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Azadi Ka
Amrit Mahotsav



केन्द्रीय भण्डारण निगम
(भारत सरकार का उपक्रम)

CENTRAL WAREHOUSING CORPORATION

(A Govt. of India Undertaking)

जन-जन के लिए भण्डारण/Warehousing for Everyone



No. CWC/CO-FD0PAY/13/2021-FINANCE

12th August, 2022

PAYMENT SECTION CIRCULAR #1

Sub: Uniform check-list for Third Party payments (Other than Engineering) to be followed by Regional Offices /Corporate Office

1. During the first meeting with the Account In-charges of all ROs held on 8.07.2022, it was decided that a uniform check-list for payments shall be circulated to all ROs and concerned in CO. Accordingly, a SOP has been prepared and placed at Annex.'I'.
2. The SOP is also having Annexure – II (Payment Check List) which is to be followed for making Third party payments to contractors/suppliers for supply of Goods and Services (Except Engineering Payments).

Amit Puri
General Manager (F&A)

Enc: As above.

Distribution to :

1. All the Regional Managers of CWC
2. All the DGMs/AGMs/Managers/(Sr.) Asstt. Manager(Accts)/Incharge of Finance & Accounts wings of all Regional Offices.

Copies of information to :

1. MD/ Dir(Fin.), CWC,CO, New Delhi
2. All HODs at CWC, Corporate Office, New Delhi
3. All DGMs/AGMs/Managers in Finance, Accounts & Internal Audit Cadre at CWC, Corporate Office, New Delhi
4. Manager (Rajbhasha), CWC, CO, New Delhi with a request to arrange Hindi Version of this Circular.
5. Supdt.(MIS), CWC, CO, New Delhi with a request to place this circular on CWC's Website.

निगमित कार्यालय: 4/1, सीरी इंस्टीट्यूशनल एरिया, अगस्त क्रांति मार्ग, हौज़ खास, नई दिल्ली-110016.

CO: 4/1, Siri Institutional Area, August Kranti Marg, Hauz Khas, New Delhi-110016.

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Standard Operating Procedure (SoPs) for making third party payments (except Engg)

1. Finance Division shall receive the Sanction Order/Bill/any other relevant supporting documents only in e-office from the operating Divisions of ROs/C.O.
2. No bill/Sanction order /paper shall be accepted either by way of e-mail or by way of physical submission concerning the payment (except original ink signed invoice) by Finance Division. No additional document concerning payment shall be entertained on mails/ physically from any Division. All correspondences concerning payments should be **routed through e-office only** by the concerned Divisions.
3. The Sanction order is to be digitally signed. Digitally signed Sanction Order should bear a “Serial No” to identify the documents so as to avoid duplicate payment & must contain following :
 - i. Sanction Order Number and date(duly serial numbered)
 - ii. Bill date and bill no. (Period of invoice also be mentioned if available).
 - iii. Bill amount and Sanctioned amount (in figures as well as in words). In case sanctioned amount is different from bill amount then reasons for deductions may be mentioned.
 - iv. Complete Name ,Address, PAN&GST(if issued) of Vendor/Contractor/Supplier
 - v. Description of services provided and items purchased from Vendor/Contractor/Supplier incl Cost center name / code.
 - vi. Complete Bank details of Vendor/Contractor/Supplier to facilitate online payment.
 - vii. Bill Tracking System (BTS) Id number.
 - viii. Certification that the payment has been approved as per term and condition of the contract and within the Delegation of Power (Reference - DoP para ____)
4. In case of purchases made **from Govt. e-marketing place (GeM)**, the payment is to be made to vendor **through GeM pool A/c and not from CWC Bank A/c**. Accordingly, in case of Govt. payment, the operating Division should clearly state at the top of sanction order **“Sanction order for GeM purchases”**. The GeM sanction order should invariably mention GeM contract details i.e. GeM contract id, GeM pool deposit/GeM purchase order date, original amount deposited, Amount adjusted till date. The balance amount to be adjusted be indicated in sanction order. SoP for payment through GeM pool a/c issued vide circular no CWC/FD-Cash/GeM Pool A/c/2020-21 dt 03.07.2020 be followed.
5. In order to process payment, a **digitally signed bill or original ink signed bill** shall be required. All vendors/ suppliers may be advised to upload digitally signed bills on BTS also. A physical bill bearing physical signature/Performa invoice simply scanned and sent in e-office shall not be treated as digital bill. Only the bill digitally signed by way of a **DSC shall be considered as a digitally signed bill**. It will be the responsibility of operating divisions of RO/ CO to provide original ink signed bill to Finance Division as per SOP of BTS issued vide circular no CWC/ MIS/FTS/2019-20 dt 11.03.2020.
6. Finance Division shall neither correspond or entertain any vendor/ supplier directly. It shall be through operating division only.

