuggling etc. work justifying the need to have a permanent set up at the station.</td>
</tr>
</tbody>
</table>

Additionally, the following information may also be furnished:

<table>
<thead>
<tr>
<th>Statement of all Immovable assets (Land &amp; Building) of CBEC, both owned and hired, for the city to establish the necessary of fresh requirement. (as per ANNEXURE-2.12 [b] )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copy of the layout of the plot of land duly certified by the CPWD</td>
</tr>
</tbody>
</table>
**ANNEXURE-2.12 {b}**

Statement of all existing immovable assets (Land & Building) of CBEC (both owned and hired) at (Name of the station).

1. Land

<table>
<thead>
<tr>
<th>Comm'te</th>
<th>Location with complete Address</th>
<th>Area (in sq. mtrs.)</th>
<th>Date of acquisition</th>
<th>Acquisition/Purchase cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
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<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministry's F.No. &amp; date under which administrative approval and expenditure sanction accorded</td>
<td>Whether the Land is being utilized or is vacant</td>
<td>If being utilized for what purpose</td>
<td>If not being utilized reasons thereof</td>
<td>Remarks</td>
</tr>
</tbody>
</table>

2. Office Building

(i) Owned

<table>
<thead>
<tr>
<th>Comm'te</th>
<th>Location with complete Address</th>
<th>Offices located in the premises</th>
<th>Area occupied by each office (in sq.mtrs.)</th>
<th>Date of acquisition/ construction of building</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition/ construction/ Purchase cost</td>
<td>Ministry's F. No. &amp; date</td>
<td>Whether the premises is being fully utilized</td>
<td>If not being fully utilized, reasons thereof</td>
<td>Remarks</td>
</tr>
</tbody>
</table>

(ii) Hired

<table>
<thead>
<tr>
<th>Location of the hired premises</th>
<th>Area Hired</th>
<th>Date of hiring</th>
<th>Offices located in the hired premises</th>
<th>Annual rent being paid for the hired premises</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

3. Residential Quarters

<table>
<thead>
<tr>
<th>Comm'te</th>
<th>Location with complete Address</th>
<th>Type of Qrts.</th>
<th>No. of Qrts.</th>
<th>Date of acquisition/ construction/ Purchase</th>
<th>Acquisition/construction/ purchase cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
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</tbody>
</table>

| 7       | 8                              | 9              | 10           | 11                                          |
|---------|--------------------------------|----------------|--------------|---------------------------------------------|----------------------------------------|
| Ministry's F.No. & date for such acquisition/ construction/purchase | No. of Qrts occupied | No. of Qrts vacant | Reasons for unoccupation/ unutilized/underutilized | Remarks |
4. Guest House

<table>
<thead>
<tr>
<th>Comm’te</th>
<th>Location with complete Address</th>
<th>No. of Rooms /Area</th>
<th>Date of acquisition/construction/ purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Acquisition/construction/Purchase cost</th>
<th>Ministry’s E.No.&amp; date</th>
<th>% age occupancy of Guest House</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
</tbody>
</table>
F.No.910/20/Circular/HRD-ID/09
Directorate General of Human Resource Development
(Infrastructure Division)
Customs & Central Excise
‘D’ Block, I.P. Bhawan

New Delhi-2.
Dated: 23.10.09

To
All Chief Commissioners of Central Excise & Customs
All Director Generals & Directorates under CBEC

Subject: Streamlining of procedure for submission of Infrastructure Proposals to Infrastructure Division, Directorate General of HRD.

1. The Infrastructure Division under Directorate General of HRD, being the ‘nodal authority’ in respect of all infrastructure proposals from field formations under CBEC receives proposals such as purchase and disposal of land & buildings; construction of office buildings & residential accommodation; hiring of office accommodation and repair & maintenance works etc. from field formations & Directorates.

2. As per the existing instructions issued by the Ministry under F. No. 207/36/2002-Ad.VIII(EC) dated 26.06.03, while forwarding the proposal, jurisdictional Commissioner must certify that all the information/ details have been incorporated in the proposal as per Part A (compulsorily) & B,C,D (whichever applicable). It has also been emphasized in the said instructions that all the proposals must be routed through the officer so designated in the office of the Chief Commissioner. Also, as per these instructions, proposals which do not contain the requisite details are not to be considered by this Directorate & at Board level and are to be returned to the forwarding officer without any further action.

3. However, it is observed that due attention is not being paid by the Commissionerates while preparing and forwarding the proposals as per the prevailing guidelines. In most of the cases, the proposals received in this office are found largely incomplete, ambiguous and lacking in requisite details/documents/certificates etc. Either, the proposals are being forwarded directly by the Commissionerate or Chief Commissioner’s offices are merely forwarding the proposals as such received from the Commissionerates without paying the desired attention. Nevertheless, these incomplete proposals take up substantial time of this office in perusal/examination after which references are made to concerned offices calling for additional information/documents & clarifications. This results in unnecessary correspondence and avoidable wastage of time & proposals remain pending for a considerable period.

4. In order to streamline the processing of proposals, it has been decided that henceforth, proposals shall be forwarded only through the jurisdictional Chief Commissioner. If necessary, the CC Office shall call for the requisite details/documents from the Commissionerate before sending
the proposal to this Directorate. While recommending/forwarding the proposal, the Chief Commissioner’s office shall ensure and certify that justification for the proposal exists. Chief Commissioner’s office shall also verify that the proposal has been thoroughly scrutinized by it and a complete, self-contained proposal is being submitted in proper format along-with Check-List and requisite documents. It is reiterated that proposals received incomplete are liable to be returned without taking any action thereon.

5. To assist the Commissionerates in preparing the proposals and to avoid the common mistakes therein, some general guidelines for preparing the Proposals are enclosed which may be kept in view while preparing & forwarding the proposals. However, these guidelines are only explanatory to the already existing guidelines and are illustrative & not exhaustive.

6. For better coordination between field formations, Chief Commissioner offices & this Directorate, it is requested that the details i.e. name, designation, address, telephone no., fax & e. mail addresses of officers in the office of Chief Commissioner designated for routing the proposals as per instructions contained in the letter F.No. 207/34/2002.-Ad. VIII(EC) dated 14.11.02 (referred to in instructions dated 26.06.03) may be furnished. Whenever there is any change on account of transfer/postings etc., the same may also be reported.

7. All the Chief Commissioners/D.Gs are requested to bring the contents of this letter to the notice of all field formations under their jurisdiction for information/compliance please.

This issues with the approval of Member (P&V), CBEC.

Director General (HRD)
MEMORANDUM FOR STANDING FINANCE COMMITTEE ON NON-PLAN EXPENDITURE FOR PROPOSALS INVOLVING EXPENDITURE IN THE SERVICES OR NEW INSTRUMENT OF SERVICE IN TERMS OF INSTRUCTIONS ISSUED BY BUDGET DIVISION OR EXPANSION OF EXISTING SERVICE COSTING OVER Rs. 20 CRORES UPTO Rs.75 CRORES NON-RECURRING.

MEMORANDUM

1. STATEMENT OF THE PROPOSAL

1.1 TITLE OF THE PROPOSAL/SCHEME.
1.2 DESCRIPTION OF THE PROPOSAL/SCHEME AND ITS OBJECTS.
1.3 JUSTIFICATION FOR THE PROPOSAL AND WHETHER ALTERNATIVE HAVE BEEN CONSIDERED.
1.4 (a) DESCRIPTION OF THE MANNER IN WHICH THE PROPOSALS SCHEME IS PROPOSED TO BE IMPLEMENTED INCLUDING MENTION OF AGENCY THROUGH WHICH THE SCHEME WILL BE EXECUTED.
(b) SCHEDULE OF PROGRAMME AND TARGET: DATE OF COMPLETION.

2. FINANCIAL IMPLICATION OF THE PROPOSAL

2.1 TOTAL EXPENDITURE INVOLVED (RECURRING AND NON-RECURRING SEPARATELY, ITS BOARD DETAILS AND ITS YEAR-WISE PHASING.
2.2 NATURE OF THE EXPENDITURE THAT IS DIRECT OR GRANTS-IN-AID LOAN.
2.3 COMPONENT OF GRANT, LOAN AND SUBSIDY, IF ANY IN THE TOTAL EXPENDITURE INVOLVED AND THEIR PROPOSED TERM AS.
2.4 BUDGET PROVISION IN THE CURRENT FINANCIAL YEAR. IF NO BUDGET PROVISION EXIST HOW THE EXPENDITURE IS PROPOSED TO BE MET.
2.5 WHETHER THE EXPENDITURE IS TO BE MET FROM EXTERNAL ASSISTANCE? IF SO TO WHAT EXTENT?
2.6 NUMBER OF POSTS TO BE CREATED WITH SCALES OF PAY AND THE BASIS ADOPTED FOR STAFFING (STATEMENT TO BE ATTACHED)
2.7 IF THE EXPENDITURE IS ON WORKS THE BROAD DETAILS THEREOF, THEIR JUSTIFICATION AND BASIS OF ESTIMATE.
2.8 REQUIREMENT OF STORE AND EQUIPMENT TOGETHER WITH JUSTIFICATION WITH COST STATEMENT

2.9 WHETHER THE EXPENDITURE IS A RESULT OF STATUTORY REQUIREMENT? IF SO, SPELL OUT THE REQUIREMENT.

2.10 ECONOMIC IMPLICATION OF THE PROPOSAL.

2.11 INFORMATION RELATED TO DISASTER MANAGEMENT CONCERNS. (Annexure-2.14(c))

3 COMMENTS, IF ANY OF OTHER MINISTRIES/DEPARTMENTS WHICH MAY HAVE BEEN CONSULTED.

4 SUPPLEMENTARY INFORMATION, IF ANY.

5 POINTS ON WHICH DECISION/SANCTIONS ARE REQUIRED.
MEMORANDUM FOR COMMITTEE ON NON-PLAN EXPENDITURE FOR PROPOSAL INVOLVING EXPENDITURE IN THE NEW SERVICES OR NEW INSTRUMENT OF SERVICE IN TERMS OF INSTRUCTIONS ISSUED BY BUDGET DIVISION OR EXTENSION OF EXISTING SERVICE COSTING OVER Rs. 75 CRORES (NON-RECURRING).

MEMORANDUM

1. STATEMENT OF THE PROPOSAL

1.1 TITLE OF THE PROPOSAL/SCHEME.

1.2 DESCRIPTION OF THE PROPOSAL/SCHEME AND ITS OBJECTS.

1.3 JUSTIFICATION FOR THE PROPOSAL AND WHETHER ALTERNATIVE HAVE BEEN CONSIDERED.

1.4 DESCRIPTION OF THE MANNER IN WHICH THE PROPOSALS SCHEME IS PROPOSED TO BE IMPLEMENTED INCLUDING MENTION OF AGENCY THROUGH WHICH THE SCHEME WILL BE EXECUTED.

2. FINANCIAL IMPLICATION OF THE PROPOSAL

2.1 TOTAL EXPENDITURE INVOLVED (RECURRING AND NON RECURRING) SEPARATELY, ITS BOARD DETAILS AND ITS YEAR-WISE PHASING

2.2 NATURE OF THE EXPENDITURE THAT IS DIRECT OR GRANTS-IN-MDLOAN.

2.3 COMPONENT OF GRANT, LOAN AND SUBSIDY, IF ANY IN THE TOTAL EXPENDITURE INVOLVED AND THEIR PROPOSED TERM AS.

2.4 BUDGET PROVISION IN THE CURRENT FINANCIAL YEAR. IF NO BUDGET PROVISION EXIST HOW IS THE EXPENDITURE PROPOSED TO BE MET.

2.5 WHETHER THE EXPENDITURE IS TO BE MET FROM EXTERNAL ASSISTANCE? IF SO TO WHAT EXTENT?

2.6 NUMBER OF POSTS TO BE CREATED WITH SCALES OF PAY AND THE BASIS ADOPTED FOR STAFFING (STATEMENT TO BE ATTACHED)

2.7 IF THE EXPENDITURE IS ON WORKS THE BROAD DETAILS THEREOF, THEIR JUSTIFICATION AND BASIS OF ESTIMATE.

2.8 REQUIREMENT OF STORE AND EQUIPMENT TOGETHER WITH JUSTIFICATION WITH COST STATEMENT.
2.9 WHETHER THE EXPENDITURE IS A RESULT OF STATUTORY REQUIREMENT? IF SO, SPELL OUT THE REQUIREMENT.

2.10 ECONOMIC IMPLICATION OF THE PROPOSAL.

2.11 INFORMATION RELATED TO DISASTER MANAGEMENT CONCERNS. (Annexure-2.14 { c})

3. COMMENTS, IF ANY OF OTHER MINISTRIES/DEPARTMENTS WHICH MAY HAVE BEEN CONSULTED.

4. SUPPLEMENTARY INFORMATION, IF ANY.

5. POINTS ON WHICH DECISION/SANCTIONS ARE REQUIRED.
OFFICE MEMORANDUM

Subject: Revision in CNE memo format to address Disaster Management Concerns.

1. The undersigned is directed to say that NDMA has proposed certain additions to the format of CNE memo to address disaster management concerns. After consideration of the proposal of the NDMA, it has been decided to revise the format of CNE memo to include disaster management concerns. The additional questions that would need to be addressed while framing the CNE Memo are enclosed at Annexure. The set of questions may be treated as Para 2.11 of the CNE Memo.

2. Ministries/Departments are advised to attach a self-certification regarding the correctness of the response to these disaster management concerns.

Sd/-
(S. Krishnamoorthi)
Under Secretary to the Govt. of India
Te1: 23095634

To
(i) All Ministries/Departments of Government of India
(ii) All FAs
Annexure

Information Related to Disaster Management Concerns.

1. Does the project involve any creation/modification of structural/engineering assets including land reclamation or changes to existing land use plans? If yes, then the costs involved in prevention and mitigation of disaster(s) (natural and man-made) would need to be included fully in the project cost.

   a) What is the location of the project area? Reasons for selecting the site. Have possible alternatives sites been considered? Is the type of activity envisaged in the area compatible with the provisions of relevant NDMA Guidelines?

   b) Identify the possible risks and analyse the likelihood and impact from earthquakes, floods, cyclones and landslides due to the location of the project sites\(^1,2\) as well as through secondary evidence.

   c) What are the land use directives, regulations applicable? List preventive measures enshrined in regulations which are to be complied with and confirm compliance.

   d) Based on the prioritization of risks, the mitigation measures being contemplated, both structural and non-structural. Confirmation that the implementation of the selected mitigation measures will not create new risks.

   e) Confirmation that the design and engineering of the structure has taken into consideration the National Building Code 2005, the appropriate BIS Codes\(^4\) and the NDMA guidelines. Other sources such as Indian Road Congress Manual, Ministry of Road Transport, Highways and Shipping manual, Railway Board manual, Central Public Health Engineering Organisation (Min. of Urban Development) manual, Central Electricity Authority manual and Central Water Commission manual etc may also be consulted where applicable.

   f) Has the cost of disaster treatment/mitigation measures been included in the overall Project cost?

   g) Also indicate that the whole process of risk assessment has been done based on available information and secondary evidence and the mitigation measure(s) are in conformity with the statutory and other regulatory requirements and are the most viable ones in the present circumstance.

   Please see the links natural disasters and manmade disasters on the NDMA web-site at http://ndma.gov.in/wps/portal/NDMAPortal# for details regarding risk zone maps, guidelines etc for each type of disaster. Please also see the questionnaires given for risk analysis for each type of natural disaster at the NDMA website.

2. Please the web-site of Building Materials & Technology Promotion Council and specifically with respect to earthquakes at http://www.bmtpc.org/eqtips/eqtips.htm


4 Please see http://www.bis.org.in/ for various BIS codes applicable.
Common Shortcomings/ deficiencies observed in the Infrastructure Proposals:

1. The proposals are not being received in the prescribed formats as per Ministry’s **Instructions** issued under F. No. 207/36/2002-Ad.VIII(EC) dated 26.06.03.

2. The prescribed **Check- Lists** are also not being attached with the proposals.

3. Proposals involving (i) expenditure over 20 crores but less than 75 crores & (ii) Proposals involving expenditure beyond 75 crores are not accompanied with Memorandum for Standing Finance Committee (**SFC**) & Memorandum for Committee on Non-Plan Expenditure (**CNE**) respectively.

4. Information regarding availability of **Budget** is not provided in the proposal/Check-List. Budget Heads are also not mentioned correctly as prescribed by IFU under F. No. 18/2007/IFU-III dated 10.10.2007.

5. The Directorate is not entrusted with the work of allocation of the Budget/funds except for making budget provisions in respect of ready-built accommodation under Demand No. 43. Hence, Commissionerates should not seek the allocation of funds from the Directorate.

6. Although the Infrastructure Division under Directorate General of HRD has been designated as the **nodal authority** for all infrastructure proposals by field formations, some field formations forward the proposals directly to Member (P&V), CBEC, Joint Secretary (Admn.), AD-VIII(EC) etc.. In turn these proposals are forwarded by Ministry/ Board for processing to this Directorate. Hence, to obviate the unnecessary delays, all proposals may be directly forwarded to Infrastructure Division of this Directorate General of HRD.

7. For proper appreciation of the facts at various levels within the Directorate/ CBEC/ Ministry, it is of utmost importance that proposals are put up in a ‘**self-contained**’ manner. Thus,

   (i) Various details contained in the Ministry’s instructions dated 26.06.03 (**Annexure-2.11**) whether deemed relevant or not by the Commissionerates should not be omitted either completely or partially. It is necessary that the details/points are reproduced completely and appropriate response is given against the same to enable proper appreciation of details in proper perspective.

   (ii) In case a particular point is deemed as ‘not applicable’ it may be elaborated as to how the same is ‘not applicable’.

   (iii) Generally, proposals are found deficient in various aspects and information/ details/ documents etc. are received in a piecemeal manner. Sometimes, there are substantial changes in the final proposal. In such situations, scattered details may be incorporated in the proposal afresh in the prescribed formats i.e., Parts A to D (whichever applicable) & Check-Lists.

   (iv) In the proposal in Parts A to D, references to earlier correspondence may be avoided and the details may be incorporated in the body of the proposal itself to keep the proposal ‘self-contained’.
(v) As all the proposals are dealt with in separate files, separate self-contained replies should be furnished in respect of different proposals.

8. Although on receipt of proposals, exhaustive guidelines are provided to Commissionerates for preparing the proposal & furnish details/documents/clarifications etc., even then in most of the cases replies are forwarded in a generalized manner without going into the specific details. To avoid delays in processing the proposals, it may be ensured that **specific & point-wise replies** are submitted. Replies in a piecemeal manner may also be avoided.

9. In case of documents written in local languages, authentic **translation** of these documents may also be provided.

10. In case different **units of measurements** are mentioned in the documents issued by various authorities, the same may also be converted in uniform units of measurement giving conversion values.

11. It may be ensured that the documents attached with the proposal are **legible**. Otherwise, typed and attested copies of these documents should also be furnished with the proposals.

12. In the course of replying to various queries from Directorate/Ministry, many details become outdated especially in cases where the proposals are pending for a long periods; hence it may be ensured that **updated data** such as Revenue Collection, availability of budget during the current financial year etc. is also furnished.
Proposals for acquisition of land: Common shortcomings & deficiencies observed & general guidelines for preparing the proposals:

1. Requirement of land

(i) In the proposals for acquisition of land received it is observed that in many cases, Commissionerates give their requirement of land to land owning agencies without calculating the office space requirements as per prescribed norms and types & nos. of residential quarters as per prescribed satisfaction norms. Thus, after receipt of proposal, lot of time is lost in correspondence between this Directorate & the Commissionerates which sometimes may lead to even cancellation of offer of sale. Therefore, before land requirement is conveyed to land owning agencies, the requirements of office space & residential quarters may be arrived at by the Commissionerates.

(ii) If a building accommodates more than one office, then the space for essential components such as Canteen, Entrance Hall, Library, Parking, Mallkhana, Guest House, Conference Hall etc. are to be shared by all the offices.

