

Subject: Guidelines for approval of bills of contractors.

Keywords: Bills, Invoices, approval.

1. A new division for quantity survey (QS) has been formed for making estimates of work, issuing work orders in advance and approval of bills of contractors. Its current members are Jayaprada, Swathi, Ananth Krishna and headed by Rambabu. Common email id is qs@modiproperties.in.
2. The engineering and design team (E&D) will no longer approve contractor bills. They shall be responsible for issuing good for construction (GFC) plans and coordinating with consultants wrt design. However, they will work in close coordination with QS. Common email id is plans@modiproperties.com. The team members are Nagalaxmi, Asha, Kauzer, Sujith, Abubakar and Prasad.
3. Hereafter all works exceeding Rs. 5 lakhs in value must be undertaken only after issue of work order. It shall be applicable to all sites, including GMR E block, NGH B & C blocks, all lab space projects, all new projects. SOV, GMR other blocks, GHT, NGH, BRGV shall be exempt.
4. Before starting of work estimate of labour and/or material shall be prepared by QS and verified by respective site engineers. As far as possible rates for labour shall be as per guideline rates. Rates for building material, RMC, cement, steel shall be as per rates of purchase/procurement division rates. Estimate of work order shall be prepared by QS based on agreed rates and sent to site for approval of contractor. Upon approval of contractor, QS shall prepare the work order. For that, sites have to make a requisition. The work order is being approved by purchase managers as per usual procedure followed for issue of purchase orders.
5. In case rates of labour and material need to be negotiated sites shall recommend rates of material and labour by way of filling the rates approval form attached herein as Anx A. this form shall only be used for approval of rates related to work orders.
6. Issue of work order is mandatory – before start of work.
7. For turnkey work orders which involve labour and material annexures A, B & C as given in circular no. 807 must be sent to admin-audit every week. Rates in annexure A & B can be approximate, in case actual rates are not available. Anx C must be as per bills produced by contractor. Note – do not include tools and centering material.
8. Advice for giving credit to contractors and installation report has been combined into a single report called Work Completion Report. Format is attached as Anx B. this shall be applicable from 22/1/24. The instructions for filling the report are:
 - a. This sheet replaces installation report and advice for credit to contractors.
 - b. This word form must be typed.
 - c. Use this form even if work order is not issued.
 - d. Attach measurement and estimate sheets only if required i.e., details cannot be entered above.
 - e. For bill amount greater than 10k QS manager and directors approval is required.
 - f. For bill amount less than 10k any QS team member may sign and in place of director sign of respective E&D member to be taken.
 - g. Directors include – Soham, Anand Mehta (for GHT + GMR), Sachin (for Vivopolis), B. anand Kumar (for NGH + NRK).
 - h. Entry of rate ID is mandatory.
 - i. This sheet must be sent within 2 working days of work completion (with or without contractors bill).

- j. Contractors to send scanned copy of bill to site and QS by email.
 - k. Contractors must submit original bills at HO (can be sent by courier).
 - l. Rates must be inclusive of GST.
9. QS and site to enter M-codex bill ID manually after uploading/approval of bill. Old SOP wrt filing of the report at site will remain unchanged.
10. The processing of contractor bills where work order is not issued:
- a. Sites to upload Anx B on M-codex as earlier.
 - b. Contractors to send original bills directly to HO. However, they must send scanned copy by email and/or give photocopy to site. Do not accept original bills at site.
 - c. Copy of bill, if available must be attached to Anx B.
11. The processing of contractor bills where work order is issued:
- a. Sites to upload Anx B on M-codex as earlier.
 - b. Sites must also upload Anx B in MRN module of M-codex. For that purpose MRN has to be generated through the phone assigned to the sites. In place of inward register no., Sl. No. of site bill register must be entered. Quantities must be accurately entered.
 - c. Contractors to send original bills directly to HO. However, they must send scanned copy by email and/or give photocopy to site. Do not accept original bills at site.
 - d. Copy of bill, if available must be attached to Anx B.
 - e. Scanning division to upload the bill on M-codex in the supplier bill entry module (same SOP as Pos).
 - f. QS to approve Anx B and send original to accounts and scanned copy to purchase.
 - g. Purchase to approve contractors bill only on receipt of scanned copy of Anx B.
 - h. Admin-audit, purchase, accounts, director to follow SOP given for processing bills related to PO.
 - i. The approval of contractor bills has 2 separate loops. One is through QS and the other is through purchase division.
12. Accountants to give credit to supplier:
- a. Where work orders are not issued - on receipt of Anx B + original bill.
 - b. Where work orders are issued - on receipt of Anx B + original bill + approval of ACS on M-codex.
13. QS is making a master list of all rates in excel sheet labelled as Rate ID Master. The PDF file of the same shall be shared with all sites by 22/1/24. Sites to mention Rate ID in Anx B.
14. Updations and corrections to Rate ID Master. Many rates may be missing or need to be corrected. The Rate ID Master shall be updated by Janaki (of purchase). Sites to send request for updation of correction to QS. QS to inturn coordinate with Janaki for updating the Rate ID Master.
15. From time to time additional rates need to be entered or rates need to be updated. Further, rates may be specified for limited period /specific work/specific site. Such rates shall be updated /added by way of guideline rates approval form which is attached as Anx C herein. QS to ensure that Sl. No. is given to each form and neatly filed. The forms need to be uploaded on M-codex.
16. Janaki + Prudvi to conduct a training session for explaining this internal memo on 22/1/24. Training shall be repeated every alternate week x 3 sessions. Purchase, scanning division, accountants, QS, E&D, admin-audit to participate in training sessions. Each training session may be separated into 2 or 3 groups.

