



सत्यमेव जयते



CBIC MANUAL ON INFRASTRUCTURE 2022

Directorate General of
Human Resource Development
Central Board of Indirect Taxes and Customs









सत्यमेव जयते

विवेक जौहरी
अध्यक्ष

Vivek Johri
Chairman

भारत सरकार

Government of India

वित्तमंत्रालय, राजस्वविभाग

Ministry of Finance, Department of Revenue

केन्द्रीय अप्रत्यक्ष कर एवं सीमा शुल्क बोर्ड

Central Board of Indirect Taxes and Customs

नॉर्थ ब्लॉक, नई दिल्ली-११०००१

North Block, New Delhi-110001



MESSAGE

The foundation for creating value in the new global economy is proper management of human capital. This valuable asset has to be harnessed by providing a robust and conducive environment and by motivating the officers and staff to develop their skills and give their best in public service.

CBIC has always accorded priority to the building of infrastructure assets to provide suitable office and residential spaces. In this backdrop, Infrastructure Wing of Directorate General of Human Resource Development has done a commendable job in updating and compiling the rules, instructions, circulars and various guidelines issued from time to time by the Government.

It has been the endeavor of the officers who have drafted the Infrastructure Manual to present a working knowledge at ground level to ensure seamless and smooth clearance of Infrastructure proposals. A Check List based format has been adopted to facilitate submission of complete and correct proposals.

I am sure that this updated "Manual on Infrastructure, 2022" will be an effective reference and will be gainfully utilized by the officers and staff working in the field formations.

I wish Directorate General of Human Resource Development all the success in their sincere efforts.

(Vivek Johri)
Chairman, CBIC



सत्यमेव जयते

संगीता शर्मा

विशेष सचिव एवं सदस्य

Sungita Sharma

Special Secretary & Member

भारत सरकार

Government of India

वित्तमंत्रालय, राजस्वविभाग

Ministry of Finance, Department of Revenue

केन्द्रीय अप्रत्यक्ष कर एवं सीमा शुल्क बोर्ड

Central Board of Indirect Taxes and Customs

नॉर्थ ब्लॉक, नई दिल्ली-११०००९

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MESSAGE

The primary goal 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. The Directorate General of Human Resource Development, in addition to its various responsibilities in this regard, also provides for development of infrastructure, essential for meeting the above objectives.

- 2 Creating assets by way of infrastructure development is one of the methods employed for maximizing the potential of the human resource base of the Department. With the changing landscape of the indirect tax administration, both on the Customs and GST front, infrastructure requirements need to be bolstered and aligned to the new needs. With a view to enabling the departmental officers to access infrastructure guidelines/circulars with ease, Directorate General of Human Resource Development has taken the initiative to update all relevant instructions by way of this Manual.
- 3 I am sure that this compilation, consisting of nine chapters and annexures detailing the procedures for acquisition of land, construction of office/residential accommodation, hiring and purchase of ready built accommodation etc., would facilitate the Departmental officers in preparing comprehensive infrastructure proposals.
- 4 I highly appreciate the contribution made by all officers and staff of DGHRD in consolidating and compiling the guidelines and circulars and for their sincere efforts in accessing old Circulars issued by the various agencies of Government and commend them for the same.

(Sungita Sharma)

Member (Admin. & Vig.)



सत्यमेव जयते

नीता लाल बुटालिया
महानिदेशक

Neeta Lall Butalia
Director-General

भारत सरकार

Government of India

मानव संसाधन विकास महानिदेशालय

Directorate General of Human Resource Development

केंद्रीय अप्रत्यक्ष कर और सीमा शुल्क बोर्ड

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MESSAGE

The Directorate General of Human Resource Development consistently strives to fulfill its role as an enabler of efficient and effective working by CBIC's workforce. In response to the oft expressed need of field formations for guidance in preparing complete and correct infrastructure proposals, the I&W Wing of DGHRD has prepared and updated the Infrastructure Manual.

This Manual, updated after 2015, provides relevant procedures for acquisition of land, construction of office/residential accommodation, hiring and purchase of ready built accommodation. It is meant to facilitate seamless and timely approval of proposals.

The journey from concept to completion of any infrastructure project is a team effort. So too is the preparation of a Manual seeking to give guidance for that journey. This Manual has been the work of many hands. My particular thanks to Ms. Sucheta Sreejesh, Additional Director General (I&W), Sh. Sudhanshu Rai, Joint Director (I&W), Sh. M.P. Gangar, Assistant Director (I&W) and the entire team of Infrastructure Wing of DGHRD whose untiring efforts have made this task possible.

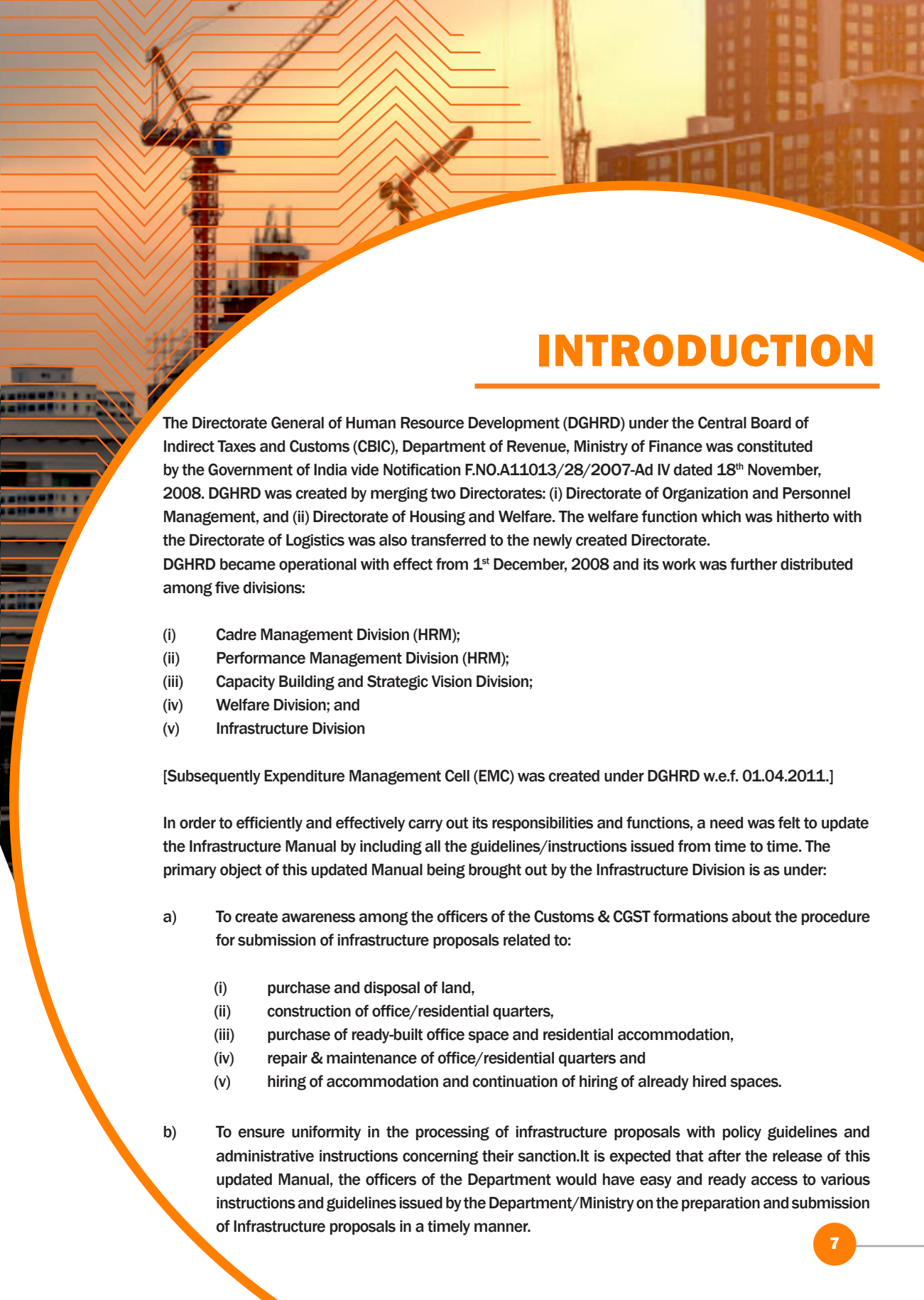
This Manual has been conceived as a living work that would be regularly revised and improved through the addition of new chapters and additional instructions of contextual relevance. DGHRD (I&W) look forward to inputs and suggestions from field formations to make this Manual more user friendly.

(Neeta Lall Butalia)

Director-General

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INTRODUCTION

The Directorate General of Human Resource Development (DGHRD) under the Central Board of Indirect Taxes and Customs (CBIC), Department of Revenue, Ministry of Finance was constituted by the Government of India vide Notification F.NO.A11013/28/2007-Ad IV dated 18th November, 2008. 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 Directorate. DGHRD became operational with effect from 1st December, 2008 and its work was further distributed among five divisions:

- (i) Cadre Management Division (HRM);
- (ii) Performance Management Division (HRM);
- (iii) Capacity Building and Strategic Vision Division;
- (iv) Welfare Division; and
- (v) Infrastructure Division

[Subsequently Expenditure Management Cell (EMC) was created under DGHRD w.e.f. 01.04.2011.]

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 create awareness among the officers of the Customs & CGST formations about the procedure for submission of infrastructure proposals related to:
 - (i) purchase and disposal of land,
 - (ii) construction of office/residential quarters,
 - (iii) purchase of ready-built office space and residential accommodation,
 - (iv) repair & maintenance of office/residential quarters and
 - (v) hiring of accommodation and continuation of hiring of already hired spaces.
- b) To ensure uniformity in the processing of infrastructure proposals with policy guidelines and administrative instructions concerning their sanction. 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.



CHAPTER-1

FINANCIAL POWERS IN RESPECT OF INFRASTRUCTURE PROPOSALS

CHAPTER 1: FINANCIAL POWERS IN RESPECT OF INFRASTRUCTURE PROPOSALS



- 1.1** Rule 22 of GFRs, 2017 states that “no authority may incur any expenditure or enter into any liability involving expenditure or transfer of moneys for investment or deposit from public funds (Consolidated Fund/Contingency Fund and the Public Accounts) unless the same has been sanctioned by a competent authority”.
- 1.2** Rule 23 clarifies that “the financial powers of the Government have been delegated to various subordinate authorities vide Delegation of Financial Powers Rules as amended from time to time”. Further, it states that “the financial powers of the Government, which have not been delegated to a subordinate authority, shall vest in the Finance Ministry”.
- 1.3** 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.
- 1.4** 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).
- 1.5** As per Rule 30 of GFRs, 2017 sanction for any fresh charge shall, unless it is specifically renewed, lapse if no payment in whole or in part has been made during a period of twelve months from the date of issue of such sanction. Provided that -
- (i) when the period of currency of the sanction is prescribed in the departmental regulations or is specified in the sanction itself, it shall lapse on the expiry of such periods; or
 - (ii) when there is a specific provision in a sanction that the expenditure would be met from the Budget provision of a specified financial year, it shall lapse at the close of that financial year; or

- (iii) in the case of purchase of stores, a sanction shall not lapse, if tenders have been accepted (in the case of local or direct purchase of stores) or the indent has been placed (in the case of Central Purchases) on the Central Purchase Organization within the period of one year of the date of issue of that sanction, even if the actual payment in whole or in part has not been made during the said period.

1.6 “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.

1.7 In pursuance of DFPRs, the delegation of financial powers to Heads of Department of the Central Board of Indirect Taxes and Customs (CBIC) are reviewed from time to time by Integrated Financial Unit (IFU) of the Department of Revenue under the Ministry of Finance. These powers were revised by the IFU vide Office Memorandum issued vide F. No.15/6/2008-IFU-III(EC) dated 15th September, 2011 (**Annexure-1.1**). Further, vide Office Memorandum No. 14/04/2021-IFU(B&A)DT-01 dated 28th September, 2021 (**Annexure-5.9(C)**), IFU further enhanced the delegated financial powers of HoDs in respect of single item of Expenditure ‘Hiring of Office Accommodation’. 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 instructions. 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 erstwhile Directorate General of Supplies and Disposal (DGS&D)/Special Purpose Vehicle – GeM of Ministry of Commerce etc. would also have to be followed.

1.8 Briefly stated, the delegated powers of HOD with regard to Infrastructure proposals are summarized as under:

S. No.	Item of Expenditure	Financial Powers (in Rs.)
1.	Repair and maintenance work in buildings owned by the Department (Minor Works)	Rs. 30 lakhs per annum. Provisions of GFRs, 2017 will apply.
2	Provision of DG set	Rs. 15 lakhs per annum per building for each HOD for purchase of DG (Diesel Generating) set subject to GFRs, 2017, Works Manual and guidelines for essential and non-essential loads for DG Sets. (Annexure-7.1)
3	Repair and maintenance work in hired office buildings	A total of Rs. 50,000/- in a year, non-recurring. Provisions of GFRs, 2017 will apply.
4	Hiring of Office Accommodation	Rs. 7 lakh per month in case of ‘X’ Class Cities, Rs. 5 lakh per month in case of ‘Y’ Class Cities and Rs. 3 lakh per month in case of other cities. The hiring is subject to Non-Availability Certificate from Directorate of Estates and/or CPWD, Fair Rent Certificate from CPWD, observance of GFR, 2017, admissibility of space norms as prescribed and relevant instructions issued from time to time. The hiring should be recommended by a Hiring Committee duly constituted by the HoD. Any deviation from norms including acceptance of single offer, should be referred to the Ministry/IFU. Note: The classification of cities under X, Y and Z Categories would be as per D/o Expenditure OM No. 2/5/2014-E.II(B) dated 21.07.2015 (Annexure-5.3(a))

S. No.	Item of Expenditure	Financial Powers (in Rs.)
5	Original works (through the CPWD) on Department land and buildings. (Only in cases where funds are provided by the Ministry of Housing and Urban Affairs (MoHUA). 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, 2017 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 MoUHA. B. Delegated to Chief Commissioner upto Rupees One Crore only in case of owned office building.

1.9 Financial Powers with Regard to Expenditure on Projects

- (i) Proposals requiring sanction of expenditure beyond HOD powers and upto Rs. 2 crore will be approved by the Member (Admn.), CBIC after concurrence of IFU.
[Authority: F.No.15/6/2008-IFU-III dated 22nd September, 2008 (**Annexure-1.2**)]
- (ii) Proposals requiring sanction of expenditure beyond Rs. 2 crore and upto Rs. 5 crore will be routed through the Member (Admn.), Financial Advisor (FA) 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) Proposals requiring sanction of expenditure beyond Rs. 5 crore and upto Rs. 100 crore will be routed through the Member (Admn.), Chairman CBIC, Financial Adviser, and to the Revenue Secretary for obtaining approval. Competent Authority to approve the project in such cases is the Revenue Secretary.
[Authority Department of Expenditure, Ministry of Finance's O.M. F.No. 24(35)PF-II/2012 dated 5/8/2016 (**Annexure-1.4(a)**)]
- (iv) Proposals requiring sanction of expenditure beyond Rs. 100 crore and upto Rs. 500 crore will be routed through the Member (Admn), Chairman and FA (Finance). The projects are to be appraised by the Delegated Investment Board (DIB) and approved by the Minister-in-charge of the administrative Department.
[Authority Department of Expenditure, Ministry of Finance's O.M. F.No. 24(35)PF-II/2012 dated 5/8/2016 (**Annexure-1.4(a)**)]
- (v) Proposal(s) requiring sanction beyond Rs. 500 crore but less than Rs. 1000 crore will be routed through the Member (Admn.), Chairman & FA (Finance). The projects are to be appraised by the Public Investment Board (PIB) and approved by the Minister-in-charge of the Administrative Department and Finance Minister.
[Authority Department of Expenditure, Ministry of Finance's O.M. F.No. 24(35)PF-II/2012 dated 5/8/2016 (**Annexure-1.4(a)**)]
- (vi) Proposals requiring sanction beyond Rs. 1000 crore will be routed through the Member (Admn.), Chairman and FA (Finance). The projects are to be appraised by the Public Investment Board (PIB) and approved by the Cabinet/Committee of the Cabinet concerned with the subject.
[Authority Department of Expenditure, Ministry of Finance's O.M. F.No. 24(35)PF-II/2012 dated 5/8/2016 (**Annexure-1.4(a)**)]

1.10 The Institutional Framework for Appraisal of Projects

Delegated Investment Board (DIB) (For expenditure beyond Rs. 100 Crores & upto 500 Crores)	
Secretary of the Administrative Ministry/Department	Chairperson
Joint Secretary in Charge of the Subject Division	Member
Representative of Niti Aayog	Member
Financial Advisor of the Administrative Ministry/Department	Member-Secretary
Representative of Department of Expenditure and any other Ministry/Department that the Secretary /Financial Advisor may suggest may be invited as per requirement.	

Public Investment Board (PIB) (For expenditure beyond Rs. 500 Crores)	
Expenditure Secretary	Chairperson
Secretary of the Administrative Ministry/Department	Member
Secretary of the Administrative Ministry/Department	Member
Advisor, PAMD, Niti Aayog	Member
Representative of Budget Division	Member
Representative of concerned Ministries/Agencies	Member
Joint Secretary, Department of Expenditure	Member-Secretary
For appraisal of scientific projects, Scientific Advisor may be invited as Member	

[Authority Department of Expenditure, Ministry of Finance's O.M. F.No.24(35)PF-II/2012 dated 5/8/2016 (Annexure-1.4)]

1.11 Revision of Cost Estimates

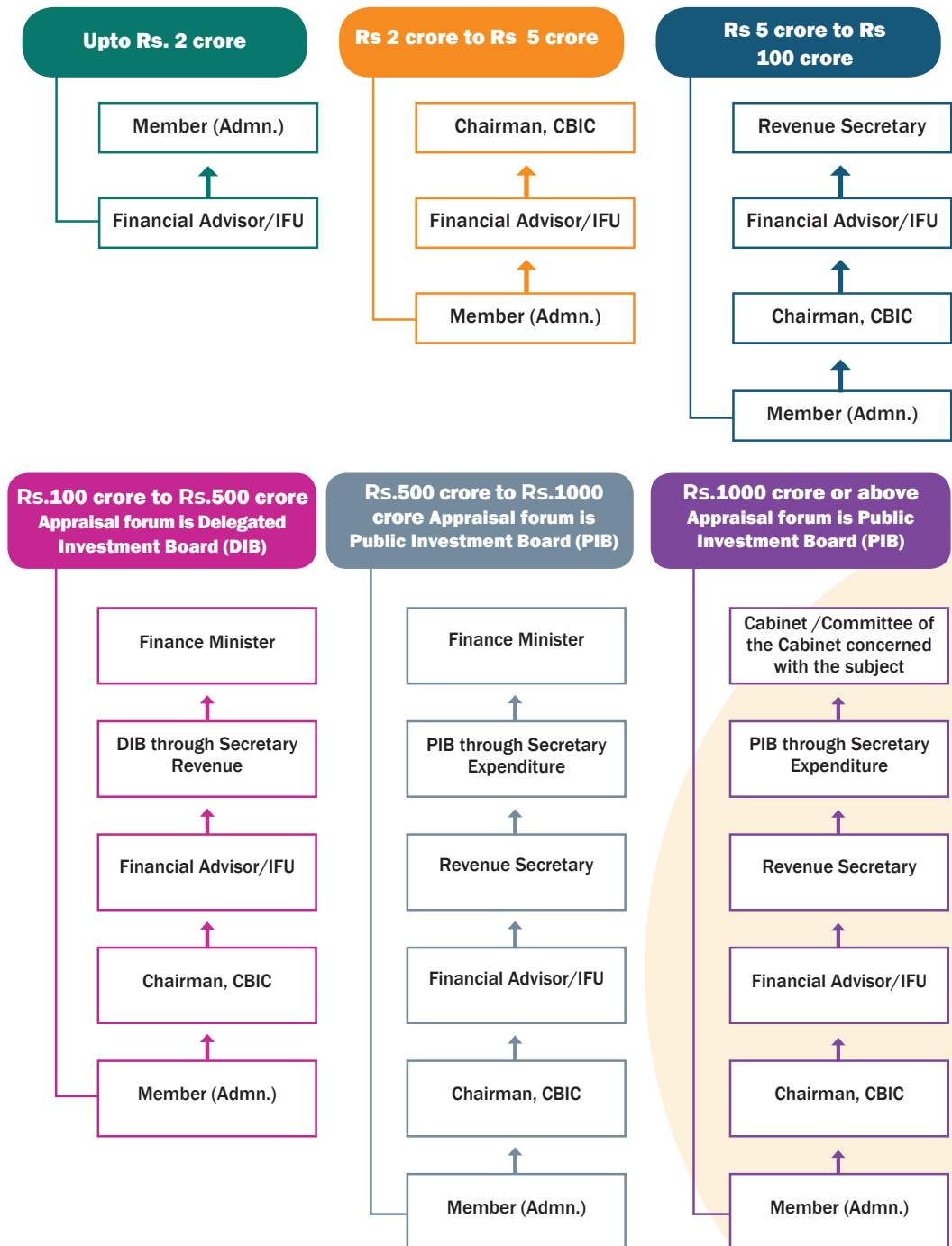
As per revised guidelines issued by Department of Expenditure, Ministry of Finance, any increase in costs due to statutory levies, exchange rate variation, price escalation within the approved time cycle and/or increase in costs up to 20 percent due to any other reason are covered by the approval of the original cost estimates. Any increase in this regard would be approved by the Secretary of the Administrative Department concerned with the concurrence of the Financial Adviser.

Any increase in costs beyond 20 percent of the firmed-up cost estimates due to time overrun, change in scope, under-estimation, etc. (excluding increase in costs due to statutory levies, exchange rate variation and price escalation within the approved time cycle) should first be placed before a Revised Cost Committee chaired by the Financial Adviser (consisting of the Joint Secretary in-charge of the program division and representative of the Chief Adviser Cost as members) to identify the specific reasons behind such increase, identify lapses, if any, and suggest remedial measures for the same. The recommendations of the Revised Cost Committee should be placed for fresh appraisal and approval before the competent authority as per the extant delegation of powers (It may be noted that a firmed-up cost estimate here means a cost estimate which has been through the full appraisal and approval procedure as per the extant delegation of powers).

[Authority Department of Expenditure, Ministry of Finance's O.M. F.No.24(35)PF-II/2012 dated 5/8/2016 {Annexure-1.4(a)}]

1.12 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.

Flow Chart in respect of Processing of Proposals and Financial Powers





CHAPTER-2

PURCHASE OF LAND

CHAPTER 2: PURCHASE OF LAND



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 Housing and Urban Affairs), 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 MoHUA, 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 03.10.1980 by the Directorate of Estates (**Annexure-2.1**). Copies of the correspondences made with the CPWD/MoHUA may be forwarded to DGHRD 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 Commissioner (Coordination), CBIC.

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 Para 2.4.1. The number and type of residential quarters proposed to be constructed should be calculated as per details mentioned in Para 2.4.2.

2.4.1 Norms for Determination of Office Space

- (i) MoHUA (erstwhile 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
Other non-gazetted staff excluding erstwhile Group- 'D'	3.5 sq. mtrs.*	Ministerial staff and equivalent including MTS but excluding erstwhile Group-'D' *as prescribed for Income Tax non-gazetted staff (excluding Inspectors)

- (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 31st 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:

Category of Building	Highest Rank Officer	Equivalent present rank
I	Superintendent (Range)	Superintendent (Range)
II	Assistant Collector	Deputy/Assistant Commissioner
III	Collector	Principal Chief Commissioner/Chief Commissioner/Principal Commissioner/Commissioner
IV	Multi-Collector Charges three or more Collectors.	Multi-Commissioner Charges three or more Principal Chief Commissioner/Chief Commissioner/Principal Commissioner/Commissioner

- (b) The space requirement for these categories of offices should be calculated as under:

S.No.	Special Components	Carpet Area (sq. mtrs.) for Category				Remarks
		I	II	III	IV	
1	Entrance Hall with Reception, Waiting etc.	33	66	88	110	
2	Public Relations Unit	-	22	44	44	
3	Conference Room	-	22	44	44	
4	Strong Room	-	22	33	33	
5	Record Room	*	*	*	*	*25% of the area for current records & 30% of the area for old record (for gazetted and non-gazetted staff)
6	Telecommunication Centre					*Newly added
	a) Telephone Exchange	-	22	22	22	
	b) Wireless Control	-	55	66	66	
	c) Computer Room *	-	77	88	88	
7	Waiting lounge on each floor	11	11	22	33	
8	Stores for Forms & Stationery	11	16.5	22	44	Provision for built-in shelves may be made
9	Visiting Officer's Room	-	-	22	22	
10	In Service Training Room	-	-	22	44	
11	Guests Room *(includes dormitory)	-	66	110	110	*Newly added
12	Malkhana for confiscated goods	16.5	33	66	66	May be located separately outside the campus
13	Covered shed for confiscated vehicles* (outside city limits)	-	50	100	200	*New (10 sqm. per vehicle)
14	Sales Shop for confiscated goods	-	-	22	22 each	Only for Customs formations
15	Interrogation Cell	-	11	11	11	
16	Guard Room with dormitory facilities for 8 persons	-	22	22	22	

S.No.	Special Components	Carpet Area (sq. mtrs.) for Category				Remarks
		I	II	III	IV	
17	Library	-	11	22	44	
18	Rest Room for ladies	11	11	16.5	22	
19	Recreation Room	-	22	33	44	
20	Canteen	11	11	33	88	This provision to be coordinated with Director of Canteens. Space may be split up at convenient floor levels
21	Cooperative Stores	-	11	22	22	
22	Bank/ATM& Post Office	-	-	-	-	Need based
23	Staff Association Room	-	-	16.5	33	
24	Garage for Head of Department - one car	-	-	10	10 x no. of cars of HODs	*New added
25	Garages for Departmental Vehicles	-	20	60	80	*New added
26	Internal Audit Party Room	11	11	22	33	
27	Bar Room	-	11	22	33	

*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) 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 CGST 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:

(A)	Office space (sitting space) requirement as per norms	(A)
(B)	Add: Space for old & new records (30%+25%)	(B)=55% of (A)
(C)	Special components	(C)
(D)	Total requirement	(D)=(A) + (B) + (C)
(E)	Add: 15% for future expansion	(E)=15% of (D)
(F)	Less: 10% austerity cut	(F)= 10% of [(E)+(D)]
(G)	Net requirement	(G)=(D)+(E)-(F)

2.4.2 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.

Type	Metropolitan City (State Capital)	Other Places	
		Phase-I	Phase-II
I *	40%	20%	40%
II	50%	40%	50% (Aggregate)
III	60%	60%	-
IV & above	80%	80%	-

*Since abolished and upgraded/merged with Type II

- (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, quarters 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:

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

*Since abolished and upgraded/merged with Type II

- (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/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 endeavour 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. (MOHUA/Directorate of 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. It may be ensured that a physical site survey has been conducted by CPWD alongwith departmental representative for proposed piece of land. A certificate regarding suitability/feasibility of the identified/earmarked piece of land for construction should also to be obtained from the CPWD. It may also be ensured that the offered/identified piece of land is free from any type of encroachments/litigations. A Non-Encumbrance Certificate from State Government / Land Owning Authority should be submitted with the proposal.

2.6 Proposals for Transfer of Surplus Salt Land to the govt. Departments by DPIIT {Department for Promotion of Industry and Internal Trade (erstwhile DIPP)}

Department of Industrial Policy and Promotion (DIPP) (now DPIIT) 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 309 & 310 of the GFRs under intimation to the MoHUA (erstwhile 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 CBIC may be forwarded to DGHRD for obtaining formal approval from DPIIT. After getting the formal approval from DPIIT a proposal in prescribed format with all supporting documents and annexures as prescribed in the Manual of Infrastructure and should be routed through the Zonal 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, alongwith 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 I & W wing of DGHRD. 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 DIB/PIB 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 23.10.09 (**Annexure-2.13**) regarding streamlining of procedure for submission of Infrastructure proposals to Infrastructure Division, DGHRD. 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 Jurisdictional 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 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 format alongwith checklist and requisite documents. Incomplete proposals are liable to be returned without taking any action thereon.

- 2.9 Proposals involving expenditure over Rs.100 crore and upto 500 crore should be accompanied by Delegated Investment Board (DIB) memorandum as per format prescribed in **Annexure-2.14**. Proposals involving expenditure beyond Rs. 500 crore, should be accompanied by Public Investment Board (PIB) memorandum as per format prescribed in **Annexure-2.14**.

Authority: Department of Expenditure, Ministry of Finance's O.M. F.No.24(35)PF-II/2012 dated 5/8/2016 revised vide F.No. 24(35)PF-II/2012 dated 03/04/2018 [**Annexure-1.4(a)**]

- 2.9.1 The financial limits of Administrative approval and Expenditure Sanction are amended as per OM dated 05.08.2016 [**Annexure 1.4 (a)**] and format for DIB/PIB should be as per **Annexure 2.14**.

The financial limits specified for DIB/PIB 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.

It is clarified that sanction orders are valid for the particular financial year in which they are issued. For projects where revalidations of Sanction Orders are required, the same should be sent to DGHRD immediately at the beginning of every Financial Year.

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 view 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 Expenditure under Proper Head of Account

The proper Budget Head 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.

