

No: 16001/1/2011-P&C-1
Directorate General of Supplies and Disposals
(P&C Directorate)
Jeevan Tara Building, 5, Sansad Marg,
New Delhi 110 001.

Circular No. 9

Date: 23.08.2011

Sub: Revision of Payment Terms.

Ref: DOC (Vigilance Section) I.D. note No. C-13011/8/2011-V(DOC) dated 5.8.2011

The existing payment terms for Contracts as per Clause 19 in [(Form DGS&D 68 (Revised)] provides 95% of the price of the stores of each consignment shall be paid on proof of dispatch to the consignee and on production of a valid Inspection Note issued by the Inspector and balance 5% shall be paid on receipt of store in good condition by the consignee. However, in the case of Rate Contracts (Form DGS&D-69) and Running Contracts (Form DGS&D-70) 98% payment will be allowed on proof of inspection and dispatch and balance 2% on receipt of stores by the Consignee. In other respects the provisions of Clause 19, payment under the Contract in DGS&D 68 (Revised) will apply.

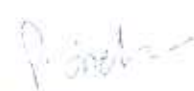
2. Now, D/o Commerce has directed that instead of above payment terms 50% advance payment should be released to the supplier on receipt of duly authorized inspection note and proof of dispatch from DGS&D and remaining 50% on certification of receipt of goods by the indenting department. In compliance with the above DOC decision, payment terms for contracts shall be as under:-

"50% payment will be allowed on proof of inspection & acceptance thereof and dispatch of stores and balance 50% on certification of receipt of stores in good condition by the consignee. In other respects, the provisions of clause 19, Payment under the Contract in DGS&D 68(R) will apply.

These payment terms shall be stipulated in all future tender enquiries and resultant contracts thereof with immediate effect.

4. Above directions may please be followed scrupulously by all concerned.

5. This has approval of DOC.


(P.S. Mehra)
Deputy Director

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24/8/11
Standard Distribution

Copy to:

- (i) Shri Sanjoy Shankar, US (Vig), D/o Commerce (Supply Division), Nirman Bhawan, New Delhi, with reference to their I.D. note dated 5.8.2011.
- (ii) CCA (S), 16, Akbar Road, New Delhi.
- (iii) Director (C&T), DGS&D -It is requested to amend the standard Tender Enquiry clause in line with the above circular and may also kindly post this circular on DGS&D website for guidance of all concerned.
- (iv) Director (P&C-3) - for circulation to all concerned including DDOs and for record