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MAHANADI COALFIELDS LIMITED
(A subsidiary of Coal India Limited)

FINANCE DEPARTMENT
PO : JAGRITI VIHAR : BURLA : SAMBALPUR - 768 020

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Ref. No. MCL/SBP/GM (F)/06/ 2580

Date: 12-03-07

OFFICE ORDER

Sub: Amendment of Delegation of Power for approval of Deviation Estimate / Revised Estimate

With a view to have uniform system throughout the Company in respect of the Delegation of Power "For approval of Deviation Estimates / Revised Estimates", also to remove disparity caused by different interpretation and to bring clarity in the guidelines all the three Circulars / Office Orders issued by CGM(F) in this regard viz. -

- 1) Ref. No. CGM(F)/98/3170 dated 12.3.1998
- 2) Ref. No. MCL/CGM(F)/Secy.98/D-09 dt. 15.6.1998
- 3) Ref. No. MCL:CGM(F):DOP:99:1064 dt. 15.6.1999

have been analysed and it has been decided that the substitution in the existing entries in the O.O. ref. DOP:99:1064 dt.15.6.1999 shall be made as shown below

- a) In para (i) the existing entry "exceeds 10%" by "Varies beyond $\pm 10\%$ ".
- b) In paras (ii), (iii) and (iv) existing entry "10%" by " $\pm 10\%$ "

After effecting the above substitutions, the paras (i) to (iv) will be read as :

- i) Wherever the deviation varies beyond $\pm 10\%$ of the contract value, the Deviation/Revised Estimate requires the approval of next higher authority having the powers as per delegation to approve the total amount as would be worked out with deviation.

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- ii) In case of Board being the original approving authority, the proposal for approving the deviation beyond $\pm 10\%$ should be put up to Board for approval.
- iii) In case the original approving authority is CMD and deviation is beyond 10%, but within the monetary power of CMD, even such cases are required to be put up to the Board for approval.
- iv) 10% deviation is intended to mean the deviation from the awarded contract value other than escalation and statutory variation which are in-built in the awarded contract.

The above changes are to be implemented immediately and strictly complied.

This issues with the approval of Competent Authority.

[Signature]
12.03.07

GENERAL MANAGER (F)(COORD)

Distribution:

- 1. All GMs/CGMs of Areas.
- 2. All AFMs
- 3. All HODs at MCL HQ — *civil*
- 4. GM(F)(CA & T) / CFM(B&C)
- 5. Chief of Internal Audit
- 6. AFM(HQ)

Copy for kind information of :

- 1. CMD, MCL
- 2. D(F), MCL
- 3. D(T), MCL
- 4. D(P), MCL
- 5. CVO, MCL

B. M. S.
13/3/07

cc: GM(F) Infra., DYCE(C),
SE(C) I/c JV,
SE(C) I/c AU,
SE(C) Updation, SE(C) Anbu,
S. E. E. (C) I/c
S. P. A. Circular file

