

**WEST CENTRAL RAILWAY
ACCOUNTS DEPARTMENT
FA&CAO/WST OFFICE**

LAWS, RULES AND PROCEDURES adopted for passing of stores bills.

The procurement of material on WCR is handled by Controller of Stores through his subordinate and unit offices. In WCR, COS Office deals with all material procurement at HQ level, while in units (Division, Workshops, Loco Shades) concerned unit Stores Officers handle procurement of material for their respective units.

The office of the FA&CAO/WST functions as the associate finance for Controller of Stores and is responsible for liquidating all liabilities entered into by COS on behalf of WCR. All the bills raised by Suppliers for delivery of material are dealt by FA&CAO/WST office and other unit Account Offices for arranging payment to suppliers.

Following offices deal with payment of Suppliers bills on WCR –

- **FA&CAO/WST** – All Stock and Non Stock Procurement by COS Office.
- **Divisional Accounts Offices** – All Non Stock Procurement and Emergency Stock Procurement by their Depot Stores Officers for Division.
- **Workshop Accounts Offices** – All Non Stock Procurement and Emergency Stock Procurement by their Depot Stores Officers for Workshop.

Bills handle by Stores Accounts Offices of HQ WCR are of following types –

- 1. Stock item Bills** – The bills pertaining to procurement of stock items i.e. items kept in the custody of the stores department which are frequently and regularly required and whose unit cost justifies incurring inventory carrying cost associated with these items.
- 2 Non Stock Item Bills** – Items which are not stocked by the Stores Depots but are required by consumers are procured as Non Stock procurement to be delivered directly on shop floor. Bills pertaining to non stock procurements are passed by concerned associate finance offices.

Stock Bills -

a. Proforma Invoice – These bills are of 100% Advance Payment received from Stores Branch with the instructions that cheque may be handed over to the representative of Stores Branch. Cheques are handed over to the Suppliers by the representative of Stores Branch after due inspection of material.

b. Advance Bills – These bills are of 100%, 98% & 95% advance payments as laid down in the Purchase Order.

c. Bills against Receipt Order – These Bills are of 100%, 2% & 5% as per purchase Order. The payments are arranged against receipt of material as per specification by the Depot Officers. Bills are passed after comparing the accounts copy of receipt order with suppliers copy and ensuring corresponding credit in purchase suspense.

d. Bills against Railway Boards Orders – These bills are based on the terms and conditions prescribed by the Railway Boards. Bills are generally for procurement of centralized procurement.

e. RITES Inspection Fee Bills – These bills are directly received from the respective zones of RITES (i.e. Northern, Eastern, Western & Southern). After linking the bills with the respective Purchase Order it is being passed.

STAGES OF PASSING OF BILLS

1. As and when bills are received from firms/COS Office/RITES, same are registered in computer and separate registration no. for each category of bills is provided by the system. After registration of bills they are handed over to the recovery section for verification of bills from recovery register and then it is handed over to section officer, who allots the registered bills to the concerned bill passing clerk through Material Management Information System (MMIS).
2. Bill clerk, after receiving the bills, connects the bills with concern Purchase Orders in order to carry out necessary internal check as per Purchase Order.
3. If bill is found in order, necessary check for admitting the amount payable to the suppliers is exercised on MMIS and after that concerned bill clerk passes and forward the same to his section in charge for further scrutiny and authorization.
4. On receipt of checked bills from bill clerk concerned SO exercise relevant checks on MMIS and forward the same to Accounts Officer, if found in order, for authorization.
5. After being authorized by the Accounts Officer, CO7 (Cash Order) is generated by bill clerk and signed by Section Officer & Accounts Officers.
6. Approved and Signed CO7 are dispatched for preparation of cheques.
7. Cheques are prepared by Accounts Office and dispatched to the concerned suppliers through Pay Office. The cheques are dispatched to Supplier through register post.

TIME TABLE FOR PASSING OF BILLS

Time table for passing of each category of bills passed by Stores Accounts Branch West Central Railway is as under –

- i) Proforma Invoice Bill - within 03 working days
- ii) Advance Bill - within 07 working days
- iii) Receipt Order Bills – within 10 working days
- iv) RITES Inspection Bills – within 14 working days.

