

No.F-PA-DSF(Infra)/Misc./2010-11/DSIV/3037-50
Govt. Of NCT of Delhi
Finance (Infrastructure) Department
4th Level, A-Wing, Delhi Sectt. N.Delhi

Dated: July 12th, 2011

Government Order

Subject: Building capacities and Guidelines for sanction of Capital/Infrastructure Projects by Administrative Secretaries/Head of the Departments-regarding.

1. This is in continuation of Finance Department's Order No. F. PA-DSF/Misc./2010-2011 dated June 2, 2011 and June 8, 2011 regarding enhanced delegation of financial power to Administrative Secretaries/Head of the Departments. It is reiterated that the investment decisions for creating capital assets are anchored in the administrative departments. Government rely upon the assessment and evaluation of administrative departments in respect of all aspects of schemes/projects. This casts crucial responsibilities on Administrative Secretaries/Head of Departments and requires their active involvement in the conceptualisation, planning and successful execution of schemes and projects.


2. To achieve the defined and pre-determined goals government have issued the said order to enhance the financial powers of Administrative Secretaries and Head of the Departments. **However 'administrative' and 'absorptive' capacity for expenditure management cannot be equated with accretions to manpower and/or funds. It implies relentless pursuit of various aspects of projects till they evolve into investment decisions. This order seeks to spell out the various steps administrative secretaries need to take note - from the administrative to the financial, from the regulatory**

to the technical - at various stages of a project: conceptualization, approvals, and successful implementation. The creation of investible projects shall add to the administrative capacities of the departments.

3. The Administrative Secretaries and Head of the Departments should apply due diligence and take proactive role in the implementation of the plan schemes/projects. In this regard following instructions/guidelines may be observed by Administrative Secretaries/Head of Departments scrupulously:

- (i) **All projects** other than those specifically belonging to works departments should be anchored in the administrative departments and would **belong to** the said **administrative department**.
- (ii) The **administrative secretaries** are **fully responsible** for securing **timely and economical implementation** of projects/schemes/works.
- (iii) The **estimates** are **pen pictures** of the schemes/projects/works. They should reflect the thinking of the administrative departments comprehensively.
- (iv) The **preparation of the estimates**, which is the property of the administrative department, is only the **last step** in the process of administrative approval and expenditure sanction and the **administrative department needs to remain fully engaged** in the preparation of the **estimates**.

While preparing estimates utmost efforts may be made for making the same **most realistic** keeping in view norms/standards prescribed – CPWD Manual and the development /advances made in the field of architectural engineering and technology for optimum utilisation of funds.

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- (v) The required **administrative approvals** and **expenditure sanctions** shall be given **only after all the pre-sanction approvals have been obtained**. Expenditure sanction is the ultimate not the first formality. Arranging for the land, land use changes if any required, approval for building plans, statutory clearances, etc are examples of pre-sanction formalities that departments will need to certify as having been completed before the proposal is placed before the competent authority for expenditure sanction.
- (vi) The first issue that needs to be attended to is to **check** that **both the capital and revenue contents** of the project are **duly reflected** in the estimates.
- (vii) **Departments** must **ensure** that the following have been incorporated in the project
- (a) Rain water harvesting, cycling, parking and green features.
 - (b) The **O&M expenditure projections** relating to the operational (staff, equipment, furniture, furnishings) and maintenance expenditure in the first three to five years after completion of construction.
 - (c) **Action plan** for having the **revenue components** (operational and maintenance needs) and the timelines for the same to coincide with the completion of the capital content of the project.
 - (d) **Requirement of Manpower**. This is not about the manpower needs of the executing agency for construction but the needs of the administrative department for making the project functional. This requirement needs to be spelt out and would include steps for creation of posts, framing of recruitment rules, and procurement of equipments, furnishings, and furniture, etc.
- (viii) The CPWD Manual is the principal guide for planning and execution of works. General Financial Rules also provide

guidelines/procedures for execution of projects. The financial rules relating to works are codified in GFR 123 to 134. The said rules, especially Rule 132, lay down the procedure for execution of works which must be followed while executing infrastructural/capital projects. Consequent upon completion of tendering process, contract management may be carried out as per GFRs 203-205.

- (ix) Departments may nominate the 'second-in-command' as a Plan Implementation Officer with the responsibility of carrying out the basic work relating to a particular plan scheme in consultation with all concerned after identifying the basic requirements.
- (x) Plinth Area Rate (PAR) base estimates may be got computed to facilitate the identification of preliminary activities and expenditure thereupon. This may relate to preliminary surveys, site/soil investigation, preparation of project report etc. If it is felt necessary, specialized consultant may be appointed to deal with these basic issues depending upon the estimated cost of the project/scheme. The consultant would further help in preparation of : (a) concept plan, (b) building plan, (c) detailed architectural design/drawings, (d) detailed structural designs/drawings, (e) detailed estimate as per standardized components/norms of cost computation as communicated vide Finance department Order No. F. PA-DSF/Misc./2010-2011 dated June 2, 2011, (f) detailed item-wise specifications with regard to above.
- (xi) Administrative department should **satisfy** itself that the project is approved in the Annual Plan for the relevant year

with plan outlay and that the proposal is within the range and scope of actual requirement of the department and **certify** satisfaction with the proposal.

