

# **ACCOUNTS MANUAL**

OF

THE PRADHAN MANTRI  
GRAM SADAK YOJANA

**ADMINISTRATIVE EXPENSES FUND**

(May 2005)



**National Rural Roads Development Agency  
Ministry of Rural Development  
Government of India**

**Manual of PMGSY Accounting System  
Administrative Expenses Fund**

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## GLOSSARY OF ABBREVIATIONS

ADB	Asian Development Bank
BATE Book	Bank Authorisation Transfer Entry Book
DPR	Detailed Project Report
IRC	Indian Road Congress
MAS Account	Material at Site Account
MoRD	Ministry of Rural Development
NRRDA	National Rural Roads Development Agency
OMMS	On line Management and Monitoring System
PIU	Programme Implementation Unit
PMGSY	Pradhan Mantri Gram Sadak Yojana
PWD	Public Works Department
SRRDA	State Rural Roads Development Agency

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## CHAPTER 1

### INTRODUCTION

#### 1.1 BACKGROUND

**1.1.1** The Government of India launched the Pradhan Mantri Gram Sadak Yojana (PMGSY) as a 100 percent centrally sponsored scheme in December, 2000. PMGSY's funds come from the 50 percent of the cess on high speed diesel.

**1.1.2** PMGSY aims to provide good all-weather road connectivity to the unconnected habitations in rural areas by an all-weather road with necessary culverts and cross-drainage structures, operable throughout the year. An unconnected habitation means its location is at a distance of at least 500 metres or more (1.5 km of path distance in case of hills) from an all-weather road or a connected habitation. A habitation is not a revenue village or a panchayat. It means cluster of population, living in an area, the location of which does not change over time. Desam, Dhanis, Tolas, Majras, Hamlets etc. are commonly used terminology to describe the habitations. The population of all habitations within a radius of 500 metres (1.5 km. of path distance in case of Hills) may be clubbed together for the purpose of determining the population size.

**1.1.3** Each road work under the PMGSY forms part of the Core Network — the minimal network of roads to provide basic access to essential social economic services to all eligible habitations through at least single all-weather road connectivity. PMGSY covers only the Rural Roads i.e., roads that were formerly classified as 'Other District Roads' (ODR) and 'Village Roads' (VR). An all-weather road is one which is negotiable during all weathers. This implies that the road-bed is drained effectively by adequate cross-drainage structures such as culverts, minor bridges and causeways.

**1.1.4** The roads constructed under this programme are expected to be of very high standard, requiring no major repairs for at least five years after completion of construction. Contractor will furnish to the authorities a bank guarantee for the prescribed per cent of the value of the work and valid for the 5 years from the date of completion of the road construction. The rural roads constructed under the PMGSY must meet the technical specifications of the Indian Roads Congress (IRC) as given in the Rural Roads Manual (IRC: SP20:2002), as up-dated from time to time. (For Hill Roads, for matters not covered by the Rural Roads Manual, provisions of Hills Roads Manual (IRC:SP:48) may apply.)

#### 1.2 HIERARCHY FOR THE EXECUTION OF PMGSY

##### Ministry of Rural Development, Government of India

**1.2.1** Ministry of Rural Development (MoRD), Government of India is the controlling authority for the PMGSY. It provides the funds, issues guidelines, and works in close collaboration with the States for implementing the Programme.

##### National Rural Roads Development Agency

**1.2.2** MoRD has set up the National Rural Roads Development Agency (NRRDA) to provide to the PMGSY programme operational and management support, inter-alia, on the following:

- (i) Designs & Specifications, Book of Specifications for Rural Roads and the cost norms.
- (ii) Principal Technical Agencies and State Technical Agencies
- (iii) District Rural Roads Plans and Core Network.
- (iv) Scrutiny of Project Proposals
- (v) National Quality Monitors
- (vi) Monitoring of progress of the PMGSY



- (vii) On-Line Management & Monitoring System
- (viii) Training, Workshops, Research, Pilot Projects and Literature.
- (ix) Human Resource Development

### **Nodal Department**

**1.2.3** Every State Government / UT Administration has nominated a Department as the Nodal Department responsible for implementing the PMGSY in the State. It communicates for the State Government with MoRD.

### **Executing Agency**

**1.2.4** The Nodal Department acts in the State through one Executing Agency (EA). (Large States may have more than one). The Executing Agency may be the Public Works Department / Rural Engineering Service / Organisation / Rural Works Department / Zilla Parishad / Panchayati Raj Engineering Department etc. who have been in existence for a large number of years and have the necessary experience, expertise and manpower for constructing the rural roads.

### **Programme Implementation Unit (PIU)**

**1.2.5** The Executing Agency has a Programme Implementation Unit (PIU) at the District level, with an officer of the rank of Executive Engineer as its head. The PIU implements the programme; the Executing Agency co-ordinates and supervises all the work of the PIUs in the State.

### **Autonomous Agency (State Rural Roads Development Agency)**

**1.2.6** Effective from 1<sup>st</sup> April, 2003, the Nodal Department will have a State Rural Roads Development Agency (SRRDA). This is a State-level Autonomous Agency (Society etc), with a distinct legal status, under State Government's control for receiving the funds from MoRD. The SRRDA is to be headed by the Minister or the Chief Secretary and the Secretary in charge of the Nodal Department and a senior officer will be the Chief Executive. It will vet all the proposals for rural roads before they are put up before the State-level Standing Committee and are sent to the NRRDA for MoRD's clearance.

### **Annual Proposals**

**1.2.7** Each State Government has set up a State-level Standing Committee to vet the core networks and clear the project proposals. The Committee also monitors the programme, and oversees the timely and proper execution of road works.

**1.2.8** The project proposals are based on the District-wise amounts allocated by the Nodal Department. The District PIU prepares the annual proposal from the comprehensive New Connectivity Priority List (CNCP List) in case eligible unconnected inhabitations shall remain or from the Comprehensive Up-gradation Priority List (CUPL) in case only un-gradation of existing roads is to be done. These annual proposals are approved by the District Panchayat, consolidated at the State level by the SRRDA and cleared by the State Level Standing Committee. Detailed Project Reports (DPRs) are then prepared and scrutinized by the State Technical Agencies. The final annual proposal is then sent to the MoRD / NRRDA.

**1.2.9** NRRDA scrutinises the proposal, which are then considered by an Empowered Committee of the MoRD and accorded clearance. MoRD informs the State Governments about the clearance of the proposals. This clearance does not imply administrative approval or technical sanction of the proposals. The well established procedures of the Executing Agency in this regard are to be followed.

## **1.3 FLOW OF FUNDS**

**1.3.1** The SRRDA shall receive the funds for the PMGSY from the MoRD for its share of the Administrative Expenses Fund. It will also received funds from the State Government towards State's share. The SRRDA will be responsible for rendering its accounts to the State Nodal Department and the MoRD.

