

ARTHUR. E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-695 033

KERALA WATER AUTHORITY



ARTHUR. E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-695 033

ACCOUNTS MANUAL

1993

HEAD OFFICE, WATER WORKS CAMPUS, THIRUVANANTHAPURAM - 695 033

PREFACE

- [1] The Kerala Water Authority was established by the Government of Kerala with effect from 1st April 1984 under the Kerala Water and Waste Water Ordinance, 1984. The Ordinance was replaced by the Kerala Water Supply and Sewerage Act, 1986.
- [2] Under Section 29 of the Act, the Authority shall cause to be maintained such books of account and other books in relation to its accounts and prepare an Annual Statement of Accounts and Balance Sheet in such form and in such manner as the regulations made under section 65 of the Act may require.
- [3] As per G.O. (Rt) No. 2401/87/LAD dated 17th August '87, Government have accorded sanction to the Authority to introduce and implement an Accrual Accounting System from the Financial year 1986-87. As required under section 29 of the Act, the Authority had evolved Accounting Manuals for the maintenance of the books of accounts and preparation of financial statements.
- [4] As per G.O. Rt. No. 4506/92/LAD dt. 17/1/92, Government have conveyed its prior approval as required under section 65 of the Kerala Water Supply and Sewerage Act, 1986 for the introduction of the Accounting Manuals in the Kerala Water Authority as a part of the implementation of the Accrual Accounting System.
- [5] The objective of the manuals is to establish consistent and effective policies and procedures in order to ensure uniform practices throughout the Authority. The policies and procedures specified in the manuals shall be followed unless specific exemption is otherwise granted by the Authority.
- [6] Every officer of the Authority is expected to be conversant with the contents of these manuals and follow the procedures and instructions therein strictly and carefully in discharge of his/her duties.
- [7] The amendments whenever required to these manuals will be issued by the Managing Director from time to time. Any errors and omissions may be brought to the notice of the Managing Director for necessary action.

Thiruvananthapuram
1/4/1993

Sd/-
MANAGING DIRECTOR

INTRODUCTION

A set of coded chart of accounts has been prepared under the following three groups.

Part I -- Heads of Accounts with Account Codes

Part II -- List of Schemes with Scheme Codes

Part III -- Name of offices of Kerala Water Authority with Location Codes

- i) Heads of Account : All probable Heads of Account are included and arranged systematically. Some of the Heads of Account are applicable only at the time of preparation of Accounts at the Head Office and/or to be used exclusively by the Head Office. Such Heads are shown with an astrick [*] mark.

The Account Codes are classified under Nine major classification and Code numbers from One to Nine are allotted as first digit as given below :

Major Classification	Code No.
Assets	1
Liabilities	2
Expenses	3
Debt Service Charges	4
Non-Cash Expenses	5
Operating Income	6
Non-operating Income	7
Memorandum/Control Accounts	9

Similarly, each major classification is further divided into different groups and finally into individual Heads of Account.

- ii) List of Schemes with Scheme Codes : A list of Schemes is given with a Code for each Scheme. The Scheme Codes are to be used along with Account Code in the case of Capital Work-in-Progress only, in order to finally classify them under different Schemes. For example, if a water treatment plant building is to be booked to Urban Water Supply Scheme (L I C), the account code will be '1131-01'.
- iii) Name of Offices of Kerala Water Authority with Location Codes : A list of offices of KWA is given with Location Code for each office. This will not be a part of the Account Code, but all documents should have this code for identification.

CONTENTS

Volume — I	Chart of Accounts
Volume — II	Materials Accounting
Volume — III	Revenue Accounting
Volume — IV	Works and Fixed Assets Accounting
Volume — V	Cash and Funds Accounting
Volume — VI	Personal Cost Accounting

ARTHUR. E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-595-033

VOLUME - I

CHART OF ACCOUNTS

PART - I

**Account
Code**

Head of Account

ASSETS (1)

FIXED ASSETS (10)

Land and Land Rights (101)

* 1011	Freehold land
* 1012	Leasehold land
* 1013	Development expenditure on freehold land
* 1014	Development expenditure on leasehold land

Civil works (excluding buildings) (102)

* 1021	Headworks - Water
* 1022	Water storage and purification
* 1023	Water reservoirs - Overhead
* 1024	Water reservoirs - Ground
* 1025	Water distribution system
* 1026	Sewage pumping station
* 1027	Sewage treatment plant
* 1028	Sewage compost plant

Buildings (103)

* 1031	Water treatment plant buildings
* 1032	Water pumping station buildings
* 1033	Sewage treatment plant buildings
* 1034	Sewage pumping station buildings
* 1035	Sewage compost plant buildings
* 1036	Administrative office buildings
* 1037	Residential colony buildings
* 1038	Guest house buildings
* 1039	Other buildings

Plant & Machinery (104)

* 1041	Water treatment plant
* 1042	Electrical equipments - Water supply
* 1043	Sewage treatment plant
* 1044	Electrical equipments - Sewage schemes
* 1045	Compost works
* 1046	Drilling Equipments
* 1047	Construction Equipments

Mains & Network (105)

- * 1051 Raw water mains
- * 1052 Clear water mains
- * 1053 Water service connections
- * 1054 Water meters
- * 1055 Sewage transmission mains
- * 1056 Sewage road mains
- * 1057 Sewage service connections

Roads, Bridges & Culverts (106)

- * 1061 Roads
- * 1062 Bridges, side drains, culverts etc.

Vehicles (107)

- * 1071 Earth moving equipments
- * 1072 Cranes & overhead equipments
- * 1073 Water lorries & sewer lorries
- * 1074 Trucks & buses
- * 1075 Jeeps, motor cars and other light commercial vehicles
- * 1079 Other vehicles

Furniture, Fixtures, Office Equipments & Other Assets (108)

- * 1081 Furniture
- * 1082 Fixtures & Fittings
- * 1083 Office equipments
- * 1084 Air conditioners
- * 1085 Computers
- * 1089 Other office assets

CAPITAL WORK IN PROGRESS (11)**Land & Land Rights (111)**

- * 1111 Freehold land
- * 1112 Leasehold land
- * 1113 Development expenditure on freehold land
- * 1114 Development expenditure on leasehold land

Civil Works (112)

- * 1121 Head Works - Water
- * 1122 Water storage & purification
- * 1123 Water reservoirs - Overhead
- * 1124 Water reservoirs - Ground

- 1125 Water distribution system
- ★ 1126 Sewage pumping station
- ★ 1127 Sewage treatment plant
- ★ 1128 Sewage compost plant

(Buildings 113)

- ★ 1131 Water treatment plant buildings
- ★ 1132 Water pumping station buildings
- ★ 1133 Sewage treatment plant buildings
- ★ 1134 Sewage pumping station buildings
- ★ 1135 Sewage compost plant buildings
- ★ 1136 Administrative office buildings
- ★ 1137 Residential colony buildings
- ★ 1138 Guest house buildings
- ★ 1139 Other buildings

Plant & Machinery (114)

- ★ 1141 Water treatment plant
- ★ 1142 Electrical equipments - Water supply
- ★ 1143 Sewage treatment plant
- ★ 1144 Electrical equipments - Sewerage schemes
- ★ 1145 Compost works
- ★ 1146 Drilling Equipments
- ★ 1147 Construction Equipments

Mains & Network (115)

- ★ 1151 Raw water mains
- ★ 1152 Clear water mains
- ★ 1153 Water service connections
- ★ 1154 Water meters
- ★ 1155 Sewage transmission mains
- ★ 1156 Sewage road mains
- ★ 1157 Sewage service connections

Roads, Bridges & Culverts (116)

- ★ 1161 Roads
- ★ 1162 Bridges, side drains, culverts etc.

Vehicles (117)

- ★ 1171 Earth moving equipments
- ★ 1172 Cranes & overhead equipments
- ★ 1173 Water lorries & sewer lorries
- ★ 1174 Trucks & buses
- ★ 1175 Jeeps, motor cars and other light commercial vehicles
- ★ 1179 Other vehicles

Furniture, Fixtures, Office Equipments & Other Assets (118)

1181	Furniture
* 1182	Fixtures & Fittings
* 1183	Office equipments
* 1184	Air conditioners
* 1185	Computers
* 1189	Other office assets

Other Items (119)

* 1191	Revenue expenditure transferred - Pending allocation
* 1192	Advance for Capital Expenditure

INVESTMENTS (12)**Investment of Earmarked Funds (121)****Investment of Surplus Funds (122)****Other Investments (129)****INVENTORY (13)****Stock of Stores Items (131)**

1311	Stock of steel
1312	Stock of cement
1313	Stock of pipes
1314	Stock of valves
1315	Stock of pumps & motors
1316	Stock of special
1319	Stock of other store items

Stock of Tools & Spares (132)

1321	Stock of tools
1322	Stock of spares

Stock of Consumables (133)

1331	Stock of chemicals
1332	Stock of fuel
1333	Stock of lubricants
1339	Other consumables

Materials At Site Account - MASA (134)

* 1341	MASA - Stores
* 1342	MASA - Tools & Spares
* 1343	MASA - Consumables

Materials In Transit - MIT (135)

- * 1351 MIT - Stores items
- * 1352 MIT - Tools & Spares
- * 1353 MIT - Consumables

Materials with Fabricators (136)

- 1361 Scrap stock with Fabricators

SUNDRY DEBTORS (14)**Sundry Debtors-Consumers (141)**

- * 1411 Domestic consumers
- * 1412 Non-Domestic consumers
- * 1413 Dues from Panchayats
- * 1414 Dues from Municipalities
- * 1415 Dues from Corporations
- * 1416 Industrial consumers

LIC Loan repayment due (142)

- 1421 LIC loan repayment due from Panchayats
- 1422 LIC loan repayment due from Municipalities/Townships
- 1423 LIC Loan repayment due from Corporations

Sundry Debtors - Others (149)

- * 1491 Centage charges due
- * 1492 Local body dues on O & M water supply
- * 1493 Local body dues on O & M sewerage systems
- 1499 Dues from others

CASH & BANK BALANCES (15)**Bank Balances (151)**

- 1511 Balance in operating accounts with scheduled banks
- 1512 Balance in non-operating accounts with scheduled banks
- 1513 Balance in savings bank accounts with treasuries
- 1514 Balance in P.D Account with treasuries
- 1515 Balance in Revenue Collection Bank

Cheques In Transit And On Hand (152)

- 1521 Cheques in transit
- 1522 Cheques on hand

Cash Balance (153)

- 1531 Cash on hand
- 1532 Imprest account balances
- 1533 Stamps on hand
- 1534 Cash in Transit

Deposits with Bank (154)

- * 1541 Short-term Deposits with Bank
- * 1549 Interest Accrued on short-term Deposits with Bank

LOANS & ADVANCES (16)**Loans to Employees (161)**

- 1611 GPF refundable advance
- 1612 GPF non-refundable advance
- 1613 NMR PF refundable advance
- 1614 NMR PF non-refundable advance
- 1615 House building advance
- 1616 Motor car advance
- 1617 Motor cycle/scooter advance
- 1618 Cycle advance

Interest Accrued on Loans to Employees (162)

- 1625 House building advance
- 1626 Motor car advance
- 1627 Motor cycle/scooter advance
- 1628 Cycle advance

Loans to Others (163)

- 1631 Other loans due
- 1639 Interest accrued on other loans

Advances to Employees (164)

- 1641 Onam advance
- 1642 Other festival advance
- 1643 Advance for mosquito net
- 1649 Other advances

Advance for Expenses (165)

- 1651 Travelling
- 1652 Emergency purchase
- 1653 HDFC service charges recoverable
- 1659 Other advances for expenses

Advances to Sundry Creditors (166)

- 1661 Advances to contractors
- 1662 Advances to suppliers
- 1663 Advances to Director of Municipal Administration
- 1664 Advances to Director of Panchayats
- 1665 Advance to KUDP
- 1666 Advance to Ground Water Department
- 1667 Advance to Socio Economic Unit

Claims Recoverable (167)

1671	Claims recoverable from Government
1672	Claims recoverable from Railways
1673	Claims recoverable from Public Authorities
1674	Family benefit final payment recoverable from Government
1679	Other claims

Prepaid Expenses (168)

★ 1681	Road tax
★ 1682	Other rates & taxes
★ 1683	Insurance premium

Advance Tax Paid (169)

★ 1691	Advance income tax paid
1692	Advance sales tax paid
★ 1693	Tax deducted at source on income

DEPOSITS (17)**Deposits with KSEB (171)**

1711	Contribution deposits
1712	Consumer Deposits

Deposits with PWD (172)

1721	Deposit for road cutting
------	--------------------------

Deposit with others (179)

1791	Rent Deposit
1799	Deposit with Others

MISCELLANEOUS EXPENDITURE TO THE EXTENT NOT WRITTEN**OFF OR ADJUSTED (18)****Issue Expenses (181)**

★ 1811	Debenture/Bond issue expenses
--------	-------------------------------

Preliminary Project Expenses (182)

1821	IPD Expenses
1822	Research Expenses

DEFICIT OF INCOME OVER EXPENDITURE (19)**LIABILITIES (2)**

CAPITAL (20)**Acquired Assets (201)**

- * 2011 Net value of assets taken over

Contributions (202)

- * 2021 Capital contribution from State Government
- * 2022 Donated capital assets
- * 2029 Capital contribution from others

RESERVES (21)**Specific Reserves (211)**

- * 2111 Capital reserve
- * 2112 Loan redemption reserve
- * 2113 Tariff adjustment reserve
- * 2114 Investment reserve
- * 2115 Reserve for deposit works
- * 2116 Reserve for leasehold assets

Free Reserves (212)

- * 2121 General reserve
- * 2122 Surplus of income over expenditure
- * 2129 Other free reserves

DEPRECIATION RESERVE (22)**Leasehold Land (221)**

- * 2212 Leasehold Land
- * 2214 Development expenditure on Leasehold Land

Civil Works (222)

- * 2221 Head works - water
- * 2222 Water storage & purification
- * 2223 Water reservoirs - Overhead
- * 2224 Water reservoirs - Ground
- * 2225 Water distribution system
- * 2226 Sewage pumping station
- * 2227 Sewage treatment plant
- * 2228 Sewage compost plant

Buildings (223)

- * 2231 Water treatment plant buildings
- * 2232 Water pumping station buildings

- * 2233 Sewage treatment plant buildings
- * 2234 Sewage pumping station buildings
- * 2235 Sewage compost plant buildings
- * 2236 Administrative office buildings
- * 2237 Residential colony buildings
- * 2238 Guest house buildings
- * 2239 Other buildings

Plant & Machinery (224)

- * 2241 Water treatment plant
- * 2242 Electrical equipments-Water supply
- * 2243 Sewage treatment plant
- * 2244 Electrical equipments-Sewage schemes
- * 2245 Compost works
- * 2246 Drilling Equipments
- * 2247 Construction Equipments

Mains & Network (225)

- * 2251 Raw water mains
- * 2252 Clear water mains
- * 2253 Water service connections
- * 2254 Water meters
- * 2255 Sewage transmission mains
- * 2256 Sewage road mains
- * 2257 Sewage service connections

Roads, Bridges, & Culverts (226)

- * 2261 Roads
- * 2262 Bridges, side drains, culverts etc.

Vehicles (227)

- * 2271 Earth moving equipments
- * 2272 Cranes & overhead equipments
- * 2273 Water lorries & sewer lorries
- * 2274 Trucks & buses
- * 2275 Jeeps, motor cars and other light commercial vehicles
- * 2279 Other vehicles

Furniture, Fixtures, Office Equipments & Other Assets (228)

- * 2281 Furniture
- * 2282 Fixtures & Fittings
- * 2283 Office equipments
- * 2284 Air conditioners
- * 2285 Computers
- * 2289 Other office assets

SECURED LOAN (25)**Lending Institutions (251)**

- ★ 2511 Loan from L. I. C. of India
- ★ 2512 Loan from HUDCO

Bonds/Debentures (252)

- ★ 2521 Debentures (252)
- ★ 2522 Bonds

Other Term Lending Institutions (257)

- ★ 2571 Loans from commercial banks
- ★ 2579 Others

Interest Accrued and Due (258)

- ★ 2581 L. I. C. of India
- ★ 2582 HUDCO
- ★ 2583 Debentures
- ★ 2584 Bonds
- ★ 2585 Commercial banks
- ★ 2589 Others

UNSECURED LOANS (26)**Loans from Governments (261)**

- ★ 2611 Loan from Govt. of Kerala
- 2621 Loan from Industries for Water Supply Scheme

Interest Accrued and Due (268)

- ★ 2681 Loan from Govt. of Kerala

DEPOSITS (27)**Deposits from Local Bodies (271)**

- 2711 Deposits from Panchayats
- 2712 Deposits from Municipalities
- 2713 Deposits from Corporations

Security Deposits (272)

- 2721 Security deposits from contractors
- 2722 Security deposits from suppliers
- 2723 Security deposits from employees
- 2724 Retention money from contractors/suppliers
- 2729 Other deposits

Earnest Money Deposits-EMD (273)

2731	EMD of contractors
2732	EMD of suppliers

Water Connection Deposits - WCD (274)

2741	WCD from Domestic consumers
2742	WCD from Non-Domestic consumers
2743	WCD from Panchayats
2744	WCD from Municipalities
2745	WCD from Corporations
2746	WCD from Industries

Sewer Connection Deposits - SCD (275)

2751	SCD from Domestic consumers
2752	SCD from Non-Domestic consumers
2753	SCD from Panchayats
2754	SCD from Municipalities
2755	SCD from Corporations
2756	SCD from Industries

Deposit Works for Water Supply - DWWS (276)

2761	DWWS from Domestic consumers
2762	DWWS from Non-Domestic consumers
2763	DWWS from Panchayats
2764	DWWS from Municipalities
2765	DWWS from Corporations
2766	DWWS from Industries
2767	DWWS from Casual connections
2768	DWWS from Govt. Departments
2769	DWWS from Govt. Undertakings/Institutions

Deposit Work for Sewage Schemes - DWSS (277)

2771	DWSS from Domestic consumers
2772	DWSS from Non-Domestic consumers
2773	DWSS from Panchayats
2774	DWSS from Municipalities
2775	DWSS from Corporations
2776	DWSS from Industries
2778	DWSS from Govt. Departments
2779	DWSS from Govt. Undertakings/Institutions

Other Deposits (279)

2791	Deposit for special works
------	---------------------------

CURRENT LIABILITIES (28)**Sundry Creditors (281)**

2811	Sundry creditors - Contractors
2812	Sundry creditors - Suppliers
2813	Sundry creditors - Expenses
2814	Employees unpaid salaries
2815	Employees unpaid wages
2816	Employees dues - Salaries & Wages
2817	Employees unpaid pension
2819	Sundry creditors - Others

Statutory Employee Deductions (282)

2821	House rent deductions
2822	GPF subscription
2823	NMR-PF subscription
2824	Family benefit deductions
2825	Insurance premiums deducted
2826	Professional tax deducted
2827	Labour welfare fund
2829	Other statutory employee deductions

Sales Tax Collections - ST₂(283)

2831	ST on sale of scrap
2832	ST on sale of gunny bags
2833	ST on materials issued to contractors
2839	ST on other sales
2834	ST on Tender sales

Income Tax Deducted At Source - TDS (284)

2841	TDS from contractors
2843	TDS from Employees
2842	TDS from suppliers

Interest Accrued But Not Due (285)

★ 2851	Interest accrued but not due - LIC of India
★ 2852	Interest accrued but not due - HUDCO
★ 2853	Interest accrued but not due - Banks
★ 2854	Interest accrued but not due - Government of Kerala
★ 2859	Interest accrued but not due - Others

Other Current Liabilities (289)

★ 2891	Import duty due
--------	-----------------

2892	Advances received from Government Agencies
2893	Dues to Government
2894	Dues to Government of Kerala after 1-4-1984
2895	Labour Welfare Fund Recoveries from contractors
2899	Other dues

PROVISIONS (29)**Provision for Doubtful Debts - Consumers (291)**

* 2911	Provision for doubtful debts - Domestic consumers
* 2912	Provision for doubtful debts - Non-Domestic consumers
* 2913	Provision for doubtful debts - Panchayats
* 2914	Provision for doubtful debts - Municipalities
* 2915	Provision for doubtful debts - Corporations
* 2916	Provision for doubtful debts - Industrial consumers

Provision for Other Doubtful Debts (292)

* 2921	Provision for doubtful debts - Contractors
* 2922	Provision for doubtful debts - Suppliers
* 2923	Provision for doubtful debts - Employees

Tax Provisions (293)

* 2931	Provision for income tax
--------	--------------------------

Employee Provisions (294)

* 2941	Provision for bonus
2942	Provision for gratuity
2943	Provision for pension

Other Provisions (299)**CASH EXPENSES (3)****OPERATING EXPENSES (31)****Consumption of Stores Items (311)**

3111	Consumption of Steel
3112	Consumption of cement
3113	Consumption of pipes
3114	Consumption of valves
3115	Consumption of pumps & motors
3116	Consumption of specials
3119	Consumption of other items

Consumption of Tools & Spares (312)

3121	Consumption of tools
3122	Consumption of spares

Consumables (313)

3131	Consumption of chemicals
3132	Consumption of fuel
3133	Consumption of lubricants
3139	Consumption of other consumables

Utilities (314)

3141	Power charges
------	---------------

Purchase of Water (315)

3151	Water purchased from Electricity Board
3152	Water purchased from Irrigation Department
3159	Water purchased from others

Insurance (316)

3161	Stock Insurance
3162	Insurance on assets
3163	Vehicle insurance
3164	Insurance on assets under construction

Discount (317)

3171	Discount allowed on water charges
------	-----------------------------------

Miscellaneous Operating Expenses (319)

3191	Water connection expenses
3192	Sewer connection expenses
3193	Investigation and planning expenses
3194	Plant hire charges
3195	Handling charges
3196	Water tanker hire charges
3197	Freight charges
3198	Conversion charges - Fabrication
3199	Other operating expenses

MAINTENANCE EXPENSES (32)**Water Supply - Repairs & Maintenance R & M (321)**

* 3211	R & M of Civil Works
* 3212	R & M of Buildings

★	3213	R & M of Plant and Machinery
★	3214	R & M of Water Mains and Network
★	3215	R & M of Roads, Bridges & Culverts
★	3216	Metre Survey Station Service Charges
★	3217	R & M of Furniture, Fixtures, Office Equipments & Other Assets
★	3219	Other R & M - Water Supply

Sewerage Schemes Repairs & Maintenance R & M (322)

★	3221	R & M of Civil Works
★	3222	R & M of Buildings
★	3223	R & M of Plant & Machinery
★	3224	R & M of Sewer Mains and Network
★	3225	R & M of Roads, Bridges & Culverts
★	3226	R & M of Furniture, Fixtures, Office Equipments & Other Assets
★	3229	Other R & M - Sewerage Schemes

Vehicle Maintenance Expenses (323)

3231	Petrol / Diesel Expenses
3232	Repairs & Maintenance of Vehicles

PAYMENTS & PROVISIONS TO EMPLOYEES (33)

Salaries of Employees (331)

3311	Basic salary
3312	Dearness allowance (D. A.)
3313	Overtime allowance
3314	Adhoc allowance
3315	City compensatory allowance (CCA)
3316	House rent allowance (HRA)
3317	Surrender leave salary
3318	Bonus
3319	Subsistence and other allowances

Wages of NMR Employees (332)

3321	Basic salary
3322	Dearness allowance (D. A.)
3323	Overtime allowance
3324	Adhoc Allowance
3325	City compensatory allowance (CCA)
3326	House rent allowance (HRA)
3327	Surrender leave salary
3328	Bonus
3329	Subsistence and other allowances

Welfare Expenses Of Employees (333)

3331	Medical re-imburement
3332	Staff Welfare
3333	Ex-gratia
3339	Other benefits to employees

Welfare Expenses Of NMR Employees (334)

3341	Medical re-imburement
3342	Staff Welfare
3343	Ex-gratia
3349	Other benefits to NMR employees

Casual Labourer's (CLR) Wages (335)

3351	CLR Wages including bonus
3359	Other casual wages
3352	H.R. Wages

Payments To Trainees/Deputationists (336)

3361	Stipend to Trainees
3362	Payment to Deputationists
3363	Payment to Employees on contract Basis

Managerial Remuneration (337)

3371	Remuneration to Chairman
3372	Remuneration to Managing Director
3379	Remuneration to other Board Members

Gratuity & Pension Paid (338)

3381	Gratuity of employees
3382	Gratuity of NMR employees
3383	Commuted pension
3384	Service pension
3385	Family pension

OFFICE EXPENSES (34)**Rent (341)**

3411	Rent of offices
3412	Godown rent
3419	Other rent

Rates And Taxes (342)

3421	Property tax
------	--------------

3422	Vehicle tax
3423	Filing fee
3424	Licence fee
3429	Other taxes

P & T Expenses (343)

3431	Postage and M.O. charges
3432	Telegram
3433	Telephone
3434	Telex

Printing & Stationery Expenses (344)

3441	Printing charges
3442	Stationery expenses
3443	Books & Periodicals

Exhibition & Publicity Expenses (345)

3451	Advertisement for procurement
3452	Advertisement for recruitment
3453	Advertisement for works
3454	Publicity expenses
3459	Other Advertisement

Training & Other Expenses (346)

3461	Training expenses
3462	Seminar & conference expenses

Other Office Expenses (349)

3491	Electrical charges
3492	Entertainment expenses
3499	Miscellaneous office expenses

TRAVELLING & CONVEYANCE EXPENSES (35)

Inland Travel Expenses (351)

3511	Chairman's inland travel expenses
3521	Managing Director's inland travel expenses
3513	Other Board Members' inland travel expenses
3514	Officers' inland travel expenses
3515	Staff's inland travel expenses
3519	Inland travel expenses of others

Foreign Travel Expenses (352)

3521	Chairman's foreign travel expenses
------	------------------------------------

3522	Managing Director's foreign travel expenses
3523	Other Board Members' foreign-travel expenses
3524	Officers' foreign travel expenses
3525	Staff's foreign travel expenses
3529	Foreign travel expenses of Others

Conveyance Expenses (353)

3531	Conveyance expenses
3532	Hire charges
3539	Other conveyance expenses

ADMINISTRATIVE EXPENSES (36)

Board Expenses (361)

3611	Sitting fees paid to Board Members
3612	Board Meeting expenses

Professional Fees (362)

3621	Legal fees/expenses
3622	Consultancy fees
3623	Consultancy expenses

Payment to Auditors (363)

★ 3631	Payment for audit fees
★ 3632	Payment for audit expenses
★ 3633	Payment for certification
★ 3639	Other payments & expenses paid to auditors

Bank Charges (364)

3641	Bank charges - Operating accounts
3642	Bank charges - Non-operating accounts
3643	Bank commission
3649	Other bank charges

Donations (365)

3651	Donations
------	-----------

Other Administrative Expenses (369)

3691	Guest house expenses
3699	Other administrative expenses

ISSUE EXPENSES (37)

Issue expenses Written off/Charged off (371)

★ 3711	Debenture issue expenses
--------	--------------------------

- * 3712 Bond issue expenses

Discount On Issue (372)

- * 3721 Discount on debenture issue
- * 3722 Discount on bond issue

Premium On Redemption (373)

- * 3731 Premium on debenture redemption
- * 3732 Premium on bond redemption

PRIOR PERIOD ADJUSTMENT-PPA (38)

PPA of operating expenses - PPA-OE (381)

- * 3811 PPA OE on stores items consumed
- * 3812 PPA OE of tools & spares consumed
- * 3813 PPA OE of consumables consumed
- * 3814 PPA OE of utilities
- * 3819 PPA OE of other operating expenses

PPA of Maintenance expenses - PPA ME (382)

- * 3821 PPA ME of R & M expenses
- * 3822 PPA ME of vehicle expenses
- * 3823 PPA ME of write offs

PPA of payment & provision to employees - PPA PPE (383)

- * 3831 PPA PPE of salaries of employees
- * 3832 PPA PPE of wages of NMR employees
- * 3833 PPA PPE of welfare expenses of employees
- * 3834 PPA PPE of welfare expennes of NMR employees
- * 3835 PPA PPE of casual labourers wages
- * 3836 PPA PPE of payments to trainees/deputationist
- * 3837 PPA PPE of managerial remuneration

PPA of Office Expenses PPAFE (384)

- * 3841 PPAFE for rent
- * 3842 PPAFE for rates & taxes
- * 3843 PPAFE for P & T
- * 3844 PPAFE for printing & stationery
- * 3845 PPAFE for exhibition and publicity
- * 3849 PPAFE for other office expenses

PPA Of Travelling & Conveyance PPA TC (385)

- * 3851 PPA TC inland travel expenses

- * 3852 PPA TC foreign travel expenses
- * 3853 PPA TC conveyance charges

PPA Of Administrative Expenses - PPA AE (386)

- * 3861 PPA AE of board expenses
- * 3862 PPA AE of professional fees
- * 3863 PPA AE of payments to auditors
- * 3864 PPA AE of bank charges
- * 3865 PPA AE of donations
- * 3866 PPA AE of other administrative expenses
- * 3869 PPA AE of other general expenses

TRANSFER OF EXPENSES (39)

Transfer of Expenses To Capital (391)

- * 3911 Transfer of Revenue Expenditure to CWIP
 - * 3912 Transfer of Revenue Expenditure to Preliminary Project Expenses
- DEBT SERVICE CHARGES (4)

INTEREST ON SECURED LOANS (41)

Interest On Secured Loans from Lending Institutions (411)

- * 4111 Interest on secured loans from LIC of India
- * 4112 Interest on secured loans from banks
- * 4113 Interest on secured loans from HUDCO
- * 4119 Interest on secured loans from other institutions

Interest On Debentures/Bonds etc. (412)

- * 4121 Debentures interest payable
- * 4122 Bonds interest payable

INTEREST ON UNSECURED LOANS (42)

Interest on Unsecured Loans From Government (421)

- * 4211 Interest on loans from Government of Kerala

Other Interest Charges (429)

- * 4291 Interest on GPF
- * 4292 Interest on NMR PF
- * 4293 Interest on Pension/Gratuity
- * 4299 Other interest charges

GUARANTEE COMMISSION (43)**Guarantee Commission to Institutions (431)**

- * 4311 Guarantee commission to Government
- * 4312 Guarantee commission to Banks

SERVICE CHARGES (44)**Service charges to Institutions (441)**

- * 4411 Service charges to HUDCO

PRIOR PERIOD ADJUSTMENT - PPA (48)**PPA On interest On Secured Loans PPA ISL (481)**

- * 4811 PPA ISL from lending institutions
- * 4812 PPA ISL on bonds/debentures etc

PPA Interest on Unsecured Loans - PPA IUL (482)

- * 4821 PPA IUL from Government
- * 4822 PPA IUL Others

PPA Guarantee Commission PPA GC (483)

- * 4831 PPA GC to institutions

TRANSFER OF EXPENSES (49)**Transfer of Expenses to Capital (491)**

- * 4911 Transfer of Revenue Expenditure to CWIP
- NON-CASH EXPENSES (5)

DEPRECIATION CHARGE (51)**Depreciation On Land Rights (511)**

- * 5112 Depreciation on leasehold land
- * 5114 Depreciation on leasehold land developement expenditure

Depreciation on Civil Works (512)

- * 5121 Depreciation on head works - Water
- * 5122 Depreciation on water storage & purification
- * 5123 Depreciation on water reservoirs-Overhead
- * 5124 Depreciation on water reservoirs-Ground
- * 5125 Depreciation on water distribution system
- * 5126 Depreciation on sewage pumping station
- * 5127 Depreciation on sewage treatment plant
- * 5128 Depreciation on sewage compost plant

Depreciation On Buildings (513)

★	5131	Depreciation on water treatment plant buildings
★	5132	Depreciation on water pumping station buildings
★	5133	Depreciation on sewage treatment plant buildings
★	5134	Depreciation on sewage pumping station buildings
★	5135	Depreciation on sewage compost plant buildings
★	5136	Depreciation on administrative office buildings
★	5137	Depreciation on residential colonies buildings
★	5138	Depreciation on guest house buildings
★	5139	Depreciation on other buildings

Depreciation On Plant & Machinery - DPM (514)

★	5141	DPM - Water treatment plant
★	5142	DPM - Electrical equipment - Water Supply
★	5143	DPM - Sewage treatment plant
★	5144	DPM - Electrical equipments - Sewage Schemes
★	5145	DPM - Compost plant works
★	5146	DPM - Drilling equipments
★	5147	DPM - Construction equipments

Depreciation on Mains & Network - DMN (515)

★	5151	DMN - Raw water mains
★	5152	DMN - Clear water mains
★	5153	DMN - Water service connections
★	5154	DMN - Water meters
★	5155	DMN - Sewage transmission mains
★	5156	DMN - Sewage road mains
★	5157	DMN - Sewage service connections

Depreciation On Roads, Bridges, Culverts etc. (516)

★	5161	Depreciation on roads
★	5162	Depreciation on bridges, side drains, culverts etc.

Depreciation On Vehicles (517)

★	5171	Depreciation on earthmoving equipments
★	5172	Depreciation on cranes & overhead equipments
★	5173	Depreciation on water lorries & sewerage lorries
★	5174	Depreciation on trucks & buses
★	5175	Depreciation on jeeps, motor cars and other light commercial vehicles
★	5179	Depreciation on other vehicles

Depreciation on Furniture, Fixtures, Office Equipments & Other Assets (518)

★	5181	Depreciation on furniture
★	5182	Depreciation on fixtures & fittings

- * 5183 Depreciation on office equipment
- * 5184 Depreciation on air conditioners
- * 5185 Depreciation on computers
- * 5189 Depreciation on other office assets

PROVISION FOR DOUBTFUL DEBTS-PFDD (52)

Provision For Doubtful Debts From Consumers-PFDDC (521)

- * 5211 PF DDC - Domestic
- * 5212 PF DDC - Non-Domestic
- * 5213 PF DDC - Panchayats
- * 5514 PE DDC - Municipalities
- * 5215 PF DDC - Corporations
- * 5216 PF DDC - Industries

Provision For Doubtful Debts From Others PFDDO - (529)

- * 5291 PFDDO - Contractors
- * 5292 PFDDO - Suppliers
- * 5293 PFDDO - Employees

WRITE OFFS (53)

Debts Written Off - Consumers (531)

- * 5311 Domestic consumer dues written off
- * 5312 Non-domestic consumer dues written off
- * 5313 Panchayat dues written off
- * 5314 Municipality dues written off
- * 5315 Corporation dues written off
- * 5316 Industrial consumers dues written off

Debts Written Off - Others (532)

- * 5321 Contractors' dues written off
- * 5322 Suppliers' dues written off
- * 5323 Employee's dues written off

Stocks Written Off (533)

- * 5331 Stores written off
- * 5332 Tools & spares written off
- * 5333 Consumables written off

Losses written off (534)

- * 5341 Loss on sale of fixed assets

ASSETS WRITTEN OFF (54)

OTHER PROVISIONS (55)

Tax Provisions (551)

- * 5511 Income Tax Provisions

PRIOR PERIOD ADJUSTMENTS - PPA (58)**Prior Period Adjustment of Depreciation - PPAD (581)**

* 5811	PPAD on Land
* 5812	PPAD on Civil Works
* 5813	PPAD on Buildings
* 5814	PPAD on Plant & Machinery
* 5815	PPAD on Mains & Network
* 5816	PPAD on Roads, Bridges, Culverts etc.
* 5817	PPAD on Vehicles
* 5818	PPAD on Furniture, Fixtures, Office Equipment and Other Assets

Prior Period Adjustment - Others (589)**TRANSFER OF EXPENSES (59)****Transfer to Capital (591)**

* 5911	Transfer of revenue expenditure to CWIP
--------	---

OPERATING INCOME (6)**OPERATING INCOME FROM CONSUMERS DOMESTIC (61)****Income From Domestic Consumers On Water Supply (611)**

* 6111	Water charges from domestic consumers
6112	Meter testing charges from domestic consumers
6113	Water connection/extension charges from domestic consumers
* 6114	Repair charges from domestic consumers
* 6115	Meter hire/service charges

Income From Domestic Consumers On Sewage (612)

* 6121	Sewage charges from domestic consumers
6122	Sewage connection/extension charges from domestic consumers
* 6123	Repair charges from domestic consumers

INCOME FROM NON-DOMESTIC CONSUMERS (62)**Income From Non-Domestic Consumers On Water Supply (621)**

* 6211	Water charges from non-domestic consumers
6212	Meter testing charges from non-domestic consumers
6213	Water connection/extension charges from non-domestic consumers
* 6214	Repair charges from non-domestic consumers
* 6215	Meter hire/service charges

Income From Non-Domestic Consumers On Sewage (622)

* 6221	Sewage charges from non-domestic consumers
6222	Sewage connection/extension charges from non-domestic consumers
* 6223	Repair charges from non-domestic consumers

INCOME FROM LOCAL BODIES (63)**Income From Local Bodies On Water Supply (631)**

- * 6311 Water charges from Panchayats
- * 6312 Water charges from Municipalities
- * 6313 Water charges from Corporations

Income From Local Bodies On Sewage Charges (632)

- * 6321 Sewage charges from Panchayats
- * 6322 Sewage charges from Municipalities
- * 6323 Sewage charges from Corporations

Income from Local Bodies As Maintenance Charges (633)

- * 6331 Maintenance charges from Panchayats
- * 6332 Maintenance charges from Municipalities
- * 6333 Maintenance charges from Corporations

INCOME FROM INDUSTRIAL CONSUMERS (64)**Income from Industrial Consumers on Water Supply (641)**

- * 6411 Water charges from industrial consumers
- 6412 Meter testing charges from industrial consumers
- 6413 Water connection/extension charges from industrial consumers
- * 6414 Repair charges from industrial consumers
- * 6415 Meter hire/service charges

Income from Industrial Consumers on Sewage (642)

- * 6421 Sewage charges from industrial consumers
- 6422 Sewage connection/extension charges from industrial consumers
- * 6423 Sewage repair charges from industrial consumers

OTHER OPERATING INCOME (65)**Other Charges Recovered (651)**

- 6511 Centage charges
- 6512 Storage charges
- 6513 Supervision charges
- 6519 Miscellaneous recoveries

PRIOR PERIOD ADJUSTMENTS PPA (68)**Prior Period Adjustment of Operating Income from Consumers - PPA OI (681)**

- * 6811 PPA OI from domestic consumers on water supply
- * 6812 PPA OI from domestic consumers on sewage
- * 6813 PPA OI from non-domestic consumers on water supply

* 6814	PPA OI from non-domestic consumers on sewage
* 6815	PPA OI from local bodies on water supply
* 6816	PPA OI from local bodies on sewage
* 6817	PPA OI from local bodies as maintenance charges
* 6818	PPA OI from industrial consumers on water supply
* 6819	PPA OI from industrial consumers on sewage

PPA of other Operating Income - PPAOOI (682)

* 6821	PPAOOI as centage charges
* 6829	PPAOOI as other recoveries

NON-OPERATING INCOME (7)

INTEREST & OTHER INCOME (71)

Income From Investments (711)

* 7111	Interest income on investments made
* 7112	Dividend income on investments made
* 7119	Other income on investments made

Interest Income On Loans And Advances (712)

7121	Interest recorded from contractors
7122	Interest recovered from suppliers
7123	Interest recovered from employees

Interest On Deposits (713)

7131	Interest on S.B a/c with Bank/Treasury
* 7132	Interest on short-term deposits with Banks

OTHER NON-OPERATING INCOME (72)

Income As Recoveries (721)

7211	Penalties & fines recovered
7212	Rent recovered
7213	Electricity charges recovered from contractors
7214	Electricity charges recovered from employees
7215	Water charges recovered from contractors
7216	Water charges recovered from employees

