

**GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
FINANCE (ACCOUNTS) DEPARTMENT
'A' WING, 4TH LEVEL, DELHI SECRETARIAT, I.P. ESTATE, NEW DELHI**

Dated : 22/09/2020

OFFICE MEMORANDUM

Subject : ***Exercising of powers delegated to HODs/Administrative Secretaries regarding extension of contract of all kind of outsourced services.***

1. Finance Department, vide O.M. No.F.20/28/2016-AC/634-673 dated 19.08.2016 has issued instruction on the subject cited above. It is reiterated that as per the provisions laid down in Rule 225 (xv) of GFR, 2017 (erstwhile Rule 204(xv) of GFR, 2005), extension could be allowed only in case there is a provision in the contract for the same.

2. As per Sl. No.49 of Finance Department's O.M. No.F.20/08/2019/AC/jsfina/2575-2674 dated 07.08.2019, powers regarding extension of contracts of various outsourced services have been awarded to the Administrative Secretaries/Head of Departments, subject to conditions mentioned in the said OM. The relevant provisions read as follows:-

"NOTE:- (1) Extension of existing contract – Subject to the provision of extension clause as provided in the Contract and fulfilment of other conditions prescribed in GFR, 2017. FD's approval not required for extending the contract up to the period mentioned in the contract for engaging the staff up to the existing sanctioned post in the respective category/AR approved norms for the given category of posts.

NOTE:- (2) In case of exigency/disaster (as defined in section 2(d) of Disaster Management Act, 2005), manpower/staff upto 5% of the sanctioned posts can be deployed as an additionality for 89 days only by outsourcing with the prior approval of the Administrative Secretary of the Department giving full justification for the need of such deployment. The deployment of additional staff shall automatically cease to continue after 89 days if the department has not obtained prior approval of the AR Department, GNCTD and the approval of the Competent Authority within the stipulated 89 days."

Accordingly, Secretaries/HoDs are extending contracts at their own level as per aforesaid provisions subject to provision of extension clause.

3. It has, however, been observed that Departments send file to FD for extension of contract in the absence of such a provision for extension in the contract, or after having exhausted the provision at their own level. The FD in the interest of work of the Department has been allowing the extension on existing terms and conditions with a condition that the new contract will be finalised in a stipulated period.

Contd...2...


22/9/2020

4. Extension of Contract beyond the period/extended period stipulated in the contract is against the spirit of GFR. Finance Department will not be able to consider any such proposal in future.

5. All the Departments are, therefore, advised to compile the following details, in the given format, in respect of the existing contract of all kind of outsourced services :

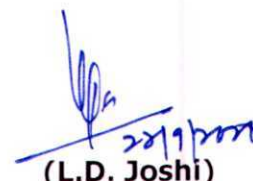
S.No.	Purpose for which contract executed	Date of execution of contract	Duration of contract	Whether provision for extension exists? If yes, furnish details	Date by which contract will expire

6. Secretaries/HoDs must review the above list, and ensure that preparatory action for inviting fresh tender is initiated atleast 6 months before the expiry of existing contract.

7. A copy of the list prepared by the Departments may be sent to Finance Department for record.

8. **It is reiterated that Finance Department will not entertain any proposal for extension of contract beyond the period specified in the contract for any contract expiring on or after 01.01.2021.**

9. This issues with the approval of the Secretary (Finance).



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

To

1. All Pr. Secretaries/Secretaries/Head of Departments, Government of NCT of Delhi
2. Special Secretary (Finance)
3. PPS to Pr. Secretary (Finance)
4. Deputy Secretaries of Finance Department, with the request to follow up with concerned departments to get information as per para 5 read with para 7.
5. Website of Finance Department.