(iii) Thereafter, the above requirements may be conveyed to CPWD for issuance of Minimum Requirement of Land Certificate. Only after issue of the Certificate, land owning authorities should be approached for offer of land allotment as per the area mentioned in the Certificate.

2. Suitability of land

It is clarified that the Certificate of suitability of land is different from Certificate of minimum requirement of land. Apart from the appropriateness of size of plot for undertaking the proposed construction, the Certificate would include aspects such as topography, shape and other physical parameters of the plot, accessibility, availability of necessary civic infrastructure viz. water, electricity, sewerage etc. having a bearing on the suitability of the plot for the required construction. In cases where the certificate of suitability of land is issued subject to certain conditions (such as high tension wire passing through the land effecting optimum utilization of land), necessary remedial steps may be taken by Commissionerates before forwarding the proposal.

3. Demand Survey

Though satisfaction norms are fixed for calculation of requirement of residential quarters, the demand for residential quarters may vary at different stations. Hence, it is essential that a demand survey is carried out among the eligible staff to ascertain the actual demand for quarters and details thereof are incorporated in the proposals. The proposed no. of quarters may be restricted to satisfaction ratio or demand, whichever is less.

However, at a future date, even the demand survey carried out earlier may not reflect the actual requirement as the postings are transferable. Therefore, while arriving at the requirement of residential quarters, other relevant factors such as availability of cheaper private accommodation on rent, no. of houses owned by the staff at the station, duration of posting in a particular station & other local factors
which may affect the demand for government accommodation may also be taken into consideration. In nutshell, Commissionerates should end ever to ascertain the actual demand to avoid a situation where quarters remain unoccupied.

**4. Validity of offer**

In many cases, the Commissionerates forward the proposals to Directorate when either the validity of offer has already expired or is going to expire very soon. In such cases it may not be possible for the Directorate to process the proposals & seek A/A & E/S of the Ministry within short period, especially when the proposals are found incomplete/deficient. Thus, while forwarding the proposal & replying to the queries, it may be ensured that the offer of allotment of land is for a sufficient period otherwise extension of validity period should be sought before sending the proposals/ replies.

**5. Terms & Conditions of Offer:**

The terms & conditions of offers to sell/ lease/ transfer etc. should be carefully studied and details such as mode of transfer, tenure & conditions of lease etc. may also be incorporated in the proposals. In case the department is not in a position to fulfill certain conditions, waiver should be sought from the concerned agencies to avoid future liabilities/ disputes. To illustrate, waiver should be sought in cases where State Governments while transferring the land free of cost/ at nominal rate put conditions such as employment to local people by the department.

**6. Furnishing of requisite documents/details:**

The basic details/documents required under Part-A & C of the proposal/ Check-List for processing the proposals have been summarized as per Annexure-2.16. The details may be incorporated in the proposal at appropriate places & documents enclosed.

**7. Post-acquisition**

(i) **Transfer of Title**

On purchase of land, legal formalities pertaining to transfer of ownership of property in the name of department should be initiated & completed immediately & it must be ensured that the department gets a clear legal title. Documents such as registration deeds etc. pertaining to the acquisition of property should be kept safely & securely. The Commissionerates should get the conveyance deed legally vetted by the Branch Secretariat of the Ministry of Law before execution.

(ii) **Safety/ Security of the property**

On acquisition of land, immediate necessary action should be initiated by the Commissionerates for securing the land by way of construction of boundary wall etc./ putting up Notice Boards etc. to avoid the risk of encroachment thereon.

(iii) **Proposal for Construction**

The proposal for construction of office building/ residential quarters should be initiated on priority by the Commissionerate after acquisition of land.
ANNEXURE-2.16


I. Documents:
1. Certificate of non-availability of Central Government land/ Building issued by Estates/ CPWD.
2. Minimum requirement of land Certificate from CPWD.
3. Suitability of land certificate from CPWD.
5. Reasonableness of price certificate from MOUD/ CPWD/ State Government.
6. Undertaking from seller that the price is final & there shall be no enhancement in price either retrospectively or prospectively.
7. Letter of offer with terms & conditions from land owning agencies.
8. Layout plan of land certified by CPWD.

II. Details:
1. Detailed justification for proposal.
2. Sanctioned strength & working strength post-wise & as per eligibility for different types of quarters.
3. Calculation of office space as per prescribed norms & staff strength.
4. Number & type of quarters already available.
5. Details of Demand Survey conducted among staff to ascertain the demand for residential quarters along with abstract of type-wise demand ascertained.
7. Built-up office accommodation available- both owned & hired.
8. Monthly rent being paid for rented premises.
9. Land already available & lying vacant/ unutilized.
10. Mode of acquisition such as outright purchase or on lease basis etc. In case of lease, details of lease tenure, ground rent/lease rent & terms & conditions of lease may be furnished.
11. Cost of acquisition of land including registration charges, stamp duty, ground rent etc.
12. Details of recurring costs, if any.
13. Total amount for which a/a, e/s is being sought.
14. Availability of Budget & major/ minor heads under which sanction required.
15. Revenue targets & collections for last five years & potential for next 10-20 years.
16. Immovable assets (Land/Buildings) of the Deptt. at the station - both owned & hired.
OFFICE MEMORANDUM

Subject: Classification of ‘works’ expenditure under proper Head of Account and Demand for Grants

It has been observed that proposals related with repairs, maintenance and construction of office and residential buildings received in IFU do not contain correct mention of budget heads resulting into avoidable delays in approval of proposals. In order to ensure correct mention of the budget heads, following classification may be followed:

**Demand No. 43-Indirect Taxes:**

<table>
<thead>
<tr>
<th>Item of expenditure</th>
<th>Object Head</th>
<th>Major Head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repairs/maintenance of Departmental Office Building of Customs.</td>
<td>Minor Works</td>
<td>2037</td>
</tr>
<tr>
<td>Repairs/maintenance of Departmental Office Building of Central Excise.</td>
<td>Minor Works</td>
<td>2038</td>
</tr>
<tr>
<td>Repairs/maintenance of Departmental Residential Buildings of Customs and Central Excise</td>
<td>Minor Works</td>
<td>2216</td>
</tr>
<tr>
<td>Purchase of Ready built Office Accommodation by Customs and Central Excise.</td>
<td>Investments</td>
<td>4059</td>
</tr>
<tr>
<td>Purchase of Ready built Residential Accommodation by Customs and Central Excise.</td>
<td>Investments</td>
<td>4216</td>
</tr>
</tbody>
</table>

**Demand No. 99 — Department of Urban Development:**

<table>
<thead>
<tr>
<th>Item of expenditure</th>
<th>Description</th>
<th>Major Head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of land/Construction of Residential Building for Customs and Central Excise and other construction activities on such purchase e.g. boundary wall etc.</td>
<td>Finance (Revenue)</td>
<td>4216</td>
</tr>
</tbody>
</table>

**Demand No. 100 — Public Works:**

<table>
<thead>
<tr>
<th>Item of expenditure</th>
<th>Description</th>
<th>Major Head</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of Land/Construction of Office Building for Customs and Central Excise and other construction activities on such purchase e.g. boundary wall etc.</td>
<td>Finance (Revenue)</td>
<td>4059</td>
</tr>
</tbody>
</table>
2. As far as expenditure towards original works in the Government Buildings constructed and maintained by CPWD is concerned, the expenditure should be met from the grant of ‘Urban Development’ and ‘Public Works’ for residential and Office Building respectively. The original works is defined in GFR 123 as new constructions, additions and alterations to existing works, special repairs, remodelling, etc. Further, as far as possible, the expenditure towards ‘maintenance, repairs and minor works’ of the Government Buildings should also be met by CPWD from the funds, under ‘Repairs & maintenance’ provided in the Demands for Grants of Deptt. of Urban Development/Public Works.

3. The availability of budget on the date of forwarding the proposal to the IFU under the respective Head of Accounts and Demand for Grants may also be mentioned. If the budget is not available, how it is proposed to be obtained, may also be stated in the proposal.

-Sd/-
(Sanjai Singh)
Director (Finance)

To
All Heads of Department under CBEC, Department of Revenue

Copy to:
1. Member (P&A) CBEC
2. DG (Housing & Welfare) CBEC & JS (A), CBEC — with a request to kindly ensure the above classification before forwarding proposals to IFU.

(Remarks: At present the above mentioned Demand Nos. 99 & 100 stand renumbered as Demand Nos. 100 & 101 respectively).
General Financial Rules, 2005

Rule 28. Powers in regard to certain special matters.- Except in pursuance of the general delegation made by, or with the approval of the President, a subordinate authority shall not, without the previous consent of the Finance Ministry, issue an order which-

(i) involves any grant of land, or assignment of revenue, or concession, grant, lease or licence of mineral or forest rights, or rights to water power or any easement or privilege of such concessions, or

(ii) involves relinquishment of revenue in any way.

V. TRANSFER OF LAND AND BUILDING

Rule 278. Save as otherwise provided in any law, rule or order relating to the transfer of Government land, no land belonging to the Government shall be sold to a local authority, body or any person or institution without previous sanction of the Government.

Rule 279. Transfer of Land:(1) Transfer of land from a Union Territory to a Central Government Department (i.e. Ministry or Department of the Union Government including Defence, Railways, and Posts and Telegraphs) or vice versa shall be on ‘no profit-no loss’ basis.

Rule 279(2): Transfer of Land from one Department of the Government (as defined in Rule 278) to another shall be on ‘no profit-no loss’ basis.

Rule 279(3): Transfer of buildings and superstructures on land vide above shall be at the present day cost minus depreciation of these structure(s) standing on the land. Valuation for this purpose shall be obtained from the Central public Works Department at the time of transfer.

Rule 279(4): The allotment of land to, and recovery of cost of buildings from the Public Sector Undertakings shall be at ‘market value’ as defined in Paragraph — 2 of Appendix-11.

Rule 279(5): The transfer of land and building between the Union and State Governments shall be regulated by the provisions of Articles 294,295,298 and 299 of the Constitution and subsidiary instructions issued by the Union Government which are reproduced as Appendix-11.
ANNEXURE-2.18 {b}

No. 8(18)/EII(A)/2010
Government of India
Ministry of Finance
Department of Expenditure
North Block,

New Delhi,
the 25th June, 2010
OFFICE MEMORANDUM

Subject: Approval of Finance Ministry for sale/grant/ assignment/ allocation/ disposal of Government assets or assets created from Government funds.

1. Ministries and Departments of the Government of India and autonomous bodies under their administrative control are custodians of assets and resources owned by the Government or created from Government funds. The General Financial Rules, 2005 (GFRs) in Rule 28 provides as follows:-

“Powers in regard to certain special matters: Except in pursuance of the general delegation made by, or with the approval of the President, a subordinate authority shall not, without the previous consent of the Finance Ministry, issue an order which-

i) Involves any grant of land, or assignment of revenue, or concession, grant, lease or licence of mineral or forest rights, or rights to water power or any easement or privilege of such concessions, or

ii) Involves relinquishment of revenue in any way.”

2. Further, Rule 278 of GFRs in relation to Government land provides as follows:-

“Save as otherwise provided in any law, rule or order relating to the transfer of Government land, no land belonging to the Government shall be sold to a local authority, body or any person or institution without previous sanction of the Government.”

3. The aforementioned provisions of the GFRs are hereby reiterated for strict compliance. In addition, it may be ensured that express approval of the Finance Ministry is obtained for any sale/grant/assignment/allocation/or disposal in any form of Government assets or resources or assets/resources created from Government funds by autonomous bodies except when the transaction is pursuant to provisions of any law; approved policy; order, rule or regulation issued with the approval of the Finance Ministry. Such approval would not be required if the transaction is to be made as part of a scheme approved by the competent authority or is in the normal course of approved activities of autonomous bodies. This would also not apply to the disposal of surplus, obsolete or unserviceable goods as provided for in Rules 196 to 202 of GFRs.

4. These provisions may be brought to the notice of all concerned including Heads of autonomous bodies, for strict compliance.

5. This issues with the approval of Secretary (Expenditure).

Sd/-
(S. Krishnamoorthi)
Under Secretary to the Govt. of India

To
All Ministries and Departments
All Financial Advisers
ANNEXURE-2.18 {c}

APPENDIX-11

[See Rule 279.(4) and 279.(5)]
TRANSFER OF LAND AND BUILDINGS BETWEEN
THE UNION AND STATE GOVERNMENTS

1. These rules apply to the transfer of land and buildings between the Union and the State Governments and also to the surrender to the State Governments of land belonging to Railways.

The general position under Article 294 of the Constitution is that as from the commencement of the Constitution—

(a) all property and assets which immediately before such commencement were vested in His Majesty for the purposes of the Government of the Dominion of India and all property and assets which immediately before such commencement were vested in His Majesty for the purpose of the Government of each Governor’s Province, shall vest respectively in the Union and the corresponding State; and

(b) all rights, liabilities and obligations of the Government of the Dominion of India and of the Government of each Governor’s Province, whether arising out of any contract or otherwise, shall be the rights, liabilities and obligations respectively of the Government of India and the Government of each corresponding State.

subject to any adjustment made or to be made by reason of the creation before the commencement of the construction of the Dominion of Pakistan or of the Province, of west Bengal, of West Punjab and East Punjab.

Article 294, as is evident, relates to succession to property, assets, rights, liabilities and obligations in certain cases only; Article 295 of the Constitution which relate to succession to property, assets, rights, liabilities and obligations in other cases, provides that—

(I) As from the commencement of the Constitution:

(a) all property and assets which immediately before such commencement were vested in any Indian State corresponding to a State specified in Part-B of the First Schedule shall vest in the Union if specified in Part — B of the First Schedule shall vest in the Union if the purpose for which such property and assets were held immediately before such commencement will thereafter be purposes of the Union relating to any of the matters enumerated in the Union List; and

(b) all rights, liabilities and obligations of the Government of any Indian State corresponding to a State specified in Part — B of the First Schedule, whether arising out of any contract or otherwise, shall be the rights, liabilities and obligations of the Union Government, if the purposes for which such rights were acquired or liabilities or obligations were incurred before such commencement will thereafter be purposes of the Union Government relating to any of the matters enumerated in the Union List:
subject to any agreement entered into in that behalf by the Union Government with the Government of that State.

(II) Subject as aforesaid, the Government of each State specified in Part ‘B’ of the First Schedule shall, as from the commencement of the Constitution, be the successor of the Government of the corresponding Indian State as regards all property and assets and all rights, liabilities and obligations, whether arising out of any contract or otherwise, other than those referred to in Clause (1).

All property and assets, which include land and buildings, and which vest in the State Government under Articles 294 and 295 of the Constitution or otherwise shall be at the disposal of the respective State Governments, who will be at liberty to dispose them of by sale, mortgage, etc., and the proceeds thereof shall be credited to the revenues of the respective State Governments.

From the commencement of the Constitution, the transfer of land between the Union and the State Government shall be regulated by mutual agreement except when they are acquired under some Act. The Union Government has laid down the following principles to be observed in regard to certain points:

(i) (a) When land belonging to a private party has to be acquired on behalf of the Union Government acquisition shall be at the expense of that Government.

(c) In cases where the Union Government requires any land, which is in occupation of the State Government, to be transferred to them, the amount payable by the Union Government will ordinarily be the market value of the land and buildings, if any, thereon.

(d) The amount payable will include the capitalized value of land revenue assessable on the land when the transfer causes actual loss of land revenue to the State Government.

(e) Solatium of 15 percent payable under the Land Acquisition Act will not apply to such transfers.

(ii) Land surplus to the requirements of the Union Government :-

When the Union Government no longer required land in their possession, the Government of the State in which it is situated will be given the option of assuming possession of the whole or any portion thereof subject to the following conditions:

(a) the Union Government themselves shall be the judges of whether they require to retain any particular land or not;

(b) if the State Government desire to assume possession of the land, the option to do so shall be exercised within six months of the date on which the Union Government signify their intention of surrendering the land;

(c) the amount payable for the land will in all cases be its market value at the date of transfer;

(d) when the State Government desire to assume possession of only a portion of the land surrendered, they shall be entitled to do so only if the value of the land as a whole is not materially reduced by the division; and

(e) if the State Government do not desire to assume possession of any land on the foregoing terms, the Union Government will be free to dispose it of to a third party. Before, however, so disposing of the land, the Union Government will consult the State Government as to the levy of ground rent
or assessment and the conditions, if any, subject to which it should be sold and they will, as far as possible, dispose of the land subject to the conditions which the State Government may desire to impose. The Union Government are not, however, bound to obtain the concurrence of the State Government in all cases, and in cases of disagreement the Union Government shall be the sole judge of the terms and conditions to be imposed.

(iii) **Determination of Disputes as to Titles.** - Disputes as to title between the Union Government and a State Government shall be determined by the Supreme Court.

2. **Market value defined** - Market value when applied to land may be defined as the price which the land would fetch if sold in the open market subject to the ground rent or assessment shown against it in the revenue registers, or, if no ground rent or assessment shown against it in the revenue registers, subject to a ground rent or assessment levied at the rate at which ground rent or assessment is actually being levied on similar lands in the neighbourhood excluding all cases in which such similar lands in the neighbourhood are held free of ground rent or assessment at favourable or unfavourable rates of ground rent or assessment. This is the market value which has to be credited or debited, as the case may be, in the case of all transactions between the State Governments and the Union Government or between the Union Government and State Governments or the Railways.
(Relevant extracts)

13. Powers of subordinate authorities

(1) Subject to the provisions to these rules, the Departments of the Central Government, Administrators and Heads of Departments shall, in relation to creation of permanent posts, creation of temporary posts, Appropriation and Re-appropriation, incurring of contingent expenditure, incurring of miscellaneous expenditure, and write-off of losses, have the powers respectively specified in Schedules II, III, IV, V, VI and VII.

***

SCHEDULE V
POWERS OF INCURRING CONTINGENT EXPENDITURE
[See Rule 13]
***

NOTE 2.-Subject to the rules, restrictions or scales mentioned in Column (3) for the items specified in Column (1) of the Annexure to this Schedule, and also subject to the financial limit being in accordance with provisions of General Financial Rules, economy instructions issued by Finance Ministry, Fiscal Codes and procedures and the limit being within the budgetary allocation for the year, the Departments of the Central Government in the matter of contingent expenditure, shall, in consultation with the Financial Adviser of the Department concerned, have full powers for deciding the financial limit up to which they can delegate powers to Heads of Departments.

ANNEXURE TO SCHEDULE V

<table>
<thead>
<tr>
<th>SI. No. of Item (¹)</th>
<th>Item of expenditure (2)</th>
<th>Rules, orders, restrictions or scales subject to which the expenditure shall be incurred (3)</th>
</tr>
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<tbody>
<tr>
<td>8.</td>
<td>Land</td>
<td>***</td>
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<td>In all cases, expect those mentioned below, the land required for Government use shall be acquired with the previous consent of the Ministry of Works and Housing or in accordance with such orders as that Ministry may issue, from time to time.</td>
</tr>
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</table>

(a) The Ministry of Tourism and Civil Aviation or the Department of Communications may acquire land required for works under its control.

(b) An Administrator may acquire land, provided that the cost thereof is included in a scheme and the total expenditure on the scheme is within the powers of sanction of the Administrator. Such acquisition shall be subject to the certification of local Public Works authorities that the requirements of land and the price proposed to be paid are reasonable.
(c) Where a Department of the Central Government have, for the acquisition of land, been given a separate budget grant which is not controlled by the Ministry of Works and Housing, the land required by that Department for the use of Government may be acquired by them within the provisions approved for the purpose by the Finance Ministry after obtaining a certificate from the Central Public Works Department, that-

(i) there is no Central Government land available for the purposes; and
(ii) the amount payable therefore is reasonable:

Provided that where the land is acquired through the local Revenue authorities, it shall not be necessary to obtain the certificate of reasonableness of the price of land from the Central Public Works Department.

