



## केन्द्रीय भण्डारण निगम

(भारत सरकार का उपक्रम)

CENTRAL WAREHOUSING CORPORATION

(A Govt. of India Undertaking)

जन-जनकेलिएभण्डारण/Warehousing for Everyone



No. CWC-FD/CA-Accounts Circular/20-21

2nd February, 2021

### ACCOUNTING CIRCULAR No. # 41

**Sub: Creation of new Accounting Head for “EMD/SD/Sundry Creditors/Other Liabilities/Deposits written back” under Income Group.**

- 1.0 May please refer instructions issued vide letter No. CWC/FD-CA/Annual Closing/2019-20 dated 27.01.2021 by GGM(Fin.) with respect to review of EMDs/SDs received by CWC, Sundry creditors and Claims payable. Copy of instructions are again enclosed as Annex. I'.
- 2.0 Accordingly, a separate Account Head has been created in Tally ERP under A/c group 31300 (Misc. Income – Non operating) by name of A/c code 31309 (EMD/SD/Sundry Creditors/Other Liabilities/Deposits written back). This Account Head is to be used for writing back of EMDs/SDs received by CWC which are no longer payable and also the sundry creditors, other liabilities and deposits which are no longer payable.
- 3.0 Wherever EMD/SD is forfeited, same shall be continued to be accounted under 30601(EMD/SD Forfeiture A/c). This Account Head is not to be used wherever provision for expenses made on estimate basis is written back. For writing back provisions for expenses made on estimation basis, A/c code 31401(Excess Provision for Expenses Written Back) is to be used.
- 4.0 Accordingly, income booked by regions till date in any other head of A/c other than new Account Heads created as above be transferred to the new Account Head by passing the accounting entries.

**Md. Rizwanullah  
Manager (CA)**

**Distribution to:**

1. All Regional Managers of CWC.
2. All DGMs/AGMs/Managers/ (Sr.) Asstt. Managers in-charge of the Finance, Accounts & Internal Audit Wings of all ROs.

**Copy for information to:**

1. All DGM/AGMs/Managers/(Sr.) Asstt. Managers/Accountants in Finance, Accounts & Internal Audit Cadre at CWC, Corporate Office, New Delhi.
2. SAM to Director (Fin), CWC, CO, New Delhi.
3. PPS to GGM (F&A), CWC, Corp. Office, New Delhi.
4. PPS to GGM (Systems), CWC, CO, New Delhi place this Circular on CWC's Website.
5. PS to GM(Tax & A/cs)), CWC, CO, New Delhi.



  
**केन्द्रीय भण्डारण निगम**  
(भारत सरकार का उपक्रम)  
**Central Warehousing Corporation**  
(A Government of India Undertaking)



No. CWC/FD-CA/Annual Closing/2019-20

Date: 27.01.2021

The Regional Manager,  
Central Warehousing Corporation,  
**All Regional Offices**

**Sub: Review of EMDs/SDs received/paid by CWC, Sundry creditors and Claims receivables**

**Ref: (i) CWC/FD-CA/Annual Closing/19-20 dated 10.08.2020**  
**(ii) CWC/FD-CA/Annual Closing/19-20 dated 07.09.2020**

During the visit of undersigned to RO Mumbai, the schedule of Security Deposit (Account head 12611 - SD), Earnest Money Deposit ((Account head 12610 - EMD), Claims Receivables (Account head 29400 – Sundry Recoverables) and Claims Payable (Account head 12600 – Other Liabilities and Account head 12400 – Creditors) were reviewed. The schedule of EMD and SD received was running to 40 pages and the EMDs/SDs received more than 10 years old were also lying.

2. As per guidelines issued for Closing of Accounts, EMDs/SDs received/paid and claims receivable and payable for more than 3 years need to be written back/written off by following due procedure. However, the above accounts heads are not being reviewed by the regional offices at the time of closing of quarterly accounts.

3. All the Regional Managers and Accounts Incharges shall ensure that EMDs, SDs, other deposits and claims payable which are pending for more than 3 years old are written back immediately. In case there is any dispute/litigation with the depositor, the amount lying with CWC towards EMD/SD should be adjusted against the claims of the Corporation immediately. The regional managers and respective HODs shall also ensure that all the contracts which have completed are concluded for the purpose of settlement of claims and counter claims of the Corporation and refund of SD.

4. A separate Account head “**31309 – EMD / SD / S.Creditors / Other Liabilities / Deposits written back**” has been prescribed for write back of EMD/SD/other deposits and claims payable. In case any claim is received later for the refund of EMD/SD/other deposits and claims payable which has already been written back, the same may be released after verifying all documents and proper sanction order by the Competent Authority by debiting the above account head.

5. EMDs paid by CWC shall be reviewed and realized within six months from the date of deposit of EMD. If the refund of EMD paid by CWC is not received within a period of six months, responsibility should be fixed upon the officer/ HoD who has paid the EMD.

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6. The SDs paid by CWC shall be realized within one year from the date of conclusion of the contract. If the refund of SD paid by CWC is not received within a period of one year from the date of conclusion of the contract, responsibility should be fixed upon the officer/HoD who has paid the SD.
7. The old EMDs/SDs deposited by the Corporation which are not realisable, shall be written off by following due procedure as per Debt Management Policy.
8. Similarly, all the claims receivable and payable by the Corporation shall also be reviewed for realization or write back.

Ratti Ram  
Aggarwal

Digitally signed  
by Ratti Ram  
Aggarwal  
Date: 2021.01.27  
17:42:01 +05'30'

**(R.R. Aggarwal)**  
**Group General Manager(Fin.)**

**Copy to:**

1. DGM(Fin.), CWC, CO, New Delhi – She is advised to submit a fortnightly compliance report in respect of above.
2. All Accounts Incharge, CWC, Regional Offices