Non-stock Bills – Same procedure is being followed for passing of Non-Stock Bills as is followed by the expenditure section of FA&CAO office for Passing of contractor and other miscellaneous bills.

CODAL PROVISION –

Following paras of different codes deal with Bills and, are being followed while passing the Stores Bills on WCR.

Stores Code – Para 739 and 2825
Accounts Code – Para 1101 to 1107
Engineering Code – Para 1335, 1338 & 1341 to 1345

The extracts of above paras of relevant codes are reproduced below.

INDIAN RAILWAYS CODE FOR STORES DEPTT VOL-I

PARA-739.

Procedure for payment of supplier's bills in respect of direct delivery orders.—

(a) In cases where the payment is made by the Indenter's Accounts Officer.—The supplying firms will submit one copy of the bill marked 'Original' and the railway receipt for the consignment directly to the consignee. Another copy of the bill marked "Duplicate, not for payment" shall be submitted to the Controlling Officer of the consignee.

The Controlling Officer will maintain a consignee wise register of such bills and watch the return of the original copy of the bill from the consignee.

The consignee after verifying the stores received by him with the relevant Acceptance of Tender/Supply Order/Purchases Order of which a copy would have been furnished to him will endorse a certificate for the quality and quantity received by him and forward the original bill to the Controlling Officer mentioning therein that the receipt has been entered in his numerical ledger and the entry initialed. Any discrepancy in quality or quantity of the stores received by him or the quantity rejected by him, shall be advised to the firm direct, endorsing a copy of his advice to the Controlling Officer and the Purchase Officer.

The Controlling Officer on receipt of the original copy of the bill, will countersign and forward the same to the Accounts Officer for payment. Any entry to this effect should be made in the register mentioned above.

The firm's bills should be paid promptly and as far as possible within two months from the date of despatch of the stores and in case the consignment is lost in transit, the consignee should inform the consignor that a claim within the prescribed period should be preferred.

In case of unusual delay, the suppliers should be advised to bring the matter to the notice of the Divisional Superintendent or the Administrative Officer of the Department concerned, for which purpose the authority to be addressed should be clearly indicated in the Acceptance of Tender/Supply Order/ Purchase Order.

(b) In cases where the payment is made by the Stores Accounts Officer.—The procedure prescribed above should be applied, mutatis mutandis, except that the Controlling Officer will forward the original copy of the bill, duly accepted, to the Stores Accounts Officer instead of to the Indenter's Accounts Officer.

(c) Where 90 per cent payments are made to firms against proof of despatch after inspection, the original Railway Receipt should be sent to the Accounts Officer responsible for payment along with 90 per cent bill advising the particulars of despatch to the consignees. The Accounts Officer after passing the 90 per cent bill should pass on the original Railway Receipt to the Consignee for taking delivery of the consignments. It should, however, be ensured that there is no delay in the Accounts Office in transmitting the original R/R to the consignee. The procedure for the payment of the 10 per cent bill will be as described above.

Note.—In the case of direct delivery stores chargeable to Works, Receipt Notes should be prepared by the Consignee in triplicate in form S. 739. One copy of the Receipt Note should be sent to the concerned Accounts Officer and another to the Executive Officer maintaining the Works Registers in terms of paragraph 1440 (A)-E and 1440 (B) E.

INDIAN RAILWAYS CODE FOR STORES DEPTT VOL-II

Para 2825

Prompt Payment of Bills.—No bill should ordinarily take more than four days to be disposed of in the Accounts Office unless there are defects in it which render it inadmissible in audit or call for further reference. CHAPTER XI

INDIAN RAILWAYS CODE FOR ACCOUNTS DEPTT

Chapter X1 of the code deals with Bills and is reproduced below

Para 1101. Introductory. – The document through which a claim is preferred is referred to as a 'Bill' in this Code. Bills which are payable by the Railway are referred to as 'Bills Payable' and those which are recoverable from other parties as 'Bills Recoverable'.

1102. Bills Payable. – There are bills which are to be settled by actual payment of cash and bills which do not involve any payment or receipt of cash but are only to be adjusted in the accounts.

1103. All bills which are to be settled by payment in cash are to be registered on receipt in the Accounts Office and subjected to the required checks. Thereafter abstracts of the bills are to be prepared based on which cheques are drawn and payment arranged through the Pay Department. This process is further explained in the following paragraphs.