2(d) All purchases of land, either with or without building, proposed by any Department of Central Government from private party by negotiation, whether or not the Department has been given separate budget grant which is not controlled by the Ministry of Works and Housing for such purchase, the State Government shall be consulted at the initial stage and kept fully informed at all stages, The reasonableness of the price proposed to be paid for purchase of such land, with or without building, from a private party shall be got verified and certified as reasonable by an officer not below the rank of District Magistrate or District Collector, under whose jurisdiction such land is located. The reasonableness certificate to be accorded by such officer shall preferably indicate the reasons leading to their conclusion about the correctness of the price of land, with or without building.
To

All Chief Commissioners of Central Excise,
All Chief Commissioners of Customs,
All Commissioners of Central Excise & Customs,
All DGs/Directors under CBEC

Subject: Vetting of the Conveyance Deed by the branch Secretariat of the Ministry of Law before execution.

Sir,

It has come to the notice of the Ministry that some Commissionerates are not getting the Conveyance deed legally vetted by the Branch Secretariat of the Ministry of Law before execution, in respect of purchase of land and ready built building. Recently, in one such case, the Ministry of Law has refused to vet conveyance deed ex-post-facto. After refusal of Ministry of Law the file was referred to Integrated Finance Unit (IFU) for their advice. The IFU has taken a serious view for this lapse on the part of the Field formations and advised to undertake a review to find out whether legal formalities have been completed in respect of properties already purchased. Any lapses in this regard, should be viewed seriously and accountability of the functionaries concerned should be fixed. In future optimum care should be taken to avoid such lapses.

Yours faithfully,

(Sd/-)
(Bimal Kujur)
Under Secretary to the Government of India
ANNEXURE-2.20

F. No. 204/2/97.AD.VIII(EC)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs

New Delhi,
the 10th May, 2000

To
All Chief Commissioners/Commissioners of Customs & Central Excise

Subject: Guidelines for purchase of land and ready built office/residential accommodation by CBEC.

Sir/Madam,

The Department has been receiving proposals for purchase of land, ready built flats and office accommodation from private sources. In all these cases, the practice has been to conduct negotiations with the private bodies and arrive at the most cost effective proposal and, thereafter, secure the approval of the competent authority. Since the various offers received are not exactly comparable as the accommodation has many other features apart from the cost, the Negotiation Committee has been having a look at all the proposals received and negotiating with them.

2. However, the Central Vigilance Commission has issued the instructions dated 18th November, 1998 which indicate that ‘post tender negotiations are banned with immediate effect except in the case of negotiations with L-1 (i.e., Lowest tenderer)’. Accordingly, the Central Board of Excise & Customs took up the matter with the CVC and following guidelines are being issued for the purchase of land, ready built flats and office accommodation from private owners:-

(i) While going in for purchase of land, ready built flats or office accommodation, the Commissioners initially should explore the possibility of availability with the State Government/Municipal Corporation/Local Development Authority (e.g. DDA, MIDC, MHADA) etc. Only if these agencies are not able to provide land/accommodation, the acquisition from private sources should be considered.

(ii) For purchase of land, ready built flats or office accommodation, the Commissioner should give the tender notice both in the local as well as national newspapers giving all the requirements (space required, location, technical specifications, time frame etc). The facilities offered as a part of Government housing are clearly laid down and whether acquired privately or otherwise, should conform or approximate to these rules. This requirement should form part of the bid documents. In addition, since the offers may vary depending on facilities offered by the builder, the appropriate authority can, before issuing the bid document, finalize financial weights to them to ensure a degree of uniformity in evaluation. These weight should be clearly defined in the bid document itself to provide much needed transparency.

(iii) The tenders should be invited for a two-bid system, namely, techno-commercial and financial/
price bids. In the first instance only techno-commercial bids should be opened, analysed and discussed. This work should be carried out by a Committee which should also include a Technical Member from the CPWD or any GOI/State Government/Public Sector Agency having expertise in the matter. The factors which are acceptable and common may be retained and other factors requiring modification to make them comparable/acceptable be discussed with the bidders. The major factors/parameters that are normally required to be considered have been identified as under:

(a) Location;
(b) Quality of construction, finish and fixtures;
(c) Quantum of open ground available;
(d) Distance from facilities such as schools, hospitals, market and transport;
(e) Availability of recreation facilities;

   Availability and quality of common facilities like lifts, generators, adequate lighting in the campus/compound and parking;

(f) Terms of payment (having a bearing on the total cost);
(g) Time-frame for taking possession of the accommodation.

The above list is only indicative and the Commissioner can include other parameters, if necessary.
The bidders, whose bids have been finally found acceptable on technical and utility consideration, can be apprised of the revised requirements and may be permitted to revise their financial bids in a limited time frame.

(iv) Thereafter the financial bids can be opened, compared and the lowest bid (L-I) be arrived at. This exercise is required to be conducted by the CCE before the proposal is referred to the Board.

(v) The Board after examination of the proposal in consultation with FA (Fin.) shall set up a Price Negotiation Committee, to conduct the negotiations with the lowest tenderer as indicated by the CCE. The Price Negotiation Committee shall comprise of JS (Admn) CBEC, FA(Fin), the concerned CCE (Convener) and a Technical Member.

All the proposals regarding purchase of land and ready-built offices/residential accommodation from the private bodies from now onwards shall be as per the guidelines indicated above.

Thanking you,

Yours faithfully

-Sd-
(K.C. Jain)
Dy. Secretary to the Govt. of India.
To,

All Principal Chief Commissioners/ Chief Commissioners
Customs, Central Excise & Service Tax
All Principal Director General / Director General
under Central Board of Excise & Customs.

Sir,

Subject: Awarding of work to Public Work Organization (PWO) other than CPWD on nomination basis _ Prior Approval – Reg.

1. The issue regarding awarding of work to Public Work Organization (PWO) other than CPWD on nomination basis has been examined.

2. The details of the organizations other than CPWD for awarding the original works and its procedure have been provided under Rule 126(2) GFR 2005. Further, it has been informed by the IFU that the Ministry of Urban Development, Govt. of India has clarified that CPWD & NBCC are authorized PWOs under Rule 126(2) of GFRs. Thus work can be awarded to an agency other than CPWD; in this case the NBCC, where their expertise could be better suited for a particular work.

3. However, the powers of awarding of work to a particular Public Works Organization (PWO) other than CPWD on nomination basis is vested with the Revenue Secretary.

4. In view of the above, I am directed to request you to kindly forward all proposals where work is proposed to be awarded to PWOs other than CPWD on nomination basis for approval of the Revenue Secretary prior to obtaining Preliminary Estimation (P.E.) from such organization. This may kindly be ensured in all cases where P.E. is yet to be forwarded to the DGHRD.

5. This issues with the approval of Chairman, CBEC

Yours faithfully,

(Meenu S. Kumar)
Addl. Director (I&W)
Phone No. 011 -29561870
Email ID: meenuhrd12@gmail.com
OFFICE MEMORANDUM

Subject: Implementation of comprehensive end-to-end E-Procurement-reg.

1. This has reference to this Department O.M of even No. dated 30th March, 2012 and 9th January, 2014 vide which it was conveyed that the Ministries/Departments of the Central Government, their attached and subordinate offices would need to commence e-procurement in respect of all procurements with estimated value of Rs. 2.0 lakhs or more in a phased manner.

2. In this context, it is now decided that apart from Ministries/Department of the Central Government, their attached and subordinate offices. Central Public Sector Enterprises (CPSEs), autonomous/Statutory bodies will also be required to commence e-procurement as per above referred –limits.

3. Ministries/Departments are requested that necessary instructions may be issued to all attached/subordinate offices, CPSEs and autonomous/Statutory bodies etc. under their administrative control to commence e-procurement.

(Sanjay Aggarwal)
Director (PPD)
Tel. No. 23094961
E-mail: sanjayaggarwal68@nic.in

Secretariat of all Ministries/Department
FAs of all Ministries/Department

Copy to: DG (NIC), CGO Complex, New Delhi.
OFFICE MEMORANDUM

Subject: Implementation of comprehensive end-to-end E-Procurement-reg.

1. This has reference to this Department O.M of even No. dated 30th March, 2012 vide which it was conveyed that the Ministries/Departments of the Central Government, their attached and subordinate offices would need to commence e-procurement in respect of all procurements with estimated value of Rs. 10 lakhs or more in a phased manner as per the prescribed schedule. In this regard an option was given to the procuring entities either to use the e-procurement solution developed by NIC accessible through Central Public Procurement (CPP Portal) or to continue to carry out e-procurement through other service provider/other e-procurement solutions developed in house, provided the conditions/guidelines envisaged in the O.M. referred to above are fulfilled.

2. In this context, it is highlighted that, the Prime Minister's Committee on National e-Governance Plan (NeGP) during its second meeting held on 1st July, 2013 has an endorsed DeiTY proposal that e-procurement should be adopted both for publication and processing of tenders above a prescribed cut of value. The need to mandate all Ministries/Departments to adopt end to end e-Procurement was also emphasized in the meeting of the Apex Committee on NeGP held on 5th November 2013.

3. In pursuance of the decision taken during the above meetings to promote e-Procurement further and to ensure maximum participation of tenders through e-procurement mode, **it has been decided that the tender value limit of Rs. 10 lakh set in respect of e-procurement is to be brought down to Rs. 5 lakh w.e.f. 01.04.2015 and further down to Rs. 2 lakh w.e.f. 01.04.2016**. Ministries/Department are therefore requested to ensure and follow the limits which have now been decided in respect of mandatory publishing of tenders through e-procurement mode.

4. Ministries/Department are therefore requested to take necessary action to ensure that all tenders above Rs. 10 lakh are compulsorily processed through e-procurement as per the instructions already issued by this Department vide above O.M. A report in the following format in this respect is now to be intimated on a quarterly basis to the Ministry of Finance, Department of Expenditure at the email id cppp-doe@nic.in.
5. In this context it is further reiterated that:

i. Ministries/Departments using other than NIC e-Procurement solution have to ensure that details of all their tenders enquiries, related corrigenda and details of contracts awarded thereon, through e-procurement are simultaneously published/mirrored on the CPP Portal using XML Facility of NIC.

ii. Ministries/Departments that have not yet appointed Nodal officers and have not got User IDs and Passwords issued from NIC for accessing the portal may please ensure that the Nodal Officers are appointed immediately. Action may also be taken to start acquiring Digital Signature from NIC Certifying Authority or any other Certifying Authority, being an essential requirement for e-Procurement.

iii. Ministries/Departments must also tie up with NIC for training and support where e-procurement solution developed by NIC is adopted and a need in this regard is being felt by sending an e-mail to ccppp-nic@nic.in. NIC is periodically organizing training programmes on their e-procurements Module. Action may be taken to nominate representative to attend the ongoing training programs as per schedule published on the CPP Portal.

6. It is also requested that necessary instructions in this regard may be issued to all attached and subordinate offices under your administrative control.

7. Hindi version of this O.M. will follow.

(Sanjay Aggarwal)
Director (PPD)
Tel. No. 23094961(o)

To
(i) Secretariat of all Ministries/Departments of the Government of India.
(ii) FAs of all Ministries/Departments of the Government of India
(iii) DG (NIC), CGO Complex, New Delhi.

This OM is also available on our website http://finmin.nic.in
Annexure-3.3

F. No. 900/33/Admn/e-procurement/HRD/2015
Directorate General of Human Resource Development,
(Infrastructure & Welfare Wing),
Customs & Central Excise,
IRCON International Ltd.,
Plot No. C-4, District Centre, Saket,
New Delhi-17.

Dated: .07.2015

CIRCULAR

Subject: Implementation of end-to-end E-Procurement-reg.

1. Kind attention is invited to Department of Expenditure's O.M. No. 10/3/2012-PPC dated 09.01.2014 and 21.01.2015 vide which it has been conveyed that apart from the Ministries/Departments of the Central Government, their attached and subordinate office Central Public Sector Enterprises (CPSEs) autonomous/statutory bodies would need to commence e-procurement in respect of all procurements with estimated value of Rs. 2.00 lakhs or more in a phased manner as per the prescribed schedule.

2. Therefore all the Commissionerate/Directorates working under CBEC and all attached/subordinate offices, CPSEs and autonomous/statutory bodies etc. under their administrative/financial control are required to commence e-procurement for all tenders above the prescribed limit compulsorily and to publish their enquiries, corrigenda thereon and publish details of bid award on CP Portal as per the instruction issued by Department of Expenditure vide above OM's and earlier OM's available on Department of Expenditure website http://finmin.nic.in.

3. All purchasing entities in the Department should publish details of the Bid award on CP Portal.

4. In this context, NIC has developed an e-procurement solution which can be accessed on the link http://eprcure.gov.in. Detailed guidelines on using the solution on e-procurement have been circulated by NIC separately and the same is also available on the Central Public Procurement Portal (CPP).

5. All the formations are requested to take immediate action to commence e-procurement in respect of all procurements with the estimated value of Rs. 2 lakhs and above compulsorily.

Encl: O.Ms dtd. 09.01.14 & 21.01.15

(Neerja Shah)
Member (Central Excise) & DG, HRD

To,
All Chief Commissioners/Commissioners
All Director General/Directorates
CBEC
GOVERNMENT OF INDIA’S DECISIONS

Exercising delegated powers in respect of “past cases” - Definition of “past cases”.- Whenever powers are delegated to any authority under these rules, that authority should be deemed to be competent to exercise those powers in respect of past cases also. The term “past cases” means a case which has not been finalized until the date of the said delegation, although it occurred prior to that date. On the other hand, expenditure already incurred by an authority in excess of its powers should be treated as irregular expenditure and should be regularized by the issue of an ex post facto sanction.

[G.I., M.F., O.M. No. F. 1 (3)- E.II (A)-65, dated the 16th February, 1965.]
To

All Chief Commissioners/Commissioners
of Central Excise & Customs
All Director General /Directorate under CBEC

Subject: Enhancement of Financial Powers to the Head of Department under CBEC for hiring accommodation and revision of rent of the building — clarification regarding.

Sir,

I am directed to refer Ministry’s letter of even number dated 21st August 2002 enhancing financial powers delegated to the Heads of the Department (HOD) under CBEC for hiring accommodation and revision of rent the buildings.

2 A number of references have been received from various formations under CBEC seeking clarification as to whether this delegation of powers to the Head of the Department is to be exercised in respect of the office buildings taken of hire in the jurisdiction of the HOD or separate in each case.

3. IFU have clarified that the existing ceiling of Z One lakh/Z 60,000 per month in respect of A-1/A and other cities respectively have to be taken as monetary ceiling in each case i.e., in each hiring separately, But in view of the spirit of GFRs, the hiring shall not be split up with the purpose of avoiding the necessity for obtaining the sanction of higher authorities required with reference to the expenditure on hiring and its relation to the existing ceiling.

4. This issue with the approval of FA (F) Vide Dy.No 1311/FA (F) 2004 dated 19.3.2004

Yours faithfully,

-Sd/-
(SUSHMA KATARIA)
UNDER SECRETARY TO THE GOVT. OF INDIA

Copy to :-
Shri Kaushal Srivastava, Commissioner, Dte. General of Housing for information and for monitoring the cases in future.

-Sd/-
(SUSHMA KATARIA)
UNDER SECRETARY TO THE GOVT. OF INDIA
OFFICE MEMORANDUM

Subject: Re-classification of cities/towns on the basis of 2001 Census-grant of House Rent Allowance (HRA) and Compensatory (City) Allowance (CCA) to Central Government employees.

The undersigned is directed to refer to this Ministry’s OM No.2(30)/E.II(B)/97 dated 3.10.97 relating to grant of Compensatory (City) Allowance and House Rent Allowance to Central Government employees on the recommendations of the 5th Pay Commission whereby a list of cities/towns classified as ‘A-I’, ‘AVB-1’ and 13-2’ for the purpose of CCA was enclosed as Annexure - I and another list of cities/towns classified as ‘A-I’, ‘A’, ‘13-I’, B-2’ and ‘C’ for the purpose of HRA was enclosed as Annexure-II. The matter relating to reclassification of cities/towns on the basis of censuses 2001 for the purposes of grant of HRA/CCA to Central Government employees has been considered by the Government.

1. The President is pleased to decide that in supersession of all the existing orders relating to classification of cities/towns for the purpose of grant of HRA/CCA to Central Government employees, cities/towns shall now be re-classified as ‘A-I’, ‘A’, ‘B-1’ and 13-2’ for the purposes of CCA as enumerated in Annexure-I and as ‘A-I’,”A”, 13-1’, 13-2’ and ‘C’ class for the purpose of HRA as enumerated in Annexure-II to these orders.

2. The special orders relating to grant of HRA/CCA in localities as listed in para 3 of this Ministry’s OM No.2(2)/E.II(B)/93 dated 14.05.1993 shall continue to be applicable. The special orders issued vide OM No.2(10)/91-E.II(B) dated 05.02.1998 for grant of HRA at 132’ class city rates within the municipal limits of Jammu city, OM NO.2(30)/97-E.II(B) dated 18.05.1998 relating to classification of Calcutta & Chennai as ‘A-1’ class for grant of HRA and OM No.2(3)/E.II(B)/04 dated 01.03.2004 for classification of Goa, Port Blair and other areas of Andaman & Nicobar Island and Lakshadweep Group of Islands shall also continue to be applicable.

3. These orders shall take effect from 01.04.2004.

4. In their application to employees serving in the Indian Audit and Accounts department, these orders issue after consultation with the Comptroller and Auditor General of India.

5. Hindi version of this OM is attached.

-Sd-
(N.P. Singh)
Under Secretary to the Government of India

To
All Ministries/Departments of Government of India as per standard distribution list etc.
Copy (with usual number of spare copies) forwarded to C & AG, UPSC etc., as per standard distribution list.
To

All Chief Commissioners of Central Excise,
All Chief Commissioners of Customs,
All Director Generals/Directors under CBEC

Subject: Check lists for (a) repair & maintenance proposals (b) initial hiring of office accommodation and (c) revision of rent of hired premises—regarding.

Sir,

I am directed to enclose herewith the following three check lists devised by Integrated Finance Unit (IFU) of Department of Revenue:

1. Checklist of initial hiring of office accommodation;
2. Checklist for revision of rent of hired premises; and
3. Checklist for repair and maintenance proposals in respect of office and residential buildings owned by the CBEC.

It is requested that the proposals may be sent to the Ministry along with duly complete check lists to avoid unnecessary references of incomplete proposals to the Ministry and to prevent wastage of time and energy on repeated clarifications.

Yours faithfully,

Ends-As above

-Sd-
(BIMAL KUJUR)
UNDER SECRETARY TO THE GOVT. OF INDIA
CHECK LIST FOR INITIAL HIRING OF OFFICE ACCOMMODATION

(A) Necessity of hiring

1. Statement of all immovable assets (land & building) of CBEC, both owned and hired, for the city to establish the necessity for fresh hiring. The break up to be given for each office and thereafter total of the concerned Commissionerate/city/place. If offices of various Commissionerate/directorates function from that city / place, the total assets of all such formations. Why work cannot be performed from existing accommodation.

2. Detailed break-up of sanctioned and actual staff strength (Category-wise) of hiring office ;

3. If new office has been sanctioned, whether staff have joined. Whether new/additional staff has joined or office created by diversion of staff from other existing office ;

4. Details of space requirement as per staff strength/austerity norms for the hiring office ;

5. Office space to be hired. This will be 30% less than the space arrived at by applying the norms in case of 7 major A/A-1 cities and 20% less in case of the rest of the country.

(B) Procedure for hiring

6. Copy of the advertisement published in leading newspapers of the city/place.

7. Reasons for preference of particular locations for hiring with respect to the nature of work of hiring office.

8. Reasons for including the particular technical and financial conditions given in advertisement with respect to the nature of work of hiring office.

9. Details of offers received in response to advertisement and their comparison (technical bidding) with respect to the conditions given in advertisement.

10. Details of financial bidding from the short listed offer at technical bidding.

11. Shortlisted L-1 offer as selected by the selection committee of the Commissionerate/office. The details of the initial offer of L-1, terms/conditions given in advertisement and outcome of negotiations with L-1.

12. Copy of consent letter of building owner containing the rent demand and all other conditions of hiring.

13. Copy of rent assessment certificate of C.P.W.D and recommendations of hiring committee;

14. Copy of non availability of office accommodation by CPWD and/or Directorate of Estates.

15. Rent being paid by any other Central/State departments in the vicinity / same locality;

16. Justification of hiring proposal by linking the revenue collections and potential of the station/city with the proposed expenses during hiring period.
17. Copy of draft lease agreement to be executed between tenant and owner.