Anx A - Rate Approval Form
(for issue of work orders – material + labour)

Company		Project		Contractor name				
S No	Description of work/material	Units	Approx. Qty.	Quote by contractor/ vendor/ supplier	Approx. Amount	Market rate	Recommendation of Eng /Purchase/QS	Negotiated rate for PO/ WO/work
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
Remarks:								
Circular /IM no.		Projects applicable		Validity				
Rates include GST?		GST bill required?		Work type			Labour only/ labour + material	
Payment terms		50% advance & 50% on completion of work + receipt of bills / 100% advance / Payment after completion of work + receipt of bills.						
Approved by project manager		Approved by QS team			Approved by Director			
Sign:		Sign:			Sign:			
Date:		Date:			Date:			

Notes: 1. Sites to fill in the word copy of this form. 2. Sites to determine market rates independently and/or through purchase. 3. This form to be emailed to QS for approval. 4. The rates may be based on guideline rates given in circulars/internal memos.

Anx B – Work Completion Report

Company			Name of contractor			Sl. No. site bills reg.		
Project/site			Nature of work			Dt. site bills reg.		
Block no.			Work done from date			M-codex bill ID.		
WO no.			Work done to date			WO issued ?		
WO date			Contractor bill no.			GST bill required?		
Sl. No.	Unit/floor no	Details of work			Qty	Units	Rate ID	Rate
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
Remarks:								
Approved by project manager			Approved by QS team			Approved by Director/E&D team		
Sign:			Sign:			Sign:		
Date:			Date:			Date:		

Notes: 1. This sheet replaces installation report and advice for credit to contractors. 2. This word form must be typed. 3. Use this form even if work order is not issued. 4. Attach measurement and estimate sheets only if required i.e., details cannot be entered above. 5. For bill amount greater than 10k QS manager and directors approval is required. 6. For bill amount less than 10k any QS team member may sign and in place of director sign of respective E&D member to be taken. 7. Director include – Soham, Anand Mehta (for GHT + GMR), Sachin (for Vivopolis), B. anand Kumar (for NGH + NRK). 8. Entry of rate ID is mandatory. 9. This sheet must be sent within 2 working days of work completion (with or without contractors bill). 10. Contractors to send scanned copy of bill to site and QS by email. 11. Contractors must submit original bills at HO (can be sent by courier).

Anx C - Guideline Rates Approval Form

Form Sl. No.		Scan Id		Date	
Sl. No.	Description of work	Additional specs/remarks		Units	Rate
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					
Circular /IM no.		Projects applicable		Validity	
Rate includes GST?		GST bill required?		Work type	Labour only/labour + material
Remarks:					
Approved by project manager		Approved by QS team		Approved by Director	
Sign:		Sign:		Sign:	
Date:		Date:		Date:	

Notes: 1.Site/QS to fill in the word copy of the form. 2. Engineers/purchase to send this form to qs@modiproperties.in. 3. QS to review /correct and send for MDs approval. 4. All rates including those that need updation/correction/clarification in circulars and internal memos must be approved via this form.5. Enter details for clarity to ensure that there is no ambiguity in applicable rates.