

No.F.20/28/2016-AC/Js67na/070-084
GOVERNMENT OF NATIONAL CAPITAL TERRITORY OF DELHI
FINANCE DEPARTMENT
(POLICY DIVISION)
'A' WING, 4TH LEVEL, DELHI SECRETARIAT, I.P. ESTATE, NEW DELHI

Dated: 21/03/2022

OFFICE MEMORANDUM

Sub: Exercising of powers delegated to HoDs/Administrative Secretaries regarding award of work and extension of contract of all kind of outsourced services.

It has come to the notice of the Finance Department, GNCT of Delhi that Head of Departments/Administrative Secretaries are not exercising the powers delegated to them regarding award of work of all kinds of outsourced services and extension of existing contract of all kinds of outsourced services. Sometimes the departments seek vetting of the Finance Department regarding terms and conditions of the NIT/contract which also should be done at the level of the department itself. Various OMs/Circulars in this regard have already been issued by the Finance Department from time to time. However, Departments have not been adhering to the instructions/guidelines issued by the Finance Department and are forwarding various proposals in this regard to the Finance Department without exercising their delegated financial powers and following binding provisions of GFR and other statutory provisions, for concurrence/approval. Such act of Departments create unnecessary burden in the functioning of the Finance Department and also delay the matter in which Finance Department has no role.

2. Attention is hereby invited to the Circular No.F.20/08/2019-AC/Pt.File/2551-2653 dated 07.09.2021 of Finance Department vide which it was clarified that proposals which are beyond the delegated powers of the HoDs/Administrative Secretaries are required to be mandatorily submitted to the Finance Department to obtain administrative approval and expenditure sanction at the initial stage before initiating any codal formalities. Once the department obtains the Administrative Approval and Expenditure sanction from the Finance Department, the preparation of NIT/Bid document/processing of the proposal through GeM, evaluation of bids, award of work, making payment to vendors and ensuring complete adherence to the codal formalities as laid down in the GFR, Manual of Procurement of Goods and Services, instructions of Govt. of India and GNCTD, instructions of the concerned Ministry of Govt. of India (in case applicable), instructions/guidelines of CVC etc. issued from time to time will be the sole responsibility of the authority inviting and awarding tender. No approval of the Finance Department is required for awarding of work or for making payments.

(Contd.....P/2)

3. As per Office Memorandum No.F.20/1/2016-AC/dsfa/12 dated 14.01.2016 of Finance Department, every authority delegated with the financial powers of procuring goods or services in public interest shall have the responsibility and accountability to bring efficiency, economy and transparency in matters relating to public procurement, and for fair and equitable treatment of suppliers and promotion of competition in public procurement. Hence, the proposals which are within the delegated powers of HoD shall not be referred to FD for seeking concurrence.

4. Further, OM's of even number dated 15/07/2016, 19/08/2016 and 22/09/2020 were issued by the Finance Department regarding exercising of powers delegated to HoDs/Administrative Secretaries regarding extension of contract of sanitation and security services/ all kind of outsourced services. In the FD's OM dated 22.09.2020, it is stated that extension of contract beyond the period/extended period stipulated in the Contract is against the spirit of GFR and Finance Department will not be able to consider any such proposal in future.

5. As per Sl. No.49 of Finance Department's OM 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 fulfillment 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."

6. Rule 225(xv) of GFR 2017 states as under:-

" Normally no extensions of the scheduled delivery or completion dates should be granted except where events constituting 'force majeure' as provided in the contract, have occurred or the terms and conditions include such a provision for other reasons. Extensions as provided in the contract may be allowed through formal amendments to the contract duly signed by parties to the contract."

(Contd.....P/3)

7. It is again reiterated that :-

- 1) No approval of the Finance Department is required for awarding of work or for making payments subject to the condition that prior Administrative Approval and Expenditure sanction from the Finance Department is required at the initial stage before initiating any codal formalities in respect of procurement of goods and services which are beyond the delegated powers of HoDs/Administrative Secretaries of GNCT of Delhi.
- 2) Preparation of NIT/Bid documents/Terms and conditions of contract in accordance with the provisions of GFR, Manual of Procurement of Goods and Services, guidelines of CVC and other statutory provisions, etc. will be the sole responsibility of the authority inviting and awarding tender/work.
- 3) Extension of contract of all kinds of outsourced services should be in accordance with the Finance Department's OM No.F.20/08/2019/AC/jsfina/2575-2674 dated 07.08.2019 and relevant provisions of GFR, 2017. Finance Department will not entertain any proposal for extension of contract beyond the period specified in the contract for any contract.

8. This issues with the approval of Pr. Secretary (Finance).


(NIHARIKA RAI)
Secretary(Finance)

To

All Addl. Chief Secretaries/Pr. Secretaries/Secretaries/HoDs,
Govt. of NCT of Delhi.

Copy forwarded for information to the :-

1. PPS to Pr. Secretary (Finance), Govt. of NCT of Delhi.
2. Special Secretary(Finance), Govt. of NCT of Delhi.
3. Controller of Accounts, Finance Department, GNCT of Delhi.
4. Jt. Secretary (Policy)/Joint Secretary (HRD)/Joint Director (Budget/SRD), Finance Department, GNCT of Delhi.
5. Deputy Secretary (I/II/III), Finance Department, GNCT of Delhi.
6. Website of Finance Department.