

(31.4) Other Miscellaneous

(31.4.1) Sub: Instructions Regarding Of Security

The question whether security deposits for civil works offered by contractors can be accepted in the form of Deposit at Call receipts has been considered in consultation with the Ministries of Finance and Works, Housing & Supply and as a result, it has been decided as follows:-

- (1) Security deposits in the form of Deposit at call receipt and stock certificates cannot be accepted.
- (2) Security deposits in the form of Fixed Deposit Receipts or Guarantee Bonds of Schedule Banks and G.P Notes can be accepted in lieu of cash recovery made either directly from the contractors or from their R/A bills.
- (3) Cash Deposits of the contractors can be converted at the cost and expense of the depositor into one or more interest bearing securities described in (2) above, provided the depositor expressly desires this in writing.

(CSIR Letter No: 32(18)/58-WP, dated 1 st Nov., 1960.)

(31.4.2.) Security Deposit To Contractors - And Amendment Of Proviso To Clause 27-c

Under Clause 27-C of the general terms of contract signed by contractors for Civil Works in the CSIR, 75% of the amount held as security deposit is refundable to contractors without interest, after three months from the date of virtual completion and the balance after the expiry of the defect liability period, which is generally six months from the date of completion or next monsoon. However, para 284 of the General Financial Rules lays down that the percentage deductions from bills held as security in connection with contracts to execute works should not be refunded till the final bill has been prepared and paid.

2. As the relationship between the CSIR and the contractors is governed by the contract agreement as it exists without any stipulation regarding applicability of the G.F. Rules, the matter has been examined and it has been decided that, so far as the existing contracts are concerned, the amount of security deposit may be refunded to the contractors in accordance with the terms of the contracts signed by them. For future works in respect of which agreements are to be executed, clause 27-C of the contract form may be amended by adding the following words at the end of the Clause after the words "liability period is over": "or the final bill is passed, whichever is later". The Clause as thus amended will read as follows:

Provided all defects are removed and the security deposit is not forfeited or has not become liable to be forfeited under this contract, 75% of the amount under security deposit shall be refunded without interest after three months of the date of virtual completion and the balance after the defect liability period is over or the final bill is passed whichever is later.'

(CSIR Letter No:44(2)/6 1 -W.P.. dated 20th March, 196 I.)

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The question of fixation of the rates of recovery for supply of building materials like cement and steel to the contractors has been under consideration for some time. In regard to such materials there are the following modes to obtain them for our works:-

- 1. Leaving the question of arranging the supply entirely to the contractors;**
- 2. Getting permits in the name of the contractors against the Council's allotment and leaving it to the contractors to purchase and transport the materials to the site.**
- 3. Issuing the materials to the contractors from the stocks maintained at the Laboratories/Institutes on a fixed recovery rate.**

The Ist alternative is ruled out as in the case of a controlled material there is no open market and without a permit the contractor cannot obtain it. Even if the control is relaxed, it becomes the responsibility of the contractor and CSIR do not come in the picture.

The IInd alternative is seldom resorted to by the contractors as it involves investment of large sum against which they receive reimbursement in stages. There are also transport difficulties for which the Ministry of Railways has to be approached on Government level.

The third alternative is generally in vogue where the Labs./Instts. obtain supplies against the quotas issued in their favour. The materials thus received are stored in the Laboratories/Institutes and issued to the contractors.

A decision has now been arrived at in consultation with the Ministry of Finance, Government of India, that the rates of recovery from the contractors for the materials issued to them from the stocks for the execution of bonafide construction works of the department may be fixed as under.-

1 .Issue Rate of the Materials Plus 2% storage charges. The issue rate includes the following:-

- a) Price paid by the Council.**
- b) Freight both rail or road.**
- c) Sales Tax. Local or inter-state.**
- d) D.G.S&D. departmental charges.**
- e) Octroi duty where paid.**
- f) Incidental charges for loading, unloading & cartage etc.**

In case where railway receipts for materials procured by the Instts./Labs. are handed over to the contractors who take delivery of the

materials direct and where no storage is involved, no percentage on account of storage charges is to be added to the issue rate.

Recoveries from the contractors may now be made accordingly.

This does not apply to cases where a definite rate of recovery has already been fixed & included in the agreement for issue of materials.

(CSIR Letter No:2(4)/60-WP, dated 17th September, 1962.)<![endif]>

(31.4.4) Sub: Opening of

The Kendriya Vidyalaya Sangathan in June 1979 intimated the new terms and conditions which would be applicable for opening of Central Schools by them for the Institutions of Higher Learning like CSIR & IIT etc. According to these guide-lines the sponsoring authority was required to meet the following terms and conditions:-

- 1 .The Institution of Higher Learning shall bear all the recurring and non-recurring expenditure on the proposed Kendriya Vidyalaya.
2. The Institution shall provide free of cost land and building for the future development of the Vidyalaya.
3. The Institution shall provide all equipment free of cost of the Vidyalaya.
4. The Institution shall provide free of cost land and building for housing the Vidyalaya.
- 5.The Institution shall provide suitable residential accommodation to the teaching and non teaching staff on the same basis and at the same rates as prescribed by it for its own employees.
- 6.The proposed Kendriya Vidyalaya shall be administered and governed in accordance with the rules of the Sangathan.

