

COUNCIL OF SCIENTIFIC & INDUSTRIAL RESEARCH
ANUSANDHAN BHAWAN RAFI MARG
NEW DELHI 110 001

Serial Circular no. 154

5-11(1)/2002-O&M

September 25, 2002

OFFICE MEMORANDUM

The Governing Body at its 154th meeting held on 3rd September 2002 have approved the enclosed procedure for " Losses & its write off" including the delegation of financial powers for writing of the losses.

This shall come into force with immediate effect.

Hindi Version will follow.


(U.S. Das) 25/9/02
Stores & Purchase Officer

cc: As above.

Copy to:

1. Directors of all national labs/ Instts.
2. All the Heads of divisions at CSIR HQ.
3. Sr. DS/DSs/USs/Sr. Dy. FA/ Dy. FAs/ Sr. FAOs/ Sr. SPO/SPOs in CSIR HQ and CSIR Complex New Delhi.
4. Sr. COAs/COAs/Sr. FAO(SG)s/SR.FAOs/Sr. SPO(SG)/ Sr. SPOs/SPOs in all the national labs/Instts.
5. DS, Office of the DG, CSIR for kind information.
6. US, Office of the JS (A), CSIR for kind information.
7. PA to FA for kind information.
8. PA to CVO for kind information.
9. PA to Legal Advisor for kind information.

LOSSES AND THEIR WRITE OFF

Introduction:

The write off of the value of stores is necessitated only in cases where the item in question is not physically available, No separate sanction of write off of the value of the stores is required when the items are physically available and is declared as obsolete, surplus or unserviceable. The procedure for disposal has been dealt with in detail separately.

Kinds of Losses:

The losses that are generally found in our Laboratories can be classified into the following two categories.

(a) Losses due to theft, fraud, negligence etc. - Losses due to theft or fraud, neglect or negligence, purchases in excess of requirement, sabotage etc. will fall under this category.

(b) Losses not due to theft, fraud, negligence etc.- Losses due to fair, wear and tear, act of god, natural causes or calamities like flood, earthquake etc. will fall in this category.

In addition to the above there may be different types of losses like loss due to damage, breakage or wastage in handling, due to faulty storage and lack of preservation, due to leakage, spillage, evaporation, due to shortage, breakage in transit or due to the discrepancy discovered during stock verifications. These losses can be either due to negligence or not due to negligence and thus may be put in the above two categories as decided on case to case basis.

Responsibility for losses and their enforcement:

Every officer shall realize fully and clearly that he will be held personally responsible for any loss sustained by Council through fraud or negligence on his part and that he will also be held personally responsible for any loss arising from fraud or negligence on the part of any other officer to the extent to which it may be shown that he contributed to the loss by his own action or negligence.

Report of Losses

The user through his HOD shall report the loss of stores giving details there of to the SPO, vigilance officer and Director of the lab/Instt. Director of the lab may decide as to whether the same is to be reported to CSIR or not. Simultaneously, the vigilance officer of the Laboratory would take up the matter with Police, if deemed necessary. The Heads of Laboratories/Institutes should exercise their discretion in determining at what stage report should be sent to police keeping in view the fact that police investigation would be seriously handicapped with lapse of time.

Investigation of losses:

On receipt of the report of the loss from the user, SPO shall put up the matter to the Director for appointment of an Investigating Officer to investigate the losses. The investigating Officer will normally submit his report within a month so that prompt action could be taken.

The investigating officer should recommend measures to be taken to prevent future recurrence of such losses. While investigating, the provisions contained in Rule 21 Appx.1 of GFR may be followed the details are attached in the annexure.

In case of loss due to negligence on the part of an individual or group of individuals, the matter shall be investigated into the circumstances leading to the loss and the element of personal responsibility shall be assessed for recovery of cost, proportionate or full as the case may be, or other form of disciplinary action as per rules will be taken. In case, personal responsibility can not be fixed after enquiry, a loss statement (as per format enclosed) will be raised for the approval of the competent authority for write off and a copy of the enquiry report shall be attached therewith.

Value of Loss

The term "Value" for this purpose shall be interpreted as meaning the "book value". In all cases the book value of the materials shall be written off and not the depreciated value. In absence of book value, market value shall be written off.

Procedure for write off of losses due to theft, fraud, negligence and sabotage etc.

After the investigation, if the loss is found to be irrecoverable, it shall be regularized by raising a loss statement (as per format enclosed) in triplicate and the sanction of the competent authority shall be taken for its write off on the recommendation of the Investigating Authority.

In these cases the book value of the materials shall be written off.

Losses not due to theft, fraud, negligence

In all such cases of loss, the matter shall be fully investigated by the investigating officer and a certificate to the effect that the loss is not due to negligence on the part of any member of staff is to be recorded. Similar certificate may be needed for write off of losses that are revealed during stock verification after checking the receipts/issue slips to find out that the discrepancies are not due to erroneous or non posting of vouchers.

Losses due to natural calamities like accidental fire, flood, cyclone, earthquake etc. shall be reported to CSIR immediately mentioning the book value of the stores lost or damaged or destroyed etc.

Register of loss

A Register of loss or loss statements shall be maintained as per format enclosed by the Stores of the Laboratory so that the details of loss can be found out immediately.

Powers to write off of losses

The following powers are proposed for writing off of losses:

Types of loss	Director	Management Council	Director, General CSIR.
Irrecoverable loss of stores due to theft, fraud, negligence etc.	Rs.10,000/-	Rs.50,000/-	Full powers
Loss of stores not due to theft, fraud, negligence etc.	Rs.50,000/-	Rs.2,00,000/-	Full powers