Income On Sale Of Assets (722)

* 7221	Profit on sale of assets
--------	--------------------------

Claims Recovered (723)

7231	Claims recovered from Government
7232	Claims recovered from Railways
7233	Claims recovered from Public Authorities
7239	Other claims

Grants and Subventions (724)

★ 7241	Grants & Subventions from Government
7242	Grant for Western Ghat Development
7243	Grant for Flood Relief
7244	Grant for Drought relief
7245	Grants from District Council
7249	Grants from others

Other Miscellaneous Income (729)

7291	Sale of tender forms
7292	Sale of scrap
7293	Sale of gunny bags
7294	Sale of agricultural products
7295	Farm receipts
7296	Swimming pool receipts
7297	Scrap stock recovery on Fabrication
7298	Sale of Motor Chamber
7299	Other income

PROVISIONS WRITTEN - BACK (73)**PRIOR PERIOD ADJUSTMENT-NON OPERATING****INCOME - PPA (78)****PPA Of Interest Income PPA-II (781)**

★ 7811	PPA II on investments
★ 7812	PPA II on other loans & advances

PPA On Other Incomes (789)

★ 7891	PPA on recoveries
★ 7892	PPA on sale of assets
★ 7893	PAA on claims
★ 7894	PPA on grants & subventions
★ 7899	PPA on other miscellaneous income

MEMORANDUM / CONTROL ACCOUNTS (9)**INTER OFFICE ACCOUNTS - IOA (91)****IOA - Materials (911)**

9111	IOA - Stock of Stores
9112	IOA - Tools & Spares
9113	IOA - Consumables

IOA - Capital Expenditure & Fixed Assets (912)

9121	IOA - Plant & Machinery
9122	IOA - Vehicles
9123	IOA - Furniture, Fixtures, Fittings & Office Equipments

9124 IOA IPD Expenses
 9129 IOA - Capital expenditure - Others

IOA - Fund Transfers (913)

9131 IOA - Cash
 9132 IOA - Banks/Treasury - Drawing A/C
 9134 IOA - Bank - Non - Operative A/C

IOA - Others (914)

9141 IOA - Other expenses
 9142 IOA - Other income
 9143 IOA - Other liabilities
 9144 IOA - Other assets

CONTROL ACCOUNTS (92)

Control Accounts-Collections and Capital Expenditure (921)

9211 Control Account - Collections
 9212 Control Account - Capital expenditure - Materials
 9219 Control Account - Capital expenditure - Others

MEMORANDUM ACCOUNTS-QUANTITIVE DETAILS (99)

Production Particulars (991)

9911 Clear Water Produced
 9912 Clear Water Purchased

Units of Water Sold (992)

9921 Units of water sold to Domestic consumers
 9922 Units of water sold to Non-domestic consumers
 9923 Units of water sold to Local bodies
 9924 Units of water sold to Industries

Sewerage Details (993)

9931 Sewage water disposed

Note : The above particulars [99 Codes] are included as a part of
 Chart of Accounts to facilitate ascertainment of quanti-
 tative details

999 A Cash & Bank Suspense.

PART II**LIST OF SCHEMES**

CODE	SCHEME
01	Urban Water Supply Scheme-LIC
02	Urban Water Supply Scheme-IDA (World Bank)
03	Urban Water Supply Scheme-Hudco LIC
09	Urban Water Supply Scheme-Others
10	Accelerated Rural Water Supply Scheme
11	Rural Water Supply Scheme-LIC
12	Rural Water Supply Scheme-IDA (World Bank)
13	Rural Water Supply Scheme-Bilateral (DANIDA)
14	Rural Water Supply Scheme-Bilateral (NETHERLANDS)
15	Rural Water Supply Scheme-Bilateral (UNDP)
16	Rural Water Supply Scheme benefiting Harijans
17	Rural Water Supply Scheme benefiting Tribes
29	Rural Water Supply Scheme-Others
30	Urban Sewerage Scheme-LIC
31	Urban Sewerage Scheme-UNDP-Low Cost Sanitation
39	Urban Sewerage Scheme-Others
40	Rural Sewerage Scheme-UNDP Low Cost Sanitation SCP
41	Rural Sewerage Scheme-UNDP Low Cost Sanitation TSP
42	Rural Sewerage Scheme-UNDP Low Cost Sanitation-Others
49	Rural Sewerage Scheme-Others
50	Western Ghat Development Programme
51	Flood Relief Works
52	Drought Relief Works
60	Borewell with hand pump
99	Other Schemes,

PART III**LOCATION CODES**

1. SECRETARY, WATER AUTHORITY, HEAD OFFICE, THIRUVANANTHAPURAM	— 1000
2. CHIEF ENGINEER (SR) THIRUVANANTHAPURAM	— 2000
3. PUBLIC HEALTH CIRCLE THIRUVANANTHAPURAM	— 2100
P. H. Stock Verification Sub-division, Thiruvananthapuram	— 2101
4. Public Health Division Thiruvananthapuram	— 2110
Water Works Sub-division (E) P. T. P. Nagar	— 2111
Water Works Sub-division (N) Kawdiyar	— 2112
Water Works Sub-division (S) Chalai	— 2113
Water Works Sub-division (C) Vellayambalam	— 2114
5. Water Supply Division, Thiruvananthapuram	— 2120
Water Works Sub-division, Aruvikara	— 2121
Water Supply Augmentation Sub-division Thiruvananthapuram	— 2122
Water Supply Sub-Division, Neyyattinkara	— 2123
6. Drainage Division, Thiruvananthapuram	— 2130
Drainage Sub-division (South) Kuriyatti	— 2131
Drainage Sub-division (North) Pattoor	— 2132
Drainage Project Sub-division Thiruvananthapuram	— 2133
7. World Bank Project Division, Thiruvananthapuram	— 2170
World Bank Project Sub-division Nedumangad	— 2171
World Bank Project Sub-division, Attingal	— 2172
8. Thiruvananthapuram Interim Augmentation Water Supply Division Vellayambalam	— 2180
Thiruvananthapuram Augmentation Water Supply Sub-division I Thiruvananthapuram	— 2181
Thiruvananthapuram Interim Augmentation Water Supply Sub-division II Thiruvananthapuram	— 2182
9. WORLD BANK PROJECT CIRCLE KOLLAM	— 2200
10. World Bank Project Division No. I Kollam	— 2210
World Bank Project Sub-division No. I Kollam	— 2211
World Bank Project Sub-division No. II Kollam	— 2212
World Bank Project Sub-division Sasthamkottah	— 2213
11. Public Health Division, Kollam	— 2220
P. H. Sub-division, Kollam	— 2221
P. H. Sub-division, Kottarakkara	— 2222
P. H. Sub-division, Chavara	— 2223

12.	World Bank Project Division Adoor	—	2230
	World Bank Project Sub-division Adoor	—	2231
	World Bank Project Sub-division Kundara	—	2232
13.	World Bank Project Division No. II Kollam	—	2160
	Water Supply Sub-division, Kollam	—	2161
	World Bank Project Sub-division Kadakkal	—	2162
14.	P. H. CIRCLE KOTTAYAM	—	2300
15.	P. H. Division Pathanamthitta	—	2310
	P. H. Sub-division Pathanamthitta	—	2311
	P. H. Sub-division, Ranni	—	2312
16.	P. H. Division, Thiruvalla	—	2320
	P. H. Sub-division Thiruvalla	—	2321
	P. H. Sub-division Changanacherry	—	2322
	P. H. Sub-division Edathua	—	2323
17.	Water Supply Project Division, Thiruvalla	—	2360
	Water Supply Project Sub-division No. I, Thiruvalla	—	2361
	Water Supply Project Sub-division No. III Thiruvalla	—	2362
18.	P. H. Division Alappuzha	—	2340
	P. H. Sub-division Alappuzha	—	2341
	Water Supply Project Sub-division Cherthala	—	2342
	Water Supply Project Sub-division Harippad	—	2343
	Water Supply Project Sub-division Mavelikara	—	2344
19.	P. H. Division Kottayam	—	2350
	Water Works Sub-division Kottayam	—	2351
	Water Supply Project Sub-division Palai	—	2352
	Water Supply Project Sub-division Vaikom	—	2353
	P. H. Sub-division Kadathuruthy	—	2354
20.	P. H. CIRCLE KOCHI	—	3100
21.	P. H. DIVISION KOCHI	—	3110
	Water Works Sub-division Kochi	—	3111
	Water Works Sub-division Karuvelipadi Kochi	—	3112
	Water Supply sub-division. Trippunithura	—	3113
	P. H. Sub-Division North Parur	—	3114
22.	World Bank Project Division Kochi	—	3350
	World Bank Project Sub-division No. I Kochi	—	3351
	World Bank Project Sub-division No. II Kochi	—	3352
	World Bank Project Sub-division Puthencruz	—	3353
23.	P. H. Division Aluva	—	3220
	Head Works Sub-division Aluva	—	3221
	P. H. Sub-division Angamaly	—	3222
	World Bank Project Sub-division Aluva	—	3223

24. P. H. Division Thodupuzha Idukki	— 3130
P. H. Sub-division Thodupuzha	— 3131
P. H. Sub-division Peerumade	— 3132
P. H. Sub-division Painavu	— 3133
25. P. H. Division Perumbavoor	— 3230
P. H. Sub-division Perumbavoor	— 3231
P. H. Sub-division Moovattupuzha	— 3232
P. H. Sub-division Kothamangalam	— 3233
26. P. H. Division Piravam	— 3210
P. H. Sub-division Piravam	— 3211
27. Chief Engineer (Northern Region) Kozhikode	— 4000
Stock Verification Sub-division Kozhikode	— 4001
28. P. H. CIRCLE TRICHUR	— 3300
29. P. H. Division Trichur	— 3320
P. H. Sub-division Trichur	— 3321
P. H. Sub-division Wadakkancherry	— 3322
P. H. Sub-division Guruvayoor	— 3323
30. P. H. Division Irinjalakkuda	— 3310
P. H. Sub-division Irinjalakkuda	— 3311
P. H. Sub-division Chalakudy	— 3312
P. H. Sub-division Mala	— 3313
31. P. H. Division Palakkad	— 4310
P. H. Sub-division Palakkad	— 4311
P. H. Sub-division Alathur	— 4312
P. H. Sub-division Mannarghat	— 4313
P. H. Sub-division Chittur	— 4314
P. H. Sub-division Shornur	— 4315
P. H. Sub-division Ottappalam	— 4316
32. P. H. BILATERAL CIRCLE TRICHUR	— 3200
33. P. H. Division Nattika, Firka	— 3330
P. H. Sub-division Nattika, Firka	— 3331
P. H. Sub-division Vadanappilly	— 3332
34. P. H. Division Pavaratty, Kunnamkulam	— 3340
Water Supply Project Sub-division Kunnamkulam	— 3341
P. H. Sub-division, Koottanad	— 3342
35. P. H. CIRCLE KOZHICODE	— 4100
36. P. H. Division Kozhikode	— 4110
Distribution Sub-division No. I Kozhikode	— 4111
Rural Works Sub-division Kozhikode	— 4112
Head Works Sub-division Kozhikode	— 4113
Distribution Sub-division No. II Kozhikode	— 4114

37. P. H. Division Badagara	— 4120
P. H. Sub-Division, Quilandy	— 4121
W. S. P. Sub-division Badagara	— 4122
P. H. Sub-division, Perambra	— 4123
W. S. (Augmentation) Sub-division, Badagara	— 4124
38. P. H. Division Malappuram	— 4330
P. H. Sub-division Manjery	— 4331
P. H. Sub-division Perinthalmanna	— 4332
P. H. Sub-division Parappanangadi	— 4333
P. H. Sub-division Kondotty	— 4334
Water Supply (Augmentation) Sub-division Malappuram	— 4335
P. H. Sub-division Malappuram	— 4336
39. P. H. Division Edappal	— 4350
P. H. Sub-division Edappal	— 4351
P. H. Division Ponnani	— 4352
P. H. Sub-division Tirur	— 4353
40. P. H. CIRCLE KANNUR	— 4200
41. P. H. Division Kannur	— 4230
P. H. Sub-division Kannur	— 4231
P. H. Sub-division Thalassery	— 4232
P. H. Sub-division Payyannur	— 4233
P. H. Sub-division Keezhallur	— 4234
42. P. H. Division Sultan Bathery	— 4130
P. H. Sub-division Kalpetta	— 4131
P. H. Sub-division, Sultan Bathery	— 4132
43. P. H. Division Kasargode	— 4240
P. H. Sub-division Kanjangad	— 4241
Water Supply Project Sub-division Kasargode	— 4242
44. Kolachenry Water Supply Project Division Mattannur	— 4210
Water Supply Project Sub-division Mattannur	— 4211
Water Supply Project Sub-division Koodali	— 4212
45. Water Supply (Augmentation) Division Kannur	— 4250
Water Supply (Augmentation) Sub-division Kannur	— 4251
Water Supply (Augmentation) Sub-division Mattannur	— 4252
46. CHIEF ENGINEER I. P. D. KOCHI	— 3000
47. P. H. I. P. D. CIRCLE ALUVA	— 3200
48. I. P. D. Division, Thiruvananthapuram	— 2150
I. P. D. Sub-division Thiruvananthapuram	— 2151
I. P. D. Sub-division Kollam	— 2152

49. I. P. D. Division Changanacherry	— 2330
I. P. D. Sub-division, Changanacherry	— 2331
I. P. D. Sub-division, Thiruvalla	— 2332
I. P. D. Sub-division, Alappuzha	— 2333
50. I. P. D. Division Kochi	— 3120
I. P. D. Sub-division Kochi-1B	— 3121
I. P. D. Sub-division Thodupuzha	— 3122
51. P. H. I. P. D. CIRCLE PALAKKAD	— 4300
52. I. P. D. Division Thalassery	— 4220
I. P. D. Sub-division Thalassery	— 4221
I. P. D. Sub-division Kasargode	— 4222
I. P. D. Sub-division Kalpetta	— 4223
53. I. P. D. Division Malappuram	— 4340
I. P. D. Sub-division Tirur	— 4341
KUOP Sub-division Kozhikode	— 4342
54. I. P. D. Division Shornur	— 4320
I. P. D. Sub-division Trichur	— 4321
I. P. D. Sub-division Palakkad	— 4322
55. P. H. Mechanical Division KOCHI	— 3360
P. H. Mechanical Sub-division Alappuzha	— 3361
Tubewell Sub-division Palakkad	— 3362
Hrdro Geological Sub-division Kozhikode	— 3363
56. HEAD OFFICE FINANCE WING	— 5000

LIST OF ACCOUNT RENDERING UNITS

Sl. No.	Name of Office	Location Code
1.	Secretary, Water Authority, Head Office, Thiruvananthapuram	— 1000
2.	Chief Engineer (SR) Thiruvananthapuram	— 2000
3.	P. H. Circle Thiruvananthapuram	— 2100
4.	P. H. Division, Thiruvananthapuram	— 2110
5.	Water Supply Division, Thiruvananthapuram	— 2120
6.	Drainage Division, Thiruvananthapuram	— 2130
7.	I. P. D. Division, Thiruvananthapuram	— 2150
8.	World Bank Project Division No. II Kollam	— 2160
9.	World Bank Project Division, Thiruvananthapuram	— 2170
10.	Thiruvananthapuram Interim Augmentation Water Supply Division, Vellayambalam	— 2180
11.	World Bank Project Circle Kollam	— 2200
12.	World Bank Project Division No. I Kollam	— 2210
13.	P. H. Division, Kollam	— 2220
14.	World Bank Project Division Adoor	— 2230
15.	P. H. Circle Kottayam	— 2300
16.	P. H. Division Pathanamthitta	— 2310
17.	P. H. Division, Thiruvalla	— 2320
18.	I. P. D. Division Changanacherry	— 2330
19.	P. H. Division Alappuzha	— 2340
20.	P. H. Division Kottayam	— 2350
21.	Water Supply Project Division, Thiruvalla	— 2360
22.	Chief Engineer I. P. D. Kochi	— 3000
23.	P. H. Circle Kochi	— 3100
24.	P. H. Division Kochi	— 3110
25.	I. P. D. Division Kochi	— 3120
26.	P. H. Division Thodupuzha Idukki	— 3130
27.	P. H. I. P. D. Circle Aluva	— 3200
28.	P. H. Division Piravam	— 3210

29. P. H. Division Aluva	— 3220
30. P. H. Division Perumbavoor	— 3230
31. P. H. Circle Trichur	— 3300
32. P. H. Division Irinjalakkuda	— 3310
33. P. H. Division Trichur	— 3320
34. P. H. Division Nattika, Firka	— 3330
35. P. H. Division Pavaratty, Kunnankulam	— 3340
36. World Bank Project Division Kochi	— 3350
37. P. H. Mechanical Division Kochi	— 3360
38. P. H. Bilateral Circle Trichur	— 3400
39. Chief Engineer (Northern) Region Kozhikode	— 4000
40. P. H. Circle Kozhikode	— 4100
41. P. H. Division Kozhikode	— 4110
42. P. H. Division Badagara	— 4120
43. P. H. Division Sultan Bathery	— 4130
44. P. H. Circle Kannur	— 4200
45. Kolanchery Water Supply Project Division Mattannur	— 4210
46. I. P. D. Division Thalassery	— 4220
47. P. H. Division Kannur	— 4230
48. P. H. Division Kasargode	— 4240
49. Water Supply (Augmentation) Division Kannur	— 4250
50. P. H. I. P. D. Circle Palakkad	— 4300
51. P. H. Division Palakkad	— 4310
52. I. P. D. Division Shornur	— 4320
53. P. H. Division Malappuram	— 4330
54. I. P. D. Division Malappuram	— 4340
55. P. H. Division Edappal	— 4350
56. Head Office Finance Wing	— 5000

ARTHUR. E
Internal Auditor
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-695 033

VOLUME - II

MATERIALS ACCOUNTING

CONTENTS

	Page No.
I Introduction	1
II Accounting Policies	3
III Operating Systems and Procedures	
A. Receipt of Materials	5
B. Issue of Materials	7
C. Materials-at-site	8
D. Others	9
IV Accounting Procedures	
A. Accounting for Receipts	11
B. Accounting for Issues	14
C. Accounting for Materials-at-site	15
D. Others	17
V Internal Control	20
VI Information System	21
Forms and Formats	

LEGEND

Authority	:	Kerala Water Authority
Board	:	Board of Kerala Water Authority
H.O.	:	Office of the Managing Director
FM & CAO	:	Finance Manager and Chief Accounts Officer
C.E.	:	Chief Engineer
Dy. C.E.	:	Deputy Chief Engineer
S.E.	:	Superintending Engineer
E.E.	:	Executive Engineer
A.E.E	:	Assistant Executive Engineer
F.O.	:	Finance Officers
A.E.	:	Assistant Engineer
D.O. (A.S.)	:	Divisional Office (Accounts Section).
D.A.	:	Divisional Accountant
S.S.	:	Senior Superintendent
J.S.	:	Junior Superintendent
Cashier	:	Authorised person handling Cash
ARUs	:	Account Rendering Units

CHAPTER I

INTRODUCTION

1 OBJECTIVE

The objective of the manual shall be to establish consistent and effective policies and procedures in order to ensure uniform practices throughout the Authority. The policies and procedures specified in this manual and those specified in Stores Purchase rules of Government of Kerala shall be followed unless specific exemption is otherwise granted by the Authority.

2 SCOPE

This manual covers the operating systems and procedures and accounting thereof related to material receipts, issues, etc., considered relevant.

3 DEVIATION

Deviation shall not normally be permitted unless backed by a justifiable request for deviation clearly outlining the following :

- * Nature of deviation
- * The reason for deviation
- * The time span for which deviation is required
- * The procedure that would be followed if deviation is approved.

Such request shall be submitted to the Head Office which shall then evaluate the necessity thereof and accordingly either approve or reject the same.

4 USAGE AND CUSTODY

This manual shall be issued to and used only by those persons, the Authority may deem fit and accordingly authorise. Any such person so authorised, shall preserve the copy under his/her confidential custody. Upon transfer/relocation/retirement etc., any such person shall be obliged to return the copy to the Authority.

CHAPTER II

ACCOUNTING POLICIES

1 TIMING - GENERAL

Accounting shall be in the period in which the physical events of material receipts, issues, etc., take place.

2 TIMING - RECEIPT

Material Receipt shall be accounted for on recognition of acceptance of material by the Authority including any liability therefore towards creditors/suppliers.

3 TIMING - ISSUES

Material issues shall be accounted for either on movement of materials out of stores or upon materials being directly received at site.

4 PRICING - RECEIPTS

Material receipts from suppliers shall normally be priced to include the following elements of cost :

- Basic Price
- Import Duty (where applicable)
- Excise Duty
- Sales Tax
- Freight
- Transit Insurance
- Handling charges upto stores

5 PRICING - ISSUES

Materials issued from stores shall be valued at relevant pre-determined rates that may be prescribed by the competent authority (i. e. Executive Engineer). This rate shall be reviewed from time to time especially in cases where the price varies by more than 20% in the view of the authority or as may be considered necessary and accordingly revised. However, in cases where capital equipments 'spares are purchased for a particular capital work 'scheme and routed through stores, such issues shall be at the actual cost.

6 RETURN OF MATERIALS FROM WORKS/CONTRACTORS

Return to stores shall be valued at the rates at which they were originally issued.

7 VALUATION - CLOSING STOCK OF STORES

Closing stock of materials shall be valued on "FIRST IN FIRST OUT" (FIFO) basis for purposes of Annual Accounts.

Accordingly, the Priced Stores Ledger (PSL) shall be adjusted, if necessary, to reflect the aforesaid value at the year end. The value to be adjusted therefor shall be adjusted to the consumption of stores items, tools and spares and consumables appropriately, as the case may be.

8 SALE OF MATERIALS TO OTHER GOVERNMENT AGENCIES/CONTRACTORS ETC.

Materials sold to other Government Agencies, Contractors (only against receipt of money or agreeing to payment terms for value therefor) shall be priced to include:

- Price at pre-determined rates as may be determined by the Authority or at market price whichever is higher;
- Stores handling and supervision charges at the percentage as decided by the Authority from time to time; and
- Sales Tax at the rates applicable.

9 TRANSFER OF MATERIALS BETWEEN ACCOUNT RENDERING UNITS (ARUs)

Materials transferred between ARUs shall be priced at the applicable pre-determined rates and shall not include stores handling charges.

10 OBSOLETE, DAMAGED MATERIALS

The obsolescence of and damage to materials and the residual value thereof shall, only on the basis of Technical Assessment, be determined as conclusive. The value of such obsolete/damaged materials shall be charged to Revenue Account in the same period in which the assessment takes place after obtaining Board Approval.

Such material, if sold, shall be only against receipt of money therefor and such sale value shall be treated as income relative to such period.

11 SCRAP

Sale of scrap materials shall be accounted for as income in the period in which such sale takes place.

CHAPTER III

OPERATING SYSTEMS AND PROCEDURES

A. RECEIPT OF MATERIALS

1 RECEIPT OF MATERIALS FROM SUPPLIERS

1.1 PURCHASE ORDERS

The purchase orders (also called 'Supply Orders') prepared in Form MA 26 in six copies shall be distributed in the following manner to facilitate related responsibilities.

1 st copy	—	The Supplier
2 nd copy	—	The receiving store/site, as the case may be
3 rd copy	—	The Divisional Office (Accounts Section) relative to the above
4 th copy	—	Audit Section, Head Office.
5 th copy	—	Immediate su-pervising officer
6 th copy	—	File copy.

1.2 INSPECTION

On receipt of materials at stores, the Assistant Engineer responsible for the stores shall inspect the materials in relation to the specifications in the purchase order copy with him.

The inspection may also be carried out either at supplier's works or at stores in terms of the contract. In case of inspection at suppliers works, assistance of a third party usually agreeable to both parties shall be sought in addition, if necessary and on completion of such inspection, an 'inspection report' shall be sent to the Assistant Engineer of the concerned stores for taking necessary action at the time of receipt of materials. Such report shall interalia state the net quantity acceptable and correspondingly identify the relative materials.

In terms of the aforesaid inspection at stores, if any materials are to be rejected, the same shall be intimated to the supplier and necessary further action undertaken.

1.3 GOODS RECEIVED SHEET (GRS)

Upon completion of inspection, the Assistant Engineer shall proceed to prepare Goods Received Sheet (GRS) (in Form MA 1), pre-numbered to have control, in triplicate. The completed GRS shall be distributed as follows :

- 1 st copy -- Divisional Office (Accounts Section)
- 2 nd copy — Supplier
- 3 rd copy --- Retained in stores for bin card updating and record purposes.

The Measurement Book (MB), maintained by the Assistant Engineer-in-charge of such stores shall thereafter be updated with details of such receipt including GRS reference.

1.4 BIN CARD UPDATING

The stores shall then enter the quantity accepted as per GRS in the 'Receipts' column of Bin Card (in Form MA 2) for the respective material.

- 1.5 In case of materials received as replacements for rejected materials, the aforesaid procedures shall apply.

2 RECEIPT OF MATERIALS FROM OTHER STORES

- 2.1 The Divisional Stores which require the materials (transferee Stores) from central stores or any other stores (transferor stores) shall obtain necessary proforma invoice for such materials from the transferor stores and then shall prepare six (6) copies of Stores Indent (in Form MA 3) duly authorised by the Executive Engineer (EE) of the transferee stores. The same shall be distributed as follows:

- 1st copy to the Divisional Office (Accounts Section)
- 2nd to 5th copies to the Executive Engineer responsible for transferor stores, along with the cheque (on receipt of the same from Divisional Office-Accounts Section) for the value of materials, who shall forward
 - the indent copies duly approved to the stores acknowledging therein the receipt of cheque for the same
 - the cheque to the Accounts Section for banking and accounting purposes.
- 6th copy to the transferee stores.

- 2.2 On receipt of materials with 3rd and 4th copies of indent the procedures as detailed in paragraphs 1.2 and 1.3 hereinbefore shall be adopted. 3rd copy of such indent shall be attached to the GRS copy sent to the D.O. [A.S.] and 4th copy retained in the stores along with GRS copy meant for stores.

3 RETURN OF MATERIALS FROM WORKS CONTRACTORS

- 3.1 On completion of work or otherwise, any material to be returned to stores including by any contractor after obtaining due approval from the competent authority, shall be accompanied by a pre-numbered Material Return Note (MRN) (in Form MA 4) in triplicate. The same shall be prepared by the Assistant Engineer (AE) or Assistant Executive Engineer (AEE) related to such works or by the contractor who shall obtain the same from such AE/AEE and certified by such AE/AEE.

- 3.2 Upon receipt of such materials at stores, the related AE-in-charge, shall after necessary inspection, accept the materials and duly acknowledge the same and thereafter shall distribute the copies of the MRN as follows :

1st copy to the person returning the materials
 2nd copy to the Divisional Office (Accounts Section)
 3rd copy to Stores for Bin Card updating and record purposes.

4 RECEIPT OF MATERIAL RETRIEVED OUT OF WORK

In respect of receipt of stock such as rocks, rubbles etc. retrieved out of works (say in blasting etc.), the procedure set out in para 1.2, 1.3 and 1.4 shall be followed and these shall be valued at the rate prescribed by a person authorised by Managing Director (MD) for Priced Stores Ledger (PSL) purposes only. However, where such materials are used by the contractors and recoveries are effected from their bills towards such usage, such recoveries shall be accounted for under the head "Other Income" (Account code : 7299).

5 FREE RECEIPT OF MATERIALS

In respect of materials received free of cost from any agencies, viz. UNICEF, etc. GRS (Form MA-1) shall be prepared and distributed as stated in paragraph 1.3 of chapter III A and clearly marked "FREE RECEIPT FROM (name of agency)".

B. ISSUE OF MATERIALS

1 GENERAL

The procedure stated in this section shall be uniformly applicable unless stated otherwise elsewhere. Sub divisional Office, where deemed necessary, shall maintain a parallel record of transactions effected at site.

1.1 STORES INDENT

Materials shall be issued only against duly authorised, pre-numbered 'Stores Indent' (in Form MA 3). Indents shall be prepared in six (6) copies; Five (5) copies of which shall be forwarded to the Executive Engineer (EE) through proper channel for approval and the 6th copy shall be retained by the indenter for follow-up to ascertain such approval, by the EE. Upon authorisation by the EE for issue of materials, the indents (5 copies) shall be sent to the stores for the purpose.

The Assistant Engineer-in-charge of stores shall upon issue of such material obtain the acknowledgement of the party in evidence thereof at the appropriate place earmarked for the purpose (on the reverse side of the indents) in the copies of the indent related to such issue.

1.2 GATE PASS

Such materials moving out of stores premises shall be accompanied by a Gate Pass (in Form MA 5) prepared in Triplicate by the stores, the distribution whereof shall be as follows:

1st copy	—	Gate-keeper
2nd copy	—	Indenter
3rd copy	—	Stores file

The Gate-keeper shall cause to ensure that the materials moving out of stores premises are supported by and in accordance with Indent Gate Pass related to such materials.

2 ISSUES TO WORK/SCHEMES (i.e. to site)

The AE-in-charge of stores shall issue the materials indented to the authorised person as per the indent and enter the actual quantity issued, applicable issue rate and obtain acknowledgement thereof, following the procedures outlined in paragraphs 1.1 and 1.2. The indents shall then be distributed as follows :

1st & 2nd copies	—	Divisional Office (Accounts Section)
3rd copy	—	Indentors along with the materials.
4th copy	—	To be sent to the Indentors by post.
5th copy	—	Stores for updating Bin Card and record purposes

Stores shall on issue of such materials update the Bin. Card (Form MA 2)

3 ISSUES TO CONTRACTORS ON COST RECOVERABLE BASIS

issue of materials to contractors shall follow the procedures as aforesaid in paragraphs 1.1 and 1.2 including recording of in the indent related thereto that the cost of materials is recoverable and the contractor's name, at the appropriate place earmarked for the purpose.

4 ISSUES TO OTHER DIVISIONAL STORES

The Stores on receipt of the four [4] copies (2nd to 5th copy) of indent, as per procedure specified in Chapter III A Paragraph 2.1 shall adopt the procedure for issue of material as aforesaid in para graph 2 except to the extent the distribution of such indents duly recorded for such issue, shall be as follows :

2nd copy	—	Divisional Office (Accounts Section).
3rd copy	—	To the transferee Stores.
4th copy	—	To the transferee stores by post.
5th copy	—	Stores for updating Bin Card and record purposes.

5 SALE TO OTHER GOVERNMENT AGENCIES

The Executive Engineer (EE) shall on receipt of application from any Government agency requesting for purchase of any material from the Authority proceed, if deemed necessary, to correspond with such agency and obtain Cheque/Demand Draft etc., as the case may be, towards the price of such materials valued in accordance with the policy as stated in Chapter II paragraph 8.

Upon such receipt of money the EE shall prepare and approve the necessary indent in six [6] copies, the distribution whereof shall be as follows:

1st to 5th copies	—	Divisional Office (Accounts Section) along with the Cheque/DD as the case may be.
6th copy	—	Retained for record purpose.

The Stores shall on receipt of 1st to 4th copy of such indent from Divisional Office (Accounts Section) proceed to issue the relative materials in accordance with the procedure outlined in paragraph 2 hereinbefore along with the 3rd and 4th copies of such indent to the party and thereafter shall forward the 2nd copy of the same indent to Accounts Section [for purposes of updating PSL]. The 1st copy shall be retained for the purpose of updating Bin Card and File.

C MATERIALS-AT-SITE

1 RECEIPTS

1.1 FROM SUPPLIERS

When materials are directly received at site (i. e. without being routed through stores) from the suppliers, the AE/AEE-in-charge of the site shall prepare a 'Goods Received Sheet' (GRS) (Form MA 1) in Triplicate and all copies shall be stamped "RECEIVED AT SITE".

The procedure as mentioned for receipt of materials at stores (refer Chapter III A Paragraphs 1.1 1.2 & 1.3). That for inspection, measurement book etc., shall be followed except to the extent the GRS shall be distributed as follows.

- 1st & 3rd copies to D.O. (A. S.) via AEE/EE
- 2nd copy to the Supplier

The GRS shall, in this case, mention the scheme/work (capital/revenue including the work order No. thereof, for which such materials have been purchased.

1.2 FROM STORES

When materials are received at site from stores the procedure set out in Chapter III B Paragraph 2 shall be adopted. As stated therein, the indent copy duly acknowledging the receipt of materials from stores shall be the document used for evidencing receipt at site, by the AE AEE, as the case may be.

1.3 FROM OTHER DIVISIONAL STORES

The procedures as in paragraph 2 above shall be adopted. On receipt of such indent, the Division shall follow the procedures specified in Chapter III A Paragraph 2 in case of non-availability of materials. The AE AEE-in-charge of such site shall acknowledge the receipt of such materials directly at site in the copies of the indent (raised by Division as mentioned in Chapter III A Paragraph 2.1) received along with the materials. Such acknowledged indent copies shall be sent to the Divisional Stores through Sub-Division for following the procedures mentioned in Chapter III A paragraph 2.2 and paragraph 1.2 above.

1.4 INTER-SITE TRANSFER

In case of materials transferred from one site to another within the control of the same Division a pre-numbered "Materials At Site Transfer Note" (MASTN) (in Form MA 8) shall be prepared in Triplicate by the transferor and duly acknowledged by the transferee in all copies, which shall be distributed as follows :

- 1st copy — Transferee
- 2nd copy — Divisional Office (Accounts Section)
- 3rd copy — Transferor (through Sub-Division).

Both transferor and transferee shall update the respective 'Register of Materials at Site Account' (Form MA 6) on the basis of this document.

2 USAGE OF MATERIALS AND RELATED PROCEDURES

- 2.1 Materials shall be strictly reserved/used in accordance for/with the purpose for which it was received as per indent.
- 2.2 The procedures for controlling the usage of such material be it for Revenue or Capital Expenditure shall to the extent relevant follow such procedures as detailed in Fixed Assets Accounting Manual (Volume IV).
- 2.3 The AE/AEE-in-charge of site shall maintain 'Register' of Materials at Site Account' (RMASA-in Form MA 6) in which opening balance, total receipts and issues at the beginning of the month, all materials received as per paragraph 1 hereinbefore, usage thereof at the site, total receipts and issues upto the end of the month and closing balance shall be entered for each month.
- 2.4 At monthly intervals or on completion of work/schemes/etc. (as the case may be) whichever is earlier, the consumption (usage) particulars shall be detailed and submitted work orderwise vide 'MASA STATEMENT' (in Form MA 7). Section upwards such flow of information shall be as follows :
 - The Section shall prepare the same and forward to the Sub-Division, for necessary verification if sought or otherwise.
 - The Sub-Division in turn shall after necessary verification consolidate work orderwise if need be, and thereafter forward the same to Division, in similar form
 - The Division in turn shall further consolidate work orderwise, if need, be and forward the same to their Accounts Wing for necessary accounting procedures and thereafter cause to obtain the same acknowledged that it has been duly accounted.
- 2.5 In case of materials physically transferred from one site to another, but under the control of different Divisions, the document creation and flow shall follow the procedures outlined in Chapter III A, Paragraphs 3.1, 3.2; Chapter III B, Paragraph 4 and paragraph 1.3 above, as the case may be.
- 2.6 Issue of materials to the contractors shall take place, as may be necessary on obtaining an Unstamped Receipt (in such form and substance, as the Authority may deem fit) from such contractors.
- 2.7 The physical custody, usage, etc., including the responsibilities therefor, of the materials shall be as per rules in force from time to time.

3 NOTE

Sub-Division shall where considered necessary shall maintain parallel record of all transactions effected at site.

D. OTHERS

1 OBSOLETE/DAMAGED MATERIALS

Some materials may become obsolete or may deteriorate or may become unserviceable due to long storage. Furthermore, some materials may get damaged. All care shall be exercised to prevent or minimise deterioration by proper storage and by timely issues. The Authority

shall cause to frequently inspect the stores and identify such materials likely to get deteriorated, provide them with proper protection and make enquiries with other stores as to whether these articles would be required for use. If no such demand is forthcoming and if, in the view of the Authority, it is felt that further storage will cause deterioration the same shall be reported to the appropriate authority (Chief Engineer) through the Executive Engineer stating inter-alia therein the book value of such materials if ascertainable or if not, the estimated realisable value thereof. The Chief Engineer shall order a Technical Assessment of the damage/obsolescence and on receipt of the Technical Assessment, shall cause to get the Board's approval for charging-off of the value of the materials, a copy whereof shall be sent to Divisional Office (Accounts Section), and for disposal thereof including open sale of such materials (following such procedures as may be prescribed by the Authority from time to time) at the best available market price.

On sale of such items, the Bin Card shall be updated referring to the approval of the Board.

CHAPTER IV

ACCOUNTING PROCEDURES

A. ACCOUNTING FOR RECEIPTS

1 RECEIPT OF MATERIALS FROM SUPPLIERS

1.1 PURCHASE ORDERS

Upon receipt of relevant copy of the purchase order, the Divisional Office (Accounts Section) [D.O. (A.S.)] shall record the supply order in "Register of supply orders placed, supplies made and payments effected" (SOR) (in form MA 9) to be maintained supplierwise, materialwise.

1.2 ADVANCE PAYMENTS

Any advance payments effected as per aforesaid supply order, shall be appropriately recorded in the SOR under the relevant place earmarked for the purpose and such payments shall be duly accounted in the cash book under the head "Advances to Suppliers" (Account Code 1662.)

1.3 RECEIPT OF MATERIALS

Upon receipt of relevant copy of GRS, the D.O. (A.S.) shall value the same in accordance with the related supply order including the particulars of rate, terms, etc., as specified therein and match the computed value with the bill, if received from supplier, adjusted if necessary, for the quantity accepted. The Executive Engineer (EE) shall cause to verify such bills received from the supplier, with reference to GRS, Measurement Book, Purchase Order, Quantity accepted, etc., as may be relevant and shall after duly approving the said bill forward the same to Accounts Section for accounting/payment.

The matched GRS/bill as aforesaid and or the unmatched GRS (i.e. bill not received) shall nevertheless be entered in 'Stock Receipt Register' (Form MA 10) to be maintained Material Classificationwise as per Chart of Accounts. the abstract whereof, in 'Schedule of Debits to Stock' (in Form MA 11) shall be prepared in triplicate and the 1st copy forwarded to Head Office, 2nd copy to Circle Region Office at monthly intervals.

After recording as aforesaid in Stock Receipt Register the particulars of receipt shall be entered in the SOR and Priced Stores Ledger (PSL) (in Form MA 12) at the appropriate places therein earmarked for the purpose.

In cases where the aforesaid procedure shall have been followed and the bill of supplier received later in point of time, any differences arising from matching of such bills with the related GRS valued earlier shall be recorded in Form MA 10, Form MA 11, Supply Order Register and PSL indicating the related GRS reference, as well.

1.4 PAYMENT OF BILLS

- 1.4.1 Upon complete verification of suppliers bills as aforesaid in paragraph 1.3, the suppliers bills shall be paid when due as per supply order. In disbursing such final payments the amount of advance paid, if any, shall be deducted. The details of such final payments shall be duly accounted in the Cash Book under the head "Sundry Creditors-Suppliers" (Account Code 2812), and recorded in SOR appropriately. The advance adjusted, as aforesaid, if any, shall be duly accounted in the cash book as follows :

Receipts Side : Under the head "Advance to Suppliers" (Account Code 1662)

Payments Side : Under the head "Sundry Creditors-Suppliers" (Account Code 2812)

- 1.4.2 The procedures as mentioned in paragraphs 1.3 and 1.4.1 hereinbefore shall be adopted for bills received if any, from transporters/carriers insurers, in respect of matching the same with GRS, recording in Form MA 10, Form MA 11, SOR and PSL, as may be necessary and also the accounting for payment.