18. Statement of all financial implications in monthly, annual and for the total period of hiring in rent and all other expenses for the tenant. Whether delegation of financial powers available to HOD for hiring and other associated expenditure has been kept in view while calculating financial implications for the tenant.

19. Whether any altered period of hiring (instead of standard 3 years) with reference to any pending land/construction proposal for the hiring office.
CHECK-LIST FOR REVISION OF RENT OF HIRED PREMISES

(Procedure to be initiated at least 6 months before expiry of current hiring)

1) Initial date of hiring premises with rent and details of subsequent revisions in rent;
2) Ministry’s previous reference/File(s) nos., if any;
3) Copy of fair rent certificate issued by CPWD along with date on which the request for assessment was sent by the Commissioner to CPWD;
4) Copy of letter from landlord containing first request for revision of rent/date of first request for revision;
5) If the initial hiring/subsequent revisions were done by H.O.D. within delegated powers, then detailed break-up of staff strength (Category-wise) and detailed requirement of space as per norms and total space available may also be furnished;
6) Existing staff strength and space requirement as per norms. Change, if any, in staff strength, etc. after initial hiring;
7) Copy of existing and proposed lease/hiring agreement should be furnished for perusal;
8) Statement of Immovable assets of CBEC (land & building) for the city and necessity for continuing the hiring arrangement.
9) Any pending proposal under the consideration of DG (Housing) and/or CBEC for acquisition of land and construction thereon or acquisition of ready built office accommodation, where this office will be shifted after its finalization.
10) Certificate from Directorate of Estate/CPWD about non-availability of General Pool Accommodation;
11) Advertisement given and offers received in response to advertisement. Whether fresh offer received considered or the present owner has consented for continuation of hiring at the same rates or at the rates advised in FRC;
12) Whether space norms for office space hiring are followed and details thereof.
13) Financial implication of the proposal: Monthly, annual and for the total period proposed for re-hiring.
14) Detailed justification in support of proposal (including the revenue collections of the past three financial years)
CHECK LIST FOR REPAIR & MAINTANCE PROPOSAL IN RESPECT OF OFFICE AND RESIDENTIAL BUILDINGS OWNED BY THE CBEC.

1. (a) Date of acquisition or completion of construction and (b) Total cost of acquisition or construction.
2. The agency which constructed the office/residential building or the agency from which the ready built office/residential building had been purchased.
3. (a) The status of utilization i.e. whether this building is fully used for office or residential purpose.
   (b) In case of office whether entire building is being used. If not, the reasons thereof.
   (c) In case of residential quarters / flats, details of types of flats and number of the flats under occupation.
   (d) If not occupied fully, the reasons thereof and the plan of the Department to utilize the unoccupied quarters or to dispose of these unutilized quarters / buildings to prevent wastage in maintenance expenditure.
4. Whether the repair and maintenance estimate are of regular nature or one time and special repair nature or both.
5. (a) If the repair and maintenance estimates are of regular nature then the previous financial years estimates and approval for the same items may be indicated.
   (b) If the repair maintenance estimates are of special nature then the details of last such special repair and maintenance work and approval may be indicated.
   (c) The number of such special repair and maintenance works undertaken after taking possession of this building, on completion of construction or after purchase, may be indicated.
6. (a) The certification from CPWD that only those items of repair and maintenance (whether one time repairs of special nature or regular / annual repair) have been included in the general pool office or residential accommodation of similar types.
   (b) If the agency is other than CPWD, whether GFR provisions have been followed in its engagement and the certification as required in item 6(a) above.
7. Whether the items of regular or one time or special repairs fall within the liability of agency which constructed the building or from which the building had been purchased. If yes, whether that agency has been contacted for this repair work /expenditure. The details thereof.
8. The availability of budget along with the Demand number, Major heads. Object head, etc. from which this expenditure will be booked.
9. Date of Estimate and total amount.
10. The time to be taken by repair and maintenance agency for completion of this work for which the estimates has been sent.
11. Whether the HOD / Commissioner and the users of this building are satisfied with the quality of repair/maintenance work of the agency undertaken in past.
12. All annual repair and maintenance proposals are to be received in the first quarter of the financial year and if received late, the reasons there for.
To
The All Heads of Department under
Central Board of Excise and Customs,

Subject: Measures to avoid Administrative delay Re-delegation of adequate Financial Powers to Head of Department under C.B.E.C. -“Hiring of Private Accommodation”: Instruction regarding.

Sir,

In supersession of the existing instruction issued from time to time, on the above subject, the President is pleased under Rule 13(2) of the Delegation of Financial Power Rules, 1978, to re-delegate full powers of this Department to all Heads of Department under Control of CBEC, to the continued hiring/retention of the existing office accommodation and hiring of new office accommodation in the Aland A class cities of Delhi, Calcutta, Mumbai, Chennai, Hyderabad, Ahmedabad and Bangalore on a rent not exceeding Rs. 50,000/- (Rupees Fifty Thousands only) per month and in other places on a rent not exceeding Rs. 30,000/- (Rupees Thirty Thousands only) per month, subject to the conditions stipulated as under:-

(a) The Directorate of Estates/Estates Officer has certified that no Government accommodation is available for the Deptt. for the purpose at that place.

(b) The fixation of rent would be done as per CPWD/Hiring Committee’s Fair Rent Certificate/Certification of reasonability and for five years’ Mandatory Period.

(c) The area of accommodation is not in excess of the actual requirement calculated as per Austerity Standards and the sanctioned Staff Strength.

(d) The landlord is willing to enter into lease deed in the prescribed format for five years.

(e) Accommodation shall be hired for office purpose only. No accommodation, hired originally for office accommodation shall be converted to office-cum-residence or office-cum-guest house.

(f) Payment of Advance Rent may not be allowed in any case.

(g) The Rent is revised with effect from the date of completion of 5 years Mandatory period or the date of request from Landlord for rent-revision, whichever is later.
2. These instructions are issued with the concurrence of Financial Adviser (Finance) vide their Dy. No. F-1290/FA (F) /98 dated 12.03.1998.

Yours faithfully,

-Sd-

(O.P. AHUJA)

UNDER SECRETARY TO THE GOVT. OF INDIA

Copy forwarded to-
1. Chief Controller of Accounts.
2. All pay & Accounts Officer in the Commissionerate.
3. IFU-III/IFU (B & A).
4. I.W.S.U.
5. Sanction Register.

-Sd-

(O.P. AHUJA)

UNDER SECRETARY TO THE GOVT. OF INDIA
OFFICE MEMORANDUM

Subject: Procedure for acquisition of accommodation on lease/rental basis etc.

Whenever new commercial/residential promises are to be acquired on lease/rent or otherwise, an advertisement in the local as well as national newspapers with maximum circulation in the area must be given. The advertisement should contain salient features like area of accommodation required, approximate location and other terms and conditions to be quoted by the tender or. Preferably, tenders shall be invited by the two bid system viz. technical and financial: The technical bid shall be opened in the circumstance and suitability of the accommodation, terms and condition offered, specifications and other liabilities assessed. The market rate justification for the area at which property is available shall also be assessed, before opening the financial bid. These instructions shall be strictly followed.

-Sd-
(M.K. SINGAL)
CHIEF TECHNICAL EXAMINER

Copy to:
1. All C.V.0s/Ministries/Deptts./Banks/U.T.
2. All Chief Engineer, CPWD/DDA/Deptt. Telecom (Civil Wing) (Civil Wing, NDMC/AIR &Civil Wing ) MCD/MTNL
3. The Department of personal & Training (Shri B. Thyagratan Director), North Block, New Delhi
4. The Central Bureau by Investigation (Shri N. Balachandran), Joint Director, (P) North Block, New Delhi.

-Sd-
(M.K. SINGAL)
CHIEF TECHNICAL EXAMINER
ANNEXURE-5.6 {b}

F.No.207/29/99-AD.VIII (EC)
Government of India
Ministry of Finance
Department of Revenue
*****

New Delhi,
Dated. 28th July, 1999.

To
All Heads of Department
Under CBEC.

Subject: Hiring of private Accommodation-procedure for Acquisition of Accommodation on Lease/Rental Basis etc.-regarding.

Sir,

I am directed to say that Central Vigilance Commission has recently issued certain instructions whereby a procedure has been laid down for acquisition of office accommodation on lease/rental basis. Hereinafter, whenever a new premises are to be acquired on lease/rent or otherwise, and advertisement in the local as well as national newspapers with maximum circulation in the area must be given. The advertisement should contain salient features like area of accommodation required, approximate location and other terms and conditions to be quoted by the tenderer. Preferably, tenders shall be invited by the two bid system, viz. technical and financial. The technical bid shall be opened in the first instance and suitability of the accommodation, terms and conditions offered, specifications and other liabilities assessed. It may be noted that the market rate justification for the areas at which property is available shall also be assessed before opening the financial bid.

You are, therefore, requested to follow the aforesaid procedure while acquiring new office accommodation.

Yours faithfully,
-Sd-
(S.K. BAHL)
UNDER SECRETARY TO THE GOVT. OF INDIA

Copy forwarded to :-
I. IFU-III
II. I.W.S.0
III. Guard file.

-Sd-
(S.K. BAHL)
UNDER SECRETARY TO THE GOVT. OF INDIA
OFFICE MEMORANDUM

Subject: Procedure for acquisition of accommodation on lease/rental basis etc.

In partial modification of this office' office Memo of even number, dated 8.7.99, it is clarified that press advertisement is not upto necessary in case of office accommodation with monthly rent upto Z One lakh in metro towns of Delhi, Mumbai, Calcutta and Chennai. For other places advertisement is not necessary for monthly rent upto Z 50,000/-. It is further clarified that no publicity is essential for the residential accommodation to be leased. It is also clarified that no advertisement is necessary in case of transactions between PSU to PSU, Govt. to Govt. and Govt. to PSU.

-Sd-
(M.K. Singal)
Chief Technical Examiner

Copy to:-
1. All C.V.Cs./Ministries/Deptts./Banks/U.Ts-
2. All Chief Engineer, CPWD/DDA/Deptt. Telecom. (Civil Wing), Postal (Civil Wing), HDEC/AIR (Civil Wing)/HOD/MTNL, Railways.
3. The Department of Personnel & Training (Shri Thyagraj, Director), North Block, New Delhi.
4. The Central Bureau of Investigation (Shri N. Belachandran, Director), North Block, New Delhi.
OFFICE MEMORANDUM

Subject: Procedure for acquisition of accommodation on lease/rental basis etc.

In continuation of this office memorandum of even number dated 08.09.1999. It is clarified that the transactions in the PSU or Government and Public Financial Institutions shall also be covered by the exemption from advertisements.

-Sd-
(M.P.JUNEJA)
Chief Technical Examiner

Copy to:
1. All CVOS/Ministries/Departments/Banks/U.T.S,
2. All Chief Engineer, CPWD/DDA/Dept. Telecom(Civil Wing), Postal (Civil Wing), NDMC/AIR (Civil Wing)?MCD/MTNL, Railways.
3. The Department of Personnel & Training (Sh. I.S. Chaturvedi, Dy. Secretary/Vig.), North Block, New Delhi.
4. The Central Bureau of Investigation(Sh. N. Balachandran, JT. Director (I), North Block, New Delhi.

INTERNAL DISTRIBUTION

5. The to CVC/PS to VC/Secretary/Addl. Secretary (HS)/Addl. (A), Director, Coordination and All Branch officers.

-Sd-
(M.P.JUNEJA)
Chief Technical Examiner
OFFICE MEMORANDUM

Subject: (1) Assessment/Re-assessment of reasonable rent relating to the buildings taken on lease by Central Govt. departments.

(2) Authority to issue rent reasonableness certificate.

Guidelines on the subject were reviewed and modified last vide this Directorate's O.M. No./8/1/99-WII(DGW)/Pt. dated 14/24.8.2001. These guidelines have been further reviewed in the light of the references received in the Directorate from some of the CPWD, Delhi PWD offices etc., seeking certain clarifications. Accordingly, the matter has been considered in the Directorate afresh and modified guidelines are enclosed herewith.

Encl: Modified guidelines.

-Sd-
(B.B. Makkar)
Director (P&W A)

To
1. All Ministries/Departments of Govt. of India.
2. ADG(B), ADG(NR), ADG(WR), ADG(SR), ADG(ER), ADG(Trg.), E-in-Chief, (Delhi PWD).
3. All CEs (Civil)/CE(Vig) in CPWD and Delhi PWD.
4. The Chief Controller of Accounts Min. of UD & PA, New Delhi.
6. The Directorate of Estates, Govt. of India, New Delhi.
7. Director (P&WA), PM, S&D, CPWD, New Delhi.
8. All SEs/SEs(P&A)/Project Manager (Civil) in CPWD and Delhi PWD.
9. All EEs (Civil) in CPWD.
10. The EE(LF), Office of CE(NDZ-I).
SUMMARY

1. Reasonable rent shall be assessed according to two alternate methods — (i) Recognized principle of valuation, and (ii) Prevailing market rent.

2. Land rate as per records of Appropriate Authorities or Valuation Cell of Income Tax Department shall take precedence over the land rate notified by local Revenue authorities.

3. In case of premises proposed to be hired being ready built property/space, the current composite cost of acquisition shall be taken as net value of the property without any further adjustment for depreciation according to its age or on account of under/over utilization of FAR, if any.

4. Rent shall be inclusive of Municipal Taxes but element of Municipal Taxes shall be indicated in the Certificate leaving the final decision to the hiring department whether to pay composite rent on reimburse municipal taxes to the owner separately or to pay the same directly to the local body.

5. The date from which the rent is to be assessed as also the period the assessed rent shall remain effective for, shall be decided by hiring department and hence no such period shall be indicated in the Certificate.

6. In case the figure as per method (ii) referred to in Para (1) above is lower, only this figure shall be intimated as reasonable rent. However, if the figure as per method (ii) works out to be higher, both the figures shall be intimated as a range of reasonable rent leaving the final decision to the hiring department to negotiate and settle the rent keeping in view this range. It shall be for the hiring department to see if the rent as assessed by CPWD is to be restricted to any specified limit in view of the terms and conditions of the existing lease agreement or due to any other relevant instructions issued by the Competent Authority.

7. Rent Reasonableness Certificate shall be issued strictly as per modified mode formats, given in the enclosed Annexure-I & II.

8. Necessity for re-assessment of rent, for whatever reasons, whether during the currency of the lease agreement or after its expiry, and the effective date therefore shall be the date receipt of the request of the owner or the date from which revision is due after expiry of existing lease agreement, whichever is later.

9. The Hiring Committee on account of subsequent increase/decrease in municipal taxes, if any, shall not entertain the request for revision of rent. It shall be for the hiring department to settle the same right in the beginning as to how subsequent changes shall be dealt with.

10. All rent assessment cases shall be dealt by a Hiring Committee associating a representative of Hiring Department, if the latter is so willing. Jurisdiction of a Hiring Committee shall also include satellite and twin cities/towns.
REVISED GUIDELINES

1. The reasonable rent shall be relevant to a date (referred to hereafter as 'date of assessment') as specified by the Hiring department. The relevant date in respect of reassessment of rent shall be the date of receipt of the request of the owner or the date from which the revision is due after expiry of existing lease agreement, whichever is later and the rent shall be assessed according to the following two alternate methods:-

(i) On the basis of recognized principles of valuation; and

(ii) On the basis of the prevailing market rent.

2. The hiring department while sending the proposal to CPWD for assessment of rent would also send the lowest three offers of rent received by them from the owners of the premises without disclosing the identity of owners. Owners will be marked as A, B & C and their offers would be mentioned against them.

3. The assessment of reasonable rent according to the recognized principles of valuation which represents reasonable annual return on the property shall be done in accordance with the method prescribed as hereunder:-

(i) Workout the depreciated cost of the building (D) as on the date of assessment.

First of all reproduction cost of the building (C) shall be worked out as on the date of assessment, based on the ruling cost of building construction in the locality. The depreciated cost shall accordingly be calculated taking the end residual value of the building as 6% of its reproduction cost and assuming a straight line variation of depreciation depending on the age of the building (A) as on the date of assessment and its total serviceable life (A+R), where 'R' is residual life of the building as on the date of assessment, which shall be worked out with due care and keeping in view the type of structure and specifications adopted in its construction.

In other words, \[ D = 0.94 \times C \times \frac{A \times r}{A+R} \]

(ii) Work out the land area appurtenant to the building (La) by taking into account the local bye-laws for permissible ground coverage and accordingly work out the surplus land area (Ls) as L — La, where; L = Total land area.

For example, if the permissible ground coverage as per local bye-laws is ‘X’ % and the plinth area of the building at ground floor (i.e. actual ground coverage) is ‘Y’ Sqm.

\[ La = \frac{Y \times 100}{X} \text{Sqm}, \text{ subject to the condition however that if 'La' works out to be more than 'I', which might be the case if actual plinth area at ground floor is more than what is permissible according to the local bye-laws, the same shall be restricted to 'I'. There would accordingly be no 'Ls' in such cases.} \]

In case, no local byelaws exist in the locality, comparison shall be made with the general practice in the locality.

(iii) Ascertain the prevailing land rate in the locality.

Wherever land rates are available with Appropriate Authority or Valuation Cell of Income Tax
Department, which could be considered as applicable to the localities in question, the same shall be considered as prevailing land rate. In case the relevant land rates are not available with the Appropriate Authority or Valuation Cell, rates as notified by Revenue Authority shall be adopted. Preferably authenticated documents or if the same are not made available by the concerned authorities, at least reference of such documents shall be kept on record in support of the land rate considered as prevailing in the locality.

(iv) Workout the cost of land area appurtenant to the building and that of the surplus land area as discussed in Para 3(ii) above, separately. While working out the cost of surplus land, care shall be taken that only that portion of the surplus land is taken into account which enhances utility of the property by way of improved access or parking facilities or any other such utilization, subject to the condition that the hiring department have made specific mention in their requisition that apart from the building, they also propose to take on lease the usable surplus land. Accordingly, this fact, as also the area of such surplus land shall be indicated clearly in the rent reasonableness certificate.

(v) Add the cost of the appurtenant land area to the depreciated cost of the building to find out the net value of the property. If the building as a whole is not proposed to be hired, the net value of the property shall be reduced accordingly keeping in view the built up area of the premises to be hired and total built-up area. Care shall be taken that if the areas of common utilities, such as staircase, toilets, corridors etc. are being or shall be used by more than one user on a particular floor or in a particular wing, only proportionate built up area of such common utilities is considered in working out the built-up area of the premises to be hired.

(vi) Where the buildings or a part of the same as proposed to be hired have been acquired by the owner as ready built property/space, in which the cost of purchase is inclusive of the cost of the properties, the net value of the property shall be worked out as follows:-

a) If authenticated information is available regarding acquisition and purchase price of the ready-built property proposed to be hired, the same shall be considered as net value of the property with due correction factor for appreciation/depreciation in its market value during the intervening period, that is, from the date its acquisition to the date of assessment.

b) In case the information as above is not available, composite capital cost i.e. net value of the property shall be worked out by comparing the same with the authenticated cost of similar properties/space preferably of those acquired by Govt. departments (Central/State) in the vicinity or in the similar locality. If there are no such properties available for comparison, cost of similar properties/space purchased by Public Sector Banks/Private parties may also be considered for comparison subject to the condition that if the sale/purchase of such properties was within the purview of Appropriate Authority, the cost of acquisition shall be taken as what had been mentioned in the sale clearance issued by Appropriate Authority. The cost as ascertained in these cases too shall be modified by applying correction factor for appreciation/depreciation as described in Para (a) above.