1104. Registration of Bills to be settled by Cash Payment. – All bills which are to be settled by cash payment should be entered in a register of Bills (A. 1104) and should be numbered in consecutive order and the date of receipt should be entered upon them. The number thus allotted to each bill will be referred to as the Accounts Bill Number or briefly as “AB No. or CO-6 No.”. The bills should then be sent to the section concerned for check. After a bill has been checked, the amount for which it has been passed in internal check will be entered in the appropriate column of the Register (A. 1104) provided for the purpose. The register will be so maintained that the particulars of all bills received during each month are shown distinctly.

1105. Bills received from other Railways and other Ministries of the Central Government or the State Governments which are not payable in cash but are adjusted in accounts (see Chapter IV) should not be entered in the Register of Bills (A. 1104) but should be recorded separately.

1106. Accounts Enfacement on Bills (for Bills to be settled in cash). – All bills entered in the Register of Bills (A. 1104) should be passed on to the sections of the Accounts Office concerned for internal check. On the completion of the internal check (or before detailed check in the case of bills dealt with under the post-check system vide rules in para 813 & 814) every bill should be enfaced showing the amount for which the claim has been admitted by the Accounts Officer, the total amount deducted and the net amount payable. The accounts office enfacement on bills should be in Form A. 1106. The head of account to which the total amount of the claim admitted is chargeable and the head of account to which deductions are creditable should be shown on or near the enfacement.

Note. - (1) In the case of bills on which payments have to be made through another
Accounts Officer (Cf. Paragraph 1132) the words “Not to be included in A. 1107” should be distinctly written above the Enfacement.

(2) The Accounts Office enfacement (Form A. 1106) should be signed by the concerned Accounts Officer. When, however, there is only one Accounts Officer attached to an office (e.g., Divisional Accounts Office or Workshop Accounts Office) and the Officer is away from the station on tour or is on leave or absent from office for unavoidable reasons, the enfacement may be signed by the Section Officer (Accounts) attached to the Section of that office.

1107. Abstracts of Bills Passed. – The bills passed by the Accounts Officer for payment in cash or by cheque should be posted into the Abstract of Bills Passed (A. 1107). The object of this abstract is (i) to reduce to the extent possible the number of cheques to be drawn each day and (ii) to present the various bills passed by an Accounts Officer in a condensed form to the Officer who has to sign the cheques. The entries in the Abstracts of Bills Passed (A. 1107) should be sufficiently full and clear to obviate a reference to the vouchers. The Abstract of Bills Passed will thus give the particulars of each bill, the amounts passed, the amount recoverable and the net amount to be paid. It should show the name of the Bank on which the cheque is to be drawn, details of the payee and the allocation of the charges.

The Abstract should be checked with the connected bills and signed by the Accounts Officer. As a safeguard against the inclusion of a bill in more than one Abstract, the enfacement on a bill included in an Abstract should be crossed off by the Accounts Officer signing the Abstract. The Abstract of Bills Passed (A. 1107) should be forwarded to the section preparing cheques. The numbers of the Abstract of Bills Passed (A.1107) should be quoted in all records in which the Abstracts are referred to. The Abstract of each week, fortnight or month should, after their return from the Cashier be bound together and carefully preserved so as to form a record of bills passed for payment. This record should be treated as a subsidiary book to the Daily Abstract of Cash Transactions (A. 304).

Note. – **The Abstract may be signed by Section Officer (Accounts) in the circumstances** in which they are permitted to sign bills, vide para 1106 but all such Abstracts must be countersigned by the Accounts Officer on his return to duty.

ENGINEERING CODE-

PARA 1335.

Subject to provisions of paragraph 1312 and 1327 to 1332 ante, the bills of contractors for work done or supplies made should be prepared in any one of the following forms according to that circumstances mentioned below against each :-

- (i) Petty Contract bill, Form E. 1336.
- (ii) Running or On Account bill, Form E. 1337.
- (iii) Final Bill, Form E. 1338. and
- (iv) Hand Receipt, Form E. 1339.

The final bill Form (E. 1338) should specifically provide that the contractor concerned accepts the amount billed for as a final payment in settlement of all his claims in respect of the particular work. Bill for work done should necessarily be prepared in any one of the above forms. Bills of supplies submitted on supplier's own forms may, however, be accepted when prepared in English or Hindi, any further particulars required by the departmental form being added by the disbursing officer. All bills passed against a work order should be noted on the work order.