2 RECEIPT OF MATERIALS FROM OTHER STORES

The D. O. (A. S.) shall on receipt of the copy of the indent (as referred to in Chapter III A, Paragraph 2.1) prepare a cheque for the value of the materials to be drawn from the transferor stores and forward the same to the Assistant Engineer-in-charge of transferee stores through the Executive Engineer of such Division. The details of such payments shall be entered in "Inward Register of Inter-Office Account-Materials" (in Form MA 13) and the payment duly accounted for in the Cash Book under the head "IOA-Materials (Account Code 9111 to 9113, as the case may be)".

Upon receipt of the related GRS copy, the GRS shall be valued at the relative pre-determined issue rate at which such materials were transferred by the transferor stores and the particulars whereof shall be entered appropriately in Form MA 10, PSL and Form MA 13. A copy whereof similar to Form MA 13, Divisionwise shall be updated at monthly intervals reflecting payments made to such Divisions, but materials yet to be received and shall be sent to the Head Office and Circle Region Office at the year end.

3 RETURN OF MATERIALS FROM WORKS/CONTRACTORS

Upon receipt of the relevant copy of the MRN (Form MA 4) evidencing return of materials from works/contractors, D.O. (A.S.) shall verify the same and update Form MA 10, PSL and "Contractors Register" (Form FA 8 for materials returned by contractors-originally issued on cost recoverable basis) appropriately, as necessary. The difference between the agreed rate and the issue rate for such returned materials shall be accounted for in the Cash Book as follows :

Receipt side : Under the head "Control Account - Capital Expenditure Materials" (Account Code - 9212), if such materials are returned from capital works.

Under the head "Consumption of Stores Items, Consumption of Tools and Spares; Consumption of Consumables" (Account Code - 3111 to 3139, as the case may be), if such materials are returned from revenue works".

Payment side : Under the head "Stock of Stores items; Stock of Tools and Spares; Stock of Consumables (Account Codes 1311 to 1339, as the case may be).

4 FREE RECEIPT OF MATERIALS

Upon receipt of copy of GRS marked FREE RECEIPT FROM... , the same shall be valued by D.O. (A.S.) at relevant market rate and recorded in Form MA-10 (Column No.9), Form MA-11 (Column No. 9) and Form MA-12 as may be necessary.

5 ACCOUNTING AT HEAD OFFICE

On the basis of Form MA 11, the Head Office shall debit stock of stores items, Tools & Spares, Consumables, appropriately (Account Codes 1311 to 1339, as the case may be) for :

- Receipt of materials from suppliers; crediting "Sundry Creditors - Suppliers" (Account Code 2812).
- Receipt of materials from other Divisions, Crediting "Inter-Office Account-Materials" (Account Code 9111 to 9113, as the case may be).
- Return of materials from capital works crediting "Control Account-Capital Expenditure-Materials" (Account Code 9212).
- Return of materials from revenue works crediting "Consumption of stores items, Consumption of Tools and Spares, Consumption of Consumables" (Account Codes 3111 to 3139, as the case may be).
- Return of materials from contractors (cost recoverable), if any; crediting "Advances to Contractors" (Account Code 1661).
- Free receipt of materials crediting "Donated Capital Assets" (Account Code 2022, to the extent specified in column 9).

B. ACCOUNTING FOR ISSUES

1 GENERAL

Upon receipt of relevant copy of the indent evidencing issue of related materials D.O (A.S.) shall

- Update the Priced Stores Ledger (PSL) (Form MA 12) for such issues, at the applicable pre-determined rates.

In addition, the procedures outlined hereinafter relative to such transactions shall also be applicable.

2 ISSUES TO WORK / SCHEMES (i. e. to site)

Upon receipt of the relevant copy of the indent, evidencing issue of related materials to site the D.O. (A.E.) shall

- record details of such issue in the "Register of Issues to Site" to be maintained work orderwise (as per specimen in Form MA 14) the monthly abstract (for the

month) whereof shall be included at the appropriate place in "Detailed Account of Issues" Form MA 15) which shall be prepared in triplicate and the 1st copy submitted to Head Office, 2nd copy to Circle/Region Office at monthly intervals.

3 ISSUES TO CONTRACTORS ON COST RECOVERABLE BASIS

Upon receipt of the relevant copy of the indent evidencing issue of related materials the D.O. (A.S.) shall record details of such issues in the "Contractor Register" (Specimen as per Form FA 8 of Fixed Assets Accounting Manual) at the appropriate place earmarked for the purpose.

such transactions shall be accounted thereafter in the Cash Book as follows :

3.1 For issues from Stores :

Payments Side : Under the head "Advances to Contractors" (Account Code 1661) to the extent of value of such materials priced in accordance with the Accounting Policy (Chapter II Paragraph 8) and or terms between the contractor and the Authority.

Under the head "Control Account - Capital Expenditure - Materials" (Account Code 9212) if issued for capital works; or Consumption of Stores items; Consumption of Tools and Spares, Consumption of Consumables (Account Code 3111 to 3139, as the case may be) if issued for revenue works; to the extent of difference, if any, between the predetermined issue rate and the rate agreed with the contractor'

Receipts Side : Under the relevant head of Inventory (Account Codes' 1311 to 1339 as the case may be) to the extent of pre-determined issue rates applicable.

3.2 For issues from Site :

Payments side : Under the head "Advances to Contractors" (Account code 1661) to the extent of value of such materials priced in accordance with the accounting policy (Chapter II, Paragraph 8) and/or terms between the contractor and the Authority.

Receipt Side : Under the head "Control Account - Capital Expenditure - Materials" (Account Code 9212) if issued for capital works; or under the head "Consumption of stores items; Consumption of Tools and Spares; Consumption of Consumables" (Account Code 3111 to 3139, as the case may be), if issued for revenue works.

4 ISSUES TO OTHER DIVISIONAL STORES

- 4.1 Upon receipt of relevant copies of indent, prior to issue of related materials, along with the cheque for value of such materials, the D.O. (A. S.) shall duly record the details of such receipt in the "Outward Register of Inter-Office Account - Materials" specified here in after and shall account for such receipts in the Cash Book under the head inter-office account - materials (Account Codes 9111, 9112, 9113 appropriately, as the case maybe). The D.O. (A. S.) shall forward the copies of indent to the Executive Engineer for onward transmission to stores for the issue of materials related to such indents Thereafter, the D. O. (A.S.) shall bank such cheques received in the non-operative account.

- 4.2 Upon receipt of the relevant copy of the indent evidencing issue of related materials, the D.O. (A. S.) shall record the details of such issue in

- "Register of materials issued to other Divisions" (Form MA 16) to be maintained Inventory Categorywise the abstract whereof shall be included at the appropriate place in Form MA 15 to be submitted to Head Office and Circle Region Office at Monthly intervals.
- "Outward Register of Inter-Office Account-Materials" to be maintained Division-wise (specimen as per Form MA 17) copy whereof in a similar form shall be updated at monthly intervals and submitted to Head Office and Circle Region Office at year end, specifying details of money received but materials remaining yet to be issued.

5 SALE-OTHER GOVERNMENT AGENCIES

Upon receipt of the relevant copies of the indent along with the Cheque/Demand Draft, etc., as the case may be, for value of related materials the D.O. (A.S.) shall appropriately account for such Cheques/Demand Drafts received in the receipt side of the cash book under the head "Advances received from Government Agencies" (Account code 2892) and proceed to bank such Cheque DD in the non-operative account. An invoice (in Form MA-23) shall also be issued to such Agency buying the materials.

The D.O. (A.S.) shall then forward the relevant copies of the indent through the Executive Engineer to the stores for issue of related materials.

Upon receipt of the relevant copy of the indent evidencing issue of related materials the D.O. (A.S.) shall regularise the aforesaid treatment of accounting such money receipt as follows:

- | | |
|---------------------------|--|
| Payment side of Cash Book | — Under the head "Advances Received from Government Agencies" (Account Code 2892) to the full extent of money received hitherto before. |
| Receipt side of Cash Book | <ul style="list-style-type: none"> — Under the relevant head of Inventory (Account Codes 1311 to 1339, as the case may be) to the extent of pre-determined issue rates applicable. — Under the head "Storage Charges" (Account Code 6512) to the extent of such charges leviable. — Under the head "Sales Tax Collection-Others" (Account Code 2839) to the extent sales tax is collectable. — Under the head "Miscellaneous income - Others" (Account Code 7299) to the extent of differences, if any, between the total of money received from the Government Agency and sum of aforesaid quantum to be treated under various heads in the receipt side of the cashbook. |

6 ACCOUNTING AT HEAD OFFICE

The Head Office shall

- {a) Upon receipt of Form MA 15 at monthly intervals do the following :

- Debit 'consumption of stores items ;tools and spares; consumables' (Account codes 3111 to 3139), as the case may be in respect of materials issued for Repairs and Maintenance; 'control account - capital expenditure - material' (Account Code 9212) in respect of materials issued for capital works and 'Inter-office Account - Materials'. (Account Codes 9111 to 9113) as the case may be in respect of materials issued to other divisions, specified in such form.
- Credit Inventory Classification Codes with the amount specified against such codes in such form (Account Codes 1311 to 1339 as the case may be.)

(b) Upon receipt of abstract of Forms MA 13 & MA 17 at year end do the following:

- match each such abstracts corresponding to the transactions between one division and another to identify and ascertain the value of materials-in-transit, cheques-in-transit and account accordingly, the entries whereof being dealt with in the compilation of Accounts Manual.

C ACCOUNTING FOR MATERIALS-AT-SITE

1 RECEIPTS

1.1 FROM SUPPLIERS

The procedures spelt out in Chapter IV A Paragraphs 1.1 and 1.4 shall be applicable save to the extent as shall not be contrary to those applicable in addition and set out herein after.

Upon receipt of two copies of the relevant GRS, the D.O. (A.S.) shall proceed to value the same as per procedure in earlier sections referred to hereinbefore and verify with the bill of the supplier. One copy of the said GRS shall be returned to site for their purposes. The details of such receipt at site shall be duly recorded in Forms MA 10, MA 14, SOR and shall not be recorded in PSL. Any differences arising out of matching GRS with bills also shall be entered in these registers and forms and informed to the site.

1.2 FROM STORES

Upon receipt of the relevant indent evidencing issue of related materials, the D.O. (A.S.) shall follow the procedures spelt out in Chapter IV B Paragraph 2.

1.3 FROM OTHER DIVISIONAL STORES

The procedures to be followed in order shall be as follows :

- (a) Refer Chapter IV A. Paragraph 2.
- (b) Refer Chapter IV B, Paragraph 2.

1.4 INTER-SITE TRANSFER

Upon receipt of the relevant copy of MASTN (Form MA 8), the D. O. (A. S.) shall duly adjust the "Register of Issue to site" (Form MA 14) to reflect such transfers.

- 2 The details of materials used in maintenance shall be entered in the respective folio for the schemes in Form RA-35 under relevant Account Heads (three digit codes).

D. OTHERS**1 ACCOUNTING FOR OBSOLETE/DAMAGED MATERIALS AND SALE THEREOF**

Upon receipt of relevant copy of the approval for write-off of obsolete/damaged materials, the D. O. (A. S.) shall deduct the quantity and the book value of such materials as approved from the PSL, referring to the approval by the Board and shall intimate the Head office the amount of such charge-off along with a copy of such approval (in Form MA 20). Form MA 20 shall be prepared in triplicate and 1st copy forwarded to the Head Office, 2nd copy to Circle Region Office. An invoice (in Form MA-23) shall be issued to the party buying such materials.

On receipt of the sale value of materials sold, the same shall be duly accounted for in the cash book as follows:

- Receipt Side — Under the head "Other Income" (Account Code 7299) to the extent of money received towards the value of such materials as aforesaid.
- Under the head "Sales Tax Collections - Others" (Account Code 2839) to the extent of sales tax collected, if any, on the value of such materials as aforesaid.

The Head Office, on receipt of Form MA 20, shall pass the necessary accounting entry in the following manner:

- Debit "Stores written-off-stores, Tools & Spares, Consumables (Account Codes 5331 to 5333, as the case may be)
- Credit "Stock of Stores, Tools & Spares, Consumables (Account Codes 1311 to 1339 as the case may be)

with the amount relating to such charge-off specified in such form.

2 ACCOUNTING FOR SALE OF SCRAP

After obtaining due approval from the appropriate authority, when scrap materials are sold (following such procedures, as may be prescribed by the Authority, from time to time) at the best available market price, an Invoice in Form MA 23 shall be raised and the details of sale value thereof shall be entered in "Register of Scrap Sold" (in Form MA 21) which shall be summarised and sent to Head Office and Circle/Region Office in similar form.

On receipt of the money towards such sale value by Cheque/Demand Draft/Cash the same shall be deposited into the Bank and duly accounted on the receipt side of the Cash Book under the "Sundry Debtors - Others - Dues from others" (Account Code 1499).

The Head Office on receipt of Form MA 21 shall pass the following entry:

- Debit "Sundry Debtors - Others - Dues from Others" (Account Code 1499) to the extent of value of scrap and sales tax thereon.
- Credit "Sale of Scrap" (Account code 7292) to the extent of the value of such scrap.
- "Sales Tax Collections on sale of scrap" (Account Code 2831) to the extent of sales tax collection on the value of such scrap.

3 VALUATION OF CLOSING STOCK

At the year end, closing stock shall be valued on "First In First Out" (FIFO) basis. The procedure adopted shall be to ascertain the buildup of the closing balance quantity relatable in order of the latest receipts.

For example, if the closing balance quantity of an item is 100 Nos. and value thereof Rs. 10,000/- as per PSL as on 31-3-1986 and the latest receipts for such item as per PSL are as follows:

<u>GRS No. Date</u>	<u>Qty. (Nos)</u>	<u>Value (Rs.)</u>
1212/25-3-86	50	4,900.00
1220/26-3-86	25	2,600.00
1225/27-3-86	20	2,500.00
1227/28-3-86	25	3,000.00

then the closing balance quantity and value thereof shall be computed as detailed below:

<u>GRS No. / Date</u>	<u>Qty. (Nos)</u>	<u>Value (Rs.)</u>
Quantity of:		
1227/28-3-86	25	3,000.00
1225/27-3-86	20	2,500.00
1220/26-3-86	25	2,600.00
1212 25-3-86	30	2,940.00
Closing balance	<u>100</u>	<u>11,040.00</u>
* 50 Nos. value	=	Rs. 4,900
30 Nos. value	=	Rs. 4,900 x 30
	<u>50</u>	= <u>Rs. 2,940.00</u>

The value of closing stock worked out as above is Rs. 11,040.00 and this shall be the closing stock value at the year end i.e., as on 31-3-86. However, the PSL balance will be Rs. 10,000/- To adjust the difference, Rs. 1,040/- (i.e. the difference, between Rs. 11,040/- and Rs. 10,000/-) shall be taken as "Plus" adjustment in the value column of closing balance.

If the situation were to be vice-versa the same shall be taken as "minus".

The adjustments, as above, shall be summarised in Form MA 20 and sent to the Head Office and Circle Region Office at the year end.

The Head Office, on receipt of Form MA 20, shall pass the following entry to account for "plus" adjustment:

- Debit "Stock of Stores, Tools & Spares, Consumables" (Account Codes 1311 to 1339, as the case may be)
- Credit "Consumption of Stores Items, Tools & Spares, Consumables" (Account codes 3111 to 3139 as the case maybe)

to the extent of amounts specified against relevant account codes and vice-versa for "minus" adjustments.

4 RAILWAY AND OTHER CLAIMS

The Authority shall cause to verify the materials received through Railways / Roadways prior to taking delivery of such materials. In case, any shortage/damage/non-delivery of goods by the carriers is noticed, suitable action shall be caused to be undertaken to obtain shortage / damage certificate from the carriers. The claim shall then be preferred appropriately in the form prescribed by the carriers, if any, or suitably, otherwise. Monitoring such claim and/or follow up including complying with procedural formalities as may be prescribed/requested by the carriers shall be undertaken by the Authority provided the onus of such action vests with the Authority as contracted between the related supplier and the Authority. Claims as preferred by the Authority shall be duly recorded in 'Claims Register' (Form MA 22) copy whereof in similar form shall be forwarded to D. O. (A. S.).

The D.O. (A. S.) shall upon receipt of copy Form MA 22 consolidate and forward in similar form to the Head Office for necessary accounting and to Circle/Region Office.

Upon receipt of money from the carriers in settlement of such claims preferred referred to hereinbefore, the same shall be duly accounted in the receipt side of the Cash Book under the head "Claims Recoverable" (Account code 1672, 1679 as the case may be).

The D. O. (A. S.) shall cause to ensure upon such receipt of money as to whether any money already paid to Sundry Creditors either as advance or otherwise related to such quantum of materials for which claim was preferred is recoverable and if ascertained in the negative from the appropriate authority, shall duly account to such extent as follows:

Receipts side of Cash Book	— Under the head "Sundry Creditors" (Account Code 2812) or Advances to Suppliers" (Account code 1662) as the case may be.
Payments side of Cash Book	— Under the head 'claims received' (Account Code 7232, 7239 as the case may be).

and also update SOR, accordingly.

The Head Office shall upon receipt of Form MA 22, pass the following entries:

- i) When claim is preferred:
 - Debit "Claims Recoverable" (Account Code 1672, 1679 as the case may be)
 - Credit "Other Liabilities" (Account Code 2899) to the extent of aforesaid value.
- ii) When money is received from carriers:
 - Debit "Other Liabilities" (Account Code 2899)
 - Credit "Claims Received" (Account Codes 7232, 7239 as the case may be).

CHAPTER V

INTERNAL CONTROL

ARU's shall adhere to the following control measures:

1 CONTROL OVER RECEIPT/ISSUE DOCUMENTS

Separate folios/registers (in Form MA 25) shall be maintained for Booklets of:

- Goods Received Sheets (GRS)
- Stores Indents

- Material Return Notes (MRN)
- Material-at-site transfer Notes (MASTN)
- Gate Pass

The respective columns of which shall be filled up on issue of these booklets and signature of the officer to whom they are issued shall be obtained.

2 CONTROL OVER BIN CARDS

A Register of Bin Cards (in Form MA 24) shall be maintained, the respective columns except the column of Name of material (Column 3) of which shall be filled upon issue of the cards and signature of the officer to whom they are issued shall be obtained. On completion of a Bin Card, the same shall be returned to the D.O (A, S) and D. O (A. S) shall record the return in the Register.

3 CANCELLATION OF DOCUMENTS

If any set of pre-numbered documents (Viz. GRS, Stores Indent MRN, MASTN & Gate Pass) is cancelled the document set shall be scored out with "CANCELLED" seal and all copies filled.

4 FILLING OF DOCUMENTS

All documents including cancelled documents shall be filed in serial order.

5 CUT-OFF PROCEDURES

Cut-off procedures to be followed by stores shall be to note down the last document numbers as at the end of an accounting period for GRS, MRN and Stores Indent and intimate the same to the D.O. (A.S.) to ensure proper accounting of transactions within the period in which the transactions take place. The last number of MASTN shall be intimated by the respective AE/AEE-in charge of such site.

6 RECONCILIATION OF PRICED STORES LEDGER WITH BIN CARD

Since both PSL and Bin Card contain Quantitative recording of materials transaction, it is important that these records reflect the same quantities as balances for each such item of material. Hence reconciliation of these two records shall be done periodically to correspond with the time the physical verification of such items take place.

A certificate to the effect that the Bin Card has been reconciled with priced stores ledger shall be recorded in the PSL after such reconciliation, duly initialled as well by the stock verification unit as mentioned in paragraph hereinafter.

7 PHYSICAL VERIFICATION OF STOCKS

Periodical physical verification of stores is absolutely essential which shall be done by "Stock Verification Unit" of the Authority, duly authorised to perform such verification, and also by the Executive Engineer of the concerned Division, in such a way that such verification covers all stores of the Authority in a Financial Year. This periodical verification shall also cover the verification of postings and accounts of all transactions which have taken place since the last such verification. Such periodical verification shall also be aimed at, to the extent considered necessary, in ensuring that the stock of items at such places, in particular at various sites are in accordance with the stock limits prescribed for such items by the Authority from time to time.

When once the verification of the physical balance of any item of store is taken up, it shall be ensured that normally there is no transaction of such material until the physical verification of that material is completed. In exceptional circumstances, the transaction may be allowed to take place, in which case the physical balance shall be arrived at by adjusting the receipts and issues during such period. The physical balance shall be compared with the Bin Card and PSL balances after providing for corrections against erroneous entries, if any.

Any excess/shortage between such physical verification and the appropriate book figure shall be analysed and book figures adjusted, as necessary. Necessary preventive/corrective and / or disciplinary action shall be caused to be undertaken by the Authority if any such shortage as aforesaid is proved to be attributed to theft/pilferage and the like committed by and/or by the wilful negligence of the custodian in-charge of such stocks.

The Executive Engineer, responsible for such stores shall take necessary steps to get approval through proper channel from appropriate authority at the Head Office for adjusting the records on account of excess/shortage.

On receipt of such approval, the Bin Card and PSL shall be adjusted for such excess/shortage of such material and value thereof in PSL, at the latest Receipt/Issue rate as the case may be.

The D.O. (A.S.) shall, on such adjustment, submit a report in form MA 20 to the Head Office and to Circle/Region Office.

The Head Office on receipt of such Form MA 20 pass the following entries to account for adjustment of Excess/Shortage of stock.

- | | |
|----------|--|
| Excess | : — Debit "Stock of stores items; Tools & Spares and Consumables"
(Account Codes 1311 to 1339 as the case may be) |
| | — Credit 'Consumption of stores items; Tools & Spares and Consumables'
(Account Codes 3111 to 3139 as the case may be). |
| Shortage | : — Debit "Consumption of Stores items; Tools & Spares and Consumables"
(Account Codes 3111 to 3139 as the case may be) |
| | — Credit "Stock of stores items; Tools & Spares and Consumables"
Account Codes 1311 to 1339, as the case may be). |

8 RECONCILIATION

The Head office shall intimate the respective Divisional office (Accounts Section) at periodic intervals, the balances in "Sundry Creditors - suppliers" (Account Code 2812); "Advances to Suppliers" (Account code 1662); "Stock of Stores items. Tools & Spares and Consumables" (Account Codes 1311 to 1339); which shall be reconciled by the respective Divisions with SOR and PSL.

9 SITE TRANSACTIONS

Where considered necessary, the sub-division shall maintain a parallel record of all site transactions.

CHAPTER VI

INFORMATION SYSTEM

The forms summarised in the following Table shall form part of the Information System from the Divisions to the Head Office, Region and Circle Offices.

Sl. No.	Description of Form	Form No.	Periodicity
1	Schedule of Debits to stock	MA 11	Monthly
2	List of payments made to other Divisions, but materials yet to be received. Abstract of Inward Register of Inter-Office Account-Materials.	MA 13	Annual
3	Detailed Account of Issues	MA 15	Monthly
4	List of payments received from other Divisions, but materials yet to be issued (Abstract of Outward Register of Inter-Office Account-Materials)	MA 17	Annual
5	Statement of Excess/Shortage of materials, obsolete/damaged materials, closing stock adjustments.	MA 20	Monthly (As and when adjustments are made) and Annual
6	Details of scrap sold (Abstract of Register of scrap sold)	MA 21	Monthly (As and when transactions take place).
7	Details of claims (Abstract of "Claims Register")	MA 22	Monthly (As and when transactions take place).

LIST OF FORMS & FORMATS

Sl. No.	Description of Forms & Formats	Form No.
1	Goods Received Sheet (GRS)	MA 1
2	Bin Card	MA 2
3	Stores Indent	MA 3
4	Material Return Note (MRN)	MA 4
5	Gate Pass	MA 5
6	Register of Materials-at-site Account (RMASA)	MA 6
7	MASA Statement	MA 7
8	Materials-at-site Transfer Note (MASTN)	MA 8
9	Register of supply orders placed supplies made and payments effected (SOR)	MA 9
10	Stock Receipt Register	MA 10
11	Schedule of Debits to Stock	MA 11
12	Priced Stores Ledger (PSL)	MA 12
13	Inward Register of Inter-Office Account-Materials	MA 13
14	Register of Issues to Site	MA 14
15	Detailed Account of Issues	MA 15
16	Register of Materials Issued to other Divisions	MA 16
17	Outward Register of inter-Office Account -Materials	MA 17
18	Statement of Excess/Shortage of materials obsolete/damaged materials, closing stock adjustments	MA 20
19	Register of Scrap sold	MA 21
20	Claims Register	MA 22
21	Invoice	MA 23
22	Register of Bin Cards	MA 24
23	Stock Register of Blank Records and Forms	MA 25
24	Purchase Order	MA 26

Form No. MA 1

(Ref. Chapter III A Para 1.3

KERALA WATER AUTHORITY
GOODS RECEIVED SHEET (GRS)

1st copy — Divisional Office
(Accounts section)

2nd copy — Supplier

3rd copy — Stores

Book No. :

Serial No. :

Date :

Division :

Location Code :

Name of the supplier :

[illegible]

Dated Signature of Store Keeper

Dated Signature of the Asst. Engineer.

(P.T.O.)

PARTICULARS OF RATE IN COLUMN 10

[illegible]

Form No. MA 2
(Ref. Chapter III A Para 1.4)
Division :
Location Code :
Material Description :
Material Code No. :
Unit of Measurement :

KERALA WATER AUTHORITY

BIN CARD

ISSUE RATE :

Date of fixation

Bin Card No. :

From _____ To _____

Maximum Stock :

Minimum Stock :

Re-order Level :

[illegible]

Form No. MA 3
[Ref. Chapter III A Para 2.1
and Chapter III B Para 1)

KERALA WATER AUTHORITY
STORES INDENT

Work

No. :

No. :

Contractor :

Cost : Yes/No (Strike out which-ever is not applicable)

: Division stores

:

1st Copy D.O. (A.S.)
2nd Copy D.O. (A.S.)
3rd Copy Indentors
4th Copy By Post to
Indentors
5th Copy Stores
6th Copy File

D.O. (A.S.)
[Transferee]
D.O. (A.S.)
(Transferor)
Indentors
By Post to
Indentors
Stores
[Transferee]
File

[illegible]

FORM No. MA-3 (Continued)

Please deliver the materials to the person whose specimen signature is given below

Name and address of the person to whom the materials are to be delivered :

Specimen signature of the above person: _____

Dated signature of the indenter

Designation : _____

Passed for issue of materials

Dated signature of the Executive Engineer

Issued on (Date) _____ and entered

in Bin Card No. _____

Received the materials as per column 6

Posted in Priced stores Ledger

Folio No. _____

Dated signature of Store Keeper/Assistant Engineer

Dated signature of authorised person

Dated signature of the Ledger keeper / Divisional Accountant

Form MA 4
(Ref. Chapter III A Para 3.1)

KERALA WATER AUTHORITY
MATERIAL RETURN NOTE (MRN)

1st copy - Acknowledged file copy
2nd copy - Divisional office
(Accounts)
3rd copy - Stores

Division : Location Code :

Sub-division : Location Code :

Section :

Name of work :

Name of contractor :

If returned from contractor, whether issued originally on cost recoverable basis } :

Work order No. :

Book No. :

Serial No. :

Date :

Agreement No. :

[illegible]

Dated signature of
the contractor

Dated signature of Asst. Engineer/Asst. Executive Engineer-
in-charge of work

Dated signature of Assistant Engineer-
in-charge of stores.

Form No. MA 5
(Ref. Chapter III B Para 1.2)

Division :

Location Code :

KERALA WATER AUTHORITY

GATE PASS

1st Copy - Gate Keeper
2nd Copy - Indentor
3rd Copy - Stores
Book No. :
Serial No. :
Date :

Sl. No.	Description of Materials	Material Code	Unit of measurement	Quantity Issued		Indent No. & Date	Vehicle No.
				In figures	In words		

Checked at the Gate and passed.

Signature of the Gate-keeper

Time :

Date :

Dated Signature of Assistant
Engineer-in-charge of stores,

Form No. MA 6

[Refer Chapter III (c)]

KERALA WATER AUTHORITY

Register of Materials at Site Account

Name of work :

WO Number :

Estimated Quantity :

Material :

Material :

Material :

Division

Location code.....

Sub Division

Location code.....

Section

(In Quantity)

Particulars	Document No. and Date	M. Book Ref.	Rate		Opening Balance	Receipts	Issues	Closing Stock	Remarks
			Rs.	Ps.					
1	2	3	4		5	6	7	8	9
Materials :									

Asst. Engineer

Checked :
Asst. Executive Engineer

Checked :
Executive Engineer

Form No. MA - 7
(Refer Chapter III (C)
Paragraph 2.4)

KERALA WATER AUTHORITY

MASA STATEMENT

Division

Location code

Sub Division.....

Location code.....

(In Quantity)

Section.....

Description	Unit	Issue Rate	Opening Balance	Receipts	Consumption	Closing Balance	Remarks
1	2	3	4	5	6	7	8
<u>Stores Items</u>							
1. Steel							
2. Cement							

Prepared by :
Asst. Engineer

Verified by :
Asst. Executive Engineer

Approved by :
Executive Engineer

Form No. MA 8
(Refer Chapter III C Para 1.4)

KERALA WATER AUTHORITY

MATERIALS-AT-SITE TRANSFER NOTE (MASTN)

1st Copy - Transferee
2nd Copy - Divisional Office
(Account Section)
3rd Copy - Transferor
Book No:
Serial No:
Date:

Division

LOC Code.....

Description of Materials	Transferred from work order No.	Transferred to work order No.	Unit	Quantity Transferred	Rate Rs.	Value Rs.	Reference No. of authorisation
1	2	3	4	5	6	7	8

Issued the materials as above.

Dated signature of the Assistant Engineer/
Assistant Executive Engineer-in-charge of
Transferor site.

Received the materials as above.

Dated signature of the Assistant Engineer/
Assistant Executive Engineer-in-charge
of transferee site.

[Ref. Chapter IV A Para 1.1)

REGISTER OF SUPPLY ORDERS PLACED, SUPPLIES MADE AND
PAYMENTS EFFECTED (SOR)

Location code :

Description of materials:

[illegible]

Form No. MA - 9 (Contd.)

Particulars of Rate in Column 5

[illegible]

FORM No. MA - 10
(Refer Chapter IV (A)
Paragraph 1.3)

KERALA WATER AUTHORITY
STOCK RECEIPT REGISTER

Month ;

Division.....

[Classification of Inventory as per Chart of Accounts]

Location Code.....

Account Code :

[illegible]

NOTE: Returns from contractors column (column No. 7) shall be used only when returns are out of materials issued on cost recoverable basis.

Divisional Accountant

Executive Engineer

FORM No. MA - 11
(Refer Chapter IV (A)
Paragraph 1.3)

KERALA WATER AUTHORITY
SCHEDULE OF DEBITS TO STOCK

1st copy : Head Office
2nd copy : Circle/Region Office
3rd copy : File

Division.....

Location Code

Month :

Particulars of Stock	Account Code	Materials Received								Total (3 + 4 + 5a + 5b + 6)	Materials directly received at site from suppliers	Free Receipt of ma- terials		Grand Total (7 + 8 + 9)	
		From Suppliers	From Other Divisions	Returns from				Contrac- tors							
				Works											
				Capital	Revenue										
		Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
1	2	3	4	5a	5b	6	7	8	9	10					
A. STOCK OF STORES ITEMS															
Steel	1311														
Cement	1312														
Pipes	1313														
Valves	1314														
Pumps and Motors	1315														
Specials	1316														
Others	1319														
Sub-total (A)															
B. STOCK OF TOOLS&SPARES															
Tools	1321														
Spares	1322														
Sub-total (B)															
C. STOCK OF CONSUMABLES															
Chemicals	1331														
Fuel	1332														
Lubricants	1333														
Others	1339														
Sub-total (C)															
Grand Total (A) + (B) + (C)															

Divisional Accountant

Executive Engineer

[Ref. Chapter IV A PARA 1.3] and
Chapter IV B Para 1)

PRICED STORES LEDGER

Unit :

Date of fixation ;

[illegible]

[Refer Chapter IV A Para 2)

INWARD REGISTER - OF INTER OFFICE ACCOUNT - MATERIALS

(To be maintained Division - wise)

Location Code :

Name of transferor Stores

[illegible]

Executive Engineer

FORM No. MA-14
[Refer Chapter IV (B)
Paragraph 2]

KERALA WATER AUTHORITY
REGISTER OF ISSUES TO SITE
(To be Maintained Work Order-wise)

Name of work :

Work Order No. :

Month ;

Division

Sub Division

Section

Location code

Location code

Indent/GRS No. & Date	Stock of Stores Items							Stock of Tools and spares		Stock of Consumables				Initials
	Steel	Ce- ment	Pipes	Valves	Pumps & Motors	Speci- als	Others	Tools	Spares	Chem- icals	Fuel	Lubri- cants	Others	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Opening Balance														
Total for the month														
Total upto the month														
Consumption as per bills														
Return/Transfer (MA-4/MA-8)														
Closing Balance														

Divisional Accountant

Executive Engineer

FORM No. MA-15
[Refer Chapter IV (B)
Paragraph 2]

KERALA WATER AUTHORITY
DETAILED ACCOUNT OF ISSUES

1st Copy : Head Office
2nd Copy : Circle/Region Office
3rd Copy : File

Division..... Location code.....

Month.....

Particulars	Account code	Issues to Site		Issues to other division stores	Total
		Capital Works	Revenue Works		
1	2	3a	3b	4	5
A STOCK OF STORES ITEMS					
Steel	1311				
Cement	1312				
Pipes	1313				
Valves	1314				
Pumps and Motors	1315				
Specials	1316				
Others	1319				
Sub-total (A)					
B. STOCK OF TOOLS & SPARES					
Tools	1321				
Spares	1322				
Sub-total (B)					
C. STOCK OF CONSUMABLES					
Chemicals	1331				
Fuel	1332				
Lubricants	1333				
Others	1339				
Sub-total (C)					
Grand total (A) + (B) + (C)					

Divisional Accountant

Executive Engineer

Form No. MA 16
(Ref. Chapter IV B Para 4)

KERALA WATER AUTHORITY
REGISTER OF MATERIALS ISSUED TO
OTHER DIVISIONS

[illegible]

Divisional Accountant.

Executive Engineer

Form No. MA 17

(Ref. Chapter IV B Para 4)

KERALA WATER AUTHORITY

OUTWARD REGISTER OF INTER OFFICE ACCOUNT - MATERIALS

Division :

Location Code :

(To be maintained Division-wise)

Name of the transferee Stores:.....

[illegible]

Form No MA 18

[Ref. Chapter IV C Para 2]

KERALA WATER AUTHORITY

MASA CONSUMPTION REGISTER

(To be maintained work order wise)

Division :

Sub-division :

Location code :

Location code :

Name of the work :

Work order No :

[illegible]

KERALA WATER AUTHORITY
MATERIALS CONSUMPTION STATEMENT

For the Month.....19.....

Division :

Location Code :.....

Stock Item	CWIP Acc Code 9212	R & M CONSUMPTION		Total CWIP & R & M
		Account	Value	
(A) STORES				
Steel		DR 3111		
Cement		DR 3112		
Pipes		DR 3113		
Valves		DR 3114		
Pumps &		DR 3115		
Motors		DR 3116		
Specials		DR 3119		
Others				
Sub Total (A)				CR 1341
(B) Tools & Spares				
Tools		DR 3121		
Spares		DR 3122		
Sub Total (B)				CR 1342
(C) CONSUMABLES				
Chemicals		DR 3131		
Fuel		DR 3132		
Lubricants		DR 3133		
Others		DR 3139		
Sub Total (C)				CR 1343
(D) GRAND TOTAL (A + B + C)	DR 92.12			

DIVISIONAL ACCOUNTANT

EXEC. ENGINEER

Form No. MA 20
(Ref. Chapter IV D Para 1 & 3
and Chapter V Para 7)

KERALA WATER AUTHORITY
STATEMENT OF EXCESS / SHORTAGE OF MATERIALS,
OBSOLETE / DAMAGED MATERIALS CLOSING STOCK ADJUSTMENTS

1st copy-Head Office
2nd copy-Circle/Region Office
3rd copy-File

Division :

Location Code :

Particulars of Stock	Account code	Excess of Materials Rs.	Shortage of Materials Rs.	Obsolete/damaged materials Rs.	Closing Stock adjustment		Reference to H. O. approval (attach copy)	Remarks
					Plus Rs.	Minus Rs.		
1	2	3	4	5	6	7	8	9
A. STOCKS OF STORE ITEMS:								
Steel	1311							
Cement	1312							
Pipes	1313							
Valves	1314							
Pumps & Motors	1315							
Specials	1316							
Others	1319							
Sub-total (A)								
B. STOCK OF TOOLS & SPARS:								
Tools	1321							
Spares	1322							
Sub-total (B)								
C. STOCK OF CONSUMABLES								
Chemicals	1331							
Fuel	1332							
Lubricant	1333							
Others	1339							
Sub-total (C)								
Grand Total (A + B + C)								

Divisional Accountant

Executive Engineer

Division :
Location Code :

[illegible]

Executive Engineer

Form No. MA 22
(Ref. Chapter IV D Para 4)

KERALA WATER AUTHORITY

CLAIMS REGISTER

Division :

Location Code :

Month :

Sl. No.	Name of supplier/ Description of material	S.O.R. Ref.	Qty. Receivable as per S. O. R.	Qty. Received	Shortage/ Damaged		Claim preferred on (Carrier's Name)	Claim Ref. & Date	Qty. as per claim	Value as per claim Rs.	Claim amount received Rs.
					Qty.	Value Rs.					

Divisional Accountant

Executive Engineer

FORM MA 23
(Refer Chapter IV (D) Para 2)

Original : To Purchaser
Duplicate : Office Copy
Triplicate : With Carrier

KERALA WATER AUTHORITY

No.....

To

INVOICE

Dt.....

Tender Ref. Number

S. No.	Item/Specification	Unit of MSM	Quantity	Rate	Amount
Sub-Total					
Sales Tax @					
Freight/Packing					
Transit Insurance					
SUB-TOTAL					
Advance					
Balance					

Carrier Ref :

SCRAP/OTHER SALES

Authorised Officer

Form No. MA 24
(Ref. Chapter V Para 2)

KERALA WATER AUTHORITY

Division :

REGISTER OF BIN CARDS

Location Code :

Date of Issue	Bin Card No.	Name of the Material	Code No.	Name and Designation of the Officer to whom issued	Signature of the Officer to whom issued	Date of return to Division Office	Initials of DA/EE/Remarks
1	2	3	4	5	6	7	8

Form No. MA 25

[Refer Chapter V Para 1]

KERALA WATER AUTHORITY
STOCK REGISTER OF BLANK RECORDS/FORMS

[illegible]

Form No. MA 26
(Ref. Chapter III (A) Para 1.1)

1st Copy - Supplier
2nd Copy - Stores
3rd Copy - D. O. (A.S.)
4th Copy - Audit Section (H. O.)
5th Copy - Immediate superior
6th Copy - File

KERALA WATER AUTHORITY
PURCHASE ORDER

No. :
Date :

Ref : _____

Date of Delivery : _____

Delivery Terms : Mode : Road / Rail

Place of Delivery

Sl. No.	Item/Specifications	Quantity	Rate	Value	Remark
---------	---------------------	----------	------	-------	--------

Other Terms & Conditions ;

1. Excise Duty : Not applicable/applicable (a)
2. Sales Tax : Not applicable/applicable (a)
3. Freight : Not applicable/applicable (a)
4. Packing :
5. Transit Insurance :
6. Advance :
7. Retention Money :
8. Other Terms :

Competent Authority

ARTHUR. E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-695 033

VOLUME - III

ARTHUR. E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram

REVENUE ACCOUNTING

CONTENTS

ARTHUR E
Internal Auditor I
Jala Shivan
Kerala Water Supply
Thiruvananthapuram 695 013

	PAGE NO.
I Introduction	1
II Accounting Policies	1
III Classification of consumers	2
IV Operating Systems and Procedures	3
(A) Connections	3
(B) Disconnections	5
(C) Meter Reading	6
(D) Billing	7
(E) Collection	8
V Accounting Procedures	8
(A) General	8
(B) Connection	9
(C) Billing and Collection	10
(D) Debtors	12
VI Internal Control Measures	13
VII Information System	15
Forms and Formats	16

LEGEND

Authority	:	Kerala Water Authority
Board	:	Board of Kerala Water Authority
H.O.	:	Office of the Managing Director
FM & CAO	:	Finance Manager and Chief Accounts Officer
C.E.	:	Chief Engineer
Dy. C.E.	:	Deputy Chief Engineer
G.E.	:	Superintending Engineer
E.E.	:	Executive Engineer
A.E.E.	:	Assistant Executive Engineer
F.O.	:	Finance Officers
A.E.	:	Assistant Engineer
D.O. (A.S.)	:	Divisional Office (Accounts Section).
D.A.	:	Divisional Accountant
S.S.	:	Senior Superintendent
J.S.	:	Junior Superintendent
Cashier	:	Authorised person handling Cash
ARUs	:	Account Rendering Units

CHAPTER I

INTRODUCTION

1 OBJECTIVE

The objective of the manual is to establish consistent and effective policies and procedures in order to ensure uniform practices throughout the Authority. The policies and procedures specified in the manual shall be followed unless specific exemption is otherwise granted by the Authority.

