

8524 22/91

7101

Copy of letter No.8140.A1/66/SPD dated 4-10-66 from the Addl. Secretary to Government Store Purchase (A) Department, Trivandrum to All Heads of Departments and offices.

Sub:-Payment of balance 5% bills without consignee's receipt certificate.

Ref:-Letter CSID/1(20)II/66 dated 16-9-66 from the D.G.S. & D. New Delhi

Copy of the letter cited with copy of the notice is forwarded herewith to all Heads of Departments and offices for information and guidance.

Copy of letter No.CSID/1(20)II/66 dated 16-9-66 from the Director General of Supplies and Disposals, N.I. Buildings, Parliament Street, New Delhi to the Addl. Secretary to Government Stores Purchase Department Govt. of Kerala Trivandrum.

Sub:-Payment of balance 5% bills without consignee's receipt certificate.

I enclose for your information copy of a notice sent to Indian Trade Journal for publication on the subject of payment of 5% balance bills after three months from the date of payment of advance 95% bills where consignee's receipt certificate has not been received.

Directorate General of Supplies and Disposals
(Coordination supplies CSID)

Notice for attention of all Contractors.

Payment of bills.

Procedure for authorisation of balance 5% without production of receipt certificate.

In order to eliminate delays in payment of 5% bills in contracts governed by conditions of contract contained in Form DCS& D-68 (revised) due to delay in receipt by the contractors of receipt certificate from the consignees, a procedure is already in force requiring the contractor to address the consignee with a copy to the purchase Officer as well as the Indenter, if receipt certificate is not received by the contractor

within 60 days of despatch of inspection note and railway receipt to the consignee. If no satisfactory reasons are furnished by the consignee to the purchase Officer within 90 days from the date of despatch of inspection note and railway receipt by the contractor to the consignee, the purchase officer can authorise payment of 5% bills to the firm by issuing the necessary authorisation letter to the contractor. The contractor can then submit his bills to the pay and accounts officer, department of supply and technical development New Delhi/Calcutta Bombay/Madras, quoting the number and date of the authorisation letter on the body of the bill.

2. The working of the above procedure does not appear to have given the expected benefit to the contractors. In order, therefore, to give relief to the contractors by ensuring early payment of final 5% bills where consignee has not furnished receipted copy of the inspection note for a period exceeding three months from the date of advance payment by the P. & A.O. to the contractor and consignee has also not intimated to the pay and Accounts Officer any recovery to be made due to shortage or defects in supply it has been decided to make payment of 5% bills to the firm subject to certain conditions as stipulated in the following amendment to the General conditions of contract form No.D.G.S & D.53 (revised);

Include the following as such clause (iii) of clause 19 (2) thereof.

(iii) In cases where the contractor is not in a position to submit bills for the balance 5% for want of the receipted copies of inspection notes from the consignee and the consignee has not complained about non-receipt, shortage or defects in the supplies made the balance amount of 5% will be paid by the pay and Accounts Officer without consignee's receipt certificate after three months from the date of advance payment subject to the following conditions.

(a) The contractor will make good any defect or deficiency that the consignee may report within six months from the date of despatch of stores.

23
==3==

93

(b) Delay in supplies, if any, has been regularised.

(c) The contract price, where it is subject to the variation, has been finalised.

(d) The contractor furnished the following undertaking.

"I/we.....Certify that I/We have not received back the inspection note duly received by the consignee nor I/We have been intimated by the consignee of non-receipt shortage or defects in the stores supplied.

I/we agree to make good any defect or deficiency that the consignee may report within three months from the date of their final balance payment.

I/we.....further agree that all rights of the purchaser under the general and special conditions of the contract shall remain entirely unaffected thereby.

Note: This sub-clause will not apply to rate and Running contracts, F.O.R. destination contracts, supply and Erection contracts and such other contracts where this clause is excluded specifically.

3. The amended payment terms will apply to contracts concluded on the basis of tenders invited on or before 1-9-66 with the above stipulation.

===

Encl. on A6.3 6840/66 dated 24-11-66

Copy forwarded to all sub-offices for information and attention.

Sd/-For Chief Conservator of Forests.

Encl. on R.20683/66 dated 2-1-1967

Copy to stock file, T.R. Section,

Copy to ML and Et.

Conservator's Office,
Chalakydy.

Amalaki Aravan

For Conservator of Forests.

DPP/28

[Handwritten mark]