While comparing the cost as referred to above, due care shall also be taken to ascertain whether the properties under assessment and the one considered for comparison are nearly similar in terms of the location, distance from air/rail/bus terminal, access/approach facilities, set-backs, parking facilities, general environment, specifications and other common utilities in the building like lifts,
toilets etc., and if the same are not on equal footing, a careful assessment shall be made for suitable addition or subtraction, as the case may be. No adjustment shall however, be made for under or over utilization of the FAR in either case.

c) If the information as mentioned in para 3(vi) (a) or (b) above is not available, the net value of the property shall be worked out by following the same procedure as given in Para 3(i) to (v) above.

d) in addition to working out the net value of the property in the manner as laid down in Para 3(vi) (a)/ (b) above, depreciated cost of the building portion (i.e., excluding land) shall also be worked out as per method laid down in Para 3(i) above for the purpose of calculating the Sinking Fund Element as described in Para 3(x) (c) below.

(vii) The annual rate of return on the net value of the property referred to in Para 3(v)/(vi) above, shall be worked out as follows:-

(a) In case of State Capitals as well as other cities/towns which qualify for City Compensatory Allowance — **8% for non-residential use of the property and 7% for residential use.**

(b) In case of other places — **7% for non-residential use of the property and 6% for residential use.**

(viii) For the surplus land within the compound of the property which would offer improved access and/or parking facilities etc. and to the extent the same is proposed to be taken on lease along with the building, the annual rate of return on the cost of the said surplus land shall be taken as 7% in case of places mentioned in Para (vii)(a) and 6% in case of places mentioned in Para (vii)(b) above, both for non-residential and residential use of the property.

(ix) The net annual return on the property including surplus land, if any, shall be worked out by addition of the returns as worked out in Para (vii)(a)/(b) and that in Para (viii) above.

(x) The following factors shall further be added to the figure as arrived at in Para 3(ix) above to work out the gross annual return i.e. reasonable rent per annum.

(a) Municipal tax (house/property tax) as per actual. If actual figures are not available, municipal taxes shall be assessed based on the ratable value of the property in accordance with the relevant local/municipal byelaws. If he building as a whole is not proposed to be hired, the Municipal Tax shall be carefully worked out on prorate basis. The Municipal tax component as assessed and considered in the certificate shall be clearly indicated in the rent reasonableness certificate to enable the hiring department to decide on the manner in which the municipal tax shall be paid (refer model formats for rent reasonableness certificate at Annexure I & II).

(b) Maintenance and repairs at the rate of 12% of the annual return on the property as arrived at in Para 3(vii) (a)/(b) above. If any statutory provision exists in the areas binding the landlord to defray certain minimum expenses on maintenance and repairs. The same shall be duly accounted for.

(c) Provision for sinking fund, to be ascertained by reference to standard sinking fund tables or alternatively to be calculated as per standard formula given below:-

\[
\text{Sinking fund co-efficient (K) = } \frac{0.06}{(1+0.06)^r - 1}
\]
Where, \( r \) = assessed residual life of the building in years as referred to in Para 3(i) above.

**Annual provision for sinking fund = \((K) \times (D)\)**

Where, \( K \) = Sinking fund co-efficient as above.

\( D \) = Depreciated value of the building referred to in para 3(i) and (vi)(d) above.

4. The rent based on the prevailing market rent shall be ascertained by making inquiries preferably in respect of rented properties/spaces which have been taken on lease by Government Departments (Central/State) or Public Sector Undertakings (Central/State) in a comparable locality. If there are no such properties available for comparison, similar property/space hired by Public Sector Banks/ Private body may also be considered for comparison. The properties shall be compared on the basis of various parameters as mentioned in the second part of Para 3(vi) (b) above and if the same are not comparable a careful assessment shall be made for suitable addition or subtraction as the case may be. It shall also be ensured that the factors for which landlord is responsible, like maintenance and repairs and municipal taxes in such cases as also the other relevant facilities, such as, benefit of usable surplus land are on an even keel and if it is not so suitable adjustments shall be made accordingly. No adjustment shall however be made for under or over utilization of FAR in either case.

5. After working out the rents according to the two alternate methods as described in Para 3&4 above, the reasonable rent shall be intimated to the hiring department as under:-

(i) If the rent based on the prevailing market rent is lower, only the rent based on the prevailing market rent shall be taken as reasonable rent and so intimated as per model format enclosed at Annexure-I.

(ii) In case the rent based on the prevailing market rent happens to be higher, both the figures shall be intimated as a range of reasonable rent (as per model format enclosed at Annexure-II), leaving the final decision to the hiring department to negotiate and settle the rent keeping this range in view.

(iii) There may be some exceptional situations (like in a very small town/Kasba) where is no rented building to be considered as basis for working out the prevailing market rent. In such cases the market rent may be worked out taking into consideration the rent prevailing in the nearby town and by giving due weight-age (plus or minus) for relative importance of the town where the building is situated to that of the town adopted as basis for comparison.

(iv) As the data collected and adopted for assessment of rent are relevant to a particular date and these are likely to undergo changes subsequently, the existing practice (although not so prescribed by this Directorate in the earlier guidelines issued on 24.06.1999) of adding a clause in the Rent reasonableness Certificate that the rent as certified shall hold good for 3/5 years or so, is not correct and shall be stopped forthwith.

(v) The rent shall not be expressed in terms of **per unit built up are or carpet area.** The monthly rent may also be shown.

6. Re-assessment of rent of the existing leased building/space shall be treated as fresh assessment and shall be done according to the same method as discussed in the preceding paras. Necessity for re-assessment/revision of rent, whether during the currency of the Lease Agreement or after its expiry shall however be examined and decided by the hiring Department with due regard to the terms and conditions of the existing lease agreement and any other relevant instructions issued...
by the competent authority. The effective date of revision of rent shall be the date of receipt of the
request of the owner or the date from which revision is due after expiry of existing lease agreement,
whichever is later.

7. It shall be for the Hiring Department to see if the rent as assessed/reassessed by the Hiring
Committee is to be restricted to any particular limit in view of the terms and conditions of the
existing lease agreement or due to any other relevant instructions issued by competent authority to
this effect.

8. As prescribed in Para 3 (x)(a), the Municipal Tax component as accounted for in the rent shall be
clearly indicated in the Rent Reasonableness Certificate. In view of the same, no request shall be
entertained by Hiring Committee for re-assessment of rent on account of subsequent increase or
decrease in municipal tax, if any. It shall accordingly be for the hiring department to settle it right
in the beginning by a mutual agreement with the owner as to how such subsequent increase or
decrease in municipal tax, if any, shall be dealt with.

9. The rent assessment shall be done by a Hiring Committee with the composition as given below and
the jurisdiction of the Committee for a particular City/Town shall also include satellite and twin
cities/towns, if any, as illustrated in the sub-Para (iv) below:

(i) DELHI: The Committee shall be headed by EE(LF), office of CE(NDZ)-I, CPWD, Nirman
Bhawan with an Assistant Director of Estate from Directorate of Estate and AFA(E), Finance
Division, Ministry of Urban Development, Nirman Bhawan as members and certificate of
reasonable rent shall accordingly be issued by EE(LF).

(ii) Other Cities/Towns where there is a Civil Circle:- The committee shall be headed by the
Superintending Engineer, with the local Assistant Estate Manager of the Directorate of Estate
and an Executive Engineer (Civil) co-opted by the Superintending Engineer as members and
Certificate of reasonable rent shall accordingly be issued by the Superintending Engineer.

In case there is no officer of the Directorate of Estate at the station, the Executive Engineer/Assistant
Engineer doing the estate function shall be co-opted as a member. In case, there is no such
estate function involved, the Superintending/Engineer shall co-opt an Executive Engineer or
Assistant Engineer as the second member.

In case there are more one Civil Circle at the same station, the concerned Chief Engineer shall
nominate one of the Superintending Engineers to head the committee.

(iii) All other areas:- The Hiring Committee shall be headed by an Executive Engineer (Civil
Division) under whose jurisdiction the building proposed to be hired stands. He will co-opt
one Assistant Engineer (Civil) and one Junior Engineer (Civil) in the committee. If there are
more than one Civil Division at the same station, the Superintending Engineer concerned shall
nominate one of the Executive Engineers to head the Committee.

(iv) As already mentioned above regarding jurisdiction of a Hiring Committee in
the matter of satellite and twin cities/towns, the jurisdiction of Hiring Committee for Delhi shall
also include Ghaziabad, NOIDA, Greater NOIDA, Faridabad, Gurgoan. Similarly, Jurisdiction
of Hiring Committee for Mumbai, Kolkata and Hyderabad shall also include Navi Mumbai,
24 Paragana and Secundrabad respectively and so on. If there is any doubt in regard to similar
cases relating to other cities/towns, the concerned CE(C) shall be competent to take a decision.
10. If the Hiring Departments are willing, a representative to be nominated by them shall be associated in Market survey/enquiries for collecting relevant data. The head of the Hiring Committee shall accordingly make a reference to the Hiring Department before undertaking this exercise.

11. The rent calculations shall be an internal record of the Hiring Committee and shall not be furnished to the Hiring Department.

12. Cases already finalized on the basis of earlier orders shall not be reopened.

This issues with the approval of DG [W].
Encl: Annexure-1&2.

-Sd-
(B.B. Makkar)
DIRECTOR (P&WA)
MODEL FORMAT FOR ISSUE OF RENT REASONABLENESS CERTIFICATE IF RENT ACCORDING TO THE PREVAILING MARKET RENT IS LESS THAN THAT AS PER RECOGNISED PRINCIPLES OF VALUATION

Certified that reasonable rent of the premises with description
as ........................................................................................................ owned by ............................................................... and
proposed to be hired by/already under tenancy of
(*) ................................................................................................. has been assessed as per guidelines issued
(name of the hiring Department)
by Directorate General of Works, CPWD, vide No.8/1/2002-W.II(DGW)/Pt. Dated
24.05.2004 and the rent as effective from ................................................ works out to
Rs. ................................................ (in words ........................................................) per sq. ft per month of
built up area. The monthly rent will be Z ..............................................
(in words ...................................................................................)

2. It shall be the responsibility of hiring department to see if the rent assessed as above is
to be restricted to any particular limit in view of the terms and conditions of the existing lease
agreement or any other relevant instructions issued by the competent authority to this effect.
(**).

3. The rent as indicated above is inclusive of (i) Surplus usable land in the campus
measuring .Sqm. approx. to be utilized exclusively by the Hiring Department for
parking purposes etc., (**) (ii) Regular repairs and maintenance of the premises, (iii) Municipal
Tax (House/Property Tax), but exclusive of Water & Electricity charges payable to local body which
shall be borne by the Hiring Department.

4. The Municipal Tax component included in the rent as indicated above is
Rs ................................................ (in words ................................................... ) per month. It shall be for
the Hiring Department to settle the terms of payment of the rent to the owner with or without
Municipal Tax by following any of the following alternatives:-
(a) Pay only net rent first and reimburse municipal tax to the owner separately on
submission of proof of actual payment.
(b) Pay only net rent to the owner pay municipal tax directly to the local body.
(c) Pay composite rent.

5. As municipal tax component of the rent has already been spelt out above, no request shall be
entertained by Hiring Committee for re-assessment of rent on account of subsequent increase
or decrease in municipal tax, if any. It shall accordingly be for the hiring department to
settle it right in the beginning by a mutual agreement as to how such subsequent increase or
decrease in municipal tax, if any, shall be dealt with.

* Strike out which is not applicable
** Not relevant if it is not a case of periodical re-assessment/revision of rent
*** Strike out if the rent does not include element of surplus land.
MODEL FORMAT FOR ISSUE OF RENT REASONABLENESS CERTIFICATE
IF RENT ACCORDING TO THE PREVAILING MARKET RENT IS MORE THAN
THAT AS PER RECOGNISED PRINCIPLES OF VALUATION

Certified that reasonable rent of the premises with description
as..........................................................................................................., owned by.......................... and
proposed to be hired by/already under tenancy of
(*)..................................................................................

has been assessed as per guidelines issued

(name of the hiring Department)

by Directorate General of Works, CPWD, vide No.8/1/2002-W.II(DGW)/Pt. Dated
24 05 2004 and the rent as effective from.......................................................works out as under:-

(i) According to the recognized principle of valuation (i.e., on the basis of the present value of the
property)

Rs...............................................................(in words..........................................................) per sq. ft. per month of built
up area. The monthly rent will be Rs...............................................................(in words..........................................................)

(ii) According to the prevailing market rent

Rs...............................................................(in words..........................................................) per sq. ft. per month
of built up area. The monthly rent will be Rs...............................................................(in words..........................................................)

The two figures of rents as above shall be considered as a range of reasonable rent and it shall
be for the hiring department to negotiate and settle the rent, keeping in view this range.

2. It shall be the responsibility of hiring department to see if the rent assessed as above is to be
restricted to any particular limit in view of the terms and conditions of the existing lease agreement
or any other relevant instructions issued by the competent authority to this effect. (**).

3. Both the figures of rents as, indicated above is inclusive of (i) Surplus usable land in
the campus measuring .Sqm. approx. in the campus to be utilized exclusively by
the Hiring Department for parking purposes etc., (***)(ii) Regular repairs and maintenance of the
premises; (iii) Municipal Tax (House/Property Tax), but exclusive of Water & Electricity charges
payable to local body which shall be borne by the Hiring Department.

4. The Municipal Tax component included in the rent as indicated above is
Rs ....................................................... (in words ....................................................) per month. It shall be for
the Hiring Department to settle the terms of payment of the rent to the owner with or without
Municipal Tax by any of the following alternatives:-
(a) Pay only net rent first and reimburse municipal tax to the owner separately on submission of proof of actual payment.

(b) Pay only net rent to the owner pay municipal tax directly to the local body.

(c) Pay composite rent.

5. As municipal tax component of the rent has already been spelt out above, no request shall be entertained by Hiring Committee for re-assessment of rent on account of subsequent increase or decrease in municipal tax, if any. It shall accordingly be for the hiring department to settle it right in the beginning by a mutual agreement as to how such subsequent increase or decrease in municipal tax, if any, shall be dealt with.

* Strike out which is not applicable
** Not relevant if it is not a case of periodical re-assessment/revision of rent
*** Strike out if the rent does not include element of surplus land.
GOVERNMENT OF INDIA
DIRECTORATE GENERAL OF WORKS
CENTRAL PUBLIC WORKS DEPARTMENT
NIRMAN BHAWAN, NEW DELHI

F.No.8/1/2002-WII/DGW

OFFICE MEMORANDUM

Subject: (1). Assessment/re-assessment of reasonable rent of building taken on lease by Central Government Departments.

(2). Authority to issue rent reasonableness certificate.

Paragraphs 10 and 11 of this Directorate's O.M. of even number dated 24.05.2004 are substituted by the following-

"10 The hiring Department will nominate a representative of appropriate level to be a member of the Hiring Committee and associated with the said Committee’s work in market survey/enquiries for collecting relevant data. The head of the Hiring Committee shall make a reference to the Hiring Department for such nomination before undertaking the exercise of assessment/re-assessment of rent."

"11 While the rent calculations shall constitute part of the internal records of the Hiring Committee’s deliberations, these will be available to the representative of the Hiring Department as a member of the Committee. The Hiring Department, if it so desires, can ascertain the details from its representative on the Hiring Committee. In view of this prior association of a representative of the Hiring Department with the Hiring Committee, there would be no need for back reference to the Hiring Committee on the matter of assessment/re-assessment of rent.

This issues with the approval of Director General (Works).

-Sd-
(B.B. Makkar)
Director (P&W A)

To
1. All Ministries/Departments of Government of India.
2. ADG(B), ADG(NR), ADG(WR), ADG(SR), ADG(ER), ADG(Trg.), Engineer-in-Chief, (Delhi - PWD).
3. All CEs (Civil)/CE (Vig) in CPWD and Delhi PWD.
5. Ministry of U.D (Works Division), New Delhi.
6. The Directorate of Estates, Govt. of India, New Delhi.
7. Director (P&WA), S&D, CPWD, New Delhi.
8. All SEs/SEs(P&A)/Project Manager (Civil) in CPWD and PWD.
9. All EEs (Civil) in CPWD.
10. The EE(LF), Office of CE(NDZ-I).
13. Sanction File/Stock File
(1) **Assessment/Re-assessment of fair rent relating to private buildings taken on lease by the Central Government Departments.**

(2) **Authority to issue rent reasonableness certificate.**

(1) Reasonable rent shall be assessed according to two alternate methods:

   (i) Recognized principles of valuation and

   (ii) Prevailing market rent.

(2) Land rate as per records of Appropriate Authorities or Valuation Cell of Income Tax Department shall take precedence over the land rate notified by local Revenue authorities.

(3) In case of premises proposed to be hired being ready built property/space, the current composite cost of acquisition shall be taken as net value of the property without any further adjustment for depreciation according to its age or on account of under/over utilization of FAR, if any.

(4) Rent shall be inclusive of Municipal Taxes but element of Municipal Taxes shall be indicated in the Certificate leaving the final decision to the hiring department whether to pay composite rent or reimburse municipal taxes to the owner separately or to pay the same directly to the local body.

(5) The date from which the rent is to be assessed and also the period the assessed rent shall remain effective for, shall be decided by hiring department and hence no such period shall be indicated in the Certificate.

(6) In case the figure as per method (ii) referred to in Para (1) above is lower, only this figure shall be intimated as reasonable rent. However, if the figure as per method (ii) works out to be higher, both the figures shall be intimated as a range of reasonable rent leaving the final decision to the hiring department to negotiate and settle the rent keeping in view this range. It shall be for the hiring department to see if the rent as assessed by CPWD is to be restricted to any specified limit in view of the terms and conditions of the existing lease agreement or due to any other relevant instructions issued by the Competent Authority.

(7) Rent Reasonableness Certificate shall be issued strictly as per modified model formats, given in the enclosed Annexure-I&A&IIA.

(8) Necessity for re-assessment of rent, for whatever reasons, whether during the currency of the lease agreement or after its expiry, and the effective date therefore shall be the date of receipt of the request of the owner or the date from which revision is due after expiry of existing lease agreement, whichever is later.
(9) The Hiring Committee on account of subsequent increase/decrease in municipal taxes, if any, shall not entertain the request for revision of rent. It shall be for the hiring department to settle the same right in the beginning as to how subsequent changes shall be dealt with.

(10) All rent assessment cases shall be dealt by a Hiring Committee associating a representative of Hiring Department, if the latter is so willing. Jurisdiction of a Hiring Committee shall also include satellite and twin cities/towns.
No.1(1A)/PCC/2013/902

Dated 03.07.2013

To,

The Deputy Director,
RTC, NACEN, 668, Prasad Mansion,
Rajendra Path, Patna.

Sub: Fair Rent Certificate-reg.

Ref: Your letter No. 1(11)01/RTC/NACEN/Office Acco. PAT/2010/2724
dated 19/20.06.2013

Sir,

With reference to your above stated letter, it is informed that CPWD has been mandated to assess fair rent of only private buildings taken on lease by the Central Government Department. Since the premises are under control of BSNL, a Government of India Enterprises you may yourself negotiate and settle the rent of premises leases by your office with the competent authority of BSNL, Patna.

This issues with the approval SE/PCC/CPWD/Patna

Yours faithfully,

-Sd-

Executive Engineer (P)

Patna Central Circle,
CPWD, Patna
Annexure – 5.7 (c) (ii)

सेवा में

The Commissioner,
Central Excise, Bangalore-III Commissionerate,
C.R. Building, Queen's Road,
Bangalore-560001.

महोदय Sir,

Issuance of Fair Rent Certificate and non-availability of GPOA for leasing/Hiring of property at BMTC Shivajinagar bus stop complex, 2nd floor, Shivajinagar, Bengaluru-reg.

C.No.1/22/03/2014(L&B) dated 15.12.2014

Please refer your letter cited under reference, wherein this office was requested to issue Reasonable Rent Certificate for the premises at 2nd floor, BMTC-Shivajinagar, Bangalore. In this respect, it is informed that, vide para 4.13, Annexure-I of CPWD Manual 2014 (copy enclosed), the Reasonable Rent Certificate is required to be issued only for hiring a private accommodation by a Civil Department of the Central Government. Hence, no Reasonable Rent Certificate is needed for hiring this premises, which is Government owned.