- (xii) Thereupon, the Administrative department shall proceed for various **statutory approvals/clearances** for the project.
- (xiii) The departmental monitoring committee shall also be associated with the planning.
- (xiv) Once the proposal is considered as satisfactory and clearances are received, the Administrative department should administratively approve it and accord expenditure sanction as per delegation of financial powers for capital works as communicated vide Finance Department Order no. **Finance department Order No. F. PA-DSF/Misc./2010-2011 dated June 2, 2011.**
- (xv) The administrative department through 'Monitoring Committee' should periodically (monthly/quarterly) monitor the project in time-barred manner to facilitate successful and timely implementation of the plan schemes/projects and to avoid time and cost over run.



(P.K. TRIPATHI)
CHIEF SECRETARY, DELHI

No.F-PA-DSF(Infra)/Misc./2010-11/DSIV/3037-58 Dated: July 12th, 2011

1. All Administrative secretaries, GNCT of Delhi.
2. Pr. Secretary to the Hon.' Lt. Governor.
3. Pr. Secretary to the Hon.' Chief Minister, GNCT of Delhi.
4. Secretaries to Hon.' Ministers, GNCT of Delhi
5. Commissioner of Police, Delhi.
6. All Head of the departments, GNCT of Delhi
7. Special secretary, Finance department, GNCT of Delhi
8. Additional secretary, Finance department, GNCT of Delhi
9. All Deputy Secretaries in the Finance department, GNCT of Delhi
10. Controller of Audit, Directorate of Audit, GNCT of Delhi.
11. Controller of Account, Principal Accounts Office, GNCT of Delhi.
12. All Desk Officer in Finance department, GNCT of Delhi
13. All Pay and Account Officers, GNCT of Delhi
14. Guard File.

NOTE FOR CONSIDERATION OF SPECIFIC WORK/PROJECT/SCHEME

- **Project:**
- **Scheme:**
- **Cost :**
- **Construction agency:**

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| 1 Name of the Department | |
| 2 Head of Department | |
| i) Designation ii) Responsibility for the Work/Project/ Scheme iii) Specific observations with regard to the Work/Project/ Scheme | |
| 3. Administrative Secretary | |
| i) Role in respect of the project ii) Responsibility for the Work/Project/ Scheme iii) Specific observations with regard to the Work/Project/ Scheme | |
| 4. Implementation officer | Sr. Officer of the department enjoying second position in the hierarchy |
| i) Name ii) Designation iii) Phone No. iv) Duties | |

| 5. Name of the work/ project/scheme | | | | |
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| 6. Specifications | | | | |
| 7. Basis of cost estimation | | | | |
| 8. Estimated cost | <i>Original (i)</i> | <i>Revised (ii)</i> | <i>Modified (iii)</i> | <i>Differential (iv)</i> |
| <p>A) Buildings</p> <p>i) Office Building ii) Residential Building iii) Basement iv) Development work in the building complex v) Misc. Schemes/ Components, i.e. lifts, parks etc.</p> <p>Total Estimated cost</p> <p>B) Roads/Bridges/ FOBs/Flyovers/ Grade separators</p> <p>C) Drains</p> <p>D) Major renovation Schemes</p> <p>E) Any other work</p> | | | | |

| 9. Covered Area | <i>Original (i)</i> | <i>Revised (ii)</i> | <i>Modified (iii)</i> | <i>Differential (iv)</i> |
|---|-------------------------|-------------------------|---------------------------|------------------------------|
| <p>A) Buildings</p> <p>i) Office Building ii) Residential Building iii) Basement iv) Development work in the building complex</p> <p>v) Misc. Schemes/ Components, i.e. lifts, parks etc.</p> <p>Total Estimated cost</p> <p>B) Roads/Bridges/ FOBs/Flyovers/ Grade separators</p> <p>C) Drains</p> <p>D) Major renovation Schemes</p> <p>E) Any other work</p> <p>Total coverd area</p> | | | | |
| 10. Unit Cost | <i>Original (i)</i> | <i>Revised (ii)</i> | <i>Modified (iii)</i> | <i>Differential (iv)</i> |
| <p>A) Buildings</p> <p>i) Office Building ii) Residential Building iii) Basement iv) Development work in the building complex</p> | | | | |