**1.3.2** The SRRDA shall select a branch of any Public Sector Bank or Institution based Bank, having a branch at State Headquarters and internet connectivity for operating the PMGSY's On-line Management & Monitoring System (OMMS). Once selected, the account shall not be changed to any other Branch or Bank without the concurrence of the NRRDA. There shall be a written undertaking from the Bank that it will follow the Guidelines of Government of India for payments from the PMGSY Funds. The concerned branch will maintain internet connectivity and enter the



data into the relevant module of the OMMS. The SRRDA will communicate to the NRRDA and MoRD the details of the Bank branch and the Account numbers. There will be separate account number for the Administrative Expenses Fund.

**1.3.3** The Bank shall provide the following facilities to the PIUs through its branches at the Headquarters of the PIUs:

- (i) To accept the self cheques drawn by the PIUs.
- (ii) To accept the deposits of moneys by the PIU in the bank account of the SRRDA maintained at the State Level.
- (iii) To clear the cheques, issued by the PIUs or the SRRDA, at par, the same day in the designated account.
- (iv) To furnish to the PIU the bank statement at the close of each month showing the opening balance of the bank authorization account, details of the PIU's cheques encashed during the month, and the balance of the bank authorization account at the closing day of the month. The statement shall also be furnished to the SRRDA.
- (v) For interest paid to the SRRDA, the bank statement shall show both the gross amount of the interest and the tax deducted at source.

**1.3.4** The SRRDA will declare the Executive Engineer of the PIUs/Heads of the PIUs (who are the drawing and disbursing officers of the PIU) as its ex-officio members or officers so as to enable them to draw on the funds. They shall be declared authorized signatories.

**1.3.5** There shall be no separate bank account of the PIUs in any bank or Post Office.

**1.3.6** The SRRDA shall designate a senior officer as its Financial Controller to oversee the implementation of the accounting system. He would be a Senior Accounts Officer with adequate experience in works accounting.

**1.3.7** The SRRDA will nominate one of its senior officers, normally of the rank of a Chief Engineer, as the Empowered Officer. It shall be open only to the Empowered Officer to inform the Bank of the names of Authorised Signatories, for issuing cheques on the SRRDA's bank account.

**1.3.8** The Empowered Officer will furnish the list of Authorised Signatories along with their attested signatures to the Bank, apart from himself maintaining a record of it. This list will be verified quarterly and up-dated list supplied to the bank each quarter. As soon as there is a change in the name of the Authorised Signatory, the Bank will be informed immediately, with instructions on the disposal of cheques issued.

**1.3.9** The Bank will issue Cheque Books to each of the Authorised Signatories on the basis of written requisition from the Empowered Officer. Cheque Book numbers shall be intimated to the Financial Controller.

**1.3.10** The Authorised Signatories will make payments, as per the established Public Works procedure, by Account Payee cheque. They will immediately enter the cheque and payee details in the Payment Module of the OMMS.

**1.3.11** On presentation of the cheque issued from the Administrative Expenses Fund, the Bank would satisfy itself that the payment details have been entered in the Payment Module, and that the cheque meets with all other requirements, among others, like signatures agreeing with specimen signatures, and the cheque amount being within the balance of bank authorization available. The bank will then make payments and confirmation entries in the OMMS Accounting Module. The Bank will not allow the funds to be used by any persons other than the Authorised Signatories.

It will not be open to the SRRDA to invest these funds in any other bank branch, whether for short term, medium term, including fixed deposits.

**1.3.12** The Bank will render monthly account, in respect of PMGSY Funds, to the SRRDA, and NRRDA by processing the data on the Receipts and Payment Module of the OMMS. It will also inform the concerned PIU of its cheques encashed and its deposits credited to the account of SRRDA.

**1.3.13** A tripartite Memorandum of Understanding will be entered into between the Bank, SRRDA and the MoRD wherein the parties would agree to abide by the provisions of the Guidelines. In particular, the Bank will agree to abide by the instructions issued, from time to time, by MoRD/NRRDA regarding the operation of the Account. The Bank will not make any advance, overdraft or loans to any State Government or its agency or unit or corporation or any one else on the security of the investments or funds of PMGSY under any circumstances.



**1.3.14** Money accruing as interest will be added to the same account. The expenditure out of this interest amount will be guided by the instructions / guidelines to be issued by MoRD / NRRDA from time to time. The Bank shall intimate to the SRRDA the interest amount credited to its account from time to time. The MoRD/NRRDA may, from to time, issue such directives to the Bank/SRRDA as necessary for the smooth flow of funds and effectiveness of the Programme, and the Bank shall take note of the advice and comply with such directives.

#### **1.4 ADMINISTRATIVE EXPENSES**

**1.4.1** All the staff costs are to be borne by the State Government. PMGSY does not provide for any staff costs. However; the administrative and travel expenses of PIUs and SRRDA will be met out of PMGSY funds to the following extent, with the State Government bearing any additional costs:

<b>Item</b>	<b>Percentage of the approved cost estimate of rural roads</b>
(a) Administrative Expenses for PIUs	1.00%
(b) Travel Expenses of PIUs	0.50%
(c) Administrative and & Travel expenses (SRRDA)	0.25% ( Rs. 25 lakh maximum)
(d) Independent Quality Monitoring 2nd tier	0.50%

**1.4.2** Administrative expenses shall, in addition to usual office expenses, include all expenses related to operating and maintaining the On Line Management and Monitoring System (OMMS), computers including internet charges and data entry costs. Cost of outsourcing of execution and management related functions may also be paid out of administrative expenses within the limits prescribed. However, expenditure on purchase of vehicles, payment of salaries & wages and purchase or construction of buildings is not permissible.

**1.4.3** State Government funds for administrative expenses and SRRDA's income used for administrative purposes may also be kept in the Administrative Expenses Fund account along with the funds from MoRD. No other funds shall be credited to the account nor shall the account be used other than for defraying admissible expenses.

**1.4.4** No Agency charges will be admissible for road works taken up under this Programme. In case Executing Agencies levy charges in any form, such as Centage charges etc., it would have to be borne by the State Government.

#### **1.5 ACCOUNTING SYSTEM FOR THE ADMINISTRATIVE EXPENSES FUND**

**1.5.1** The accounting system for the PMGSY Administrative Expenses Fund is primarily based on the accounting system of the PMGSY Programme Fund. However, some differences between the two systems do exist. These are:

- (i) The conceptual difference: The Programme Fund creates capital assets, namely, new roads, up-graded roads etc. Administrative Expenses Fund meets day-to-day expenses, like travel expenses, office expenses etc., more in the nature of overheads, and not even indirect expenses related to works. The Administrative Expenses are not debited to works, or each road. One reason, among others, for this is that the State Government meets the expenditure on salaries etc. of the engineers and other staff; and part of the office expenses. Central Governments will bear some expenses on travel and administration to the extent mentioned in paragraph 1.4.1. The balance of advantage has been to keep these expenses as revenue expenses and not add them on to the works.
- (ii) Programme Fund is meant for creation of assets. Therefore, Income and Expenditure Account will not be prepared. The entire amount is a grant for capital expenditure on creation of assets; and expenditure cannot be debited to Income and Expenditure account which is meant for revenue or consumption or routine or overhead expenses. Its Balance Sheet shows the details of assets created.
- (iii) Administrative Expenses Fund is meant for office expenses, therefore, an Income and Expenditure Account has to be maintained. Expenditure does not create any tangible asset, except some laboratory equipment or office assets like furniture, computers etc. Its Balance Sheet shows the unused amount of the grants and the expenditure on assets etc.