However, it is mentioned that, the rent fixed by Karnataka PWD @ Rs. 30.87 per sq.ft. for the building portion and Rs. 28.60 per sq.ft. for internal infrastructure cost, vide Chief Traffic Manager (Com)'s letter no. BMTC:CO:TR:COM:3387:2014-15 dated 15.12.2014, addressed to the Commissioner and copy of which was forwarded to this office, appears to be reasonable.
It is recommended that, payment of rent for internal infrastructure may be restricted to the portion, where the said internal infrastructures would really be provided. As for as the area like toilet, pantry ad other such common areas not provided with the said internal infrastructure, the warm shell rates need not be paid to these portions.

Non-availability certificate of GPOA is also enclosed herewith.

Yours faithfully,

Encl: As above

-Sd-
(S.N. Rai)
(Superintending Engineer)
OFFICE MEMORANDUM

Subject: Reassessment of reasonable rent of private buildings hired by the Central Govt.

The undersigned is directed to refer to the Dte. of Estates’ O.M. no. 16011(3)/82-Pol. BI dated 1.10.99 on the subject cited above and to say that the Standard Lease Agreement (SLA) which is entered into by the Govt. with the owners of the private buildings taken on lease by the Govt. for office accommodation has been modified in consultation with the Ministry of Law and Ministry of Finance. Amendment in the existing SLA had been brought by adding provisos below Clause-14. The revised Standard Lease Agreement format is enclosed. It is, however emphasised that all efforts should be made to either terminate or renew the lease period before it expires and the cases requiring invoking the now incorporated provision should be resorted to only in exceptional cases treating it as an enabling provision.

-Sd-
(HARBANS SINGH)
Addl. Director of Estates

To
1) All Ministries/Department of Govt. of India.
2) C & AG of India, New Delhi.
3) Finance Division (W & E Unit), Min. of Urban Development and Poverty Alleviation.
4) Director (P&WA), DG(Works), CPWD.
5) DG (Works), CPWD(WI & WIT) Sections, Nirman Bhavan, New Delhi.
LEASE AGREEMENT

AN AGREEMENT MADE .......................................... DAY .......................... OF .......................... THIS ............................................. One thousand nine hundred and................................ between
.................................................................................................................................................................
.................................................................................................................................................................
hereinafter called ‘The Lessor’ (Which expression shall include its successors assigns, administrator, liquidators and receivers, wherever the context of meaning shall so require or permit) of the one part AND the PRESIDENT OF INDIA (hereinafter referred as ‘THE GOVERNMENT OF INDIA’ or ‘Lessee’) of the other part.

WHEREBY IT IS AGREED AND DECLARED AS FOLLOWS:-

1. In consideration of the rent hereinafter reserved and of the other conditions herein contained, the Lessor agrees to let out and Lessee agrees to take on lease the land, hired it aments and premises known as………………...together with all buildings and erections, fixtures and fittings, standing and being thereon (hereinafter called “THE SAID PREMISES”) more particularly described in SCHEDULE ‘A’

2. The lease shall commence/shall be deemed to have been commenced* on the………….…….day of…………………….one thousand nine hundred and………………….. and shall, subject to the terms hereof, continue for a term of……… years with an option to extend the period of lease for a further term as set out in clause 14 hereof.

3. The Lessee shall, subject to the terms hereof, pay gross rent in monthly arrears for the said premises at the rate of Rs……….per month, which also includes a sum of Rs………..towards maintenance and taxes per month. In the event of the tenancy hereby created, being terminated as provided by these presents, the Lessee shall pay only a proportionate part of the rent for the fraction of the current month up to the date of such termination. The rate of rent hereby agreed is liable to revision during the period of lease or renewal, if any, of the lease after the expiry of the three years from the start of the lease or revision of the rent, provided that such revision shall not exceed 5% per annum (in case of residential accommodation) and 8% per annum (in case of non-residential accommodation) of the rent payable at the time of such revision, such rent being equivalent to gross rent reduced by the amount payable towards maintenance and tax.

4. The said premises shall be deemed to include the fixtures and fittings existing thereon as shown in Schedule B and the Government of India shall upon the expiration of the terms hereby created or any renewal thereof and subject to clause 11 hereof yield up the said premises including fixtures and fittings in as good a condition as received, fair wear and tear, damage by fire, act of god, riots or other civil commotion, enemy action and/or other causes not within the control of the Government of India excepted, PROVIDED THAT THE GOVERNMENT OF INDIA shall not be responsible for any structural damage which may occur to the same during the terms hereby created or any renewal thereof.
5. The Government of India shall be entitled to use the said premises for any lawful purpose which is not detrimental to the interest of the landlord.

6. The Government of India shall have the right to sublet the whole or any part or parts of the said premises but shall be responsible for the full payment of rent and the term of such sub-lease shall not exceed the period of lease or extension thereof, if any, as set out in Clause 2 hereinabove.

7. All existing and future rates, taxes including property tax, assessment charges and other out-goings whatsoever of every description in respect of the said premises payable by the owner thereof, shall be paid by the Lessor. The Lessor, however, shall be entitled to recover additional levies, paid on account of enhancement in taxes, from the Govt. of India and such recovery shall be proportionate to the amount of taxes payable during the pendency of the lease. In case the said premises is portion of a building subject to payment of tax as one entity, the liability of the Govt. of India in respect of payment of additional tax, unless there has been any addition to the constructed portion of such building, shall be in the same ratio as at the time of original letting. In case of some additional construction having been made by the Lessors, additional tax payable by the Govt. of India shall be as determined by the Central Public Works Department of the Govt. of India. In case of default in payment of taxes etc. by the Lessor to the local bodies, it would be open for the Lessee to deduct such dues from the gross rent (including taxes) payable to the Lessor, and to pay the same directly to the local bodies. However, before making such deduction, the Lessor shall have to give a notice in writing, to the Lessee to show, within 15 days, that he is not in default in payment of taxes to the local bodies.

8. The Government of India shall pay all charges in respect of electricity power, light and water, used on the said premises during the continuance of these presents.

9. The Lessor shall execute necessary repairs usually made to premises in that locality as and may be specified by the Government of India in a notice in writing within such time as may be mentioned therein and if the Lessor fails to execute any repairs in pursuance of the notice, the Government of India may cause the repairs specified in the notice to be executed at the expense of the Lessor and the cost thereof may, without prejudice to any other mode of recovery, be deducted from the rent payable to the Lessor.

10. The Government of India may, at any time during the terms hereby created and any renewal thereof, make such structural alterations to the existing buildings such as partitions, office, fixtures and fittings as may be easily removable. PROVIDED ALWAYS THAT such installations or other works, fittings and fixtures, shall remain the property of the Government of India who shall be at liberty to remove and appropriate to itself, any or all of them at the expiration of the terms hereby created and any renewal thereof, provided further that the Government of India shall again hand over the said premises in the same condition as they were in at the commencement of these presents, fair wear and tear and damage by fire or other causes beyond the control of the government of India excepted or at its option pay compensation in lieu thereof PROVIDED FURTHER that such compensation shall not exceed the value of the said premises on the date of the determination of these presents, if they had remained in the same structural state.

11. The Government of India shall be released from paying any rent in respect of the whole or any such part of the said premises as might be rendered uninhabitable by fire, riots or other civil commotion, enemy action and/or other causes, not within the control of the Government of India or acts of any Government or Municipal Authority and in such cases the rent payable hereunder shall be
accordingly apportioned, or at its option the Government of India shall have power to terminate these presents forthwith without prejudice to its rights to remove works, fittings, fixtures and machinery under Clause 10 hereof.

12. The Government of India shall not be liable for loss of profit or loss of goodwill arising from its occupation of the said premises or any amount of compensation in respect of the said premises other than the rent payable as aforesaid and the Lessor shall make no claim in respect thereof.

13. The Lessor agree with the Government of India that the latter paying the rent hereby reserved observing and performing the conditions and stipulations herein contained on the Government of India’s part to be observed and performed shall peacefully hold and enjoy the said premises during the said terms and any renewal thereof without any interruption or disturbance from or by the Lessor or any person claiming by through or under them.

14. If the Govt. of India shall be desirous of taking a new lease of the said premises, after the expiration of the term hereby granted the Lessor will renew the lease for a period mutually agreed upon between the Govt. of India and the Lessor, in accordance with the covenants, agreements and conditions as in the present agreement including the present for renewal.

“Provided that in the event of expiry of the terms of the lease, whenever an action for renewal described above is pending with the lessee and the premises remain in actual occupation, the payable rent at old rate shall continue to be paid on provisional basis till the date of final decision on renewal or the date of eviction, as the case may be and in case of renewal at different rate, suitable adjustment by extra payment or deduction shall be permitted, to Lessee”.

“Provided further that the Lessee shall take action so far practicable to take a new lease of the said premises within a period of six months after expiry of the term hereby granted”.

15. The Government of India shall be entitled to terminate the lease at any time giving to the Lessor three months previous notice in writing of its intention to do so.

16. Any notice to be made or given to the Government of India under these present or in connection with the said premises shall be considered as duly given if sent by the Lessor through the post by registered letter addressed to the……………………………………………………………………
……………………………………on behalf of the Government of India, and any notice to be given to the Lessor shall be considered as duly given if sent by the Lessee through the post by registered letter addressed to the Lessor at their last known place of abode. Any demand or notice sent by post in either case shall be assumed to have been delivered in the usual course of Post.

17. Should any dispute or difference arise concerning the subject matter of these presents or interpretation of any covenant, clause or thing herein contained or otherwise arising out of this lease agreement, the same shall be referred for arbitration to the Tribunal, having, Sole Arbitrator. At the time of making a request for reference of dispute to the arbitration, the claimant shall along with such request send a panel of five persons to the other party. The other party shall within 15 days of the receipt of such communications select one member of the panel to act as Sole Arbitrator. In case none in the proposed panel is acceptable to the other party, such other party shall within the above 15 days send another panel of five persons to claimant, and the claimant shall be entitled to nominate the Sole Arbitrator from among the panel sent by the opposite party. In case none of the members of this panel is acceptable to the claimant, the Sole Arbitrator shall be appointed by the Secretary, Department of Legal Affairs, Government of India, Delhi.
The provisions of Arbitration and Conciliation Act, 1996 with any statutory modification thereof and rules framed thereunder shall be applicable to such arbitration proceedings which shall be held at...............The arbitration proceedings shall be conducted in Hindi/English/.........*. The cost of the arbitration shall be borne as directed by the Arbitral Tribunal. For the purposes of this clause, the officer mentioned in clause 16 shall be authorised to act and nominate arbitrator on behalf of the Government of India.

18. This lease agreement has been executed in duplicate. One counter part of the lease agreement to be retained by the Lessee and the other by the Lessor.
THE SCHEDULE ‘A’ REFERRED TO ABOVE

All that the ......................................................... floor of the building known as .................................................. in the city of .......................................................... which building bear Municipal No .............................................................. and is situated on plot/land bearing Survey Nos. .................................................. and is bound on or towards East by .......................................................... on or towards West by .................................................. on or towards North by .......................................................... or on towards South.

THE SCHEDULE ‘B’ REFERRED TO ABOVE

IN WITNESS WHEREOF THE OFFICIAL SEAL OF .......................................................... has been affixed in the manner hereinafter mentioned and the lease agreement has been signed for and on behalf of the President of India on the day and year first above written by ..........................................................

(Signature)

For and on behalf of the President of India

In the presence of

Witnesses 1 .............................................
2 .............................................

And by the Lessor in presence of

Witnesses 1 .............................................
2 .............................................

(Signature)

Name and Address of the Lessor

In case the Lessor is a company

Firm or Society Add

For and on behalf of

having authority to sign on behalf of the Lessor .................
vide resolution dated ................. of ..........................................................)

*Portions which are not applicable may be scored off at the time of filling up of the Stand and Lease Agreement (SLA) format.
To
All Heads of Department
Central Board of Excise & Customs.

Subject: Revision of the existing format of the Standard Lease Agreement (SLA) for re-assessment of reasonable rent of Private building hired by the Central Government-regarding.

Sir,

I am directed to invite your attention to this Ministry’s letter of even no. dated 5.4.2000 where we have forwarded a copy of Lease Agreement. The Directorate of Estates further has modified Lease Agreement in consultation with the Ministry of Law. The amendment in the existing SLA has been brought by adding provisos below Clause-14. A copy of revised Standard Lease Agreement format circulated by O.M. 16011/1/2000-Pol-III dated 3.9.2001 has been enclosed. It is however emphasised that all efforts should be made to either terminate or renew the Lease period before it expires and the cases requiring invoking the now incorporated provisions should be resorted to only in exceptional cases treating it as an enabling provision.

Yours faithfully,

Ends - As above

-Sd-
(SUSHMA KATARIA)
UNDER SECRETARY TO THE GOVT. OF INDIA

[SLA printed with Annexure-5.8 {a}]
OFFICE MEMORANDUM

Subject: Reassessment of reasonable rent of private buildings hired by the Central Govt.

The undersigned is directed to refer to the Directorate of Estates’ O.M No.16011(3)/82-Pol-111 dated 18.03.1983 on the above subject and to say that the question of revision of the Standard Lease Agreement (SLA) which is entered into by the Government with the owners of the private buildings taken on lease by the Government for office accommodation has been under examination in this Ministry (Directorate of Estates) in consultation with the Ministry of Law (Department of Legal Affairs) and the Ministry of Finance. With a view to removing the legal anomalies and inconsistencies coming in the way of Government securing private building on lease, it has been decided by the Government to revise the existing format of the Standard Lease Agreement (SLA). The revised Standard Lease Agreement (SLA) format is enclosed herewith. In case any departure from Standard Lease Agreement becomes inescapable, the administrative Ministry may consult the Ministry of Law before making any modification to the Standard Lease Agreement.

End: As above.

(R.D. Sahay)
Addl. Director of Estates

To
1) All Ministries/Departments of Govt. of India.
2) C&AG of India New Delhi.
3) Finance Division (W & E Unit), Min. of Urban Development.
4) DG (Works), CPWD, New Delhi.
To

All Heads of Department under CBEC.

Subject: Compliance of instructions of Ministry of Urban Development (including conditions in Standard Lease Agreement circulated by Directorate of Estates), the CBEC and the IFU for hiring (and continuation of hiring) of private building for office accommodation-Reg.

Sir,

In continuation to Ministry’s letter F.No. 207/16/2000-Ad.VII(EC) dated 31.10.2001, I am directed to say that it has come to the notice of the Ministry that the conditions mentioned in the Standard Lease Agreement (SLA) are not being followed by the field formations under CBEC at the time of hiring of Private Buildings. This in turn results in serious consequences arising out of administrative inaction or inefficiency or lapses by the subordinate offices of CBEC. A proposal was also sent to the Ministry of Urban Development (MOUD) for considering some changes is the SLA to safeguard the Department’s interest vis a vis private parties. However, MOUD has refused to make changes in the existing SLA and has observed as under:-

“Suggestions made by the D/o Revenue either to delete certain provisions or to insert any provision have no significant justification. The modifications have been sought on the grounds of administrative inefficiency which cannot be rectified by marketing certain provisions in the lease deed. The inaction on the part of the hiring authority may continue indefinitely even if certain provisions are incorporated in the lease deed. It is, therefore, felt that the suggestions made by the D/o Revenue for deletion of certain provisions or to insert some provisions may not be agreed and the existing format of the lease deed can take care of the various eventualities. While circulating the lease deed, it was emphasized that all efforts should be made to either terminate or renew the lease deed before it expires Further it has already been clarified to the departments concerned that in case any departure from SLA becomes inescapable, the administrative ministry may consult the M/o Law before making any modification to the SLA.”

F.No.207/01/2006-AD.VIII(EC)
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
C.B.E.C.

Room No. 9, 4th Floor,
Jeevan Deep Building, New Delhi,
dated 21st May, 2007
2. On the basis of above observation of MOUD, it has been decided by the Ministry that the following guidelines may be followed strictly by the field formations under CBEC at the time of hiring of Private Buildings:-

(a) The course of action to be adopted by the HOD (tenant where the rental are proposed to be continued at the existing rates beyond the date or expiry of original hiring period):

The HOD has to initiate the process of review of immovable assets/accommodation at that place/city and the necessity of continuation of hiring of present premises at least 6 months before the date of expiry of original hiring period. The action given in checklist of revision of rent (to be renamed now as checklist for continuation of hiring) may be followed by HODs as they are in conformity with the comments of the Dte. of Estates.

(b) The course of action to be adopted by the HOD (tenant) where it is established that continuation of hiring is justified in view of assets of the department at that place and the HOD feels that it is not in department’s interest to disturb/shift an established office functioning from a rented premises:

In this situation, the HOD has to take the information on ---(a) CPWD rent advice, as rentals at some place may decline in view of market conditions, (b) rents paid by other public bodies in the locality as certified by competent authority, (c) consent of the owner for rental rates for extended period, (d) non availability of accommodation certificate from competent authority, etc.

If after following the above procedure on verification of rent reasonability for extended period, the rent for the extended period is either equal to the rent of original hiring period or even if it is an increased rent it is satisfying the established parameters and instructions of competent authority, the advantage of an established office has to be retained and there is no necessity to go for fresh advertisement and hiring extension agreement for the further period may be executed. But here again, the process for extension of hiring has to be started at least 6 months before the expiry of original hiring period.

(c) Measures to prevent un-authorised/un-approved releases of rent, even at existing rates, after expiry of original approved hiring period:

In view of comments of Directorate of Estates, no necessity for any blanket amendment in SLA documents to be executed by CBEC offices. If any need arises, on case to case basis, such amendments will be considered and after the concurrence of M/O UD (Dte. of Estates) and M/o Law, will be incorporated in the lease deed. The procedure for continuation of hiring of the occupied premises (at same or altered rates) has to be initiated at least 6 month before the expiry date of original/current hiring agreement/deed.

(d) Whether all existing guidelines (by CBEC and IFU) on hiring of accommodation continue to have the same validity and force after these comments of Dte. of Estates:

The existing instructions are in the nature of administrative and financial instructions initiated on the basis of D/O Expenditure, Budget Division guidelines and are to be observed to the extent they are not in conflict with the general guidelines (including SLA document) of M/OUD (Directorate of Estates and CPWD) on hiring of office accommodation by Central Government offices.
3. Checklists for Initial Hiring of Office Accommodation (Annexure-I) and Continuation of Hiring (Annexure-II) are enclosed for ready references. Before forwarding the proposal to CBEC, HODs have to ensure that all columns are duly filled in and action points pertaining to checklist items are completed. All proposals for hiring and continuation of hiring which are beyond the powers of HODs are to be sent to CBEC well in advance of the date from which initial and continuation of hiring is to be done.

End: As above.

Yours faithfully,

-Sd-
(Bimal Kujur)
Under secretary to the Govt. of India
No.16011/1/2011-Pol-III
Government of India
Ministry of Urban Development
Directorate of Estates

Nirman Bhavan, New Delhi,
Dated 16/1/2015

To

The ADG(HRD/I&W),
Dte. General of Human Resource Development,
(Infrastructure & Welfare Wing),
Central Excise & Customs,
IRCON Bldg., West Wing,
Ground Floor, Plot No. C-4,
District Centre, Saket,
New Delhi

Subject: Clarification regarding Standard Lease Agreement.

The undersigned is directed to refer to your letter No.924/17/Hiring/Misc./HRD/14/3972 dated 14.10.2014 on the subject cited above and to say that the Directorate of Estates has prescribed a model/Standard Lease Agreement vide O.M. No.16011/1/2000-Pol-III dated 3.9.2001 for the convenience of other department who have to hire private accommodation for official purpose. This format of SLA had been drafted after consultations with the Deptt. Of Legal Affairs and Ministry of Finance. The Ministries/Departments have full powers of incurring expenditure on hiring of accommodation, keeping in view their own needs and availability of accommodation in the locality. The Ministry may be negative and fix the rent at their end and also modify the terms & conditions prescribed in the SLA in consultation with their respective Internal Finance Division and department of legal affairs, if required.

-Sd-

(Swarnali Banerjee)
Dy. Director of Estates(Policy)
New Delhi, 9th July, 2002

To
All Chief Commissioners of Central Excise and Customs,
All Director Generals under CBEC

Subject: Follow up Action on the instructions of MOS (R) Instructions regarding calling of tenders for purchase of ready built accommodation and hiring of building for field formations.

