

KARNATAKA URBAN INFRASTRUCTURE DEVELOPMENT & FINANCE  
CORPORATION LTD  
FINANCE DIVISION, BANGALORE

STANDARD PROCEEDURE FOR PROCESSING OF  
CONTRACTORS/CONSULTANTS BILLS AND RELEASE OF PAYMENT FOLLOWED  
BY THE FINANCE DIVISION

The contractors' RA bills and Consultants bills are forwarded by the concerned technical wings after scrutinizing the same for technical compliances as per Contractual and Funding Agency guidelines to the Finance Division.

Upon receipt of the bills with the recommendations of the Technical Wing for release of payment, the following procedure is followed.

1. Verify whether the RA bills submitted by the Contractors and consultancy bills have been properly checked by the project implementing unit /Implementing Agency, certified and recommended for payment by the Commissioner of the ULB and /or IA and recommended by the Technical Wing at HO, KUIDFC and such verification is certified and authenticated by the concerned officials.
2. Verify whether the Quality certificate issued by the Project Consultants is attached to the bill submitted and does not contain adverse comments.
3. Verify that the BGs submitted by the Contractors towards Mobilization Advance and Performance are in currency . If not , the bills will be returned for obtaining the extension of validity of the BG. It will also be verified whether a confirmation from the controlling office of the BG issuing branch.
4. Whether the Contractor/Consultant has submitted necessary Insurance policies as per the Contract and are in currency.
5. Verify whether Extension Of Time (EOT) is approved wherever necessary.
6. Verify whether any variation of BOQ quantity have taken place, and if so , whether approvals have been obtained from the Competent Authorities. If BOQ variations have occurred and approvals not obtained, then the value of the excess BOQ will be with held. Upon approvals of the same, the withheld amount will be released.
7. In respect of claims towards Mobilization advance, verify whether BG has been submitted as required. Also ensure BG for Performance Guarantee is submitted.
8. Verify whether LD is proposed wherever miles stones are not achieved.

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9. Verify whether applicable statutory and contractual deductions have been made properly.
10. Consultancy bills are verified with respect to deliverables as per the agreement. The monthly claims of the consultants are verified with respect to remuneration as per the contract and reimbursable expenses.
11. Verify whether applicable covenants of the Donor Agencies (World Bank, ADB etc) have been complied.
12. After scrutiny as above, the concerned case worker puts up the file to Manager (Fin)/AGM(Fin)/DGM (Fin) .
13. The concerned officers verify in detail whether all the requirements have been complied with. If so, the file sent to GM(PF) with a recommendation for approval.
14. GM (PF) after review submits the file to MD for approval to release the payment.
15. Upon approval is received from MD, the amount is transferred to the Bank account of the Contractor /Consultant through RTGS mechanism.
16. After the funds are transferred to the bank account of the Contractor/Consultant, the file is returned to the Technical wing , with a copy of the bank advice placed in the file for reference and records.

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