- (iv) Other differences of detail flow from the above three items.
- (v) Programme Fund has another set of important accounts of the public works, namely:  
Works Register to show progress of works on each package and on each road.
  - (a) Contractor's Ledger
  - (b) Deposits of contractors
  - (c) Advances to Contractors
  - (d) Register of Security Deposits etc. etc.
- (vi) In the Administrative Expenses Fund, the accounting restricts itself to General Ledgers with separate folios for each kind of expenditure.
- (vii) PIU's follow the rules and procedures of the Public Works Department for the Programme Fund. They follow the general financial rules of the State for Administrative Expenses.

### **1.6 MAJOR FEATURES OF THE PMGSY ACCOUNTING SYSTEM FOR ADMINISTRATIVE EXPENSES FUND**

The features of the PMGSY accounting system for the Administrative Expense Fund differ from the Government system as follows:

- (i) The district treasury pays the office expenses etc. and their record kept in a separate Cash Book. In the PMGSY system, the PIU keeps accounts in a separate Cash Book, along with ledger, and prepares the monthly account (of Receipts and Payments) and the Balance Sheet. In Government, there is no monthly account for the office expenses.
- (iii) Major, Minor and Detailed head of accounts applicable to Government accounts are not applicable to PMGSY. The PMGSY accounting system has its own "Chart of Accounts", one for Programme Fund and another for Administrative Expenses Fund, modeled on the List of Major and Minor Heads of Accounts of the Union and State Governments.
- (iv) The public works divisions do not prepare monthly Balance Sheet for administrative expenses. The PMGSY accounting system for administrative Expenses has the following set of accounts prepared each month:
  - (a) Monthly account to show the Receipts and Payments;
  - (b) Monthly Income and Expenditure Account to show the details of receipts and expenditure.
  - (c) Monthly Balance Sheet to show the unused balances, and receivable and payables.

### **1.7 Major Similarities Between the Government and the PMGSY Accounting System**

Major similarities between the Government system and the PMGSY accounting system are:

- (a) Almost all the existing forms for various registers of expenses are common to the two systems. However, the ledgers are new because Government offices do not keep them; the Accountant General does.
- (b) The PIUs do not have a separate bank account. They operate on the bank account of the SRRDA. This is common in the public works that operate on the State Government's bank account.
- (c) All the existing orders of the public works department, or equivalent, on the powers of the officers and other procedural and legal requirements apply.
- (d) The Comptroller and Auditor General of India will continue to audit the accounts of the SRRDAs and the PIUs. However, each SRRDA will also appoint a Chartered Accountant for statutory audit of SRRDA and PIUs' accounts.



## CHAPTER 2

### OPENING BALANCE SHEET AND DOUBLE ENTRY SYSTEM

#### 2.1 OPENING BALANCE SHEET

**2.1.1** PMGSY Administrative Expenses Fund started from March, 2004. MoRD remitted the funds for it to the SRRDA which, in turn, distributed these to the PIUs.

The accounting system for the Administrative Fund comes into force from the 1<sup>st</sup> October, 2004, or such date as the NRRDA agrees for a State. Therefore, each PIU will take stock of its assets, liabilities, income and expenses for the period up to the 30<sup>th</sup> September, 2004; and prepare a Balance Sheet as on that date in the following format:

**Balance Sheet of the PIU  
As on the 30<sup>th</sup> September, 2004**

Sl. No.	Liabilities	Amount (Inner Column)	Amount (Outer Column)	Sl. No.	Assets	Amount
1	Central Administrative Expense Fund received from the SRRDA (Sch-L1)  Deduct Expenses: (Detail each kind of expenses: Travelling exp. Data entry Misc. Internet charges Computer Maintenance Stationery. Fax, postage, courier etc. Telephone Bills Balance Available			1.	Cash in hand	
				2.	Bank Authorisation Balance (Sch-A1)	
				3.	Imprest with staff	
				4.	Miscellaneous Advances (Sch A2)	
				5.	Assets from the Central Administrative Expenses approved by the MORD (Schedule A3)	
2	State Administrative Expense Fund received from the SRRDA (Sch-L2) Deduct Expenditure (Detail each kind of expenses: Balance Available			6.	Assets from the State Administrative Expenses Fund approved by the State Government (Schedule A4)	
3	Other Income (Sch. L3) (For example, interest.)					
4	Deposits Repayable (Sch. L4)					
	<b>Total</b>				<b>Total</b>	

**2.1.2** The opening Balance Sheet, duly signed by the Divisional Officer and the Divisional Accountant, should be sent to the SRRDA. The preparation of the above Balance Sheet does not require re-writing the accounts of the PIU. Instead, the balances for each item already exist in the records and accounts books kept in the division should be indicated.

2.1.3 SRRDA will prepare a similar Balance Sheet in the following format:

**Balance Sheet of the SRRDA  
As on the 30<sup>th</sup> September, 2004**

Sl. No.	Liabilities	Amount (Inner Column) Rs.	Amount (Outer Column) Rs.	Sl. No.	Assets	Amount Rs.
1	Central Administrative Expense Fund received from the MoRD (Sch-L1) <b>Deduct</b> SRRDA's admissible expenses (Sch-L2)  Balance			1	Cash in hand	
				2	Bank Balance (including investments)	
				3	Imprest with staff	
				4	Central Administrative Expense Funds Transferred to PIUs (Sch-A1)	
				5	State Administrative Expense Funds transferred to PIUs (Sch A2)	
				6	Misc. Advances (Sch.A3)	
2	State Administrative Expense Fund received from the State Government (Sch-L3) <b>Deduct</b> Expenditure			7	Assets from the Central Administrative Expenses (Schedule A4)	
3	SRRDA's admissible expenses (Sch-L4) Balance			8	Assets from the State Administrative Expenses approved by the State Government (Schedule A5)	
4	Other Income (Sch. L5) (For example, interest.)					
5	Deposits Repayable (Sch. L 6)					
6	Bank Authorisations to PIUs outstanding (Sch L7)					
	<b>Total</b>				<b>Total</b>	

2.1.4. The SRRDA will check the Balance Sheets of each PIUs to ensure its internal accuracy and that its figures agree with the amount SRRDA transferred to the PIU. Thereafter, it will consolidate all the Balance Sheets.

2.1.5 To incorporate the opening Balance Sheet in the accounts, each PIU and the SRRDA will pass the necessary transfer entries, as explained later.

2.1.6 The system of accounting for the Administrative Expenses requires each PIU and the SRRDA to prepare each month:

- (a) Monthly Account of Receipts and Payments;
- (b) Income and Expenditure Account; and
- (c) Balance Sheet.

2.1.7 Each PIU and the SRRDA will also prepare annual accounts consisting of account of Receipts and Payments, Income and Expenditure, and the Balance Sheet.