S. No.	Rule No.	Applicable Rules	Other relevant provisions/instructions
1	28	GFRs, 2017	O.M. No.8(18)/EII(A)/2010 dated 25.06.10 {see Annexure-2.18(a) & (b)} }
2	309	GFRs, 2017	O.M. No.8 (18)/EII(A)/2010 dated 25.06.2010 {see Annexure- 2.18(a) &(b)} }
3	310 (1) to (5)	GFRs, 2017	Appendix- 07 to Rule 310(4) & 310 (5) {see Annexure- 2.18 (a) & (c)} }
4	Rule 13	DFPRs	S.No.8 of Annexure to Schedule V to Rule13 {see Annexure- 2.18 (d)} }

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

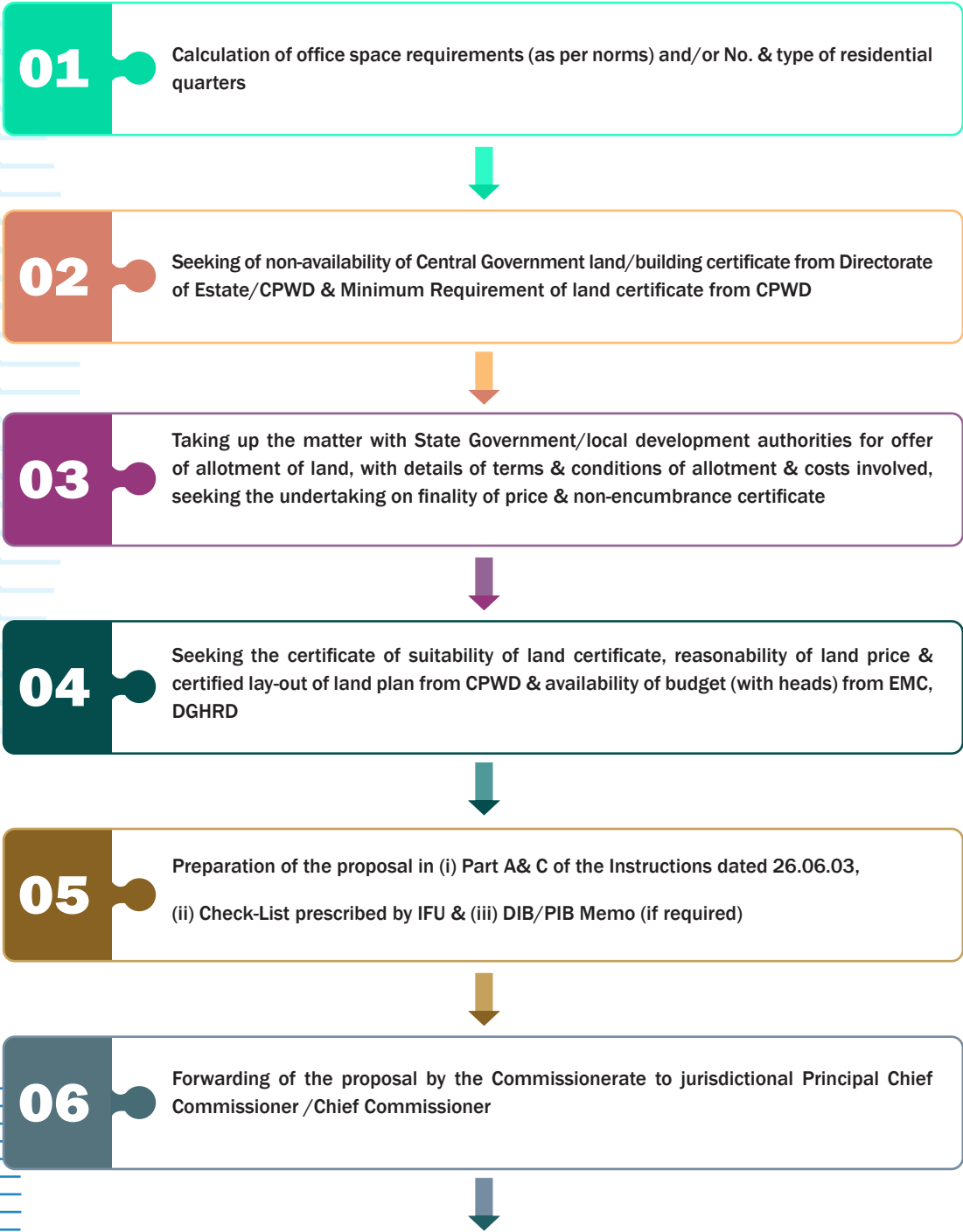
- (i) Instructions dated 18.05.07 on vetting of the Conveyance Deed by the branch Secretariat of the Ministry of Law before execution. (**Annexure-2.19**)
- (ii) Guidelines dated 10.05.2000 for purchase of land (and ready built office/residential accommodation) issued by CBIC. (**Annexure-2.20**)

2.15 Following points should also be kept in view while drafting the Proposal:

- a) If the land is offered on lease basis, its terms & conditions/lease tenure alongwith rate & amount of the lease premium payable should be incorporated in the offer letter/lease deed. Further, it may be ensured/confirmed that
 - (i) There is a clear mention of date from which Non-Construction Fee/Composition Fee/Enhancement Charges/Additional Lease Premium/Penalty etc., is/are applicable, if any.
 - (ii) As to whether such charges/fees are exempt or negotiable where Central Govt. is a party.
- b) Payment schedule should be mentioned clearly in the offer letter/agreement.
- c) If the funds are to be provided from CPWD grant, a commitment letter may be obtained from the CPWD.
- d) Where the funds are to be provided from the CBIC 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 relevant financial year.
- e) The proposal should be forwarded with all supporting documents and annexures as prescribed in this Manual and should be routed through the zonal Principal Chief Commissioner /Chief Commissioner with justification and specific recommendation.

2.16 Before making any payments to land owning authorities, the area of land actually available for transfer to Department may be ascertained by getting it measured by CPWD authorities. In case, the area is found to be less than what has been sanctioned, the payment should be made only for the area of land actually available for transfer to department.

FLOW CHART OF LAND PROPOSALS



07

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.



08

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



09

Proposal is examined and processed in the I & W wing of DGHRD. Deficiencies, if any noticed, to be communicated to the concerned office for clarification /rectification.



10

Proposal found complete in all respects is sent to the Ministry for administrative approval and expenditure sanction.



11

In case any observations are made by Ministry, the same are communicated to the concerned office for necessary clarification/rectification.



12

Further, where proposal is found complete and justified, the same is approved/sanctioned by the Competent Authority.



13

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

After issue of Sanction order, funds are released by EMC Wing of DGHRD to concerned field formation



CHAPTER-3

CONSTRUCTION OF OFFICE BUILDINGS & RESIDENTIAL QUARTERS

CHAPTER 3: CONSTRUCTION OF OFFICE BUILDINGS & RESIDENTIAL QUARTERS



3.1 The next step in the process of development of infrastructure after the purchase of land is the construction of office buildings 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/working strength respectively. The 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. should also be taken into account.
- (ii) While approving the drawings 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 Relevant Provisions of GFRs, 2017

The relevant provisions relating to "WORKS" are dealt with in Chapter-5 of GFRs, 2017. **(Annexure-3.1)**. These provisions may be referred to and strictly complied with at every stage of the construction project.

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
Other non-gazetted staff excluding erstwhile Group-'D'	3.5 sq.mtrs.*	Ministerial staff and equivalent including MTS but excluding erstwhile Group-'D' *as prescribed for Income Tax non-gazetted staff (excluding Inspectors)

- (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 31st 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:

Category of Building	Highest Rank Officer	Equivalent present rank
I	Superintendent (Range)	Superintendent (Range)
II	Assistant Collector	Deputy/Assistant Commissioner
III	Collector	Principal Chief Commissioner/Chief Commissioner Principal Commissioner Commissioner
IV	Multi-Collector Charges three or more Collectors	Multi-Commissioner Charges three or more Principal Chief Commissioner/Chief Commissioner/Principal Commissioner/Commissioner

(b) The space requirement for these categories of offices should be calculated as under:

S.No.	Special Components	Carpet Area (sq. mtrs.) for Category				Remarks
		I	II	III	IV	
1	Entrance Hall with Reception, Waiting etc.	33	66	88	110	
2	Public Relations Unit	-	22	44	44	
3	Conference Room	-	22	44	44	
4	Strong Room	-	22	33	33	
5	Record Room	*	*	*	*	*25% of the area for current records & 30% of the area for old record (for gazetted and non gazetted staff)
6	Telecommunication Centre					*Newly added
	a) Telephone Exchange	-	22	22	22	
	b) Wireless Control	-	55	66	66	
	c) Computer Room *	-	77	88	88	
7	Waiting lounge on each floor	11	11	22	33	
8	Stores for Forms & Stationery	11	16.5	22	44	Provision for built-in shelves may be made
9	Visiting Officer's Room	-	-	22	22	
10	In Service Training Room	-	-	22	44	
11	Guests Room *(includes dormitory)	-	66	110	110	*Newly added
12	Malkhana for confiscated goods	16.5	33	66	66	May be located separately outside the campus
13	Covered shed for confiscated vehicles*(outside city limits)	-	50	100	200	*New (10 sqm. per vehicle)
14	Sales Shop for confiscated goods	-	-	22	22 each	Only for Customs formations
15	Interrogation Cell	-	11	11	11	
16	Guard Room with dormitory facilities for 8 persons	-	22	22	22	

S.No.	Special Components	Carpet Area (sq. mtrs.) for Category				Remarks
		I	II	III	IV	
17	Library	-	11	22	44	
18	Rest Room for ladies	11	11	16.5	22	
19	Recreation Room	-	22	33	44	
20	Canteen	11	11	33	88	This provision to be coordinated with Director of Canteens. Space may be split up at convenient floor levels.
21	Cooperative Stores	-	11	22	22	
22	Bank/ATM & Post Office	-	-	-	-	Need based
23	Staff Association Room	-	-	16.50	33	
24	Garage for Head of Department - one car	-	-	10	10 x no. of cars of HODs	*New added
25	Garages for Departmental Vehicles	-	20	60	80	*New added
26	Internal Audit Party Room	11	11	22	33	
27	Bar Room	-	11	22	33	

*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) 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 CGST & 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:

(A)	Office space (sitting space) requirement as per norms	(A)
(B)	Add: Space for old & new records (30%+25%)	(B)=55% of (A)
(C)	Special components	(C)
(D)	Total requirement	(D)=(A) + (B) + (C)
(E)	Add: 15% for future expansion	(E)=15% of (D)
(F)	Less: 10% austerity cut	(F)= 10% of [(E)+(D)]
(G)	Net requirement	(G)=(D)+(E)-(F)

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.

Type	Metropolitan City (State Capital)	Other Places	
		Phase-I	Phase-II
I *	40%	20%	40%
II	50%	40%	50% (Aggregate)
III	60%	60%	-
IV & above	80%	80%	-T

*Since abolished and upgraded/merged with Type II

- (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) Construction of Type-I quarters has been abolished, and the same have been upgraded/merged with Type-II.

- (ii) 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:

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

*Since abolished and upgraded/merged with Type II

- (iii) HRA savings calculations are to be made according to the HRA admissible as per the 7th pay commission as notified by Central Government.
- (iv) 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.
- (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 as per their prevalent norms.
- (vi) **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 endeavour to ascertain the actual demand to avoid a situation where excess residential quarters are constructed and several of them remain unoccupied.

All the proposals for construction of residential quarters will be considered incomplete, if Annexures forwarded without enclosing information as per **Annexure 2.8** [mentioned under para 3.4(iv)] & **Annexure 2.9**. All the figures and willingness given in these two Annexures must correspond to each other.

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-

(Checklist and other information needs to be provided for all the 37 points alongwith supporting documents wherever applicable.)

S. No.	Subject	Remarks
1	Available area (Land in sq.mtrs.)	
2	Encumbrances if any (Enclose certificate from concerned District Local Authority)	
3	Date of Administrative Approval /Expenditure Sanction for the cost of the land (copy of Ministry's Sanction Order to be enclosed)	
4	Date of possession of the land	
5	Sanctioned strength at the station (category-wise as on date)	
6	Working strength at the station (category-wise as on date)	
7	Requirement of residential quarters worksheet as per the Table to be attached (Annexure-2.8)	
8	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)	
9	Deviation if any from the norms and reasons thereof	
10	Lease rent /Ground rent and other one-time (Non Recurring Recurring payment to local authority)	
11	Particulars of administrative approval of construction, if any (copy of Ministry's letter to be enclosed)	
12	Non construction fee and other charges payable for delay of construction	
13	Cost of construction (Preliminary estimates prepared by CPWD/other executing agency to be enclosed)	
14	Plan of building (drawings/layout plan of the building to be attached in duplicate)	
15	Date of completion as per estimate	
16	(a) Budget availability (if funds are being provided by CPWD)	
	(b) Phasing of expenditure year wise (To be confirmed from CPWD other executing agency)	
17	Ongoing works at the place/station	
18	Commitment of any other work by CPWD	

19	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 officers showing their willingness/hon willingness is to be enclosed - Annexure 2.9)	
20	Revenue collection (last five Financial Year wise).	
21	Anti-smuggling/Anti evasion formations-Value of seized goods, confiscated goods, sale proceeds etc. during last five years are to be provided.	
22	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))	
23	Reasons for gap, if any, between taking possession of land and initiation of the proposal for construction	
24	Reasonableness of the cost of the land already purchased may be confirmed	
25	Cost economics of hire vs construction may be worked out in detail.(As per Specimen, Annexure 3.4 (a) & (b))	
26	It may be confirmed whether economic cost analysis of building vs hire supports the proposal	
27	Total savings in the form of HRA from staff/officers once the proposed quarters are constructed. (As per Specimen, Annexure3.5)	
28	The date and the validity of the CPWD estimates	
29	Agency responsible for day to day/annual maintenance of the building after its construction	
30	Expenditure likely to be incurred on day to day annual maintenance of the building	
31	Information in DIB Memorandum (Cost of the project between Rs. 100 crores to Rs. 500 crores) or PIB Memorandum (Cost of project above Rs. 500 crores). (Format of DIB/PIB Memorandum as per Annexure 2.14). For details refer to Department of Expenditure O.M dated 05.08.2016 [Annexure 1.4(a), 1.4(b) & 1.4(c)]	
32	Whether the proposed office building is IT (Information Technology) friendly i.e. whether requirements for Consolidation project for Computerization have been accounted for and whether the Directorate of Systems has been consulted for any specific requirements	
33	Budget Head under which expenditure should be accounted (Major Head 4059- for construction of Office proposals, 4059- for Office cum residential proposals & Major Head 4216- for exclusive residential proposals.)	
34	Cost of construction per sq. ft. of super area/carpet area/plinth area/covered area.	
35	Permissible Floor Area Ratio (FAR)/Floor Space Index (FSI) available on the plot.	
36	Certificate from the appointed agency regarding the GRIHA norms.	

NOTE:Proposals without complete checklist and other supporting documents will not be processed (As many times only PE is sent by filed formations).

- (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.

(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 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. Reasons for delay in construction of the boundary wall in case of extraordinary lapse of time since the purchase and physical possession of the plot.
4. 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. However, if any delay is anticipated in sending the main construction proposal, proposal for construction of boundary wall can be forwarded to secure Govt. land from encroachment.

3.6.1 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 in conformity with the latest and updated guidelines and the basic principles like latest technology, adoption of best practices, aesthetic factors, senior-citizen/ differently-abled 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 Chief Commissioner:

All the proposals are to be submitted to Infrastructure & Welfare Wing of DGHRD only through the jurisdictional Chief Commissioner as per Annexure-2.13. If necessary, the Chief Commissioner's 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 Chief Commissioner's office shall ensure and certify that adequate and proper justification for the proposal exists. The 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

The financial limits of Administrative approval and Expenditure Sanction are amended as per OM dated 05.08.2016 (**Annexure 1.4**) as summarized below:

Project Appraisal		Project Approval	
Cost (Rs. Cr.)	Appraisal by	Cost (Rs. Cr.)	Approval by
Up to 100	The Financial Advisor	Up to 100	Secretary of the Administrative Department
>100 & upto 500	DIB Chaired by Secretary of the Admn. Dept.	>100 & up to 500	Minister-in-charge of the Administrative Department

Project Appraisal		Project Approval	
Cost (Rs. Cr.)	Appraisal by	Cost (Rs. Cr.)	Approval by
>500	PIB Chaired by the Expenditure Secretary, except departments /schemes projects for which special dispensation has been notified by the Competent Authority	>500 & up to 1000	Minister-in-charge of the Admn. Dept. and Finance Minister, except where special powers have been delegated by the Finance Ministry
		>1000	Cabinet/Committee of the Cabinet concerned with the subject.

The financial limits specified for DIB/PIB 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.

3.8.1 It is clarified that sanction orders are valid for the particular financial year in which they are issued. For projects where revalidations of Sanction Orders are required, the same should be sent to DGHRD immediately at the beginning of every Financial Year. The request for revalidation may be submitted in the following format:

Name of the Project	Amount released by DGHRD till last F.Y.	Expenditure booked in PFMS till the last F.Y.	Amount required for the Current F.Y.	Amount required for the next F.Y., if any

3.8.2 The progress of infrastructure projects is regularly monitored by CBIC. A monthly progress report for the sanctioned ongoing project is therefore required to be sent to I & W wing of DGHRD latest by 10th of every month by post/e-mail. Format of the monthly progress report is as per **Annexure 3.6**.

3.9 Common Deficiencies noticed in the Proposals

- Proposals are received without the checklist prescribed by IFU/Ministry.
- 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.
- 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.
- Certificate of non-encumbrance from the concerned authority is not enclosed.
- Worksheet depicting calculation for space requirement is not enclosed.
- Copy of Ministry's Sanction Order relating to a/a & e/s pertaining to the land on which construction is proposed is not enclosed.
- 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.

- (h) The correct Budget Head under which the expenditure has to be debited is not mentioned or is incorrectly mentioned.
- (i) 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.
- (j) 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.
- (k) Revenue collection for the last five years is not provided.
- (l) Ground plan/layout of the building proposed to be constructed is not enclosed.
- (m) Demand survey reports, duly signed by the eligible officers, are not provided.
- (n) 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 project is funded by CPWD, then confirmation letter from CPWD is not there.
- (c) Latest Non-Encumbrance certificate issued by the local authority 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 Other Important Points

- (I) The Ministry has emphasized upon the implementation of **Green Rating for Integrated Habitat Assessment (GRIHA)** as per letter D.O. No. 31/18/2008/UICA (ST) dated 27.1.2010 issued by the Ministry of New and Renewable Energy (communicated by MOF letter F.No. K-12017/9/2010-So/Coord. Dated 15 March 2010.). For further information about GRIHA kindly visit www.grihaindia.org.
- (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 barrier free to ensure proper accessibility to differently-able persons.”
- (III) Regarding **provision for Air Conditioners** in an office building the recommendation of the Laroya Committee, accepted by the Government with certain modifications, 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 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.

- (I) 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.
- (II) 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.
- (III) In case of any deviation from the norms in the proposal, a full justification needs to be provided.
- (IV) Items which are not applicable should be marked as Not Applicable.
- (V) Complete information should be provided against each item. Proposals which do not contain complete information as discussed earlier, will not be considered by the DGHDR and will be returned without any further action.

Points to Remember

1.

The office space should be calculated on the basis of sanctioned strength.

2.

Requirement of residential quarters should be determined on the basis of working strength.

3.

Cost Benefit Analysis should be done to justify the economic viability of the project.

4.

Project can be assigned to CPWD without an tender.

6.
Proposal should be forwarded with all supporting documents as per checklist.

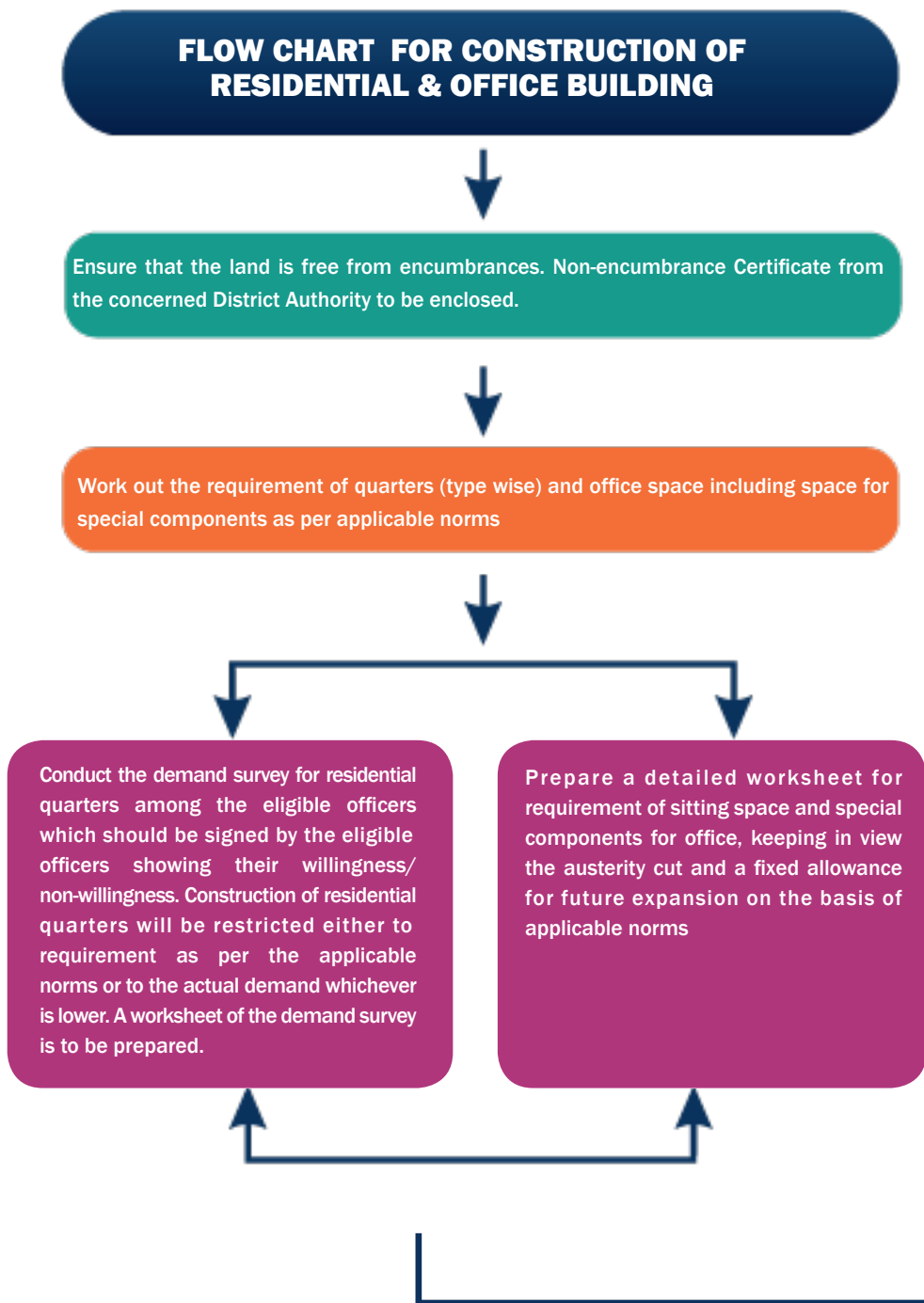
8.
The Preliminary Estimate (PE) should be based on the latest Plinth Area Rate (PAR) and PE should not be older than 2 years.
In case PE is older than 2 years a confirmation of its validity period should be obtained from CPWD .

7.
Phasing of expenditure to be specifically mentioned by the executing agency.

9.
All the proposals should be routed through jurisdictional Chief Commissioner/Director General.

5.
For awarding the project to any PSU, CPWD needs to be ruled out by recording the justification in writing.

3.12 The various steps involved in construction of Residential & office building are summarized in flow chart:



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 DGHRD. Deficiencies, 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

In case any observations are made by Ministry, the same are communicated to the concerned office for necessary clarification/rectification.
Further, where proposal is found complete and justified, the same is approved/sanctioned by the Competent Authority.

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

After issue of Sanction order, funds are released by EMC Wing of DGHRD to field formation

Sanctioned fund is released by EMC to the concerned HoD (Commissionerate)

On receipt of release order, the process for issuance of LoA to be initiated by concerned Commissionerate and PAO. [SoP for issuance of LoA - as per Annexure - 7.8]



CHAPTER-4

PURCHASE OF READY BUILT OFFICE AND RESIDENTIAL QUARTERS

CHAPTER 4: PURCHASE OF READY BUILT OFFICE AND RESIDENTIAL QUARTERS



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. Even if the proposals are expeditiously cleared and the construction progress smoothly, its completion takes not less than 2-3 years before the accommodation is actually available for occupation. Moreover, at some stations land available for construction is too scares 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 may be kept in view:

- (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 other stake holders.
- (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 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.
- (v) The proposed building should preferably be installed with Roof-Top Solar Panels & LED lights or should be suitable for installation of Roof-Top Solar Panels & LED lights.

- (vi) Based on topography, building should have Rain water Harvesting facility and also it should fall within the category of Green Building/Offices.

4.3 Guidelines have been framed for such purchase which is 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 03.10.1980 by the Directorate of Estate. **(Annexure-2.1)** Copies of the correspondences made with the CPWD/MoHUA may be forwarded simultaneously to DGHRD alongwith space calculation sheet as per the prescribed norms as per Chapter 2 of Manual with a draft certificate duly filled in (Annexure-2.2) for getting the “Eligibility Certificate” from the J.S. (Admn.).

(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 prescribed norms (refer to relevant paras of Chapter 2 & 3 of this Manual).

Note: Detailed sheet showing space entitlement for officers & essential components in respect of office building and requirement of residential quarters with Demand survey in respect of residential accommodation should be sent along with proposal.

- (ii) The construction quality should confirm to specifications prescribed by the CPWD. The construction should be certified by the CPWD/other Government agencies or PSUs having specialization in the area.
- (iii) The design should be subjected to a detailed check by competent engineers/architects/ professionals. (Supporting documents should also be provided along with proposal)
- (iv) As far 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, valuation certificate and reasonableness of cost certificate 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 options viz. construction of the Department's own building, hiring of space from the market and purchase of ready-built buildings should be done to justify 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 light of its feasibility (Value-wise and location wise) and submitted to the DGHRD through the Jurisdictional Chief Commissioner with specific justification and recommendation with specific offer letter from the concerned owner.

(D) Purchase Of Ready Built Accommodation From Private Builders

- (i) Requirement of office/residential accommodation may be projected on the basis of prescribed norms as mentioned in Chapter 2 & 3 of this Manual.
- (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 MoHUA 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 MoHUA 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 to the jurisdictional Chief Commissioner/Director General 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 Commissioner (Coord.), CBIC, FA (Fin), the concerned Commissioner (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. 100 Crores, appraisal of the proposal by the Delegated Investment Board (DIB) would be required and if the proposal is more than Rs. 500 Crores, appraisal of the proposal by the Public Investment Board (PIB) would be required (refer Chapter 1 and 9 for details on DIB/PIB).
- (xi) An agreement 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 building has been constructed or 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, valuation certificate and reasonableness of cost certificate from competent engineers e.g. from the CPWD/Valuation Cell of I.T. Department etc.

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

4.5 Apart from the Guidelines mentioned Here-In-Above, Following Points may also be kept in view while drafting the Proposal:

- i. 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 the building and not at the time of agreement.
- vi. The Fund Requirements should be projected well in advance so that necessary provision for funds can be sought in the Detailed Demands of Grants (DDG).
- vii. The proposal should be forwarded with all supporting documents (including draft PIB or DIB memorandum as the case may be) & annexures as prescribed in this Manual and should be routed through the Chief Commissioner with justification & specific recommendations.
- viii. Copy of the offer letter alongwith approved layout, building plans and other relevant documents including correspondences made with seller/builder etc. should be provided;
- ix. Existing space available at present premises should be provided;
- x. Specific details in respect of office space & Residential Complex regarding super built-up area/built-up area/carpet area and details of attached/covered car parking slots, if any should be provided;

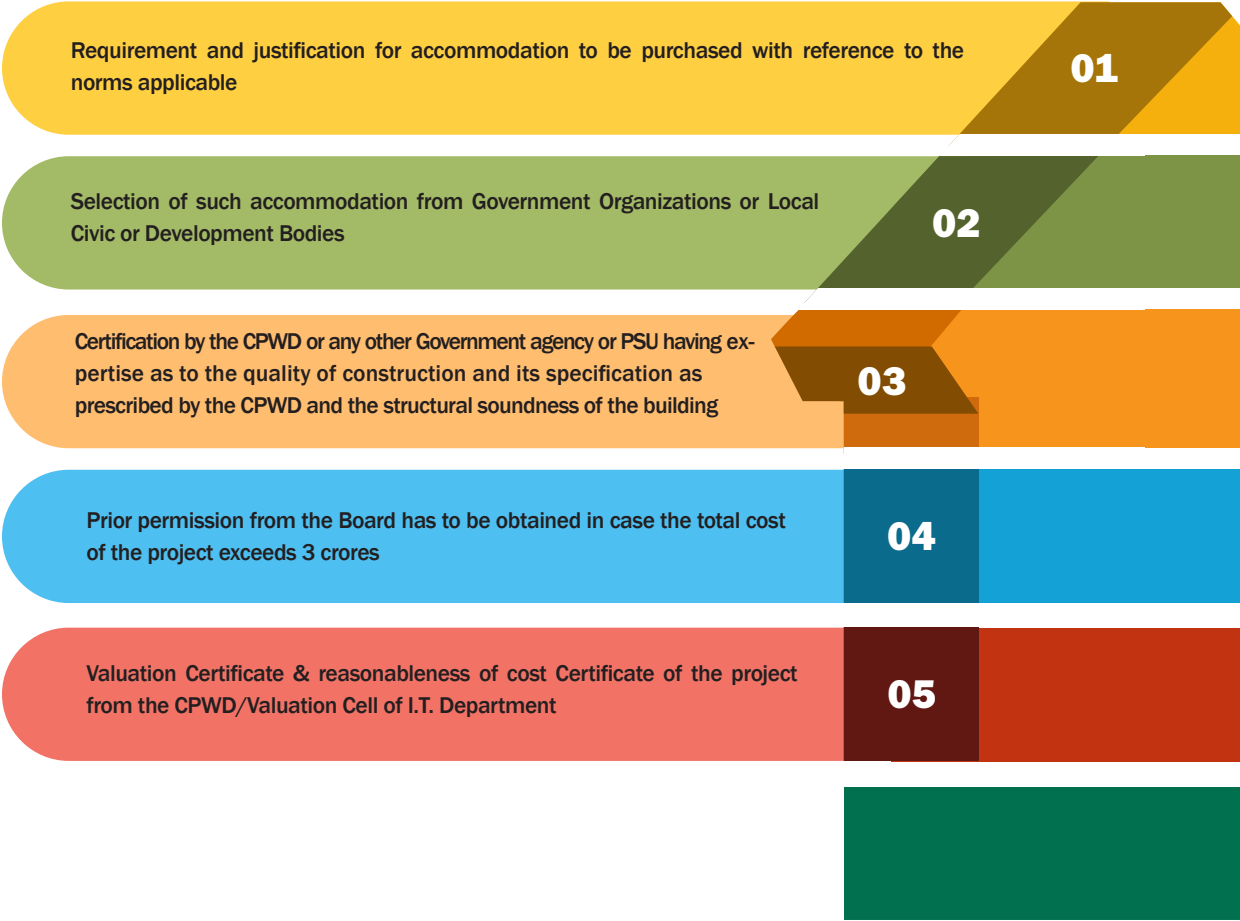
- xi. While quoting the final Cost, cost break-up should inter-alia be mentioned-
 - a. Non-recurring - Construction cost, stamp duty, registration charges, documentation charges, furnishing cost, interior furnishing cost, etc.
 - b. Recurring – Maintenance/Miscellaneous charges, etc.

(Note: Norms for maintenance charges as laid down by CPWD should be followed for outright purchase of building/quarters. Breakup of recurring charges should also be provided.)

- xii. Cost benefit analysis of the project should be provided to justify the proposal.
- xiii. Comparison of similar properties in area should be provided.
- xiv. Payment schedule of the property should be given. It may also be indicated whether the proposed payment is in accordance with the General Financial Rules.
- xv. Certificate confirming that the area of the flats proposed to be purchased is in accordance with CPWD space norms and all furnishings/electric fixtures etc. are as per CPWD norms should be provided.
- xvi. It may be ensured that the cost of proposal includes cost of all basic amenities like water & electricity connections, air-conditioning, generator, parking space, lifts etc.