1338. The final Bill from (From E 1338) should be used for making final payments, i. e. on closing running accounts for works. Normally only one final bill should be prepared against an agreement or work order. But in cases where groups of annual repair works are included in one agreement or work order, there is no objection to more than one final bill being prepared on the completion of each group or certain groups.

From E. 1338

.....**Railway**
ENGINEERING DEPARTMENT
FINAL CONTRACT CERTIFICATE

No. Name & Address of Contractor

 Name of work Division
 Authority for work Agreement No

I. Account of work executed

On account payment for work covered by approximate or plan measurement			Item of work	Unit (in words and figures)	Rate (in words and figures)	Quantity executed since last certificate	Quantity executed upto date as per measurement	Payment on the basis of actual measurement		Remarks (with reasons for delay in recording measurement shown in column (1))
Total as per last certificate	Since last certificate	Total Upto date						Upto date	Since last certificate	
1	2	3	4	5	6	7	8	9	10	11
Rs.	Rs.	Rs.						Rs.	Rs.	

Whenever there is an entry in column 10 on the basis of actual measurement, the whole of the amount it previously paid without detailed measurement should be adjusted by a minus entry in column 2 equivalent to the amount shown in column 1, so that the total up to date in column 3 may become nil.

When there are more entries column 10 relating to each sub head of estimate, they should, in the case of works, the accounts of which are kept by sub-heads, be totalled and the total recorded in column 11 for posting the Register of works.

			(B)	Total value of work done to date (A). Deduct value of work shown on last certificate. Net value of work since last certificate (F) Figure (F) in words.			
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II. Certificate and Signature

1. The measurements on which are based the entries in column 4 to 10 of Account I were made by Overseer on..... No and are recorded at pages of, Measurement Book No.

2. Certified that no materials, the cost of which has not been recovered, were issued to the Contractor.

Rank Incharge of Work

.....
 Dated Signature of Contractor Date Signature of Officer preparing the bill Designation

I have no other claim outstanding against Railway for work done or for labour or materials supplied or on any other account and the payment of this bill shall be in final settlement of all my claims in respect of the work to which Agreement/Work Order No..... dated20 with the Railway relates.

.....
 Witness of Officer Signature of the Contractor Signature of

Full Address.....
 Dated.....

III. Memorandum of payments

1. Total value of work actually measured as per Account 1, column 9, entry (A)	Rs.	P.
2. Total amount of payments already made as per entry (k) of last certificate No dated19forwarded to the Accounts Officer on		
3. Payments now to be made-		
(a) For Stores supplied.....		
(b) By Cash.....		
(c) Cheque.....		

IV. Here enter the nature of check measurements taken or other examination of work and the results of such examination.

Certified for payment of Rs @ @..... chargeable to and to be included in accounts for 20.....

To be paid in cash/by cheque in presence of.....

.....
Head Clerk or Accountant Executive Engineer Division

V. Received Rs.*.....as final payment in settlement of demand as per details above on account of this work.....

.....
STAMP
@@Signature and designation of Signature of
Contractor
witnessing Officer

Date..... Date

VI. Entries to be made 'm Accounts Office (on open line)

Accounts Bill No.....
dated.....
Entered in abstract No
dated.....
Passed for Rs.(.....)
Amount passed Rs.....
Net Amount payable
Less deduction Rs.....
Rupees.....
Chargeable toPosted by.....
Passed by..... Checked by.....
.....

Accounts Officer

VII. Entries to be made by Pay Department (on open lines)

Cash entry dated.....
Amount paid Rs.....

Amount unpaid Rs.....
Total Rs.....
Paid in my presence.

.....

Head Pay Clerk

@ If the net amount to be paid is less than Rs. 10 and it cannot be included in a cheque, the payments should be made in cash, this entry being altered suitably and the alteration attested by dated initial.

@@ Here specify the net amount payable, vide item 3 (b and c).

* The payee's acknowledgement should be for the gross amount paid as per item 3 (i.e., a and b-c).