Sir,

It has been brought to the notice of Board that in many cases the requirement of space for office and residential accommodation is advertised by various formations as per CVC guidelines. However, the proposals, after being put through scrutiny are not finally approved for various reasons like space being not as per austerity norms, space not confirming to the norms for the sanctioned staff strength and the cost being not as per CPWD yardstick. The resultant cancellation of proposals at a later date causes infructuous paper work. In order to avoid such situations, it has been desired that prior concurrence of the Board may be taken before advertising the requirement for office and residential accommodation and acquiring the same on rental or outright purchase basis where the total cost of the entire proposal is likely to exceed Rs. 3 crores. For smaller projects Board’s instructions circulated vide F.No.204/2/97-Ad.VIII(EC) dated 10th May, 2000 may be continued to be observed. Apart from this deviation for projects exceeding Rs. 3 crores, the procedure laid down in the instructions dated 10th May, 2000 may continue to be followed.

2. These instructions may be brought to the notice of all concerned for strict compliance.


Yours faithfully,

-MADHO RAM-
DEPUTY SECRETARY TO THE GOVT. OF INDIA
New Delhi,  
14th May, 2004

To
All Chief Commissioners of Customs, and Central Excise,
All Director Generals under CBEC,
All Commissioners of Customs, and Central Excise,

Subject: Follow up Action on the instructions of MOS (R)- Instructions regarding observing a time limit for submission of expenditure sanction after administrative approval-regarding.

Sir,

This is an clarification to the MOS (R) instruction issued vide Ministry circular vide F.No.207/13/2002-Ad.VIII(EC) dated 09.07.2002 and to convey that in case of a project for acquiring of office/residential accommodation on rental basis, prior approval of the Board may be taken before advertising the requirement where the annual rental value is likely to exceed Rs. 3 crores.

2. This clarification may be brought to the notice of all concerned for strict compliance.


Yours faithfully,

-sd/-
(SUSHMA KATARIA)
UNDER SECRETARY TO THE GOVT. OF INDIA
To
All the Heads of
Deptt. Under C.B.E.C.

Subject: Re-assessment of reasonable rent of private building leased out by the Govt. — regarding

Sir,

As you may be aware, the revision of rent in respect of buildings taken on rent is to be allowed after the expiry of a period of five years or from the date a formal request is made by the landlord, whichever is later.

2. Recently, a few cases have come to the notice of this Deptt. Where the landlords were not aware of above provision and consequently no formal request was made by them for revision of rent even after expiry of lease period of 5 years. Subsequently, they demanded revised rent w.e.f. the date of expiry of earlier period, which could not be allowed as per abovesaid instructions. This led to protests from landlords regarding fixation of date of revision.

3. You are therefore requested to bring the above instructions to the notice of the landlords at the time of hiring private premises so that they are able to make request for revision in time.

4. This issues with the approval of JS (Admn).

5. Please acknowledge receipt.

Yours faithfully,

-O.P. AHUJA
UNDER SECRETARY OF THE GOVT. OF INDIA
O.M.No.15(1)/E-II(A)/2010 dated 20th August 2010

AMENDMENT TO RULE 126 OF GENERAL FINANCIAL RULES, 2005

(1) A Ministry or Department at its discretion may directly execute repair works estimated to cost upto Rupees thirty Lakhs after following due procedure indicated in Rule 132.

(2) A Ministry or Department may, at its discretion, assign repair works estimated to cost above Rupees thirty Lakhs and original works of any Public Works Organisation, such as Central Public Works Department (CPWD), State Public Works Divisions, other Central Government organizations authorized to carry out civil or electrical works such as Military Engineering Service (MES), Border Roads Organisation (BRO) etc., Public Sector Undertakings set up by the Central or State Government to carry out civil or electrical works or any other Central/State Govt. organization/PSU which may be notified by the Ministry of Urban Development after evaluating their financial strength and technical competence.

(3) A Ministry or Department may also execute works of the nature and values mentioned at Rule 126(2) through a well reputed and technically competent organization, other than Public Works Organisations as defined in Rule 126(2) through a well reputed and technically competent organization, other than Public Works Organisation as defined in Rule 126(2), after consultation with Ministry of Urban Development. While considering the proposals of the Ministries/Departments as a part of the consultation process, Ministry of Urban Development would take into consideration the financial strength and technical competence of the proposed executing agency, the available capacity of CPWD to take up such works and other features such as adherence to authorized norms/scales of accommodation in the design, use of appropriate Plinth Area Rates for estimates etc. While executing such works, the Ministry/Department would also follow the provisions of the other Rules in Chapter 5.

(4) The consultation with Ministry of Urban Development referred to in Rule 126(3) would not be necessary if the work is executed through the Ministry’s/Department’s own civil construction agencies as in the case of Ministries of Railways, Defence, Environment & Forests, Information & Broadcasting and Departments of Posts, Space etc.

***
## DELEGATION OF FINANCIAL POWERS TO THE HEAD OF THE DEPARTMENTS OF DEPARTMENT OF REVENUE, CBDT & CBEC

(Ref: O.M. F.No.15/6/2008-IFU-III (EC) dated 15.09.11)

### Relevant extracts relating to Infrastructure

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Items of Expenditure</th>
<th>Rules applicable and delegation of financial powers to HODs of CBDT, CBEC and D/O Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.10</td>
<td>Repair and maintenance work in buildings owned by the Department. (Minor Works)</td>
<td>₹ 30 lakh per annum. Provisions of GFR 2005 will apply.</td>
</tr>
<tr>
<td>2.12</td>
<td>Repair and maintenance work in hired office buildings.</td>
<td>A total of ₹ 50,000/- in a year, non-recurring. Provision of GFRs 2005 will apply.</td>
</tr>
<tr>
<td>2.13</td>
<td>Original works (through CPWD) on Department land and buildings. (Only in cases where funds are provided by MOUD). The power will not be used for purchase of land/building.</td>
<td>₹10 lakh in each case. Provisions of GFR 2005 will apply. Government of India decision below Rule 10 of DFPRs on New Service/New Instrument of Service shall apply. All original works beyond ₹10 lakh require reporting to Parliament and beyond ₹ 50 lakh, requires prior approval of Parliament. Budget provision should be available under the grant provided by MOUD.</td>
</tr>
<tr>
<td>2.14</td>
<td>Hiring of office accommodation.</td>
<td>₹ 3 lakh per month for 13 major Cities (A-1 and A) &amp; Rs. 1.5 lakh per month for other cities. <strong>Note:</strong> These powers are subject to non-availability certificate from Directorate of Estates and/or CPWD, Fair Rent Certificate from CPWD, observance of GFR 2005, admissibility of space norms as prescribed and also subject o relevant to time. <strong>Any deviation from norms including acceptance of single offer, should be referred to the Ministry, Hiring Committee duly constituted by the HOD.</strong></td>
</tr>
</tbody>
</table>

*Note: The classification of A-1 and A city for 13 major cities would be the same as is the classification for HRA.*
Office Memorandum


In partial modification of IFU’s O.M. of even number dated 15.09.2011, read with O.M. dated 22.09.2008, on the subject mentioned above, it has been decided to delegate financial powers up to Rupees One Crore for “Original Works for Office Accommodation only” to the Chief Commissioners of CBEC & CBDT, where the funds are provided under MoUD/CPWD Grant. In these cases, IFU’s vetting will not be required and the Chief Commissioners will give the administrative approval and expenditure sanction keeping in view the prescribed norms and checklist issued by IFU/HRD wings in this regard. The Chief Commissioner will send a certificate to the respective Board, of having personally satisfied themselves with the proposal as per the standard checklist after issue of administrative approval and expenditure sanction to the CPWD.

2. Rest of the provisions of the O.M. dated 15.09.2011 related to ‘Original Works’ will remain the same.

(Praveen M. Khanooja)
Director (Fin-Rev)

To
1. Chairman, CBEC
2. Chairman, CBDT
3. Member (P&V), CBDT/CBEC
4. JS(Admin.), CBDT/CBEC
5. Addl. Secretary (Revenue)
6. Dir. (Fin-DT)
7. All Under Secretaries in IFU
To
All Chief Commissioners of Customs/Central Excise/Service Tax,
All Directors General.

Sir/Madam,

**Subject: Delegation of Financial Powers to Head of Department for “Original Works” vide Ministry/IFU’s O.M. dated 01.11.2012 -reg.**

This office had received queries from various field formations requesting to clarify on the following issues regarding the delegation of financial powers to HODs vide O.M. dated 15.09.2011 & 01.11.2012. Details of the same are as under:-

(i) Whether the delegation of financial powers to HOD i.e. Commissioners up to Rs. 10 lakhs in each case for ‘Original Works’ vide O.M. dated 15.9.2011, still stands?

(ii) Whether the delegated powers of HODs (Commissioners) up to Rs. 10 lakhs is in each case/proposal of “Original Works” or whether it is the total limit of expenditure (of Rs. 10 lakhs) which can be done under this head?

(iii) Whether the delegated financial power up to Rs. 1.00 crore for “Original Works for office accommodation” to the Chief Commissioners of CBEC/CBDT is for each case, or for the whole financial year?

2. The Ministry/IFU has clarified the aforesaid issues as under:-

(a) The delegation of financial powers to HODs (Commissioners) up to Rs. 10.00 lakhs in each case for ‘Original Works’ continues even after the issue of the partial modification on 15.9.2011.

(b) Further, the delegation of powers up to Rs. 10.00 lakh is in each case in respect of ‘Original Works’ as clearly indicated in the O.M. dated 15.9.2011.
(c) The delegated financial power up to Rs. 1.00 core for “Original Work of office accommodation” to the Chief Commissioners of CBEC/CBDT is for each case, as HODs have also been delegated financial power up to Rs. 10.00 lakh in each case.

5. Hence, the delegation of financial powers to HODs/Chief Commissioner is as follows:-

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Item of Expenditure/Subject (Nature of Work)</th>
<th>Budget Head</th>
<th>Power delegated to.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Original Works (through CPWD) on Departmental land and building (Only in case where funds are provided by MOUD).</td>
<td>4059/4216</td>
<td>HOD(Commissioner) up to Rs. 10 lakh in each case.</td>
</tr>
<tr>
<td>2</td>
<td>Original Works (through CPWD) on Departmental land and building (Only in case where funds are provided by MOUD but for Office Accommodation only).</td>
<td>4059</td>
<td>Chief Commissioner up to Rs. 1 Cr in each case.</td>
</tr>
</tbody>
</table>

The copies of O.M. dated 01.11.2012 & 15.09.2011 are also available on the CBEC’s website i.e. www.cbec.gov.in.

Yours faithfully,

(Krishna A. Mishra)  
Additional Director General (HRD/I&W)  
Email:- comm2housing@yahoo.co.in
Respected Sir / Madam,

Subject: Booking of expenditure on Operation & Maintenance of electrical and mechanical equipment under the head ‘Office Expenses’ – reg.

It has been noticed that the different Budgetary Authorities in the field are debiting the expenditure on operation and maintenance of electrical and mechanical equipment like lift, DG sets, pump sets, fire fighting equipments, electric fire station etc. installed in departmental buildings either under “Minor Works” i.e. Major Head 2037/2038 or under “Office Expenses”. A survey floated by EMC shows that most of the formations have booked this expenditure under Object Head “Office Expenses” while a few have booked under ‘Minor Works’ i.e 2037/2038. In order to bring about uniformity in the practice, the matter was submitted to the Ministry/IFU to seek a clarification.

2. As per the Rule 8 of GFR, the Object Head “Office Expenses” will include all contingent expenses for running an office such as furniture, postage, purchase and maintenance of office machines and equipment, liversies of hot and cold weather charges (excluding wages of staff paid from contingencies), telephones, electricity and water charges, stationery, printing of forms, purchase and maintenance of staff cars and other vehicles for office use as distinct from vehicles for functional purposes like ambulance, vans, etc. This will also include POL expenses on vehicles for office use.” Therefore, expenditure for running an office including maintenance of equipment can be under Object Head Office Expenses. However, under the Head ‘Minor Works’ also it has been stated that Minor Works “will also record expenditure on repair and maintenance of works, machinery and equipment”. Therefore, expenditure relating to operation, repair and maintenance of such equipment can fall under Minor Works head also as per this definition.
3. Considering the facts described above, it has been decided by the IFU-EC/Ministry with the concurrence of the AS & FA (Finance-EC) that the expenditure relating to repair, operation and maintenance of electrical and mechanical equipment is to be booked under the Object Head ‘Office Expenses’. When funds are not available, it can be booked ‘Minor Works’ (MH-2037/2038) also.

4. This issues with the approval of DG, HRD.

5. Receipt of this circular may kindly be acknowledged.

Yours faithfully,

(Meenu Kumarr)
Addl. Director (I&W)

Copy to:
1. ADG, EMC, DGHRD
2. All Budgetary Authorities under CBEC.
Annexure – 7.6
Circular No./2015-DGHRD

F. No. 919/63/R&M/Misc./HRD/2015

Directorate General of Human Resource Development
(Infrastructure & Welfare Wing)
Customs & Central Excise
IRCON International Ltd.,
Plot No. C-4, District Centre, Saket,
New Delhi.

Dated: .07.2015

To

All Principal Chief Commissioner of Customs,
All Chief Commissioner of Customs,
All Principal Commissioner of Customs,
All Commissioner of Customs.

Sir / Madam,

Subject: Administrative Approval and Expenditure Sanction for the proposals regarding the ‘Annual Repair and Maintenance Work’ in which expenditure is booked under the head ‘Office Expense’ -reg.

This is regarding the “Booking of expenditure on operation and maintenance of electrical and mechanical equipment under the head ‘Office Expense’”.

2. It is clarified that the proposals involving expenditure for ‘Annual Repair and Maintenance’ are to be debited under object head “Office Expenses”. This is not being dealt by Infrastructure and Welfare Wing of DGHRD. Therefore, it is advised that the file containing such proposal for seeking expenditure sanction, over and above the delegated financial powers of HOD under the head ‘Office Expense’ may be endorsed to the Ministry directly under the signature of HOD’s for obtaining necessary administrative approval and expenditure sanction.


4. This issues with the approval of DG, HRD.

5. Receipt of this circular may kindly be acknowledged.
Encl. As above

Copy to: The Additional Director General (EMC Wing), O/o DGHDRD, Saket, New Delhi for information please.

Yours faithfully,

(Meenu Kumarr)
Addl. Director (HRD/IW)
Email id: meenuhrd12@gmail.com
Phone office: 011 29561870

(Meenu Kumarr)
Addl. Director (HRD/IW)
OFFICE MEMORANDUM

CPWD had been making payment to meet out the expenditure incurred on running of bulk services e.g. Street lighting, Tube well, Pumping, DG Sets, Sewerage pumps etc, for GPRA/GPOA colonies/complex which are maintained by CPWD. As far as properties owned by other Central Govt. Ministries/Departments are concerned such payments were being made by CPWD at a few places. However due to meagre fund allotments and increasing tendency of various departments to install DG Sets, UPS System, Central AC Plants, Security System, Audio Visual System etc. such expenditure tend to affect the normal maintenance adversely. The matter has been considered carefully and it has been decided that-

(i) CPWD shall make payment to meet the expenditure maintenance of bulk services, service charge and Electricity/Water consumption charges in respect of General Pool Office buildings only and for common facilities in respect of General Pool Residential Complexes.

(ii) In respect of the Residential/Non-residential properties belonging to other individual Ministries/Departments, the payment of following shall be their responsibility:-

(a) Lease charges.

(b) Water and electricity consumption charges for all services including street lighting, running of tube wells, sewerage pumps and other installations.

(c) Running charges of generators including cost of P.O.I. operational charges and minor/major repairs etc.

(d) Any other service charges to be paid to local Municipal Authorities.

(iii) In recent times specific Electrical & Mechanical Services like standby DG Sets, UPS system, Central AC Plant, Security system, Audio visual system etc. are provided. For operation, maintenance and repair of such systems, funds will be provided by the respective client department after submission of estimate by the competent CPWD unit.

These instructions may be followed while deciding such cases in future.

This supersedes the earlier Office Memorandum dated 23.4.98, 27.7.98, 7.4.99, 16.1.2001 and 16.4.2003 of even number issued on the same subject.
OFFICE MEMORANDUM

In continuation of this Office Memorandum of even no. dated 17.8.2005 (copy enclosed for reference) it has been decided that in respect of Residential and Non Residential buildings complexes belonging to individual Ministries/Depths, other than General pool, the arrangement of funds for operation and maintenance of the following services shall also be the responsibility of the concerned Ministries/Departments:-

(a) Sub-station
(b) Lifts
(c) Fire Fighting & Fire Alarm System and
(d) Any other specialized services

For operation, maintenance and repairs of such items, funds will be provided by respective client departments on submission of the estimates by the competent CPWD Unit.

All Chief Engineers/Superintending are requested to bring this to the notice of concerned client departments and submit estimates to them immediately for the year 2008-09 immediately seeking review of funds.

This issues with the approval of DG (W)

Sd/-
(B.N Malhotra)
Director (P & WA)

To,
All Chief Engineers/Superintending (Civil & Electrical), CPWD
Copy to:-
5. PPS to DG(W) for information.
6. All ADG’s CPWD for information.
Common Shortcomings/Deficiencies observed in Proposals for Repair & Maintenance

1. Provisioning/ availability of the Budget are not indicated or the grant of budget is requested from DG (HRD) who is not entrusted with the work of allocation of funds

2. The proposals are not routed through the Chief Commissioner

3. The Check-Lists are not submitted/ not in prescribed format/ not complete and in most of the cases these are not signed by the proper officer of the department, but estimates prepared by CPWD are just forwarded

4. The detailed justification of the proposal are not self contained and not submitted after proper scrutiny

5. CPWD estimates are not submitted or these are very old

6. Time for completion of the projects not indicated

7. Each proposal must be treated separately and self contained as sometime even new proposals are added / included in the earlier one

8. The proposals involving financial implications within the powers of the Commissionerate, viz: Rs 30 lakhs in the financial year ( Rs. 15 lakhs for DG Set), are submitted without a mention whether this limit has been exhausted or not

9. Either the Budget Heads are not indicated or are not correctly mentioned

10. Different items of work in the same set up undertaken together are not clubbed into a single proposal but submitted as separate proposals,

11. The proposals are sent very late even though the work cannot be completed in the same financial year resulting into problems of re-validation etc.

12. The proposals already submitted and under process at different levels but the same items of work are again included by the field officers in other fresh proposals without even mentioning the facts therein.
Subject: Process of flow of funds sanctioned for repair and maintenance works - reg.

For expeditious completion of the works and timely utilization of funds sanctioned for specific repair and maintenance of Office/Residential Buildings [under any of the following Budget Heads 4059/4216/2037/2038/2216], the funds need to be transferred into the account of the CPWD (or any other Public Works Organization agency executing the work) within 3 months of their sanction.

2. To briefly recapitulate, the step by step process of flow of funds after sanction is as follows:

i) The financial Sanction is conveyed to the field formation by the DS (Ad VIII/EC) and the I&W wing of DGHRD.

ii) Thereafter, the funds are released by the EMC (Expenditure Management Cell) wing of the DGHRD to the concerned formation.

iii) On receipt of funds, the PAO of the formation concerned makes an online request to the Office of the Pr.CCA, Delhi for releasing the said funds to the zonal CPWD.

iv) The CCA, Delhi issues a LETTER OF AUTHORISATION (LoA) in favor of the zonal CPWD authority for transfer of funds to the CPWD/MoUD account.

v) Meanwhile, CPWD initiates the process of selection of an agency for execution of the project through a bidding process.

vi) CPWD releases the funds received from CBEC to the successful bidder who is to be awarded the contract for execution of the project.

vii) It is only after completion of the above mentioned six stages that the sanctioned funds are considered to have been utilized by the Commissionersate/Directorate.
3. It is emphasized here that funds have to be **utilized within three months of its sanction or else** our requests for funds for the next financial year are not considered favorably by the IFU/Budget Division on the grounds of poor expenditure record. In view of this, it is requested that the budgetary authorities and the concerned Commissionerate/Directorate to immediately check the following on receipt of the sanction:

   i. Whether the PAO office has sent the request to O/o Pr. CCA, Delhi for release of funds or not?

   ii. Whether the funds sanctioned in respect of your Zone have actually been released by the office of the Principal Chief Controller of Accounts, Delhi to CPWD through a Letter of Approval (LoA) or not?

   iii. **To ensure utilization within three months of sanction of the fund.**

4. A report regarding the physical and financial progress viz-a-viz the one time/Special repair projects sanctioned during the FY may kindly be sent to DGHRD through email, to track the progress of expenditure and provisioning of funds in the future.