## 2.2 DOUBLE ENTRY SYSTEM OF ACCOUNTING

SRRDA and the PIU will keep their accounts on the double entry system. This is also the system followed for the Programme Fund. It will help to remember the following three principles of the double entry system:

- i) Debit what comes in; Credit what goes out;
- ii) Debit the receiver and Credit the giver.
- iii) Debit the expenses and assets; Credit the income and liabilities.

## 2.3 DEPRECIATION

Since all the assets, albeit few, come from the grants from the MoRD or the State Government, the accounting system does not provide for any depreciation for these assets. As and when the asset is written off, the corresponding amount from the Administrative Expenses Fund will be reduced. Neither the Central Government nor the State Government provide funds for the depreciation.



## CHAPTER 3

### DEFINITIONS

**3.1** Unless there be something repugnant in the subject or context, the terms defined in this Chapter are used in this Manual in the sense herein explained:-

**(1) Accounts Officer** - by whatever name designated, means head of the accounting division in the State Rural Roads Development Agency (or equivalent) of the State Government or Union Territory Administrations

**(2) Audit Officer** - means any officer subordinate to or under the superintendence of the Comptroller and Auditor General of India, who exercises audit functions.

**(3) Auditor** – means the chartered accountant appointed for audit of the SRRDA's accounts or any of its PIUs.

**(3A) Asset** – asset mean goods, machinery, furniture with a long life, as distinct from consumables like stationery etc.

**(4) Bank** means any office or branch of the Bank with which the State Rural Roads Development Agency has entered into banking arrangements for the PMGSY.

**(5) Book Transfer** - This term is applied to the process whereby financial transactions which do not involve the giving or receiving of cash, or of stock materials, brought to account. They usually represent liabilities and assets of the PMGSY brought to account either by way of settlement or otherwise, but they may “also represent corrections and amendments made in Cash, Stock, or Book Transfer transactions previously taken to account.

**(6) Central Administrative Expenses Fund** - means the funds provided by the Government of India, Ministry of Rural Development for meeting specified administrative expenses of PMGSY.

**(7) State Administrative Expenses Fund** - means the funds provided by the State Government for meeting specified administrative expenses of PMGSY.

**(8) Chart of Accounts** - see paragraph 4.2.

**(9) Competent Authority** - The term “Competent Authority” means the State Government or any other authority to whom it may delegate the relevant power.

**(10) Direction Office** - This term indicates the office of an administrative officer who has one or more Divisional Officers working under his orders and is not himself entrusted with the execution of works or with the receipt and disbursement of PMGSY funds, e.g. Director General of Works/Chief Engineer or a Superintending Engineer, or a Superintendent of Works; but if such an officer is also entrusted at any time with the receipt and disbursement of PMGSY programme funds, he is treated as a Divisional Officer for the purposes of this Manual.

**(11) Direction Officer** - The head of a Direction Office is known by this designation.

*Explanations:* A person holding the rank of a Superintending or even a Chief Engineer is not a Direction Officer, unless the direction of the business of one or more divisions is entrusted to him. Thus, a Superintending Engineer employed on special duty is not a Direction Officer.

**(12) Division and Divisional Office** - These terms are used to denote respectively the executive charge held by a Divisional Officer [Clause (13) below] and the head office of such a charge.

**(13) Divisional Officer** - This term is applied to an Executive Officer of the Public Works Department (or Rural Engineering Department, or equivalent) and executing PMGSY works who is not subordinate to another Executive or Disbursing Officer of the Department, even though the executive charge held by him may not be recognised as a “Division” by the Government concerned. Thus, the officer in charge of an independent sub-division is also treated as a Divisional Officer for the purpose of this Manual. See also clause (12).

- (14) **Executing Agency** -The term means the department responsible for executing the PMGSY works through its subordinate offices. Each State nominates one (or more) Executing Agency. An executing agency may be Public Works Department / Rural Engineering Service / Organisation / Rural Works Department / Zilla Parishad / Panchayati Raj Engineering Department etc. who have been in existence for a large number of years and have the necessary experience, expertise and manpower for public works. It reports to the Nodal Department.
- (15) **Government** - means the Central (Union) Government, the State Government or a Union Territory Administration as the context may determine.
- (16) **Grant** - Any grant received from the Government.
- (17) **Liabilities** - when used in respect of administrative expenses account, this term includes all anticipated charges which are adjustable as final charges, but have not been paid, regardless of whether or not they have fallen due for payment, or having fallen due, or have not been placed to the credit of the persons concerned in an account head. (For example, telephone bills received but not paid by the 31<sup>st</sup> March)
- (18) **Major Head** - See Chart of Accounts
- (19) **Minor Head** - See Chart of Accounts
- (20) **National Rural Roads Development Agency (NRRDA)** - is the agency of the Ministry of Rural Development, Government of India for vetting the proposals for rural roads, for issuing guidelines on technical, administrative, finance and accounting matters for the efficient and economical implementation of PMGSY.
- (21) **Nodal Department** - is the department to whom the State Government entrusts the overall responsibility for implementation of the PMGSY in the State. It communicates with the Ministry of Rural Development on all matters connected with the PMGSY.
- (22) **Office Expenses** - The term means the recurring expenses for running a PIU or SRRDA of the nature approved by the MoRD/State Government for the expenses they provide funds for.
- (23) **Programme Implementation Unit (PIU)** - implements the programme generally in a district. However, at the discretion of the State Government/Union Territory Administration with legislature it may operate in part of the district or in more than one district. An officer of the rank of Executive Engineer heads it. It is same as a public works division with similar duties and functions. PIU and Division are terms used interchangeably in this Manual.
- (24) **Sectional Officer** - Sectional Officer is a non-gazetted official namely Junior Engineer/Sub-Engineer for Civil Works who is placed in responsible executive charge of works or stores under the orders of the Officer-in-charge of a recognised sub-division and the accounts of whose transactions are, therefore, ultimately incorporated in those of the Sub-Division.
- (25) **Special Office** - The Office of a Special Officer, vide clause (26).
- (26) **Special Officer (or Specialist Officer)** - This term is applied in this Manual, to such officials of the Department as are neither Divisional Officers nor officials subordinate to a Divisional Officer, and have no Divisional Officers working under their control.
- (27) **Sub-divisional Officer** - This designation is applied primarily to an official, whether a Gazetted Officer or not, who holds the charge of a recognised sub-division subordinate to a Divisional Officer, when the immediate executive charge of any works or stores has not been constituted into a regular sub-divisional charge, but is held by the Divisional Officer himself, the latter is also treated as the sub-divisional officer in respect of such charge. When a Divisional Officer holds the immediate charge of a recognised sub-division in addition to his own duties as the executive head of the division, he is treated as the Sub-divisional Officer in respect of the charge of the Sub-Division. Sub-divisions do not make any payments on behalf of the PMGSY works.
- (28) **Work** - The term "work" when by itself, is used in a comprehensive sense and applies not only to works of construction or repair, but also to other individual objects of expenditure connected with the supply, repair and carriage of tools and plant, the supply or manufacture of other stores, or the operation of a workshop.