FLOW CHART FOR PURCHASE OF READY-BUILT OFFICE/RESIDENTIAL ACCOMMODATION



06

Submission of a self-contained proposal alongwith the duly-completed check-list and all relevant certificates/documents/letters from the originating field formation to the jurisdictional Chief Commissioner

07

Submission of the proposal by the jurisdictional Chief Commissioner to the I&W Wing of DGHRD with justification and specific recommendations for the project

08

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

09

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

10

Provision for expenditure to be incurred on the purchase of the ready-built accommodation by I&W Wing/EMC of DGHRD

11

Ministry's A/A & E/S is conveyed directly to the concerned field formation and funds are released by EMC, DGHRD



CHAPTER-5

HIRING OF ACCOMMODATION ON LEASE/RENTAL BASIS

CHAPTER 5: HIRING OF ACCOMMODATION ON LEASE/RENTAL BASIS



5.1 Competency to Hire

5.1.1 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 CBIC can hire new office accommodation under Rule 13(2) of DFPR, 1978 upto the revised financial limit of Rs. 7 lakh per month in case of 'X' Class Cities, Rs. 5 lakh per month in case of 'Y' Class Cities and Rs. 3 lakh per month in case of other cities as per O.M. issued by IFU, Ministry of Finance vide F.No.14/04/2021-IFU(B&A) DT-01 dated 28.09.2021 (**Annexure-5.9(c)**). The hiring is subject to Non-Availability Certificate from Directorate of Estates and/or CPWD, Fair Rent Certificate from CPWD, observance of GFR, 2017, admissibility of space norms as prescribed and relevant instructions issued from time to time. The hiring should be recommended by a Hiring Committee duly constituted by the HoD.

5.1.2 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.

5.1.3 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.

5.1.4 The classification of cities under X, Y and Z Categories would be as per D/o Expenditure's OM No. 2/5/2014-E.II(B) dated 21.07.2015 (**Annexure-5.3(a)**). 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 from time to time. This includes cases where RFC 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 Para14 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 (**Annexure-5.6(b)**). Minimum 21 days' time should be given for submission of bids from the date of advertisement as per GFRs, 2017. The procedure for tendering as per GFRs, 2017 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-6 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.

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 CBIC 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://www.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 SOP No. 8/5 of Standard Operating Procedures for CPWD Works Manual, 2019. The assessment of reasonable rent is done by CPWD's Hiring Committee which is headed by the Superintending Engineer, with the local Assistant Estate Manager of the Directorate of Estate and an EE (Civil) co-opted by the Superintending Engineer as members, and certificate of reasonable rent (RRC) (Also Called as Fair Rent Certificate - FRC) is accordingly issued by the Superintending Engineer. The reasonable rent shall be relevant to a date as specified by the Hiring Department. The Department in the first instance, applies for a no objection certificate (NOC) from the Directorate of Estate. On receipt of NOC, the department applies for fair rent certificate to the Executive Engineer (License Fee) of concerned CPWD. The rent assessed by the CPWD's Hiring Committee would be according to two alternate methods:

- (i) Recognized principles of valuation or,
- (ii) Prevailing market rent.

(b) Rent Reasonability

The assessment of reasonable rent is done by CPWD as per the procedure given in Annexure 61 of Standard Operating Procedures for CPWD Works Manual, 2019 (**Annexure 5.7**). The reasonable rent is intimated to the department by way of model format as per Annexure 62A & 62B of Standard Operating Procedures for CPWD Works Manual, 2019 (**Annexure 5.7(a) (i) & (ii)**). Rent is inclusive of Municipal Taxes but element of Municipal Taxes is 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.

(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 para 8.15 of CPWD Works Manual, 2019 & SOP No. 8/5 of Standard Operating Procedures for CPWD Works Manual, 2019**).

(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 Commissioners/Chief Commissioners Director Generals under CBIC 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 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 CBIC 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

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

Total available office space of CBIC at station		Total space required as per sanctioned staff strength	Shortage of space	Space proposed to be hired (unit sq. mtr.)
Owned	Hired			

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.

- (iv) 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 alongwith 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 (Built-up & 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 (As per Standard Operating Procedures for CPWD Works Manual, 2019)
 - Whether rate of rent has been specified in the certificate
 - Whether Built-up and Carpet 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 alongwith 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~~ alongwith 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**) alongwith 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 MoHUA earlier 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 GST on Rentals**

The Renting of immovable property is defined as supply of service in Schedule-II of CGST Act, 2017. Further these services are not included in the exemption Notification No. 12/2017-Central Tax (Rate) dated 28.06.2017, as amended from time to time. Therefore GST is applicable on Renting of immovable property services. As per the CGST Act, 2017 read with CGST Rules, 2017, the Renting of immovable property services attracts GST, as applicable. 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 (i.e. Main Check-List as per Annexure 5.4(a) and Part 'A' & Part 'D' as per Annexure 2.11) are often not submitted by the field formations alongwith 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 alongwith 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. With regards to the transaction between Government to Government, Government to PSU or PSU to PSU, the condition of submitting SLA is dispensed with in terms of para 2 of O.M. F.No.16011/1/2011-Pol.III dated 18.02.2016 (**Annexure 5.8(f)**).
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 CBIC:** In some cases, statement of all immovable assets of the **CBIC** at that station (both owned and hired) is not provided against the relevant entry of the checklist (refer **Annexure-5.4(a)**). The proposal should invariably be submitted with a statement of all immovable assets (land & building) of the **CBIC**, 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 on the basis of working staff strength:** Most often, space requirements are not calculated as per the prescribed norms. So work-sheet showing the actual space entitlement on the basis of working staff strength and 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.

In this regard, following norms may be referred for calculating sitting space:

S. No.	Designation as per O.M. dated 20.12.1965	Present Designation	Carpet Area
1	Collector & Deputy Collector	Pr. Chief Commissioner/Chief Commissioner/Pr. Commissioner/Commissioner/Addl. Commissioner/Joint Commissioner and equivalent	23 Sq. Mtrs.
2	Assistant Collector	Deputy Commissioner/Assistant Commissioner and equivalent	18 Sq. Mtrs.
3	Deputy Superintendent (Executive)	Superintendent and equivalent	14.5 Sq. Mtrs.
4	Preventive Inspector Preventive Officer Asstt. Preventive Inspector/ Appraiser Examiner	Inspector/Preventive Officer/Examiner and equivalent	11 Sq. Mtrs.
5	Non-gazetted staff (excluding Inspectors)	Other Ministerial Staff such as LDC, MTS, Tax Assistant, Executive Assistant, Steno-I&II, etc. except Havaldar/Head Havaldar/Driver.	3.5 Sq. Mtrs.

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

Category of Building	Highest Rank Officer	Equivalent Present Rank
I	Superintendent (Range)	Superintendent (Range)
II	Assistant Collector	Deputy/Assistant Commissioner
III	Collector	Pr. Chief Commissioner/Chief Commissioner/Pr. Commissioner/Commissioner/Addl. Commissioner/Joint Commissioner and equivalent
IV	Multi-Collector Charges i.e. three or more Collectors	Multi-Commissioner Charges i.e. three or more Pr. Chief Commissioner/Chief Commissioner/Pr. Commissioner/Commissioner/Addl. Commissioner/Joint Commissioner and equivalent

The space requirement for special components for these categories of offices should be calculated as under:

S. No.	Special Components	Carpet Area (in Sq. Mtrs.) for Category				Remarks
		I	II	III	IV	
1	Entrance Hall with Reception, Waiting, etc.	33	66	88	110	
2	Conference Room		22	44	44	
3	Strong Room			33	33	

S. No.	Special Components	Carpet Area (in Sq. Mtrs.) for Category				Remarks
		I	II	III	IV	
4	Record Room	15-30% of Sitting Space				
5	Telecommunication Centre					
5(a)	Telephone Exchange			22	22	
5(b)	Wireless Control		55	66	66	Only for Commissionerates/ Directorates
5(c)	Computer Room		77	88	88	
6	Waiting Lounge	11	11	22	33	
7	Store for Forms & Stationery	11	16.5	22	44	
8	Visiting Officer's Room			22	22	
9	Guests Room (include Dormitory)			110	110	
10	Malkhana for Confiscated Goods			66	66	Only for Customs/In-vestigating Directorates
11	Covered Shed for Confiscated Vehicles			100	200	
12	Interrogation Cell		11	11	11	
13	Guard Room with Dormitory Facilities		22	22	22	
14	Library			22	44	
15	Rest Room for ladies	11	11	16.5	22	
16	Canteen			33	88	
17	Garage for vehicle of Head of Department			10	10 each	
18	Garage for Departmental Vehicles		20	60	80	
NOTE: The space for special components, as detailed above, can only be taken only once while calculating the total space requirements.						

Finally, the net calculation of space requirements for hiring office accommodation can be done as under:

A	Sitting Area	A
B	Add: Special Components (including space for Record Room)	B
C	Total	A+B=C
D	Add: 15% of C for future expansion	D
E	Total	C+D=E
F	Less: Austerity Cut (10% of E)	F
G	Total	E-F=G
H	Less: 2nd Austerity Cut (30% of G for erstwhile A1/ A cities and 20% of G for other cities)	H
I	Net Space Requirements	G-H=I

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 alongwith 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 Estates:** 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**).



PARTNERSHIP AGREEMENT

STO Group

PARTIES
1. Party A (Client)
Business registration number: 123456789
Tax no.
Registration
Office address
Phone number
Email



CHAPTER-6

RE-ASSESSMENT OF REASONABLE RENT OF PRIVATE BUILDINGS HIRED BY THE CENTRAL GOVERNMENT

CHAPTER 6: RE-ASSESSMENT OF REASONABLE RENT OF PRIVATE BUILDINGS HIRED BY THE CENTRAL GOVERNMENT



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 CBIC'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. CBIC 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 CBIC'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 CBIC'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, CBIC, IFU, Budget Division, CVC and DGS&D etc.
- (ii) The Heads of Department (HODs) under the control of CBIC can hire/revise the rent of office accommodation under Rule 13(2) of DFPR, 1978 upto the revised financial limit of Rs. 7 lakh per month in case of 'X' Class Cities, Rs. 5 lakh per month in case of 'Y' Class Cities and Rs. 3 lakh per month in case of other cities as per O.M. F.No.14/04/2021-IFU(B&A) DT-01 dated 28.09.2021 (**Annexure-5.9(c)**) issued by Integrated Finance Unit (IFU) of the Ministry of Finance 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 classification of cities under X, Y and Z Categories would be as per D/o Expenditure's OM No. 2/5/2014-E.II(B) dated 21.07.2015 (**Annexure-5.3(a)**). 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 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:

Total available office space of CBIC at station		Total space required as per sanctioned staff strength	Shortage of space	Space proposed to be hired (unit sq.mtr.)
Owned	Hired			

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-

- (1) 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.

- (2) 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

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:

- (i) Recognized principles of valuation, or
- (ii) 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-
 - (1) Recognized Principles of Valuation or
 - (2) Prevailing Market Rent and Rent Reasonableness Certificate (RRC) shall be issued strictly as per modified model formats attached as Annexure 62A & 62B of Standard Operating Procedures for CPWD Works Manual, 2019 (**Annexure 5.7(a)(i) & (ii)**).

- (3) The Hiring Committee of CPWD is headed by the Superintending Engineer, with the local Assistant Estate Manager of the Directorate of Estate and an EE (Civil) co-opted by the Superintending Engineer as members.
- (4) 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.

- (a) (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.
- (b) 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 alongwith the written acceptance of negotiated rent by the landlord (s) may then be forwarded for the consideration of the Competent Authority for rent revision.
- (c) 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 DGHDR 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/CBIC

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.





CHAPTER-7

REPAIR, MAINTENANCE AND DIESEL GENERATOR SETS

CHAPTER 7: REPAIR, MAINTENANCE AND DIESEL GENERATOR SETS



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 from field formations under CBIC also receives proposals (beyond powers delegated to HoDs) for repair and maintenance work of existing departmental buildings.

7.1 Definitions

7.1.1 Classification of Works (Ref: Gfrs, 2017)

The **General Financial Rules, 2017** define the 'Original Works', Minor Works & Repair Works:

Rule 130:

- 1) **'Original Works'** means all new constructions, site preparation, additions and alterations to existing works, special repairs to newly purchased or previously abandoned buildings or structures, including remodelling or replacement.
- 2) **'Minor Works'** means works which add capital value to existing assets but do not create new assets.
- 3) **'Repair Works'** means work undertaken to maintain building and fixtures. Works will also include services or goods incidental or consequential to the original or repair works.

7.1.2 Administrative Control of Works:

Rule 131: Administrative Control of Works includes:

- 1) Assumption of full responsibility for construction, maintenance and upkeep;
- 2) Proper utilization of buildings and allied works;
- 3) Provision of funds for execution of these functions.

7.1.3 Powers to Sanction Works

Rule 132: 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, and other orders contained in the respective departmental regulations.

Rule 133(1): A Ministry or Department at its discretion may directly execute repair works estimated to cost up to Rupees Thirty Lakhs after following due procedure indicated in Rules 139, 159 and 160 of GFRs, 2017.

Rule 133(2): A Ministry or Department may, at its discretion, assign repair works estimated to cost above Rupees thirty lakhs and original/minor works of any value to any Public Works Organization (PWO) such as CPWD, State Public works Department, other Central Government organizations authorized to carry out civil or electrical works such as Military Engineering Services (MES), Border Roads Organization (BRO), etc. or Ministry/Department's construction wings of Ministries of Railways, Defence, Environment and Forest, Information and Broadcasting and Departments of Post and Space, etc.

Rule 133(3): As an alternative to 133(2), a Ministry or Department may award repair works estimated to cost above Rupees thirty Lakhs and original works of any value to:

- i) any Public Sector Undertaking set up by the Central or State Government to carry out civil or electrical works, or
- ii) to any other Central/ State Government organisation /PSU which may be notified by the Ministry of Urban Development (MoUD) for such purpose after evaluating their financial strength and technical competence.

For the award of work under this sub-rule, the Ministry/ Department shall ensure competition among such PSUs/ Organisations. This competition shall be essentially on the lump sum service charges to be claimed for execution of work.

In exceptional cases, for award of work under (i) and (ii) above, on nomination basis, the conditions contained in Rule 194 would apply. The work under these circumstances shall also be awarded only on the basis of lump sum service charge.

Rule 194: Single Source Selection/Consultancy by nomination: The selection by direct negotiation/nomination, on the lines of Single Tender mode of procurement of goods, is considered appropriate only under exceptional circumstance such as:

- 1) tasks that represent a natural continuation of previous work carried out by the firm;
- 2) in case of an emergency situation, situations arising after natural disasters, situations where timely completion of the assignment is of utmost importance; and
- 3) situations where execution of the assignment may involve use of proprietary techniques or only one consultant has requisite expertise.
- 4) Under some special circumstances, it may become necessary to select a particular consultant where adequate justification is available for such single-source selection in the context of the overall interest of the Ministry or Department. Full justification for single source selection should be recorded in the file and approval of the competent authority obtained before resorting to such single-source selection.
- 5) It shall ensure fairness and equity, and shall have a procedure in place to ensure that the prices are reasonable and consistent with market rates for tasks of a similar nature; and the required consultancy services are not split into smaller sized procurement

7.2 '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 in consultation with CPWD, the classification of the works for repair & maintenance as clarified under the O.M. F.No. 18/2007/IFU-III dated 10.10.2007 (**Annexure-2.17**). The various budget heads are as under:

Grant/Demand No. 33 Indirect Taxes:

Item of expenditure	Major Head
Repairs/maintenance of Departmental Office Buildings of Customs.	2037
Repairs/maintenance of Departmental Office Buildings of Central Tax.	2042
Repairs/maintenance of Departmental Residential Buildings of Customs and Central Tax.	2216

Grant/Demand No. 35 Indirect Taxes:

Item of expenditure	Major Head
Special repair works of Departmental Office Buildings of Customs and Central Tax.	4059
Special repair works of Departmental Residential Buildings of Customs and Central Tax.	4216

The proposals involving financial implications within the delegated financial powers of HoD, viz: Rs 30 lakhs (Rs. 15 lakhs for purchase of new DG Set) in a particular financial year should be submitted to DGHRD only when financial powers delegated to HoD are exhausted. In case of insufficiency of funds, the same may be sought from Expenditure Management Cell of DGHRD.

In case of proposals where the a/a and e/s has been granted by the HoD/Commissioner under the financial powers delegated to them, the revalidation of such proposals should be accorded by the HoD/Commissioner. The sanction order can only be revalidated by the competent authority who sanctioned it initially.

7.3 Delegation of Financial Powers to the Heads of the Department

7.3.1 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 (GFRs-2017, Rule -22). The financial powers of the Government have been delegated to various subordinate authorities vide Delegation of Financial Powers Rules as amended from time to time (GFRs-2017, Rule -23).

7.3.2 The HODs of CBIC have been delegated the financial powers under Office Memorandum F.No 15/6/2008-IFU-III dated 15.09.2011 (**Annexure 7.1**) and dated 01.11.12 (**Annexure 7.2**) for repair and maintenance. Further, clarification has been issued by DGHRD vide F.No. 919/07/R&M/DFR/HOD/HRD/2013 dated 15.04.13 (**Annexure 7.3**). The powers of HoDs for repair and maintenance are summarized as under:

S.No.	Item of Expenditure Subject (Nature of Work)	Item of expenditure	Major Head
1	Repairs/maintenance of Departmental Office Buildings of Customs. (Minor Works)	2037	HOD(Commissioner) up to Rs. 30 lakhs per annum
2	Repairs/maintenance of Departmental Office Building of Central Tax. (Minor Works)	2042	HOD(Commissioner) up to Rs. 30 lakhs per annum
3	Repairs/maintenance of Departmental Residential Building of Customs and Central Tax (Minor Works)	2216	HOD(Commissioner) up to Rs. 30 lakhs per annum (within the overall ceiling of Rs. 30 lakh limit of delegated financial powers)

S.No.	Item of Expenditure Subject (Nature of Work)	Item of expenditure	Major Head
4	Replacement of Lifts etc. Upgradation of Departmental Office Buildings of Customs and Central Tax (Special Repair Work).	4059	Financial powers are not delegated to HOD. All proposals may be sent for approval of IFU Ministry.
5	Replacement of Lifts etc./ Upgradation of Departmental Residential Buildings of Customs and Central Tax (Special Repair Work).	4216	Financial powers are not delegated to HOD. All proposals may be sent for approval of IFU Ministry.
6	Original Works* (through CPWD) on Departmental land and building (Only in case where funds are provided by CPWD/MoUD).	4059 /4216	HOD (Commissioner) up to Rs. 10 lakh in each case.
7	Original Works* (through CPWD) on Departmental land and building (Only in case where funds are provided by CPWD/MoUD but for Office Accommodation only).	4059	Chief Commissioner up to Rs. 1 Cr in each case.
8	Purchase of DG Set	4059	Rs. 15 lakh 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.

* Original works as defined in GFRs, 2017 (Pl. see para 7.1.1)

7.3.3 Proposals exceeding the delegated powers:

- (1) 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.
- (2) The field formations under CBIC 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.

7.4 E-Procurement (Rule 160 of GFRs, 2017):

- 1) It is mandatory for Ministries/Departments to receive all bids through e-procurement portals in respect of all procurements.
- 2) Ministries/Departments which do not have a large volume of procurement or carry out procurements required only for day-to-day running of offices and also have not initiated e-procurement through any other solution provided so far may use e-procurement through any other solution provided so far may use e-procurement solution developed by NIC. Other Ministries/Departments may either use e-procurement solution developed by NIC or engage any other service provider following due process.

- 3) These instructions will not apply to procurements made by Ministries/Departments through DGS&D rate contracts.
- 4) In individual case where national security and strategic considerations demands confidentiality, Ministries/Departments may exempt such cases from e-procurement after seeking approval of concerned Secretary and with concurrence of Financial Advisers.
- 5) In case of tender floated by Indian Missions Abroad, Competent Authority to decide the tender may exempt such case from e-procurement.

7.5 Estimate of Works and Timely Submission of Proposals

7.7.1 Estimate of Works

The CBIC'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.

7.7.2 Timely Submission of Proposals

It should be ensured that the fresh proposals for Repair & Maintenance are forwarded to DGHRD within the first quarter of the financial year so that the provisioning of funds may be done accordingly and the proposal may get sanctioned, the work gets completed within the same Financial year itself and surrender of funds is avoided.

The proposals for revalidation of Sanction Orders issued during the previous financial years may be sent to DGHRD within first month of every financial year along with proforma as per Annexure 7.4 to ensure timely sanction and utilization of funds so as to avoid any possibility of surrender of funds released for the proposal. Certificate of Utilization of funds should also be enclosed with revalidation proposals.

7.6 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.

7.7 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-7.5**) 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 7.6) 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.

7.8 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 CBIC.

S. No.	Subject	Remarks
1.	(a) Date of acquisition or completion of construction of the building (b) Whether the building is Owned/Allotted/Hired/Other (Pl. specify). (c) Total cost of acquisition or construction of the building.	
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 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 (Type wise). (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. (e) What will be the demand of quarters after the same get repaired (Type wise (Demand survey as per Annexure 2.8 & 2.9 to be submitted)). (f) While forwarding the proposals of repair and maintenance, the photographs highlighting the area/place where the repair work is required may be enclosed (wherever feasible).	

S. No.	Subject	Remarks
4.	Whether the repair and maintenance estimates are of regular nature (MH 2037/2042/2216) or works of special repair nature (MH 4059/4216 or both) In case of work of regular/annual maintenance, the following information may be furnished (a) Whether post facto approval is required or the work is yet to be done. (b) If the proposal is for post facto approval of work it may be clarified whether the work has been completed as per satisfaction of the Department. (c) Year for which the work was done/is to be done.	
5.	Whether the funds (viz. Rs. 30 lakhs) allocated to the HoD under MH 2037/2042/2216 for utilization under the delegated financial powers of HOD have been fully utilized before referring the proposal to DGHRD for seeking IFU/Ministry approval. If yes, details thereof may be provided.	
6.	(a) If the Preliminary Estimates are of annual repair and maintenance then the previous three financial years' 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 all such special repair and maintenance work undertaken may be indicated including Sanction Order/amount & nature of work. (c) Details of other special repair and maintenance works undertaken after taking possession of the building, on completion of construction or after purchase, may be indicated including Sanction Order/amount & nature of work.	
7.	(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 GFRs provisions have been followed in its engagement and the certification as required in item 7(a) above has been provided.	
8.	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 & details thereof.	
9.	The Object Heads, Major Heads etc. from which the expenditure will be booked (to be confirmed from CPWD: Whether the expenditure shall be covered under Capital Section or under Revenue Section) In case of proposals pertaining to Customs formations, please mention whether the funds are required under Preventive function or Revenue function	
10.	Preliminary Estimates (a) Date of the Preliminary Estimates. (b) Total amount involved. (c) Validity of PE. (To be confirmed from CPWD.)	
11.	(a) Time to be taken by the repair and maintenance agency for completion of the work for which the estimates have been sent. (b) Financial year wise phasing of funds:	

S. No.	Subject	Remarks
12.	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.	
13.	All annual repair and maintenance proposals are to be submitted in the first quarter of the financial year. If submitted late, the reasons thereof.	
14.	Whether the proposal has been routed through the Chief Commissioner's office of concerned zone/DG concerned.	

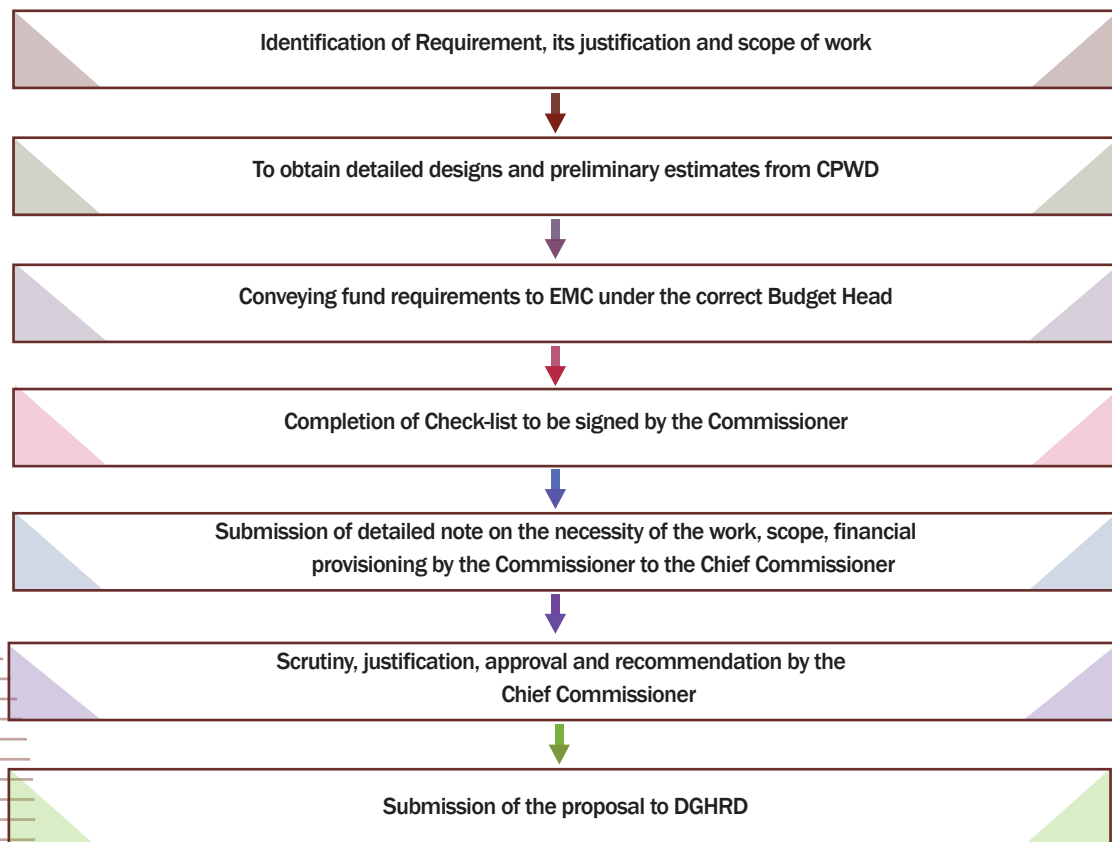
7.9 Common Shortcomings in the Proposals Received from Field Formations

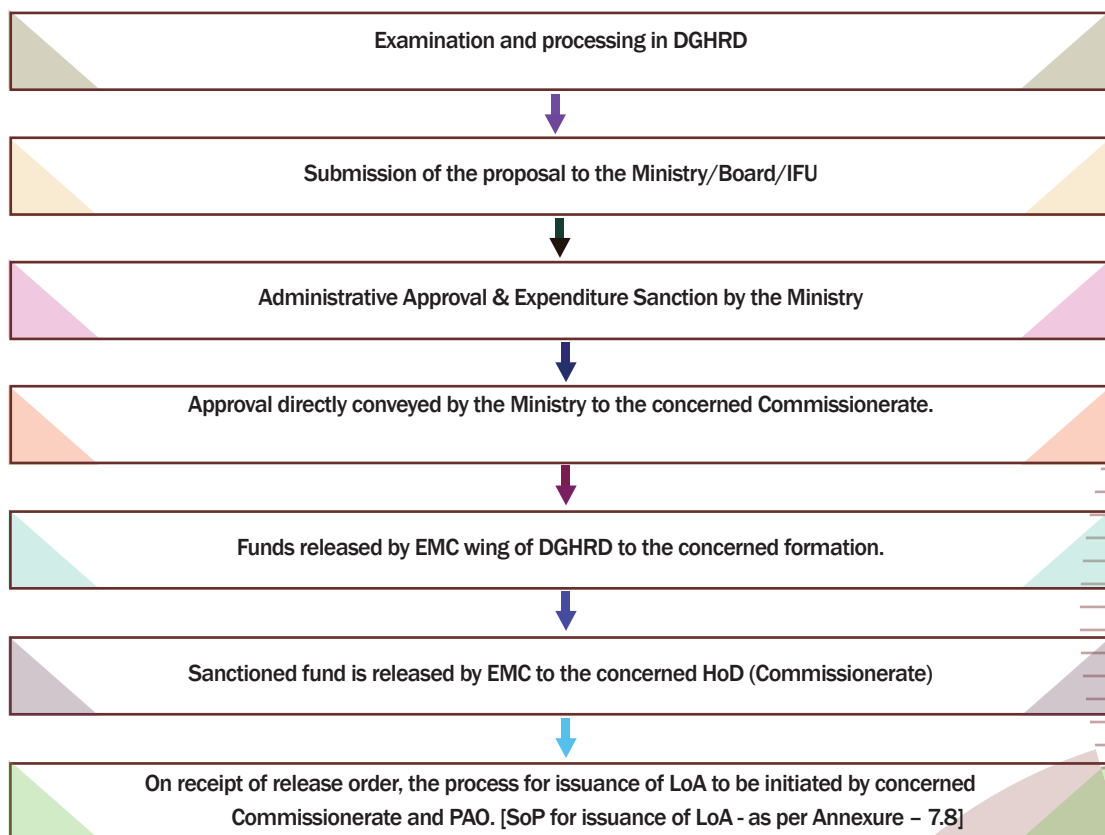
A list of most common discrepancies noticed in submission of the proposals for repair & maintenance has been prepared as detailed in **Annexure-7.7**. The same may be carefully examined and such shortcomings should be avoided to ensure smooth and early approval.

7.10 Flow Chart for Repair & Maintenance proposals

7.10.1 A step by step action plan and requirements for submission of proposals for repair and maintenance works is summarized as under:

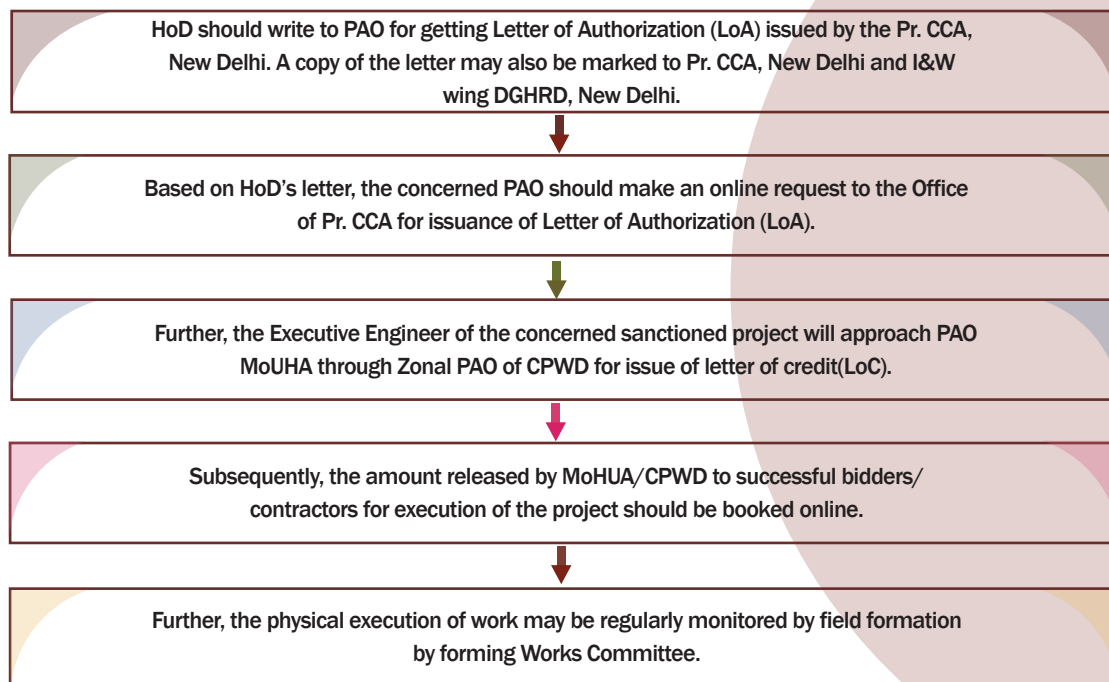
FLOW CHART FOR REPAIR & MAINTENANCE





7.10.2 The process of flow of funds sanctioned for repair and maintenance works is summarized as under:

Steps to be taken by field formations after grant of A/a & E/s:



For additional details **Annexure-7.8** may also be referred.