2 SCOPE

This manual covers operating systems and procedures and accounting thereof related to connection/re-connection/disconnection, billing and collection.

3 DEVIATION

Deviation shall not normally be permitted unless backed by a justifiable request for deviation clearly outlining the following :

- * Nature of Deviation
- * The reason for Deviation
- * The time span for which the deviation is required
- * The procedure that would be followed if deviation is approved.

Such request shall be submitted through proper channels to the Head Office which shall then evaluate the necessity thereof and accordingly either approve or reject the same.

4 USAGE AND CUSTODY

This manual shall be issued to and used only by those persons the Authority may deem fit and accordingly authorise. Any such person so authorised shall preserve the copy under his/her confidential custody. Upon transfer/relocation/retirement/etc., any such person shall be obliged to return the copy to the Authority.

CHAPTER II

ACCOUNTING POLICIES

1 RECOGNITION OF REVENUE

Revenue shall be recognised immediately on raising of bills and necessary provisional income shall be included in respect of water supplied and ascertained but remaining unbilled.

2 WATER SEWER TAX BY LOCAL BODIES

Water/Sewer tax chargeable by the local bodies and due to the Authority in a particular accounting period shall be considered as income of the Authority in such period. Where such sum due is not quantifiable before closing of accounts, an assessment of such income shall be made and duly considered as income

3 TREATMENT OF DEPOSITS FOR WORK

Deposits received against Water/Sewer Deposit Works shall on effective completion of such works be considered as income where assets created out of such deposits are not handed over to the depositors.

- i) Fully, where such sum in each case is less than one lakh rupees.
- ii) At a specified percentage of such deposit as the Authority shall determine in other cases.

4 PENALTIES & FINES

Penalties and fines shall normally be considered as income, as and when collected except in situations as stated in Chapter IV (E) Paragraph 3.

5 GRANTS AND SUBVENSIONS

Subsidies/Grants/Subventions received towards meeting operation and maintenance expenditure shall be considered as income pertaining to the period such receipts, relate.

6 PROVISION FOR DOUBTFUL DEBTS

In accordance with the norms/guidelines determined by the Board from time to time, extent of debts considered doubtful shall be duly provided for.

7 WRITE-OFFS

Debts considered bad and so approved by the Board shall be written off in the period so approved.

CHAPTER III

CLASSIFICATION OF CONSUMERS

1 NEED FOR CLASSIFICATION

Consumers shall be classified on the basis of tariff schedules, to facilitate billing and collection.

2 CONSUMER CLASSIFICATION

Accordingly, the consumers shall be classified as follows :

(a) Domestic Consumers :

This shall include household consumers where the end use is for domestic purpose only. For eg, Household consumers utilising water for construction purposes shall not be classified as domestic consumers.

(b) Non-domestic Consumers :

This shall include supply of water to commercial establishments such as shops, cinema theatres, offices, etc. In addition, it shall include supply of water to

- [a] household consumers, where the end use is not for domestic purpose, viz. for construction of house etc.

- (b) Government.
- (c) Industrial Consumers :
This shall include supply of water for Industrial purposes.
- (d) Local Bodies :
This shall include supply of water to
 - Panchayats
 - Municipalities/Townships
 - Corporations

CHAPTER IV

OPERATING SYSTEMS AND PROCEDURES

(A) CONNECTION

1 SALE OF APPLICATION

Application in Form RA-1 (pre-numbered to have control over receipts) shall be given to consumers desirous of having new connections. The cashier of the relevant sub-division (hereinafter cashier) on receipt of cash for the cost of application form shall handover the application form and the receipt therefor to the party.

2 RECEIPT OF COMPLETED APPLICATION

Such applications duly completed shall be received by the concerned sub-division along with the following :

- Approval of the concerned local body wherever required and
- Plan and the estimate of internal pipe laying (i.e. inwards from the metering point) prepared by a plumber licensed by the Authority for the purpose.

AEE concerned shall verify the completeness of the applications. Where such applications are not found to be in order or for other reasons cannot be entertained prima-facie (eg areas where, connections cannot be effected), the party shall be advised accordingly. Where the application is in order, the party shall be asked to pay the estimate fee to the cashier and produce cash receipt to the AEE. The AEE after noting the receipt number on the application, shall return the cash receipt to the party and shall forward such application to the AE concerned for processing.

3 NOTICE OF ESTIMATE

AE shall prepare in triplicate an estimate notice (Form RA-5) for providing connection and shall forward in duplicate through AEE to the applicant, intimating him to deposit the estimated cost of connection from the nearest road main including the applicable centage charges on such cost of connection and supervision charges on the estimated cost of internal pipe laying, in accordance with the tariff rules of the Authority for the time being in force.

4 SPECIAL DEPOSITS

Where the rules of the Authority in force require special deposits including refundable deposits to be collected from the prospective consumers eg. industrial consumers, local bodies etc., the concerned AEE shall include in the notice (Form RA-5), the amount of such deposits to be paid along with the estimated cost of connection.

5 COLLECTION OF ESTIMATED COST & DEPOSIT

The applicant shall be required to pay the estimated cost of connection to the Cashier and produce to the concerned AEE the copies of notice (Form RA-5) sent to him, along with the receipt of having paid the estimated cost. Such receipt shall be returned to the applicant, after noting the receipt number and initialling the notice (Form RA-5) in evidence thereof.

6 WORK ORDER

AEE concerned shall then prepare a work order in Form RA-6 in quadruplicate and intimate the applicant and the concerned licensed plumber of the approval of plan. A copy of such approval shall be sent to

- Applicant
- Licenced plumber
- AE concerned, for execution of work along with a copy of Form RA-5 duly approved.
- Accounts Section along with a copy of Form RA-5 duly approved, to enable opening up of a folio in Deposit Work Register (RA-7) and note the details of special deposits in DEPOSIT REGISTER (form RA-8).

7 COMPLETION ADVICE

Soon after the completion of works (example pipe laying upto the metering point in case of water supply) the concerned AE shall prepare in triplicate the COMPLETION ADVICE in Form RA-9 and issue in duplicate along with the MASA statement in Form MA-7 to the accounts section.

8 ACTUAL COST OF CONNECTION

The accounts section shall then prepare in Form RA-10, where applicable, in duplicate, the details of cost of connection including applicable centage and supervision charges from the Deposit Work Register (Form RA-7) and thus shall work-out excess of cost of connection from the road main over the estimated deposit made by the party or surplus of estimated deposit over the connection cost incurred from the road main. However, in case where the cost of connection is based on area of works done, the same shall be reckoned in computing the aforesaid cost. The completion advice of AE (Form RA-9) and Form RA-10 in duplicate shall then be forwarded after due verification to the concerned AEE.

9 INTIMATION OF COMPLETION OF WORK

The AEE concerned shall then forward to the party, where applicable Form RA-10 in duplicate, about the completion of work and request him to pay for the excess cost of connection from the road main over the estimated deposit made by him or to collect the surplus of deposit over connection cost from the road main.

10 REFUND OF SURPLUS DEPOSIT

The party shall be repaid the surplus of estimated deposit made over the cost of connection from the road main on production of advice received from the AEE (Form RA-10) to the Cashier. A receipt shall be obtained from the party in the same form.

11 FINAL PAYMENT FOR CONNECTION

The party shall be required to pay the excess cost of connection as mentioned in paragraph 9, and obtain receipt thereof and to present to the Clerk-in-charge of Deposit Work Register (Form RA-7), the same along with the duplicate copies of advises sent by the AEE (Form RA-10). Such receipt shall be returned to the party after noting the receipt number on the copies of Form RA-10 and initialling in evidence thereof. The Clerk-in-charge shall update the Deposit Work Register, and thereafter forward a copy of Form RA-10 through Superintendent, to the AEE.

12 EFFECTING CONNECTION

The AEE shall then prepare Form RA-12 in duplicate for effecting connection, a copy whereof shall be sent each to AE along with a copy of Form RA-9 and RA-10 for the purpose; and to the accounts section to open-up a folio in the Consumer Personal Ledger (CPL), (Form RA-24). The AE concerned after effecting connection, shall issue to the consumer in case of water supply, a CONSUMER'S METER CARD in Form RA-14, either to the consumer in person or through meter readers during the course of meter reading. Simultaneously, corresponding Meter Reading Card (Form RA-15) shall be prepared by AE and forwarded to the Accounts Superintendent of the relevant Section/Sub-division as the case may be.

13 RE-CONNECTION

An application [which shall be pre-numbered to have control over receipts] in form RA-2 shall be issued by the Cashier along with the receipt to the party desirous of having re-connection. The procedure of preparation of estimate, the payment of estimate and the final dues and effecting connection shall be similar to that of new connection to the extent applicable in individual cases, except that before processing application for re-connection the party shall be asked to also pay for

- * Disconnection charges, where it is not paid already.
- * Outstanding dues for water/sewer service, if any.

14 METER TESTING

An application in Form RA-3 shall be issued by the cashier along with the receipt to the party desirous of having its meter tested. The applicant shall be required to pay the meter testing charges along with Form RA-3 duly completed to the cashier who shall after issuing necessary receipt therefor to the party forward the application to the AE concerned, through AEE. The AE concerned, shall arrange to test the meter. A reserve meter shall be fixed during the course of meter testing.

(B) DISCONNECTION

1 TYPES OF DISCONNECTION

Disconnection of water supply shall be made either on

- (i) request from the party (or)
- (ii) default of contractual obligation by the party.

2 REQUEST FOR DISCONNECTION

Where a consumer requests the Authority to disconnect the water supply, an application shall be made by him to the AEE concerned (Form RA-4).

3 DISCONNECTION BY DEFAULT

Where the consumer defaults any of the conditions or rules on which connection is made and negligent of doing so after repeated warnings, the AEE concerned, after obtaining prior approval of the Municipality/Corporations/Panchayats/Other Local Authorities where such approval is required under the bye-laws of the local bodies or otherwise shall proceed with disconnection.

4 DISCONNECTION ADVICE

In either case, the AEE shall issue two copies of disconnection advice to the AE concerned and one copy to the consumer concerned, in Form RA-13.

5 NOTING IN CONSUMER PERSONAL LEDGER

AE concerned after receiving the disconnection advice, shall disconnect the supply of water and record the fact on the disconnection advice. A copy of such advice shall be forwarded to the accounts section, who shall then record the details of disconnection in the consumer personal ledger. Steps should be taken in the meanwhile to collect the dues from the consumer.

(C) METER READING

1 PLANNING AND PROGRAMME OF METER READING

The planning for meter reading shall be done by AE atleast every quarter. The meter reading programme shall be prepared in triplicate by AE, of which one copy shall be forwarded to the meter reader and one copy shall be forwarded to the accounts section.

2 SUPPLY OF METER READING CARDS

Superintendent of the accounts section, shall on receiving copy of such programme, pick-up the relevant 'Meter Reading Cards' which shall be in form RA-15 (a card similar to that of consumer's meter reading card) and hand over the relevant cards to the meter readers every evening in respect of next day's programme,

3 METER READING PROCEDURE

Meter readers shall then proceed to read the meters in accordance with the programme. The meter readings shall be recorded on

METER READING CARD (Form RA-15) available with the meter reader

CONSUMERS METER CARD (Form RA-14) available with the consumer.

in the presence of consumer. The consumer's meter card shall be returned to the consumer. Where during the course of meter-reading it is found that meter is not working or where the meter is not accessible for some reason or other (such as locked house), the meter reader shall write on the meter reading card as "METER NOT WORKING" or "METER NOT ACCESSIBLE", as the case may be. The cards shall be returned to the Superintendent every evening.

(D) BILLING**1 BILLING PERIOD**

Billing process shall commence:

(a) In case of consumer whose billing is based on quantity of water consumed (hereinafter called metered consumers) immediately after meter reading.

(b) In case of others at billing intervals as may be prescribed by the Authority.

2 BILLING PROCESS

In case of metered consumers, the concerned Superintendent, on receipt of completed meter reading cards, shall distribute them to the concerned Clerks for billing. The completed bill in triplicate (Form RA-16) except for the details of arrears shall be forwarded to the Clerk-in-charge of CONSUMER PERSONAL LEDGER (CPL) (Form RA-24.) The Clerk-in-charge of CPL shall, after updating the ledger and noting the details of arrears on the bills, return the completed bills to the Superintendent. The Superintendent who shall be responsible for the accuracy in billing shall, arrange to despatch/send bills (in duplicate) to the consumers.

In case of other consumers, the billing clerk shall bill the consumer at prescribed billing intervals and in case of local bodies, billing of maintenance charges shall be based on "Register of Maintenance Charges", which shall be in Form RA-35. (which shall contain inter-alia all elements to arrive bill value and its basis). Forward the bill (Form RA-16) in triplicate to the Clerk-in-charge of CPL, who shall after updating consumer personal ledger and detailing arrears on bill return the completed bills to the Superintendent, as aforesaid who shall send the bills in duplicate to the consumers. An abstract of Form RA-35 shall be sent to the respective circle, region and Head Office on monthly basis, showing scheme-wise expenditure, in similar form.

3 BILLING OF TAX COLLECTED BY THE LOCAL BODIES

Water, Sewer tax chargeable by the local bodies and due to the Authority in a particular accounting period shall be billed in accordance with the terms of statute or agreement between the Local Bodies and the Authority

4 BILLING FOR MAINTENANCE

Details of all maintenance work undertaken from the distribution main upto the metering point shall be reported by AE to the accounts section in R & M ADVICE (Form RA-11). Accounts section shall then bill the consumer in the next billing period, by noting/markings on the Remarks column of METER READING CARD (Form RA-15).

5 BILLING ADJUSTMENT VOUCHER

On receipt of consumer complaints relating to billing, the concerned AE shall after verifying the facts, issue an adjustment voucher in form RA-17 in duplicate to the consumer after effecting necessary adjustment in the Consumer Personal Ledger (Form RA-24).

6 BILLING CERTIFICATE

In between billing cycles if the consumers represent that the bills have been lost and or not received then upon such request, two copies of 'Billing Certificate' in Form RA-18 shall be issued to such consumers. In no case duplicate bill shall be issued.

(E) COLLECTION

1 AUTHORITY FOR COLLECTION

Revenue shall be collected only at the authorised collection centre of the section/sub-division, as the case may be, by persons specified to do such acts namely, cashier/Bill Collector.

2 MODE OF COLLECTION

The collection shall only be either by cash in person or by demand drafts/cheques either in person and/or by post or by Money Order. In addition, in case of consumers other than Domestic and Non-Institutional non-domestic on a selective basis cheques may be accepted in person or by post.

3 COLLECTION PROCEDURE

Revenue shall be collected as aforesaid along with the following save in case of receipt by money order.

- copy of the bill sent to the consumer (Form RA-16) or
- certificate of billing (Form RA-18) and/or
- Billing adjustment voucher (Form RA-17).

However, for all revenue collected, receipt shall be prepared in Form RA-19 and shall be handed over to the consumers when they come in person.

The cheques/demand drafts received by mail shall be routed through Superintendent along with the bill or certificate of billing where relevant to Cashier/Bill Collector. The Cashier/Bill Collector shall obtain the bill/certificate of billing from the Superintendent related to receipt of money order. This shall be necessary to facilitate preparation of receipt as stated above.

Where the payment for the bill is received after maximum period prescribed by the Authority, by cash, the Cashier/Bill Collector shall normally accept the remittance including the quantum of fines and penalties leviable at that time as ascertained and recorded by the billing clerk on the bill.

Where the payment for bill is received by Cheques/Demand Drafts in person/by post and by money order, the Cashier/Bill Collector shall ensure that the quantum of penalties and fines is caused to be included in the Meter Reading Card to enable it being billed in the next cycle.

CHAPTER V ACCOUNTING PROCEDURES

(A) GENERAL

1 RECEIPT PROCEDURES

A receipt

- (i) in Form RA-19 for all revenue collections
- (ii) in Form RA-20 for all other collections.

shall be issued by the Cashier/Bill Collector for all cash/cheque/demand drafts collections.

A revenue stamp shall be affixed and duly signed on all receipts exceeding twenty rupees. The receipt shall then be handed over to the party/consumer tendering cash/cheque/demand draft.

(B) CONNECTION**1 MISCELLANEOUS RECEIPTS**

Money received towards

- sale of application forms and
- estimate fee

shall be accounted as Miscellaneous Income-Others (Account Code 7299).

2 RECEIPT OF DEPOSIT FOR ESTIMATED COST

Money received against Form RA-5 shall be accounted as follows :

Deposit for cost of connection	2761 to 2779
Centage Charges	6511
Supervision Charges	6513
Special Deposits (Refundable)	2741 to 2756
- and against Form RA-10 as follows :	
Final settlement	2761 to 2779
Centage charges	6511

3 DEPOSIT WORK REGISTER (Form RA-7)

The relevant accounts section shall

1. On receiving Form RA-5 open up a folio and shall enter details of estimated cost of connection, including applicable centage and supervision charges.
2. On receiving Form RA-9 along with MA-7 record the details of actual cost of connection
3. On receiving Form RA-10 after final payment/receipt update the folio

4 METER TESTING CHARGES

Money received towards meter testing charges along with Form RA-3 shall be accounted under the head "Meter Testing Charges from domestic consumers/non-domestic consumers, industrial consumers" (Account Code 6112/6212/6412 as applicable).

5 TRANSFER OF DEPOSITS TO RESERVE

In relation to the accounting policy on 'treatment for deposits for work' (Refer Chapter II para 3) the sub-division shall periodically report to the division, details of work completed in Form RA-29. The division in turn shall consolidate the same in Form RA-29 and forward them to the Head Office. The Head Office shall, on receiving such Form RA-29, record the details in DEPOSIT WORK RESERVE REGISTER in Form RA-27 as follows :

- * in column 5A the total of actual cost of connection which are less than one lakh rupees in each case.
- * in column 5J, the actual cost of connection which are greater than or equal to one lakh rupees in each case.

The Head Office in addition, shall pass journal entries crediting "Reserve for Deposit Work" (Account Code 2115) and debiting appropriate Deposit Work Account (Code 2761-2779).

6 TRANSFER OF RESERVE TO INCOME

Head Office shall thereafter

- * total up each column of 'deposit work reserve register' (Form RA-27)
- * divide each column by the number of years specified in it (i.e. the number of years for which reserve shall be carried over). This would be the amount to be credited to appropriate income account by debiting the reserve for deposit work (account code 2115) by a journal entry.
- * transfer the balance (i.e. total minus amount transferred to income) in 'Nth' column of old register to '(N-1) th' column of new register viz., amount in 6 year column of the old register to 5 year column in the new register and so on.

7 DEPOSIT WORK ON BEHALF OF OTHERS

Where the deposit work is undertaken on behalf of the party and hence have to be handed over to him on completion, the details of Assets to be handed over (including the cost of assets) shall be reported by the Division to Head Office in Form RA-36, immediately on completion of work as mentioned in works and fixed assets accounting manual (Volume IV Chapter III B para 4).

Head Office shall upon receipt of details of completed Deposit Works of Others in Form RA-36 pass the journal entry by debiting appropriate deposit account and crediting appropriate capital work-in-progress account (Account Codes 111 to 1189, as applicable).

(C) BILLING AND COLLECTION

1 CONSUMER PERSONAL LEDGER (CPL)

The relevant accounts section shall

- | | |
|--|---|
| 1. on receipt of Form RA-12 | open up a folio |
| 2. on receipt of bill (Form RA-16) in triplicate | update CPL with charges |
| 3. on receipt of money | update CPL with collection |
| 4. on dishonour of cheques | update CPL with details of dishonour |
| 5. on receipt of write-off order Form RA-26 | Write off balances in CPL to the extent authorised |
| 6. on receipt of Disconnection Advice RA-13 | Record the fact in CPL and close the same after adjusting for final dues. |
| 7. on receipt of Billing Adjustment Voucher (Form RA-17) | update CPL with + / - adjustment amount only. |

2 ANALYSIS

The relevant accounts section shall periodically analyse the aforesaid CPL to furnish on a monthly basis information detailed in Form RA-25. The Division shall cause to ensure monthly collection of the same from sub-divisions for consolidation purposes and reporting of the same to Head Office for necessary accounting. Such information flow from section to Sub-division to Division and thereafter as aforesaid shall be in the same Form RA-25.

3 RECEIPT OF CHEQUES/DD's

Cheques/Demand Drafts received shall be properly recorded in the cheque register in Form RA-21 before forwarding to the Cashier (for receipt preparation) and thereafter for banking purposes to ensure control.

4 GRANTS AND SUBVENSIONS

Grants and Subvensions received shall be properly accounted under appropriate account head (codes 7241 to 7245).

5 CASH VERIFICATION

The Superintendent shall verify the cash on hand with reference to the grand total of the cash scroll (Form RA-22). He shall cross-verify the grand total with reference to the total of receipts issued.

Where cash on hand is found to be in excess or deficit, then the receipt book shall be verified with reference to the paid bills/billing adjustment voucher/billing certificate as the case may be. The surplus/deficit still unresolved shall be recorded in a SURPLUS DEFICIT REGISTER which shall be in Form RA-23. Surplus/Deficit of cash shall be adjusted in accordance with the rules of the Authority (Refer Cash & Bank Manual).

After verification of cash, as per aforesaid procedure, the Superintendent shall collect from the cashier the paid bills, and distribute the same to the concerned Ledger Clerks.

The collection centre shall forward the cash, cheque/DD's along with the collection summary in Form RA-34 (in duplicate) to the sub-division for banking purposes.

6 ACCOUNTING IN SUB-DIVISION

The sub-division shall acknowledge the receipt of cash, cheques/DD's in the duplicate copy of such collection summary. Such receipts shall be accounted in the cash book in control account-collection (account code-9211).

7 ACCOUNTING OF DIRECT COLLECTION

The procedure outlined in the preceding paragraph shall be adopted in the case of direct collection by sub-division themselves as well.

8 RETURN/DISHONOUR OF CHEQUES

In case any cheque is returned or dishonoured for any reason, the sub-division shall arrange to send back such cheques where relevant to the section collection centre, where from it was initially received, after accounting in the cash book (Account Code 9211).

The concerned collection centre shall note the details of cheque returned in the remarks column of Consumer Personal Ledger and then shall once again write the details of billing and charges of the relevant bill, under charges column.

(D) DEBTORS**1 FEATURE OF ACCOUNTING**

Accounting for debtors shall be done at Head Office. The division shall account the receipts as collections in the cash book. However, all records and registers shall be maintained at the sub-division/section.

2 MAINTENANCE OF CONSUMER PERSONAL LEDGER

The Consumer Personal Ledger shall be updated based on bills raised and receipt, by the Section/Sub-division.

3 HEAD OFFICE ACCOUNTING

Head Office shall on receipt of Demand, Collection, Balance Form RA-25 shall pass the journal entry.

- * Debiting Sundry Debtors (account codes 1411-1416) and crediting appropriate income codes (account codes 6111 to 6423) in respect of billing.
- * Debiting Control Account - Collection account code 9211) and crediting appropriate Sundry Debtors (account codes 1411-1416) and Penalties and Fines recovered (account code 7211) to the extent of amount specified in charges and Penalties and Fines column respectively.
- * Debiting Sundry Debtors Account (Account Code 1411-1416) and crediting Control Account - collection (Code 9211) in respect of cheques dishonoured.

In specific, all the journal entries to be passed at Head Office, including the above, have been detailed and summarised in the Final Accounts Manual, and shall, if need be, referred accordingly,

4 RECONCILIATION OF CONSUMER PERSONAL LEDGER

The balances in the consumer personal ledger shall be periodically extracted and shall be reconciled with the balance as per general ledger account codewise. in order to check the accuracy of accounting at Head Office as well as divisional/sub-divisional level.

5 ACCOUNTING FOR PROVISIONS

The provision for doubtful debtors shall be made at the Head Office as per the norms prescribed by the Board. The relevant journal entry shall be passed at Head Office under the instruction of proper authority as prescribed by the Board.

6 WRITE-OFF ACCOUNTING

The write-off instruction (Form RA-26) shall be issued only by a person/official authorised by the Board. Such write-off shall be as per the norms prescribed by the Authority. The authorised person shall periodically review the position of bad and doubtful debts details of which shall be periodically sent by the Divisions Sub-divisions for further action to be taken.

7 UPDATING CONSUMER PERSONAL LEDGER WITH WRITE-OFF

The Division/Sub-division, on receipt of write off order in form RA-26 shall enter in the consumer personal ledger the details of write offs. To that extent, the balance in the consumers' account shall be reduced.

8 PROVISION FOR UNBILLED INCOME

At the year end, all sub-divisions shall send the value of water supplied/sewage disposed for which bills are yet to be raised (such details to be obtained from sections and consolidated) in Form RA-37, to the Division, where the same shall be consolidated for the entire Division in similar form and sent to the Head Office.

CHAPTER VI

INTERNAL CONTROL MEASURES

1 AREAS OF INTERNAL CONTROL

Internal Control measure pertaining to the revenue accounting including connection/disconnection procedure, shall primarily cover the

- i) Authorisation of work-order for new connection
- ii) Billing, and
- iii) Collection

2 CONTROL ON WORK

Control over the authorisation of work order is most important as it involves capital cost. It is therefore essential that in no case the estimate advice (Form RA-5) be forwarded by the cashier after receiving cash/cheque/DD to the AEE but the party personally hands it over to the AEE along with original cash receipt (which shall be returned immediately to the party after noting and verifying the receipt particulars). Similarly, excess of cost of connection over the estimated deposit shall be paid to the cashier but in no case the advice (Form RA-10) be forwarded by the cashier to AEE. Instead the party shall personally handover such advice along with original receipt (which shall be returned immediately after noting the receipt particulars on the advice). In absence of any pre-audit, this procedure shall ensure that no work-order is issued without receiving the estimated deposit or no connection is effected without receiving the differential cost due from the party.

3 ISSUE OF MATERIALS

Issue of materials to AE in connection with a work order shall be authorised by AEE with reference to the work order and technical needs. Material requisition (indent) in excess of the estimate shall properly be justified by the AE concerned, which shall be checked personally by the AEE concerned.

4 FINAL DUES

Computation of final dues on the completion advice (Form RA-10) shall be verified by the Supervisor, before forwarding it to AEE concerned,

5 CONTROL OVER BILLING

Control over billing includes control over meter reading. The jurisdiction of meter readers shall frequently be changed. In addition, the following control shall be observed:

- i) billing is done by a person other than meter reader, ledger clerk (he shall atleast be not responsible for maintenance of ledgers of the account to be billed) and Cashier.
- ii) Cashier/Bill Collector shall not have any access to the CPL.
- iii) The computation of bills shall be verified by the Supervisor, before issue to the consumer.
- iv) Time lag between meter reading and billing being constantly monitored.
- v) Again, time lag between billing and entry in the ledger being constantly monitored.

6 GENERAL

- i) Number of persons handling Cash/Cheques/DD' s shall be restricted.
- ii) The responsibilities shall be clearly defined.
- iii) Cashier/Bill Collector shall not open any incoming mail.
- iv) There shall be a register for noting the details of incoming mails and the contents.
- v) Cashier/Bill Collector shall tender proper security or shall extend a fidelity bond or otherwise as the Board may prescribe from time to time.
- vi) Superintendent shall physically verify the cash at the end of the day with the total as per cash scroll.
- vii) There shall be periodic surprise cash counts.
- viii) Cash/Cheques/DD' s collected shall be paid immediately into the non-operative account.
- ix) Bank pay-in-slips shall normally be made by a person other than Cashier/Bill Collector.
- x) Payments into bank shall normally be made by a person other than who is responsible for preparing bank pay-in-slips.
- xi) Bank accounts shall be regularly reconciled with the books.
- xii) There shall be periodic review of outstanding balance in the Consumer Personal Ledger.
- xiii) Proper security arrangements and insurance shall be effected to cover cash on hand at premises. The adequacy of such insurance shall be periodically reviewed.

CHAPTER VII**INFORMATION SYSTEM**

The forms summarised in the following Table shall form part of the Information System from the Divisions to the Head Office Region and Circle Offices.

Sl. No.	Description of Form	Form No.	Periodicity
1.	Demand, Collection, Balance	RA 25	Monthly
2.	Water/Sewer connection work order Issue Report	RA 28	Monthly
3.	Water/Sewer connection work completion Report	RA 29	Monthly
4.	Connections statistics	RA 30	Monthly
5.	Status of Meter Reading/Billing etc.	RA 31	Monthly
6.	Age Analysis of Sundry Debtors	RA 32	Quarterly
7.	Bad and Doubtful Debts report	RA 33	Monthly
8.	Abstract of Register of maintenance charges	RA 35	Monthly
9.	Statement of completed Deposit work of others	RA 36	Monthly
10.	Details of unbilled Income at the year end	RA 37	Annual

FORMS AND FORMATS

Sl. No.	TITLE	No
1.	Application for connection	RA 1
2.	Application for re-connection	RA 2
3.	Application for meter testing	RA 3
4.	Application for disconnection	RA 4
5.	Provisional approval notice	RA 5
6.	Water/Sewer connection work order	RA 6
7.	Deposit Work Register	RA 7
8.	Deposit Register	RA 8
9.	Water/Sewer connection completion advice	RA 9
10.	Water/Sewer connection completion notice	RA 10
11.	Repair and maintenance advice	RA 11
12.	Connection Order	RA 12
13.	Disconnection Advice	RA 13
14.	Consumer's meter card	RA 14
15.	Meter Reading Card	RA 15
16.	Bill	RA 16
17.	Billing Adjustment Voucher	RA 17
18.	Certificate of Billing	RA 18
19.	Receipt (Revenue)	RA 19
20.	Receipt (Others)	RA 20
21.	Cheque Register	RA 21
22.	Revenue Collection Scroll	RA 22
23.	Surplus/Deficit Register	RA 23
24.	Consumer Personal Ledger (CPL)	RA 24
25.	Demand Collection balance	RA 25
26.	Write-off Order	RA 26
27.	Deposit Work Reserve Register	RA 27
28.	Water/Sewer connection work order issue report	RA 28
29.	Works Completion Report	RA 29
30.	Connection Statistics	RA 30
31.	Status of meter reading/billing etc.	RA 31
32.	Age Analysis of Sundry Debtors	RA 32
33.	Bad and Doubtful Debts report	RA 33
34.	Collection Summary	RA 34
35.	Register of Maintenance Charges	RA 35
36.	Statement of completed Deposit Work of Others	RA 36
37.	Details of unbilled income at the year end	RA 37

FORM RA 1

Refer Chapter IV (A) Para 1

KERALA WATER AUTHORITYAPPLICATION FOR WATER SEWER PERMANENT/CASUAL NEW CONNECTION

1. Name : _____
2. Address : _____
3. House No: _____
4. Details of Licenced Plumber
for Internal Pipe laying.
 - a) Name: _____
 - b) Address : _____
 - c) Licence No : _____
5. Consumer category : DOMESTIC/NON DOMESTIC
INDUSTRIAL/PANCHAYAT/
MUNICIPALITY/
CORPORATION/
6. Division _____
Sub-Division _____
7. Other Particulars _____

I here by agree to the rules and conditions of Authority
for connection.

Date _____

Signature. _____

APPROVAL OF LOCAL BODY

Above application may be considered
Subject to _____

Date _____

Signature/Seal
of Local Body**INTIMATION TO THE APPLICANT**

Kindly pay estimate fee of Rs. _____
to the Cashier and submit this application to the undersigned along with receipt.

Date _____

Assistant Executive Engineer

For Office Use only

- | | | | |
|----------------------|----------|------------------|----------|
| 1. Estimate Fee : | Rs. | Receipt No. | dt. |
| 2. Estimated Deposit | Rs. | Receipt No. | dt. |
| 3. Special Deposit | Rs. | Receipt No. | dt. |
| 4. Final Payment | Rs. | Receipt No. | dt. |

FORM RA-2

Refer Chapter IV (A) Para 13

KERALA WATER AUTHORITY

No _____

APPLICATION FOR SEWER / WATER RECONNECTION**DOMESTIC/NON DOMESTIC/INDUSTRIAL/PANCHAYAT/MUNICIPALITY CORPORATION**

1. Name : _____
2. Address : _____
3. House No: _____
4. Details of Previous Connection _____

5. Details of Licenced Plumber for Internal pipe laying
 - a) Name _____
 - b) Address _____

 - c) Licence Number _____
6. Division _____
Sub-Division _____
7. Other Particulars _____

I here by agree to the rules and conditions of the Authority for connection.

Date _____

Signature _____

NOTIFICATION TO THE APPLICANT

Kindly pay estimate fee of Rs _____ to the cashier and submit this application to the undersigned along with receipt.

Date _____

ASST. EXECUTIVE ENGINEER**FOR OFFICE USE ONLY**

- | | | | |
|----------------------|-----------|-------------------|-----------|
| 1. Estimate Fee of | Rs. _____ | Receipt No. _____ | dt. _____ |
| 2. Estimated Deposit | Rs. _____ | Receipt No. _____ | dt. _____ |
| 3. Special Deposit | Rs. _____ | Receipt No. _____ | dt. _____ |
| 4. Final Payment | Rs. _____ | Receipt No. _____ | dt. _____ |

FORM RA-3

Refer Chapter IV (A) Para 14

KERALA WATER AUTHORITY

Number: _____

APPLICATION FOR METER TESTING

1. Name _____ Consumer Class: _____
2. Address _____
3. Meter Number _____
4. Consumer Number _____
5. Division _____
Sub Division _____
6. Meter testing fee paid Rs. _____
7. Reason for request _____

8. Other Particulars _____

Date _____

Signature of
Applicant**FOR OFFICE USE ONLY**

Forwarded to AE _____ for meter testing

Date _____ ASST. EXECUTIVE ENGINEER

Reserve Meter No _____ fixed on _____
with reading _____

Date _____ ASST. ENGINEER

Meter tested and found working/other reasons

Date _____

ASST. ENGINEER

FORM RA-4

(Refer Chapter IV (B) Para 2)

KERALA WATER AUTHORITY

Number _____

APPLICATION FOR DISCONNECTION

1. Name _____
2. Address _____
3. Consumer No. _____ Meter No. _____
4. Consumer Class _____
5. Division _____
Sub Division _____
6. Reasons for Request _____

7. Other Particulars _____

Date _____

SIGNATURE

INTIMATION TO THE APPLICANT

Kindly pay Disconnection fee of Rs. _____ to the
Cashier & submit this application to the undersigned along
with receipt.

Date _____

Asst: Executive Engineer

Paid vide Receipt No. _____ Dt. _____

FOR OFFICE USE ONLY

Forwarded to AE for effecting disconnection

Date _____

Asst: Executive Engineer

Disconnection effected on _____

Date _____

Assistant Engineer

KERALA WATER AUTHORITY

PROVISIONAL APPROVAL NOTICE

Name..... Date

Address

With reference to your application number... dt. for permanent/casual water/sewer connection, you are requested to remit to this office during office hours on any working day, the following estimated amount. Latest byalong with both the copies of this notice failing which the approval shall stand cancelled.

	Rs.	Ps.
1. Material Cost		
2. Labour for laying & jointing pipes & fittings		
3. Cutting & making good		
4. Masonry work		
5. Erecting charges		
TOTAL		
6. Centage charges		
7. TOTAL		
8. Length of Line mts.		
9.		
10.		
11. Supervision charges		
12. Deposit (Refundable)		
13. Total amount to be remitted		

Please note that this is only as estimate and that actual cost of pipe laying will be charged to you and necessary adjustments will be made on completion of work.

Yours, faithfully

ASSISTANT EXECUTIVE ENGINEER

FOR OFFICE USE ONLY

Receipt No.

Date Amount Rs.....

FORM RA-6

Refer Chapter IV (A) Para 6

ORIGINAL TO AE
 DUPLICATE TO ACCOUNTS SECTION
 TRIPLICATE TO LICENCED PLUMBER
 QUADRUPLICATE TO PARTY

KERALA WATER AUTHORITY

WATER / SEWER CONNECTION WORK ORDER

No.....

Name.....

Address

.....House No.....

Application No..... Dated

It is informed that above application for permanent / casua
 water/sewer connection is approved and the work may be
 executed accordingly.

Date.....

.....
 Asst: Executive Engineer

Remarks.....

.....

.....

FORM RA-7

[Chapter IV (A) Para 6, 8 & 11]

KERALA WATER AUTHORITY

DEPOSIT WORK REGISTER

Division _____ Sub Division _____
Work Order Number _____ Estimated Cost _____
Name _____ Estimated Centage _____
Address _____
Date of commencement _____ Completion _____

Date	Particulars	REF	AMOUNT	DATE	RECEIPT No.	AMOUNT
	MATERIAL					
	LABOUR					
	CENTAGE					
	TOTAL				TOTAL	
Balance Due From Party _____			Balance Due to Party _____			
Received vide Receipt No. _____ Dt. _____			Paid vide VR No _____ Dt. _____			

(Refer Chapter IV (A) Para 6)

DEPOSIT REGISTER

ACCOUNT CODE: _____

[illegible]

FORM RA-9

(ORIGINAL DUPLICATE) Accounts

[Refer Chapter IV (A) Para 7]

TRIPLICATE-File Copy

KERALA WATER AUTHORITY

Water / Sewer Connection Completion advice

Work order No.....Date.....

Name.....

Consumer No.....

It is informed that above work-order issued by the Assistant

Executive Engineer on.....

has been completed on.....

and the cost of labour works to Rs

ASSISTANT ENGINEER

FORM RA-10
(Refer Chapter IV (A) Para 8, 11)

(ORIGINAL / DUPLICATE) Party
TRIPLICATE FILE COPY

KERALA WATER AUTHORITY

WATER / SEWER CONNECTION WORK COMPLETION NOTICE

Name.....Date.....

Address.....

Work order Number.....

Consumer Number.....

Reference number.....

This has reference to your application No.....dated.....in connection with permanent / casual water / sewer connection and your subsequent deposit of Rs.....vide receipt number.....for connection. The work now stands completed and the actual cost of connection amounts to Rs.....is detailed below including the amount due from/to you.