This issues with the approval of Member (C.Ex.) and DG, HRD.

Yours sincerely,

(Meenu Kumarr)
Addl. Director (HRD/IW)
Email Id: meenuhrd12@gmail.com
Phone office: 011 29561870
To
All Chief Commissioners of Central Excise
All Chief Commissioners of Customs,
All Chief Commissioners of Central Excise & Customs,
All DGs/Directors under CBEC

Subject: Providing & Installation of DG Sets in the field formation under Central Board of Excise & Customs- instructions regarding.

Sir

I am directed to say that a meeting was held on 12.5.2005 under the Chairmanship of Finance Adviser (Finance) to consider the norms to be laid down in the matter of installation maintenance etc. of Diesel Generator Sets (DG Set) in the field formations under Central Board of Excise & Customs (CBEC). In the meeting it was decided that the following course of action may be undertaken:-

(i) Norms regarding the officer/offices eligible for installations of ACs should be obtained and strictly implemented

(ii) Since a DG Set is installed as backup to source during periods of power cuts only the following essential loads may be connected to the DG set.

   a) One AC installed in the rooms of officers who are entitled to the same
   b) 50% of the ACs installed in the Conference Room be connected
   c) All lifts, booster pumps and submarine pumps
   d) All computers 20% of the printers and 50% of the Photostat machines
   e) All Lights Ceiling fans exhaust fans and water coolers.
2. It is therefore requested that in future while sending the proposals regarding installation, maintenance etc of Diesel Generator Sets to the Ministry the above mentioned instructions may strictly be followed and the proposal, interalia, should cover the following information/documents-

(i) All the information relating to the proposal may be furnished as per the prescribed checklist.

(ii) A certificate may be obtained from the CPWD to the effect that estimates have been prepared keeping in view the above mentioned guidelines for installation maintenance etc of DG Sets.

Yours faithfully

Sd/-
(Bimal Kujur)
Under Secretary to the Govt. of India
ANNEXURE-8

INDIA NON JUDICIAL

Government of Karnataka

e-Stamp

Certificate No.: IN-KA6035735681706L
Certificate Issued Date: 22-Mar-2013 04:59 PM
Account Reference: SHCIL (Fl)/Kā-saili/ SRO Ganganagar/ KA-BN
Unique Doc. Reference: SUBIN-KAKA-SHCIL86707680907014L
Purchased by: N B C C LTD
Description of Document: Article 12 Bond
Description: AGREEMENT
Consideration Price (Rs.): 0
(Zero)
First Party: N B C C LTD
Second Party: N A C E N
Stamp Duty Paid By: N B C C LTD
Stamp Duty Amount (Rs.): 100
(One Hundred only)

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is entered on this Twenty fifth day of March 2013 by and

Between

S.D. SHARMA
SR. GENERAL MANAGER
NBCC, CHENNAI.

Bhattacharya

Statutory Note:
1. The authenticity of the Stamp Certificate can be verified at Authorised Collection Centers (ACCs), SHCIL Offices and Sub-registrar Offices (SROs).
2. The Contact Details of ACCs, SHCIL Offices and SROs are available on the Website: www.nbsclestamp.com
The President of India, acting through the Additional Director General, National Academy of Customs, Excise and Narcotics, Bangalore, Department of Revenue, Ministry of Finance (Hereinafter referred to as the “OWNER” which expression shall unless repugnant to the context or meaning thereof, include its successor-in-office and assigns) of the First PART:

AND

NATIONAL BUILDINGS CONSTRUCTION CORPORATION LIMITED, NBCC Bhawan, Lodhi Road, New Delhi-110003 (Hereinafter referred to as ‘NBCC’ which expression shall unless repugnant to the context or meaning thereof, include its successor-in-office and assigns) of the Second PART:

WITNESSETH

WHEREAS the ‘OWNER’ intends to award the work of “Construction of National Academy of Customs Excise and Narcotics (NACEN) at Jalahalli, Bangalore -560 013. (hereinafter referred to as ‘Project’). Government of India vide letter F No 916/11/Const/Bangalore/HRD/2012 dated 6/2/2013 has conveyed the administrative approval and expenditure sanction of the President for construction of NACEN Complex for Regional Training Institute at Bangalore by M/S NBCC Limited.

Brief description of the Project is as follows: Construction of (1) Administrative Block (2) Training Block (3) Hostel Block (4) Auditorium Block (5) Residential Block, all totaling an area of 9464 square metres, site development involving an area of 12629.76 sq m and construction of the compound wall therein.

WHEREAS ‘NBCC’, a Government of India Enterprise, under Ministry of Urban Development has all the resources and capabilities in taking up Planning, Designing and Construction of National Academy of Customs Excise and Narcotics (NACEN) Bangalore, as per the requirements of the ‘OWNER’ and ‘NBCC’ has agreed to render Architectural and Engineering Design Consultancy & Project Management Services for the same for timely execution.

NOW THEREFORE, it has been agreed between the parties as under:

1. ‘NBCC’ shall carry out, on turnkey basis, planning, designing, construction, furnishing, equipping and handing over the building(s) to the ‘OWNER’ in ready-to-occupy condition for its use.

2. Towards the implementation of the Project on turnkey basis the parties further agree that:

S.D. SHARMA  
SR. GENERAL MANAGER  
NBCC, CHENNAI.

B. Bhattacharya, IRS  
Additional Director General  
National Academy of Customs, Excise & Narcotics  
Bangalore
i. ‘NBCC’ shall carry out survey and prepare alternate architectural and concept design of the building and shall work out the preliminary estimate of the Project within 90 days.

ii. The ‘OWNER’ shall approve architectural concept and design of ‘NBCC’ within (30) days of submission of the same by ‘NBCC’.

iii. On the basis of approved estimate, the ‘OWNER’ shall release to ‘NBCC’ 10% (Ten Percent Only) of the approved estimated cost as initial deposit, which shall be interest free and be adjusted in the final bill.

iv. ‘NBCC’ shall submit quarterly expenditure report, with supporting details, on the basis of which the ‘OWNER’ shall release further funds at least once in a quarter keeping in view physical progress. However, ‘NBCC’ shall, with the consent of the ‘OWNER’, submit such additional expenditure reports as required for timely and successful implementation of the Project and the ‘OWNER’ agrees to consider and release money on such reports about the progress of work if satisfied. At the completion of the Project, ‘NBCC’ shall submit final expenditure statement along with utilization certificate.

v. ‘NBCC’ shall prepare detailed estimates, detailed architectural scheme and service drawings required for execution of the Project and get the work executed as per design approved by the ‘OWNER’ and to the satisfaction of the ‘OWNER’ through contractor(s) to be engaged by ‘NBCC’. While detailing the scheme, ‘NBCC’ shall provide only those requirements, which can be accommodated within approved estimated cost, and as per priority decided mutually between the ‘OWNER’ and ‘NBCC’.

vi. ‘NBCC’ shall implement the Project following the provisions of CPWD’s Manual for Deposit Works. The ‘OWNER’ agrees to pay 6.5% (Six Point Five Percent Only) of the approved cost of all the works of the Project as Agency Charges to ‘NBCC’. ‘NBCC’ shall follow competitive tendering process for selection of agencies for execution of works of the Project with the consent and approval by the ‘OWNER’. The Service Tax as applicable on implementation of works shall be charged to Project cost for payment to the Service Tax Department and copy of the filed return will be submitted to the ‘OWNER’ on regular basis.

The work shall be carried out in general as per existing CPWD specifications.

vii. ‘NBCC’ shall execute the Project in time bound manner and hand over the building(s) duly complete in ready-to occupy condition to the

S.D. SHARMA
SR. GENERAL MANAGER
NBCC, CHENNAI.

Bhattacharya

DI. BHATTACHARYA, IRS
Additional Director General
National Academy of Customs, Excise & Narcotics
Bangalore / Bangalore
‘OWNER’ within (24) months, which shall start from latest of the following:
   a. Date of approval of design/drawings from statutory authorities.
   b. Release of initial deposit amount.
   c. Handing over of hindrance free land for construction.
However, the completion period as mentioned above shall be extended by the ‘OWNER’ if the delay in the Project’s completion occurs due to reasons not attributable to ‘NBCC’.

viii. ‘NBCC’ shall submit to the ‘OWNER’ monthly report informing about the physical and financial progress of the Project. While executing the Project, ‘NBCC’ shall ensure strict adherence to quality norms as approved and as applicable for the various works. The ‘OWNER’ may conduct proper verification and Technical Audit by a team of Engineers for quality norms.

ix. The Project will be open for examination by the Central Govt Agencies like CTE Organization.

x. Obtaining of statutory clearance for the architectural design of the building from the concerned local body and obtaining necessary utility connections will be the responsibility of ‘NBCC’. In case any assistance in this regard is required, the same will be provided by the ‘OWNER’.

xi. The work award letter along with its annexure issued by the ‘OWNER’ to ‘NBCC’ shall form part of this Agreement.

xii. In case the delay in completion of the Project is solely attributable to ‘NBCC’, ‘NBCC’ shall be liable to pay as damages to the ‘OWNER’ a sum calculated @ 2% (Two percent only) of the Agency Charges for the balance work for each month of delay, subject to a maximum of 4% (Four percent only) of the Agency Charges on balance work.

xiii. The payment to ‘NBCC’ shall be based on actual cost of all the works of the Project. The actual cost of the Project shall include all the costs as paid to contractor(s) / supplier(s), cost of materials and other items as supplied by ‘NBCC’ (including the ones received by transfer from other Units of ‘NBCC’ with prior concurrence of the ‘OWNER’) for incorporation in the Project, cost of reconstruction (if any) due to change in design / decision / modification, expenditure on survey / investigations / testing etc. and any other expenditure contingent to the completion of the Project.

xiv. Detailed responsibility and duties of ‘NBCC’ as Consultant and Project Manager have been incorporated in Annexure-I attached to this MOU. ‘NBCC’ shall obtain prior approval or consent from the ‘OWNER’ wherever required / necessary.

xv. ‘NBCC’ shall be fully responsible for compliance and observation of all labour and other laws applicable in the matter and shall keep the
‘OWNER’ indemnified against the effect of nonobservance of any such law.

xvi. ‘NBCC’ shall at all times indemnify the ‘OWNER’/Government against any claims in respect of any damages or compensation payable in consequences of any accident or injury sustained by its (NBCC’s) employees or employee(s) of contractor(s) / Sub-Contractor(s) or any other Third Party resulting from or by any operation conducted by or on behalf of ‘NBCC’.

xvii. If ‘NBCC’ without any reasonable cause suspends the progress of the Project or fails to proceed with the work with due diligence in the opinion of the ‘OWNER’ and ‘NBCC’ is unable to secure timely completion of the Project, the ‘OWNER’ has the right to terminate this Agreement after assigning reason(s) in writing and by giving 30 days notice to ‘NBCC’. In such event, ‘NBCC’ shall hand over to the ‘OWNER’ the unutilized material, stores for which payment has been made to ‘NBCC’. ‘NBCC’ shall also refund to the ‘OWNER’ the un-utilized amount immediately without any demur at the time of termination of this Agreement.

xviii. Nothing contained in this Agreement shall be construed as establishing or creating between the ‘OWNER’ and the ‘NBCC’ the relationship of master and servant, principal and agent or employer and employee; it being understood that the ‘NBCC’ is an independent Architectural and Engineering Design Consultant & Project Management Services Provider in relation to the ‘OWNER’. No person engaged by ‘NBCC’ in connection with the performance of any obligation under this Agreement shall be regarded as an agent, servant, employee of the ‘OWNER’ and the ‘NBCC’ shall be solely responsible for all claims by such person(s) arising out of or in connection with their engagement by ‘NBCC’. ‘NBCC’ shall inform such person(s) of the foregoing.

xviii(a) ‘NBCC’ will not assign and or transfer the responsibility assigned to them as mentioned in the MOU without prior written approval from the ‘OWNER’.

xviii b) The failure of either of the parties to enforce pre requisite timely compliance with any term(s) or provision(s) of this Agreement shall not be deemed to be a waiver of relinquishment of rights or obligations arising hereunder, nor any such failure preclude the enforcement of any term(s) or provision(s) or avoid the liability for any breach of the Agreement.

xix FORCE MAJEURE

a. For the purposes of this Agreement, “Force Majeure” means an event which is beyond the reasonable control of ‘NBCC’, is not foreseeable, is unavoidable, and not brought about by or at the instance of ‘NBCC’.

S.D. SHARMA
SR. GENERAL MANAGER
NBCC, CHENNAI.

Bh. Bhattacharya, IRS
Additional Director General
National Academy of Customs, Excise & Narcotics
Bangalore
claiming to be affected by such events and which has caused the nonperformance or delay in performance of the Agreement and which makes ‘NBCC’s performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, natural calamities civil disorders, war, floods, riots, earthquake, fire explosion, storm, or other extreme adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of ‘NBCC’ invoking Force Majeure to prevent), confiscation or any other action by the Government agencies.

b. ‘NBCC’ shall notify the ‘OWNER’ in writing within maximum ten days from the date of occurrence of such an event. In the event of delay due to such causes, the completion schedule will be extended for a length of time equal to the period of force majeure. If the construction and other related work / obligation by ‘NBCC’ is suspended by force majeure condition lasting for more than 2(two) months, the ‘OWNER’ shall have the option of cancelling this Agreement in whole or part at its discretion without any liability on its part. In the event of such cancellation, ‘NBCC’ shall refund any unadjusted advance including the agency charges for subsequent work/obligation lying with ‘NBCC’ and deliver back any materials issued to them by the ‘OWNER’ and release facilities, if any, provided by the ‘OWNER’ and all the related documents to the subject Project. However, all precautionary measures should be taken by the ‘NBCC’ to the satisfaction of the ‘OWNER’ to avoid such calamities till the completion / handing over the building and if any such situation arises without the negligence of ‘NBCC’, then the same will be accepted by the ‘OWNER’.

c. Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of ‘NBCC’ or by or of ‘NBCC’s Sub-Consultants or agents or employees, (ii) any event which a diligent Party could reasonably have expected to both take into account at the time of the conclusion of this Agreement, and avoid or overcome in the carrying out of its obligations hereunder.

d. Subject to clause (xix) (e) Force Majeure shall not include insufficiency of funds or failure to make any payment obliged hereunder.

e. No Breach of Agreement: The failure of ‘NBCC’ to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under this Agreement insofar as such inability arises from an event of Force Majeure, provided that ‘NBCC’ affected by such an event has taken all reasonable precautions, due care and put in place reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Agreement.

S.D. SHARMA
SR. GENERAL MANAGER
NBCC, CHENNAI.

B. BHATTACHARYA, IRS
Additional Director General
National Academy of Customs, Excise & Narcotics
Bangalore
xx. ARBITRATION

In event of any dispute or difference of opinion relating to the interpretation and application of the provisions of the Agreement, (whether during the progress of the work or after their completion) the same shall be settled amicably through mutual discussion, or shall be settled through the Permanent Machinery for Arbitration (PMA) in the Department of Public Enterprises, Ministry of Industries, as per standard norms.

3. ‘NBCC’ shall obtain necessary clearances related to construction and completion of this Project from statutory authorities for which the ‘OWNER’ shall issue necessary authorization in favour of ‘NBCC’ wherever so required. However, all statutory deposits/expenses shall be borne by the ‘OWNER’ other than the agency charges and Service Tax already paid to ‘NBCC’.

4. Additional Director, NACEN Bangalore will be the ‘Nodal Officer’ on behalf of the ‘OWNER’ who will be responsible for monitoring proper and timely implementation of the Project. ‘NBCC’ shall appoint one Nodal Officer Headquartered at New Delhi who shall coordinate with the ‘OWNER’ and the ‘OWNER’ s ‘Nodal Officer’ regarding various activities related to the Project which interalia would include the periodic monitoring of the Project.

On the basis of this MOU, ‘NBCC’ shall commence activities for implementation of the Project immediately.

Signed at Bangalore on this day as mentioned above.

FOR and on behalf of
The President of India

B. Bhattacharya
Additional Director General
NACEN Bangalore

FOR and on behalf of
NATIONAL BUILDINGS
CONSTRUCTION CORPORATION LTD

S.D. SHARMA
SR. GENERAL MANAGER
NBCC Ltd

WITNESS: 1. G.K. GANESH
2. DEPUTY DIRECTOR (NACEN) BRANCH OFFICE - 13
3. M.G. KODANDARAM
SUPDT, NACEN
BANGALORE

WITNESS: 1. NIRMAL
2. (SR. ENGINEER)(R.M. SHANKAR)
P.M.C.
OBLIGATIONS OF ‘NBCC’

1. ‘NBCC’ shall perform the Project Management Services and carry out their obligations hereunder with due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ, appropriate technology along with safe and effective equipment, machinery, materials and methods. ‘NBCC’ shall always act, in respect of any matter relating to this Agreement or to the Services, as faithful adviser to the ‘OWNER’, and shall at all times support and safeguard the ‘OWNER’ s legitimate interests in any dealings with Third Parties.

2. ‘NBCC’ shall hold the ‘OWNER’ s interests paramount, without any consideration for any allotment of future work, and strictly avoid conflict of interest with other assignments or their own corporate interests. However, if during the period this Agreement, a conflict of interest arises for any reason, ‘NBCC’ shall promptly disclose the same to the ‘OWNER’ and seek its instructions for compliance.

3. THE representative and other persons duly authorized by the ‘OWNER’ including the ‘OWNER’ s Nodal Officer shall have full access to the site to assess the progress and state of completion of work.

4. ‘NBCC’ shall comply with all applicable laws, regulations orders and directives of any competent authority (including applicable labour and other laws and regulations governing its employees, contractors, subcontractors and any persons employed or engaged in connection with this Agreement) while performing and carrying out its obligation under this Agreement and shall discharge and fully indemnify the ‘OWNER’ against all liability claims, demands, fines, penalties and other consequences arising out of its failure to comply with such laws and regulations.

5. ‘NBCC’ shall ensure strict compliance with applicable labour laws by its contractors to effect adequate public liability, workman compensation, personal accident in respect of all employees, contractors, subcontractors and persons involved in the building, installation, commissioning and completion of the Project.

S.D. SHARMA
SR. GENERAL MANAGER
NBCC, CHENNAI.

ANNEXURE-I

Bhattacharya

Sri. Bhattacharya, IRS
Addl. Director General
National Academy of Customs, Excise & Narcotics
Bangalore / Bangalore
6. ‘NBCC’ shall at all times maintain the Project site in a clean and orderly condition and shall take all necessary measures to ensure that there is no accumulation of waste, rubbish or other construction material at the site.

7. ‘NBCC’ shall install, test and commission all equipment including capital equipment and shall ensure that the equipment functions and performs in accordance with its published specifications and any other representations made by the manufacturers of the Equipment to the satisfaction of the of the ‘OWNER’.

8. ‘NBCC’ shall undertake and warrant that the services rendered by it by way of handling, installation and integration and commissioning of the Project are free from all defects in workmanship. During the Agreement period of 24 months and defects liability period of 12 months from the date of completion of respective work, ‘NBCC’ shall rectify, as soon as reasonably practicable any such defects in the workmanship of the Agreement without any charge to the ‘OWNER’.

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S.D. SHARMA
SR. GENERAL MANAGER
NBCC, CHENNAI.

B. Bhattacharya,
Additional Director General
National Academy of Customs, Excise & Narcotics
Bangalore

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Directorate General of Human Resource Development
Customs, Central Excise & Service Tax
New Delhi