DELHI DEVELOPMENT AUTHORITY EM's OFFICE

No. EM 1(10)2005/ Cir. (A/A & E/S)/Deviation / 712

dt: 2/3/07

CIRCULAR No: 597

Sub: - Strict compliance of all the codal formalities and departmental instructions regarding execution of various projects in DDA.

During the audit of various works, it has been observed that large scale deviation in Contracts as well as excess expenditure is incurred beyond the sanctioned A/A&E/S amount in violation of the departmental instructions issued from time to time by the Engineering wing and Finance wing. Violation of departmental instructions has been viewed seriously. Therefore, following instructions are issued for all to adhere strictly in DDA works:

(A) Deviation in Contracts for works -

Engineering Officers were delegated powers for variation in the agreement quantities for Non ALR/AHR items at agreement rates vide this Office Circular No F5(287) 96-97/PC/DDA/183 dt 27/7/2001. These powers have been reviewed by the Competent Authority and stands revised for variation in the agreement quantities are as under:

| Executive Engineer | 30% of Agreement Amount or Rs 3lacs, whichever is less, which shall also include work executed under Extra items/Substitute items. The amount of extra/substitute item(s) in respect of non- schedule item(s) shall however not exceed Rs 15,000/- | |
|----------------------------|---|--|
| Superintending Engineer | 30% of Agreement Amount or Rs 25 lacs, whichever is less, which shall also include work executed under Extra items/Substitute items. The amount of extra/substitute item(s) in respect of non- schedule item(s) shall however not exceed Rs 5 lacs. | |
| Chief Engineer | (i) 30% of Agreement Amount or Rs 100 lacs (One hundred lacs only), whichever is less, which shall also include work executed under Extra items/Substitute item. (ii) Full powers with the approval of WAB | |

These powers shall be exercised independently by each Officer i.e. EE, SE &CE. The procedure as contained in CPWD Works Manual 2003 shall be strictly observed.

It is also worth while to point out that powers were delegated to Engineering Officers in r/o award of additional quantities for ALR/AHR items, EI/SIS vide letter No F5 (287)/96-97/Plan-Coordination/208 dt26-5-98, which will be treated as withdrawn in respect of ALR/AHR Items, EIS/SIS only and accordingly there shall be no separate powers for ALR/AHR, EIS/SIS items and the financial powers conferred upon DDA Officers for accord of Non ALR/AHR items issued vide letter No F5(287) 96-97/PC/DDA/183 dt 27-7-2001 also stands withdrawn.

(B) AA&ES

Total deviation shall not exceed 10% of A/A&E/S amount. In case the deviation exceeds more than 10% of A/A&E/S amount, then case shall also be processed for revised P.E. simultaneously. In this regard the instructions contained in OM No EM6 (174)79/Misc/Pending/PE/236 dt 20/23 Jan 2006 may be referred to.

These revised powers shall take effect from the dates given below:

| Sl. No. | Description | Implementation |
|---------|--|---|
| (i) | Works awarded on or after 1-1-2007 | Immediate effect |
| (ii) | Works which were in progress on 1-1-2007 | A transition period not exceeding three months is permitted for the entire process of submitting deviation statement and getting approval/orders of Competent Authority. The provisions shall be enforced strictly from 1-4-2007. |

This issues with the approval of WAB

(R.C.GUPTA) Chief Engineer (HQ)

Copy to:-

- All CEs (Civil/Elect.)DDA with 20 spare copies for further distribution amongst SEs and EEs, Jt. CAO/FO & CE (HQ), DDA
- CE (QC), DDA with 10 spare copies for circulation among SEs and EEs under his control.
- 3. CE (Design), DDA with 10 spare copies for circulation among SEs and EEs under his control.
- CVO, DDA with 16 spare copies for circulation among SEs and EEs under his control.
- 5. CAO, DDA
- Project Manager (Flyover) Gr.I and II, DDA with 7 spare copies each for circulation among EEs and FOs.
- 7. Director (Systems) for necessary action.
- 8. Director (Hort.), North and South, DDA with 10 spare Copies each for circulation among Jt./Dy. Directors
- Director (MM), DDA with 7 spare copies for circulation among EEs and FOs under his control.
- 10. Director (Works), DDA, Director (PR), DDA
- 11. EO-I, II, III, EE (PPC), DDA
- 12. Dy.C A.O (Plan), DDA.
- 13. Sr.R.O. (RTI), DDA
- Hindi officer for Hindi version please.

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Beada - 2/3

(P.K.NANDA) EO III to EM

DELHI DEVELOPMENT AUTHORITY E.M.'S OFFICE

No. EM 1(10) 2007/Cir.(Arbitration-III)/DDA/ 854

dt.: 14/ 3/2007

CIRCULAR NO. - 598

While examining one of the Court case related to arbitration award, the Arbitration Scrutiny Board observed that the award given by the Learned Arbitrator in favour of DDA (the respondent) on the counter claim for the work executed at the risk and cost of the contractor petitioner was set aside due to the reason that the same was not referred to the Arbitrator by the Court, but the same was referred by the Appointing Authority of DDA when the proceedings of the arbitration were in progress. However, DDA did not challenge the above part of the judgment of the Hon'ble Court in the Division Bench and the awarded amount was released in favour of the claimant. Since, the case had become time barred, nothing could be done but to recommend for acceptance of the modified award. The Arbn. Scrutiny Board was of the view that such decision could have been challenged and defended effectively in the Division Bench.

It is, therefore, enjoined upon all concerned to ensure that all the claims/counter claims including the additional claims/counter claims are referred to the Arbitrator through the Appointing Authority of DDA or through the Hon'ble Court as the case may be, in a time Bound manner so as to leave no scope for rejection or any adverse decision which may go against the interest of the Deptt. If the need arises any additional claim/counter claim may be referred to the Arbitrator through the same forum who had referred earlier. Non-compliance of the instructions shall be viewed seriously.

This issues with the approval of Engineer Member, DDA.

[R.C. GUPTA] CHIEF ENGINEER [HQ]

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- 12. Dy. CAO (Plan), DDA
- 13. Sr. R.O. (RTI), DDA
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EO III to EM.