

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: 10

Date: 23.08.2011

Sub: Discontinuance of Suspense Account maintained by CCA (SD).

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

As per provisions contained in paragraph 7.5 of DGS&D Manual, Central Government Departments/Union Territories/ Constitutional Bodies like UPSC, Election Commission, Supreme Court, C&AG, etc. are the indentors on whose behalf payment is initially made to the R/C holding firms by the CCA (S) and its regional Offices and payment made for the cost of store along with departmental charges are adjusted by the CCA (S) against the Accounts Officers of the consignee by obtaining the reimbursement.

2. Now, D/o Commerce has directed that the suspense account system needs to be stopped totally, as it encourages reduced accountability. Payment should be made by CCA(S) only against advance payment/credits placed by the concerned indenting Department with DGS&D/CCA(S), e.g., as in the case of CPWD deposit works. If there is no credit available, payment to the supplier would not be made until the Department/agency concerned replenishes the advance deposited.

3. In compliance with the above directive of DOC, it has been decided that:

(a) In the case of indents, henceforth all DDOs have to deposit the cost of stores including the necessary departmental charges along with their indents;

(b) In the case of Rate Contracts, Director (C&T), in consultation with NIC, shall put in place a mechanism so that DDOs are able to place online Supply Order only after advance payment credit is placed with the concerned CCA(S). This exercise should be completed by Dec., 2011 and till then the existing practice of book adjustment by CCA(S) shall continue.

(c) For tender enquiries and resultant contracts issued after 31.12.2011, payment shall be made by CCA(S) only against advance payment/credits placed by the concerned indenting Department with CCA(S)

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

5. This has the approval of DOC.


(P.S. Mehra)
Deputy Director

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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 – for compliance and posting on DGS&D website
- iv) Deputy Director (P&C-3) – for circulation to all concerned including DDOs and for record.