## CHAPTER 4

### OUTLINE OF THE ACCOUNTING SYSTEM OF THE ADMINISTRATIVE EXPENSES FUND

#### 4.1 Classification of PMGSY Funds

4.1.1 (a) The PMGSY executes rural road works. The general principles followed in the classification of PMGSY works are as follows:

I. **Programme Fund.** (a) MoRD provides the Programme Fund to SRRDA for the construction of roads, up-gradation of roads, plantations, sign boards, and such other activities that MoRD or NRRDA may specify.

II. **Administrative Expenses Fund.** (a) MoRD provides the Administrative Expenses Funds to SRRDA for various administrative expenses such as travel expenses, purchase of computers, telephone, internet charges, stationery etc. The State Government may also provide administrative expenses fund for specific purposes.

(b) SRRDA keeps the funds in a separate bank account, called Administrative Expenses Fund. It authorizes the PIUs to spend from it for various administrative expenses.

III. **Maintenance Fund**

(a) State Government primarily provides to SRRDA funds for the maintenance of rural roads.

(b) SRRDA keeps the funds in a separate bank account called Maintenance Fund. It authorizes the PIUs to spend from it for the maintenance of rural roads.

(c) SRRDA and the PIUs keep separate and complete accounts of the receipts and expenditure from the Programme Fund, Administrative Expenses Fund and Maintenance Fund.

#### Administrative Expenses Fund

4.1.2 The Administrative Expenses Fund transactions may be grouped under the heads indicated below:-

I. Income and Expenses (for interest and miscellaneous income; office and travel expenses).

II. Assets (for durable assets like laboratory equipment, receivables, advances).

III. Current Liabilities (for deposits repayable).

IV. Funds and Surpluses (for Central Administrative Expenses Fund, State Administrative Expenses Fund and Surpluses).

#### 4.2 CHART OF ACCOUNTS

The following chart of accounts of PMGSY Administrative Expenses Fund follows the pattern of the List of Major and Minor Heads of Accounts for Government transactions. Transactions under its various Major Heads are divided into Minor Heads. This chart governs all the classification of Receipts and Payments.



**CHART OF ACCOUNTS FOR PMGSY ADMINISTRATIVE EXPENSES FUNDS**

S. No.	Head of Account	Credit / Debit Balance	Major Head Number	Account Head Code	Entry To be done by
1	2	3	4	5	6
<b>51</b>	<b>Administrative Expenses Fund</b>		<b>51</b>		
51.01	Central Administrative Expenses Fund	Credit		51.01	SRRDA
51.02	Central Administrative Expenses Funds transferred by SRRDA to PIU	Debit		51.02	SRRDA
51.03	Central Administrative Expenses Funds received by PIU from SRRDA	Credit		51.03	PIU
51.04	State Administrative Expenses Fund	Credit		51.04	SRRDA
51.05	State Administrative Expenses Funds transferred by SRRDA to PIUs	Debit		51.05	SRRDA
51.06	State Administrative Expenses Fund received by PIU from SRRDA	Credit		51.06	PIU
51.07	Bank Authorization Account (Books of SRRDA)	Credit		51.07	SRRDA
51.08	Bank Authorization Account (Books of PIU)	Debit		51.08	PIU
51.09	Surpluses and Reserves	Credit		51.09	SRRDA/PIU
<b>52</b>	<b>Cash and Bank Balance</b>		<b>52</b>		
52.01	Cash in Chest	Debit		52.01	SRRDA/PIU
52.02	Imprest with staff	Debit		52.02	SRRDA/PIU
52.03	Bank Balance	Debit		52.03	SRRDA
52.04	Fixed Deposits with the Bank	Debit		52.04	SRRDA
<b>53</b>	<b>Income Tax (Receivable)</b>		<b>53</b>		
53.01	Tax Deducted at source by others	Debit		53.01	SRRDA
<b>54</b>	<b>A. Administrative Expenses from Central Administrative Expenses Fund</b>		<b>54</b>		
54.01	Travel Expenses	Debit		54.01	SRRDA/PIU
54.02	Data Entry Costs	Debit		54.02	SRRDA/PIU
54.03	Internet Charges	Debit		54.03	SRRDA/PIU
54.04	Maintenance of Computer	Debit		54.04	SRRDA/PIU
54.05	Stationery	Debit		54.05	SRRDA/PIU
54.06	Fax, postage. Courier	Debit		54.06	SRRDA/PIU
54.07	Telephone	Debit		54.07	SRRDA/PIU
54.08	Outsourcing of execution and management functions	Debit		54.08	SRRDA/PIU
54.09	Miscellaneous Office Expenses	Debit		54.09	SRRDA/PIU
54.10 to 54.19	Spare numbers available for future use	Debit			
<b>55</b>	<b>SRRDA' own expenses met from State Administrative Expenses Fund</b>		<b>55</b>		
	<b>A. Establishment Expenses</b>				
55.01	Salary and Allowance	Debit		55.01	SRRDA
55.02	Wages	Debit		55.02	SRRDA
55.03	Overtime Allowances	Debit		55.03	SRRDA
55.04	Medical Claims	Debit		55.04	SRRDA
55.05	Leave Encashment	Debit		55.05	SRRDA



S. No.	Head of Account	Credit / Debit Balance	Major Head Number	Account Head Code	Entry To be done by
1	2	3	4	5	6
55.06 to 55.10	Available for future use				
	<b>B. Office Expenses</b>				<b>SRRDA</b>
55.11	Office Rent, Taxes and Duties	Debit		55.11	SRRDA
55.12	Travel Expenses	Debit		55.12	SRRDA
55.13	Hiring of Vehicles	Debit		55.13	SRRDA
55.14	Printing and Stationary	Debit		55.14	SRRDA
55.15	Meetings Expenses	Debit		55.15	SRRDA
55.16	Professional Services to the office	Debit		55.16	SRRDA
55.17	Telephone- Office	Debit		55.17	SRRDA
55.18	Telephone- Residential & Mobile	Debit		55.18	SRRDA
55.19	Vehicle Maintenance	Debit		55.19	SRRDA
55.20	Electricity Expenses	Debit		55.20	SRRDA
55.21	Postage Expenses	Debit		55.21	SRRDA
55.22	Repairs and Maintenance of Office Equipment	Debit		55.22	SRRDA
55.23	Insurance Charges	Debit		55.23	SRRDA
55.24	Miscellaneous Office Expenses	Debit		55.24	SRRDA
55.25 to 55.40	Available for future use				
	<b>C. Research, Training, and Human Resource Development — Expenses met from State Administrative Expenses Fund</b>				
55.41	Training			55.41	SRRDA
55.42	Workshops and Conferences			55.42	SRRDA
55.43	Professional Services			55.43	SRRDA
55.44	Other Expenses			55.44	SRRDA
55.45 to 55.50	Available for future use				
	<b>D. Publications, Advertisement and Publicity</b>				<b>SRRDA</b>
55.51	Publications			55.51	SRRDA
55.52	Advertisement and Publicity			55.52	SRRDA
55.53	Books Periodicals .and Audio Visual Mat.			55.53	SRRDA
55.54 to 55.60	Spare numbers available for future use in different groups				
<b>56</b>	<b>A. World Bank</b>				
56.01	General Expenses	Debit		56.01	SRRDA/PIU
56.02	Laboratory Equipment	Debit		56.02	SRRDA/PIU
56.03	Computers and Peripherals	Debit		56.03	SRRDA/PIU
56.04	Expenditure on Other Assets	Debit		56.04	SRRDA/PIU