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| <p>v) Misc. Schemes/ Components, i.e. lifts, parks etc.</p> <p>Estimated unit cost (overall)</p> <p>B) Roads/Bridges/ FOBs/Flyovers/ Grade separators</p> <p>C) Drains</p> <p>D) Major renovation Schemes</p> <p>E) Any other work</p> | |
| 11. Objective | |
| 12. Category of work (Original/Replacement) | |
| 13. Nature of work Capital/Revenue Plan/Non plan | |
| 14. Budget provisions | |
| 15. Phasing of the project/scheme/work (activity wise-year wise during gestation period .) | <p>Physical progress Projected expenditure (activity wise/year wise)</p> |
| <p>Year 1</p> <p>Year 2</p> <p>.....</p> <p>Last year</p> | |

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| 16. Expenditure incurred so far. | |
| 17. Provision for revenue component related to the project | |
| A) <i>Physical implications</i> i) Day to day routine maintenance ii) Annual maintenance iii) Preventive maintenance iv) Special maintenance B) <i>Financial implications</i> | |
| 18. Manpower planning | |
| A) <i>Physical implications</i> B) <i>Financial implications</i> | |
| 19. Office equipment and other required infrastructure | |
| A) <i>Physical implications</i> B) <i>Financial implications</i> | |
| 20. Availability of Land | |
| i) Land is available for the project or not ii) Land use iii) Land is encumbrance free or otherwise. | |

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| 21. Status of requisite Statutory clearances | |
| 23. Approval of Minister has been obtained or not | |
| 24 Schedule of completion | |
| i) Period of pre construction stage ii) Construction period. | |
| 25. Design of the project and approvals thereof | |
| i) Concept plan ii) Working drawings iii) Soil exploration report for facilitating foundation iv) Detailed architectural drawing v) Detailed structural drawings. vi) Detailed specification of items of the project. | |
| 26. PERT/CPM charts | |
| 27. Status of Monitoring Committee | |
| i) Constituents ii) Schedule of review meetings. | |

28. Projected scheme wise component wise cost estimation (Sample Given below)

| | <i>*Base- ment</i> | <i>*Office Building (separate ly for each type)</i> | <i>*Residenti al building (separately for each type)</i> | <i>*External develop- ment costs</i> | <i>*Addl. Work cost</i> | <i>*Cost of lifts</i> |
|---|------------------------|---|--|--|---------------------------------|---------------------------|
| i) PAR/DSR | | | | | | |
| ii) Mkt. Rate | | | | | | |
| C.I. @9% | | | | | | |
| Consul-tancy | | | | | | |
| A.W.@1% | | | | | | |
| Contingency @1% | | | | | | |
| Labour Cess @ 1% | | | | | | |
| PMC/DC @ 5% plus service tax thereupon | | | | | | |
| Total cost | | | | | | |
| Covered area | | | | | | |
| Unit/m ² cost | | | | | | |

* Subject to change as per nature of work

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| 29. Observations of Planning department & Complacence thereof | |
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28. Projected scheme wise component wise cost estimation (Sample Given below)

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| i) PAR/DSR | | | | | | |
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| C.I. @9% | | | | | | |
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| A.W.@1% | | | | | | |
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| Labour Cess @ 1% | | | | | | |
| PMC/DC @ 5% plus service tax thereupon | | | | | | |
| Total cost | | | | | | |
| Covered area | | | | | | |
| Unit/m ² cost | | | | | | |

* Subject to change as per nature of work

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| <p>29. Observations of Planning department & Complacence thereof</p> | |
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30.

"Certified that I have personally examined the estimates of the project relating to _____ estimated cost of which is Rs. _____

and is fully satisfied that the project is justified. Further, the technical and financial components to the cost estimation (Original/Revision/Modification) is correct in all respect and it fulfills the principles of technical and financial prudence and is most economical one to fulfill its objective and therefore, its conception and estimation is fully justified.

It is further certified that the project complies with the norms of financial propriety and maintains economy in expenditure and could be completed within the scheduled time period at the estimated cost. It has no impediments/obstructions in its implementation.

It is further certified that the proposal has been got examined from Plan functionary/Account functionary of the Division/Department and their observations have been taken into account for the project."

Chief Engineer

31.

Certified that I have personally perused the proposal and have found it suitably conceptualized. The proposal would meet/serve the requirements/objectives of the department. Encumbrance free land is available. All administrative formalities, statutory clearances, provisions of parking, rain water harvesting and recycling of water, green building features etc. have been complied. Necessary provision for maintenance has been made for _____ years after completion of work/project/scheme. Manpower planning has been estimated and efforts will be made to create the required posts by the time the project is completed and fill them up within the period of 6 month of completion of the project. However, during the intervening period the work will be handled by incumbents engaged on contract. The proposed work can be started within a period of _____ days/months of the sanction and expected to be completed within the scheduled period of _____ months/years.

Head of Department

Administrative Secretary