Sl. No.	Actual cost	Amount
1. Material		
2. Labour for laying and joining pipes and fittings		
3. Cutting and making good		
4. Masonary work		
5. Erection charges		
6. TOTAL		
7. Centage charges		
8. TOTAL COST OF CONNECTION		
9. Length of Line		
10.		
11.		
12. Estimated deposit made		
13. Balance due from you		
14. Balance due to you		

The balance may be remitted / collected from this office on any working day, latest by.....along with both copies of this advice.

SUPERVISOR

ASST. EXE. ENGINEER

EXE. ENGINEER

FOR OFFICE USE ONLY

Paid Rs.....Vide receipt No.....Dated.....

FORM RA-11

ORIGINAL ACCOUNTS

(Refer Chapter IV (D) Para 4)

DUPLICATE FILE COPY

No : **KERALA WATER AUTHORITY**

Division.....Sub Division.....

R & M ADVICE

Name.....House No.....

Address.....Con. No.....

Domestic / Non - Domestic / Industrial / Local Body /

Brief Details.....

Sl. No.	Particulars			Amount
	Material	Quantity	Rate	
	Labour			
	Total			
	Centage Charges			
	Amount to be Billed			

Billing Clerk

Supdt

Assistant Engineer

FORM RA-12

ORIGINAL TO AE

Refer Chapter IV (A) Para 12

DUPLICATE TO ACCOUNTS SECTION

KERALA WATER AUTHORITY

CONNECTION ORDER

Ref :

Water supply may be effected to Sri/Smt/Miss.....

..... at

..... bearing work order No

..... and consumer No.....

Date

Asst. Executive Engineer

FORM RA - 13
(Refer Chapter IV (B) Para 4)

Original To AE
Duplicate To Consumer
Triplicate To Accounts Section

KERALA WATER AUTHORITY

DISCONNECTION ADVICE

Ref:

It is informed that disconnection of water supply may be effected to the consumer.

Name.....

Address.....

.....

Consumer No.....

For the following reasons

Date _____

Asst. Executive Engineer

Approval of local body
(wherever applicable)

Date:

Signature and Seal of local body

[Refer Chapter IV (A) Para 12
Chapter IV (C) Para 3

Consumer No..... House No.....
Name..... Meter No.....
Address..... Initial Reading.....

FREE ALLOWANCE/MONTH.....KL/P.M

Date	Meter Reading	Consumption in KL	Initials of Meter Reader	Remarks & Initial of Inspecting Officer

Work Supdt.

ASSISTANT ENGINEER

FORM RA-15

(Refer Chapter IV (A) Para 12

Chapter IV (C) Para 3

KERALA WATER AUTHORITY

METER READING CARD

Consumer No.....

House No,.....

Name.....

Meter Number.....

Address.....

Initial Reading.....

Date of Connection.....

Free allowance.....KL/P.M

Date	Meter Reading	Consumption in K. L.	Meter Not working	Meter not Accessible	Initial of Meter Reader	Remark & initial of Inspecting Officer	Date	Meter Reading	Consumption in K. L.	Meter Not working	Meter Not Accessible	Initial of Meter Reader	Remark & Initial of Inspecting Officer

Assistant Engineer

Original To Party
Duplicate To Party
Triplicate Office Copy

BILL No.

Date:

Name.....

Meter No.....

Address.....

Consumer Number

[illegible]

Free Allowance per month

K L

Period of Billing

From

To

I Present Reading

Previous Reading

Quantity Consumed

Free allowance, if any

Chargeable Quantity

II METER NOT WORKING

METER NOT ACCESSIBLE

Period for which average Billing is done

Average Chargeable Quantity

KL

DETAILS OF AMOUNT TO BE REMITTED

Water Charges	@	/KL
Service Charges	@	/month
Water Tax	@	
Sewer Charges	@	/month
Sewer Tax	@	
Maintenance Charges		
Other Charges		
Total Bill		
Arrears Due (period..... to.....)		
Total Charges Due		
Penalty & Fine		
Amount To be Remitted		

[illegible]

Billing Clerk

Ledger Clerk

Cashier / Bill Collector

Assistant Engineer.

FORM RA-17
(Refer Chapter IV (D) Para 5)

Original to Consumer
Duplicate to Consumer
Triplicate Office Copy

KERALA WATER AUTHORITY
BILLING ADJUSTMENT VOUCHER

No:

Name

Consumer No.

Dt:

Address

Bill No. Ref:

DOMESTIC / NON-DOMESTIC / INDUSTRIAL / LOCAL BODY

1. Quantity Billed actual / average
2. Quantity to be Billed actual / average
3. Excess / Under charge Qty.

DETAILS OF AMOUNT TO BE REMITTED

Water Charges	AMOUNT BILLED	ADJUSTMENT	CORRECT BILLING
Service Charges			
Water Tax			
Sewer Charges			
Sewer Tax			
Maintenance Charges			
Other Charges			
Arrears (Period—To—)			
Penalties & Fines			
Amount to be Remitted			

Clerk

Supt.

Cashier
Bill collector

Asst. Exe Engineer

KERALA WATER AUTHORITY
CERTIFICATE OF BILLING

Date:

Ref: No. _____

Name _____ Consumer No. _____

Address _____

Period of Billing From _____ To _____

Domestic / Non-Domestic / Industrial / Local Body

Bill No. Issued Ref: _____ Dt _____

- I (1) Present reading _____
(2) Previous reading _____
(3) Quantity consumed _____ KL
(4) Free Allowance _____ KL
(5) Chargeable Quantity _____ KL

- II Meter Not Working / Meter Not Accessible
Period for which average billing is done _____
Average chargeable quantity _____ KL

DETAILS OF AMOUNT TO BE REMITTED

	AMOUNT	Rs.	Ps.
Water charges @ /KL			
Service charge p. m.			
Water Tax			
Sewer charge @ p. m.			
Sewer Tax			
Maintenance charges			
Other charges			
Arrears			
Total Charges due			
Fines and penalties			
Amount to be remitted			

Ledger Clerk

Supt:

Cashier/Bill Collector

Asst. Exe. Engineer

FORM RA-19
Refer Chapter V (A) Para 1

Original To Consumer
Duplicate Office Copy

KERALA WATER AUTHORITY

RECEIPT

No:.....

(For Water / Sewer / Maintenance charges only)

Received with thanks from Sri./Smt./Miss.....

Consumer No..... Rupees..... (In words.....

.....) in cash / by cheque /

Demand Draft No..... drawn on.....

bank..... branch towards water / sewer / maintenance

charges against bill No. (s).....

Revenue
Stamp

Date

Cashier

Bill Collector

FORM RA-20
Refer Chapter V (A) Para 1

Original To Party
Duplicate Office Copy

KERALA WATER AUTHORITY

RECEIPT

No.....

Received with thanks from M/s. / Sri. / Smt. / Miss.....

Rupees.....in words:.....

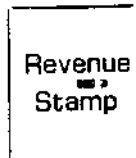
in cash / by cheque / Demand Draft No.....drawn on.....

.....Bank.....Branch

towards.....

.....

Date:.....



Cashier

(Refer Chapter V [C] Para 3)

CHEQUE REGISTER

FOLIO:

[illegible]

FORM RA-22

Refer Chapter V (C) Para (5)

KERALA WATER AUTHORITY

REVENUE COLLECTION SCROLL

Date.....

Sl. No.	Name	Consumer Number	Bill Ref.	Receipt Number	Amount	Remarks

Verified by Superintendent

Cashier / Bill Collector

SURPLUS/DEFICIT OF CASH COLLECTION REGISTER

[illegible]

Consumer No. :
Name :
Address :
Opening Reading :

Date of Connection :

Domestic/Non-Domestic/Industry
Panchayat/Municipality/Corporation
Free Allowance

[illegible]

FORM RA-25
(Refer Chapter V (C) Para 2)

Original : Division/Circle
Duplicate : Region/Head Office
Triplicate : FM & CAO in advance
of monthly accounts
Quadruplicate : File Copy

KERALA WATER AUTHORITY

Sub-Division:..... Division:.....

DEMAND COLLECTION BALANCE

Period : From..... To.....

Consumer Class	Opening Balance	Billing									Collection	Cheques Returned/ dishonoured	Closing Balance	Unbilled fines and Penalties collected
		Water Charges	Service Charges	Water Tax	Sewer Charges	Sewer Tax	Maintenance Charges	Fines & Penalty	Other Charges	Total	Charges			
Domestic														
Non-Domestic														
Industrial														
Panchayat														
Municipality														
Corporation														
TOTAL														

Details of other charges by billing (Account Code wise)

- 1) _____
- 2) _____
- 3) _____
- 4) _____

Superintendent/
Divisional Accountant

Original to H.O.
Duplicate to H.O.
Triplicate to Sub Division/Section

WRITE OFF ORDER

Division.....Sub-Division.....

Sl. No.	Consumer number	Consumer class	Name	Account Code	Amount

AUTHORISED OFFICER & SEAL

ORM RA-27
(Refer Chapter V (B) Para 5)

KERALA WATER AUTHORITY
DEPOSIT WORK RESERVE REGISTER

[illegible]

WATER
SEWER CONNECTION WORK - ORDER ISSUE REPORT

Period From..... To.....

Date :

Executive Engineer
Asst. Executive Engineer

FORM RA-29
(Refer Chapter VII Para 3)

Original to Division / HO account
Duplicate to Division / HO
Triplicate File Copy

KERALA WATER AUTHORITY
WATER SEWER WORKS COMPLETION REPORT

Sub Division.....

Division.....

Period from.....

To.....

Sl. No.	Work order No. Name of Sub-Division	Date Commencement	Date of Completion	ACTUAL COST OF CONNECTION														Reasons Remarks
				Less than one lakh rupees						Greater than one lakh rupees								
				Domestic	Non-Domestic	Industrial	Panchayat	Municipality	Corporation	Domestic	Non-Domestic	Industrial	Panchayat	Municipality	Corporation	Estimated Cost of connection	Variation	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19

Date

Asst. Executive Engineer
Executive Engineer

FORM RA-30
[Refer Chapter VII Para 4]

KERALA WATER AUTHORITY
CONNECTIONS STATISTICS

Original) Division/Circle/Region/
Duplicate) Head Office
Triplicate File Copy

Sub Division.....Division.....Statistics as on.....

Consumer Class	Water				Sewer				Remarks
	Number of Connections at the Beginning	Connections effected	Disconnections	No. of Connections at the end	No. of Connections at the Beginning	Connections Effected	Disconnections	No. of Connections at the end	
Domestic									
Non-Domestic									
Industrial									
Panchayat									
Municipality									
Corporations									
Total									

Date :

Executive Engineer
Assistant Executive Engineer

KERALA WATER AUTHORITY
STATUS OF METER READING / BILLING ETC.

Sub Division..... Division.....

Period From..... To.....

1. Total Number of connection

2. Number of Meters Read

3. Bills not raised at the end of previous period in respect
of Meters Read

4. Number of Bills Raised

5. Number of Bills to be raised (2 + 3—4)

6. Number of Accounts not up Dated in respect of Bills raised

7. Number of Bills not issued to consumer as at the end of
previous periods

8. Number of Bills issued to the consumer

9. Number of Bills to be issued to the consumer (4 + 7—8)

10. Maximum Time lag between previous Meter reading &
current period

Executive Engineer

Asst Executive Engineer

Date.....

FORM RA-32
Refer Chapter VII Para (6)

Original to Division/Circle region HO
Duplicate to Division/HO
Triplicate HO Accounts

KERALA WATER AUTHORITY
AGE ANALYSIS OF SUNDRY DEBTORS

Sub Division..... Division.....

As on.....

Sl. No.	Age	Consumer Class						TOTAL
	Debts Out- standing for	Domestic	Non-Domestic	Industrial	Panchayat	Municipality	Corporations	
1	1-3 month							
2	3-6							
3	6-12							
4	12-24							
5	24-36							
6	36 & above							
a	Recoverable							
b	Bad							
7	Total							

Date.....

Executive Engineer
Assistant Executive Engineer

KERALA WATER AUTHORITY

Division..... Sub Division.....

COLLECTION SUMMARY

Ref:.....Date.....

Section / Collection Centre.....

Total revenue collections for the day is Rs.....

(Receipt Nos. From.....to.....)
remitted as follows.

X	100	=
X	50	=
X	20	=
X	10	=
X	5	=
X	2	=
X	1	=

Coins =

Cheques & D. D's (As per
statement attached)

TOTAL

[In words]

Kindly acknowledge the receipt in the duplicate copy.

Superintendent

Cashier/bill Collector

Received Rs.....(In words)
in cash & Rs.....(In words)
by Cheques & D. Ds.

Date

Cashier (Sub Division)

Accounted in cash book folio.....

[Refer Chapter IV (D) Para 2]

Scheme:..... Month:.....

Claimable from Local Bodies: Name of Local Body	Basis of Billing	Amount Rs.	Bill No & Date
1)			Junior Superintendent/ Divisional Accountant
2)			
3)			Asst: Executive Engineer/ Executive Engineer
		Total	

KERALA WATER AUTHORITY

TRIVANDRUM

Statement of completed deposit works of others

Division.....Loc Code.....Sub Division.....Loc Code.....

Work..... W. O. No..... Name of Party.....

Reference.....

(Account code to which the deposit was originally credited etc.)

Sl. No.	Asset		Amount.	Remarks
	Classification	Account Code		

ORM RA-37
(Refer Chapter V (D) Para 8)

Division / Sub Division:
Location code:

KERALA WATER AUTHORITY
DETAILS OF UNBILLED INCOME AT THE YEAR END

Sl Consumer No. Class	Water Charges	Service Charges	Water Tax	Sewer Charge	Sewer Tax	Maintenance Charges	Other Charges	Total
1. Domestic								
2 Non-Domestic								
3. Industrial								
4. Panchayat								
5. Municipality								
6. Corporation								
TOTAL								

Details of other charges (Account code wise)

1. _____
2. _____
3. _____
4. _____

Superintendent / Divisional Account

Assistant Exe: Engineer / Exe: Engineer

ARTHUR E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-695 033

VOLUME - IV

ARTHUR E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-695 033

WORKS & FIXED ASSETS ACCOUNTING

ARTHUR. E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-695 033

CONTENTS

	Page No
I INTRODUCTION	1
II ACCOUNTING POLICIES	1
III OPERATING SYSTEM AND PROCEDURES	7
a) Estimation and Tendering for Capital Expenditure	7
b) Execution of Schemes / Works	8
IV ACCOUNTING PROCEDURES	10
a) Estimation and Tendering	10
b) Execution of Scheme / Work	11
c) Accounting at Head Office	14
V INFORMATION SYSTEM	18
VI INTERNAL CONTROL MEASURES	19
FORMS AND FORMATS	20

ARTHUR E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-695 011

LEGEND

Authority	:	Kerala Water Authority
Board	:	Board of Kerala Water Authority
H.O.	:	Office of the Managing Director
C.E.	:	Chief Engineer
Dy C.E	:	Deputy Chief Engineer
S.E.	:	Superintending Engineer
E.E.	:	Executive Engineer
A.E.E.	:	Assistant Executive Engineer
A.E.	:	Assistant Engineer
D.O. (A.S.)	:	Divisional Office (Accounts Section)
D.A.	:	Divisional Accountant
S.S.	:	Senior Superintendent
J.S.	:	Junior Superintendent

CHAPTER 1

INTRODUCTION

1 OBJECTIVE

The objective of the manual shall be to establish consistent and effective policies and procedures in order to ensure uniform practices throughout the Authority. The policies and procedures specified in this manual shall be followed unless specific exemption is otherwise granted by the Authority.

2 SCOPE

This manual covers operating systems and procedures and accounting thereof related to capital expenditure on schemes/works, acquisition/creation of fixed assets etc.

3 DEVIATION

Deviation shall not normally be permitted unless backed by a justifiable request for deviation clearly outlining the following :

- * Nature of deviation
- * The reason for deviation
- * The time span for which deviation is required
- * The procedure that would be followed if deviation is approved.

Such requests shall be submitted to Head Office which shall then evaluate the necessity thereof and accordingly either approve or reject the same

4 USAGE AND CUSTODY

This manual shall be issued to and used only by those persons the Authority may deem fit and accordingly authorise. Any such person so authorised shall preserve the copy under his/her confidential custody. Upon transfer/relocation/retirement etc., any such person shall be obliged to return the copy to the Authority.

CHAPTER II

ACCOUNTING POLICIES

1 DISCLOSURE AT HISTORICAL COST

- 1.1 The Fixed Assets of the Authority shall be recorded in Books of Account at Historical cost, and so disclosed in annual accounts. Revaluation of assets shall not be permissible to restate asset cost at its replacement/current cost value, unless felt necessary and accordingly approved by the Board explicitly each time. However, net depreciation to be charged to Income and Expenditure Account in such cases shall, not include depreciation on incremental cost attributed to such revaluation. Furthermore, in case of revaluation, suitable disclosure in the annual accounts by way of a footnote shall be necessary,

- 1.2 Such explicit approval as aforesaid shall not be necessary in situations. Outlined in paragraph 3.12, wherein the asset shall be recorded and depreciated thereafter according to the policy stated in such paragraph.

2 INVESTIGATION AND PLANNING (IP) EXPENDITURE ON PROJECTS

- 2.1 Identification/Survey/Feasibility expenditure incurred for a project shall be accumulated in Account Head provided for the purpose (Account Code 1821). In case such project is sanctioned or rejected the related IP expenditure so accumulated shall be capitalised appropriately or charged to revenue (Account Code 3192) respectively.

3 COST OF CAPITAL ASSETS

- 3.1 Cost of capital asset shall include all "ACTUAL COSTS" incurred to prepare the asset for use subject to the exceptions and the bases of determining such costs recommended in paragraphs 3.10 to 3.12. Such actual cost shall include to the extent applicable all material costs, labour costs, contractors charges, other direct expenses and project overheads chargeable to capital
- 3.2 Actual cost of an asset may exceed the 'true value' of the asset at the time of commissioning of the asset. Long delays in completing a project, errors of judgement in purchase etc., may lead to the Authority incurring an excessive cost. No adjustment shall be made in such cases and full cost of the asset shall be accounted for as the cost of the asset.
- 3.3 Similarly, there may be situations where the Authority could acquire/construct an asset at an actual cost lower than its value. Factors such as quantity rebates earned on large purchases, purchasing in an auction, in house construction to eliminate contractor's profits etc., may result in a lower cost of the asset as compared to its value or as compared to its purchase price under normal circumstances. In such cases also no adjustment shall be made to the "actual cost" of the asset.
- 3.4 Some losses may be involved in execution of capital projects for example irrecoverable advances to contractors, loss of assets or damage to assets at construction stage and shortage observed upon physical verification of stores at construction divisions. No part of any loss shall be capitalised and included in the cost of assets.
- 3.5 Some income may be earned by the Authority during the course of a capital project for example, interest on advances to contractors, rentals recovered from contractors for use of Authority Quarters/equipments, sale of scrap etc. No income shall be capitalised and reduced from the cost of any asset. Even in cases where the income is identifiable to one or more specific assets, no capitalisation of such income shall be done.
- 3.6 However, in certain cases, the cost accounted for in respect of an asset may be subsequently increased or decreased for reasons such as:
- (a) Correction of errors in bill passing
 - (b) Correction of errors in cost allocation
 - (c) Correction of errors in accounting
 - (d) Granting an escalation claims of suppliers/contractors
 - (e) Difference between a provision made for bills not passed by the time of closure of a project and the final amount for which the bill is subsequently passed.
 - (f) Rebate granted by supplier.

- 3.7 All subsequent increase or decrease in capital expenditure as aforesaid, shall be identified to relevant assets and the cost accounted for earlier for that asset shall be changed accordingly.
- 3.8 Any subsequent increase or decrease in the project overheads expenses chargeable to capital shall be charged to capital if done within the year.
- 3.9 Exceptional situations referred to in paragraph 3.1 shall be as detailed hereinafter in paragraph 3.10 to 3.12.
- 3.10 An asset received as donation shall be accounted at its fair market value. The fair market value shall be debited as the cost of the asset and credited to "Donated Capital Assets Account" (Account Code 2022). Donated assets which are subject to certain conditions shall nevertheless be treated as fixed assets but be disclosed by way of a foot note indicating value of such assets. Assets received as grant shall also be accounted for in the same manner as donated assets.
- 3.11 Lease premium payable on acquiring lease rights for assets shall be treated as the cost of leasehold assets. Depreciation shall be charged on such cost in the manner prescribed for Depreciation on Leasehold Assets. Periodic rentals payable on leasehold assets shall be charged to revenue expenditure in the year in which the rentals accrue. If the Authority acquires leasehold rights for an asset with no or negligible lease premium, the fair market value of the asset shall be determined and the amount required to state the asset at its fair market value shall be debited to the asset and credited to an account "Reserve for leasehold Assets" (Account Code 2116). The fair market value of the leasehold assets shall be depreciated over the lease period. Simultaneously, extinguishment of a proportionate amount of reserve set up in the books shall also be effected. By the end of the lease period the liability in accounts would have been fully extinguished and a provision for depreciation equal to the amount of fair market value booked as cost would have been created. On returning the assets to lessor, the provision shall be set off against the amount of cost of the asset so as to close the two accounts.
- 3.12 Fixed Assets taken over from the Public Health Engineering Department (PHED) by the Authority upon its formation or if similarly from any Local Body after such formation or in future shall be stated as per chart of accounts classification at the value to be assessed for the purpose and depreciated thereafter over the remaining useful life, if any, of such assets estimated for the purpose. The value assessed for such assets shall be debited to relevant category of Fixed Assets and credited to the Account Head.
- "Net value of assets taken over" (Account Code 2011). Notwithstanding anything to the contrary contained hereinbefore/hereinafter to this paragraph, the treatment of cost/depreciation etc., relating to assets taken over by the Authority upon its formation shall be in accordance with the terms outlined in this paragraph.
- 3.13 In accordance with the aforesaid norms describing "actual cost":

A. LAND AND LAND RIGHTS

Cost of Land and Land Rights (Account Code 1011) shall include:

- Acquisition price of land including land survey expenses.
- Compensation paid for the same, if any.
- Cost of usufructs surrendered by the seller (such as trees/crop on acquired land).
- Registration charges including stamp duty, Legal charges, etc.
- Land Acquisition expenses

In case of Leasehold Land (Account Code 1012) such cost shall include:

- Lease premium payable/paid or fair market value where no or negligible lease premium is payable in accordance with such policy as stated in paragraph 3.11.

Cost of Development Expenditure on Land (Account Code 1013, 1014) shall include:

- Cost of clearing usufructs, if any.
- Cost of site development including levelling charges, filling etc.
- Cost of demolishing useless structures on acquired land as reduced by sale proceeds arising out of sale of scrap thereof.
- Cost of land scaping, gardening and any of such like improvements to such land.

B. CIVIL WORKS (EXCLUDING BUILDINGS)

Cost of Civil Works (can only be constructed and no acquired) shall include:

- All material cost (refer paragraph 3.14).
- All labour and contract charges (refer paragraph 3.15)
- All project overheads (refer paragraph 3.16).

C. BUILDINGS

If any building is purchased "actual cost" of such building shall include:

- acquisition price
- compensation paid for same, if any
- Cost of obtaining easement rights (eg. tenancy rights).
- Registration charges including stamp duty, legal charges, etc.
- Cost of improvements to render the building usable (including all material/labour costs and expenses chargeable to such activity).
- Cost of any other expenses to render the building usable (eg. any architect's fee paid for the purpose).

If any building is constructed, "actual cost" of such building shall include:

- cost of such construction including all material/labour costs and all expenses chargeable allocable for the purpose.
- cost of survey and sanctions/permits easement rights etc., as may be necessary.
- Architect's Fees

D. PLANT AND MACHINERY

Cost of Plant and Machinery shall include:

- Cost of all capital equipments and spares purchased and used for the purpose including customs duty thereon in case of imported equipments/spares.
- All expenses incurred in bringing the equipments and spares to site and till commissioning thereof including port charges/clearing charges, if applicable inland freight, equipment storage/transit insurance till commissioning, etc.
- All material costs consumed in capital works/schemes (refer paragraph 3.14).
- All labour and contract charges (refer paragraph 3.15).
- All project overheads (refer paragraph 3.16).

E. MAINS AND NETWORKS

Cost of Mains and Networks shall include:

- All material costs (refer paragraph 3.14).
- All labour and contract charges (refer paragraph 3.15).
- All project overheads (refer paragraph 3.16).

F. ROADS, BRIDGES AND CULVERTS

Cost of Roads, Bridges and Culverts shall comprise of cost components as specified in paragraph (E) of this paragraph.

G. VEHICLES

Cost of vehicles shall include:

- Purchase price
- Registration charges
- Fabrication charges in addition, if applicable.

H. FURNITURES, FIXTURES, OFFICE EQUIPMENTS & OTHERS

Cost of such assets shall include:

- Purchase price
- Installation charges in addition, if applicable.

3.14 MATERIAL COSTS

Material cost shall be defined to include cost of all items of stores, spares, capital equipments and consumables, consumed on any capital works/schemes. The mode of pricing such materials have been dealt with in "Vol. 11", "Materials Accounting Manual."

3.15 LABOUR AND CONTRACT CHARGES

All labour and contract charges incurred on capital works/schemes shall be included as part of actual cost relating to such capital works.

3.16 PROJECT OVERHEADS

Project overhead (towards salaries etc., and Administrative charges) shall be charged to cost of assets on such basis as the Authority may deem fit.

4 POINT OF CAPITALISATION

An asset shall be capitalised when it is first commissioned (i. e. put to use). The conclusive evidence of such commissioning shall, being a technical matter, be settled by a project completion certificate or any other certificate as the case may be, issued to such effect by the relevant technical authority competent to do such acts as the Authority may from time to time determine. All costs incurred upto such point of time appropriately reckoned in accordance with paragraph 3 above, shall be the value when capitalised as aforesaid.

5 IMPROVEMENTS

Any major alterations, improvements, renovations, etc., in any year to existing assets involving sizeable expenditure and resulting in extending the useful estimated life by much and/or increasing capacity of such assets, shall be capitalised in such year. Cost of existing assets, shall be capitalised in such year. Cost of existing assets destroyed if any during such improvements shall be treated as assets written off in accordance with policy as per paragraph 8. However, rearrangement/relocation expenditure in this process or otherwise shall not be capitalised and treated as part of revenue.

6 DEPRECIATION

- 6.1 Atleast Ninety (90) percent of the cost of an asset (other than leasehold assets) shall be depreciated on an annual basis, on a straight-line method over the estimated useful life of the asset. Such useful life shall be as the Authority may have to adopt either on its own/ statutorily/Government prescribed years or otherwise as may be applicable. In adopting such useful life, the balance useful life remaining in case of functionally homogeneous and integrated group of assets shall be applicable to individual assets constituting such group.
- 6.2 In case of leasehold assets, 100% of cost of such assets shall be depreciated, over the lease period (excluding any future renewal period) or estimated useful adopted whichever is less.
- 6.3 Such aforesaid depreciation shall cease to be charged either from the time when 90x/ 100% of such cost of assets as the case may be has already been depreciated or the asset becomes defunct and cannot be used, whichever is earlier.

7 GAIN OR LOSS ON SALE OF ASSETS

Gain or loss arising on account of sale of an asset in any year shall be treated as a revenue item and accordingly accounted in such year. Such gain if any shall to the extent of accumulated depreciation be reckoned as revenue and excess if any treated as part of Capital Reserve. In case of sale of such assets the extent of cost of such assets and accumulated depreciation thereon shall be reversed.

8 WRITE-OFF

Write-off of any asset shall have prior concurrence of the Board of the Authority except in case of all small and low value assets each costing Rs. 5,000/- or less and not constituting an item of project expenditure. However, such exception shall exclude:

- assets created by service connections
- furnitures, fixtures and office equipments.

9 INTEREST CAPITALISATION

Interest paid/payable, on borrowed funds earmarked for acquisition/creation of assets and so utilised, shall upto the time of commissioning of assets be capitalised accordingly.

CHAPTER III

OPERATING SYSTEMS AND PROCEDURES

(A) ESTIMATION & TENDERING FOR CAPITAL EXPENDITURE

1 INVESTIGATION, PLANNING AND DESIGN (IPD)

Usually prior to embarking on any capital expenditure (i.e. project) the Investigation and Planning Division (IPD) shall undertake examining the feasibility of such activity and upon evaluating the technical necessity for such capital works/schemes shall accordingly through proper channels submit a detailed evaluated proposal for obtaining the Board Approval sanctioning such activities and duly provided for in the Annual Budget. Such proposals shall inter-alia state the equipments required, materials necessary, cost of labour and contractors assistance sought, and the extent of other expenses that are required to be incurred and the time span within which the project would be commissioned. Such sanctions if accorded shall outline the extent approved and or the variance to such proposals sanctioned. The copies of the proposal and the budget sanction therefor shall be forwarded to amongst others the Division to undertake such capital works/schemes. In addition, if such proposals are generated during the year, the same procedure shall be followed seeking additional budget sanctions.

2 OTHER DIVISIONS

Similarly, any Division desirous of undertaking capital work shall follow the procedure aforesaid in paragraph. 1

3 The Head Office (HO) shall forward the sanctioned proposals along with the details of expenses incurred by IP division (which HO shall cause to obtain if not available already) to EE of the concerned Division. Upon such receipt of sanctioned proposals, the same shall be forwarded by the Executive Engineer (EE) of the Division via the Divisional Office (Accounts Section) [D.O. (A.S.)] to the concerned subdivision/section as the case may be, to enable opening up of a folio folios in the WORK REGISTER which shall be in form FA 1.

4 The Divisional Office (EE) shall take necessary steps to cause to execute the work, in this regard, the EE shall in consultation either with sub-division/section or higher authorities (if asked or otherwise) as may be necessary, arrange to issue tenders or obtain competitive quotation based on quantum of work criteria as the Authority may from time to time determine. Such tender forms shall be sold against receipt of money therefor and forwarded to D. O. (A. S.) for accounting and enabling to be recorded in Tender Forms Sales Register in Form FA 2.

5 In case of such tenders EE shall, if any earnest money deposit is collectable, ensure receipt of the same and forward such cheques, DDs as the case may be to D. O. (A. S.) who shall account accordingly and record all such receipts in Register of Earnest Money Deposit in form FA 3.

The evaluation of tender terms shall thereafter be undertaken and the details of final verdict choosing the supplier/contractor as the case may be shall be recorded in the Tender Register (Form FA 4). Any Tender, Earnest money Deposit repayable to the tenderers rejected shall when due be paid as per procedure therefor.

- 6 EE shall then award such contracts accordingly to the contractors/suppliers as the case may be and an agreement to such effect detailing the terms and conditions shall be duly entered into. Upon such awarding and prior to commencement of work, the EE shall cause to obtain if required as per contract any security deposit and/or bank guarantee as the case may be, such instructions shall be forwarded to D. O. (A. S.) for accounting/recording.

B. EXECUTION OF SCHEMES/WORKS

1 ELEMENTS AND COST THEREOF

1.1 MATERIAL

- 1.1.1 The Division shall approve the cost of materials including equipment cost/purchase cost etc., incurred on any scheme work with reference to the MASA statement. Measurement Books (to be maintained in such form as the Authority may deem fit) etc., in accordance with the terms of schemes/work sanctioned. However, details of materials received at site (as recorded in MA-6/MA-14 of materials accounting records) shall be analysed further in terms of relating to utility of such receipts to assets, classified as per chart of accounts, the details of which shall be forwarded on a monthly basis till the scheme/work is completed work orderwise to D. O. (A.S) through Sub Divisions. Details of materials returned to stores or transferred to other work or to other units, the balance of stock lying at site on completion of work/schemes shall be analysed further in terms of relating such materials to the assets classified as per chart of accounts, the details of which shall be forwarded, work orderwise to D. O. (A. S) through Sub-Divisions.
- 1.1.2 In cases where any Account Rendering Unit (ARU's) other than Divisions engaged in operations procure any asset (e. g. furnitures and fixtures, computer or air-conditioner etc., by say Circle Office, Region Office or Head Office etc.) the details of such asset acquired including cost therefor shall be verified approved with reference to purchase order/ terms of contract etc., and duly forwarded to respective Accounts Section for payment/ accounting.

1.2 LABOUR

- 1.2.1 The Section/Sub-Division Division shall cause to ensure that labour resource utilised for purposes of capital works schemes are used for the purpose. The mode of payments to such labourers and accounting thereof (including for CLR, HR and others) shall be as detailed in Vol. VI "Personnel Cost Accounting Manual". However, the abstract of such labour charges at monthly intervals shall be consolidated work orderwise and forwarded to Division (vide Form No. PA 24). The Division (EE) shall approve the same, upon satisfying himself about the veracity of figures contained therein and forward it thereafter to D. O. (A. S.) for necessary accounting.

1.3 CONTRACTOR ASSISTANCE

- 1.3.1 The Division shall be ultimately responsible for the supervising/controlling contractors, monitoring the progress of work and maintaining their accounts. However, the sub-division acting under the jurisdiction of the Division shall monitor such acts on a day to day basis.

Contractors shall be requisitioned in any of the following manner:

- Material-cum-labour Basis
- Labour contracts alone
- Others

in accordance with the procedure specified in paragraph 4 to 6 of Section A.

1.3.2 The EE shall if necessary and in accordance with the terms of contract entered into provide such assistance to the contractor as may be required in the form of any or of advance payment, secured advance (against value of materials evidenced to be received at site and priced either at 75% or such other rate as the Authority may from time to time determine) and materials issued on a cost recoverable basis. Any such claims preferred by the contractor shall be approved by EE and forwarded to D.O. (A.S.) Sub-Division for necessary action as the case may be

1.3.3 The EE shall cause to obtain at the prescribed intervals or as may be deemed fit the Bills of the Contractor (running/final). Such Bills shall inter-alia contain in substance the details as set out in module, vide Form FA 9. The EE AEE shall verify such Bills with reference to Measurement Books, MASA and other records information as may be deemed necessary and approve if found correct. The said bills shall then be forwarded to D.O. (A.S.) for necessary recording/accounting/payment.

1.4 OTHER DIRECT ELEMENTS

The EE shall verify all other direct capital activity and expenses thereof and so identifiable duly approve the same and forward to D.O. (A.S.) for recording/accounting. Such type of expenses for example shall be Stamp Duty on Land purchase, Architects Fees on Buildings, Cost of easement rights and the like.

2 MONTHLY REPORTING ON CWIP

The Division shall send every month to Head Office, Circle and Region Offices work order-wise the physical progress report along with Abstract of work register Form FA 11.

3 COMMISSIONING (I.E. PUTTING TO USE)

The EE shall cause to ensure that after suitably verifying whether any works/scheme/asset is technically usable completion certificate is issued therefor, a copy of which shall be sent amongst others to D.O. (A.S.), Region and Circle Offices. Furthermore, on commissioning the asset/works/scheme as the case may be (i.e. putting it to use), the EE shall cause to issue a commissioning certificate evidencing that such assets can be capitalised. The distribution of such certificate shall inter-alia be as aforesaid in the case of completion certificate. Such certificate shall contain in substance, as per Form FA 12 or in any other form as may be deemed fit.

4 DEPOSIT WORKS

The procedures to be adopted for Deposit Works shall follow the procedures for

- materials as mentioned in Materials Accounting Manual (Volume II),
- issue of Work Order, maintenance of Work Register (FA-I), Abstract of Work Register (FA-II) as mentioned in this manual.

as shall be maintained for Authority's own works. However, on completion of such works and handing over of the assets created to the Depositor, the expenses recorded against this in the Work Register (FA-I) shall be abstracted in "Statement of Completed Deposit Works of Others" in form No.RA 36 (Refer Revenue Accounting Manual-Volume III).

5 DETAILS OF MAINTENANCE WORK CONTRACT CHARGES

Details of contract charges for maintenance work shall be recorded in REGISTER OF MAINTENANCE CONTRACT CHARGES (Form FA-19) under relevant column of account codewise classification of Repairs and Maintenance Expenses on check measuring maintenance contract works. Monthly abstract of the same showing account codewise totals of R&M contract charges shall be sent to D.O. (A.S) by the Sub-Divisions. The D.O. (A.S) shall consolidate the same and send it to Head Office alongwith monthly accounts.

CHAPTER IV

ACCOUNTING PROCEDURES

A. ESTIMATION & TENDERING

- 1 On receipt of sanctioned proposal, the D. O. (A. S.) shall record the estimate details in 'Work Register' (Form FA 1) and arrange to send such sanctioned proposals to the concerned Sub-Division/Section. Also the details of expenses incurred by Investigation Planning and Design (IPD) shall be appropriately recorded in the 'Work Register' (in Form FA 1).
- 2 The D. O. (A. S.) shall account the receipt on sale of tender forms in the receipt side of cash book under the head "sale of Tender Forms" (Account Code 7291). Details of such receipts shall be recorded in 'Tender Forms Sales Register' (Form FA 2).
- 3 The D. O. (A.S.) on receipt of cash/cheques/DDs in respect of Tender deposit, shall account the same in the receipt side of the Cash Book under the head "EMD of Contractors/Suppliers" (Account Code 2731/2732, as the case may be) and record such details in in Form FA 3. Upon receipt of advice from EE, after duly recording in the Tender Register in Form FA 4, the details of tenders rejected and accordingly when EMD is repaid to the rejected party such repayments shall be accounted in the payment side of the Cash Book under the same head. Details of such repayments shall be recorded in "Register of Earnest Money Deposit" (Form FA 3).
- 4 The D. O. (A. S.) on receipt of any Security Deposit shall account such receipts in the receipt side of cash book under the head "Security Deposit from Contractors" (Account Code 2721) and record the details in the "REGISTER OF SECURITY DEPOSITS" in Form FA 5.

Details of any bank guarantees or other non-cash securities shall be recorded in REGISTER OF SECURITIES/BANK GUARANTEES in form FA 6

Upon receipt of advice from EE to release such security, the D. O. (A. S.) shall duly account for the security deposit when paid in the payment side of the cash book under the relevant aforesaid head of account and update Form FA 5 or FA 6 as the case may be.

B. EXECUTION OF SCHEME/WORK

1 ELEMENTS AND COST THEREOF

1.1 MATERIALS

1.1.1 D. O. (A. S.) shall in respect of materials received at site (analysed as per asset classification) record the details in Work Register (WIP Register) (Form FA-1) appropriately under materials column. On completion of scheme/work, the balance of materials at site (analysed as per asset classification) shall be adjusted in the Work Register (Form FA-1) appropriately under the materials column. Similarly, details of materials returned to stores or transferred to other works or to other units shall also be adjusted.

1.1.2 The relevant accounts section shall upon receipt of duly verified and approved details of asset procured by Account, Rendering Units (ARU's) (Such as purchase of Furniture etc.) Shall account such transaction under the head "Control Account-Capital Expenditure (Others)" (Account Code 9219). Details of such purchase shall be forwarded to Head Office in "DETAILS OF ASSET PURCHASED" (in form FA 7) on a monthly basis.

1.2 LABOUR CHARGES

D. O. (A. S.) on receipt of abstract of labour charges work orderwise (in form PA 24) duly approved by EE shall cause to record such cost in relevant work order in WORK REGISTER in form FA 1 by apportioning to individual heads on an advalorem basis (preferably on the basis of material cost. If not on estimated cost of work order or otherwise) as may be deemed fit under the circumstances.

1.3 CONTRACTOR ASSISTANCE

1.3.1 D. O. (A. S.) upon receipt of approved Advice from EE in respect of materials issued to contractors shall follow the procedure prescribed in Material Accounting Manual.

Similarly all payments made in the nature of Advance payments secured advances, duly approved by EE shall - be accounted in the payment side of Cash Book under the head "Advances to Contractors" (Account Code 1661) Where such payment is effected by the Sub-Division, the details shall be furnished to D. O. (A. S.) with clear reference, after-accounting in the cash book as aforesaid.

In either case D. O. (A. S.) shall update the 'CONTRACTORS REGISTER' in form FA 8 under appropriate column earmarked for such transactions.