7.10.3 After the proposal gets sanctioned by the Competent Authority, a monthly progress report, in the format prescribed at **Annexure 7.9** should be forwarded to DGHRD for proper monitoring of execution of the project and utilization of funds, till the completion of project.

Note: The expenditure would be booked in the books of accounts only when the funds get transferred to the contractor by the executing agency.

DIESEL GENERATOR SETS

7.11 Power of Head of Departments in respect of Purchase of DG Sets

Each HOD under the CBIC 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 has been delegated to the HODs up to a financial limit of Rs. 15 lakhs per annum per building as clarified under OM No. 15/06/2008-IFU.III dated 15.09.2011(**Annexure-7.1**). The delegation is subject to the following conditions:

- (1) Only essential load will be taken into account while arriving at the required capacity of the DG set for any particular office.
- (2) The purchase, installation and maintenance of the DG sets will be done by following the provisions of GFRs, 2017.

7.12 Furnishing of Proposals

- (1) 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.
- (2) It is imperative that a complete proposal be sent 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:
 - (a) Preliminary cost estimates of each DG Set at each site/station prepared by the CPWD.
 - (b) Computation of essential load requirement for each DG Set at each site/station as estimated by the CPWD.
 - (c) 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.

7.13 Procedure for Provisioning, Installation and Maintenance of DG Sets

Guidelines in this regard have been prescribed for the formations under CBIC vide Circular F.No.212/51/2006-Ad. VIII(EC) dated 23rd August, 2006 (Annexure 7.10) in respect of installation, maintenance, etc., of Diesel Generator Sets (DG Sets). The following course of action is to be undertaken:

- (1) Norms regarding the officer/offices eligible for installation of ACs should be obtained by the HOD and strictly implemented within the HODs jurisdiction.
- (2) 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 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.

7.14 Check-List

The following Check-list 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 HoD.

Check List for proposal for installation/maintenance of Diesel generator 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. Rs. 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) Date of preparation of the estimate and the total amount involved:
- (9) Whether the HOD/Commissioner is satisfied about the essentiality of the requirement of DG Set at that station.

7.15 Common Shortcomings/Deficiencies observed in Proposals for Providing & Installation of DG Sets

- (1) For the proposals of DG Sets, a unique Check-list 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 HOD.
- (2) A justification of the proposal is not furnished by the formations.





CHAPTER-8

APPRAISAL AND APPROVAL OF PROJECTS

CHAPTER 8: APPRAISAL AND APPROVAL OF PROJECTS



8.1 As already explained earlier in Chapter-1 relating to Financial Powers in respect of works, proposals which involve financial implication of more than Rs. 100 crore and upto Rs. 500 crore are to be appraised by the Delegated Investment Board (DIB) and to be approved by the Minister-in-charge of the administrative Department. The proposals requiring sanction beyond Rs. 500 crore and upto Rs. 1000 crore are to be appraised by the Public Investment Board (PIB) and to be approved by the Minister-in-charge of the Administrative Department and Finance Minister. The proposals requiring sanction beyond Rs. 1000 crores are to be appraised by the Public Investment Board (PIB) and are to be approved by the Cabinet/Committee of the Cabinet concerned with the subject.

The delegation of powers for appraisal and approval of *Original Cost Estimates (OCE)* is given in the table below.

Project Appraisal		Project Approval	
Cost (Rs. in Crore)	Appraised by	Cost (Rs. in Crore)	Approved by
Upto 100	The Financial Advisor	Upto 100	Secretary of the Administrative Department
> 100 & upto 500	DIB Chaired by Secretary of the Admn. Dept.	> 100 & upto 500	Minister-in-charge of the Administrative Department
> 500	PIB Chaired by the Expenditure Secretary. Except departments/ scheme/projects for which special dispensation has been notified by the Competent Authority	> 500 & upto 1000	Minister-in-charge of the Administrative Department and Finance Minister, except where powers have been delegated by the Finance Ministry
		> 1000	Cabinet /Committee of the Cabinet concerned with the subject.

8.1.1 The Institutional framework for appraisal of Projects is as mentioned below:

Delegated Investment Board (DIB)	
Secretary of the Administrative Ministry/Department	Chairperson
Joint Secretary in Charge of the Subject Division	Member
Representative of Niti Aayog	Member
Financial Advisor of the Administrative Ministry/Department	Member-Secretary
Representative of Department of Expenditure and any other Ministry/Department that the Secretary /Financial Advisor may suggest may be invited as per requirement.	

Public Investment Board (PIB)	
Expenditure Secretary	Chairperson
Secretary of the Administrative Ministry/Department	Member
Financial Advisor of the Administrative Ministry/Department	Member
Advisor, PAMD, Niti Aayog	Member
Representative of Budget Division	Member
Representative of concerned Ministries/Agencies	Member
Joint Secretary, Department of Expenditure	Member-Secretary
For appraisal of scientific projects, Scientific Advisor may be invited as Member	

8.2 While forwarding the proposal, a draft PIB/DIB memorandum/Cabinet Note (as the case may be) should be forwarded along with all supporting documents for appraisal by the respective Appraising Authority. (Format of DIB/PIB is at **Annexure 2.14** .)

8.3 For helping the Ministries/Departments to write good quality Cabinet notes that are conceptually clear, lucid and well-organized, the Cabinet Secretariat had prepared a Handbook in 2018, capturing all necessary information on the subject, which is available on the website of the Cabinet Secretariat (<https://cabsec.gov.in>). While drafting the Cabinet Note, instructions and guidelines are to be followed strictly. An outline of the Draft Cabinet Note is as per **Annexure 8.1**.





CHAPTER-9

BUDGETING & OTHER MISCELLANEOUS ISSUES



A. Budgeting

9.1 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 ensuring 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. The expenditure budgeting for infrastructure creation can be understood on the lines of activities that form part of it, namely;

a) Capital Outlay on Public Works (Major Head)

The Major Head 4059 covers the following:

- (i) Acquisition of land for construction of Office buildings
- (ii) Acquisition of Ready Built Office Accommodation.
- (iii) Construction of Office buildings
- (iv) Lumpsum provision required for work costing less than five crore (for office buildings).

It also includes 'Special repairs' in office buildings as defined in GFRs, 2017 and reproduced in para 7.1.1 of this Manual.

b) Capital Outlay on Housing (Major Head-4216)

The Major Head 4216 covers the following:

- (i) Acquisition of land for construction of residential quarters
- (ii) Acquisition of Ready Built residential quarters
- (iii) Construction of residential quarters
- (iv) Lumpsum provision required for work costing less than five crore (for residential quarters).

It also includes 'Special repairs' in residential quarters as defined in GFRs, 2017 and reproduced in para 7.1.1 of this Manual.

9.2 Expenditure Budgeting

The Budgeting work related to infrastructure work under **Capital Outlay on Public Works (Major Head-4059) and Capital Outlay on Housing (Major Head-4216)** is being dealt by the Expenditure Management Cell (EMC) of DGHRD in consultation with the IFU. EMC of DGHRD is required to project the requirement of funds under the Heads mentioned above on the basis of proposals for acquisition/construction of office and residential accommodation etc. under Major Head 4059 & 4216 received from the field formations. It must be ensured by the field formations that funds are requested on the basis of concrete proposals & as per the phasing given by the project executing agency so that no funds remain unspent.

9.3 Object Heads Pertaining to Capital /Revenue 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 Tax Department can be categorized under **Capital Section** and **Revenue Section**.

9.3.1 What is Capital/Revenue Expenditure?

As per **Rule 84 of GFRs, 2017** '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 mentioned in the Delegation of Financial Powers Rules 1978.

9.3.2 Capital Section: As already mentioned in the preceding para 9.3.1, 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 Section. Under **Capital Section** the Grant is divided in two Major Heads 4059 and 4216.

9.3.3 Revenue Section: Object Heads related to Infrastructure are as under:

- i. **Rent, Rates & Taxes:** Include payment of rent for hired buildings, municipal rates and taxes, etc. It will also include lease charges for land.
- ii. **Minor Works:** Record expenditure on repairs and maintenance of works, machinery and equipment.

9.4 Projection for Provision of Funds

The provision for funds are made when the specific project is likely to be approved by the competent authority. Accordingly, the department and the CPWD/other project executing agencies 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.

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

9.5 The budgeting and projection of funds for infrastructure creation and maintenance are prepared in two parts viz. Budget Estimates **(BE)** and Revised Budget Estimate **(RBE)**.

- (i) Budget Estimates is the approximation of the funds required for the project in the coming Financial Year which is prepared for budgeting and planning purposes.
- (ii) Revised Budget Estimates (RBE) 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.

9.6 Heads of Account

The budget is prepared under various Head of Account depending upon the nature of the expenditure to be made. Whereas the Major Heads corresponds to 'Functions' of the Government, Minor Heads subordinate to the Major Head shall identify the 'Programme' undertaken to achieve the objectives of the function. The sub head below the Minor Head represents various schemes or activities under the programme. The Heads relevant for Infrastructure Projects are as under:

S. No	Capital / Revenue	Formation	Office / Residential	Nature of Project		Accounting Code _____ (15 digit code) _____		
						Major Head	Minor Head	Sub-Head
MAJOR HEAD								
A	Capital	Customs / CGST	Office	i	Land	4059	01.201	04.00.53
				ii	RBA*	4059	01.202	01.00.53
				iii	Construction	4059	01.051	22.00.53
					Lumpsum** (for i to iii)	4059	01.051	22.00.53

S. No	Capital / Revenue	Formation	Office/ Residential	Nature of Project		Accounting Code (15 digit code)		
						Major Head	Minor Head	Sub-Head
B	Capital	Customs / CGST	Residential		(for i to iii)			
				i	Land	4216	01.108	05.00.53
				ii	RBA*	4216	01.108	01.00.53
				iii	Construction	4216	01.108	04.00.53
				iv	Lumpsum** (for i to iii)	4216	01.108	04.00.53
MINOR HEAD								

C	Revenue	Customs Revenue	Office	Minor works/Repair and Maintenance	2037	00.101	01.01.27
		Customs Preventive	Office		2037	00.102	01.01.27
		CGST	Office		2042	00.800	03.00.27
		Customs / CGST	Residential		2216	07.053	05.01.27

*Ready Built Accommodation

**In case where project cost is less than Rs. 5.00 crores.

- 9.7** For any further details on budgeting, Manual on Expenditure Management 2018, issued by the EMC wing of DGHRD may be referred.

B. Miscellaneous Issues

9.8 Government Land Information System (GLIS)

- GLIS is a web portal developed by Ministry of Electronics and Information Technology (MeitY) under the control of Ministry of Housing & Urban Affairs (MoHUA) for creating a centralized and transparent data bank of all existing lands available with various Union Government Departments/ Organizations.
- GLIS portal captures the requisite land data in respect of following infrastructure assets – Vacant Land, Office Buildings (owned) and Residential Accommodation.
- MoHUA and MeitY have provided each Ministry/Department with a unique Login ID and password with the help of which the web portal can be accessed for uploading the relevant land data.
- A manual in this regard is also available on the portal that explains various features of the portal like how to navigate on web portal, how to search and identify a given land, and how to add Geometrical signage like polygon for the identified land parcel. The subject manual is placed as Annexure A and the same can also be downloaded from the link – <https://www.ncog.gov.in/usermanual/usermanual.pdf>.
- Data in respect of all departmental assets should be uploaded by all field formations under CBIC on the GLIS portal and the same should be regularly updated.

9.9 Asset Register

The guidelines on the creation, updation and maintenance of Asset Register in the new formats at different level by Ministries/Departments of Central Government have been issued by Controller General of Accounts, Department of Expenditure, Ministry of Finance vide O.M. No. 3(2)/e-Asset Register/ARC/2017-18/994 dated 20th September, 2017 (**Annexure 9.1**).

All field formations should create, maintain and regularly submit the asset register in terms of the above referred OM.





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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.

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 (Admn.), CBDT
- (5) Joint Secretary (Admn.), 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.

**DELEGATION OF FINANCIAL POWERS TO THE HEAD OF THE DEPARTMENT
OF REVENUE, CBDT & CBIC**

Relevant Extracts relating to Infrastructure

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

S. No.	Item of Expenditure	Rules applicable and delegation of financial powers to HoDs of CBDT, CBIC and D/o Revenue
(A)	(B)	(C)
2.10	Repair and maintenance work in buildings owned by the Department.	Rs.30 lakh per annum. Provisions of GFRs, 2005 will apply.
2.11	Provision of DG set	Rs. 15 lakh 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.
2.12	Repair and maintenance work in hired office buildings	A total of Rs. 50,000/- in a year, non-recurring. Provision of GFRs 2005 will apply.
2.13	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.	Rs. 10 lakh in each case. Provisions of GFRs, 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.

(Ref: O.M.F.No.14/04/2021-IFU(B&A)DT-01 dated 28.09.2021)

S. No.	Item of Expenditure	Rules applicable and delegation of financial powers to HoDs of CBDT, CBIC and D/o Revenue
2,3 & 4	Hiring of Office Accommodation	Rs. 7 lakh per month in case of 'X' Class Cities, Rs. 5 lakh per month in case of 'Y' Class Cities and Rs. 3 lakh per month in case of other cities. The hiring is subject to Non-Availability Certificate from Directorate of Estates and/or CPWD, Fair Rent Certificate from CPWD, observance of GFR, 2017, admissibility of space norms as prescribed and relevant instructions issued from time to time. The hiring should be recommended by a Hiring Committee duly constituted by the HoD. Any deviation from norms including acceptance of single offer, should be referred to the Ministry/IFU. Note: The classification of cities under X, Y and Z Categories would be as per D/o Expenditure's OM No. 2/5/2014-E.II(B) dated 21.07.2015 (Annexure-5.3(a))

Note: The classification of A-I and A city for 13 major cities would be the same as is the classification for HRA.

ANNEXURE-1.2

F.No.15/6/2008-IFU.III
Government of India
Ministry of Finance
Department of Revenue

New Delhi, the 22nd September, 2008.

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, uptoRs. 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

ANNEXURE-1.3

F.No.15/6/2008-IFU-III
Ministry of Finance
Department of Revenue

New Delhi, the 6th June 2008

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.

Ref : O.M. No. 15/16/2005-IFU-III dated 3rd January, 2008 (Copy attached).

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

- a) 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)

To:

- (1) Chairman, CBDT
- (2) Chairman, CBEC
- (3) AS (Revenue)
- (4) Joint Secretary (Revenue)
- (5) Joint Secretary (Admn), CBDT
- (6) Joint Secretary (Admn), CBEC
- (7) Director (Finance-DT)
- (8) Director (Finance-EC)
- (9) Under Secretaries/SOs in IFU

ANNEXURE-1.4 (a)

No. 24(35)/PF-II/2012
Government of India
Ministry of Finance
Department of Expenditure

North Block, New Delhi.
Dated: 05 August, 2016

OFFICE MEMORANDUM

Subject: Appraisal and Approval of Public Funded Schemes and Projects (except matters required to be placed before the Cabinet Committee on Security)

Reference is invited to this Department OM no. 24(35)/PF-1/2012 dated 29th Aug, 2014 regarding the guidelines for formulation, appraisal and approval of Public Funded Plan Schemes and Projects. With the announcement in the Union Budget 2016-17 of doing away with Plan Non-Plan distinction at the end of Twelfth Five Year Plan, it is imperative that a plan non-plan neutral appraisal and approval system is put into place. After a comprehensive review of the extant guidelines in this regard, the revised guidelines placed below will henceforth apply to the formulation, appraisal and approval of public funded schemes and projects, except matters required to be placed before the Cabinet Committee on Security.

2. Schemes are program based cost centres through which the Ministries and Departments spend their budgetary and extra-budgetary resources for delivery of public goods and services to the citizens. They are of two types:
 - a) Central Sector Schemes are implemented by the Central Ministries/Departments through their designated implementation agencies and funds are routed through the functional heads relevant for the sector.
 - b) Centrally Sponsored Schemes are implemented within the domain of National Development Agenda identified by the Committee of Chief Ministers constituted by NITI Aayog. They can have both Central and State Components. While the former are fully funded by the Central Government and implemented through functional heads like the central sector schemes in para-a above, the latter are routed through the inter-governmental transfer heads 3601/3602. The expenditure on State Components is shared between the Central and State Governments in accordance with the fund sharing pattern approved for the purpose.
3. Projects are best understood by the common-sense usage of the term. They involve one-time expenditure resulting in creation of capital assets, which could yield financial or economic returns or both. Projects may either be approved on stand-alone basis or as individual projects within an approved scheme envelope. They may be executed through budgetary, extra-budgetary resources, or a combination of both.
4. **Rationalization:** It was found that over the years Ministries/Departments had started operating small and multiple schemes, which spread resources too thinly to realize any meaningful outcomes. In the run up to the Union Budget 2016-17, Schemes were rationalized in consultation with the implementing Ministries/Departments. As per para-113 of the Budget Speech 2016, the number of Central Sector Schemes was brought down to around 300 and the number of Centrally Sponsored Schemes to around 30. However, this exercise is not an end in itself. In reiteration of the standing instructions in this regard and to ensure efficient management of public expenditure at all times, it is directed that henceforth:
 - (i) No new Scheme or Sub-Scheme will be initiated without the prior "in-principle" approval of the Department of Expenditure. This will, however, not apply to the announcements made in the Budget Speech for any given year.

- (ii) The Statement of Budget Estimates should be prepared in accordance with the approved scheme architecture and any deviation in this regard should be a priori agreed with the concerned division of the Department of Expenditure.
- (iii) Administrative Ministries/Departments should continuously endeavor to merge, restructure or drop existing schemes and sub-schemes that have become redundant or ineffective with the passage of time. For this, the restriction of in-principle approval mentioned in para-(i) above will not apply.
- (iv) Department of Expenditure reserves the right to merge, restructure or drop any existing scheme or sub-scheme, in consultation with the Administrative Department concerned, to enhance efficiency and improve economies of scale in the execution of government programs.

5. Formulation: The quality of Scheme or Project Formulation is the key bottleneck leading to poor execution at the implementation stage, including time and cost over-runs, often resulting in a series of revised cost estimates. Additional time and effort spent at the scheme/project formulation stage can not only save precious resources, but also enhance the overall impact, leading to a qualitative improvement in outcomes. For all new Schemes, a Concept Paper should be prepared while seeking in-principle approval, holding stakeholder consultations, conduct of pilot studies etc. While submitting proposals for continuation of on-going schemes, a careful rationalization must be done through merger and dropping of redundant schemes. The feedback from the formulation stage should be used for improving the scheme design so that a Detailed Paper can be presented for appraisal at the EFC stage.

Similarly, project preparation should commence with a Feasibility Report, which helps establish the project is technically and economically sound and resources are available to finance the project. It provides a firm basis for starting land acquisition, approval of pre-investment activities, etc. In-principle approval for initiating a project will be granted by the Financial Adviser concerned after examining project feasibility and availability of financial resources. Generic structure of a Detailed Paper for Schemes/Detailed Project Report for Projects is given at Annex-I. While designing new schemes/sub-schemes, the core principles to be kept in mind are economies of scale, separability of outcomes and sharing of implementation machinery. Schemes which share outcomes and implementation machinery should not be posed as independent schemes, but within a unified umbrella program with carefully designed convergence frameworks.

6. Appraisal: The Institutional framework for appraisal of Schemes and Projects is given at Annex-11. Depending on the level of delegation, the Schemes will be appraised by the Expenditure Finance Committee (EFC) or the Standing Finance Committee (SFC), while Projects will be similarly appraised by the Public Investment Board (PIB) or the Delegated Investment Board (DIB). The step-wise time-lines for appraisal are given at Annex-III. The formats for submitting Schemes and Project Proposals are given at Annex-IVA and Annex-IVB respectively. For Schemes, a Concept/Detailed Paper which outlines the overall scheme architecture and its main structural elements should be attached. Similarly, for Projects either the Feasibility or the Detailed Project Report should be attached. The word Scheme is used here in a generic sense. It includes programs (umbrella schemes), schemes and sub-schemes, which, depending on the need, may be appraised as stand-alone cost centers.

7. New Bodies: No new Company, Autonomous Body, Institution/University or other Special Purpose Vehicle should be set up without the approval of the Cabinet/Committee of the Cabinet, irrespective of the outlay, or any delegation that may have been issued in the past. All such cases would be appraised by the Committee of Establishment Expenditure chaired by the Expenditure Secretary for which separate orders will be issued by the Pers. Division. If setting up of a New Body involves project work, combined CEE/EFC/PIB may be held.

8. Original Cost Estimates: The delegation of powers for appraisal and approval of Original Cost Estimates (OCE) is given in the table below.

Scheme/Project Appraisal		Scheme/Project Approval	
Cost (Rs. Cr.)	Appraisal by	Cost (Rs. Cr.)	Approval by
Up to 100	The Financial Adviser	Up to 100	Secretary of the Administrative Department
> 100 & up to 500	SFC/DIB Chaired by Secretary of the Admn. Dept.	>100 & up to 500	Minister-in-charge of the Administrative Department
> 500	EFC/PIB Chaired by the Expenditure Secretary, except departments schemes projects for which special dispensation has been notified by the Competent Authority	> 500 & upto 1000	Minister-in-charge of the Admn. Dept. and Finance Minister, except where special powers have been delegated by the Finance Ministry
		> 1000	Cabinet/Committee of the Cabinet concerned with the subject

Note:

1. The financial limits above are with reference to the total size of the Scheme/Project being posed for appraisal and includes budgetary support, extra-budgetary re-sources, external aid, debt/equity/loans, state share, etc.
2. Financial Advisers may refer any financial matter and may also seek participation of the Department of Expenditure in the SFC/DIB meetings, if required. For pro-posals above Rs. 300 crore such as participation would be mandatory.
3. Delegated powers should be exercised only when the, budgetary allocation or medium-term scheme outlay as approved by Department of Expenditure is available.
4. While exercising delegated powers, the Ministries/Departments should also ensure the proposals are subject to rigorous examination in project design and delivery, and careful attention should be paid to recurring liabilities and fund availability after adjustment of the committed liabilities.
5. For appraisal and approval of PPP projects separate orders issued by the Department of Economic Affairs will apply.

- 9. Revised Cost Estimates:** Any Increase in costs due to statutory levies, exchange rate variation, price escalation within the approved time cycle and/or increase in costs up to 20 percent due to any other reason are covered by the approval of the original cost estimates. Any increase in this regard would be approved by the Secretary of the Administrative Department concerned with the concurrence of the Financial Adviser.

Any increase in costs beyond 20 percent of the firmed-up cost estimates due to time overrun, change in scope, under-estimation, etc. (excluding increase in costs due to statutory levies, exchange rate variation and price escalation within the approved time cycle) should first be placed before a Revised Cost Committee chaired by the Financial Adviser (consisting of the Joint Secretary in-charge of the program division and representative of the Chief adviser Cost as members) to identify the specific reasons behind such increase, identify lapses, if any, and suggest remedial measures for the same. The recommendations of the Revised Cost Committee should be placed for fresh appraisal and approval before the competent authority as per the extant delegation of powers (It may be noted that a firmed-up cost estimate here means a cost estimate which has been through the full appraisal and approval procedure as per the extant delegation of powers).

- 10. Pre-Investment Activities** include preparation of Feasibility Reports, Detailed Project Reports; Pilot Experiments/ Studies for Schemes; Survey/Investigation required for large projects; payment for land acquisition in accordance with the orders of a competent authority under the law; construction of boundary wall, access roads, minor bridges/culverts, water-power lines, site offices, temporary accommodation, etc. at the project site; preparation of environment management plans, forestry and wildlife clearances; compensatory afforestation, payment for conversion of forest land to non-forest purposes, etc.

Pre-investment activities up to Rs. 100 crore (including budgetary and extra-budgetary resources) may be approved by the Secretary of the Administrative Department with the concurrence of the Financial Adviser concerned provided financial resources are available and in-principle approval has been obtained, wherever necessary. For pre-investment activities above Rs. 100 crore, the prescribed appraisal and approval procedure should be followed. When firmed-up cost estimates are put up for approval, the expenditure on pre-investment activities should be included in the final cost estimates for the competent authority to get a full picture of the total resources required for the scheme or the project to be implemented.

- 11. Medium Term Outlay:** It has been stated in para-110 of the Budget Speech 2016 that every scheme should have a *sunset date* and an *outcome review*. In the past, every scheme was revisited at the end of each plan period. After the Twelfth Five Year Plan, the medium term framework for schemes and their sunset dates will become coterminous with the Finance Commission Cycles, the first such one being the remaining Fourteenth Finance Commission (FFC) period ending March, 2020. This is necessary because fixation of medium term scheme outlay needs clarity over flow of resources, which is likely to be available to both Central and State Governments over the Finance Commission periods.

Accordingly, it is directed that at the end of the Twelfth Plan period all Ministries/Departments should undertake an outcome review and re-submit their Schemes for appraisal and approval, unless the scheme has already been made coterminous with the FFC period. The Department of Expenditure will, on its part, communicate, in consultation with the Budget Division, the outlays for both Central Sector and Centrally Sponsored Schemes over the remaining FFC period. The same process will, mutatis mutandis, apply to the subsequent Finance Commission Cycles.

- 12. Outcomes and Evaluation:** Finance Secretary vide D.O. 66(01)/PF.11/2015 Dated 18th May 2016 (Annex-V) has directed all Ministries/Department to prepare an output-outcome framework for each Central Sector and Centrally Sponsored Scheme with the approval of CEO NITI Aayog. Measurable outcomes, which deal with the quality aspect of schemes and programs, need to be defined over the relevant medium term framework, while physical and financial outputs need to be targeted on year-to-year basis in such a manner that it aggregates to achieve the measurable outcomes over the medium term. NITI Aayog, while approving the output-outcome framework, will kick-start a third party evaluation process for both Central Sector and Centrally Sponsored Schemes. Extension of Schemes from one Finance Commission Cycle to another would be contingent on the result of such an evaluation exercise.

- 13. Repeal:** The following OM's of Department of Expenditure, and linked circulars of other Departments, including the erstwhile Planning Commission, are hereby superseded:

OM No. 24(35)/PF-II/2012 Dated 29th August, 2014
OM No. 1(1)/PF-II/2011 Dated 31st March, 2014
OM No. 1(3) PF-II/2001 Dated 1st April, 2010
OM No. 1(3)/PF-II/2001 Dated 15th November, 2007
OM No. 1(2)/PF-II/2003 Dated 7th May, 2003
OM No. 1(3)PF-II/2001 Dated 18th February, 2002
OM No. 1(8)/PF-II/1998 Dated 30th October, 1998
OM No. 1(6)/PF-II/1991 Dated 24th August, 1992
OM No. 1(4)/PF-II/1984 Dated 25th August, 1984

The concerned Departments may, however, reissue their linked circulars in consultation with the Department of Expenditure after suitably realigning it with the new circular.

This issues with the approval of the Finance Minister and will come into effect with immediate effect.

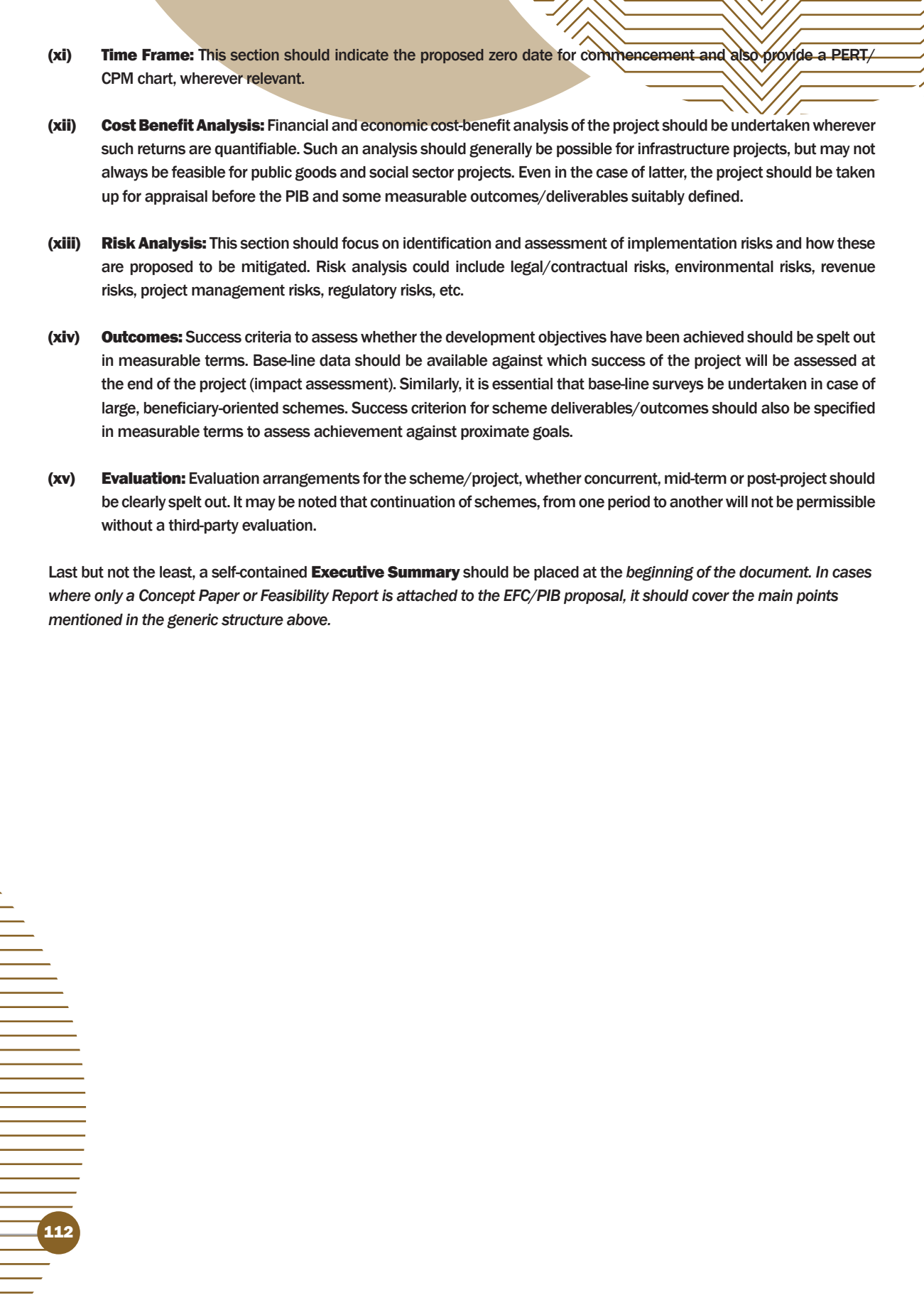
Sd/-
05.08.2016

(Arunish Chawla)
Joint Secretary to the Government of India

All Secretaries to the Government of India
All Financial Advisers to Ministries/Departments
Cabinet Secretariat
Prime Minister's Office
NITI Aayog
Railway Board
Internal Circulation

GENERIC STRUCTURE OF A DETAILED PAPER/DETAILED PROJECT REPORT

- (i) **Context/Background:** This section should provide a brief description of the sector/sub-sector as well as the national strategy and policy framework. This section should also provide a general description of the scheme/project being posed for appraisal.
- (ii) **Problems to be addressed:** This section should elaborate the problem to be addressed through the project/scheme at the local/regional/national level. Evidence regarding the nature and magnitude of the problems should be presented, supported by baseline data/survey/reports etc.
- (iii) **Aims and Objectives:** This section should indicate the development objectives proposed to be achieved, ranked in order of importance. The outputs/deliverables expected for each development objective should be spelt out clearly.
- (iv) **Strategy:** This section should present an analysis of alternative strategies available to achieve the development objectives. Reasons for selecting the proposed strategy should be brought out. Basis for prioritization of locations should be indicated (wherever relevant). Opportunities for leveraging government funds through public-private partnership or savings through outsourcing must be explored. This section should also provide a description of the ongoing initiatives, and the manner in which duplication can be avoided and synergy created with the proposed scheme/project.
- (v) **Target Beneficiaries:** There should be clear identification of target beneficiaries. Stakeholder analysis should be undertaken, including consultation with stakeholders at the time of scheme/project formulation. Options regarding cost sharing and beneficiary participation should be explored and incorporated in the project. Impact of the project on weaker sections of society, positive or negative, should be assessed and remedial steps suggested in case of any adverse impact.
- (vi) **Legal Framework:** This section should present the legal framework, if relevant, within which the scheme/project will be implemented, as well as the strengths and weaknesses of the legal framework in so far as it impacts on achievement of stated objectives.
- (vii) **Environmental Impact:** Environmental Impact Assessment should be undertaken, wherever required, and measures identified to mitigate the adverse impact, if any. Issues relating to land acquisition, diversion of forest land, wildlife clearances, rehabilitation and resettlement should be addressed in this section.
- (viii) **Technology:** This section should elaborate on the technology choices, if any; evaluation of the technology options, as well as the basis for choice of technology for the proposed project.
- (ix) **Management:** Responsibilities of different agencies for project management or scheme implementation should be elaborated. The organization structure at various levels, human resource requirements, as well as monitoring arrangements should be clearly spelt out.
- (x) **Finance:** This section should focus on the cost estimates, budget for the scheme/project, means of financing and phasing of expenditure. Options for cost sharing and cost recovery (user charges) should be explored. Infrastructure projects may be assessed on the basis of the cost and tenor of the debt. Issues relating to project sustainability, including stakeholder commitment, operation-maintenance of assets after project completion and other related issues should also be addressed in this section.