S. No.	Head of Account	Credit / Debit Balance	Major Head Number	Account Head Code	Entry To be done by
1	2	3	4	5	6
56.05	Technical Examiners	Debit		56.05	SRRDA/PIU
56.06	Technical Assistance	Debit		56.06	SRRDA/PIU
56.07 to 55.60	Spare Numbers available for future use				
	<b>B. Asian Development Bank</b>				
56.31	Project Implementation Consultants	Debit		56.31	SRRDA/PIU
56.32	Others	Debit		56.32	SRRDA/PIU
56.33 to 57	Spare Numbers available for future use				
<b>58</b>	<b>Capital Expenditure from Central Administrative Expenses Fund</b>		<b>58</b>		
58.01	Laboratory Equipment	Debit		58.01	SRRDA/PIU
58.02	Computers and Pheripherals Equipment	Debit		58.02	SRRDA/PIU
<b>59</b>	<b>Capital Expenditure from State Administrative Expenses Fund</b>		<b>59</b>		
59.01	Purchase/renovation of Office Area	Debit		59.01	SRRDA/PIU
59.02	Furniture and Furnishing of the office	Debit		59.02	SRRDA/PIU
59.03	Vehicles	Debit		59.03	SRRDA/PIU
59.04	Equipments & Machinery	Debit		59.04	SRRDA/PIU
59.05	Computers & peripherals	Debit		59.05	SRRDA/PIU
59.06 to 59.10	Spare Numbers for Future Use				
<b>60</b>	<b>Incidental Receipts</b>		<b>60</b>		
60.01	Interest received from Bank	Credit		60.01	SRRDA/PIU
60.02	Miscellaneous Receipts	Credit		60.02	SRRDA/PIU
<b>61</b>	<b>Debtors</b>	<b>Debit</b>	<b>61</b>		
61.01	Miscellaneous Advances	Debit		61.01	SRRDA/PIU
<b>62</b>	<b>Creditors</b>		<b>62</b>		
62.01	Unpaid bills	Credit		62.01	SRRDA/PIU
62.02	Deposits from suppliers	Credit		62.02	SRRDA/PIU
62.03	Statutory Deductions of Income-tax	Credit		62.03	SRRDA/PIU
62.04	Statutory Deductions of Value-Added Tax/Commercial tax etc.	Credit		62.04	SRRDA/PIU
62.05	Other Deductions	Credit		62.05	SRRDA/PIU
<b>63</b>	<b>Transitional Heads</b>		<b>63</b>		
63.01	Balance Sheet Account	Debit/ Credit		63.01	SRRDA/PIU
63.02	Income and Expenditure Account	Debit/ Credit		63.02	SRRDA/PIU



**EXPLANATORY NOTES ON CHART OF ACCOUNTS FOR  
PMGSY - ADMINISTRATIVE EXPENSES FUNDS**

ACCOUNT CODE	EXPLANATORY NOTES
1	2
51.01	This account gets credit for the fund SRRDA receives from MoRD. The admissible expenditure gets debited to this account by transfer from the Income and Expenditure Account.
51.02	This account gets debit for the Central funds SRRDA transfers to the PIU. It will get credit for the amount, if any, received back from PIU.
51.03	This account gets credit for Central Administrative Expenses Fund a PIU gets from SRRDA. The admissible expenditure gets debited to this account by transfer from the Income and Expenditure Account. Amounts PIU returns to SRRDA get credited to this account.
51.04	This account gets credit for funds SRRDA receives from the State Government. The admissible expenditure gets debited to this account by transfer from the Income and Expenditure Account.
51.05	This account gets debit for the State funds SRRDA transfers to the PIU. It will get credit for the amount, if any, received back from PIU.
51.06	This account gets credit for the State Administrative Expenses fund PIU receives from SRRDA. The admissible expenditure gets debited to this account by transfer from the Income and Expenditure Account. Amounts returned by PIU to SRRDA shall also be credited to this account.
51.07	This head covers the amounts that SRRDA transfers to PIU through Bank Authorisation. SRRDA shall credit this account code in its Bank Authorisation Transfer Entry Book. On receipt of statement for the cheques issued by the PIU, SRRDA shall account for the amount of cheques drawn by the PIU on the payment side of its Cash Book in bank column by showing this account head in the classification column.
51.08	This account head gets credit for the Bank Authorisation PIU receives from SRRDA, on receipt side of PIU's Cash Book in Bank Authorisation column. PIU accounts for all payments made by it by cheque on the payment side of its Cash Book in the "Bank Authorisation" column. PIU shall not maintain any ledger account of Bank Authorisation; its Cash Book with column "Bank Authorisation" on the receipt as well the payment side serves the purpose of ledger.
51.09	Surpluses and Reserves represent the interest earned, and other miscellaneous income, transferred to this head through the Income and Expenditure Account.
52.01	Cash in Chest is self -explanatory. Cash balance appearing in Cash Book at the close of month shall be shown against this Account Code in the Monthly Account.
52.02	Imprest issued to staff for petty expenses / purchases etc. shall be debited to this account code. On receipt of account from the imprest holder this account code shall be adjusted by debit to final head of account code relating to expenses. This Account code is to be finally closed with NIL balance at the end of the year.
52.03	SRRDA will keep all the funds received — whether from MORD or the State Government — in one account named PMGSY Administrative Expenses Fund in accordance with the PMGSY guidelines.
52.04	The tripartite agreement with the Bank provides for automatic investment of surplus funds with the bank in its fixed deposits. This head is for this purpose.
53.01	Tax deducted at source by the bank from the amount of interest on deposits etc. shall be debited to this Head of Account.
54.01 to 54.09	These account codes are self – explanatory.
54.10 to 54.19	These account codes are self – explanatory. NRRDA will assign the actual description for these codes.
55.01 to 55.05	These account codes are self – explanatory.
55.06 to 55.10	These account codes are self – explanatory. NRRDA will assign the actual description for these codes.
55.11 to 55.24	These account codes are self – explanatory.
55.41 to 55.44	These account codes are self – explanatory.
55.45 to 55.50	These account codes are self – explanatory. NRRDA will assign the actual description for these codes.
55.51 to 55.53	These account codes are self – explanatory
55.54 to 55.60	These account codes are self – explanatory. NRRDA will assign the actual description for these codes.

56.01 to 56.06	These account codes are self – explanatory
56.07 to 56.30	These account codes are self – explanatory. NRRDA will assign the actual description for these codes.
56.31 to 56.32	These account codes are self – explanatory
56.33 to 57	These account codes are self – explanatory. NRRDA will assign the actual description for these codes.
58.01 to 58.02	These account codes are self – explanatory
59.01 to 59.05	These account codes are self – explanatory
59.06 to 59.10	These account codes are self – explanatory. NRRDA will assign the actual description for these codes.
60.01 and 60.02	These account codes are self – explanatory
60.01 to 60.02	These account codes are self – explanatory.
61.01	The account code is self-explanatory.
62.01 to 62.05	These account codes are self – explanatory.
63.01	This account code shall be operated to account for the assets and liabilities of the administrative expenses before the new accounting system comes into force. The following adjustment shall be done to account for the assets and liabilities: Debit: Balance Sheet Account Credit: Liabilities Debit Debit : Assets Credit: Balance Sheet Account. Further, at the start of each financial year, the accounts will be opened from the last year's Balance Sheet in similarly.
63.02	Income and Expenditure Account will be credited or debited by transfer of all Income and Expenditure during the year. Its balance will be carried over to the Central or State administrative Expenses Fund, as the case may be.