1.3.2 D.O. (A. S.) upon receipt of approved bills (which shall inter-alia set out details as in module FA 9) update the Contractors Register FA 8 in the columns earmarked for the purpose as recoveries and amount payable. Details of recoveries shall be accounted in the Cash Book as follows:

- * On the payment side under the head "Sundry Creditors-Contractors". (Account Code 2811) the total of all recoveries.
- * On the receipt side, under the relevant account head as follows:

PARTICULARS	UNDER THE HEAD	ACCOUNT CODE
(a) Recovery of advance payment, secured advance and material cost.	"Advances payable to Contractor"	1661
(b) i) Recovery for non-std. consumption	"Other Miscellaneous income"	7299
ii) Recovery for unused and unreturned materials issued originally on Cost Recoverable basis.		
* To the extent of agreed rate	Advances to contractor	1661
* To the extent of difference, if any, between predetermined issue rate and agreed rate	Control Account-Capital Expenditure-Materials (in case of capital works)	9212
	"Consumption of stores items; Tools & Spares; Consumables" (in case of revenue works)	3111 to 3139 (as applicable)
* To the extent of difference, if any, between market rate and pre-determined issue rate	"Other Miscellaneous income"	7299
* To the extent of sales/purchase tax recoveries	"S.T. on materials issued to contractors"	2833
* To the extent of storage charges	"Storage Charges"	6512
iii) Recovery for unused and unreturned materials issued otherwise than on cost recoverable basis		
* To the extent of pre-determined issue rate	"Control Account-capital expenditure-Materials (in case of capital works)"	9212
	"Consumption of stores items; Tools & Spares; consumables" (in case of revenue works)	3111 to 3139 (as applicable)
* To the extent of difference, if any, between predetermined issue rate and market rate	"Other Miscellaneous income"	7299
* To the extent of sales/purchase tax recoveries	S.T. on materials issue to contractors	2833
* To the extent of storage charges	"Storage Charges"	6512

(c) Recovery of Security Deposit	"Security Deposit from Contractor" ('and upto date Form FA 5)	2721
(d) Retention of Money	"Retention Money from Contractors/ Suppliers" (and record in Register of Retention Money (Form FA 10)	2724
(e) I.T.D.S.	"TDS from Contractors"	2821
(f) Hire Charges	"Other Miscellaneous Income"	7299
(g) Rent	"Rent recovered"	7212
(h) Electricity	"Electricity charges recovered from Contractors"	7213
(i) Water Charges	"Water Charges recovered from Contractors"	7215
(j) Penalty & Fine	"Penalty & Fines recovered"	7211
(k) Interest on loans & Advances	"Interest recoverable from Contractor"	7121

1.3.3 The D.O. (A.S.) shall while disbursing the net payable amount as per bill, account the same in the payment side of cash book under the head "Sundry Creditors-Contractors" (Account Code 2811). Details of such payments shall be recorded in the Contractors Register FA 8. Where the Sub-Division disburses such payment, it shall inform details of same to D.O. (A.S.) to facilitate updating of contractors Register FA 8.

1.3.4 D.O. (A.S.) shall upon receipt of any such aforesaid bill from the Contractor record the details in the work Register FA 1 under appropriate columns earmarked for the purposes, asset classification-wise (including in case of Plant and Machinery, where such details shall be identified over individual components or apportioned on an advalorem basis as may be deemed fit, if not so identifiable).

1.4 OTHER DIRECT ELEMENTS

1.4.1 D.O. (A.S.) shall upon receipt of other capital expenses payable (such as architect fee etc.) duly passed by Executive Engineer appropriately record such details in work Register in Form FA 1: Asset classification-wise such payments when made by Division or Sub-Division shall be accounted in payment side of cash book under the head "Control Account-Capital Expenditure-Others" (Account Code 9212).

1.5 MONTHLY ABSTRACT OF WORK REGISTER (WIP LEDGER) (WR)

1.5.1 The D. O. (A. S.) shall on a monthly basis, extract the abstract of the "WR" and forward to Head Office, Circle and Region Offices in form FA 11, work orderwise and also consolidate in similar form for individual schemes. Furthermore, on receipt of Commissioning Certificate (Form FA 12) the D.O. (A.S.) shall forward to Head Office the details of such works/scheme to be capitalised as "Capital Work Cost Analysis" in Form FA 13. Care shall be taken to ensure that in the month in which Form FA 13 is forwarded to Head Office the said details therein shall also be appropriately included in Form FA 11 to be submitted for that month.

1.5.2 Where any capital expenditure is incurred by an unit (hereinafter called project unit; such as mechanical division) on behalf of other unit (hereinafter called benefitting unit), the project unit shall send a copy of work register in Form FA 1 to the benefitting unit. Also, Abstract of work register in Form FA 11 shall be sent to the benefitting unit, apart from Head Office clearly indicating therein "IOA - Capital Expenditure".

1.5.3 The benefitting unit shall transfer necessary funds to the project unit for the same. These shall be accounted under the head "IOA - Capital Expenditure-Others" (Account Code 9129).

1.6 IPD EXPENSES

Details of IPD Expenses shall be identified and recorded in IPD REGISTER (Form FA-20) workwise and summary of the same shall be furnished to Head Office monthly in similar form workwise.

2 ACCOUNTING FOR MAINTENANCE WORK CONTRACT CHARGES

At the time of payment of contractors' bill, record in the cash book as follows:

PAYMENT SIDE : Under the head Sundry Creditors-Contractors' (Account Code 2811) with gross amount of bill.

RECEIPT SIDE : Under the relevant head of recoveries as mentioned in paragraph 1.3.2 of Chapter IV-B.

3 SALE OF ASSET

The unit receiving amounts against sale of any asset shall account the same in the receipt side of the Cash Book under the Head 'IOA-other Liabilities' (Account Code 9143); deposit such proceeds in Non-operative account and send the particulars of the sale in Form FA 16 to the Head Office.

C. ACCOUNTING AT HEAD OFFICE

1 WORK-IN-PROGRESS-ACCOUNTING

1.1 Upon receipt of 'Abstract of Work Register' (Form FA 11) from the Divisions, Head Office shall pass the following entry:

Dr. Capital Work-in-progress (Account codes from 1111 to 1189, as the case may be)

Cr. Control Account-Capital Expenditure (Materials Account Code 9212)-to the extent of material component as per aforesaid form

Cr. Sundry Creditors - Contractors (Account Code 2811) to the extent of contract charges as per aforesaid form

Cr. Casual Labour Wages (Account Codes 3351, 3352&3359/-) to the extent of Labour Charges as are summarised in such form.

Cr. Control Account - Capital Expenditure (Others) (Account Code 9219) - to the extent of such charges specified in the aforesaid form.

- 12 (a) At the year end, project overheads (towards salaries etc. and administrative charges etc.) shall be transferred to "Revenue expenses transferred pending Allocation" (Account Code 1191) by debiting it and by crediting "Transfer of Revenue expenses to Capital Work-in-progress" (Account Codes 3911 & 5911).
- (b) Interest expenses, if not directly identifiable shall be apportioned and transferred to 'Revenue expenses transferred pending allocation' (Account Code 1191) by passing the following journal entry:

Dr. 'Revenue expenses transferred pending allocation' (Account Code 1191).

Dr. "Transfer of Revenue expenditure to Capital work-in-progress" (Account Code 4911).

Such details shall be recorded in 'Register of Interest pending Allocation' (Form FA 14).

- 1.3 In respect of abstract of work register, Form FA 11 marked "IOA-Capital Expenditure" the following journal shall be passed in addition

IN THE BOOKS OF PROJECT UNIT

Dr. IOA-Capital Expenditure-Others (Account Code 9129)

Cr. Capital work-in-progress (Account Codes 1111 to 1189, as the case may be).

IN THE BOOKS OF BENEFITTING UNIT

Dr. Capital work-in-progress (Account Codes 1111 to 1189, as the case may be)

Cr. IOA-Capital Expenditure-Others (Account Code 9129).

- 1.4 Head Office upon receipt of Abstract of IPD Register (Form FA-20) shall pass the following journal entries:

a) In the books of concerned IPD Divisions

i) Dr. - IPD Expenses (Account Code 1821)

Cr. - Transfer of Revenue Expenditure to Preliminary Project Expenses (Account Code 3912) to the extent of expenditure incurred on IPD work for the month

ii) Dr. - Inter-office Account-IPD Expenses (Account code 9124).

Cr. - IPD Expense (Account code 1821) to the extent of cumulative IPD Expenses, incurred on Projects approved and execution taken up,

iii) Dr. - Investigation and Planning Expenses (Account code 3193).

Cr. - IPD Expenses (Account code 1821) to the extent of cumulative IPD expenses becoming infructuous due to abandoning of such works,

b) In the books of concerned divisions taking up works

Dr. - Control Account - Capital Expenditure - Others (Account code 9219).

Cr. - Inter-office Account-IPD Expenses (Account code-9124) to the extent of cumulating IPD expenses incurred on projects approved and executions taken up by the division.

Such amount shall also be intimated to the Division taking up the work for necessary updating of Work Register (WIP Register) (Form FA-1) under 'Other Charges' column,

2 CAPITALISATION

- 2.1 On receipt of 'Capital Work Cost Analysis' (Form FA 13) from the Divisions, the Head office shall aggregate cost including project overheads/interest allocated (gathered from Register of interest pending allocation Form FA 14) and such amount shall be transferred to Fixed Assets Account by passing the following journal entry:

Dr. Fixed Asset Account (Account Codes 1011 to 1089, as the case may be)
 Cr. Capital work-in-progress (Account Codes 1111 to 1189, as the case may be)
 Cr. Revenue expenses transferred pending allocation (Account Code 1191).

'Register of interest pending Allocation' shall be marked suitably, for such transfer.

The details of assets capitalised shall be recorded in 'FIXED ASSETS REGISTER' (as per Form FA 15).

- 2.2 H.O. shall upon receipt of Form FA-7, pass the following journal entry:

Dr. - Fixed Asset Account (Account Codes 1011 to 1089) as the case may be.
 Cr. - Control Account - Capital Expenditure - Others (Account code 9219) to the extent of amounts specified in such form.

3 DEPRECIATION

Depreciation in accordance with the policy shall be computed and recorded assetwise in the 'Asset Register' (in Form FA 15). The total of such depreciation (asset classification-wise) shall be aggregated and the following entry shall be passed:

Dr. Depreciation charge (Account codes 5112 to 5189 as the case may be)
 Cr. Depreciation Reserve (Account Codes 2212 to 2289 as the case may be).

4 LEASEHOLD ASSETS

In respect of leasehold assets acquired with no or negligible lease premium, the fair market value of premium notionally credited to the account head "Reserve for leasehold assets" (Account Code 2115) shall be adjusted against the depreciation charged on these assets. Accordingly, the following entry shall be passed every year end.

Dr. Reserve for Leasehold Asset (Account Code 2116)
 Cr. Depreciation Charge (Account Code 5112 to 5189 as the case may be).

5 SALE OF ASSET

Upon sale of asset, the 'Asset Register' (in Form FA 15) shall be appropriately updated and the following journal entries shall be passed:

- i) Dr. Depreciation Reserve (Account Codes 2212 to 2289, as the case may be).
 Cr. Fixed Asset (Account Codes 1011 to 1089, as the case may be).
 — to the extent of accumulated depreciation on such asset.
- ii) Dr. Inter-Office Account (Account Code 9143)
 Dr. Loss on Sale of Fixed Assets (Account Code 5341)
 — to the extent of such loss

- Cr. Profit on Sale of Fixed Assets (Account Code 7221).
Profit realised upto the extent of Accumulated depreciation provided.
- Cr. Capital Reserve (Account Code 2111) Profit exceeding accumulated depreciation
- Cr. Fixed Asset (Account Codes 1011 to 1089, as the case may be)
— to the extent of written down value of such asset.

6 SCRAPPING OF ASSET

Upon scrapping of an asset, in accordance with the norms of the Authority, the units shall send the particulars in "PARTICULARS OF SCRAPPED ASSET" in Form FA 16 to Head office based on which the 'Asset Register' (Form FA 15) shall be appropriately updated and the following journal entry shall be passed:

- i) Dr. Depreciation Reserve (Account Codes 2212 to 2289, as the case may be)
Cr. Fixed Assets (Account Codes 1011 to 1089, as the case may be)
to the extent of accumulated Depreciation on such asset.
- ii) Dr. Assets written off (Account Code 5411 to 5489 as the case may be)
Dr. Reserve for leasehold assets (Account Code 2116).
Cr. Fixed Assets (Account Codes 1011 to 1089, as the case may be)
— to the extent of written down value.

and the Register of Damaged Scrapped Asset Form FA 17 shall be updated accordingly.

7 TRANSFER OF ASSET

In respect of transfer of assets from one unit to another, the 'ASSET TRANSFER NOTE' in Form FA 18 prepared by the transferor unit shall be duly authorised and two copies forwarded to transferee unit. The transferee unit upon transfer of an asset from one unit to another, forward a copy of such note Form FA 18 to Head Office based on which the 'Asset Register' (Form FA 15) shall be appropriately updated and the following journal entry shall be passed:

- i) IN THE BOOKS OF TRANSFEROR UNIT
Dr. Inter Office Account - Capital Expenditure & Fixed Assets (Account Codes 9121 to 9123, as the case may be)
Cr. Fixed Assets (Account Codes 1011 to 1089, as the case may be).
- ii) IN THE BOOKS OF TRANSFEREE UNIT
Dr. Fixed Assets (Account Code 1011 to 1089, as the case may be).
Cr. Inter-Office Account - Capital Expenditure & Fixed Assets (Account Codes 9121 to 9123, as the case may be).

ACCOUNTING FOR MAINTENANCE CONTRACT CHARGES

Head Office shall upon receipt of ABSTRACT OF MAINTENANCE CONTRACT CHARGES (Form FA-19) alongwith monthly account pass the following journal entry:

- Dr. — Maintenance expenses . Repairs and Maintenance : Water Supply/sewage (Account Code 3211 to 3229 as applicable).
- Cr. — Sundry Creditors - Contractors (Account Code 2811).

CHAPTER V
INFORMATION SYSTEM

The forms summarised in the following Table shall form part of the information system from the Divisions, to the Circle Office, Region Office and the Head Office.

S.No.	Description of Form	Form No.	Periodicity
1	Details of Assets Purchased	FA 7	Monthly or as and when purchased
2	Abstract of Work Register	FA 11	Monthly
3	Capital Work Cost Analysis	FA 13	On completion of work along with completion certificate in Form FA 12
4	Particulars of Scrapped/Damaged Assets	FA 16	Monthly or on such scrapping or damage.
5	Abstract of Register of Maintenance Contract charges	FA 19	Monthly
6	Abstract of IPD Register	FA 20	Monthly

CHAPTER VI

INTERNAL CONTROL MEASURES

- 1 Budget sanction for Capital Expenditure shall be approved by the Board.
- 2 Approved budgets shall be communicated to the relevant divisions and variations from the budgets shall be constantly monitored.
- 3 There shall be written authorisation for incurring Capital Expenditure for items included in the Budget.
- 4 Authority for incurring Capital Expenditure shall be restricted to competent officers.
- 5 All capital work shall be constantly monitored to ensure that amount spent does not exceed the authorised Budget.
- 6 Supplemental authorisations shall be required for expenditures exceeding original authorisations.
- 7 Appointment of contractors etc. shall be done by authorised persons only, after verifying about the competence, capacity and other factors of contractor.
- 8 Completion of work shall be physically verified by competent officials as regards to its standards, completeness etc., who shall so certify the same in Form FA 11.
- 9 There shall be written authority for scrapping or selling of any fixed assets; such authority shall be restricted to few competent officials.
- 10 Procedure for transfer of assets from one location to another shall be in accordance with the established procedure in force prescribed by the Authority.
- 11 All transactions regarding sale of an asset, scrapping of an asset or transfer of an asset from one location to another shall be intimated to Head Office, who shall update the Fixed Asset Register immediately.
- 12 Competent official shall periodically ensure that all expenses whether revenue or capital is properly allocated to respective works and apportioned in accordance with the Authority's accounting policy.
- 13 Capital Work Cost Analysis (Form FA 13) shall be properly verified by a competent official before sending to Head Office.
- 14 Fixed Asset Register (Form FA 15) shall be properly updated and the individual balance shall be tallied with balance in the General Ledger.
- 15 There shall be a record, listing all title deeds, security (including the securities lodged by bidders and contractors) of properties.
- 16 Such Securities, title deeds shall be kept in proper custody.
- 17 Fixed Assets shall be adequately insured; value and type of insurance shall be properly decided/authorised by a competent official.
- 18 Fixed Assets shall be physically verified periodically
- 19 Report on such verification shall set out details of irregularities, conditions of fixed assets, damaged/obsolete assets etc.
- 20 Damaged/Obsolete assets, after proper approval, shall be removed from Asset Register and financial records.
- 21 Fixed Asset shall be written off only on proper authorisation of Board of the Authority.

FORMS & FORMATS

<u>Sl. No.</u>	<u>Particulars</u>	<u>Form No.</u>
1.	Work Register	FA 1
2.	Tender Forms Sales Register	FA 2
3.	Register of Emd	FA 3
4.	Tender Register	FA 4
5.	Register of Security Deposits	FA 5
6.	Register of Security / Bank Guarantees	FA 6
7.	Details of Asset Purchased	FA 7
8.	Contractor Register	FA 8
9.	Bill Module	FA 9
10.	Retention Money Register	FA 10
11.	Abstract of Work Order Register	FA 11
12.	Work Completion / Commissioning Certificate	FA 12
13.	Capital Work Cost Analysis	FA 13
14.	Register of Interest Pending Allocation	FA 14
15.	Asset Register	FA 15
16.	Particulars of Scrapped / Damaged Assets	FA 16
17.	Register of Damaged / Scrapped Assets	FA 17
18.	Assets Transfer Note	FA 18
19.	Register of Maintenance Contract Charges	FA 19
20.	IPD Register	FA 20

(Refer Chapter III (A) Para 3)

ESTIMATE

Work _____ Work Order No. _____

Classification
Account Code

[illegible]

FORM FA 2

[Refer Chapter III A Para 4]

KERALA WATER AUTHORITY

TENDER FORMS SALES REGISTER

Division _____

Sub-Division _____

Location Code _____

Sl. No.	To whom sold	Tender No.	No. of forms sold	Amount		Receipt No. & Date	Remarks
				Rs.	P.		

(Refer Chapter III (A) Para 5)

TENDER REGISTER

Location Code :

Name of Work				Total No. of tenders received :			
Estimated amount of the Contract : Rs.				Date :			
Sl.No.	Name of Tenderer	Whether registered contractor or not and if registered, the serial No. in the Register of Contractors or SOR Reference	Tender Percentage	Amount of Deposits	Signature of Bidders/ Tenderer	Recommendations of the Executive Engineer	Orders of the authority competent (if higher than EE) to accept tender

(Refer Chapter IV (A) Para 4)

Division / Sub-Division :
Location Code :

[illegible]

[Refer Chapter IV (B) Para 1.3.1]

Name

Sub Div.....Div.....

Address

Ref

[illegible]

Original : Head Office
Duplicate : File Copy

DIV.....

MONTH.....

[illegible]

BILL MODULE

PART I - ACCOUNT OF WORK EXECUTED

Signature :
Designation :
Date :

PART II - CERTIFICATE

Certified that the detailed measurements were made by me on.....and are recorded on page Nos.....of measurement book No.....and that the work done upto date has been executed satisfactorily in accordance with drawings and specifications including authorised additions and alterations thereof.

The value of work done upto date is Rs.....which is in conformity with the terms of the contractors agreement No.....dated.....and that the bill as claimed above represents a correct account of contractors' claims and liability.

Signature .

Designation :

Date :

Remarks of Inspecting Officer (s) :

(i) Nature of inspection :

(ii) Results of inspection :

Signature :

Designation :

Date :

Signature :

Designation :

Date ;

Checked the calculations and verified the rates against the contract schedule, quantities against estimate provision and receipts and issues of materials against estimate.

Clerk.

Divisional Accountant.

PART III
STATEMENT OF RECOVERIES
ANNEXURE - A - ADVANCE PAYMENTS

<u>Particulars</u>	<u>Amount</u> Rs.
1. Advance upto the Month	
2. Advances Received	
<u>CV No.</u>	<u>Date</u>
	<u>Amount</u> Rs.
.....
.....
.....
Total	
3. Amount Recovered	
4. Balance to be Adjusted	

Annexure D Hire Charges & Other Recoveries				
Sl. No	Particulars	Current Period		
		Account code	Rate Rs.	Amount Rs.
1	Hire charges	7299		
2	Rent	7212		
3	Electricity	7213		
4	Water charges	7215		
5	Penalties and fines	7211		
6	Interest on loans and advances	7121		

Signature :

Designation :

Date :

KERALA WATER AUTHORITY
PART III-STATEMENT RECOVERIES
of (FORM FA 9)

ANNEXURE B - MATERIAL COST RECOVERABLE

Sl. No.	Description of Materials	Units	Rate as in Agreement	Qty. in hand as per last CC	Receipt as per Indent No.	Total in hand up-todate	Since issues				Balance on hand	
							as per this bill	Value as per rate in Col. 4 Rs. P.	Transferred/ Returned	Total issues	With Contract or	With Section/ Sub-Division
1	2	3	4	5	6	7	8	9	10	11	12	13

Signature :
Designation :
Date :

ANNEXURE—C

SECURED ADVANCES ON MATERIALS BROUGHT BY THE CONTRACTOR TO THE SITE

[illegible]

Signature :
Designation :
Date :

PART III

STATEMENT OF RECOVERIES

ANNEXURE E - SECURITY DEPOSIT RECOVERABLE

Amount

Work done upto this bill	
Security deposit recoverable at.....%	
Security Deposit already recovered through	
Bill No. & Date.....	
Bill No. & Date.....	
Amount to be recovered through this bill	

Signature :
Designation :
Date :

Annexure F - Income Tax Recoverable

Amount

Work done upto this bill	
Income tax recoverable at.....%	
Already deducted through	
Bill No. & Date.....	
Bill No. & Date.....	
Account to be recovered through this bill	

Signature :
Designation :
Date :

Annexure G - Retention Money

Amount

Work done upto this bill	
Retention Money recoverable at.....%	
Already deducted through	
Bill No. & Date.....	
Bill No. & Date.....	
Amount to be recovered through this bill	

Signature .
Designation :
Date :

(Refer Chapter IV B Para 1.3.2)

KERALA WATER AUTHORITY
RETENTION MONEY REGISTER[illegible]

FORM FA 11
(Refer Chapter IV (B) Para 1.5)

Original : Head Office
Duplicate : Circle/Region
Triplicate : File Copy

Scheme :
Scheme Code : KERALA WATER AUTHORITY
Name of Work : ABSTRACT OF WORK REGISTER
Work Order No. : Division.....
Month.....

Classification	Account Code	Cum-total at the Beginning	Material and Equipment	Contractor Charges	Labour	Other Charges	Total for the month	Cum Total upto the Month

Date :

EXECUTIVE ENGINEER

KERALA WATER AUTHORITY

Division.....

No:.....

WORK COMPLETION / COMMISSIONING CERTIFICATE

Name of Work.....

Date of

Commencement.....

Completion.....

W. O. Reference.....

Commissioning.....

	Estimated cost	Actual cost	Variance	Reasons
Material				
Labour				
Contract Charges				
Other Direct Expense				
TOTAL				

CERTIFICATE

Certified that work has been completed and commissioned in accordance with contract and plans in a satisfactory manner.

EE/SE/CE (as the case may be)
[Signature]

Date.....

SITE INCHARGE
[Signature]

Date:.....

FORM FA 13
[Refer Chapter 10-B Para 1.5]

KERALA WATER AUTHORITY

Division :

Location Code :

Original — Head Office
Duplicate -- Circle/Region
Triplicate -- File Copy

CAPITAL WORK COST ANALYSIS

Scheme/WorkWo No.....WIP Ref.....

Date of completion.....

Location.....

Sl. No.	Asset Classification	Account Code	Detailed Specifica- tion of Materials/ Assets	Qty.	Total Cost	For Head Office Use		Total
						Share Debit	Interest	

Remarks :

Date :

Use separate sheets where necessary

Executive Engineer

(Refer Chapter IV (C) Para 1.2 (b))

Division.....

Year.....

[illegible]

FORM FA 15

(Refer Chapter IV (C) Para 2 & 3)

KERALA WATER AUTHORITY

ASSET REGISTER *

Broad Classification : (Viz: Plant & Machinery Etc.)

Asset Classification : (Elect. Equip: Water Supply Etc)

Component (Viz: Pump & Motors Etc.)

Account Code.....

Sl. No	Date of Commissioning	Location	W O Ref	JV Ref.	Qty.	Cost	10% of cost	90% of cost	Estimated useful life	Annual charge of depreciation	Depreciation				Remarks
			WIP Ref								1 Year	2	Nil	Nil	

* Note: This shall be maintained asset classification-wise (i.e. account code wise) and component wise, wherever required.

FORM FA - 16
(Refer Chapter IV (C Para 6))

Original : Head Office
Duplicate : Authorising Official
Triplicate : File

KERALA WATER AUTHORITY TRIVANDRUM
PARTICULARS OF SCRAPPED/DAMAGE/DSOLD ASSETS

Location	Location Code	
1. Asset Classification		
2. Asset Code		
3. Particulars of Asset		
4. W O./WIP Ref :		
5. Date of Commencement		
6. Cost		
7. Present condition/ Brief Particulars		
8. Particulars of Receipt		
Date	Authorised Signatory	Executive Engineer

TO BE FILLED BY HEAD OFFICE

1. Asset Register	Folio		
2. Cost		JV No.,	Date :
3. Accum. Dep.			
4. WDV			
5. TR. JV. No. :	Date :		

FORM FA 17
(Refer Chapter IV Para 6)

**KERALA WATER AUTHORITY
TRIVANDRUM
REGISTER OF DAMAGED/SCRAPPED ASSETS**

[illegible]

FORM FA 18
(Refer Chapter IV Para7)

Original : Transferee
Duplicate : Head Office
Triplicate : Transferor
Quadruplicate : Competent Officer

KERALA WATER AUTHORITY

TRIVANDRUM

ASSET TRANSFER NOTE

1. Particulars of Asset

2. Asset Classification

3. Account Code

4. W.O./WIP Ref

5. Transfer From

6. Transfer To

7. Brief Reasons for Request _____

Date :

Signature of
Transferor Unit

The above transfer is authorised

Signature, Seal of
Authorising Official

TO BE FILED BY TRANSFEE

1. W.O./WIP Ref
2. Date of Commissioning
3. Cost (In Rs.) in Form FA 12
4. Mode of Transfer

TO BE FILLED BY HEAD OFFICE

1. Cost in Rs.
2. Accum. Dep. Rs.
3. WDW Rs.

JV No.	Dt.
Transfer JV No.	Dt.
Initial	

FORM FA 19
(Refer Chapter III - B Para 5)

KERALA WATER AUTHORITY
REGISTER OF MAINTENANCE CONTRACT CHARGES

Month:

Division.....

Location Code.....

Sub-Division.....

Location Code.....

[illegible]

(Refer Chapter 10 - 8 Para 1.6)

IPD REGISTER

Location Code.....

Location Code.....

Sl. No.	Name of Work	Cumulative Expenditure at the month begining	Expenditure for the month	Cumulative Expenditure upto the month end	Continuing works Cumulative Expenditure	Completed Works		Remarks
						Cumulative Expenditure Abandoned Works	Cumulative Expenditure Approved Works	
1	2	(Rs.) 3	(Rs.) 4	(Rs.) 5	(Rs.) 6	(Rs.) 7	(Rs.) 8	9

Note : Cumulative expenditure under column No. (6) only need to be carried forward to the next month.

VOLUME - V

ARTHUR. E
Internal Auditor I
Jala Bhavan
Kerala Water Authority
Thiruvananthapuram-695 033

CASH AND FUNDS ACCOUNTING

CONTENTS

ARTHUR E
Internal Auditor I
Jala Sivan
Kerala Water Authority
Thiruvananthapuram-695 033

	PAGE
I INTRODUCTION	1
II OPERATING SYSTEMS AND PROCEDURES	
(A) General	1
(B) Receipts	2
(C) Payments	3
(D) Imprest	5
(E) Banking	6
(F) Fund Transfer	7
III ACCOUNTING PROCEDURES	
(A) General	8
(B) Receipts	9
(C) Payments	10
(D) Imprest	10
(E) Banking	11
(F) Fund Transfer	12
IV MONTHLY ABSTRACT	14
V INTERNAL CONTROL MEASURES	15
FORMS AND FORMATS	

LEGEND

Authority	:	Kerala Water Authority
Board	:	Board of Kerala Water Authority
H.O.	:	Office of the Finance Manager and Chief Accounts Officer
D.A.	:	Divisional Accountant
Cashier	:	Authorised person handling cash

CHAPTER I

INTRODUCTION

1 OBJECTIVE

The objective of the manual is to establish consistent and effective policies and procedures in order to ensure uniform practices throughout the Authority. The policies and procedures specified in the manual shall be followed unless specific exemption is otherwise granted by the Authority.

2 SCOPE

This manual covers operating systems and procedures and accounting thereof related to Cash/Bank receipts and payments including abstracting of monthly receipts and payments

3 DEVIATION

Deviation shall not normally be permitted unless backed by a justifiable request for deviation clearly outlining the following :

- * Nature of Deviation
- * Reason for Deviation
- * Time span for which deviation is required
- * The procedures that would be followed if deviation is approved.

Such request shall be submitted through proper channels to the Head Office which shall then evaluate the necessity thereof and accordingly either approve or reject the same.

4 USAGE & CUSTODY

This manual shall be issued to and used only by those persons the Authority may deem fit and accordingly authorise. Any such person so authorised shall preserve the copy under his/her confidential custody. Upon transfer/relocation/retrenchment etc, such person shall be obliged to return the copy to the Authority.

CHAPTER II

OPERATING SYSTEMS AND PROCEDURES

(A) GENERAL

1 ISSUE OF RECEIPT BOOKS

Receipt books (Form CB 1 & CB 2) shall be issued only to the authorised Division/Sub-divisions/Sections, which in turn shall issue such books only to the authorised cashier/Bill collector. Details of issue of such books shall be recorded in Receipt Book, Stock Register in form CB 34. Bill collector shall be issued receipt book relating to revenue collections only (i.e) CB 1 only.

2 CUSTODY OF CHEQUE BOOKS

Cheque books shall be issued only to the Authorised Officer of the Head Office/Division/ Sub-division, who shall be responsible for the custody of cheques.

3 CASH DEALING PERSON

Only authorised persons shall be allowed to deal with cash on behalf of the Authority; such authorised person shall include reserve persons who shall act as Cashier/Bill Collector in the absence of Cashier/Bill Collector.

4 RESTRICTION OF ACCESS TO CASH BOOK

Only authorised persons shall have access to the cash book; staff dealing with the cash or writing cash book shall not have access to any other registers ledgers.

5 VOUCHERS TO SUPPORT PAYMENTS

Cashier shall not make any payment without a voucher in Form CB 3, which are duly passed by an appropriate Officer in accordance with the powers delegated by the Authority.

6 RECEIPTS

A receipt (form CB 1 or CB 2) shall be issued by the Cashier/Bill Collector for all cash/ cheque/Demand Draft/Money Order receipts.

7 CANCELLED/SPOILED RECEIPTS/CHEQUES

All cancelled/spoiled receipts or cheques shall not be destroyed but shall be clipped with copy of receipt or counter foil of cheques as the case may be.

8 CASH BOOK

Cash Book in form CB 8 shall be maintained at all Account Rendering Units (ARUs) and Sub-divisions.

(B) RECEIPT

1 FORWARDING OF CHEQUES/DD RECEIVED BY MAIL

Details of all cheques/DD's contained in mail shall be recorded in Mail Inward Register; the cheques/DD's shall be crossed, if not already crossed. The details of cheques/DDs shall be recorded in CHEQUE REGISTER in form CB 4 and shall be forwarded to the Cashier through Superintendent for receipt preparation and thereafter for banking purposes.

2 REVENUE RECEIPT PREPARATION

Bill Collector shall prepare receipt in Form CB 1 in respect of receipt of Water/Sewer charges etc. along with duplicate copy of bills/certificate of Billing and/or Billing adjustment voucher.

3 RECEIPT PREPARATION

Cashier shall prepare receipt in Form CB 2 in respect of all other receipts. Such receipt shall contain complete details of receipts, with all relevant details to facilitate accounting. Cashier shall clarify all doubts before issuing receipts.

4 SUPPORTING PAPERS WITH RECEIPT

Cashier/Bill Collector shall accept cash only with requisite supporting documents, wherever required, (For e.g. receipt of water/sewer charges, shall be collected only along with duplicate copy of bill certificate of billing and/or billing adjustment voucher),

5. DETAILING OF RECEIPT

In case of revenue collection, Cashier/Bill Collector shall record the details of revenue collections in Revenue Collection Scroll (Form CB 5). Nature of receipt and the details of adjustment (such as TDS) in case of all other receipts shall be written with reference to the supporting documents in the receipts and payments scroll (Form CB 6). Where there are no supporting documents for receipts (such as for sale of application forms), Cashier shall record appropriate details in the cash receipt and in the Receipts and Payments scroll.

(C) PAYMENTS

1 ATTESTING THE SIGNATURE OF CLAIMANT

The bill submitted by the claimant shall contain signature and official seal wherever required: such signature shall be attested by an official authorised by the Authority. Such bills shall be forwarded to the Superintendent/Divisional Accountant (D. A.) of the accounts section.

2 PREPARATION OF VOUCHERS

The Superintendent/D. A. shall on receipt of such bills, prepare a voucher in form CB 3 containing details of Gross amount adjustments and hence net amount of payment with relevant account codes. Such bills shall be entered in 'Bill passing and payment register' (Form CB-35) and sent to the appropriate authority alongwith necessary supporting documents for approval.

3 PASSING OF VOUCHERS

Such vouchers along with bill shall then be sent depending upon value of voucher through proper channels to the relevant competent person so empowered by the Board to pass such vouchers for necessary verification and approval.

4 CHEQUE / DD PAYMENTS

Where the payment to be made exceeds Rs. 2,500/- or where the claimant desires for cheque payment or where the payment has to be made by a Demand Draft such passed vouchers along with bills shall be forwarded to the Superintendent/D. A. concerned. Other vouchers along with bills shall be forwarded to the cashier for making payment.

5 CHEQUE PREPARATION

The Superintendent/D.A. on receipt of passed vouchers for an amount exceeding Rs 2,500/- where the claimant has desired cheque payment, shall prepare a cheque duly crossed and shall record the details of cheque issued in the CHEQUE ISSUE REGISTER which shall be in Form CB 9.

6 CHEQUE SIGNING

Such cheques along with passed vouchers and the cheque issue register shall be forwarded to the authorised signatory, empowered by the Board of the Authority to sign such cheques.

The authorised signatory, after verifying that the bill is duly passed and that the cheque is prepared for an amount not exceeding the amount passed shall sign the cheques and also the cheque issue register (form CB 9) as a record of having signed the cheques. The authorised signatory shall after crossing all cheques, if not already crossed, forward the passed voucher with bills, the signed cheques along with cheque issue register (Form CB 9) to the cashier for making payment. The cashier shall acknowledge the receipt of signed cheques, by signing in the cheque issue register.

7 PROCEDURE FOR OBTAINING D.D.

The Superintendent on receipt of passed vouchers, in respect of payments to be made by a Demand Draft, shall prepare a cheque favouring 'Bank' duly crossed and record the details in cheque issue register. Such cheques shall be forwarded to the authorised signatory for the purpose who shall thereafter forward to the cashier as stated in paragraph 6 above. Where Demand Drafts cannot be so obtained for any reason (for e.g. amount with treasury, which does not issue Demand Draft), the passed vouchers shall be forwarded to the cashier by the passing authority. In either case, cashier shall arrange to obtain Demand Draft through the person-in-charge of banking by handing over to him cheque necessary cash for obtaining Demand Draft. The cashier shall get the acknowledgement of cheque/cash handed over to such aforesaid person in the Banking Register (in form CB 10). The person handing over the demand draft shall ensure that same is acknowledged by the Cashier in the Banking Register (Form CB 10).

8 DISBURSEMENT TO CLAIMANT ONLY

Payments shall be made only to the Claimant or to his representative with a proper authorisation which shall be verified by the competent official authorised by the Board.

9 RECEIPT FROM PAYEE

Cashier shall make the payment after

- obtaining receipt from the party or where party does not have his own receipt, a receipt shall be obtained in the voucher and
- verifying the signature in the receipt with signature in the bill or authorisation which has been verified by the competent official.

Cashier shall insist for a revenue stamp on all receipts exceeding Rs. 20; where such stamp is not affixed, revenue stamp shall be affixed by the cashier and the cost of revenue stamp shall be recovered from the party.

10 PAYMENTS BY MAIL

Where the cheques/D.Ds are to be sent by post, they shall be, after accounting in the Cash Book, forwarded to the Superintendent D.A., who shall arrange to mail them along with a covering letter in Form CB 11, Superintendent D.A. shall mail any such letter through mailing clerk, if any, or through head of the division/sub-division section who shall verify

- * whether all cheques/DDs are properly crossed
- * whether mail is addressed to right person.

Details shall be recorded in Outward Mail Register and then shall be despatched.

11 RECEIPT FOR PAYMENT BY MAIL

Superintendent/D.A. shall constantly monitor whether receipts (whether proper receipt of the payee or perforated receipt in the covering letter) are received promptly in respect of all payments by post. He shall constantly send reminders to the parties, who do not send receipts and shall endeavour to obtain such receipts. Such receipts, wherever obtained shall be clipped along with relevant voucher.

12 DEFACING

Cashier shall deface all the supporting documents with voucher by marking it with rubber stamp as 'PAID ON by Cash/Cheque No. of ' or by crossing all the supporting documents.

13 NUMBERING VOUCHER

Cashier shall number the voucher serially, in respect of all payments made and shall record such details in receipts and payment scroll (Form CB 6).

14 ACCOUNTING

D.A./Superintendent shall cause to record the details of all the payments made with relevant account code and the voucher number in the cash book properly.

15 VERIFICATION

The Superintendent/D.A shall at the end of the day verify all vouchers with the entry in the Receipts and Payments Scroll. He shall in addition verify that all the appropriate registers wherever required are updated more particularly in case of capital payment/repayments.

(D) TEMPORARY ADVANCE/IMPREST

1 TEMPORARY ADVANCE/IMPREST CLAIM

Eligible officials shall lodge a claim for Temporary Advance/Imprest in TEMPORARY ADVANCE IMPREST CLAIM SETTLEMENT in form CB 12 with the Superintendent/D.A. This shall in addition be accompanied with supporting bills for expenditure incurred in case of recoupment of imprest or settlement of Temporary Advance/Imprest.

2 PASSING OF TEMPORARY ADVANCE/IMPREST

D.A./Superintendent shall, after verifying the genuineness of claim prima-facie, arithmetical accuracy, nature of expenditure stated in Temporary Advance/Imprest Claim settlement (Form CB 12) and forward such form CB 12) along with supporting bills, in case of settlement/re-coupment, to the passing officer, who is authorised by the Board to approve the voucher, The Imprest Claim/Settlement Form No. CB 12 and the supporting

bills wherever attached shall be approved for payment by the Passing Officer by signing on the form and shall be forwarded thereafter to the cashier for payment.

(E) BANKING

1 AUTHORITY

All Banking transactions shall be operated by the officials authorised by the Board for the purpose. Such officials shall be responsible for all banking and related (for eg. custody of cheque books etc.) transactions.

