

Dt: 06/10/2017

Methodology for registration of fresh calls against a case number in those cases where previous call is cancelled / rejected on chargeable basis

Conditions for payment of charges for Call cancellation or re-inspection of items are governed through Railway Board letter No 99/RS(G)/709/4 dated 12-02-2017. However, currently suppliers have to depend on the information furnished by IEs for amount of charges which delays the process of re-inspection on several occasions.

2. To make the system more streamlined and transparent, it has been decided to adopt revised system of deposit of call cancellation charges/ re-inspection charges whenever the same is due-

- i) When an IE is cancelling the call or issuing rejection memo, he will indicate if the cancellation/ rejection is done on chargeable basis or non chargeable basis. In case the cancellation is chargeable, amount of charges to be deposited by the Vendor shall be mentioned in the remarks column in IBS by IE without fail.
- ii) The IBS system will thereafter generate a system flag indicating that vendor / supplier is required to deposit charges (as calculated by IE and shown in the remarks column). Vendor/ supplier is required to settle the charges before further calls can be accepted by the system for the particular material.
- iii) The vendor / supplier will thereafter be required to deposit the charges through RTGS / Bank account to RITES. While making the RTGS payment, vendor will mention Case no. and call No against which charges are being paid and insert the reasons of payment as "**Call cancellation/ Rejection charges Case No-----**". Payment mode is preferably RTGS/ Bank Payment .
- iv) RITES' Finance will generate a dummy call against the said case No. and accept the RTGS challan no. against the payment made and releases the bill to Vendor. Finance will also reset the status to 'Cancellation / Rejection charges paid' on the IBS system which will

enable the Vendor to register the next call without any further checks.

- v) It may happen that two instances of cancellation/ rejections are uploaded simultaneously. In such case , two dummy bills will need to be generated by the finance and both flags reset before call can be accepted.
- vi) In case of RITES contracts with Clients, wherein the cancellation/ rejection charges are payable by "Client" then IE will indicate in remarks "rejection charges as nil, payable by Client". In such cases IE will put the status in IBS as "non chargeable" and bill will be prepared on Client by Finance based on the note by concerned contract administrator of RITES.
- vii) Where a call of particular vendor is cancelled/ rejected, in LOA/ Works contract orders, IE will put remark "call cancellation charges to be paid by Vendor" and in IBS status he will show it as "non—chargeable", so that case remains open to other vendors. In such cases responsibility to collect cancellation/ re-inspection charges in next call lies with IE.

3. To save time suppliers/Vednors are advised to immediately settle the charges after cancellation/ rejection and not wait to avoid any last minute delays. All vendors are requested to kindly note that instruction will come into force with effect from 06.10.2017.

For RITES Ltd.,
Northern Region,
Delhi.