**Notes:-**

1. Account Code Number 51.01 and 51.02 for the receipt / transfer of funds shall be operated by the SRRDA only.
2. Account Head Code 51.03 for the receipt of funds shall be operated by the PIU's only.
3. At the close of each financial year:-
  - i) Administrative Expenses under the heads 54.01 to 54.09 shall be transferred to the account head 63.02 Income and Expenditure Account. Their total will be transferred to Account Code Number 51.01 or 51.03.
  - ii) Incidental receipts shall be transferred to the account head 63.02 - Income and Expenditure Account. Their total will be then transferred to the Surplus and Reserves, Account Code No. 51.09.
  - iii) Balance Sheet as on 31st March shall show only the unspent amount of the fund on liability side and Cash / Bank Balance and assets on Assets side.
4. Subsidiary registers for administrative / incidental receipts shall be maintained as laid down by the State Government.
5. Unspent balance amount of the fund as on 31st March shall be carried forward to the next year's account.



## **CHAPTER 5**

### **RELATIONS WITH ACCOUNTS OFFICER**

#### **5.1 GENERAL**

**5.1.1** The Divisional Officer, as the primary Disbursing Officer of the Division, is responsible not only for the financial regularity of the transactions of the whole division but also for the maintenance of accounts of the transactions correctly and in accordance with the rules in force.

He is further required to submit his accounts to the Accounts Officer for control and check and preparing the consolidated accounts of the PMGSY for the State.

**NOTE:** The accounts returns which have ordinarily to be submitted to SRRDA are enumerated in Chapter 12, but the Accounts Officer is authorised to call for such additional accounts, registers, documents and subsidiary papers having relation thereto, as he may require for the elucidation thereof.

**5.1.2** The Divisional Officer is responsible to see that the accounts of his division are not allowed to fall into arrears; but if arrears or confusion arise which, in his opinion, cannot be cleared without the assistance of the Accounts Officer, he should at once apply for such assistance.

**5.1.3** The Divisional Officers will be placed in direct account with the accredited bank of the SRRDA on which they will draw either self-cheques or cheques in favour of payees for payment of all bills passed by them after exercising the requisite checks prescribed by the Executing Agency for the divisions. The SRRDA will issue, in advance, the quarterly bank authorisation authority to each Divisional Office after considering its estimated requirements for the quarter.

**NOTE:** The Divisional Accountants will continue to be responsible for exercising preliminary checks on the initial accounts, bills, vouchers etc. in the capacity as internal checkers. They will also be responsible for compiling the divisional accounts of PMGSY as hitherto.

#### **Post Check in the Accounts Office**

**5.1.4** On receipt of the monthly account, Income and Expenditure Account and the monthly Balance Sheet, supported by schedules, from the Divisional Officers, the SRRDA will check them, and incorporate in its books the details of cheques issued by the PIUs. It will check the amount of the Administrative Expenses Fund shown in the monthly accounts with the amounts shown in its own books. SRRDA will take action to get the mistakes corrected, whether in its own books or those of the PIU. Payments shown in the monthly 'Bank Authorisation, Utilisation and Reconciliation Statement received from the Divisional Office will be checked with the payment scrolls received directly from the bank. One copy of the scroll will be returned to the bank from which it was received with a certificate of confirmation of the figures shown therein. Discrepancies, if any, should be got reconciled with the banks and the Divisional Officers. The Divisional Officer will also, on receipt of his copy of the scroll, reconcile it with his record.

#### **5.2 DIVISIONAL ACCOUNTANT**

**5.2.1** To assist Divisional Officers in the discharge of their responsibilities referred to in paragraph 5.1.1, each PIU will have a Divisional Accountant. The term Divisional Accountant will include Senior Accounts Officer, Accounts Officer, Accounts Manager, Divisional Accounts Officer Grade II, Divisional Accounts Officer Grade I, Senior Divisional Accounts Officer and Assistant Account Officer.

**5.2.2** (a) The functions of the Divisional Accountants are three fold:-

- (i) As accountant, i.e., as the compiler of the accounts of the division in accordance with the prescribed rules and from the data furnished to him;

- (ii) as internal checker charged with the responsibility of applying certain preliminary checks to the initial accounts, vouchers, etc.; and
- (iii) as financial assistant, i.e., as the general assistant and adviser to the Divisional Officer in all matters relating to the accounts and budget estimates or to the operation of financial rules generally.
- (b) In the discharge of these duties, he is expected to keep himself fully conversant with all sanctions and orders passing through the office and with other proceedings of the Divisional Officer and his subordinates which may affect the estimate or accounts of actual or anticipated receipts and charges. He should advise the Divisional Officer on the financial effect of all proposals for expenditure and keep a watch, as far as possible, over all the liabilities against the grants and authorizations of the divisional office as they are incurred.
- (c) The Divisional Officer should see that he is given the fullest opportunity of becoming conversant with these sanctions, orders and proceedings. To enable him to discharge his duties efficiently, the Divisional Accountant is treated as the senior member of the office establishment of the division though his position is analogous to that of a Sub-Divisional Officer.

**5.2.3** The Divisional Accountant is expected to see that the rules and orders in force are observed in respect of all the transactions of the division which come within his sphere of duties. If he considers that any transaction or order affecting receipts and expenditure is such as would be challenged by the Accounts Officer if the internal check entrusted to the Accountant were applied by the former, it is his duty to bring this fact to the notice of the Divisional Officer with a statement of his reasons, and to obtain the orders of that Officer. It will then be his duty to comply with the orders of the Divisional Officer, but if he has been overruled and is not satisfied with the decision, he should at the same time make a brief note of the case in the Register of Divisional Accountant's Objections, PMGSY/GEN/F-59 and lay the Register before the Divisional Officer, so that the latter may have an opportunity either of accepting the Divisional Accountant's advice on reconsideration and ordering action accordingly, or of recording for the information of the Accounts Officer, his reasons for disregarding that advice. An objection entered in this register should not be considered as finally disposed of until it has been reviewed by the Accounts Officer, for whose inspection the register should be available at all times.

**NOTE:** If no inspection (by Accounts Officer) takes place in a year and entries have been made in the Register during the period since the last inspection, the Register or, if the entries are few, an extract therefrom should be submitted to the Accounts Officer in the month of April for review.

