

**No. Acctts /9(4)/2009****Date: 18-12-2017**Circular No. 1223/Acctts

Sub:-Reference Circular No. 1172/Acctts dated 23.10.2015 & Circular No.1208/Acctts dated 05.07.2017- further clarification regarding.

Given below is the extract of an audit para raised by the Audit on the Annual Accounts of N&M Region for the year 2016-17

Following the new accounting policy framed by the corporation regarding writing off, claims against Railways for missing wagon amounting to Rs. 129.86 lakh lying unadjusted for last 5 years in the books of unit offices has been written off this year. The uniform writing off policy for all old transactions without required review to exclude certain transactions had the effect of contradictory treatments by corporate office and unit office of same transaction. Claim settlement with Railways take much longer time than 5 years' period as may be evident from the fact that match adjustment for missing/unconnected wagons with Railways has been completed up to 1999-2000. Therefore, claim after the year 2000 will have to be kept alive till final settlement with Railways. Management clarified that the claims written off pertains to sugar transaction. However, the reply of the management was partially correct only and out of missing wagon amounting to Rs. 129.86, Rs. 118.99 lakh pertains claims relating to missing wagon of foodgrains after 1999-2000 and hence it should not have been written off.

The issue has been further examined in the Headquarters with reference to Circular No. 1172/Acctts Dated 23.10.2015 & Circular No. 1208/Acctts dated 05.07.2017 and instructing all the unit offices to follow the policy and procedure for write off & write back respectively from the financial year 2016-17 and onwards.

It is clarified that the above policy and procedure be not applied to write off of claims in case of missing wagons of foodgrains and to write back liabilities of unconnected wagons of foodgrains at unit level. The same would be taken care at Hqrs level as taken to be done.


(RASHMI GULATI)
GENERAL MANAGER (A/Cs)

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5. The Director, IFS, FCI, Gurgaon, Haryana.
6. All DGM (F&A)/AGM (A/Cs), FCI, Regional Offices.
7. All Area Managers.

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