- 
- (xi) **Time Frame:** This section should indicate the proposed zero date for commencement and also provide a PERT/CPM chart, wherever relevant.
 - (xii) **Cost Benefit Analysis:** Financial and economic cost-benefit analysis of the project should be undertaken wherever such returns are quantifiable. Such an analysis should generally be possible for infrastructure projects, but may not always be feasible for public goods and social sector projects. Even in the case of latter, the project should be taken up for appraisal before the PIB and some measurable outcomes/deliverables suitably defined.
 - (xiii) **Risk Analysis:** This section should focus on identification and assessment of implementation risks and how these are proposed to be mitigated. Risk analysis could include legal/contractual risks, environmental risks, revenue risks, project management risks, regulatory risks, etc.
 - (xiv) **Outcomes:** Success criteria to assess whether the development objectives have been achieved should be spelt out in measurable terms. Base-line data should be available against which success of the project will be assessed at the end of the project (impact assessment). Similarly, it is essential that base-line surveys be undertaken in case of large, beneficiary-oriented schemes. Success criterion for scheme deliverables/outcomes should also be specified in measurable terms to assess achievement against proximate goals.
 - (xv) **Evaluation:** Evaluation arrangements for the scheme/project, whether concurrent, mid-term or post-project should be clearly spelt out. It may be noted that continuation of schemes, from one period to another will not be permissible without a third-party evaluation.

Last but not the least, a self-contained **Executive Summary** should be placed at the *beginning of the document*. In cases where only a *Concept Paper or Feasibility Report* is attached to the *EFC/PIB proposal*, it should cover the main points mentioned in the generic structure above.

Institutional Arrangement for Appraisal of Schemes and Projects

Expenditure Finance Committee (EFC)	
Expenditure Secretary	Chairperson
Secretary of the Administrative Ministry/Department	Member
Financial Advisor of the Administrative Ministry/Department	Member
Adviser, PAMD, NITI Aayog	Member
Representative of Budget Division	Member
Representatives of concerned Ministries/Agencies	Member
Joint Secretary, Department of Expenditure	Member-Secretary
<i>For appraisal of schemes of scientific nature, Scientific Adviser may be invited as Member.</i>	
Standing Finance Committee (SFC)	
Secretary of the Administrative Ministry/Department	Chairperson
Joint Secretary in Charge of the Subject Division	Member
Representative of NITI Aayog	Member
Financial Advisor of the Administrative Ministry/Department	Member-Secretary
<i>Representative of Department of Expenditure and any other Ministry/Department that the Secretary/Financial Advisor may suggest may be invited as per requirement.</i>	
Public Investment Board (PIB)	
Expenditure Secretary	Chairperson
Secretary of the Administrative Ministry/Department	Member
Financial Advisor of the Administrative Ministry/Department	Member
Adviser, PAMD, NITI Aayog	Member
Representative of Budget Division	Member
Representatives of concerned Ministries/Agencies	Member
Joint Secretary, Department of Expenditure	Member-Secretary
<i>For appraisal of scientific projects, Scientific Adviser may be invited as Member.</i>	
Delegated Investment Board (DIB)	
Secretary of the Administrative Ministry/Department	Chairperson
Joint Secretary in Charge of the Subject Division	Member
Representative of NITI Aayog	Member
Financial Advisor of the Administrative Ministry/Department	Member-Secretary
<i>Representative of Department of Expenditure and any other Ministry/Department that the Secretary/Financial Advisor may suggest may be invited as per requirement.</i>	

Time Frame for Appraisal and Approval of Schemes and Projects

The scheme/project cycle would commence with the submission of a Concept Paper/ Feasibility Report by the Administrative Ministry/Department.

(i)	Decision on "in principle" approval, if required	2 weeks
(ii)	Preparation of a Detailed Paper/Detailed Project Report by the Administrative Ministry/Department and circulating the same along with draft EFC/PIB Memo,	The time limit will vary depending on the nature of scheme and project. This is an internal matter of the Administrative Ministry Department concerned.
(iii)	Appraisal Note and Comments to be offered on the DP/DPR and draft EFC/PIB memo by Department of Expenditure, NITI Aayog and concerned Ministries/Agencies	4 weeks
(iv)	Preparation of final EFC/PIB Memo based on comments received, and circulating the same for appraisal and approval	2 weeks
(v)	Fixing the date of EFC/PIB meeting after receiving the final EFC/PIB Memo.	1 week
(vi)	Issue of minutes of EFC/PIB after the meeting has been held	1 week
(vii)	On-file approval of Administrative Minister and Finance Minister	2 weeks
(viii)	Submission for approval of the Cabinet Committee of the Cabinet (for proposals above Rs. 1,000 crore)	2 weeks

Note: Wherever the recommended time frame is not adhered to any stage, the concerned organization should work out an appropriate trigger mechanism to take the matter to the next higher level for timely decision making.

Not printed

FORMAT FOR PIB/DIB MEMORANDUM FOR APPRAISAL OF PROJECTS

1. Project Outline

- 1.1 Title of the Project
- 1.2 Sponsoring Agency (Ministry/Department/Autonomous Body or Undertaking)
- 1.3 Proposed Cost of the Project
- 1.4 Proposed Timelines for the Project
- 1.5 Whether Project will be implemented as part of a scheme or on stand-alone basis?
- 1.6 Whether financial resources required for the Project have been tied up? If yes, details?
- 1.7 Whether Feasibility Report and/or Detailed Project Report has been prepared?
- 1.8 Whether the proposal is an Original Cost Estimate or a Revised Cost Estimate?
- 1.9 In case of Revised Cost Estimates, whether the meeting of Revised Cost Committee has been held and its recommendations suitably addressed?
- 1.10 Whether any land acquisition or pre-investment activity was under-taken or is contemplated for this Project? Whether the cost of such intervention has been included in the Project Proposal?

2. Outcomes and Deliverables

- 2.1 Stated aims and objectives of the Project
- 2.2 Indicate year-wise outputs/deliverables for the project in a tabular form.

Activities	Year 1		Year 2 & so on		Total	
	Physical	Financial	Physical	Financial	Physical	Financial
1,2,3 & so on						

- 2.3 Indicate final outcomes for the project in the form of measurable indicators which can be used for impact assessment/evaluation after the project is complete. Baseline data or survey against which such outcomes would be benchmarked should also be mentioned.

3. Project Cost

- 3.1. Cost estimates for the project along with scheduled duration (both year and activity-wise). Also the basis for these cost estimates along with the reference dates for normative costing (it should preferably not be more than a year old)
- 3.2. In case land is to be acquired, the details of land cost, including cost of rehabilitation/resettlement needs to be provided

- 3.3. In case pre-investment activities are required, how much is proposed to be spent on these, with details activity-wise?
- 3.4. Whether price escalation during the project time cycle has been included in the cost estimates and at what rates?
- 3.5. Whether the Project involves any foreign exchange element, the provision made or likely impact of exchange rate risks?
- 3.6. In case of the Revised Cost Estimates, a variation analysis along with the Report of the Revised Cost Committee needs to be attached.

4. Project Finance

- 4.1. Indicate the sources of project finance: budgetary support, internal and extra-budgetary sources, external aid, etc.
- 4.2. Indicate the cost components, if any, that will be shared by the state governments, local bodies, user beneficiaries or private parties?
- 4.3. In case of funding from internal and extra-budgetary resources, availability of internal resources may be supported by projections and their deployment on other projects?
- 4.4. Please indicate funding tie-ups for the loan components, if any, both domestic and foreign, along-with terms and conditions of loan based on consent/comfort letters.
- 4.5. If government support/loan is intended, it may be indicated whether such funds have been tied up?
- 4.6. Please provide the leveraging details, including debt-equity and Interest coverage ratios, along with justification for the same.
- 4.7. Mention the legacy arrangements after the project is complete, in particular, arrangements for the maintenance and upkeep of assets that will be created?

5. Project Viability

- 5.1. For projects which have identifiable stream of financial returns, the financial internal rate of return may be calculated. The hurdle rate will be considered at 10 percent.
- 5.2. In case of projects with identifiable economic returns, the economic rate of return may be calculated. In such cases project viability will be determined by taking both financial and economic returns together.
- 5.3. In case of proposals where both financial and economic returns are not readily quantifiable, the measurable benefits/outcomes simply may be indicated.

Note: It may kindly be noted that all projects, irrespective of whether financial and/or economic returns can be quantified or not, should be presented for PIB/DIB appraisal.

6. Approvals and Clearances

Requirement of mandatory approvals/clearances of various local, state and national bodies and their availability may be indicated in a tabular form (land acquisition, environment, forestry, wildlife etc.) In case land is required, it may be clearly mentioned whether the land is in the possession of the agency free from encumbrances or encroached or stuck in legal processes?

S.No.	Approvals/Clearances	Agency concerned	Availability (Y/N)
1			

7. Human Resources

- 7.1 Indicate the administrative structure for implementing the Project. Usually creation of new structures, entities etc. should be avoided
- 7.2 Manpower requirement, if any. In case posts (permanent or temporary) are intended to be created, a separate proposal may be sent on file to Pers. Division of Department of Expenditure. Such proposals may be sent only after the main proposal is recommended by the appraisal body.
- 7.3 In case outsourcing of services or hiring of consultants is intended, brief details of the same may be provided.

8. Monitoring and Evaluation

- 8.1 Indicate the Project Management/Implementing Agency(s). What agency charges are payable, if any?
- 8.2 Mode of implementation of individual works: Departmental/Item-rate/Turnkey/EPC/Public-Private Partnership, etc.
- 8.3 Please indicate timelines of activities in PERT/Bar Chart along with critical milestones.
- 8.4 Please indicate the monitoring framework, including MIS, and the arrangements for internal/statutory audit.
- 8.5 Please indicate what arrangements have been made for impact assessment after the project is complete?

9. **Comments** of the Financial Advisor, NITI Aayog, Department of Expenditure and other Ministries/Departments may be summarized in tabular form along with how they have been internalized and used to improve this proposal.

10. Approval Sought:

(-----)
Joint Secretary to the Government of India
Tel. No. _____
Fax No. _____
E-mail _____

Please attach an Executive Summary along with the Feasibility Report/Detailed Project Report prepared for the Project.

Not printed

ANNEXURE-1.4 (b)

No.66(20)/PF-I 1(2016)
Ministry of Finance
Department of Expenditure
Plan Finance - II Division

North Block, Sansad Marg,
New Delhi, dated - 07.03.2017

OFFICE MEMORANDUM

Subject: Value Capture Financing as part of the PIB format per appraisal of project of the Central Government.

Reference is invited to the subject mentioned above. Government has decided Value Capture Financing to be an integral part of Detailed Project Report (DPR) of all projects of the Central Government. It has also been decided that the Public Investment Board (PIB) headed by the Secretary (Expenditure) as well as the Delegated Investment Board (DIB) chaired by the administrative Department concerned while appraising a project of the Central Government being implemented in the States, would see whether the Ministry/Department piloting the proposal relating to the project has examined the option of Value Capture Financing or not. In this regard, I am directed to enclose a revised format for PIB/DIB memorandum for proposal of projects which was earlier circulated as Annexure — IV-B to the O.M. No. 24(35)/PF-11/2012, dated 5th August, 2016.

2. It is highlighted that henceforth all PIB/DIB memorandums will also contain the details with regard to Value Capture Financing (as part of the revised PIB/DIB format) for the following three points:
 - i. If the DPR for the project has considered Value Capture Financing as a source for financing the project as per the guidelines circulated by Ministry of Urban Development.
 - ii. If the Ministry/Department has examined the option of Value Capture Financing.
 - iii. If the project financing has been considered as a source of financing for the project, then the details of the estimated amount and the mode of such Value Capture Financing.
3. This issues with the approval of the Finance Secretary.

(Anu Kukreja)
Deputy Director (PF-II)
Tel No. 23095664

Copy to:

All Secretaries to the Government of India
All Financial Advisors to Ministries/Departments
Cabinet Secretariat
Prime Minister's Office
NITI Aayog
Railway Board
Internal Circulation
NIC-To upload on the website of Ministry of Finance

Encl: As above

Annexure – IVB

FORMAT FOR PIB/DIB MEMORANDUM FOR APPRAISAL OF PROJECTS

1. Project Outline

- 1.1 Title of the Project
- 1.2 Sponsoring Agency (Ministry/Department/Autonomous Body or Undertaking)
- 1.3 Proposed Cost of the Project
- 1.4 Proposed Timelines for the Project
- 1.5 Whether Project will be implemented as part of a scheme or on stand-alone basis?
- 1.6 Whether financial resources required for the Project have been tied up? If yes, details?
- 1.7 Whether Feasibility Report and/or Detailed Project Report has been prepared?
- 1.8 Whether the proposal is an Original Cost Estimate or a Revised Cost Estimate?
- 1.9 In case of Revised Cost Estimates, whether the meeting of Revised Cost Committee has been held and its recommendations suitably addressed? Whether any land acquisition or pre-investment activity was undertaken or is contemplated for this Project? Whether the cost of such intervention has been included in the Project Proposal?

2. Outcomes and Deliverables

- 2.1 Stated aims and objectives of the Project
- 2.2 Indicate year-wise outputs/deliverables for the project in a tabular form.

Activities	Year 1		Year 2 & so on		Total	
	Physical	Financial	Physical	Financial	Physical	Financial
1,2,3 & so on						

- 2.3 Indicate final outcomes for the project in the form of measurable indicators which can be used for impact assessment/evaluation after the project is complete. Baseline data or survey against which such outcomes would be benchmarked should also be mentioned.

3. Project Cost

- 3.1 Cost estimates for the project along with scheduled duration (both year and activity-wise). Also the basis for these cost estimates along with the reference dates for normative costing (it should preferably not be more than a year old)
- 3.2 In case land is to be acquired, the details of land cost, including cost of rehabilitation/resettlement needs to be provided.
- 3.3 In case pre-investment activities are required, how much is proposed to be spent on these, with details activity-wise?

- 3.4 Whether price escalation during the project time cycle has been included in the cost estimates and at what rates?
- 3.5 Whether the Project involves any foreign exchange element, the provision made or likely impact of exchange rate risks?
- 3.6 In case of the Revised Cost Estimates, a variation analysis along with the Report of the Revised Cost Committee needs to be attached.

4. **Project Finance**

- 4.1 Indicate the sources of project finance: budgetary support, internal and extra budgetary sources, external aid, etc.
- 4.2 Indicate the cost components, if any, that will be shared by the State Governments, local bodies, user beneficiaries or private parties?
- 4.3 In case of funding from internal and extra-budgetary resources, availability of internal resources maybe supported by projections and their deployment on other projects?
- 4.4 Please indicate if the DPR. for the project has considered Value Capture Financing has a source for financing project as per the guidelines issued by Ministry of Urban Development.
- 4.5 Also indicate if the Ministry/Department has examined the option of Value Capture Financing.
- 4.6 If the project financing has been considered as a source of financing for the project then the details of the estimated amount and the mode of Value Capture Financing may be provided.
- 4.7 Please indicate funding tie-ups for the loan components, if any, both domestic and foreign, along-with terms and conditions of loan based on consent/comfort letters.
- 4.8 If Government support/loan is intended, it may be indicted whether such funds have been tied up?
- 4.9 Please provide the leveraging details, including debt-equity and interest coverage ratios, along with justification for the same.
- 4.10 Mention the legacy arrangements after the project is complete, in particular, arrangements for the maintenance and upkeep of assets that will be created?

5. **Project Viability**

- 5.1 For projects which have identifiable stream of financial returns, the financial internal rate of return maybe calculated. The hurdle rate will be considered at 10 percent.
- 5.2 In case of projects with identifiable economic returns, the economic rate of return may be circulated. In such cases project viability will be determined by taking both financial and economic returns together.
- 5.3 In case of proposals where both financial and economic returns are not readily quantifiable, the measurable benefits/outcomes simply may be indicated.

Note: It may kindly be noted that all projects, irrespective of whether financial and/or economic returns can be quantified or not, should be presented for PIB/DIB appraisal.

6. **Approvals and Clearances**

Requirement of mandatory approvals/clearances of various local, state and national bodies and their availability may be indicated in a tabular form (land acquisition, environment, forestry, wildlife etc.). In case land is required, it may be clearly mentioned whether the land is in the possession of the agency free from encumbrances or encroached or stuck in legal processes?

S.No.	Approvals/Clearances	Agency concerned	Availability (Y/N)

7. **Human Resources**

- 7.1 Indicate the administrative structure for implementing the Project. Usually creation of new structure, entities etc. should be avoided.
- 7.2 Manpower requirement, if any. In case posts (permanent or temporary) are intended to be created, a separate proposal may be sent to file to Pers. Division of Department of Expenditure. Such proposals may be sent only after the main proposal is recommended by the appraisal body.
- 7.3 In case outsourcing of services or hiring of consultants is intended, brief details of the same may be provided.

8. **Monitoring and Evaluation**

- 8.1 Indicate the Project Management/Implementing Agency(s). What agency charges are payable, if any?
- 8.2 Mode of implementation of individual works: Departmental/Item-rate/Turnkey/EPC/Public-Private Partnership, etc.
- 8.3 Please indicate timelines of activities in PERT/Bar Chart along with critical milestones.
- 8.4 Please indicate the monitoring framework, including MIS, and the arrangements for internal/statutory audit.
- 8.5 Please indicate what arrangements have been made for impact assessment after the project is complete.

9. **Comments** of the Financial Advisor, NITI Aayog, Department of Expenditure and other Ministries/Departments may be summarized in tabular form along with how they have been internalized and used to improve this proposal.

10. **Approval Sought:**

(_____)
Joint Secretary to the Government of India
Tel.No. _____
Fax No. _____
E-mail: _____

Please attach an Executive Summary along with the Feasibility Report/Detailed Project Report prepared for the Project.

ANNEXURE-1.4 (c)

No.24(35)/PF-II/2012
Government of India
Ministry of Finance
Department of Expenditure

North Block, New Delhi,
Dated 3rd April, 2018

OFFICE MEMORANDUM

Subject: Appraisal and approval of public funded schemes and projects (except matters required to be placed before the Cabinet Committee on Security) - special measures to meet need of persons with disabilities.

The undersigned is directed to refer to this Department's OM No.24(35)/PF-II/2012 dated 05th August, 2016 on the subject cited above.

2. Following modifications are made in Annexure-IVA and Annexure-IV B of this Department's OM No.24(35)PF-II/2012 dated 05th August, 2016.
 - (i) Insertion of a new sub-para 3.6 in Section 3 of Annexure-IVA: Format for EFC/SFC Memorandum for the appraisal of schemes, as under: "Please bring out special interventions proposed to meet needs of persons with disabilities, including accessibility requirements under the RoPWD Act 2016".
[Attach details at Annexure]
 - (ii) Insertion of a new sub-para 2.4 in section 2 of Annexure IV B: Format for PIB/DIB Memorandum for appraisal of projects, as under: "Please indicate special measures proposed to meet needs of persons with disabilities, including accessibility requirements under the RoPWD Act". [Attach details at Annexure]
3. This comes into immediate effect. Ministries/Departments are requested to accordingly circulated EFC/PIB memos for inter-ministerial consultations after incorporating measures to meet needs of persons with disabilities.
4. This issues with the approval of Secretary (Expenditure).

(Harsha Dass)
Director
Tel No. 23092578

To
Secretary to Govt. of India as per list attached

Copy to:

1. Prime Minister's Office
2. Cabinet Secretariat
3. CEO, NITI Aayog
4. Financial Advisors in all Ministries/Departments to the Government of India

ANNEXURE- 2.1

**No.11011(1)/80-Pol.IV
Government of India
Directorate of Estates**

New Delhi, the 3rd October, 1980

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.
4. All Dy. Directors and Asstt. Directors of Estates.

ANNEXURE- 2.2

F. No.

CERTIFICATE

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

Sr. No.		Subordinate Office
1.	Status of the Office i.e. whether attached or Subordinate Office or Public Sector undertaking or under autonomous organisation	
2.	Source from which the officers and staff will be paid i.e. from the Consolidated fund of India or otherwise	
3.	Whether the Office will be within the Municipal limits of the City or the town	
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.)

ANNEXURE- 2.3

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:

Sr. No.			
I.	Income Tax Department		
	**		
5.	Non –gazetted staff (excluding Inspectors)		3.5 sq. metres
	**		
II.	Central Excise and Customs Department (Gazetted)		
	Customs Personnel	Central Excise Personnel	Scale of accommodation
1.	Collector & Deputy Collector	Collector & Deputy Collector	23.0 Sqm.
2.	Assistant Collector	Assistant Collector	18.0 Sqm.
	Non-gazetted		
	Deputy Superintendent (Executive)		14.5 Sqm.
1.	Preventive Inspector, Preventive Officer, Assistant Preventive Inspector, Appraiser, Examiner		11 sqm.
2.	Draughtsman	Draughtsman	23 Sqm.
3.	Records	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

ANNEXURE-2.4

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

Sh/Shri

1. H.R. Laroya, Chief Architect, Nirman Bhawan, New Delhi. (Chairman)
2. Chief Engineer (Northern Zone), Shri A. Sankaranupto 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.
4. R. Natarajan, Chief Engineer (Electrical)1, Vidayut Bhawan Shankar Market, New Delhi.
5. A.K. Das Gupta, Senior Architect (Northern Zone)VII, R.K. Puram, New Delhi.
6. M.V. Korgaonkar, Architect (Secretary), SA (H&TP) II Unit, Nirman Bhawan, New Delhi.

Ministry of works and Housing

7. A.K. Saxena, Assistant Financial advisor (Works), Finance Division, Nirman Bhawan, New Delhi.

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.FA (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

Terms of Reference

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. To provide guidelines for structural module for planning of revenue buildings.
3. To Standardize specifications and finishes for common areas in revenue buildings.

Deliberations of the Committees

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

Existing norms and Standards of space for special requirements.

Conference	82-44 Sqm.
Visitors'Room	44 Sqm.
Reception/Security Staff	11 Sqm.
Canteen/Tiffin	0.093 Sqm.
Telephone Exchange	22 Sqm.
Class room	44 Sqm. max
Library	0.093 Sqm. for 25 books
Old record	0.093 Sqm. 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

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 and deal with different sets of people.
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.
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 ensure 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.
4. Specification for the strong room and malikans should be decided by the Department as per the requirements.

Lighting and heating/cooling system

1. Standby generating set of required capacity may be provided wherever considered necessary for meeting essential lighting and power requirements for lifts, pumps etc.
2. Ceiling 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.
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.
4. 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.
5. 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. 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.

Other Functional Requirements

1. Provision of space for bank/post office is recommended for category IV buildings.
2. Transit guests accommodation including drawing, dining and kitchen within office complex is recommended (refer table II).
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.
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 11 sq. ft. for 20 recorded files. Committee eligible to bring consistency in these norms. However, committee members expressed 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.
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.
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. Committee suggested suitable rest room with kitchenette and toilet for two chowkidars in view of the nature of their duties (see table II).
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.
9. Sufficient open parking may be provided in the complex to meet the requirements.

Specifications

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

4. 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.
5. 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.

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.

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 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 out 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

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)		
Category of Building	Income Tax	Department Designation/Unit
I	(1) ITO	Central Excise & Custom Superintendent (Reg.)
II	IAC	Asstt. Collector
III	(1) C.I.T.	Collector
IV	(1) Multi Commission Charges three or more commission	Central Excise & Custom Multi Collector Charges three or more Collectors

TABLE-II (Para 7.5)

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

Sl. No.	Special Component	I	II	III	IV	Remarks
1	2	3	4	5	6	7
A.	Income Tax Building					
1.	Entrance hall with reception waiting etc.	33	66	88	110	
2.	Public relations unit				—	As per requirement
3.	Waiting Space attached to head of the office	7	11	14	14	Deleted
4.	Visitors waiting for					
a)	4 ITOs	11	11	11	11	Deleted
b)	I.A.C.	—	11	11	11	Deleted
c)	Commissioner			11	11	Deleted
5.	Conference Room		22	44	44	
6.	Strong Room		22	33	33	
7.	Record room 25% of the area for current record, 30% of the area for old record for gazetted and non-gazetted staff					
8.	Counter area for forms receipt	11	16.50	22	44	
9.	Waiting lounge on each floor	11	11	22	33	
10.	Stores for forms and stationary	11	16.50	22	44	Provisions for built in shelves may be made
11.	Telephone Exchange/Telecom	—	22	16.50	22	Deleted
12.	A.G.'s Staff Room	—	—	Suit 4 no.	33	
13.	Internal Audit Party Room	11	11	Dormitory for suits	44	
14.	Visiting Officer's Room	—	—	22	Suits 4 no.	

15.	In-service training Room	—	Suite			
16.	Guests' Room	—		Persons S2	Dormitory for 2 persons	
17.	Guard room with dormitory facility for 8 persons	16.50	22	22	22	
18.	Chowkidar's rest room	—	16.50	16.50	16.50	Attached with kitchenette and toilette
19.	Library	—	11	55	44	
20.	Rest room for ladies	11	11	16.50	22	
21.	Recreation room	—	22	33	44	
22.	Canteen	11	11	33	88	This provision to be coordinated with Director of Canteen space may be split as convenient floor levels
23.	Co-operatives stores	—	11	22	22	
24.	Bank & Post Office	—	—	—	—	As pre requirement
25.	Space for staff associations room	—	—	16.50	33	
26.	Bar room	—	11	22	33	
27.	Covered parking for Head of the Departments	—	—	1 No. car space		As per requirement

C. CENTRAL EXCISE AND CUSTOMS BUILDING

1.	Entrance Hall with Reception waiting etc	33	66	88	110	
2.	Public Relations Unit	—	—	—		As per requirement
3.	Waiting Space attached to head of the office	7	11	14	14	Deleted
4.	Visitors 4 Superintendent	11	11	11	11	Deleted
	Asstt. Collector	—	11	11	11	Deleted
	Dy. Collector/Collector	—	—	11	11	Deleted
5.	Conference Room	—	22	44	44	
6.	Strong Room	—	22	33	33	Deleted
7.	Record room 25% of the area for current record 30% of the area for old record for gazetted and non- gazetted staff	—	—	—	—	
8.	Telecommunication	—	22	22	22	
	Centre Telephone	—	55	66	66	
	Exchange Wireless Control					

9.	Waiting lounge on each floor	11	11	22	33	
10.	Stores for Forms and Stationery	11	16.50	22	44	Provisions for in slaved may be made
11.	Visiting Officer's Rooms	—		22	44	
12.	In service Training Room	—	—	22	44	
13.	Guest's Room	—	Suite 2 Nos Dormitory Room for 2 Persons	Suite 4 nos. Dormitory Room for 4 persons	Suite 4 nos. Dormitory Room for 4 Persons	
14.	Malkhana for Confiscated goods	16.50	33	66	66	May be located separately outside the campus
15.	Covered shed for Confiscated vehicles (outside city limits)	—	5	10 Nos. Each	20 Nos. Room	
16.	Sales shop for confiscated good	—	—	22	22	
17.	Interrogation Cell	—	11	11	11	Separately outside campus
18.	Guard Room with Dormitory Facilities for 8 persons	—	22	22	22	
19.	Chowkidars Rest Rooms	16.50	16.50	16.50	16.50	Attached with Kitchenette and toilette
20.	Library	—	11	22	44	
21.	Rest Room for Ladies	11	11	16.50	22	
22.	Recreation Room	—	22	33	44	This provision to be coordinated with Director of Canteen Space may be split up for convenient floor level
23.	Canteen	11	11	33	88	
24.	Co-operative Store	—	11	22	22	
25.	Bank and Post Office	—	—	—	—	As per requirement
26.	Staff Association Room	—	—	16.50	33	
27.	Garage for head of Department	—	—	1 No. Car space		As per requirement
28.	Garage for Dept. Vehicles	—	2	6	8	
29.	A.G's Staff Room	—	—	16.50	22	Deleted
30.	Internal Audit Party Room	11	11	22	33	
31.	Bar Room	—	11	22	33	

ANNEXURE-2.5

NO.6/16/89-WI (Director General)
Government of India
Directorate General of Works
Central Public Works Department
Nirman Bhawan, New Delhi

Dated the 31/07/1986

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. 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:

- (i) 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.
- (ii) 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.
- (iii) 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.
- (iv) 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.
- (v) 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 be constructed at a reasonable distance from the office buildings.

