Sub: Construction Management System: Circular – 44

Ref: Earlier CMS circular no- 22 for availing Excise/ custom duty exemptions under different packages of RUSDIP.

The Guidelines issued through CMS circular no - 22 must be kept in mind for proposing Essentiality Certificates under GOI Notification No. 108/95 & 84/97 for availing Excise/ custom duty exemptions under different packages of RUIDP. Some modifications / additions in this Circular are being done as under:-

A. For Revalidation of Old Essentiality Certificate (EC):

i. EE, IPIU to ensure that the contractor has submitted the endorsement on original EC itself, certifying the actual quantity procured / supplied by the vendor till validity period by the concerned Central Excise Official. If the concerned Central Excise Official issues a separate certificate to this effect then it should be enclosed with the original EC or its reference should be made on the original EC.

ii. The original quantity under EC, the quantity procured, the balance quantity and the quantity for which EC is to be revalidated as per revised requirement should be clearly mentioned on the original EC.

iii. FD takes it very seriously for non-procurement of items by the contractor within the validity period of the EC and the certificates are frequently submitted for revalidation.

iv. While submitting the EC for revalidation, the Utilization Certificate of material actually used and procured on the work for which excise/ custom benefit has been taken should be enclosed with detailed reasons of material not utilized / partly utilized or not procured against the original EC issued.

v. Some times validity period of EC expires due to non availability of site, non supply of material by vendor, delay due to failure in III party inspection, delay in order placement by the contractor or any other reason. In the forwarding letter the proper reasoning should be given & copies should be enclosed.

vi. The contractor should ensure that he brings excise/ custom exempted material only to the extent of actual use. If any surplus material is remained at the time of completion of the package then Contractor should settle the matter with Excise/ Custom Department by paying excise/ custom on surplus material at the earliest. In such case Contractor should intimate RUIDP that excise/ custom duty has been paid/ settled with Excise/ Custom Department for the surplus material.

B. For Issuance of Essentiality Certificate (EC) for Balance/ Additional Quantities:

i. While proposing new EC for balance / additional quantity, it should be ensured that the full material for which EC was issued has been procured or shall be utilized within validity duration of old EC and the UC for it should be enclosed. The Contractor should also be asked to submit certificate to this effect that he has
utilized / procured and partly utilized the quantity of old EC and will consume the complete quantity of old EC in short duration and new EC is required in advance to put advance order to the vendor. Similarly if more than one vendor is proposed for one material, reasoning for it should be given with the forwarding letter of EE, IPIU.

C. General

i. It has been found that some times original ECs are resubmitted unused due to modifications in the address of the vendor. While submitting the new EC the concerned EE, IPIU must ensure the branch address of the vendor firm from which the material shall be actually dispatched.

ii. It has been observed that several mistakes are made in the submitted ECs such as not mentioning of the IS Code, Technical specifications, incomplete BOQ item or change in its description, typographical errors, cuttings & white fluid corrections etc. These mistakes lead to return back of ECs un-signed.

iii. The EC submitted should bear the official rubber seal of the EE, IPIU of the town under his signatures.

iv. Now, the ECs will be countersigned by Secretary Finance (Expenditure), Government of Rajasthan in place of earlier by Secretary Finance (Revenue), Government of Rajasthan. It should be followed in the submission of ECs in future.

Copy of this circular should be circulated to all members of IPIU & DSCs.

(Dr. R. Venkateswaran)
Project Director
Date: 17.02.2010

F3 (100)/RUIDP/PMU/CMS/2002/2973973

Copy to the following for information and necessary action:

1. Addl. Project Director/ FA / Dy. PD (T)/ Dy. PD (Adm.)/SE.(WW) / (WS) / (R&B)/ All POs /Sr. AO / All APOs / AO./ AAO/ PA to PD, PMU, RUIDP, Jaipur
2. Executive Engineer, IPIU, RUSDIP..............................
3. Team Leader, IPMC, Jaipur/ DSC - I, Bharatpur/ DSC - II, Nagaur/ DSC III, Jhalawar
5. ACP to send through e-mail.

(Dy. Project Director (T))