7.The Sangathan shall not admit any liability towards the staff and students of any existing school running inside the campus of the Institution.

8The children of the employees of the Institution will get first priority in matters of admission. However, the children belonging to other eligible categories will be considered against seats available after accommodating the children of the employees of the Institution.

The following suggestions have been approved by the DGSIR for adoption as a general policy on the recommendations of the Committee comprising of Chief(Finance), Chief(Planning) and Chief(Administration):

1 .To provide additional facilities to all those Labs./Instts. where it is required upto Class VI only.

2.To take up the matter with the Ministry of Education for providing necessary facilities from Class VII onwards.

3.Wherever there are other research or academic Institutions the Lab should make efforts to pool resources and have joint schools for the purpose.

4.To approach the Planning Commission for providing adequate educational facilities to the Laboratories.

The Governing Body of the CSIR was apprised of the above position at its meeting held on 30.09.1980 vide Agenda Item No. 17.

Your Proposals, if any, may kindly be sent to this office with detailed justification. (CSIR Letter No:25/101/7-Engg., dated 28th January, 198 I.)

(31.4.5) Sub: Drawal of

It has come to notice of CSIR that in certain cases cheque was drawn while the work was in progress and not completed but in anticipation of such completion. This is a serious lapse.

It is an established fact that neither the bill should be prepared for any construction work not executed nor cheque can be drawn for the same. All concerned officials may be instructed to abide by the provision of rules strictly and not to resort to prepare any bill for the work not executed nor to draw any cheque unless the work has been completed in terms of the agreement.

(CSIR Letter No: 1(28)/77-Finance, dated 14th April, 1988.)

(31.4.6) Sub: Decentralisation of the work of Construction of Staff Quarters.

The DGSIR has been pleased to approve the delegation of the following powers to the Labs./Instts. with regard to the work pertaining to construction of staff quarters:-

- (i) After the Engineering Services Division of the CSIR has communicated the sanction for different works pertaining to the staff quarters of the Labs./Instts. including the drawings and estimates and made necessary budget allocations, the Labs. would issue the NITS. On receipt of tenders, Labs./Instts. will process the award of works after obtaining the necessary approval of its Management Councils on the same basis as in respect of Lab. works.
- (ii) The Labs./Instts. will also be responsible to pass the running bills of the Contractors on the same basis as in the case of Lab. works. However, the final bill will be passed with the approval of the ESD, where they are the Architects for the work in question.
- (iii) The ESD will also be responsible for inspection of the works where they are the Architects to ensure quality of the Construction as well as to certify that the work has been carried out in accordance with the designs and drawings of the building.

(CSIR Letter No: 17(47)70-Engg., dated 12th May, 1988.)

(31.4.7) Sub: Guidelines for undertaking Consultancy work by E.S.D.

The Director-General, Scientific & Industrial Research has been pleased to approve the following guidelines for undertaking consultancy work by the Engineering Services Division:-

- 1 . ESD will offer consultancy largely for phases upto pre- contract stage.
2. Currently, there is good competition amongst consultants, which are mostly in the private sector and the Govt. Deptts. tend to award consultancy assignments based on the lowest bid. The consultancy fee is traditionally specified as a percentage of the cost of work and this ranges all the way from about 1.5% to 5% for inputs upto pre-contract stage.
3. Some clients invite pre-qualification bids or organise design competitions etc., the participation in which may involve small initial investment.
4. In view of the foregoing, ESD will proceed to register itself with various organisations to get on to their panel of consultants. The Chief Engineer, will have financial and Administrative powers to get ESD thus enrolled and also for ESD's participation in pre-qualification bids, design competitions, etc.
5. Whenever there is an assignment of interest to ESD in sight, necessary initial spade work will be arranged by the Chief Engineer including a gleaning of information on market situation. He will place matters before the standing committee consisting of Director(EC), Financial Advisor, Head TUD, Chief Engineer and DS(Engg.) for consideration. This committee will be empowered to take all decisions with regard to ESD's bids. There will have to be flexibility in the intellectual fee component as per CSIR guidelines for consultancy work.
6. ESD will maintain accounts of each consultancy project and keep the empowered Standing Committee duly apprised of the net financial

results of these assignments. For handling these assignments, ESD - will follow CSIR Rules, procedure and guidelines. Any deviation required will have to be placed before the Standing Committee.

(CSIR Letter No: 17/168193-Engg., dated 18th June, 1993.)