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

ANNEXURE-2.6 (a)

F.No.207/25/90-Ad.VIII(EC)
Government of India
Ministry of Finance
(Department of Revenue)

New Delhi, the 12th September, 1990

All Principal Collectors of Customs/Central Excise.

All Director Generals under C.B.E.C.

All Collectors of Customs/Central Excise.

All Directorates under C.B.E.C.

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:

Type	Existing	Revised
A	20%	40%
B	40%	50%
C	60%	60%
D	80%	80%

Please acknowledge receipt of this letter.

Yours faithfully,

-Sd-

(VIJAY SINGH)

Under Secretary to the Govt. of India

ANNEXURE-2.6 (b)

F.No.207/25/90-Ad.VIII(EC)
Government of India
Ministry of Finance
(Department of Revenue)

New Delhi, 16th the January, 1991

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 'B' 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 'B' 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

ANNEXURE-2.7

F.No. 213/09/2009-Adm.VIII (EC)
Government of India
Ministry of Finance
Department of Revenue (C.B.E.C)

HUDCO Vishala Building,
Bhikaji Cama Place, R.K. Puram,
New Delhi, dated the 26th February, 2010

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:

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

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.

ANNEXURE-2.8

Type-wise requirement of Residential Accommodation at (Specify Station)

S. No.	Type of Quarters	Grade pay/pay scale (Rs.)	No. of eligible Officers as per Sanctioned Staff Strength	Satisfaction norms (%)	Number of quarters admissible as per norms [Col. (4)X(5)]	Actual Demand of Quarters as per Demand Survey	Number of Quarters available at station (i.Depttl. +ii.under construction + iii.occupied from General Pool = iv.Total)				Requirement of quarters (Col. 7-8(iv) or 6-8(iv) whichever is lower)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)				(9)
							i	ii	iii	iv	
1.	I #	1300, 1400 1600, 1650, 1800		20*/40							
2.	II	1900, 2000 2400, 2800		40*/50							
3.	III	4200, 4600 4800		60							
4.	IV	5400 to 6600		80							
5.	IV(Spl.)	6600		80							
6.	V-A(D-II)	7600 8000		80							
7.	V-B(D-I)	8700 8900		80							
8.	VI-A(C-II)	10000		80							
9.	VI-B(C-I)	67000 to 74999		80							
10.	VII	75000 to 79999		80							
11.	VIII	80000 & above		80							

*The satisfaction ratio in respect of places other than Metropolitan cities/State Capitals is to be restricted to 40% for type-II quarters in Phase-I.

#Since abolished merged with Type-II quarters.

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

S. No.	Name Of the officer	Designation	Grade pay Basic pay	Type of quarter for which eligible	Whether willing to occupy govt. accommodation	Signature of the officer

SUMMARY OF THE REPORT OF DEMAND SURVEY

S. No.	Type of quarter	No. of officers eligible	No. of officers willing to occupy the govt. accommodation	No. of officers not-willing to occupy the govt. accommodation
1.	I*			
2.	II			
3.	III			
4.	IV			
5.	IV (Spl.)			
6.	V-A (D-II)			
7.	V-B (D-I)			
8.	VI-A (C-II)			
9.	VI-B (C-I)			
10.	VII			
11.	VIII			

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 SUBURBS, FOR PUBLIC PURPOSES.

The department of Industrial Policy and Promotion (DIPP) has been 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:

- 2.1 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 Salt Commissioner regarding the use of land for salt production and related activities).
- 2.2 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, failing which, falling which, on payment of market value.
- 2.3 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 Rules (GFRs), 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).
- 2.4 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.
- 2.5 The transfer of salt land will be on freehold basis.
- 2.6 There shall be no transfer of land to private sector agencies.

- 2.7 While consideration requests for transfer of land, due consideration will be given to environment related issue and related restrictions.
- 2.8 Request for transfer of land shall be made to DIPP in the prescribed format **(copy enclosed)**.
- 2.9 Inter-se priority shall be fixed by DIPP in case of multiple requests for the same land, depending on the nature of public purpose.
- 2.10 On the direction of DIPP, the Salt Commissioner shall examine, as far as possible, within 60days, 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.
- 2.11 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.
- 2.12 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.
- 2.13 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.
- 2.14 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.
- 2.15 In respect of cases, pertaining to central public sector enterprises, states government and their enterprises, market value will be charged for the land, as defined in paragraph 2 of appendix 11 of the General Financial Rules, 2005
- 2.16 The market value of the land and its transfer shall be approved by the Minister in charge of DIPP.
- 2.17 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 GFRs, 2005 for transfer of land, etc. Whenever and 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

1	Name of the organization and address	
2	Status of organization (a) Central government (b) Central government Undertaking/Enterprise (c) Autonomous body of Central Government (d) State government (e) State Government Undertaking/Enterprise (f) Autonomous body of state government (g) Private institution/body (h) Any other to be indicated	
3	Extent of land required for transfer (a) Area in acre/hectare (b) Survey number (c) Name of village/taluka/district (d) Sketch/site plan with boundaries	
4	Whether the required land is used for salt 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 (a) CRZ (b) 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.	

ANNEXURE- 2.11

F.No.207/36/2002-Ad.VIII(EC)
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE

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.

- v) Availability of built-up accommodation with all the formations of CBEC in the station:

	Super area		Floor area		Carpet area	
	Owned	Hired	Owned	Hired	Owned	Hired
Name of Station						
Name of office						
Total						

This should include buildings for which sanctions have been issued, even if construction has not commenced.

- Revenue collection for the last three years may be given.
- 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:

S.No.	Plot No.	Area

In order to monitor the projects/works relating to accommodation in which CPWD is involved the following information may be provided;

- Proposals initiated but not finalized,
 - Proposals finalized but payment not released by CPWD,
 - Payment released but possession not taken,
 - Possession taken but construction proposal not finalized,
 - Construction in progress,
 - Construction completed and building occupied.
- 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.
 - If estimated cost is more than 3 crores, whether permission of the Board prior to placement of advertisement was taken.
 - 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**).
 - Whether advertisement for purchase of land, purchase of ready built accommodation and hiring of accommodation given in standard format.
 - Evaluation sheet of techno-commercial bids (**Annexure A-IV**).
 - 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:

- (I) 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.
- (II) 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.
- (III) CPWD's/any other Government agency/PSU's No Objection Certificate for maintenance of buildings/quarters to be purchased (Annexure B-II).
- (IV) 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**).
- (V) 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).
- (VI) Completion/ready to occupy or equivalent certificate from the local development/municipal authority, State Government (Annexure B-IV).
- (VII) Likely date by which CBEC would get possession of the building.
- (VIII) 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

- (a) Certificate from CPWD regarding minimum requirement of land (Annexure C-I). 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**

- (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.
2. Part 'A' has to be filled up in all cases. Part 'B', '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,

-S d-

(SUSHMA KATARIA)

UNDER SECRETARY TO THE GOVT. OF INDIA

Encl: As stated above.

ANNEXURE- 2.12 (a)

CHECK-LIST FOR INFRASTRUCTURE PROPOSAL PRESCRIBED BY IFU

S.No.	Subject	
1.	Available land (area, in sq.mtr.)	
2.	Encumbrances, if any (also enclose certificate from concerned District/Local Authority)	
3.	Date of administrative approval/expenditure sanction for the cost of land (copy to be also enclosed)	
4.	Date of possession of land	
5.	Sanctioned strength at the station (category-wise, as on date)	
6.	Working strength at the station (category-wise, as on date)	
7.	Requirement for quarters/office space as per norms. (Worksheets to be enclosed)	
8.	Deviation, if any from the norms-Reasons thereof	
9.	Lease rent, ground rent and other onetime and/or recurring payment to local authority	
10.	Particulars (including date) of administrative approval of construction (copy to be enclosed).	
11.	Non-construction fee and other charges payable for delay in construction.	
12.	Cost of construction (also enclose CPWD P/E).	
13.	Plan of building (drawing/lay-out plan etc. indicating physical characteristics of the building, its elevation, lay-out etc.)	
14.	Date of completion as per estimates	
15.	Budget availability (to be ascertained from CPWD if funds are to be provided by them) In case, funds are not available, how the expenditure is proposed to be met?	
16.	On-going works at the place	
17.	Commitment of any other works by CPWD	
18.	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.	
19.	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.	
20.	Statement of all Immovable assets (Land & Building) of CBEC, both owned and hired, for the city to establish the necessary of fresh requirement. (as per ANNEXURE-2.12(b))	
21.	Copy of the layout of the plot of land duly certified by the CPWD	

Additionally, the following information may also be furnished:

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

Comm'te	Location with complete Address	Area (in sq.mtrs.)	Date of acquisition	Acquisition/ Purchase cost
1	2	3	4	5
6	7	8	9	10
Ministry's F.No. & date under which administrative approval and expenditure sanction accorded	Whether the Land is being utilized or is vacant	If being utilized for what purpose	If not being utilized reasons thereof	Remarks

2. Office Building

(i) Owned

Comm'te	Location with complete Address	Offices located in the premises	Area occupied by each office (in sq.mtrs.)	Date of acquisition/ construction of building
1	2	3	4	5
Acquisition/ construction/ Purchase cost	Ministry's F.No. & date	Whether the premises is being fully utilized	If not being fully utilized, reasons thereof	Remarks
6	7	8	9	10

(ii) Hired

Location of the hired premises	Area Hired	Date of hiring	Offices located in the hired premises	Annual rent being paid for the hired premises	Remarks
1	2	3	4	5	6

3. Residential Quarters

Comm'te	Location with complete Address	Type of Quarters	No. of Quarters	Date of acquisition/ construction/ Purchase	Acquisition/ construction/ purchase cost
1	2	3	4	5	6

Ministry's F.No. & date for such acquisition/ construction/purchase	No. of Quarters occupied	No. of Quarters vacant	Reasons for unoccupation/unutilized /underutilized	Remarks
7	8	9	10	11

4. Guest House

Comm'te	Location with complete Address	No. of Rooms /Area	Date of acquisition/ construction/purchase
1	2	3	4

Acquisition construction/ Purchase cost	Ministry's & date F.No.	% age occupancy of Guest House	Remarks
5	6	7	8

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.

Date: 23.10.09

To

All Chief Commissioners of Central Excise & Customs
All Director Generals & Directorates under CBEC

**Sub:Streamlining of procedure for submission of Infrastructure Proposals to Infrastructure Division,
Directorate General of HRD.**

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 Commissioners 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)

1. Project Outline

- 1.1 Title of the Project
- 1.2 Sponsoring Agency (Ministry/Department/Autonomous Body or Undertaking)
- 1.3 Proposed Cost of the Project
- 1.4 Proposed Timelines for the Project
- 1.5 Whether Project will be implemented as part of a scheme or on stand-alone basis?
- 1.6 Whether financial resources required for the Project have been tied up? If yes, details?
- 1.7 Whether Feasibility Report and/or Detailed Project Report has been prepared?
- 1.8 Whether the proposal is an Original Cost Estimate or a Revised Cost Estimate?
- 1.9 In case of Revised Cost Estimates, whether the meeting of Revised Cost Committee has been held and its recommendations suitably addressed?
- 1.10 Whether any land acquisition or pre-investment activity was under-taken or is contemplated for this Project? Whether the cost of such intervention has been included in the Project Proposal?

2. Outcomes and Deliverables

- 2.1 Stated aims and objectives of the Project
- 2.2 Indicate year-wise outputs/deliverables for the project in a tabular form.

Activities	Year 1		Year 2 & so on		Total	
	Physical	Financial	Physical	Financial	Physical	Financial
1,2,3 & so on						

- 2.3 Indicate final outcomes for the project in the form of measurable indicators which can be used for impact assessment/evaluation after the project is complete. Baseline data or survey against which such outcomes would be benchmarked should also be mentioned.
- 2.4 Please indicate special measures proposed to meet needs of Persons with Disabilities, including accessibility requirements under RoPWD Act. [Attach details at Annexure]

3. Project Cost

- 3.1. Cost estimates for the project along with scheduled duration (both year and activity-wise). Also the basis for these cost estimates along with the reference dates for normative costing (it should preferably not be more than a year old)

- 3.2. In case land is to be acquired, the details of land cost, including cost of rehabilitation/resettlement needs to be provided
- 3.3. In case pre-investment activities are required, how much is proposed to be spent on these, with details activity-wise?
- 3.4. Whether price escalation during the project time cycle has been included in the cost estimates and at what rates?
- 3.5. Whether the Project involves any foreign exchange element, the provision made or likely impact of exchange rate risks?
- 3.6. In case of the Revised Cost Estimates, a variation analysis along with the Report of the Revised Cost Committee needs to be attached.

4. Project Finance

- 4.1. Indicate the sources of project finance: budgetary support, internal and extra-budgetary sources, external aid, etc.
- 4.2. Indicate the cost components, if any, that will be shared by the State Governments, local bodies, user beneficiaries or private parties?
- 4.3. In case of funding from internal and extra-budgetary resources, availability of internal resources may be supported by projections and their deployment on other projects?
- 4.4. Please indicate if the DPR for the project has considered Value Capture Financing has a source for financing project as per the guidelines issued by Ministry of Urban Development.
- 4.5. Also indicate if the Ministry/Department has examined the option of Value Capture Financing.
- 4.6. If the project financing has been considered as a source of financing for the project then the details of the estimated amount and the mode of value Capture Financing may be provided.
- 4.7. Please indicate funding tie-ups for the loan components, if, any, both domestic and foreign, along-with terms and conditions of loan based on consent/comfort letters.
- 4.8. If government support/loan is intended, it may be indicated whether such funds have been tied up?
- 4.9. Please provide the leveraging details, including debt-equity and Interest coverage ratios, along with justification for the same.
- 4.10. Mention the legacy arrangements after the project is complete, in particular, arrangements for the maintenance and upkeep of assets that will be created?

5. Project Viability

- 5.1. For projects which have identifiable stream of financial returns, the financial internal rate of return may be calculated. *The hurdle rate will be considered at 10 percent.*
- 5.2. In case of projects with identifiable economic returns, the economic rate of return may be calculated. In such cases project viability will be determined by taking both financial and economic returns together.
- 5.3. In case of proposals where both financial and economic returns are not readily quantifiable, the measurable benefits/outcomes simply may be indicated.

Note: *It may kindly be noted that all projects, irrespective of whether financial and/or economic returns can be quantified or not, should be presented for PIB/DIB appraisal.*

6. Approvals and Clearances

Requirement of mandatory approvals/clearances of various local, state and national bodies and their availability may be indicated in a tabular form (land acquisition, environment, forestry, wildlife etc.) In case land is required, it may be clearly mentioned whether the land is in the possession of the agency free from encumbrances or encroached or stuck in legal processes?

S.No.	Approvals/Clearances	Agency concerned	Availability (Y/N)

7. Human Resources

- 7.1. Indicate the administrative structure for implementing the Project. Usually creation of new structures, entities etc. should be avoided
- 7.2. Manpower requirement, if any. In case posts (permanent or temporary) are intended to be created, a separate proposal may be sent on file to Pers. Division of Department of Expenditure. Such proposals may be sent only after the main proposal is recommended by the appraisal body.
- 7.3. In case outsourcing of services or hiring of consultants is intended, brief details of the same may be provided.

8. Monitoring and Evaluation

- 8.1. Indicate the Project Management/Implementing Agency(s). What agency charges are payable, if any?
- 8.2. Mode of implementation of individual works: Departmental/Item-rate/Turnkey/EPC/Public-Private Partnership, etc.
- 8.3. Please indicate timelines of activities in PERT/Bar Chart along with critical milestones.
- 8.4. Please indicate the monitoring framework, including MIS, and the arrangements for internal/statutory audit.
- 8.5. Please indicate what arrangements have been made for impact assessment after the project is complete?

9. Comments of the Financial Advisor, NITI Aayog, Department of Expenditure and other Ministries/Departments may be summarized in tabular form along with how they have been internalized and used to improve this proposal.
10. Approval Sought:

(_____)
Joint Secretary to the Government of India
Tel. No. _____
Fax No. _____
E-mail _____

Please attach an Executive Summary along with the Feasibility Report/Detailed Project Report prepared for the Project.

Remarks: *Format of PIB/DIB memorandum for appraisal of projects as revised vide OM No. 24(35)/PF-II/2012 dated 7.3.2017 issued by the Department of Expenditure, Ministry of Finance and subsequently modified vide OM dated 3.4.2018 (Please refer to Annexure 1.4 (b) & (c)).*

ANNEXURE-2.15 (a)

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. 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.
4. 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.
5. 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.
6. 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.
7. In case of documents written in local languages, authentic **translation** of these documents may also be provided.

8. 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.
9. 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.
10. 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 endeavor 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

Major documents/details required under Part A& C and Check-List prescribed for proposals for purchase of Land.

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.
4. Non- Encumbrance Certificate from State Government.
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.
6. Calculation of type-wise requirement of residential quarters as per Annexure-2.8.
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.
17. Details of Stamp Duty, Registration Charges or other one time/recurring charges component-wise whether exempt or payable.
18. Total amount for which A/a and E/s is required (Cost of land and other charges).
19. Detailed Cost Benefit Analysis for the proposal as per Annexure 3.4 (a), 3.4 (b) and Annexure 3.5.

ANNEXURE-2.17

F.No.18/2007/IFU-III
Government of India
Ministry of Finance
Department of Revenue

New Delhi, the 10th October, 2007

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:

Item of expenditure	Object Head	Major Head
Repairs/maintenance of Departmental Office Building of Customs.	Minor Works	2037
Repairs/maintenance of Departmental Office Building of Central Excise.	Minor Works	2038
Repairs/maintenance of Departmental Residential Buildings of Customs and Central Excise	Minor Works	2216
Purchase of Ready built Office Accommodation by Customs and Central Excise.	Investments	4059
Purchase of Ready built Residential Accommodation by Customs and Central Excise.	Investments	4216

Demand No. 99 – Department of Urban Development:

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

Demand No. 100 – Public Works:

Item of expenditure	Description	Major Head
Purchase of Land/Construction of Office Building for Customs and Central Excise and other construction activities on such purchase e.g. boundary wall etc.	Finance (Revenue)	4059

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, remodeling, 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.

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 309. Save as otherwise provided in any law, rule or order relating to the transfer of Government land, no land belonging to the Government or any of its bodies, including autonomous bodies, PSUs, etc. shall be sold without previous sanction of the Government.

Rule 310 (1) Transfer of Land. 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 310(2): Transfer of land from one Department of the Government (as defined in Rule 309) to another shall be on 'no profit no loss' basis. 'No profit no loss' as indicated at rules 310(1) and 310(2) above does not necessarily mean transfer being effected with 'zero cost'. Transfer can be on the basis of mutually agreeable terms and conditions or in exchange for equal value land or payment of value of land or cost of acquisition

Rule 310 (3): Transfer of buildings and superstructures on land shall be treated similar to transfer of land. 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 310 (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 - 7.

Rule 310 (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 - 7.

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.

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

[See Rule 310 (4) and 310 (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.
- (b) 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.
- (c) 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.
- (d) 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 of it 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.

ANNEXURE-2.18 (d)

Rule 13 of Delegation of Financial Powers Rules, 1978 (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

Sl. No. of Item (1)	Item of expenditure (2)	Rules, orders, restrictions or scales subject to which the expenditure shall be incurred (3)
8.	Land	*** In all cases, except 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- (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.

ANNEXURE-2.19

F. No. 204/05/1992.Ad.VIII(EC)
Government of India
Ministry of Finance
Department of Revenue

New Delhi, the 18th May, 2007

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

Sir/Madam,

Subject: Guidelines for purchase of land and ready built office/residential accommodation by CBEC.

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 weights should be clearly defined in the bid document itself to provide much needed transparency. 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.
 - iii) 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-1) 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.

ANNEXURE- 3.1

Some of the relevant provisions under GFRs, 2017 related to Construction projects are reproduced as under:

Rule 133 (1): A Ministry or department at its discretion may directly execute repair works estimated to cost up to Rupees Thirty Lakh after following due procedure indicated in rule 139, 159 & 160.

Rule 133 (2): A ministry or department may, at its discretion, assign repair works estimated to cost above Rupees Thirty Lakh and original/minor works of any value to any Public Works Organisation (PWO), such as Central Public Works Department (CPWD), States Public Works Department, other Central Government organisations to carry out civil or electrical works such as Military Engineering Service (MES), Border Roads Organisation (BRO), etc. or Ministry/Department's construction wings of Ministries of Railways, Defence, Environment and Forests, Information and Broadcasting and Department of Posts, and Space etc.

Rule 133(3): As an alternative to 133(2), A Ministry or Department may award repair works estimated to cost above Rupees Thirty lakh and original works of any value to:

- (i) any Public Sector Undertaking set up by Central or State government to carry out civil or electrical works or
- (ii) to any other Central/State Government organisation/PSU which may be notified by the Ministry of Urban Development (MoUD) for such purpose after evaluating their financial strength and technical competence.

For the award of work under this sub-rule, the Ministry/Department shall ensure competition among such PSUs/ Organisations. This Competition shall be essentially on the lump sum service charges to be claimed for execution of work. In exceptional cases, for award of work under (i) and (ii) above, on nomination basis, the condition contained in rule 194 would apply. The work under these circumstances shall also be awarded on the basis of lump sum service charge.

Rule 135 (2) General Rules: Ministry or Department shall put in place, as far as possible, empowered project teams for all large value projects and these teams should be tasked only with project execution and not given other operational duties.

Rule 136 (1): No works shall be commenced or liability incurred in connection with it until:

- (i) Administrative approval has been obtained from the appropriate authority in each case.
- (ii) A properly detailed design has been sanctioned; while designing the projects etc, principles of Life Cycle cost may also be considered.

Rule 137: For purpose of approval and sanctions, a group of works which forms one project, shall be considered as one work. The necessity for obtaining approval or sanction of higher authority to a project which consists of such a group of work should not be avoided because of the fact that the cost of each particular work in the project is within the powers of such approval or sanction of a lower authority. This provision, however, shall not apply in case of works of similar nature which are independent of each other.

Rule 138: Any anticipated or actual savings from a sanctioned estimate for a definite project, shall not, without special authority, be applied to carry out additional work not contemplated in the original project.

Rule 140: For original/minor works and repair works entrusted as per Rule 133(2) or Rule 133(3), the Administrative Approval and Expenditure Sanction shall be accorded and funds allotted by the concerned authority under these rules

and in accordance with the Delegation of Financial Power Rules. The Public Works Organization or the Public Sector Undertaking or any Organization allotted work shall then execute the work entrusted to it in accordance with the rules and procedures prescribed in that organization. A Memorandum of Understanding (MoU) may be drawn with Public Works Organization or the Public Sector Undertaking for proper execution of work.

Rule 141: Review of Projects- After a project costing Rs. 100 crore or above is approved, the Administrative Ministry or Department will set up a Review Committee consisting of a representative each from the Administrative Ministry, Finance (Internal Finance Wing) and the Executing Agency to review the progress of the work. The Review Committee shall have the powers to accept variation within 10% of the approved estimates. For works costing less than Rs. 100 crore, it will be at the discretion of the Administrative Ministry/Department to set up a suitable mechanism for review and acceptance of variation within 10% of the approved estimates

Rule 194: Single Source Selection/Consultancy by nomination- The selection by direct negotiation/nomination, on the lines of Single Tender mode of procurement of goods, is considered appropriate only under exceptional circumstances such as:

- (i) tasks that represent a natural continuation of previous work carried out by the firm;
- (ii) in case of an emergency, situation arising after natural disasters, situations where timely completion of assignment is of utmost importance;
- (iii) situations where execution of the assignment may involve use of proprietary technics or only one consultant has requisite expertise.
- (iv) Under some special circumstances, it may become necessary to select a particular circumstance where adequate justification is available for such single source selection in the context of the overall interest of the Ministry or Department. Full justification for single source selection should be recorded in the file and approval for the competent authority obtained before re sorting to such single source selection.
- (v) It shall ensure fairness and equity, and shall have a procedure in place to ensure that prices are reasonable and consistent with market rates for task of a similar nature; and the required consultancy required consultancy services are not split into smaller size procurement.

ANNEXURE- 3.2

No. 2611212014-PPC
Ministry of Finance
Department of Expenditure
Public Procurement Cell

Room No. 168-C,
North Block, New Delhi,
Dated the 21st January, 2015

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)

E-mail:sanjayaggarwal@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 c-procurement solution developed by NIC accessible through Central Public Procurement (CPP Portal) or to continue to carry out c-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 c-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 c-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 cphp-doe@nic.in.

Name of the Ministry/Department _____

Period of Report _____ to _____ Quarter ending on _____

Number of Tenders floated amounting to Rs. 10 lakhs or more	Number of Tenders through e-Procurement (Whether NIC or using solution)	Number of Tenders exempted due to national security and strategic Considerations demanding confidentiality	Cases of Non-compliance with reasons
Total	Total	Total	Total

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 cphp-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/Department of the Government of India.
- (ii) FAs of all Ministries/Department 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. 10/3/201 2-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.**

(Neerja Shah)
Member (Central Excise) & DG, HRD

End: O.Ms dtd. 09.01.14 & 21.01.15

To,

All Chief Commissioners/Commissioners
All Director General/Directorates CBEC

ANNEXURE- 3.4 (a)

Cost Economics of Hire vs. Construction
(Office space requirement and annual rent)

Name of the office proposed to be accommodated	Requirement of space	Present available space	Shortage of space	Present annual rent	Annual rent if actual requirement of space is hired	Remarks
A						
B						
C						
D						
Total						

* Rental calculations should take in account the annual rental hike of 8% (given as 24% every 3 years)

ANNEXURE- 3.4 (b)

Cost benefit analysis

No. of years	Present annual total rental outgo hired office space	Annual total rental outgo, if actual requirement of office space is hired	Annual HRA savings of the proposed quarters	Progressive year wise savings based on present hired office space & HRA (A+C)	Progressive year wise savings based on actual office space requirement & HRA (B+C)
	(A)	(B)	(C)		
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

* Calculation are to be made till the year by which the cost of project is recovered

ANNEXURE- 3.5

HRA savings

Type of qtrs.	No. of quarters proposed	Annual HRA savings*	Remarks
I			
II			
III			
IV			
V			
VI			
Total			

* HRA as admissible under 7th Pay Commission

ANNEXURE- 3.6

Monthly Progress Report format

S.No.		
1.	Name of the project	
2.	Date of commencement of construction/Tender	
3.	Stage of construction	a) Foundation b) Super structure c) Internal finishing
4.	Stage of Approvals from	a) Municipal Corporation b) Fire Department c) Other agencies
5.	Stage of sewerage/water connection	
6.	Stage of landscaping	
7.	Stage of certification under GRIHA norms	
8.	Photographs (enclosed)	
9.	Funds	a) Released to construction agency b) Booked into accounts by construction agency c) Funds required in current /next F.Y.

ANNEXURE- 5.1

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 .]

ANNEXURE- 5.2

F.No. 207/4/2002-Ad. VIII(EC)
Government of India
Ministry of Finance
Department of Revenue

New Delhi
the 20th April, 2004

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 of 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

ANNEXURE- 5.3

No.2(21)/E.II(b)/2004
Government of India
Ministry of Finance
Department of Expenditure

New Delhi, the 18th November,2004.

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-1', 'AVB-1' and '13-2' for the purpose of CCA was enclosed as Annexure - I and another list of cities/towns classified as 'A-1', 'A', '13-1', '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 HRS/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-1', 'A', 'B-1' and '13-2' for the purposes of CCA as enumerated in Annexure-I and as 'A-1', '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 '13-2' 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.

ANNEXURE- 5.3(a)

No.2/512014-E.11(B)
Government of India
Ministry of Finance
Department of Expenditure

New Delhi, 21 July, 2015.

OFFICE MEMORANDUM

Subject: Re-classification/Upgradation of Cities/Towns on the basis of Census-2011 for the purpose of grant of House Rent Allowance (HRA) to Central Government employees.

1. Reference, is invited to this Department's O.M. No. 2(13)/2008-E.11(B) dated 29.08.2008 relating to grant of House Rent Allowance (HRA) to Central Government employees on the recommendations of the 6th Central Pay Commission (CPC) whereby a list of cities/towns classified as "X", "Y" and "Z" for the purpose of grant of HRA was enclosed as Annexure. The matter relating to re-classification of cities/towns on the basis of Census-2011 for the purpose of grant of HRA to Central Government, employees has been considered by the Government.
2. 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 to Central Government employees, cities/towns shall now be re-classified as "X", "Y" and "Z" for the purpose of HRA as enumerated in the Annexure to these orders.
3. Consequent upon implementation of the recommendations of the 5th Central Pay Commission, certain cities/towns were placed in a lower classification as compared to their existing classification for HRA purpose, vide this Department's O.M. No. 2(30)/97-E.11(B) dated 03.10.97. However, these cities/towns were allowed to retain their existing higher classification, vide Para 3 thereof; and further extended vide O.M. No. 2(21)/E.11(B)/2004 dated 16.03.2005 & O.M. No. 2(13)/2008-E.11(B) dated 07.01.2009. As other cities/towns to which protection of retaining earlier higher classification was allowed, got upgraded during the intervening period and as on date only two cities i.e. Ajmer in Rajasthan and Durgapur in West Bengal were retaining such protection. Consequent upon upgradation of these two cities also on the basis of their population as per Census-2011, provisions contained in Para 3 of this Department's O.M. No. 2(30)/97-E.11(B) dated 03.10.97 which were allowed to further continue vide O.M. dated 16.03.2005 & 07.01.2009, stand withdrawn/discontinued.
4. Special orders allowing continuance of HRA at Delhi ('X' class city) rates to Central Government employees posted at Faridabad, Ghaziabad, NOIDA and Gurgaon, at Jalandhar ('Y' class city) rates to Jalandhar Cantt., at 'Y' class city rates to Shillong, Goa & Port Blair vide this Department's O.M. No.2(13)/2008-E.11(B) dated 29.08.2008, and continuance of HRA, at par with Chandigarh ('Y' class city) to Panchkula vide this Department's O.M. No.2(13)/2008-E.11(B) dated 04.03.2011, shall continue to be applicable till the recommendations of 7th CPC are considered by the Government.
5. These orders shall take effect from 1st April, 2015.
6. The orders will apply to all civilian employees of the Central Government. The orders will also be applicable to the civilian employees paid from the Defence Services Estimates. In respect of Armed Forces personnel and Railway employees, separate orders will be issued by the Ministry of Defence and the Ministry of Railways, respectively,

7. In so far as the persons serving in the Indian Audit and Accounts Department are concerned, these orders issue in consultation with the Comptroller & Auditor General of India.
8. Hindi version is attached.


(Subhash Chand)
Director

To
All Ministries and Departments of the Govt. of India etc. as per standard distribution list.

Copy to C&AG and U.P.S.C., etc. (with usual number of spare copies) as per standard endorsement list.