@Payment should be attested by some known person when the payee's acknowledgement is given by mark, seal or thumb impression

1341. In all contractors' work and store bills the units calculation and rates should be entered in words as well as figures. Whenever fraction of rupee occur in the totals of contractors' bills fractions less than half may be disregarded and half a rupee and over may be taken as rupee, before forwarding a contractor's bill to the Accounts Officer for payment the Executive Engineer should satisfy himself as to the correctness of the quantities billed, for the rates and all recoveries.

1342. Other Miscellaneous Payment.--Other payments which an Executive Engineer has to arrange are with regard to pay, allowances and other miscellaneous personal claims of the constructions staff such as advances of pay, travelling allowances, withdrawals from P.F. etc. Such claims should be dealt with in accordance with the rules and orders in the relevant sections of the Indian Railway Codes.

1343. Bill for Stores purchased.--This bill will be prepared in Form S. 2817 which will be printed in English, Hindi and the vernacular of the district in which used. Vendors of stores should be encouraged to use

these forms which may be supplied free of charge. In the case of final payment on a running contract for the supply of stores, the same form, but printed on yellow coloured paper, will be used, and disbursement made as on final contract certificates. The procedure laid down in paragraph 739 of the Indian Railway Code for the Stores Department should be followed in passing claims for stores supplied.

1344. Pay Order.--This Form (E. 1344) is to be used only in the case of such miscellaneous payments as refund of earnest money, payment of court attachments., & Pay orders will be bound in books and will be machine-numbered. These books will be issued on requisition only to those officers who have been authorised by the General Manager to use them.

Form No. E. 1344

PAY ORDER

Book No.....Serial No.....	Book No.....Serial No.....
Case No.....Dated.....	Case No.....Dated.....
(Counterfoil)	
TO.....	TO.....
Pay to.....	Pay to.....
Rupees (in words).....	Rupees (in words).....
on account of.....	on account of.....
chargeable toin.....	chargeable toin.....

account for.....20..... Rs..... account for.....20..... Rs initials of the Officer signing the pay order. Designation.....	account for.....20..... Rs.....Signature..... Designation..... Received the sum of Rupees.....as above in full settlement of all demands. Signature of payee..... Date of payment..... Witness.....
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1345. General Rules.-Should any of the prescribed forms not be used, care should be taken to see that no particulars, certificate or signature required by the prescribed forms are omitted. The general rules laid down in the following paragraphs should be observed in connection with the claims referred to herein as "bills".

DO s and DONT s

All suppliers are required to follow the following while submitting their bills for payments. It will facilitate prompt disposal of the bills at Railways end.

A. DO s.

1. Bills should be in original form and marked as ORIGINAL.
2. Duplicate copy marked with “not for payment” should also be submitted.
3. Corresponding address of firm should clearly be given on bill.
4. Purchase order no and date must be given.
5. Reference of Modification advice (if any).
6. Description of material should clearly be indicated.
7. Bank account number and branch name may be given where payment is to be made.
8. Details of Railway receipt, receipted delivery challan, inspection certificate , CST/VAT number ,Receipt Order/ note and date should be given.
9. All columns of bill should be correctly filled.
10. Unit rate, quantity, taxes, freight /any other charges (if any) and total claimed value should correctly be filled according to Purchase Order.
11. Claimed amount should be certified in words.
12. Bill must be signed by authorized person of the firm.
13. Bills should be Pre-receipted with revenue stamp.
14. Any dispute should be settled with COS before submission of bills.
15. Original Railway receipt, receipted challan duly signed/attested by Gazetted Railway Officer/pink copy of receipt note, Payment copy of inspection certificate, excisable goods invoice(original buyers copy), CST/VAT certificate , guarantee/warrantee, MODVAT certificate ,indemnity bond, certificate of goods correctly dispatched should be enclosed

with the bills.

B. DON'T s

1. No correction/overwriting are to be done. (must be attested if inescapable).
2. Photo copy of any documents (which are required to be submitted in original) may not be submitted .
3. Do not leave any columns of bills to blank.(xxx marked if no information)
4. Do not submit the bills without requisite documents.
5. Do not Submit the bills if any dispute with COS/Depot officer is unsettled.

DISCLAIMER:-

The above information is provided as a guiding factor to suppliers. All statutory requirements are to be complied with even if not included above. The above information does not in any way supercede any Codal provisions of Indian Railways and any extent instruction of Railway Board issued from time to time.

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