7. While processing the bill, the concerned Officer in-charge shall follow the check-list {placed at **Annex. 'II'**} while passing the bill. For making payment of any withheld amount i.e. GST withheld etc, the same process is to be followed as above for making payment.
8. No third-party vendor/ supplier payment is to be made by directly debiting the expenditure account. Finance Division of RO and CO shall create the vendor/party in the party utility software and same is auto created in TALLY . Thereafter, Finance Division shall make the accounting entry of payment in the TALLY ERP.
9. Notwithstanding anything contained in tender / contract , payments are to be made to MSME vendors within the stipulated time as per the MSMED Act, 2006.
10. Finance Division shall after making payment update bills in BTS & return the e office file back to concerned operating division.
11. Finance Division shall ensure that the Payment of bills is made within timeline as per the BTS Circular dt 04.02.2020.

Payment Check list for passing the Payment

S.No.	Check -list
1.	Digitally (DSC) signed bill / Original Ink signed bill
2.	Sanction order (DSC signed) – Separate for GeM and Normal Vendors
3.	Receipt of bills in BTS. All bills are to be sent through BTS (Bill tracking System). If bill/invoice not entered in BTS, original bill and e office file may be returned back to concerned division, with advise to enter bill in BTS.
4.	To verify whether payment is to be made through GeM pool account or CWC bank account.
5.	To verify that expenditure is within budget limit approved at RE/BE stage by the BOD of CWC , carries the financial concurrence & is as per the Payment Terms agreed . Circular no FINANCE/T&I/01/2022 dt 08.03.2022 issued by GGM(Fin) on sanction of expenditure be followed.
6.	<p>It should be ensured that there is no adhoc deductions are made in the sanction order on account of any reason like non-compliance of Labour Laws of PF/ESI, Security Deposit and any other reasons etc.</p> <p>In such cases the bill should be returned and should not be partially passed based on partial sanction order.</p>
7.	In case expenditure is of prior period(i.e of Previous years) , check whether liability to pay the same is available in accounts as created in earlier years.
7.a	In case no liability exists, return the bill to the concerned Division informing that as there is no liability, there will be tax loss to the Corporation in case amount is paid.
7.b	In case liability is there, the amount is to be paid by passing the accounting entry against the liability created at time of closure of accounts last year and current year expenditure is not to be booked.
8.	In case expense is for the future period service, same is Prepaid Expense. Similarly, reverse the prepaid expense booked in previous year for current year.
9.	<p>Verification of the GST compliances</p> <ul style="list-style-type: none">(a) E-invoice or declaration in lieu of e-invoice is provided by vendor (Refer GST Circular no.28 dated 28.10.2020)(b) Correct GST number of CWC is quoted(c) GST is charged at the correct rate(d) HSN No is correct(e) CGST/ SGST or IGST is correctly charged
10.	Ensuring that the TDS at Higher rate of TDS/TCS to be deducted by CWC of Vendors/suppliers who are non- filers of income tax returns as per tax circular no 42

	dated 17.06.2021 (applicable from 1st July, 2021) under section 206(AB) and Section 206(CCA).
11.	Ensuring that the Deduction of tax at source by CWC on payment for purchase of any goods exceeding Rs. 50 lakh w.e.f. 1st July, 2021 as per tax circular no. 43 dated 19-06-2021(applicable from 1st July, 2021) under Section 194Q of Income Tax Act.
12.	In case of one-time party, GST charged is not to be paid as per GST circular. Same is to be released after verification of credit at GSTN portal in GSTR6A online.
13.	In case it is a regular party GST amount may be paid, if it is a continuous billing. In case of Last bill, hold the GST till verification of ITC at GSTN portal of CWC.
15.	Expenditure is always to be booked through a purchase voucher (based on Tax Invoice and not based on Performa invoice) by creating vendor/ party through software.
16.	Statutory Deductions of TDS on GST as per CGST Act/ Rules and TDS as per Income Tax Act needs to be ensured.
17.	In case of inter unit accounting entry, the advice is to be sent to concerned Region on mail immediately.
18.	Examine whether expense of capital nature or revenue nature. Wherever capital expenditure is there, ITC/GST is not to be availed. Instead the GST amount charged is to be capitalized as per GST Circulars in place .
20.	On daily basis, day book of the payment entries made are to be generated from TALLY ERP to for re-check ant error made including classification of expense heads.
21.	The narration concerning payment is to be complete in all respects in TALLY ERP Voucher.