ANNEXURE
to. O.M. No,2/512014-E:11(B).dated 21.07.2016

**LIST OF CITIES/TOWNS CLASSIFIED FOR GRANT OF
HOUSE RENT ALLOWANCE TO CENTRAL GOVERNMENT EMPLOYEES**

Sl, No	STATES/ UNION TERRITORIES	CITIES CLASSIFIED AS "X"	CITIES CLASSIFIED AS "Y"
1.	ANDAMAN & NICOBAR ISLANDS	-	-
2.	ANDHRA PRADESH/ TELANGANA	Hyderabad (UA)	Vijayawada (UA), Warangal (UA), Greater Visakhapatnam (M.Corp.), Guntur (UA), Nellore (UA),)
3.	ARUNACHAL PRADESH	-	-
4.	ASSAM	-	Guwahati (UA)
5.	BIHAR	-	Patna (UA)
6.	CHANDIGARH	-	Chandigarh (UA)
7.	CHHATTISGARH	-	Durg-Bhilai Nagar (UA), Raipur (UA)
8.	DADRA & NAGAR HAVELI	-	-
9.	DAMAN & DIU	-	-
10.	DELHI	Delhi (UA)	-
11.	GOA	-	-
12.	GUJARAT	Ahmadabad (UA)	Rajkot (UA), Jamnagar (UA), Bhavnagar (UA), Vadodara (UA), Surat (UA)
13.	HARYANA	-	Faridabad*(M.Corp.), Gurgaon*(UA)
14.	HIMACHAL PRADESH	-	-
15.	JAMMU & KASHMIR	-	Srinagar (UA), Jammu (UA)
16.	JHARKHAND	-	Jamshedpur (UA), Dhanbad (UA), Ranchi (UA), Bokaro Steel City (UA)
17.	KARNATAKA	Bengalore Bengaluru (UA)	Belgaum (UA), Hubli-Dharwad (M.Corp.), Mangalore (UA), Mysore (UA), Gulbarga (UA)

18.	KERALA	-	Kozhikode (UA), Kochi (UA), Thiruvananthapuram (UA), Thrissur (UA), Malappuram (UA), Kannur (UA), Kollam (UA)
19.	LAKSHADWEEP	-	-
20.	MADHYA PRADESH	-	Gwalior (UA), Indore (UA), Bhopal (UA), Jabalpur (UA), Ujjain (M. Corpn.)
21.	MAHARASHTRA	Greater Mumbai (UA), Pune (UA)	Amravati (M.Corp.), Nagpur (UA), Aurangabad (UA), Nashik (UA), Bhiwandi (UA), SolaPur (M.Corp.), Kolhapur (UA), Vasai-Virar City (M.Corp.), Malegaon (UA), Nanded-Waghala (M. Corp.), Sangli (UA)
22.	MANIPUR	-	-
23.	MEGHALAYA	-	-
24.	MIZORAM	-	-
25.	NAGALAND	-	-
26.	ODISHA	-	Cuttack (UA), Bhubaneswar (UA), Raurkela (UA)
27.	PUDUCHERRY (PONDICHERY)	-	Puducherry/Pondicherry (UA)
28.	PUNJAB	-	Amritsar (UA), Jalandhar (VA), Ludhiana (M.Corp.)
29.	RAJASTHAN	-	Bikaner (M.Corp.), Jaipur (M.Corp.), Jodhpur (UA), Kota (M.Corp.), Ajmer (UA)
30.	SIKKIM	-	-
31.	TAMIL NADU	Chennai (UA)	Salem (UA), Tiruppur (UA), Coimbatore (UA), Tiruchirappalli (UA), Madurai (UA), Erode (UA)
32.	TRIPURA	-	-
33.	UTTAR PRADESH	-	Moradabad (M.Corp.), Meerut (UA), Ghaziabad* (UA), Aligarh (UA), Agra (UA), Bareilly (UA), Lucknow (UA), Kanpur (UA), Allahabad (UA), Gorakhpur (UA), Varanasi (UA), Saharanpur (M.Corp.), Noida* (CT), Firozabad (NPP), Jhansi (UA)
34.	UTTARAKHAND	-	Dehradun (UA)
35.	WEST BENGAL	Kolkata (UA)	Asansol (UA), Siliguri (UA), Durgapur (LJA)

* Only for the purpose of extending HRA on the basis of dependency.

NOTE: The remaining cities/towns in various States/UTs which are not covered by classification as “X” or “Y”, are classified as “Z” for the purpose of HRA.

ANNEXURE- 5.4

F.No.207/01/2006.ADVIII(EC)
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
CBEC

New Delhi, the 18th September, 2006

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.
2. 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.

Ends-As above

Yours faithfully,

-Sd-
(BIMAL KUJUR)
UNDER SECRETARY TO THE GOVT. OF INDIA

ANNEXURE- 5.4(a)

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 can not 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.

ANNEXURE-5.4(b)

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)

ANNEXURE- 5.4(c)

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 GFRs 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.

ANNEXURE- 5.5

F.No.207/44/97-Ad.VIII(EC)
Government of India
Ministry of Finance
Department of Revenue

New Delhi, the 2nd April, 98

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)

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

ANNEXURE- 5.6 (a)

No. 6.D.D-5-C.T.E-6
GOVERNMENT OF INDIA
CENTRAL VIGILANCE COMMISSION
(C.T.E' 8 ORGANISATION)
SATARKATA BHAWAN'
Block -A, G.P.O. Complex, INA

New Delhi-110023.
Dated the 8th July, 1999

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.

Copy to :

1. All C.V.Os/Ministries/Deptts./Banks/U.T.
2. All Chief Engineer, CPWD/DDA/Deptt. Telecom (Civil Wing)
(Civil Wing, NDMC/AIR & Civil Wing) MCD/MTNL
3. Department of Personnel and Training (Shri B. Thyagratana, Director), North Block, New Delhi
4. Central Bureau of Investigation (Shri N. Balachandran), Joint Director, (P) North Block, New Delhi.

-Sd-
(M.K. SINGAL)
CHIEF TECHNICAL EXAMINER

-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.O
- III. Guard file.

-Sd-

(S.K. BAHL)

UNDER SECRETARY TO THE GOVT. OF INDIA

ANNEXURE- 5.6 (c)

No. GDD-5-CTE-G
Government of India
Central Vigilance Commission
(CTE's Organization)

'SATARKTA BHAWAN'
Block-A, GPO Complex,
INA, New Delhi-110023
Dated the 8th Sept.,1999

OFFICE MEMORANDUM

Sub: 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 (ShriThyagrajan, Director), North Block, New Delhi.
4. The Central Bureau of Investigation (ShriN.Belachandran, Director), North Block, New Delhi.

ANNEXURE- 5.6 (d)

CIRCULAR no.16-c

No. 6DD-5-CTE-6
GOVERNMENT OF INDIA
Central Vigilance Commission
(CTE's Organisation)

Satarkta Bhawan, Block-A,
GPO Complex, INA
New Delhi-110023
Dt. 21st February,2000.

OFFICE MEMORANDUM

Sub: 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

ANNEXURE- 5.7

ANNEXURE- 61 (Refer SOP No. 8/5)

(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 is 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 is 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 is 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 is inclusive of Municipal Taxes but element of Municipal Taxes is 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 is remain effective for, is decided by hiring department and hence no such period is indicated in the Certificate.
6. In case the figure as per method (ii) referred to in Para (1) above is lower, only this figure is intimated as reasonable rent. However, if the figure as per method (ii) works out to be higher, both the figures is 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 is 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 is issued strictly as per modified model formats, given in the enclosed Annexure-62A & 6 B.
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 is 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 is 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 is dealt by a Hiring Committee associating a representative of Hiring Department, if the latter is so willing. Jurisdiction of a Hiring Committee is also include satellite and twin cities/towns.

1. The reasonable rent is 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 is the date of receipt of 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 is 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 are 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 is done in accordance with the method prescribed as hereunder:
 - (i) Workout the depreciation of the building (D) as on the date of assessment. First of all reproduction cost of the building (C) is worked out as on the date of assessment, based on the ruling cost of building construction in the locality. The depreciated cost is 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 building as on the date of assessment, which is worked out with due care and keeping in view the type of structure and specifications adopted in its construction.

In other words, **$D = 0.94 \times C \times A / A+R$**

- (ii) Work out the land area appurtenant to the building (La) by taking into account the local byelaws 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.
 $La = Y \times 100 / (x)$ Sqm, subject to the condition however that if 'La' works out to be more than 'L' 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 is restricted to 'L'. There would accordingly be no 'Ls' in such cases. In case, no local byelaws exist in the locality, comparison is 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 is 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 is adopted. Preferably authenticated documents or if the same are not made available by the concerned authorities, at least reference of such documents is 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 cost of surplus land, care is 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 is 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 is reduced accordingly keeping in view the built up area of the premises to be hired and total built-up area. Care is taken that if the areas of common utilities, such as staircase, toilets, corridors etc. are being or is 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 land and thus represents the composite capital cost of the properties, the net value of the property is worked out as follows:
- If authenticated information is available regarding acquisition and purchase price of the ready-built property proposed to be hired, the same is considered as net value of the property with due correction factor for appreciation/depreciation in its market value during the intervening period, i.e. from the date of its acquisition to the date of assessment.
 - In case the information as above is not available, composite capital cost i.e. net value of the property is worked out by comparing the same with the authenticated cost of similar properties/space preferably of those acquired by Govt. departments (Central/State) or Public Sector Undertakings (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 is taken as what had been mentioned in the sale clearance issued by Appropriate Authority. The cost as ascertained in these cases too is modified by applying correction factor for appreciation/depreciation as described in Para (a) above.
- While comparing the cost as referred to above, due care is 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, setbacks, 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 is made for suitable addition or subtraction, as the case is. No adjustment is however, be made for under or over utilization of the FAR in either case.
- If the information as mentioned in Para 3(vi) (a) or (b) above is not available, the net value of the property is worked out by following the same procedure as given in Para 3(i) to (v) above.
 - 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) is 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, is worked out as follows:
- 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.
 - 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 building, the annual rate of return on the cost of the said surplus land is 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 returns on the property including surplus land, if any, is 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 is further be added to the figure as arrived at in Para 3(ix) above to workout 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 is assessed based on the rate able value of the property in accordance with the relevant local/municipal byelaws. If the building as a whole is not proposed to be hired, the Municipal Tax is carefully worked out on prorata basis. The Municipal Tax component as assessed and considered in the certificate is clearly indicated in the rent reasonableness certificate to enable the hiring department to decide on the manner in which the municipal tax is paid (refer model formats for rent reasonableness certificate at **Annexure 62 A & 62 B**).
- (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 is 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) x (D)

Where, K = sinking fund co-efficient as above

D = Depreciation of the building referred to in Para 3(i) and (vi) (d) above. The following factors is further be added to the figure as arrived at in Para 3(ix) above to workout the gross annual return .i.e. reasonable rent per annum.

4. The rent based on the prevailing market rent is ascertained by making inquiries preferably in respect of rented properties/spaces, which have been taken on lease by Government Departments (Central/State) of 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 is 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 is made for suitable addition or subtraction as the case is. It is 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 is made accordingly. No adjustment is 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 is 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 is taken as reasonable rent and so intimated as per model format enclosed at **Annexure-62 A**.

- (ii) In case the rent based on the prevailing market rent happens to be higher, both the figures is intimated as range reasonable rent (as per model format enclosed at **Annexure- 62 B**), leaving the final decision to the hiring department to negotiate and settle the rent keeping this range in view.
 - (iii) There is some exceptional situations (like in a very small town/Kasba) where there is no rented building to be considered as basis for working out the prevailing market rent. In such cases the market rent may by 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 24.6.99) of adding a clause in the Rent reasonableness Certificate that the rent as certified hold good for 3/5 years or so, is not correct and is stopped forthwith.
 - (v) The rent is expressed in terms of per unit built up area or carpet area Monthly rent may also be shown.
6. Re-assessment of rent of the existing leased building/space is treated as fresh assessment and is ~~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 is however be examined and decided by the Hiring Department with due regard to the terms and conditions of existing lease agreement and any ~~other~~ relevant instructions issued by the competent authority. The effective date of revision of rent is 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 is 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 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 is clearly indicated in the Rent Reasonableness Certificate. In view of the same, no request is entertained by Hiring Committee for re-assessment of rent on account of subsequent increase or decrease in municipal tax, if any. It is 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, is dealt with.
 9. The rent assessment is done by a Hiring Committee with the composition as given below and the jurisdiction of the Committee for a particular City/Town is also include satellite and twin cities/towns, if any, as illustrated in the sub-Para (iv) below.
 - (i) DELHI: - The committee is 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 is accordingly be issued by EE (LF).

- (ii) Other Cities/Towns where there is a Civil Circle: the committee is headed by the Superintending Engineer, with the local Assistant Estate Manager of the Directorate of Estate and an Engineer in Charge (Civil) co-opted by the Superintending Engineer as members and Certificate of reasonable rent is accordingly be issued by the Superintending Engineer.
 - (a) In case there is no officer of the Directorate of Estate at the station, the Executive Engineer/ Assistant Engineer doing the estate function is co-opted as a member. In case, there is no such estate function involved, the Superintending Engineer is co-opt an Engineer in Charge or Assistant Engineer as the second member.
 - (b) In case there are more than one Civil Circle at the same station, the concerned Chief Engineer is nominate one of the Superintending Engineer to head the committee.
 - (iii) All other areas: - The Hiring Committee is headed by a Engineer in Charge (Civil Division) under whose jurisdiction the building proposed to be hired stands. He/she 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 is nominate one of the Engineer in Charges 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 is include Ghaziabad, NOIDA, Greater NOIDA, Faridabad, Gurgaon. Similarly, Jurisdiction of Hiring Committee for Mumbai, Kolkata and Hyderabad is 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) is competent to take a decision.
10. If the Hiring Departments are willing, a representative to be nominated by them is associated in Market survey/ enquiries for collecting relevant data. The head of the Hiring Committee is accordingly make a reference to the Hiring Department before undertaking this exercise.
 11. The rent calculations is an internal record of the Hiring Committee and is not be furnished to the Hiring Department.

ANNEXURE- 5.7 (a) (i)

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 and 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.

ANNEXURE- 5.7 (a) (ii)

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 .Sq.m. 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.

ANNEXURE- 5.8 (a)

F.No.16011/1/2000-Pol-III
Government of India
Directorate of Estates

New Delhi, the 3rd Sep, 2001.

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, NirmanBhavan, 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, here ditaments 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 land lord.
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 there of, 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 Lessee shall have to give a notice in writing, to the Lessor 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.
18. 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.
19. 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.....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 WHERE OF 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

(Inc 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.

ANNEXURE- 5.8 (b)

F.No.207/16/2000-Ad.VIWEC)
Government of India
Department of Revenue

New Delhi, the 21st October, 2001.

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-Po-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.

Ends - As above

Yours faithfully,

-Sd-
(SUSHMA KATARIA)
UNDER SECRETARY TO THE GOVT. OF INDIA
[SLA printed with Annexure-5.8 { a}]

ANNEXURE- 5.8(c)

**No.16011(3)/82- Pol.I I I .
Government of India
Directorate of Estates**

New Delhi, the 1.10.99

OFFICE MEMORANDUM

Sub: 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.

ANNEXURE- 5.8(d)

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

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 in 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."

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 is proposed to be continued at the existing rates beyond the date of 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/OD (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,

-S d-

(Bimal Kujur)

Under secretary to the Govt. of India

ANNEXURE- 5.8(e)

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)

ANNEXURE- 5.8(f)

F. No. 16011/1/2011-Pol.III
Govt. of India
Ministry of Urban Development
Directorate of Estates
(Policy-III Section)

Nirman Bhawan, New Delhi
Dated 18th Feb, 2016.

OFFICE MEMORANDUM

Subject: Standard Lease Agreement (SLA) for hiring of private building by the Central Govt. for office accommodation - Reg.

The undersigned is directed to refer to this Directorate's OM No. 16011/1/2000-Pol.III, dated 3rd Sept, 2001 on the above subject. References are received from various Ministries /Departments regarding the applicability of SLA, especially the rental increment per annum of 8% (non-residential purpose) as laid down in para 3 of the said SLA, towards the public property to be hired by any central government ministries/departments on lease basis for their office requirement.

2. In this regard, it is clarified that the SLA has been prescribed for the convenience of various central government Ministries/Departments to hire private property on lease basis for office purposes. As such, it is not applicable to public property. This Directorate has not devised any guidelines or SLA for hiring Public property by various Ministries/Departments for their office requirement. Similarly, the requirement of 'Rent Reasonableness Certificate' from CPWD for fixing the rent in respect of public property has also not been prescribed by this Directorate.
3. Further, as per para 3 of SLA, the rate of rent agreed upon is liable to revision during the period of lease or renewal, if any, of the lease after the expiry of 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. In case the owner of the property demanding more than 5% increase per annum (in case of residential accommodation) and 8% per annum (in case of non-residential accommodation), then the concerned department may decide whether to go for renewal as per the demand of owner of private property or new lease as per the fresh RRC of CPWD, whichever is less. Moreover, 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 Ministries/Departments may negotiate and fix the rent at their end in consultation with their integrated Finance Division.
4. All the Ministries/Departments are also advised to decide the issue of hiring of private/public property on lease basis for their office requirement in consultation with their concerned Integral Finance Division (IFD) of the Ministries/Departments after duly taking into account the office space requirement as prescribed by this Directorate vide OM No. 11015/1/98-Pol, dated 20.2.2014 (available in this Directorate's website: estates.nic.in under 'Policy Order').

sd/-
(Swarnali Banerjee)
Deputy Director of Estates (Policy)

ANNEXURE- 5.9 (a)

F.No. 207/13/2002-AD.VIII(EC)- III
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)

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.
3. Kindly acknowledge receipt.

Yours faithfully,

-sd/-
(MADHO RAM)
DEPUTY SECRETARY TO THE GOVT. OF INDIA

ANNEXURE- 5.9(b)

F.No. 207/13/2002-Ad.VIII(EC)
Government of India
Ministry of Finance
Department of Revenue
C.B.S.E

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.
3. Kindly acknowledge receipt.

Yours faithfully,

-sd/-

(SUSHMA KATARIA)

UNDER SECRETARY TO THE GOVT. OF INDIA

ANNEXURE- 5.9(c)

F.No.14/04/2021-IFU(B&A) DT - 01

Government of India
Ministry of Finance
Department of Revenue

New Delhi, Dated: 28th Sept, 2021

OFFICE MEMORANDUM

Subject: Delegation of Financial Powers to the Heads of Departments of Department of Revenue, CBDT and CBIC for the item of Expenditure "Hiring of Office Accommodation"—reg.

The delegated financial power to Heads of Department (HoDs) of Department of Revenue (Hqrs), CBDT and CBIC issued by IFU vide OM No.15/6/2008-IFU.III dated 15.09.2011 has been reviewed in respect of single item of Expenditure 'Hiring of Office Accommodation'. Considering the inflationary trend, it has been decided to enhance the delegated power under this head.

2. The enhanced delegated financial powers for 'Hiring of Office Accommodation' shall be as follows:
"The enhanced delegated financial powers for 'Hiring of Office Accommodation' to HoDs of CBDT, CBIC & Department of Revenue (Hqrs) shall be Rs.7 lakh per month in case of 'X' Class cities, Rs.5 lakh per month in case of 'Y' Class cities and Rs.3 lakh per month in case of other cities. The classification of cities under X, Y and 1 categories would be as per D/o Expenditure's OM No.2/5/2014-E.II(B) dated 21.07.2015".
3. The above enhanced delegation of power under the head 'Hiring of Office Accommodation' is **subject to non-availability Certificate from Directorate of Estates and/or CPWD, Fair Rent Certificate from CPWD, observance of GFR 2017, admissibility of space norms as prescribed and also subject to relevant instructions in this item issued from time to time. Hiring should be recommended by a Hiring Committee duly constituted by the HoD.**
4. Any deviation from norms **including acceptance of single offer, should be referred to Ministry/IFU.**
5. **This supersedes the previous OM No.15/6/2008-IFU.III dated 15.09.2011 in respect of the item of Expenditure "Hiring of Office Accommodation".**
6. This issues with the concurrence of AS&FA (Fin.) dt. 23.09.2021 and approval of Secretary Revenue dt. 24.09.2021.


(Deepak Mathews)
Deputy Secretary (Finance)/DT

To:

1. Chairman, CBDT, North Block, New Delhi.
2. Chairman, CBIC, North Block, New Delhi.
3. Joint Secretary, Revenue, North Block, New Delhi.
4. Joint Secretary (Admn), CBDT, North Block, New Delhi.

Copy to:

1. Pr.CCA, CBDT.
2. Pr.CCA, CBIC.
3. CCA (Finance), D/o Revenue.
4. DIT(EB), CBDT.
5. DG(HRD), Expenditure Wing, CBIC.

ANNEXURE- 6.1

F. No. 211/45/94-Ad.VIII(EC)
Government of India
Ministry of Finance
Department of Revenue

New Delhi, the Sept. '95'.

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,

-Sd-
(O.P. AHUJA)

UNDER SECRETARY OF THE GOVT. OF INDIA

ANNEXURE- 7.1

DELEGATION OF FINANCIAL POWERS TO THE HEAD OF THE DEPARTMENT OF REVENUE, CBDT & CBIC

Relevant Extracts relating to Infrastructure

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

S. No.	Item of Expenditure	Rules applicable and delegation of financial powers to HoDs of CBDT, CBIC and D/o Revenue
(A)	(B)	(C)
2.10	Repair and maintenance work in buildings owned by the Department. (Minor Works)	Rs. 30 lakh per annum. Provisions of GFRs, 2005 will apply.
2.11	Provision of DG Set	Rs. 15 lakh 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.
2.12	Repair and maintenance work in hired office buildings.	A total of Rs.50,000/- in a year, non-recurring. Provision of GFRs 2005 will apply.
2.13	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.	Rs. 10 lakh in each case. Provisions of GFRs 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 lakh, requires prior approval of Parliament. Budget provision should be available under the grant provided by MOUD.

(Ref: O.M.F.No. 14/04/2021-IFU(B&A)DT-01 dated 28.09.2021)

S. No.	Item of Expenditure	Rules applicable and delegation of financial powers to HoDs of CBDT, CBIC and D/o Revenue
2,3 & 4	Hiring of Office Accommodation	Rs. 7 lakh per month in case of 'X' Class Cities, Rs. 5 lakh per month in case of 'Y' Class Cities and Rs. 3 lakh per month in case of other cities. The hiring is subject to Non-Availability Certificate from Directorate of Estates and/or CPWD, Fair Rent Certificate from CPWD, observance of GFR, 2017, admissibility of space norms as prescribed and relevant instructions issued from time to time. The hiring should be recommended by a Hiring Committee duly constituted by the HoD. Any deviation from norms including acceptance of single offer, should be referred to the Ministry/IFU. Note: The classification of cities under X, Y and Z Categories would be as per D/o Expenditure's OM No. 2/5/2014-E.II(B) dated 21.07.2015 (Annexure-5.3(a))

Note: The classification of A-I and A city for 13 major cities would be the same as is the classification for HRA.

ANNEXURE- 7.2

F.No.15/6/2008-IFU-III
Government of India
Ministry of Finance
Department of Revenue

North Block, New Delhi
Nov. 01,2012

Office Memorandum

Sub: Delegation of Financial Powers to Heads of Departments of CBDT & CBEC-reg.

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(Admn.), CBDT/CBEC
5. Addl. Secretary (Revenue)
6. Dir. (Fin-DT)
7. All Under Secretaries in IFU

ANNEXURE- 7.3

F.No. 919/07 / R&M/DFR/HOD/HRD/2013
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: 15.04.013

To,
All Chief Commissioners of Customs/Central Excise/Service Tax,
All Directors General.

Sir/Madam,

Sub: 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/CBDDT 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/CBDDT is for each case, as HODs have also been delegated financial power up to Rs. 10.00 lakh in each case.

3. Hence, the delegation of financial powers to HODs/Chief Commissioner is as follows:

Sr.No.	Item of Expenditure Subject (Nature of Work)	Budget Head	Power delegated to.
1	Original Works (through CPWD) on Departmental land and building (Only in case where funds are provided by MOUD).	4059/4216	HOD(Commissioner) up to Rs. 10 lakh in each case.
2	Original Works (through CPWD) on Departmental land and building (Only in case where funds are provided by MOUD but for Office Accommodation only).	4059	Chief Commissioner up to Rs. 1 Cr in each case.

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

ANNEXURE- 7.4

Proforma for revalidation in r/o Repair and Maintenance proposals

S.No.	DGHRD's File No.	Comm'te Zone	Subject	Major Head	Project Cost (Rs.)	Initial Sanction Order & revalidation sanction order Nos. with dates	Sanctioned Amount (Financial year-wise)	Amount Released (Financial year-wise)	Dates of Release	Amount utilized (Financial year-wise)	Amount to be revalidated in Current F.Y
1	2	3	4	5	6	7	8	9	10	11	12
						(i) (ii) (iii)	(i) (ii) (iii)	(i) (ii) (iii)	(i) (ii) (iii)	(i) (ii) (iii)	
										Total Amt. utilized till preceding F.Y.*: Rs. —	

* Please attach requisite Certificate from CPWD.

ANNEXURE- 7.5

**GOVERNMENT OF INDIA
DIRECTORATE GENERAL OF WORKS
CENTRAL PUBLIC WORKS DEPARTMENT**

F.No.18/29/97-W, 1[DGW]

Nirman Bhawan, New Delhi.
Dated the 17 August 2005.

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 meager 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.

ANNEXURE- 7.6

**DIRECTORATE GENERAL OF WORKS
CENTRAL PUBLIC WORKS DEPARTMENT
WORKS-1 SECTION NIRMAN BHAWAN**

F.No.18/29/97-WI (DG)1/61

New Delhi, dated the 15.9.2008

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/Depts, 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:

- 1. PPS to DG(W) for information.
- 2. All ADG's CPWD for information.

ANNEXURE- 7.7

Common Shortcomings/Deficiencies observed in Proposals for Repair & Maintenance

1. The proposals are not routed through the jurisdictional Chief Commissioner/Director General
2. The Check-Lists are either not submitted in majority of the proposals or not submitted in prescribed format. Sometimes incomplete Checklists are forwarded and in most of the cases are not signed by the HoD
3. The proposals are not submitted after scrutiny and are submitted without furnishing proper justification
4. Preliminary estimates (PE) from CPWD are not submitted with the proposals and validity of the PEs is not mentioned in the proposals
5. Time for completion/phasing of the proposals not indicated
6. The proposals involving financial implications within the delegated financial powers of the HoD, viz: Rs 30 lakhs (Rs. 15 lakhs for DG Set) in a financial year, are submitted to DGHRD without mentioning whether this limit under delegated power of HoD has been exhausted or not
7. Either the Budget Heads are not indicated or are not correctly mentioned
8. The proposals already submitted and under process at DGHRD/Ministry are being sent again to DGHRD as fresh proposal
9. While submitting the proposals for annual repair and maintenance, it is not clearly mentioned whether the work is completed and ex-post facto approval is sought or the work is yet to commence
10. In case of proposals pertaining to Customs formations, it is not mentioned whether the fund is required under Preventive function or Revenue function

ANNEXURE- 7.8



Government of India
Ministry of Finance, Department of Revenue
Directorate General of Human Resource Development
Indirect Taxes and Customs
District Centre, Saket, New Delhi-110017
E-mail : dginfra.cbic@gov.in



Dated : 22.02.2022

F.No. InW/CONS/MISC/1/2020

To,
Pr. Chief Commissioner of CGST/Customs
Chief Commissioners of CGST/Customs
Pr. Directors General /Directors General
Directorates under CBIC

Madam/Sir,

Sub: Streamlining fund utilization in infrastructure projects - reg.

Kindly refer to this office letter of even No. dated 17.01.2022 wherein SoP for issuance of Letter of Authorization (LoA) for Infrastructure projects was issued.

2. In this regard, it is informed that the office of Pr. CCA, New Delhi has also issued an SoP vide O.M. F.No.AA/4-4/MISC/2021-22/1326 dated 11.02.2022 (copy enclosed) streamlining the procedure with strict timelines to reduce the time taken by concerned PAOs and Pr. AO for issuance of LoA in respect of CBIC infrastructure projects.
3. In this context, please find enclosed a revised consolidated SoP for issuance of Letter of Authorization (LoA) for infrastructure projects. It is reiterated to kindly ensure strict adherence to the timelines specified in the SOPs for the optimum utilization of funds.
4. The consolidated SoP may also be circulated to all formations and the concerned PAOs under your jurisdiction.

Yours faithfully,

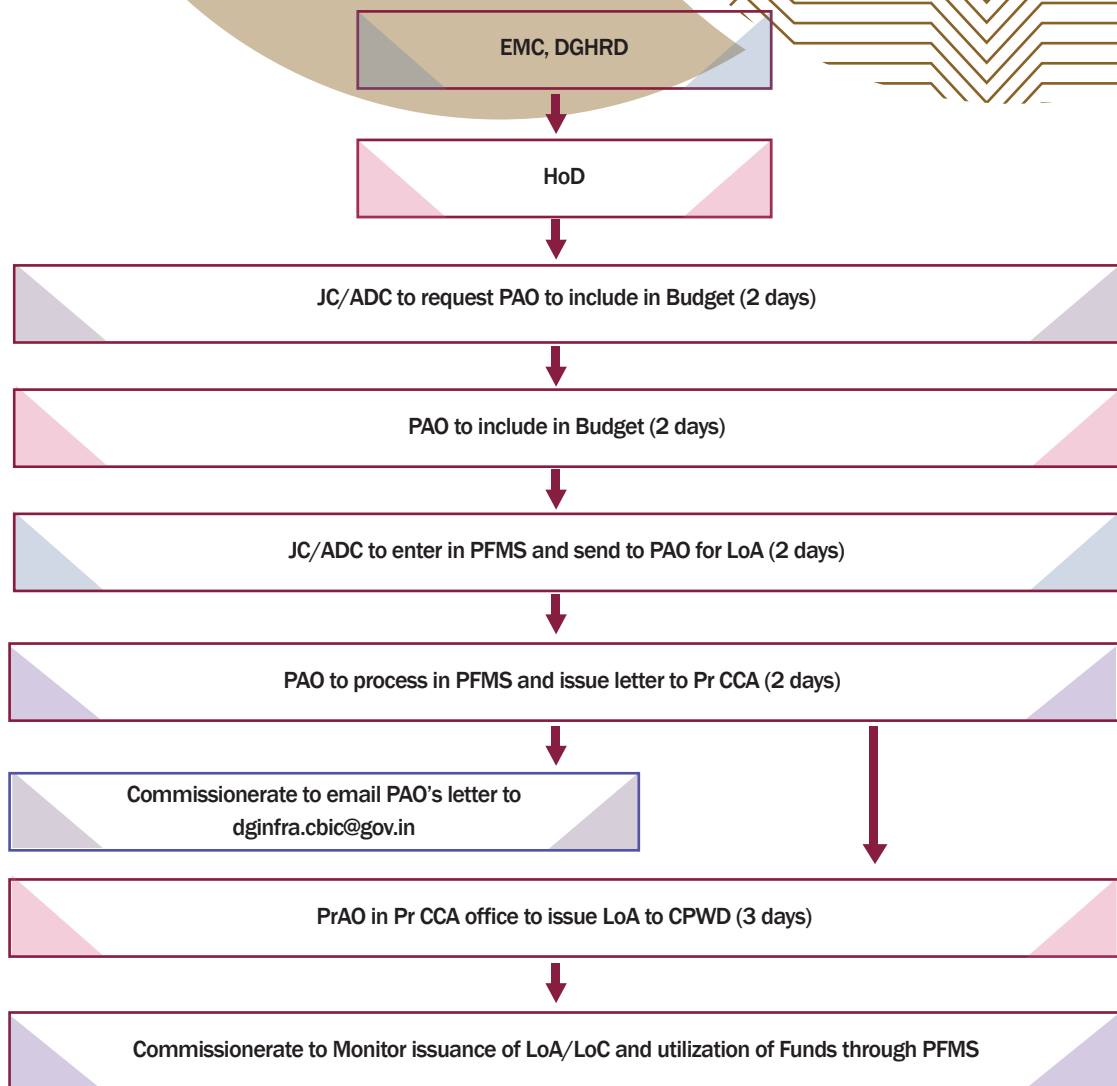
Encl: As above

(S.C. Agarwal)
Addl. Director General (I&W)

Revised SOP for Issuance of Letter of Authorization for Infrastructure Projects

The revised process for issuance of Letter of Authority (LoA) to CPWD would be as follows:

- i) EMC, DGHRD shall allocate the requisite funds directly to the HoD (Commissioner) in all cases where Sanction Order is issued by Ministry;
 - ii) The jurisdictional Additional Commissioner/Joint Commissioner (Estates) shall request the PAO for inclusion of funds in the Commissionerate's Budget **within 2 working days** of the receipt of funds release letter from EMC. The file need not be marked to the jurisdictional Commissioner **before** issuance of such letter. Commissioner may be informed **afterwards**;
 - iii) PAO shall include the funds **within 2 working days** on receipt of request from the jurisdictional Commissionerate;
 - iv) After inclusion of the funds in the Commissionerate's Budget by PAO, the jurisdictional Additional Commissioner/Joint Commissioner (Estates) shall ensure that the PFMS entry is completed and the request letter to PAO for issuance of LoA is **sent within 2 working days**;
 - v) PAO shall complete the process for issuance of LoA **within 2 working days** on receipt of request letter/online PFMS from the jurisdictional Commissionerate;
 - vi) The jurisdictional Commissionerate should email the copy of PAO's letter addressed to Pr CCA to this Directorate on email dginfra.cbic@gov.in for reference.
 - vii) Pr. A.O in the office of Pr CCA shall complete the process for issuance of LoA to MoUD **within 3 working days** on receipt of request letter/online PFMS from PAOs.
 - viii) It is expected that the entire process as detailed above should not take more than **11 working days**.
2. The jurisdictional Additional Commissioner / Joint Commissioner (Estates) should continue to monitor the issuance of LoA and utilization of funds through PFMS using his/her credentials. This Directorate may be contacted in case of any delay/issue which needs escalation with CPWD Hqrs or the office of Pr CCA, New Delhi.
 3. Further, SMART Infra unique code generated for each project should be mentioned in the subject line of all communications pertaining to Infrastructure projects for ease of identification and monitoring of individual projects at all levels.
 4. Pr CCA has approved timelines for PAO and Pr AO vide O.M. dated 11.02.2022. A flow chart depicting the process flowchart for the issuance of LoA is enclosed.