2 CHEQUE RECEIPTS/ISSUES

All receipts of cheque whether by post or in person or from sections/collection centers shall be entered in the 'Cheque Register' (form CB 4) and shall be forwarded to the cashier, where relevant for preparation of receipt and subsequent banking purposes. Similarly, details of all cheques issued shall be recorded in cheque issue register (Form CB 9). Cashier shall record the details of all such cheques received/payments made in receipts and payments scroll. (Form CB 6) to facilitate subsequent accounting in cash book.

3 PREPARING PAY-IN-SLIPS

Ideally Bank Pay-in-slips shall be prepared by a person other than cashier and the person doing banking. This shall be verified by the D.A./Superintendent.

4 TRANSACTING

Ideally person other than cashier and the person responsible for preparation of bank pay-in-slips shall do banking. He shall be given the amount of cash to be banked and all the cheques with pay in slips that requires to be banked. Necessary cash/cheque for obtaining of Demand Draft/withdrawal of cash shall be given to him. Details of cash/cheque so handed over to him for banking shall be got acknowledged in Banking Register in Form CB 10. Such person shall after transacting, handover all the acknowledged Pay-in-slips to the Superintendent who shall acknowledge the fact in the Banking Register. In case of cash withdrawal/DD's made, the person doing banking shall handover the cash/DD to the cashier, who shall acknowledge the receipt in the Banking Register (Form CB 10)

5 RESTRICTION ON DEPOSIT INTO DRAWING ACCOUNT

Division/Sub-division shall deposit in the drawing account only such receipts which are authorised by the Board to be so deposited; other receipts be banked only in non-operative account.

6 CONTROL REGISTER-NON OPERATIVE ACCOUNT

Division/Sub-division shall maintain a 'CONTROL REGISTER'-NON OPERATING ACCOUNT' in form CB 14 wherein the details of deposits into non-operative account shall be recorded. Also, the details of transfers effected to the Head Office shall be recorded, based on advices received from bank.

7 CHEQUE DISHONOUR/RETURN

Sub-divisions shall arrange to send back the returned/dishonoured cheques to the Section/s Collection centers where relevant where from it was initially received, along with a CHEQUE RETURN NOTE in form CB 15. Division/Sub-divisions shall update the cash book in respect of all cheques returned/dishonoured by accounting them in payment side of the cash book under the relevant account heads.

(F) FUND TRANSFER

1 FUND REQUISITION

The Sub-division shall initiate a requisition for all its fund requirements which shall after careful scrutiny be consolidated into one by the Divisions and shall be sent to Head Office (in such form as may be prescribed by the Authority) for necessary action.

2 EFFECTING TRANSFER

Head Office (Finance Wing) shall verify for the eligibility of fund and FM & CAO may authorise the transfer of fund if eligible depending upon the availability of funds. The banks shall be advised to transfer the funds to the units in 'Fund Transfer Advice' form CB 29 and a copy of the same shall be forwarded to the requesting unit for necessary followup. The 'Fund Transfer Register' in form CB 30 shall be updated immediately. Also, 'Budget Control Register' in form CB 31 shall be updated.

3 NON-OPERATIVE ACCOUNT

Chellans prescribed by the Authority shall be used by the Units in respect of deposit of funds into non-operative account. A copy of such challan for each transfer along with the schedule of transfers effected during the month, shall be sent by the units to the Head Office along with monthly Accounts.

Head Office shall on receipt of such Schedule, record the details of transfers effected in Non-operative Transfer Register in form CB 32. Details of funds transferred (i.e. utilised) shall also be recorded in that register and hence the balance shall be ascertained.

4 INTER UNIT PAYMENT

In respect of fund transferred between the units towards transfer of material, Capital Assets, Liability, income and expenditure or otherwise, the transferor unit shall prepare a payment slip in form CB 33 in triplicate and send two copies to the transferee unit on effecting such transfer; and one copy to Head Office (Finance Wing) along with monthly accounts. The transferee Unit shall upon receipt of funds, acknowledge one copy of the said Payment Slip (Form CB 33) and return the same to the transferor unit.

CHAPTER - III**ACCOUNTING PROCEDURES****(A) GENERAL****1 REVENUE COLLECTION SCROLL**

Cashier/Bill Collector shall record the details of revenue collections in the REVENUE COLLECTION SCROLL in form CB 5.

2 RECEIPTS AND PAYMENTS SCROLL

Cashier shall record the details of other collections/payments in the RECEIPTS AND PAYMENTS SCROLL in the form CB 6. All payments/receipts shall be recorded in the scroll in the sequence of receipts and payments; and the vouchers shall be numbered accordingly.

3 CASH VERIFICATION

Superintendent/Divisional Accountant shall verify the cash on hand with reference to the

- * Grand total of revenue collection scroll (Form CB 5),
- * Balance in the receipts and payment scroll (Form CB 6).

He shall cross verify the individual entries in the scroll with copies of receipts and paid vouchers.

4 SURPLUS/DEFICIT OF CASH

Where cash is found to be in excess or deficit, then the scroll shall be verified with individual copy of receipt and payment voucher. The Surplus Deficit still unresolved shall be recorded in a SURPLUS DEFICIT REGISTER which shall be in form CB 17. such Surplus or Deficit of cash shall be adjusted in accordance with the rules of the Authority.

5 DETAILS IN CASH BOOK

Cash Book in form CB 8 shall contain upto date receipts and payments detailing the nature of transactions, account codes of the transactions, amount under cash/relevant bank column and the voucher number/receipt number, where relevant.

6 ORDER OF ENTRIES

Entry in the cash book shall be recorded serially, receipt number-wise/voucher number-wise, where relevant.

7 ADJUSTMENTS

All adjustments of receipts and payment (such as adjusting advances made before making final payment etc) shall be made by recording the details of adjustments in the payments and receipt side of cash book respectively, correspondingly the other side shall contain the gross amount of receipt/payment.

For eg. adjustment of advance payment to contractor (say Rs. 100) from the final bill (say Rs. 220 before making adjustment) shall be recorded in the Cash Book as follows:

- * Amount of gross bill i.e., final bill amount without making any adjustment (Rs. 220 here) shall be recorded in the payment side of cash book (Though actual payment would be Rs. 120 only i.e., Rs. 220-Rs. 100).
- * Amount adjusted as advance payment (of Rs. 100 here) shall be recorded in the receipt side of Cash book.

8 CAPITAL RECEIPTS/PAYMENTS

Divisional Accountant/Superintendent shall cause to record the details of receipts/ payments of capital nature (i.e., transactions bearing account codes upto 2999) in addition, in appropriate registers, prescribed for the purpose. An illustrative list of registers not covered in other manuals is given below :

- i) OTHER DEPOSIT REGISTER in form CB 18.
- ii) REGISTER OF DEPOSITS MADE in form CB 19.
- iii) REGISTER OF LOANS AND ADVANCES in form CB 20.
- iv) SALES TAX REGISTER in form CB 21.
- v) REGISTER OF ITDS in form CB 22.
- vi) OTHER CLAIMS REGISTER in form CB 23.
- vii) INVESTMENT REGISTER in form CB 24 at Head Office.

(B) RECEIPTS

1 REVENUE COLLECTIONS

The Sub-division shall record in the receipt side of Cash Book, all revenue collection (based on collection Summary-Form CB 7) under the head 'Control Account-Collection', (Account code 9211).

In respect of revenue collections effected through collection accounts with Banks, the same shall be accounted based on the scroll provided by the respective Bank, in the receipt side of 'COLLECTION BANK BOOK' (Form CB-8A under the head 'Control Account-Collections Account' code 9211).

2 OTHER COLLECTIONS

All other receipts shall be accounted in the receipt side of Cash Book, serially number-wise, in cash column in case of cash collection and relevant bank column in case of relevant cheque/DD collections and shall contain appropriate account codes.

3 UPDATING REGISTERS

Divisional Accountant/Superintendent shall ensure that all registers wherever relevant are updated for all receipts, more particularly in case of capital receipts.

4 POST RECONCILIATION ENTRY

Any interest (other than interest on specific deposits) credited by Bank, shall be accounted in the receipt side of cash book under the drawing bank account column.

(C) PAYMENTS**1 PRIMARY RECORDING OF PAYMENT**

Cashier shall on receipt of passed payment vouchers pay the cash to the claimant or his authorised representative. Details of such payments shall be recorded in RECEIPTS & PAYMENT SCROLL in Form CB 6.

- in the cash column in case of cash payments
- in the cheque column in case of cheque/D.D. payments.

He shall serially number the voucher in the sequence of payments.

2 ACCOUNTING IN CASH BOOK

All payments shall be entered in the cash book serially, voucher number-wise

- in the cash column in case of cash payments
- in the drawing bank account column in case of cheque/DD payments.

All transaction shall bear account codes as stated in the voucher-

3 UPDATING REGISTERS

Divisional Accountant/Superintendent shall ensure that all registers wherever relevant are updated, more particularly in case of payments of capital in nature.

4 POST RECONCILIATION ENTRIES

Details of cheques dishonoured/bank charges Commission, after ascertaining the same, shall be accounted in the payment side of cash book under relevant bank column under the appropriate account head.

5 ENTRIES IN THE REGISTER OF MAINTENANCE CHARGES (FORM-RA 35)

All maintenance related expenses, as and when incurred, shall be entered in respective folio for the schemes under the concerned Account Heads (three digit codes).

(D) IMPREST**1 PAYMENT TO CLAIMANT**

Cashier shall make the payment to the claimant on receipt of passed payment vouchers alongwith TEMPORARY ADVANCE/IMPREST CLAIM/SETTLEMENT in form CB 12.

2 RECOUPMENT OF IMPREST

Recoupment of imprest shall be accounted in the payment side of cash book, detailing the the expenditure specified in the imprest claim, account code-wise.

3 OTHER IMPREST PAYMENT

Any other payment of imprest (whether temporary or permanent) shall be accounted in the payment side of cash book under the head "Imprest account balances" (account code 1532) or appropriate Temporary Advance code.

4 ADJUSTMENT/SETTLEMENT OF TEMPORARY ADVANCE/IMPREST

Any adjustment/settlement of imprest shall be accounted in the cash book.

- * By showing in the payment side of cash book, the amount of expenditure specified in the Temporary Advance/Imprest claim/settlement (form CB 12).
- * By showing the amount of Temporary Advance/Imprest adjusted/settled in the receipt side of cash book under the account head "Imprest account balances" (account code 1532) or appropriate Temporary Advance code.

5 IMPREST REGISTER

Divisional Accountant/Superintendent shall cause to record the details of such imprest payment and its subsequent adjustment/settlement in the IMPREST REGISTER in form CB 13. Any recoupment shall be recorded appropriately against the original imprest details and the recoupment shall be entered in the imprest register along with balance of imprest.

6 TEMPORARY ADVANCE REGISTER

Details of Temporary Advances made and settled shall be recorded in 'Register of Loans and Advances' in form CB 20.

(E) BANKING

1 RECEIPT OF CHEQUE/DD

Accounting section shall cause to ensure that all receipts of cheques/DD recorded in cheque register (Form CB 4) are properly recorded in the receipt side of Cash Book under relevant bank column-in the non-operative account column in case of all non-operative receipts; and in the drawing account column in case of others. All receipts termed by the Board of the Authority as non-operative receipts shall only be deposited in non-operative bank account.

2 PAYMENT BY CHEQUE/DD

Similarly, all payments by cheque, recorded in cheque issue register (Form CB 9) shall be recorded in the payment side of cash book under drawing account column.

3 NON-OPERATIVE ACCOUNT

Transfer from non-operative account to Head Office shall be recorded in the payment side of cash book in non-operative bank column under the head "IOA-Bank non-operative account" (Account code 9134). Similarly, Head Office shall account such receipts, under the same head in the receipt side of cash book.

4 CASH DRAWAL/DEPOSIT

Any withdrawal of cash shall be shown in the payment side of cash book in the drawing account column and in the receipt side of cash book in the cash column. Similarly, deposit of fund into bank shall be shown in the payment side of cash book in the cash column and in the receipt side of cash book in the relevant bank column.

5 CHEQUES DISHONoured/RETURNED

Cheques returned/dishonoured shall be accounted in the payment side of cash book in the relevant bank column under the account head in which it had initially booked.

6 BANK RECONCILIATION

Bank Reconciliations shall be done on a monthly basis. Such reconciliations shall be based on bank statement (s)/pass book. Such reconciliation shall comprise of tracing of entries in the cash book vis-a-vis bank statement/pass book in respect of

- (a) cheques issued for which bank has not debited.
- (b) cheques deposited, for which bank has not given credit.
- (c) amount credited by bank but not recorded in cash book.
- (d) amount debited by bank (such as for dishonour of cheques) but not recorded in cash book.
- (e) amount credited by bank as interest but not recorded in cash book and
- (f) amount debited by bank as interest/bank charges/commission etc. details of which are not recorded in the cash book.

Such reconciliation shall be prepared in form CB 25, by a person other than cashier/person doing banking.

7 POST RECONCILIATION ENTRIES

Cash book shall be rectified properly in respect of transaction in para 6 (c), (d), (e) and (f) as follows :

- * Details of amount credited by bank be ascertained and accounted in the receipt side of the cash book.
- * Details of cheques dishonoured but not recorded in the Cash Book shall be rectified by showing in the payments side of cash book.
- * Details of interest credited shall be recorded in the receipt side of cash book.
- * Details of interest debited/charges commission debited shall be recorded in the payment side of cash book.

Such reconciliation in form CB 25 and post-reconciliation entries shall be verified by D.A./ Superintendent.

(F) FUNDS TRANSFER

1 INTER OFFICE ACCOUNT

Inter Office Account (IOA) shall be operated for all receipts and payments between Divisions/Sub-divisions and Head Office. An IOA Register in Form CB-16 shall be maintained for all such transactions.

2 DRAWING ACCOUNT

Any transfer of fund from Head Office to Division/Sub-division and from Division to Sub-division in the drawing account shall be accounted in the Cash Book (Receipt side in case of Division/Sub-divisions and payment side in case of Head Office) under the the head IOA Cash/Bank drawing account/treasury account (Account codes 9131/9132/9133 as the case may be).

'Fund Transfer Register' (form CB 30) and 'Budget Control Register' (form CB 31) shall in addition be updated by the Head Office (Finance Wing) on transferring funds to units.

3 NON-OPERATIVE ACCOUNT

Transfer of fund from Sub-division/Divisions to Head Office through Non-operative Bank account shall be accounted in the cash book (payment side in the Divisions/Sub-divisions book and receipt side in the Head Office books) under the head IOA - Banks Non operative (Account Code 9134).

In addition, units shall update 'Control Register-Non-operative Account' (Form CB 14) and Head Office (Finance Wing) shall update Non-operative Transfer Register (form CB 32) based on schedule of transfer along with a copy of challan received from the units in respect of transfers into non-operative account.

Details of funds tranferred from collection accounts with Banks to the non-operative account shall be recorded in the payment side of collections bank book (form CB-8A) and correspondingly in the receipt side of the cash book (Form CB-8) under non-operative column

4 OTHER ACCOUNTS

Any receipt/payments relating to material transfer/Fixed asset transfer/liability transfer/ transfer of expenditure or income incurred between the Divisions/Sub-divisions shall be accounted in the cash book (in the receipt side where received and in the payment side where paid) under the appropriate inter office account (account codes 9111 to 9113, 9121 to 9123, 9141 to 9143 as the case may be).

5

The ARUs shall submit the details of cash and other transactions with other offices (including sub-divisions in case of divisions) on a monthly basis to Head Office alongwith monthly accounts in Form CB-36. The Head Office shall periodically reconcile the details received from ARUs and take necessary action on issues arising therefrom.

CHAPTER - IV**MONTHLY ABSTRACT****1 MONTHLY ABSTRACT OF CASH BOOK**

The sub-division shall send on a monthly basis an abstract of cash book in form CB-27 and Abstract of collection bank book in Form CB-27A (containing account code-wise summary of cash transaction) to the Division, which in turn shall consolidate such abstract along with its own abstract into one and shall send the same to the Head Office.

2 PROCEDURE FOR PREPARATION

Such "monthly abstract of cash book;" and "abstract of collection bank book" shall be prepared as follows:

- * Separate abstract sheet (in form CB 28) shall be used for each account code operated in the cashbook, separately for receipts and payment.
- * Write the reference of voucher number/receipt number and the amount in the relevant column of the abstract sent bearing the same account code.
- * Complete the process for all the entries in the cash book for the month,
- * Total up each abstract sheet.
- * Write up the total in each abstract sheet against the relevant account code of the monthly abstract of cash book in the appropriate column.
- * Write the details of opening balance, cash deposited into, withdrawal from bank and the closing balance.
- * Total up the abstract.
- * In case, total of receipts side and the payment side does not tally, any error in the above process shall be ascertained and rectified.

3 If the ARUs commit any mistakes/errors in the monthly accounts and the same is noticed after submission of monthly accounts to Head Office, they shall report such mistakes/errors together with necessary particulars as specified in Form CB-37 to the Head Office, who shall take necessary rectification action by passing journal entries, as may be necessary.

CHAPTER V**INTERNAL CONTROL MEASURES****1 GENERAL**

- i) Number of persons handling cash/cheques/DDs shall be restricted.
- ii) The responsibilities shall be clearly defined,
- iii) Duties shall be divided between recording and custody.
- iv) There shall be periodic cash verification with reference to cash book by the Superintendent/DA.
- v) There shall be periodic surprise cash count.
- vi) All payments into bank shall be made at the earliest opportunity.
- vii) Rules regarding the size of cash floats shall be clearly spelt out.
- viii) Proper security arrangements and insurance shall be effected to cover cash on hand at premises. Adequacy of such insurance shall be periodically reviewed.

2 CONTROL OVER RECEIPTS

- i) Cashier/Bill Collector shall not open any incoming mail.
- ii) There shall be a register for noting the details of incoming mails and the contents.
- iii) All Cheques/DDs shall be crossed, if not already crossed.
- iv) Superintendent/Divisional Accountant shall ensure that details of cheques/DDs received are caused to be recorded in the cheque register and receipts in appropriate form is issued for the same.

3 CONTROL OVER PAYMENTS

- i) No payments shall be made without a voucher which shall be duly passed by an officer authorised by the Authority,
- ii) Safeguards shall additionally be ensured so that payments cannot be made twice: for eg. by marking all extra copies of bills as "EXTRA COPY", by marking all paid vouchers as "PAID".
- iii) Cheques shall be issued to and shall be in the custody of persons authorised by the Authority.
- iv) All cheque payments shall be recorded in cheque issue register.
- v) All cheque payments exceeding Rs. 2,500/- and other cheques were required shall be crossed.
- vi) All such cheques shall be despatched soon to caution against interception.

4 BANKING

- i) Bank pay-in-slips shall be prepared by a person other than cashier and the person doing banking.
- ii) Banking shall normally be done by a person other than one who is responsible for preparing bank pay-in-slips and the cashier.
- iii) Details of Cash/Cheques/DDs handed over to the person doing banking shall be recorded in the BANKING REGISTER (Form CB 10) and got acknowledged from him.
- iv) Person doing banking shall ensure that Superintendent.D.A. acknowledges the cash/DDs handed over to him, by signing in the Banking Register.
- v) Bank accounts shall be regularly reconciled with books in form CB 25, by a person other than person doing banking and cashier.
- vi) Special care shall be taken in identifying long standing unpresented cheques, cheques not deposited, stop payments, dishonours etc.

LIST OF FORMS

<u>S.No.</u>	<u>TITLE</u>	<u>FORM No.</u>
1.	Receipt - Revenue Collection	CB 1
2.	Receipt - Others	CB 2
3.	Voucher	CB 3
4.	Cheque Register	CB 4
5.	Revenue Collection Scroll	CB 5
6.	Receipts and Payments Scroll	CB 6
7.	Collection Summary	CB 7
8.	Cash Book	CB 8
8A.	Collection Bank Book	CB 8A
9.	Cheque Issue Register	CB 9
10.	Banking Register	CB 10
11.	Covering Letter for Payment	CB 11
12.	Imprest Claim Settlement	CB 12
13.	Imprest Register	CB 13
14.	Control Register - Non-Operative Account	CB 14
15.	Cheque Return Note	CB 15
16.	ID A Register	CB 16
17.	Surplus/Deficit Register	CB 17
18.	Deposit Register	CB 18
19.	Deposit Made Register	CB 19
20.	Register of Loans and Advances	CB 20
21.	Sales Tax Register	CB 21
22.	Register of ITDS	CB 22
23.	Claims Register	CB 23
24.	Investment Register	CB 24
25.	Bank Reconciliation	CB 25
26.	Monthly Abstract of Cash Book	CB 27
26A.	Abstract of Collection Bank Book	CB 27A
27.	Abstract Sheet	CB 28
28.	Fund Transfer Advice	CB 29
29.	Fund Transfer Register	CB 30
30.	Budget Control Register	CB 31
31.	Non-Operative Transfer Register	CB 32
32.	Payment Advice	CB 33
33.	Stock Register of Blank Records & Forms	CB 34
34.	Bill Passing and Payment Register	CB 35
35.	Monthly Details of Inter-Office Transactions	CB 36
36.	Advice for Correction of Mistakes in Monthly Accounts Already Submitted to Head Office	CB 37

FORM CB-1

Original to Consumer
Duplicate Office Copy

Refer Chapter II (A) Para 1
Chapter II (B) Para 2

KERALA WATER AUTHORITY

RECEIPT

(For Water / Sewer / Maintenance charges only)

No. _____

Received with thanks from Sri. / Smt. / Miss. _____

Consumer No. _____ Rupees _____ [In words _____]
_____) in cash/by cheque/

Demand Draft No. _____ drawn on _____

bank _____ branch towards water / sewer maintenance

charges against bill No. (s). _____

Date _____

Revenue
Stamp

CASHIER
BILL COLLECTOR

FORM CB-2

Original to Part
Duplicate Office Copy

Ref Chapter II (A) Para 1
Chapter II (B) Para 3

KERALA WATER AUTHORITY

RECEIPT

No. _____

Received with thanks from M/s./Sri./Smt./Miss _____

Rupees _____ in words _____

in cash / by cheque / Demand Draft No: _____ drawn on _____

_____ Bank _____ Branch

towards _____

Revenue
Stamp

Date _____

Cashier

FORM CB 3

Refer Chapter II (A) Para 5
Chapter II (C) Para 2

KERALA WATER AUTHORITY
VOUCHER

No.....

Ref:

Date.....

Please pay _____

Rs. _____ (In words _____)

_____) towards bill

No. _____ dated _____ as follows:

Sl No.	Details (Account Head-wise)	Account Code	Amount
	PAYMENT SIDE		
	TOTAL		
	RECEIPT SIDE ADJUSTMENTS		
	TOTAL ADJUSTMENTS		
	NET AMOUNT PAYABLE		

SUPERINTENDENT

CASHIER

PASSING
OFFICER

RECEIVER

Revenue
Stamp

SCROLL REF _____

CASH BOOK FOLIO _____

(Refer Chapter II (B) Para 1)

CHEQUE REGISTER

[illegible]

FORM CB-5

Refer Chapter III (A) Para 1

KERALA WATER AUTHORITY

REVENUE COLLECTION SCROLL

Date.....

Sl. No.	Name	Consumer Number	Bill Ref	Receipt Number	Amount Rs.	Remarks

VERIFIED BY SUPERINTENDENT

CASHIER / BILL COLLECTOR

KERALA WATER AUTHORITY

Division.....Sub Division.....

COLLECTION SUMMARY

Ref:.....Data.....

Section / Collection Centre.....

Total revenue collection for the day is Rs.....

(Receipt Nos. from.....to.....)
remitted as follows:

X	100	=
X	50	=
X	20	=
X	10	=
X	5	=
X	2	=
X	1	=
	Coins	=

Cheques & D. D's
(As per statement
attached)

TOTAL

(In words)

Kindly acknowledge the receipt in the duplicate copy.

SUPERINTENDENT

CASHIER / BILL COLLECTOR

Received Rs.....(In words)
in cash Rs.....(In words)
by cheques & D. D's

DATE

CASHIER (SUB-DIV)

Accounted in cash book folio.....

FORM CB-8

[Refer Chapter II (A)]

Paragraph 8)

KERALA WATER AUTHORITY

Division :.....

Sub-Division :.....

CASH BOOK

[illegible]

Name and address
of Collecting Bank :
Account No. :

RECEIPTS			PAYMENTS		
Account Code : 9211			Account code : "Contra" (Transfer to Non-operative account)		
Date	Scroll Reference	Amount Rs. Ps.	Date	Fund Transfer Reference	Amount Rs. Ps.

Refer Chapter II (C) Para 5

Division..... Sub-Division.....

[illegible]

Refer Chapter II (E) Para 4

BANKING REGISTER

[illegible]

FORM CB 11

Refer Chapter II (C) Para 10

KERALA WATER AUTHORITY

Division.....

Sub Division.....

Date :

Ref :

To

Dear Sir (s),

Please find enclosed cheques/Demand Drafts Nos.....
dated.....drawn of.....
Branch.....for Rupees.....
(in words.....)

towards as follows:-

	<u>Bill No.</u>	<u>Particulars</u>	<u>Amount Rs.</u>
1.			
2.			
3.			
4.			
Total			

Kindly acknowledge the receipt of the above by sending us the perforated portion of this letter duly signed.

Yours faithfully,

[.....]

Received the sum of Rs.....(In words.....
.....by cheque / Demand
Draft No..... drawn on..... bank.....
branch towards.....
from Kerala Water Authority.....

Date.....

Revenue
Stamp

SIGNATURE (SEAL)

FORM CB-12

Refer Chapter II (D) Para 1

KERALA WATER AUTHORITY

Division.....

Sub-Division.....

TEMPORARY ADVANCE / IMPREST / CLAIM SETTLEMENT

First Claim / Recoupment / Settlement

Name.....

Previous Claim/Claim Preferred/Settlement for Designation.....
Ref. No, for Rs. Rs.

Sl. No.	Account Head Particulars	Bill No.	Amount		Account Code
			Receipts Rs	Payment Rs.	
	Opening Balance				
	Closing Balance				
Total					

Brief reasons for claim

DATE

SIGNATURE

FOR OFFICE USE ONLY

Sl. No.

Passed for Rs.

Please pay Rs.

SUPERINTENDENT

CASHIER

PASSING OFFICER

Refer Chapter III (D) Para 5

Division..... Sub-Division.....

[illegible]

Refer Chapter II (E) Para 6

Division.....

Sub: Division.....

[illegible]

FORM CB-15

Refer Chapter II (E) Para 7

KERALA WATER AUTHORITY

Division.....

Sub: Division.....

CHEQUE RETURN NOTE

Sl. No.	Date	Party	Reference	Receipt Ref. (Such as Collection Summary reference)	Cheque No.	Amount Rs.	Account Code (to be filled up by Supdt. of Section)	Remarks

FORM CB 16
Refer Chapter III (F) Para 1

KERALA WATER AUTHORITY

Division..... Sub: Division.....

I O. A. Register

Name of I O A.....Account Code.....

Date	Particulars	CR No.	Cheque / D.D. No.	Amount paid	Amount received	Balance	Initials
		VR No.	Bank Advice No.	with reference to Voucher No. Rs.	with reference to CRR No. Rs.	Rs.	

Refer Chapter III (A) Para 4

SURPLUS/DEFICIT OF CASH COLLECTION REGISTER

[illegible]

Refer Chapter III (A) Para 8

OTHER DEPOSIT REGISTER

Account code.....

[illegible]

Refer Chapter III (A) Para 7

DEPOSIT MADE REGISTER

[illegible]

Refer Chapter III (A) Para 8

Type of Loan/Advances _____ Account Code: _____

Approval No. :

Interest : Rate _____ % Simple

Compound

Terms of Repayment _____

Closed/TRF to Folio _____

Refer Chapter III (A) Para 8

Division.....Sub-Division.....

[illegible]

Refer Chapter III (A) Para 8

REGISTER OF ITDS

[illegible]

Refer Chapter III (A) Para 8

OTHER CLAIMS REGISTER

[illegible]

Refer Chapter III (A) Para 8

INVESTMENT REGISTER

Special instructions.....

TERMS OF INVESTMENT : INTEREST% OTHER.....

[illegible]

FORM CB-25

Refer Chapter III (E) Para 6

KERALA WATER AUTHORITY

Sub: Division.....

Division.....

No.....

Date.....

BANK RECONCILIATION STATEMENT

AS ON.....

NAME OF BANK/TREASURY.....

Particulars	Amount	Rs.	Amount	Rs.
Balance as per bank statement / pass book				
Amount deposited but not credited by bank as per list 'A'.				
Non operative receipts not banked as per list 'B'.				
Amount credited by bank but not accounted in Cash Book as per list 'C'				
Cheques issued but not presented for payment as per list 'D'.				
Transfer from non-operative account not recorded in cash book as per list 'E'.				
Interest credited by bank				
Bank charges/interest debited by bank				
BALANCE AS PER CASH BOOK				

POST RECONCILIATION ENTRIES ON.....

Prepared by

Verified by

FORM CB-25 (Contd.)

LIST 'A'

Deposit Date of	Cheque/D. D	Received from	Amount Rs.	Date of subsequent credit
		Total		

LIST 'B'

Date of entry of Cash book	Particulars	Cheque/D D. No.	Amount Rs.	Date of subsequent deposit
		Total		

LIST 'C'

Date of credit	Bank advice No.	Details as given by bank	Amount Rs.	Date of adjustment in Cash
		Total		

LIST 'D'

Cheque No.	Date	Issued to	Amount Rs.	Date of subsequent payment
		Total		

LIST 'E'

Date of transfer	Bank advice number	Details as given by bank	Amount Rs.	Date of subsequent entry in Cash Book
		Total		

FORM CB-27

Refer Chapter IV Para 1

KERALA WATER AUTHORITY

MONTHLY ABSTRACT

(OF CASH BOOK)

Account Code	Head of Account	RECEIPTS				PAYMENTS			
		Cash Rs.	Non Operative Bank Rs.	Drawing Account Rs.	Trea- sury Rs.	Cash Rs.	Non Operative Bank Rs.	Drawing Account Rs.	Trea- sury Rs.
	Opening Balance								
	Closing Balance								
	Grand Total								

KERALA WATER AUTHORITY
 ABSTRACT OF COLLECTION BANK BOOK

Account Code	Head of Account	Receipt	Payment (Transfer to NOP A/C)
		Amount Rs. p.	Amount Rs. p.
9211	Opening Balance Control Account Collections		
Contra	Fund transfer to Non-operative Account		
	Closing Balance		
	TOTAL		

Refer Chapter IV Para 2

ABSTRACT SHEET

No.....MONTH.....YEAR.....

ACCOUNT CODE.....

Sl. No.	Voucher No./ Receipt No.	Cash Rs.	Bank		Treasury Rs.
			Non-Operative Rs.	Drawing Rs.	
Total C/f					

FORM CB-29
Refer Chapter II (F) Para 1

Original to Bank
Duplicate to Transferee
Triplicate File

KERALA WATER AUTHORITY

TRIVANDRUM

FUND TRANSFER ADVICE

No.

To:

.....(Bank)

.....

.....

.....

Dear Sir (s)

Kindly transfer a sum of Rupees..... (in words.....
.....) from our account number..... to the bank
account of our unit detailed below :

Name of the Bank :

Address of the bank branch :

Account Number :

Name of the Unit :

Type of Transfer : TT/MT/.....(specify)

Kindly ensure immediate credit to our unit.

Yours faithfully,

DATE

CLERK

AUTHORISED SIGNATORY
WITH SEAL

CLASSIFICATION (ONLY IN DUPLICATE & TRIPLICATE COPY)

Sl. No.	Particulars	Reference	Revenue Rs.	Capital Rs.	Reimbur- sement Rs.	Total Rs.

Refer Chapter II (F) Para 2

TRIVANDRUM

FUND TRANSFER REGISTER

[illegible]

Refer Chapter II (f) Para 2

TRIVANDRUM

BUDGET CONTROL REGISTER

(In Rs.)

	Budget	Revised
Capital		Budget
Revenue		
Monthly Incidence		

Name of Unit.....

Location Code:.....

[illegible]

Refer Chapter II (F) Para 3

TRIVANDRUM

[illegible]

KERALA WATER AUTHORITY

TRIVANDRUM

PAYMENT ADVICE

No. _____

Reference : _____

Paying Location

Code

Receiving Location

Code

Particulars of Payment

Made of Payment

Cheque / DD / TT / MT

Amount (Rs.)

In Words

Date _____

Clerk/D.A.

Authorised Signatory
Seal

Only in Duplicate

ACKNOWLEDGEMENT

Received a sum of Rs.....(in words.....) on
.....as above subject to

Date _____

Authorised Signatory
Seal

FORM CB 34

KERALA WATER AUTHORITY

STOCK REGISTER OF BLANK RECORDS / FORMS

[illegible]

(Refer Chapter II-C Para 2

Division..... Location Code.....

Sub-Division..... Location Code.....

[illegible]

FORM CB-36
(Refer Chapter III (F)
paragraph 5)

KERALA WATER AUTHORITY
MONTHLY DETAILS OF INTER-OFFICE TRANSACTIONS

Division/Circle/Region :

Location Code :

Sl. No.	Particulars of transactions including whether paid/issued/ received	Name of office with which the transaction took place	Account code under which Accounted / to be account- ed (*) by Head Office	Amount		Remarks
				Rs.	P.	

(*) Indicate '*' for items to be accounted by Head Office]

Divisional Accountant/
Accounts Officer/
Finance Officer

Executive Engineer/
Superintending Engineer/
Chief Engineer.

FORM CB-37
(Refer Chapter IV
Paragraph 3)

KERALA WATER AUTHORITY

Advice for correction of mistakes in monthly Accounts
already submitted to Head Office

Division/
Circle/
Region/
Location Code

[illegible]

Divisional Accountant/
Accounts Officer/
Finance Officer

Executive Engineer/
Superintending Engineer/
Chief Engineer

VOLUME VII

PERSONNEL COST ACCOUNTING

CONTENTS

	Page No.
I INTRODUCTION	1
II ACCOUNTING POLICIES	1
III OPERATING SYSTEMS AND PROCEDURES	
A. Categories of Employees and Establishment Section	2
B. Establishment Procedures	2
C. Pay Bill and Related Procedures	5
D. Other Personnel Payments	8
E. Loans and Advances	9
IV ACCOUNTING PROCEDURES	
A. Accounting at Account Rendering Units	11
B. Accounting at Head Office	13
V INTERNAL CONTROL	15
VI INFORMATION SYSTEM	16
FORMS AND FORMATS	

LEGEND

Authority	:	Kerala Water Authority
Board	:	Board of Kerala Water Authority
ARU's	:	Account Rendering Units
H.O.	:	Office of the Managing Director
FM & CAO	:	Finance Manager & Chief Accounts Officer
C.E	:	Chief Engineer
Dy. C.E.	:	Deputy Chief Engineer
S.E.	:	Superintending Engineer
E.E.	:	Executive Engineer
A.E.E,	:	Assistant Executive Engineer
A.E.	:	Assistant Engineer
D.O. (A.S.)	:	Divisional Office (Accounts Section)
D.A.	:	Divisional Accountant
S.S.	:	Senior Superintendent
J.S.	:	Junior Superintendent
Cashier	:	Authorised person handling cash
ARUs	:	Account Rendering Units

CHAPTER - 1

INTRODUCTION

1 OBJECTIVE

The objective of the manual shall be to establish consistent and effective policies and procedures to ensure uniform practices throughout the Authority. The policies and procedures specified in this manual shall be followed unless specific exemption is otherwise granted by the Authority.

2 SCOPE

This manual covers the operating systems and procedures and accounting thereof related to Personnel Cost, considered relevant.

3 DEVIATION

Deviation shall not normally be permitted unless backed by a justifiable request for deviation clearly outlining the following.

- * nature of deviation
- * the reason for deviation
- * the time span for which deviation is required
- * the procedure that would be followed, if deviation is approved.

Such request shall be submitted to the Head Office which shall then evaluate the necessity thereof and accordingly either approve or reject the same.

4 USAGE AND CUSTODY

This manual shall be issued to and used only by those persons the Authority may deem fit and accordingly authorise. Any such person so authorised, shall preserve the copy under his/her confidential custody. Upon transfer/relocation/retirement, etc., any such person shall be obliged to return the copy to the Authority.

CHAPTER II

ACCOUNTING POLICIES

1 SALARIES, WAGES AND BONUS

Liability towards salaries, wages and bonus, if any, shall be provided for in the period in which such charges accrue.

2 INTEREST ON GENERAL PROVIDENT FUND

Liability towards interest on General Provident Fund maintained with the Authority shall be recognised at the end of every financial year and accounted accordingly.

3 GRATUITY AND PENSION

Provision for gratuity and pension liability accrued shall be made in the accounts of the Authority, in such manner as may be deemed appropriate by the Authority.

4 OTHER PERSONNEL COSTS

Certain other personnel costs such as medical reimbursement, encashment of earned leave, etc., the incidence and quantum of which cannot be estimated with certainty shall be accounted for as and when such payments are made.

5 INTEREST INCOME ON LOANS AND ADVANCES

Interest income on loans and advances given to employees shall be treated as income in the period in which such interest accrues, whether due for recovery or not.

CHAPTER - III

OPERATING SYSTEMS AND PROCEDURES

A. CATEGORIES OF EMPLOYEES AND ESTABLISHMENT SECTION

1 Employees in the Authority can be broadly classified to:

- i) Regular cadre employees
- ii) other cadre employees
- iii) Nominal Muster Roll (NMR) employees
- iv) Trainees/Apprentices

2 Establishment Section shall be responsible for all personnel related activities such as maintenance of all personnel records, preparation of pay bill and checking of claims made by Personnel with reference to the personnel records and Authority's guidelines and rules applicable from time to time.

B. ESTABLISHMENT PROCEDURES

1 REGULAR CADRE AND OTHER CADRE

1.1 APPOINTMENT AND JOINING DUTY

1.1.1 On an 'Appointment Order' (in such form and substance, the Authority may deem fit) being issued by the competent authority, a copy of such appointment order shall be forwarded to the office where the appointee is posted.

1.1.2 On joining duty, the employee shall prepare a 'Joining Report' in Triplicate which shall contain details such as Name and permanent address, family (dependent) particulars, previous office of posting (in case of transfers), Appointment/Transfer Order Reference No., Date of relinquishment of charge Forenoon/Afternoon (FN/AN) (in case of transfers), Date of reporting (FN/AN) and submit such report to the Head of the Office. After necessary endorsement by the Head of the Office, such report shall be distributed as follows :

- 1st copy - Appointing/Transferring Authority
- 2nd copy - Retained in the Establishment Section
- 3rd copy - Employee joining duty.