AA/4-4/MISC/2021-2022/1326
O/o the Pr.Chief Controller of Accounts
Central Board of Indirect Taxes & Customs
A.G.C.R. Building, 1st floor
New Delhi.

Dated: 11/02/2022

OFFICE MEMORANDUM

Sub- Streamlining Fund utilization in infrastructure projects

It has been observed that there is a time lag between the issuance of letter of Authority (LOA) and releasing of funds for infrastructure projects which are executed through CPWD. The present procedure of issuance of LOA is causing delay which leads to non utilization and surrender of funds. In this regard new SOP has been issued by the ministry which reduces the several steps in procedures (copy enclosed). Accordingly the revised SOP is hereby issued in respect of PAO/Pr. AO for issue of LOA.

- (1) PAO shall include the funds within 2 working days on receipt of request from jurisdictional Commissionerate.
- (2) PAO shall complete the process for issuance of LOA within 2 working days on receipt of request letter/online PFMS from the jurisdictional Commissionerate.
- (3) Pr. A.O shall complete the process for issuance of LOA within 3 working days on receipt of request letter/online PFMS from PAOS.

All PAOS are directed to strictly follow the timelines as mentioned above.

This issues with the approval of Pr.CCA, CBIC.


(Y.P. Singh)
Sr. Accounts Officer (Accounts)

To

1. All Zonal Heads, CBIC.
2. All PAO's of CBIC
3. DGHRD, CBIC, Saket, New Delhi

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ANNEXURE- 7.10

F.No. 212/51/2006-Ad VIII(EC)
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Excise & Customs)

New Delhi, the 23rd August 2006

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/-
(BimalKujur)

Under Secretary to the Govt. of India

ANNEXURE- 8.1

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

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. EMPLOYMENT GENERATION POTENTIAL

The Employment Generation Potential of the proposal should be worked out and be reflected clearly in this Paragraph.

8. 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.

9. STATEMENT OF IMPLEMENTATION SCHEDULE (APPENDIX-I)

As per prescribed format and conforming to the approval paragraph.

10. STATEMENT OF EQUITY, INNOVATION AND PUBLIC CCOUNTABILITY (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.

11. 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)

12. 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.

APPENDIX-I

SECRET

No. _____
MINISTRY OF _____
DEPARTMENT OF _____

STATEMENT OF IMPLEMENTATION SCHEDULE

Subject:

Gist of decision required	Project benefits/results	Time-frame and manner of implementation/reporting to Cabinet Secretariat.

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

APPENDIX-II

SECRET

No. _____
MINISTRY OF _____
DEPARTMENT OF _____

STATEMENT OF EQUITY, INNOVATION AND PUBLIC ACCOUNTABILITY

Subject: _____

S.No.	The required goal	How does the proposal advance this goal?
1.	Equity or inclusiveness	
2.	Innovation	
3.	Public Accountability	

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

APPENDIX-III

SECRET

No. _____
MINISTRY OF _____
DEPARTMENT OF _____

STATEMENT OF MAJOR MILESTONES AND TARGET DATES

Subject: _____

S.No.	Major Milestones	Time Frame for completion/target date
1.		
2.		
3.		

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

ANNEXURE- 9.1

No. 3(2)/e-Asset Register/ARC/2017-18/994

Ministry of Finance

Department of Expenditure

Controller General of Accounts

Maha Lekha Niyantrak Bhawan, GPO Complex

E-Block, INA, New Delhi-110023

Dated the 20 September, 2017

OFFICE MEMORANDUM

Subject: Guideline for creation, updation and maintenance of Asset Register in the Ministries and Departments of Central Government and introduction of e-Asset Register portal.

In order to function efficiently, any organisation in Government should know at any given time the location and condition of their assets, and whether they are being utilized optimally. Moreover, timely maintenance of assets can extend the life of the asset and enhance its service potential. Proper asset recording, regular update of asset registers, and regular review of assets can also prevent misappropriation and loss. Reliable information on assets helps the executive in planning on delivery of services in the short term and long-term. Capital investment decisions also benefit from such reliable information.

2. Under the FRBM Act, 2003 FRBM Rules, 2004 prescribe the format for the preparation of Asset Register for Government of India. The FRBM Rules require the recording of Physical as well as Financial Assets. Rule 211 on Lists and Accounts in "Chapter 7: Inventory Management" of GFRs, 2017 prescribes the format in which the Register of Fixed Assets shall be maintained by the Officer-in-charge of stores in all Ministries/Departments (Form GFR-22). The requirements of these Asset Registers in respect of Fixed Assets including Land and the method of consolidation of Asset Registers across offices in a Ministry/Department are detailed in these guidelines. For the present, the reduction in the block of such assets will be matched with the progressive capital expenditure on a proforma basis. At a later date based on suitable changes in the accounting policy, the assets will be matched with balances by asset categories in the books of account. Separate orders shall also follow regarding the Asset Registers in respect of Financial Assets.
3. The primary units of appropriation (object heads) under Capital Expenditure presently mentioned in the Delegation of Financial Powers, Rules, 1978 provide for few asset classes. A proposal for revision of object heads with more details to indicate the additional asset classes is under consideration of Government. The amplified list, once applied, will enable the Ministries/Departments to classify various categories of assets in accounts in a more transparent manner. Based on the approved revised object heads, a Ministry/Department/Office wise periodical statements based on monthly /annual accounts will be available for verifying the lists and details in the Asset Registers maintained by the Head of Offices/Departments.
4. It is imperative that the details of fixed assets owned by a government entity are recorded at creation/acquisition and maintained properly in the register prescribed for the purpose. Each Head of Office will maintain an Asset Register at the field Office level (Format A summarised from detailed Registers for each asset Class in formats A1 for Land, A2- Building, A3— Machinery and similar formats for other asset classes). At the close of the financial year, the assets listed in the field office registers (in the Format A) will be physically verified and closed by the Head of Offices. Thereafter a consolidated report in Format— B based on the physically verified Asset Register will be submitted to their respective Heads of Departments. The Heads of Departments will submit the consolidated Asset Register in Format —B, duly tallied with the expenditure shown in the Finance Account figures: to their respective Ministries /Departments.

5. While consolidating the assets at Ministry/Department level) the assets with threshold value of Rupees two lakhs and above should be depicted separately. While summarizing, the remaining assets should be clubbed together under a single line item "Others" under each category of asset. In this way, a report of Asset Registers at the Department/Ministry level will be available in Format— B at the end of the financial year. This shall facilitate suitable consolidation in the prescribed Format D-4 under Rule 6 of the FRBM Rules, 2004 (copy enclosed) for submission to the Budget Division, Ministry of Finance through proper channels.

Asset Register (Prospective Effect)

6. Any item of fixed asset acquired or purchased or constructed by Government of India on or after 1st April 2018 should be recognised and recorded in the Asset Register (New). For this purpose, an item of asset above the threshold value of Rs. 5,000/— and having a life of more than twelve months from the date of acquisition shall be recognised as fixed asset in the classes detailed below. The cost of the acquisition should be reflected in the concerned page of the Asset Register. Where multiple stage payments are necessary for the creation of an asset, the entries should be on the same page and expenditure reflected progressively. After purchase or during acquisition/construction process, each bill for payment shall be passed by the Pay & Accounts Officer (PAO) only when a certificate of entry in the concerned detailed Asset Register duly indicating page number and item number of entry by the Head of Office of the Asset Register is recorded on the bill by the Drawing & Disbursing Officer (DDO). It also follows that where the assets are created and owned by bodies and enterprises outside Government of India, the same shall not be included in the Asset Register.
7. **All Land, Buildings and Structures of permanent nature** will be recognised as assets irrespective of their value and life. **Infrastructure Assets** like roads and bridges will be included in the Fixed Assets. The heritage assets are of cultural, environmental or historical significance eg. Historical buildings and monuments, archaeological sites, conservation areas and works of art like sculptures/paintings etc. will also be included as fixed asset.
8. **Assets owned by the Government or acquired on long term lease (three years or more)** will be recognised for recording and accounting purpose. Accordingly, the amount spent on acquiring the leased assets for a period of more than three years will be capital expenditure and that for less than three years will be revenue expenditure. If an asset is given on lease to some department or non-government body, the details should also be recorded in the Asset Register in the remark column of the relevant asset item and the asset depicted under the concerned head.
9. **Capital Works-in-Progress (CWIP)** may be defined as works/projects/acquisitions where the capital expenditure is being incurred on the projects in stages and where the work is in progress had completion may take time e.g. construction of a building or hydro-electric power project or development of IT infrastructure or installation of Machinery and Equipment. The expenditure on such projects starts with the initiation of the project. In the accounts, the expenditure on such projects will be booked under the relevant object head of the asset. However, in the Asset Register maintained by the Head of Office, such expenditure in stages in respect of Works in Progress will be depicted in a separate column meant for it. As soon as the project is completed or commissioned, the total expenditure of that project in the 'CWIP' column will be closed and transferred to the 'Acquisition Cost' column of the relevant fixed asset. In cases, where the part of a CWIP project is independently ready for use, the related /proportionate cost of such project shall be transferred from CWIP to the relevant fixed asset. This transfer will take place in the Asset Register on the basis of a certificate issued by the competent authority, after physical verification of a project. Each Ministry/Department will depute an authority to conduct physical verification of such CWIP projects annually at the close of the financial year and issue completion certificate so that transfer from CWIP to acquisition cost in the Asset Register could be carried out. As this entry will not affect the expenditure booked in accounts, no entry in accounts will be carried out for this transfer.
10. For every asset available in an office, the User/Custodian may be declared by the competent authority. This may be recorded in the Assets Register in the relevant column.

11. Any item of asset which qualifies for recognition should be recorded at its cost of acquisition. In case of fixed assets, including land, are acquired as gift, donation or sequestration etc., the same will be recorded at nominal value of Re. 1/-. In case of land, the circle rates should be recorded and updated regularly but taken into account mainly at the time of disposal/restructuring.
12. Based on the object heads proposed for classification of assets, the classes of fixed assets which will be recorded in the Asset Register are given below for easy verification:—

List of Assets		
	Asset	Definition
1	Motor Vehicles	It will include procurement of motor vehicles irrespective of its usage.
2	Machinery	It will include procurement of Heavy duty Machinery say over Rs. 10 lakhs (to be finalised in consultation with Ministries /Departments).
3	Equipment	It will include procurement of tools and plants for production as well as equipment for functional use.
4	Land	.
5	Buildings	It will include Office Buildings, Residential Buildings, Other Buildings, and Structures other than Buildings.
6	Infrastructural Assets	It will include procurement of infrastructural assets such as Roads, Bridges, Tunnels, Irrigation Projects, Power Projects, Sports Infrastructure, Water and Sewage Projects, Railway assets, Ships, Ports, Satellites, Satellite Launch Vehicles, Airports, Aircrafts, Other Infrastructural Projects (Include cable lines, sewage systems, rain water harvesting, solar systems, telecom towers, Transmission lines and electricity towers etc).
7	Furniture & Fixtures	Includes the furniture and fixture for office use and functional use as per threshold limit prescribed from time to time.
8	Arms and Ammunitions	It will include procurement of arms and inclusive of ammunitions in the procurement package.
9	Other Non—financial Assets	It will include procurement of non-financial assets like Non-motor Vehicles, Electrical Goods, Electronics Goods, Library Books and Publications, Items listed under Fine Art, Culture and Archives, Heritage Assets, Cultivated Assets, Computer Hardware, Computer Software, Intangible Assets.

13. Rule 213 (1) of GFRs, 2017 stipulates the physical verification of fixed assets annually. At the end of every year, the Head of Office should conduct a physical verification of fixed assets to ensure the availability of the same on site and enter the status of the asset as verified in the said Asset Register. As regard CWIP projects, the Executive Authority should also conduct an annual review of all CWIP projects to assess their readiness for use and transferred from CWIP to the completed fixed asset.
14. Any Loss or damage of fixed asset shall be immediately reported by the subordinate authority concerned to the next higher authority as well as to the Statutory Audit Officer and to the concerned Principal Accounts Officer, even when such loss has been made good by the party responsible for it. Any difference in cost due to loss/damage shall be taken up with the Ministry/Department for obtaining sanction to remove the asset from the register and for 'write off of the loss/damage and note of reduction on proforma basis in the books of accounts.

15. **Any Fixed Asset shall be** reduced/removed from the Asset Register by an entry showing the manner of the disposal after sanction if it is, inter alia:
- Sold out;
 - Donated or transferred to any other entity;
 - Dismantled/destroyed or declared as obsolete or abandoned when no future economic benefits or service potential is expected from its use
 - Lost or damaged in natural calamity or accident like cyclone, tsunami fire, public riots, theft etc.

The fixed asset shall be reduced; removed after following the due administrative/legal process and approval of the competent authority. In case of transfer of assets to another administrative unit in GoI or outside the due process may be followed. Where prescribed the write-off shall be obtained and the effect given in the asset register. The annual physical verification should match the total assets in hand with that in the Register. Further the total amount for each class should match with the corresponding amount in the accounts of that field unit under corresponding object classes by effecting the progressive expenditure/balances as per extant orders. Further detailed Guidance on all the aspects of definitions, recognition by asset category, measurement and additional disclosures shall follow based on stakeholder consultation and the recommendations of GASAB which are being formulated.

16. The Asset Register shall be prepared at different levels and submitted to authorities in the following manner:
- At the field level, the item wise Asset Register shall be maintained by the Head of Office as per **Format-A** and shall be submitted to the Head of Department on an annual basis for reporting and monitoring purposes;
 - Thereafter, a Consolidated register of assets in **Format-B** shall be compiled at the Head of Department level, which will be submitted to the respective Department, as applicable and in turn to the Ministry;
 - At Department/Ministry level, in Format B, for onward submission to the Budget Division if also required. The requirement of Asset Register will become effective from the date of issue of this OM. All the offices of the Ministries and Departments of Central Government should start the maintenance of Asset Registers for the assets acquired on or after this date.

Asset Register [Retrospective Effect]

17. This Asset Register may be initiated or augmented in a time-bound manner with immediate effect. Any item of asset which qualifies for recognition should be valued at its "Historical Cost". All assets having life of twelve months or more including a plot of land in respect of which original documents are not available should be valued at Re. 1/-.
18. In respect of the assets acquired prior to **1st April 2018**, an exercise of listing of such assets will be carried out in the following manner:
- The fixed assets that are expected to have future economic benefits or service potential should be identified through physical verification;
 - These should be identified and listed under the given class as per para 12 above;
 - The value should be assigned as per paras above.

- d) The items presently procured under revenue expenditure like staff-car (motor vehicles), furniture and fixtures, office equipment, computers, data processing units and peripherals and electrical installations and Equipment above the threshold limit, Should be listed after verification;
 - e) The fixed assets so identified as per para 18 (d) and listed should be recorded in a separate Asset Register.
19. All fixed assets may be listed in a time-bound manner and incorporated in the concerned Asset Registers:
- a) In respect of the assets procured on or after **1st April, 2018**, the Asset Register may be maintained concurrently and closed at the end of the financial year and after physical verification reported to the respective Heads of Departments. All Ministries/Departments of Government of India, unless specifically exempted, may complete the exercise and submit the Asset Register in each quarter of the financial year and the completed Register at year end.
 - b) In respect of the assets procured/acquired in past periods i.e. prior to **1st April, 2018**, the Asset Register may be prepared separately by all the Heads of Offices and submitted to the respective Heads of Departments by **31st March. 2018**.
20. An e-Asset Register portal for all Heads of Offices is meanwhile being considered by the office of the CGA to enable the upload centrally of Basic Asset Registers. Detailed instructions and timelines in this regard shall follow to enable the Asset Registers as required above to be uploaded. For Ministries/Departments who have already developed an e-Asset Register, may communicate the details to this office so that suitable integration may be developed.

(Soma Roy Burman)
Joint Controller General of Accounts

- To
1. Secretaries of all Civil Ministries/Departments in Government of India
 2. Secretary (Defence Finance), Ministry of Defence
 3. Dy. C&AG (Accounts), O/o CAG
 4. Controller General of Defence Accounts, Ministry of Defence
 5. Financial Commissioner, Railway Board, Ministry of Railways
 6. Member (Finance), Department of Telecommunications
 7. Financial Advisors of all Civil Ministries/Departments
 8. Joint Secretary & Financial advisor, Department of Posts
 9. All Addl. CGAs/Jt. CGAs and Dy. CGAs in O/o CGA
 10. All Pr. CCAs/CCAs/CAs (I/C) of Ministries/Departments

Copy for information to:

1. Finance Secretary/Secretary(Exp)
2. Controller General of Accounts

Form D-4
[See rule 6]
ASSET REGISTER

	Assets at the beginning of reporting year	Assets acquired during the reporting year	Cumulative total of assets at the end of the reporting year
	Cost (Rs.cr.)	Cost (Rs.cr.)	Cost (Rs.cr.)
Physical assets			
Land			
Building			
Office			
Residential			
Road			
Bridges			
Irrigation Project			
Power Project			
Other Capital Project			
Machinery & Equipment			
Office Equipment			
Vehicles			
Total			
Financial assets			
Equity Investment			
Shares			
Bonus shares			
Loans and advances			
Loans to State & UT Govts			
Loans to Foreign Govts.			
Loans to Companies			
Loans to others			
Other financial Investments			
Total			

Notes:

1. Assets above the threshold value of Rupees two lakh only to be recorded.

2. This disclosure statement does not include assets of Cabinet Secretariat, Central Police Organizations, Ministry of Defence, Departments of Space and Atomic Energy.

3. Reporting year refers to the second year preceding the year for which the annual financial statement and demands for grants are presented.

[F.No.7(3)-B(D)2003]

M.PRASAD, Jt. Secy.

ANNEXURE – A (Consolidation)

Consolidated Asset Register for the year _____

Ministry/Deptt./Office of _____

Opening Balance as on_____				Additions during the year				Derecognition during the year				Closing Balance as on_____				
Sr. No	Class of Fixed Asset	No. of Units	Measure ment unit Where appli- cable	Total Acqui- sition cost	Remarks including cumula- tive receipts genera- ted if any	No. of Units	Measure ment where appli- cable	Total Acqui- sition cost	Amo- unt under CWIP	No. of Units	Measure ment where appli- cable	Total Acqui- sition	No. of Units	Mea- sure ment where appli- cable	Total Acqui- sition cost	Remarks includ- ing cumula- tive receipt genera- ted if any
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	Motor Vehicles															
2	Machinery															
3	Equipments															
4	Land															
5	Buildings															
6	Infrastructural Assets															
7	Furniture & Fixtures															
8	Arms and Ammunitions															
9	Upgradation of Heritage Assets & n.e.c.															
10	Other Non-financial Assets															
	Total															

Asset Register for Land

255

ANNEXURE-A (Buildings)

Asset Register for Buildings (Residential)

Ministry/Deptt./Office of _____

Common to each folio		Remarks						
Folio 3	On Disposal	Sq. Ft. Retained	25	26				
		Sq. Ft. Disposed	24					
		Disposal date	23					
		Amount received at disposal	22					
		Sanction no. of Disposal/Transfer	21					
		Method of disposal (Transfer/sale/loss etc)	20					
Folio 2 (additional folio a/b/c/for each year)	Status of physical verification	Current circle rate	19					
		Year of Commissioning	18					
		Acquisition Date	17					
		Acquisition Cost (Rs.)	16					
		Amount under CWIP, if any	15					
		Clear Title confirmation after physical verification (give details of encroachment, if any)	14					
Folio 1	On acquisition	Current Circle rate	13					
		Year of Commissioning	12					
		Acquisition Date	11					
		Acquisition Cost (Rs.)	10					
		Amount under CWIP, if not commissioned	9					
		Custodian name address and contact details	8					
		Clear Title details	7					
		Area (Sq. Ft.) Stating No. of floors	6					
		Physical Location (Full Address)	5					
		Name and address of Seller/Donor	4					
		Bill No. and date	3					
		Description	2					
Sr. No.	1							

Note: In the e-Asset Register, the Administrative Authority shall be able to access summarized reports of CWIP not yet commissioned.

ANNEXURE-A (Machinery & others)

Asset Register for Buildings (Residential)

Ministry/Deptt./Office of _____

Folio 1		Folio 2		Common to each folio	
On Acquisition	Sr.No.	1	18	Remarks	
	Bill No. and date	2			
	Name and address of Supplier/Donor	3			
	Description including Model No.	4			
	Physical Location (Full Address)	5			
	No. of Units	6			
	Acquisition date	7			
	Acquisition Cost (Rs.)	8			
	Useful life	9			
	Custodian name, address and Contact	10			
	Amount under CWIP	11			
	Year	12			
On Physical Verification	Status- any change to be cited	13			
	Sanction no. of Disposal/change in status	14			
	Date of change in status	15			
	Corresponding Derecognition (Rs.)	16			
	Value after derecognition	17			

ANNEXURE-B

Office-wise consolidated Asset Register for the year _____
Ministry/Deptt./Office of _____

Page 1 of 3

Sr. No.	Class of Fixed Asset	Opening Balance as on _____			Additions during the year			Derecognition during the year			Closing Balance as on _____			Remarks		
		No. of Units	Measurement unit where applicable	Total Acquisition Cost	No. of Units	Measurement where applicable	Total Acquisition cost	No. of Units	Measurement where applicable	Total Acquisition cost	No. Units	Measurement where applicable	Total Acquisition Cost			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
	1	Motor Vehicles														
		Office 1														
		Office 2														
		Office 3														
2	Office 4															
	Total															
	Machinery															
	Office 1															
	Office 2															
3	Office 3															
	Office 4															
	Total															
	Equipment															
	Office 1															
	Office 2															
	Office 3															
	Office 4															
	Total															

		Opening Balance as on _____	Additions during the year	Derecognition during the year	Closing Balance as on _____
4	Land				
	Office 1				
	Office 2				
	Office 3				
	Office 4				
	Total				
5	Buildings				
	Office 1				
	Office 2				
	Office 3				
	Office 4				
	Total				
6	Infrastructure Assets				
	Office 1				
	Office 2				
	Office 3				
	Office 4				
	Total				
7	Furniture and Fixtures				
	Office 1				
	Office 2				
	Office 3				

		Opening Balance as on _____	Additions during the year	Derecognition during the year	Closing Balance as on _____
	Office 4				
	Total				
8	Arms and Ammunition				
	Office 1				
	Office 2				
	Office 3				
	Office 4				
	Total				
9	Upgradation of Heritage Assets and n.e.c.				
	Office 1				
	Office 2				
	Office 3				
	Office 4				
	Total				
10	Other Non-Financial Assets				
	Office 1				
	Office 2				
	Office 3				
	Office 4				
	Total				

Government of India
Ministry of Finance
(Department of Revenue)
(Central Board of Excise & Customs)

NOTIFICATION

New Delhi, the 18th November, 2008

The President of India is pleased to give his assent to the constitution of the Directorate General of Human Resource Development under Central Board of Excise & Customs, Department of Revenue, Ministry of Finance, with immediate effect.

2. The Directorate General of Human Resource Development shall have five Divisions, namely, Cadre Management Division, Performance Management Division, Capacity Building and Strategic Vision Division, Welfare Division and Infrastructure Division. The functions assigned to these five Divisions shall be indicated in Annexure.
3. The Directorate General of Human Resource Development shall be headed by a Director General, who will be an officer of the level of Chief Commissioner and will be located at New Delhi. The Directorate General of Human Resource Development shall be created by merging the present Directorate of Organization and personnel Management and Directorate of Housing and welfare. The Welfare function which is presently with Directorate of Logistics, shall also stand transferred to the new Directorate General of Human Resource Development.
4. The Directorate General of Human Resource Development shall be an attached office of Central Board of Excise & Customs and its Proposals shall be put up to the Member (Personnel & Vigilance), Central Board of Excise & Customs.
5. The Directorate General of Human Resource Development Shall become operational w.e.f. 1st December, 2008. The Directorate General of Human Resource Development shall start function with the existing staff strength of the merged Directorates and once the Directorate is functional, the Director General shall submit independent proposal for augmentation of staff for Consideration of the Board.

F.NO.A11013/28/2007-Ad IV
R.SANEHWAL, Dy.Secy.

Functions assigned to the five Divisions of the General of Human Resource Develop Directorate

(a) Cadre Management Division:

- i. Devise and design Human Resource plans congruent with goals and vision of the department;
- ii. Analysis of and proposing changes in the recruitment rules;
- iii. Preparation of charter of duties for various posts and their periodic review;
- iv. Providing support to CBEC in drawing annual direct recruitment plan;
- v. Support to CBEC in the matter of recruitment policy;
- vi. Designing of HR policies, processes and systems and aligning the CBEC's long term goal to HR systems and processes, including proposals for diversion of posts from one functional area to another;
- vii. Maintaining Human Resource Information System for training, placement, skill up-gradation and succession planning;
- viii. Providing data support to CBEC for placement and transfer of officers;
- ix. Receiving feedback on Transfer Policy and transmitting the same to CBEC for further action;
- x. Providing support to CBEC in Cadre review and restructuring of the department in the context of changing needs;
- xi. To assist the CBEC in preparation and maintenance of seniority list of different grades of officers;
- xii. Creation of institutional arrangements for periodic interaction with officers associations;
- xiii. Develop manual and reference literature on administration related matters; and
- xiv. Provide support to the Board in bringing uniformity/homogeneity in the administrative practices followed by field formations.

(b) Performance Management Division:

- i. Development of Management information system (MIS) and Performance Management System (PMS) for capturing individual performances;
- ii. Development of performance indicators for the organization, group and individual posts based on objective goal setting, taking into consideration manpower and infrastructural constraints;
- iii. Designing of a scientific appraisal system and a scheme of performance measurement etc.;
- iv. Coordinating annual performance appraisals;
- v. Linking of rewards with performance and design an appropriate reward policy;

- vi. Liaisoning with “external consultants” to develop a suitable system to track, support and monitor individual performance and maintain accountability; and
- vii. Review of ACR formats;

(c) Capacity Building and Strategic Vision Division:

- i. identifying training needs for officers at all levels;
- ii. Dissemination of information regarding HRD issues;
- iii. Coordinating in-service training programmes in consultation with DG,, NACEN for officers the department at service intervals (e.g. 6-9 years of service, 10-16, 17-19 and 20-30 years of service) with training institutions within and outside the country;
- iv. To assist the Ministry in development of viable models of ‘Training Needs Analysis’, ‘Direct Trainers Skills’, ‘Designs for Training’ etc and nominations of officers for training based on Training needs Analysis in consultation with DG, NACEN;
- v. Recommendation of officers for foreign training except outside training programs being conducted at present by NACEN;
- vi. Providing support to CBEC in management of organizational relations including vertical relationship (within hierarchy), gender relations;
- vii. Management of changes for working of field formations under CBEC;
- viii. Formation of Strategic Vision Group including nomination of retired officers and outside experts thereto;
- ix. Forecasting of future developments and suggesting changes in organization, personnel and procedure to respond to it; and
- x. To assist the Ministry in processing the requests of the officers and staff for the programmes under the Domestic Funding Scheme of the Government of India,

(d) Welfare Division:

- i. Identifying and recommending welfare measures;
- ii. Processing proposals from field formations for sanction of funds by the Governing Body of the Welfare Fund;
- iii. Coordinating with the Directorate of Logistics and Principal CCA's office for accounting of funds for allocation between Welfare Fund and the Special Equipment Fund;

- iv. Management of superannuation of employees especially regarding psychological, emotional and financial aspects (to arrange training through NACEN and/or Outside experts to psychologically preparing them for retirement and proper management of retirement benefits);
- v. To prepare and maintain details of specialization of work experience of retiring officers, and advise them about requirements of other ministries and public sector undertakings, in the respective fields; and
- vi. Dissemination of information relating to welfare schemes/measures.

(e) Infrastructure Division:

To consider all infrastructure related issues and forward its suggestion/recommendations to the Board/concerned Directorate under the Board for further actions.

(YEAR 2022)



NOTE : THIS MAP IS PREPARED ONLY TO SHOW CONSTRUCTION PROJECTS OF CBIC AND THE BOUNDARIES OF STATES OR INDIA ARE INDICATIVE AND FOR ILLUSTRATION PURPOSE.



DIRECTORATE GENERAL OF HUMAN RESOURCE DEVELOPMENT
CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS
DEPARTMENT OF REVENUE
MINISTRY OF FINANCE