- 1.1.3 On the basis of the copy of appointment order and the joining report, 'Incumbancy Register', which shall contain details of name of the post, the name of the employee, period of incumbancy, place of posting, reference to appointment/transfer order, etc., shall be updated. The progressive total of incumbants shall be checked with 'Sanctioned Strength Register' which shall contain details of name of post, No. of posts sanctioned, sanction No. and date etc to ensure that the total strength does not exceed the sanctioned strength.
- 1.1.4 A 'Service Book' (in such form the Authority may deem fit) shall be opened [for new employees joining duty] which shall contain Employee's particulars, pay record, leave record and major loans and advances availed by the employee and the movements thereof. Such book being a confidential document, shall be under the custody of the Head of the Office.
- 1.1.5 A service record (in such form as the - Authority may deem fit) shall be opened at Head Office in case of new officers joined, which shall contain atleast the details set out for "Service Book".
- 1.2 Pay fixation, revision and increment
- 1.2.1 Pay fixation/revision, as may be necessary as per relevant rules applicable from time to time, shall be authorised by the appropriate authorities and the relevant orders raised for pay fixation/revision etc, shall clearly specify the present pay, scale of pay, date of last increment, date of promotion and post to which promoted (in case of promotions), pay fixed/revised on the promoted post, etc.
- 1.2.2 'Increment Control Register' (in Form No. PA 1) shall be maintained wherein the details of increment shall be recorded and such register shall be updated as and when necessary, such as on an employee joining, transferred, promoted, etc.
- 1.3 Transfers, Promotions, Resignations, Dismissals, Retirement and Death.
- Appropriate authority shall communicate orders of transfers, promotions, acceptance of resignations, dismissals and retirement to the establishment section.
- 1.3.1 Transfers
- On transfer of an employee, a relieving order (in such form and substance, the Authority may deem fit) shall be prepared and signed by the appropriate authority copies whereof shall be distributed to the transferee office, employee transferred, the transferring authority and a copy retained in the transferor office.
- The fact of transfer shall be recorded in Pay Bill Register (maintained in Form No. PA 3), Service Book, Increment Control Register and Incumbancy Register, as may be necessary. The following documents shall be sent to the transferee office:
- Last Pay Certificate (in Form No. PA 2)
(prepared in triplicate one copy whereof being for the transferee office, one Copy for the Head Office alongwith the monthly accounts and one copy for the records of the transferor office).
 - Service Book of the transferred employee, if applicable.
 - GPF Pass Book, Insurance premium deduction book, etc. (maintained as per the relevant rules).

At the transferee office, the transferred employee shall submit copy of the relieving order, joining report/Certificate of Transfer of charge [in such form as may be deemed fit by the Authority] as the case may be. Certificate of Transfer of Charge shall be prepared in Triplicate by the employee which shall be given to the establishment section at the new location who shall distribute the copies to transferor office, authority transferring the employee, and retain one copy.

- 1.3.2 On issue of promotion order, (in such form and substance as the Authority may deem fit) a copy shall be sent to the office where the employee is working (in case of promotion-cum-transfer, a copy of such order shall be sent to the new location also).

The details of promotion shall be recorded in Service Book, Increment Control Register, Pay Bill Register, Incumbancy Register, etc., as may be necessary.

- 1.3.3 On acceptance of resignation by the competent authority, the same shall be communicated to the concerned establishment section for updating the relevant personnel records mentioned in paragraph 1.3.2.
- 1.3.4 Retirement shall be communicated to the respective employee so as to proceed with Superannuating the employee.
- 1.3.5 Suspension and Dismissal orders shall be issued by the competent authorities after following the necessary procedures, applicable from time to time, under the relevant rules and such order copies shall be forwarded to the establishment section concerned.
- 1.3.6 The Death Certificate Enquiry Certificate of Executive Engineer/Succession/Heirship Certificate, etc., (as may be necessary under the relevant rules, applicable from time to time) shall have to be produced by the nominee/heirs of the deceased employee for claiming the terminal benefits.

2 NOMINAL MUSTER ROLL (NMR) EMPLOYEES

Procedures for engagement of NMR Employees in respect of issue of departmental order, maintenance of personnel records including service book, increment control register, leave register, etc., shall be governed by the rules and guidelines framed by the Authority from time to time.

3 CASUAL LABOUR AND SEASONAL LABOUR (CLR/SLR)

The employment of CLR/SLR categories shall be guided by attendance depending on availability of work, on day to day basis and sanction therefor.

4 TRAINEES/APPRENTICES

4.1 Engagement

Trainees/Apprentices Shall be basically engaged for providing training for fixed time periods on fixed monthly stipend.

4.2 Record

Details of stipend paid shall be recorded in the "Stipend Register" which shall be in Form PA 28 separately for apprentices and trainees.

C. PAYBILL AND RELATED PROCEDURES

1. LEAVE

- 1.1 A stipulated number of days under the different categories of leave for different categories of employees, shall be credited to Employees' leave records, as per the respective rules applicable from time to time. Leave availed under different categories shall be set-off against the respective categories of leave.
- 1.2 The leave record in the Service Book and the Casual Leave Register (in Form No PA 4) shall be updated with leave earned, leave availed and the balance struck. Balance leave shall be carried forward to the next year after confirming the related expiry clauses.
- 1.3 All leave applications (in such form as prescribed under the relevant leave rules) shall be forwarded to the appropriate authority through the establishment section where the availability or otherwise of the leave under specific category of leave applied for shall be checked for and confirmed. On receipt of the sanctioned leave application, the establishment section shall update the leave record in the service book/casual leave register, as the case may be.
- 1.4 In case of insufficiency of leave available or where leave is not sanctioned, either the same be regularised later or the establishment section may defer the salary.

2. ATTENDANCE

- 2.1 Attendance Register maintained (in such form and manner the Authority may deem fit) shall inter-alia, contain the following information :
 - No. of days present
 - No. of days of leave under different categories (i. e., earned leave, leave with half-pay, leave without pay, casual leave)
 - Total no. of working days for the period
 - Initials/Signature of the employee.

3 EXTRA HOURS

- 3.1 All extra hours working shall have prior approval of the appropriate authorities in 'Extra hours Authorisation Slip' (EAS) (in form No. PA 7), wherein the initial sanction and actual extra hours worked shall be recorded, and confirmed by the supervisors responsible for the work site. After such confirmation and necessary sanction, the EAS shall be sent to the Establishment Section at monthly intervals along with the attendance particulars.
- 3.2 On receipt of such sanctioned EAS, 'Extra hours Register' (in Form No. PA 8) shall be updated, wherein a folio shall be maintained for each month and employee-wise details recorded.

4 PAY BILL PREPARATION

- 4.1 On receipt of certificate details of attendance where applicable in such form as the Authority may deem fit, establishment section shall check the details provided in such form with reference to leave applications/records, as may be necessary and thereafter compute pay in the 'Pay Bill Register' in Form No. PA 3) and prepare 'Pay Bill' (in Form

No. PA 9) separately for each category of employees. The sources of information in respect of components of gross pay shall be:

- Service Book
- Increment Control Register
- Head Office Orders in respect of allowances like Dearness Allowance, etc.

4.2 Deductions shall have to be made on account of various loans and advances, funds, court attachment, etc.

The sources of information for such deductions shall be :

- subscription to General Provident Fund (GPF) at the percentage stipulated by the Authority or as per letter of authorisation from the employee concerned
- subscription to Family Benefit Scheme (FBS) as per rules applicable
- ESI as per the Employees State Insurance Act and related rules
- LIC Premium, State Insurance premium, CTD payments, etc., as per the letter of authorisation from the employee concerned
- repayment of loans and advances as per relevant rules and/or sanction orders, as the case may be
- court attachment - court directives
- Income-tax as per the provisions of the Income-tax Act, 1961.
- Others (the documents and sources of information depends upon the nature of deduction).

In preparing the Pay Bill, the establishment section shall take note of the maximum permissible deductions under the relevant rules.

4.3 The Pay Bill shall be authorised and passed for payment by the appropriate authorities after applying such checks, as may be necessary.

4.4 CASUAL LABOUR ROLL

For casual labour employed as per rules in force from time to time, Casual Labour Roll (in Form PA-29) shall be prepared and the same shall be approved/authorised as may be necessary.

5. PAY DISBURSEMENT

5.1 After such authorisation of the appropriate authorities as mentioned in paragraph 4.3 hereinbefore, payment to the Officers shall be made by cheque and others by cash, normally on the 1st working day of the following month or as per the directives of the Authority under special circumstances, by the establishment section.

If an employee is absent on the appointed day of pay disbursement, such employee can authorise in writing any other employee to collect the pay and give valid discharge thereof. The disbursement shall be evidenced by the individual employees signing on revenue stamp in the Acquittance Register in the appropriate place earmarked for the purpose (Form No PA 27).

- 5.2 At the end of the appointed day for disbursement, if any salaries and wages remain unpaid, the details of such salaries and wages shall be entered in 'unpaid salaries register' in Form No. PA 10) and such amount shall be deposited with the cashier. Thereafter, if any disbursements of salaries and wages are to be effected, such disbursements shall be effected by the cashier after obtaining such identification, as may be necessary and acquittance thereof in the Acquittance Register as mentioned in paragraph 5.1 hereinbefore,

6 PAYMENT OF DEDUCTIONS

- 6.1 Payment of deductions in respect of insurance premium, Income-tax etc., to outside Agencies shall be accompanied by such forms as prescribed by such agencies, containing employee-wise deductions.
- 6.2 Deductions such as General Provident Fund (GPF) subscription, Repayment of GPF advance, Repayment of House Building Advance and interest thereon, Repayment of Conveyance Purchase Advance and interest thereon, etc., shall be remitted to the Head Office through non-operative account.
- 6.3 Remittance of deductions effected whether through non operative account or to outside agencies shall be made before 5th of the month in which salary is due for payment.
- 6.4 Schedules for the above mentioned deductions shall be prepared in forms as detailed hereinafter and sent to the Head Office at monthly intervals.

General Provident Fund Schedule (Recoveries) (Form No. PA 11)

General Provident Fund Schedule (Payment of Advances) (Form No. PA 12)

House Building Advance Schedule (Form No. PA 13)

Conveyance Purchase Advance Schedule (Form No. PA 14)

On receipt of Form Nos. PA 11, PA 12, PA 13 and PA 14, H.O. shall update the relevant records maintained as per rules.

7 ARREARS OF SALARIES AND WAGES

As and when arrears of salaries and wages need to be paid, a statement of computation of arrears shall be prepared for individual employees which shall contain ;

- i) Amount payable as per the revised scale of pay showing computation under each head of gross earnings and deductions.
- ii) Amount already paid to the employee as per 'Pay Bill Register' under each head of gross earning and deductions.
- iii) Difference between (i) & (ii) above on an item by item basis.

The difference as in (iii) above shall then be plotted in the Pay Bill and Pay Bill Register and thereafter the procedures mentioned in paragraph 5 hereinbefore shall be followed for disbursement.

8 PART PAYMENT OF SALARIES

If an employee is transferred during a pay period, the transferor unit shall make payment of salaries for the period upto which the employee has worked in such unit and for the rest of the period, the transferee unit shall pay the salary after collecting the necessary service details of such transferred employee from the transferor unit, in case the transferred employee opts for such part payment of salaries.

- employee is eligible for the same
- the No. of days leave as stated in the application are available for encashment, etc'

The establishment section shall thereafter forward such application to the appropriate authority for approval. After such approval of the appropriate authority, the leave record, in the service book shall be updated, encashment computed and payment effected to the employee, following the procedures mentioned in Chapter - III C paragraphs 4 and 5, to the extent necessary.

4 CESSATION OF EMPLOYMENT

- 4.1 On cessation of employment, the establishment section (s) where the employee has worked last before ceasing to be an employee shall cause to issue a 'Liability Certificate' (in Form No. PA 17) to the Head Office, as per relevant rules, alongwith the 'Service Book'
- 4.2 On receipt of Form No. PA 17, Head Office shall prepare a 'Final Settlement Account. (in Form No. PA 18) and obtain necessary sanction, for payment of final dues to the former employee concerned, from the appropriate authority. On obtaining necessary sanction therefor, intimation shall be sent to the Office from where the payment has to be effected which shall make the payment and obtain necessary acknowledgement/acquittance from the former employee concerned as per relevant rules.
- 4.3 After due approval from the appropriate authorities, the leave which can be encashed shall also be encashed and paid to the employee following the procedures mentioned in paragraph 3 above to the extent relevant. Any recoveries to be effected from such amount shall also be effected.
- 4.4 The fact of cessation of employment and payment of terminal benefits shall be recorded in the 'Pay Bill Register', Incumbency Register, Increment Control Register and Service Book which shall be marked 'Closed'.
- 4.5 Recurring payment of pension shall be made to the former employees eligible for such payment under the relevant rules from such office as may be authorised by the Authority to make such payments. In order to ensure that pension is paid to the former employees only till they are alive, a certificate i.e., Life Certificate to the effect that the employee is alive shall be obtained at periodic intervals, as may be necessary under the relevant rules

E. LOANS AND ADVANCES

1 LOANS AND ADVANCES NOT BEARING INTEREST

This category of Loans and Advances shall include :

- Onam Advance
- Other Festival Advance
- GPF Advance (Refundable and Non-Refundable)
- Pay Advance
- Mosquito Net Advance, etc.

9 OVERTIME PAYMENTS

Along with the pay, extra hours payments where applicable shall also be made which shall be computed with reference to the extra hours register, and passed for payment by the appropriate authorities.

- 10 A 'Casual Labour Register' (in Form No. PA 24) shall be maintained at the sub-divisions and an abstract whereof shall be forwarded in similar form to the Division on a monthly basis, for CLR and other (SLR) Wages.

- 11 At the year end (i.e. March), salaries and wages pertaining to March shall be reported to Head Office (in Form No. PA 26).

12 MAINTENANCE OF RECORDS FOR PROVIDENT FUND, GRATUITY AND PENSION AT HEAD OFFICE

The Head Office shall maintain relevant records and registers for Provident Fund, Gratuity and Pension, as may be necessary under relevant rules.

13 ENTRIES IN 'REGISTER OF MAINTENANCE CHARGES' (FORM RA-35)

All personnel related expenses incurred on maintenance shall be allocated to the individual schemes on an appropriate basis and entered in the respective schemes under the Account Heads (three digit codes)

D. OTHER PERSONNEL PAYMENTS

1. BONUS

ARU's shall send at the year end, the details of gross earnings (to mean Basic Salary + DA only) and earnings eligible for bonus (as per the provisions of the Bonus Act) for each of the employees, in 'Bonus Calculation Sheet' (Form PA 15), a copy of the same shall be retained at the Unit.

Details of actual bonus shall be worked out in the same form PA 15 on declaring bonus and thereafter the procedures stipulated for regular paybill preparation and disbursement thereof in Chapter III C paragraphs 4 and 5 shall be followed.

2 MEDICAL REIMBURSEMENT

Claims for Medical Reimbursement (to be preferred in such form as prescribed in the relevant rules) shall be supported by such documents/vouchers as may be necessary under the rules of the Authority. On receipt of such claims, the establishment section shall ensure arithmetical accuracy of the claim and supporting vouchers, admissibility of the claim including any limit thereof with reference to the 'Medical Reimbursement Register' (in Form No. PA 16) to be maintained employee-wise and thereafter forward the claim to the appropriate authorities for approval. After such approval by the appropriate authorities, the amount of claim approved shall be paid to the employee and appropriately recorded in 'Medical Reimbursement Register'.

3 ENCASHMENT OF EARNED LEAVE

Application for encashment of earned leave (in such form as prescribed under the relevant rules) shall be routed through the establishment section who shall ensure that the.

(C) PAYMENTS**1 PRIMARY RECORDING OF PAYMENT**

Cashier shall on receipt of passed payment vouchers pay the cash to the claimant or his authorised representative. Details of such payments shall be recorded in RECEIPTS & PAYMENT SCROLL in Form CB 6.

- in the cash column in case of cash payments
- in the cheque column in case of cheque/D.D. payments.

He shall serially number the voucher in the sequence of payments.

2 ACCOUNTING IN CASH BOOK

All payments shall be entered in the cash book serially, voucher number-wise

- in the cash column in case of cash payments
- in the drawing bank account column in case of cheque/DD payments.

All transaction shall bear account codes as stated in the voucher-

3 UPDATING REGISTERS

Divisional Accountant/Superintendent shall ensure that all registers wherever relevant are updated, more particularly in case of payments of capital in nature.

4 POST RECONCILIATION ENTRIES

Details of cheques dishonoured/bank charges/Commission, after ascertaining the same, shall be accounted in the payment side of cash book under relevant bank column under the appropriate account head.

5 ENTRIES IN THE REGISTER OF MAINTENANCE CHARGES (FORM-RA 35)

All maintenance related expenses, as and when incurred, shall be entered in respective folio for the schemes under the concerned Account Heads (three digit codes).

(D) IMPREST**1 PAYMENT TO CLAIMANT**

Cashier shall make the payment to the claimant on receipt of passed payment vouchers alongwith TEMPORARY ADVANCE/IMPREST CLAIM/SETTLEMENT in form CB 12.

2 RECOUPMENT OF IMPREST

Recoupment of imprest shall be accounted in the payment side of cash book, detailing the the expenditure specified in the imprest claim, account code-wise.

3 OTHER IMPREST PAYMENT

Any other payment of imprest (whether temporary or permanent) shall be accounted in the payment side of cash book under the head "Imprest account balances" (account code 1532) or appropriate Temporary Advance code.

- 3.1 An "Application for Tour Sanction and Advance". (Form PA 22) shall be made to the appropriate authority for the purpose of necessary sanction of tour and payment of advance, through the establishment section where the particulars provided in such application shall be checked. On receipt of approved application, the advance approved as per rules in force, shall be paid and the details shall be entered in 'Travelling Allowance Advance-cum-Bill Register' (in Form PA 25).
- 3.2 On completion of the journey, the employee who had undertaken such journey shall submit "Travelling Allowance Bill" (in Form No. PA 23) to the establishment section who shall check the particulars as per applicable rules including adjustment of advance taken by the employee and thereafter forward the same to the appropriate authority for approval.
- After such approval, the employee concerned shall be paid or shall be asked to deposit the net amount due to or due from such employee respectively. The details of the bill also shall be entered in the 'Travelling Allowance Advance-cum-Bill Register' (in Form No. PA 25) and the details updated in the register.

CHAPTER - IV

ACCOUNTING PROCEDURES

A. ACCOUNTING AT ACCOUNT RENDERING UNITS

1 PAYBILL AND RECOVERIES

- 1.1 Payment of salaries and wages shall be accounted for in the Cash Book as follows:

Payment Side:	i) Under the head "Salaries of Employees, wages of NMR Employees (Account Codes 3311 to 3329, as the case may be) with the gross amounts of salaries and wages paid. ii) Under the head "Casual Labourers' wages" (Account Codes 3351 to 3359, as the case may be) with the gross amount of such wages paid.
Receipt side	i) Under the head "Statutory Employee deductions" (Account Codes 2821 to 2829, as the case may be) to the extent of such deductions; ii) As mentioned in paragraph 6.2 hereinafter.

- 1.2 When deductions are deposited with outside agencies, such payments shall be accounted for in the Cash Book as follows:

Payment Side:	Under the heads "Family Benefit Scheme" or "Insurance Premiums deducted" or "Others" (Account Codes 2824/2825/2829, as the case may be) to the extent of such deductions deposited with outside agencies,
---------------	---

2 UNPAID SALARIES AND WAGES

- 2.1 At the end of the appointed day of disbursement, if any salaries and wages remain unpaid, such amounts shall be accounted for in the Cash Book as per procedure mentioned in paragraph 1.1 hereinbefore and in addition on the receipt side of the Cash Book under the head "Employees unpaid salaries/wages" (Account Codes 2814/2815, as the case may be) to the extent of "Net pay" of such unpaid salaries and wages,

- 2.2 When such unpaid salaries and wages are paid subsequently, such payments shall be accounted for in the Cash Book as follows:

Payment Side: Under the head "Employees unpaid salaries/wages" (Account Code 2814/2815, as the case may be), with the net amount of pay.

3. BONUS

On Payment of Bonus, such payments shall be accounted for in the Cash Book as follows:
Payment Side: Under the head "Bonus" (Account Code 3318/3328, as the case may be) to the extent of such payments.

4. MEDICAL REIMBURSEMENT

Payment of Medical Reimbursement shall be accounted for in the Cash Book as follows:

Payment Side: Under the head "Medical Reimbursement - Permanent Employees; Temporary Employees - NMR" (Account Code 3331/3341, as the case may be) to the extent of such amount paid.

5. FINAL SETTLEMENT

- 5.1 On final settlement being made and terminal benefits being paid, such payments shall be accounted for in the Cash Book as follows:

Payment Side: Under the head "Provision for Gratuity / Provision for Pension" (Account Code 2942 or 2943 as the case may be) to the extent of such amount paid. Under the head GPF subscription/NMR PF subscription (Account Code 2822 or 2823, as the case may be) to the extent of such amount paid.

- 5.2 If certain amounts are deducted towards Loans and Advances, and/or Interest thereon from the amount of gratuity paid, such deductions shall be accounted in the Cash Book as follows:

Payment Side: Under the head "Provision for Gratuity/Provision for Pension" (Account Code 2942/2943 as the case may be) to the extent of such amounts deducted.

Receipt Side. "Loans to Employees" or "Advances to Employees" (Account Codes 1611 to 1617 or 1641 to 1649, as the case may be).

OR

"Interest accrued on Loans to Employees" (Account Codes 1625 to 1627 as the case may be) to the extent of such deductions made.

6. LOANS AND ADVANCES

- 6.1 When loans and advances are disbursed, such disbursements shall be accounted for in the Cash Book as follows:

Payment Side: Under the head "Loans to Employees; Advances to Employees" (Account Codes 1611 to 1618; 1641 to 1649, as the case may be) to the extent of such advances paid.

- 6.2 When recoveries are made through pay bill towards principal amount of loans and advances and interest thereon, such recoveries shall be accounted for in the Cash Book as follows:
 Receipt Side: i) Under the head "Loans to Employees; Advances to Employees" (Account Code 1611 to 1618; 1641 to 1649, as the case may be) with the amount of such recoveries towards principal amount of Loans and Advances.
 ii) Under the head "Interest accrued on Loans to Employees" (Account Code 1625 to 1628, as the case may be) to the extent of recoveries made towards interest on loans.

7. TRAVELLING ALLOWANCE ADVANCE AND BILL

- 7.1 When travelling allowance advance is paid, such payment shall be accounted for in the Cash Book as follows:

Payment Side: Under the head "Advance for expense-Travelling" (Account Code 1651) to the extent of such advance.

- 7.2 On receipt of bill, approval and settlement thereof, the transaction shall be accounted for in the Cash Book as follows:

Payment Side: Under the head "Travelling and Conveyance Expenses" (Account Code 3511 to 3529, as the case may be) to the extent of net amount of the bill paid

FOR ADJUSTMENT OF ADVANCE

Receipt Side: Under the head "Advance for Expenses-Travelling" (Account Code 1651) to the extent of advance adjusted against such bill.

Payment Side: Under the head "Travelling and Conveyance expenses" (Account Code 3511 to 3529) to the extent of advance adjusted.

B. ACCOUNTING AT HEAD OFFICE

1. On receipt of Form No. PA 26 at the year end, the following entry shall be passed:
 Dr. Salaries of Employees and Wages of NMR Employees (Account Code 3311 to 3329, as the case may be)
 Dr. "Casual Labourer's Wages" (Account Code 3351 to 3359, as the case may be)
 Cr. "Statutory Employee deductions" (Account Code 2821 to 2829, as the case may be)
 Cr. "Loans to Employees" (Account Code 1611 to 1618, as the case may be)
 Cr. "Interest accrued on Loans to Employees" (Account Code 1625 to 1628, as the case may be)
 Cr. Advances to Employees" (Account Code 1641 to 1649, as the case may be) with the amounts specified against such codes.
 Cr. Employee dues-Salaries and Wages" (Account Code 2816) with the amount of net salaries and wages payable.
 Since the Account Rendering Units (ARUs) shall account the salaries and wages as mentioned in Chapter IV A. paragraph 1, the above entry shall be written back in April Accounts of the following year.

2. Provision for Bonus shall be created at such percentage, as may be determined by the Authority at the year end based on Bonus calculation sheet (Form PA-15) received from ARUs by passing the following entry:

Dr. Bonus- (Account Code 3318/3328, as the case may be)

Cr. "Provision for Bonus" (Account Code 2941) to the extent of such amount determined by the Authority.

Such provision shall be written back in April Accounts of the following year since the Account Rendering Units [ARUs] shall account the Bonus as mentioned in chapter IV-A paragraph 3.

3. Interest accrued for the year on loans to Employees calculated and entered in Form No PA 21 as mentioned in Chapter III E. paragraph 2.3, shall be accumulated and accounted for at the year end by passing the following entry:

Dr. "Interest accrued on loans to Employees" (Account Code 1625 or 1628, as the case may be)

Cr. "Interest recoverable from Employees" (Account Code 7123)
with the amount of such interest accrued.

4. Interest accrued for the year on General Provident Fund; Provident Fund-NMR; etc., shall be accounted for at the year end by passing the following entry:

Dr. Interest on GPF/Interest on NMR-PF" (Account Code 4291/4292, as the case may be)

Cr. "GPF deduction/NMR-PF deduction" (Account Code 2822/2823, as the case may be) to the extent of such interest accrued on General Provident Fund and Provident Fund-NMR.

5. On receipt of copy of last pay certificate (Form PA-2) H.O. shall pass the following journal entries:

In the books of transferor office:

Dr. Inter-office account-other assets (Account code 9144)

Cr. Loans to Employees (Account code 1611 to 1618)/Interest accrued on loans to Employees (Account code 1625 to 1628)/Advances to Employees (Account code 1641 to 1649) as the case may be, with the amounts specified as recoverable from the transferred Employee in such form.

In the books of transferee office:

Dr. Loans to Employees (Account code 1611 to 1618)/ Interest accrued on loans to Employees (Account code 1625 to 1628)/Advances to Employees (Account code 1641 to 1649) as the case may be.

Cr. Inter-office account-other assets (Account code 9144) with the amounts specified as recoverable from the transferred Employee in such form.

6. In relation to accounting policy no. 3 (chapter II) on Gratuity and Pension, H.O. shall determine the accrued liability on account of gratuity and pension for the year and pass the following journal entry at year end,

Dr. Gratuity of employees/NMR-employees (Account code 3381/3382) commuted/service/family pension (Account code 3383/3384/3385).

Cr. Provision for gratuity (Account code 2942) Provision for pension (Account code 2943) as the case may be with the amount of such accrued liability.

CHAPTER - V**INTERNAL CONTROL**

1. Incumbancy Register, Sanctioned Strength Register, Increment Control Register, Service Book, Pay Bill Register etc., shall be updated regularly and shall be kept under custody of a responsible official.
2. Loans and Advances shall be sanctioned within the budget limits.
3. Pay Bill Register and Pay Bill shall be checked by a person independent of the person preparing the Pay Bill Register/Pay Bill.
4. Attendance records shall be periodically verified by officers.
5. Unpaid salaries shall be subsequently paid only on proper identification and necessary acquittance obtained. The unpaid Salaries Register also shall be updated.
6. Unpaid salaries amount shall be verified by a responsible officer at the end of appointed day of disbursement.
7. Verification of 'Register for Watching Recovery of Advances' shall be made before preparation of pay bill.
8. A responsible officer shall check the 'Travelling Allowance Advance-cum-Bill Register' to ensure that Advances have been adjusted properly and without delay. Such checking shall also cover the Budget allocation viz-a-viz Actual Expenditure.
9. Checks shall be carried out by a responsible official to ensure that engagement of labour/ temporary employees is within the sanctioned limits.

CHAPTER - VI

INFORMATION SYSTEM

The forms contained in the Table below shall form part of the information system for Account Rendering Units to Head Office:

Sl. No.	Description of Form	Form No.	Periodicity
1.	Last Pay Certificate	PA 2	As and when an employee is transferred
2.	GPF Schedule (Recoveries)	PA 11	Monthly
3.	GPF Schedule (Payments)	PA 12	Monthly
4.	House Building Advance Schedule	PA 13	Monthly
5.	Motor Conveyance Advance Schedule	PA 14	Monthly
6.	Liability Certificate	PA 17	As and when an employee retires
7	Salaries & Wages outstanding for March	PA 26	Annual

LIST OF FORMS AND FORMATS

Sl. No.	Description of Forms & Formats	Form No.
1.	Increment control Register	PA 1
2.	Last pay certificate (LPC)	PA 2
3.	Pay Bill Register	PA 3
4.	Casual leave Register	PA 4
5.	Overtime Authorisation Slip	PA 7
6.	Overtime Register	PA 8
7.	Pay Bill	PA 9
8.	Unpaid Salaries Register	PA 10
9.	General Provident fund schedule (Recoveries)	PA 11
10.	General Provident fund schedule (Payment of Advances)	PA 12
11.	House Building Advance schedule	PA 13
12.	Motor conveyance advance schedule	PA 14
13.	Bonus calculation sheet	PA 15
14.	Medical Reimbursement Register	PA 16
15.	Liability Certificate	PA 17
16.	Final Settlement Account	PA 18
17.	Register for watching recovery of advances	PA 19
18.	Loan Application-Cum-Allotment Register	PA 20
19.	Register of House Building Advance/Motor Conveyance Advance	PA 21
20.	Application for Tour sanction advance	PA 22
21.	Travelling allowance bill	PA 23
22.	Work labour and other charge analysis book	PA 24
23.	Travelling allowance Advance-Cum-Bill Register	PA 25
24.	Statement of Salaries & Wages outstanding for March	PA 26
25.	Acquittance Register	PA 27
26.	Stipend Register	PA 28
27.	Casual Labour Roll	PA 29

Division Sub Division :
Location Code :

[illegible]

FORM No. PA-2

Refer Chapter III B Para 1.3.1

KERALA WATER AUTHORITY

LAST PAY CERTIFICATE

Division/Sub-Division :

Date :

Location Code :

Sri/Smt.

Proceeding on

to join appointment of

Substantive appointment

Acting appointment, if any

Substantive pay

Acting allowance

Other allowance (Specify) : 1)

2)

3)

4)

5)

Nature and Date of commencement

of the present leave

Rate of leave allowances

Date upto which pay and allowances have been disbursed :

(Forenoon/Afternoon)

Date of handing over charge :

Nature and amount of Deductions/recoveries from pay per month

To be remitted to Head Office:

Nature	No.	Rate of recovery	Balance to be recovered Rs.	Balance instalment
GPF Subscription				
GPF Loan				
House Loan*				
Conveyance Loan*				
* Specify the their recovery is towards principal or interest				
<u>To be remitted to outside agencies :</u>				
LIC				
State Insurance				
Income-Tax				
Court Attachment				

.....

.....

Other amounts owed by/to the employee

Signature and Designation of the
Officer granting the Certificate

Date of joining duty

at the new office :

(Forenoon/Afternoon)

FORM No. PA 3
Refer Chapter III B Para 1.3.1
III_C Para 4.1

KERALA WATER AUTHORITY

PAY BILL REGISTER

[illegible]

KERALA WATER AUTHORITY

(Form PA 3 Contd.)

[illegible]

FORM No PA 4
Refer Chapter III C Para 1.2

Division/Sub: Division
Location Code

KERALA WATER AUTHORITY
CASUAL LEAVE REGISTER

Name and Designation of the employee:

Year :

Date	No. of Days			Initials	Remarks
	Eligible	Availed	Balance		

FORM No. PA-7
Refer Chapter III C Para 3.1

Division/Sub-Division :

Location Code:

KERALA WATER AUTHORITY
EXTRAHOURS AUTHORISATION SLIP

[illegible]

1. Signature of Authorising Authority :
2. Recommended by:

Sanctioned by:

FORM No. PA-8
(Refer Chapter III C Para 3.2)

Division / Sub-Division

Location Code :

KERALA WATER AUTHORITY

EXTRA HOURS REGISTER

[illegible]

Refer Chapter III C Para 4.1

PAY BILL

Location Code

Month :

[illegible]

Approved by:
(Head of Office)

FORM No. PA-10
Refer Chapter III C Para 5.2

Division/Sub-Division :
Location Code

KERALA WATER AUTHORITY
UNPAID SALARIES REGISTER

Sl. No.	Employee's Name and Designation	Period to which unpaid salary relates	Amount Rs.	Payment particulars			Initials of Officer	Remarks
				Voucher Rs.	Date of Payment	Amount Rs.		
1	2	3	4	5	6	7	8	9

Division/Sub-Division :
 Location Code :
 Month :

[illegible]

Division/Sub-Division :
Location Code :
Month :

[illegible]

Division/Dub-Division :
 Location Code :
 Month :

Month :

[illegible]

Division/Dub-Division :
 Location Code :
 Month :

CONVEYANCE MOTOR ADVANCE SCHEDULE

[illegible]

FORM No. PA 15
Refer Chapter III D Para 1

Original to H. O.
Duplicate as File Copy

KERALA WATER AUTHORITY
BONUS CALCULATION SHEET FOR THE YEAR.....

Division/Sub-Division :

Location Code.....

Sl. No.	Name & Designation	Earnings				Gross (Basic + DA) Eligible		Rupees			Total Eligible Earnings Rs.	Actual Amount of Bonus Rs.
		Month 1	Month 2	Month 3	Month 4	Month 5-8	Month 9	Month 10	Month 11	Month 12		
1												
2												
3												
4												
5												

Grand Total of Eligible Earnings

Provision for Bonus @ %

J. V. No.

Actual Bonus @ %

J. V. No.

Diff. Between Provision and Actual

FORM No. PA 16
(Refer Chapter III D Para 2)

KERALA WATER AUTHORITY

Name and Designation :
fo the employee

Division/Sub-Division :
Location Code :

MEDICAL REIMBURSEMENT REGISTER

Total Amount of eligibility for the year Rs.

Year :

[illegible]

FORM No. PA 17
Refer Chapter III D Para 4.1

Division/Sub-Division :
Location Code :

KERALA WATER AUTHORITY

LIABILITY CERTIFICATE*
NON - LIABILITY CERTIFICATE *

Certified that non liabilities * the following liabilities * to the Authority are outstanding against Shri _____
(Name and Designation of the Officer at the time of retirement/ _____)
who has retired from service / died while in service on _____ *

* The liabilities may be recovered from his/her Death-Cum Retirement Gratuity and credited to the head of Accounts indicated against each:

Sl. No.	Nature of Liability	Amount of Liability	Head of Account to which it is to be credited
1	2	3	4

Certified that no other liabilities to the Authority are outstanding against him/her.

Place :

Date :

SIGNATURE AND DESIGNATION OF
ISSUING AUTHORITY

* Strike out whichever is not applicable.

KERALA WATER AUTHORITY
FINAL SETTLEMENT ACCOUNT

1) Name and Address of Employee :

2) Name and Address of Nominee/Heir
(in case of deceased employee) :

3) Amount of Gratuity and its computation :

Amount
Rs.

4) Amount of Pension/Family Pension and its computation :

5) Any other amount payable to the employee (specify) :

Sub-Total (I)

6) Amount of Loans and Advance and interest thereon
to be recovered :

7) Any other amount to be recovered (specify) :

Sub-Total (II)

Net amount (I-II)

Add :

8) Amount of Provident Fund including interest :

Total amount

Prepared By:

Sanctioned By:

FORM No. PA 19
Refer Chapter III E Para 1

Division/Sub-Division :
Location Code :

KERALA WATER AUTHORITY

REGISTER FOR WATCHING RECOVERIES OF.....ADVANCE

Sr. No. and Date	Name of the Employee	Designation	Opening Balance Rs.	Amount of Fresh Advance Rs.	Total Rs.	Recoveries	Total Rs.	Balance to be carried forward Rs.
						April.....March Rs.		

FORM No. PA 20
Refer Chapter III E Para 2.1

Type of Loan :
Year :
Budget Sanction : Rs.

KERALA WATER AUTHORITY

LOAN APPLICATION-CUM-ALLOTMENT REGISTER

(Separate registers shall be maintained for each type of Loan)

[illegible]

Refer Chapter III E Para 2.2

Broad Sheet No.

KERALA WATER AUTHORITY
TRIVANDRUM
REGISTER OF HOUSE BUILDING ADVANCE
MOTOR CONVEYANCE ADVANCE

[illegible]

ARTHUR E
Internal Auditor
Kerns
Thiruvananthapuram

FORM No. PA 22
Refer Chapter III E Para 3.1

Division/Sub-Division :
Location Code :
Date :

KERALA WATER AUTHORITY
APPLICATION FOR TOUR SANCTION & ADVANCE

1	Name		5	Amount of advance required
2	Designation			Rs.
3	Head Quarters		6	Details of previous advance pending adjustment
4	Purpose of Journey			

Journey

Date	Places	Period of Stay	Remarks

Signature of employee

Signature of authorising official

Date :

FORM PA 23
(Refer Chapter III E Para 3.2)

Division/Sub-Division.....
Location Code.....

KERALA WATER AUTHORITY
TRAVELLING ALLOWANCE BILL

Sl. No.	Designation	Pay	Scale of Pay	Date and Time		Place		Mode of Conveyance	Distance Travelled	Half duration D.A.	Bus/Rail/Steamer/Air fare or mileage allowance	Incidental Expenses	Class by which Travelled (Rail)	D.A. admissible for journey	Total (11 + 12A + 12B + 14)	Advance taken	Net Amount of bill after adjusting advance (15-16)	Purpose of Journey
				Departure	Arrival	From	To											
1	2	3	4	5	6	7	8	9	10	11	12a	12b	13	14	15	16	17	18

Signature of Employee :
Date :
Journey approval Ref :

Certified correct :
Approved for payment :

FORM No. PA 24
Refer Chapter III C Para 10

Division Location Code.....
Sub Division Location Code.....

KERALA WATER AUTHORITY

TRIVANDRUM

CASUAL LABOUR REGISTER

Sl. No.	Name of Employee	Category	Name of work/ W.O. No.	Rate/day Rs.	No. of days worked	Amount Rs.

Refer Chapter III E Para 3.1

Location Code :

KERALA WATER AUTHORITY

TRAVELLING ALLOWANCE ADVANCE-CUM-BILL REGISTER

[illegible]

FORM No. PA 26
Refer Chapter III (D) Para 11

Division/Sub-Division :
Location Code :

KERALA WATER AUTHORITY

STATEMENT OF SALARIES & WAGES OUTSTANDING FOR MARCH

Particulars	Account Code	Amount Rs.	Remarks
I.	3311/3321		
Basic Salary	3312/3322		
Dearness Allowance	3313/3323		
Interim D. A.	3314/3324		
Arrears of D. A.	3315/3325		
City Compensatory Allowance	3316/3326		
House Rent Allowance	3317/3327		
Leave Salary (Remaining unpaid during the year)	3318/3328		
Subsistence and other allowances	3319/3329		
Casual Labourer's Wages (specify)	3351 to 3359		
Total I			
II.			
House Rent			
Deduction	2821		
GPF Deductions	2822		
NMR-PF Deductions	2823		
Family Benefit Deductions	2824		
LIC Premium Deductions	2825		
Others	2829		
Loans & Advances	1611 to 1627		
Recovered (specify)	1641 to 1649		
Total II			
Net Pay (I-II)			

JUNIOR SUPERINTENDENT/
DIVISIONAL ACCOUNTANT

ASSISTANT EXECUTIVE ENGINEER
EXECUTIVE ENGINEER

Note : Use separate forms for permanent employees, temporary — NMR employees and casual labourer's wages.

FORM No. PA 27
(Refer Chapter III C Para 5)
Location code

KERALA WATER AUTHORITY
TRIVANDRUM

Office / Division / Sub-Division

ACQUITTANCE REGISTER

Month.....

Sl. No.	Name & Designation	Salary (Net) Due Rs.	Salary Paid Rs.	Rev. Stamp & Signature	Ref. No. in unpaid salary Register

FORM PA 28

(Refer Chapter III B Para 4)

KERALA WATER AUTHORITY
STIPEND REGISTER

TRAINEES/APPRENTICES *

Division.....Loc code.....

SECTION.....

Sub Div.....Loc code.....

Scheme Particulars.....

Sl. No.	Name	Discipline/Trade	AMT of Stipend Rs.	Signature	Remarks

* Strike off whichever is not applicable

Refer Chapter III (C) Para 4.4)

Location code.....

CASUAL LABOUR ROLL

From _____ To _____

Description or Class	Sl. No.	Name and Age	Address	Period	Rate	Amount	Nature and quantity of work done	Signature or thumb impres- sion of the labourer with date	Dated initials of the paying Officer	Remarks
					Rs. P.	Rs. P.				
				Total						

Signature _____

Officer-in-charge _____

Disbursing Officer.