- 5.2.4** (i) The Divisional Accountant is responsible for the safe custody of documents during the period when they remain in the Accounts Branch until submission to the Divisional Officer.
- (ii) He is responsible for the arrangements for checking the bills for payment, i.e., for seeing that satisfactory and efficient arrangements are made for checking.
  - (iii) He should conduct personally a test check of the computed and checked tenders for supply of office material to satisfy himself reasonably that the checking work has been properly done; and
  - (iv) He should see that the comparative statement correctly incorporates the totals as checked on the individual tenders.

- 5.2.5** (a) The Divisional Accountant should bring to the Divisional Officer's notice all instances in which subordinate officers exceed the financial limitations on their powers placed by the Divisional Officer or higher authority.
- (b) He may further be required by the Divisional Officer to undertake on his behalf, such other scrutiny of the accounts of the receipts and disbursements of subordinate officers falling within the Divisional Officer's own powers of sanction, as the latter may consider necessary.
  - (c) The Divisional Accountant should not, as a rule, be required to receive, or pay out, cash but in cases where the monetary transactions at the headquarters of the Divisional Office are not large, either in number or in amount, the Divisional Officer may, on his own responsibility and with the previous consent of the Executing Agency, entrust the receipt and disbursement of cash to the Divisional Accountant. The Divisional Accountant should not, however, be normally authorised to issue final receipts in Form PMGSY/IA/F-5 over his own signature.



**5.2.6** The Divisional Accountant is further required to inspect periodically under the orders of the Divisional Officer, the accounts records of Sub-Divisional Officers and to check a percentage of the initial accounts. The defects noticed should be reported to the Divisional Officer for orders, but the Divisional Accountant will be responsible, as far as possible, for explaining personally the defects of procedure and for imparting necessary instructions thereon to the Sub-Divisional Officers and their staff.

The result of these inspections should be placed on record for the inspection of the Accounts Officer, but serious financial irregularities should be reported at once for the information of that officer, even though set right under the orders of competent authority. All defalcations or losses of public money, stores or other property should be reported immediately to the Accounts Officer and other authorities concerned in accordance with such rules or procedure as may have been prescribed.

**5.2.7** The Divisional Officer has a right to seek the advice of the Accounts Officer in all matters connected with the accounts of his PIU or the application of financial rules and orders concerning which there may be any doubt. It will usually be desirable, however, that he shall first obtain the advice of the Divisional Accountant who is specially trained for this duty, and this should be done in writing in all cases of importance.

### **5.3 INSPECTION BY THE AUDIT OFFICER/AUDITOR/ACCOUNTS OFFICERS/INTERNAL AUDITORS**

The Audit Officer/Auditor/Accounts Officers/Internal Auditors arrange for the periodical audit and local inspection of the accounts of divisional and sub-divisional offices, and the Divisional Officer is responsible that the initial accounts and other connected records are made available for audit and inspection. Inspecting Officers are required, if possible, to discuss the drafts of their reports with the heads of the office inspected, before submitting them to the respective heads of their offices. And for this purpose, it is desirable that the head of the office inspected should be present at the inspection unless his presence is urgently required elsewhere.

### **5.4 COMMUNICATION OF SANCTIONS TO ACCOUNTS OFFICER**

**5.4.1** As a general rule every sanctioning authority, namely, NRRDA for the Ministry of Rural Development and its own sanctions will keep a separate file, marked "Audit". Similarly SRRDA will keep a file marked "Audit" for sanctions from MoRD, NRRDA, Nodal Department and the Executing Agency, and its own sanctions. This will help audit to relate the expenditure with the sanctions of the competent authorities. The Audit Officer/Auditor/Accounts Officers/Internal Auditors will have an easy availability of these orders and sanctions to facilitate their work. Some typical examples of these are:

Sanctions to PMGSY works with their sanctioned estimates, All Central and State Government Order and Guidelines on the PMGSY, Financial Sanctions to contract agreements

**5.4.2** Similarly, PIU should maintain in a separate file in which copies of all the sanctions of MoRD, SRRDA and Executing Agency shall be kept.



## CHAPTER 6

### SANCTIONS

#### 6.1 INTRODUCTORY

6.1 (a) Expenditure from the Administrative Expenses fund can only be incurred:

- (i) if sanction, either special or general, of competent authority has been obtained authorising the expenditure;
- (ii) if funds to cover the charges during the year have been provided by competent authority; and

**NOTE:** When, an intimation is received from the Executing Agency that divisional officer is incurring an unauthorised liability on a work, the Accounts Officer will bring the facts instantly to the notice of the Nodal Department through the head of SRRDA so that the requisite steps may be taken to stop the work. SRRDA also has the authority to stop the release of funds for that work.

- (iii) if the expenditure conforms to the relevant provisions of the financial rules, regulations and orders issued by competent authority.

(b) A Divisional Officer is not authorized to make payments, from the PMGSY Administrative Expenses fund, chargeable to the accounts of other divisional officers, departments of Government, or of non-Government works, and repayments of others' deposits. It needs specific authority from the NRRDA to make payments on behalf of the SRRDA, as the SRRDA itself is competent to make payments.

#### 6.2 RE-APPROPRIATION OF FUNDS

- (a) Re-appropriation of funds from one head of expenditure (for example, stationery) to another object head of expenditure (for example, telephone expenses) is not permissible, if the SRRDA's allotment specifies each kind of expenditure. SRRDA should take note that the liability of the MoRD, Government of India, for Administrative Expenses is restricted to the amount it sanctions. Similarly, the liability of the State Government is limited to the amount sanctioned and received by SRRDA. SRRDA will be responsible for any irregularity in this regards. Divisional officers will be held responsible for incurring liabilities without receiving bank authorizations to cover the expenditure. No payment will be made on the promise that the State Government or MoRD has agreed to provide funds. Availability of funds is crucial to the credibility of the financial system. The SRRDA must receive the funds before it can authorise any payments.
- (b) PMGSY release the administrative expenses fund with reference to the approved estimates of rural roads. Therefore, their use is related to the period of the completion of road works. Any savings will be regulated by the MoRD/NRRDA orders.

#### 6.3 WATCHING OF ACTUALS

6.3.1 It is an important function of the Divisional Officer to keep a watch over the expenditure to keep it within the sanctioned budget. He should accordingly keep himself informed of such circumstances as may affect the smooth running of the office in order to take early steps for remedial action.

6.3.2 It will be found convenient, in practice, to adopt the plan indicated below:

- (a) The progress of expenditure on office expenses and travel expenses should be watched individually month by month, through the ledger and the Income and Expenditure Account.
- (b) In this review of expenditure un-discharged liabilities play an important part and their effect on individual and lump sum sanctions should, therefore, be watched.



## CHAPTER 7

### CASH AND STORES

#### 7.1 INTRODUCTORY

**7.1.1** The term “cash” as used in this chapter, includes legal tender coin, notes, deposit-at-call receipts and drafts payable on demand. A small supply of one rupee revenue stamps may be kept as part of the cash balance.

**Note 1:** (1) Government securities, (2) deposit receipts of banks (3) debentures and (4) bonds, accepted as security deposit as per terms and conditions of bidding documents or contracts are not to be treated as cash.

**Note 2:** Divisional Officer may realise in cash (namely in legal tender coins or notes) or by drafts (and not cheques) drawn on any local branch of a scheduled bank, dues or other money receivable on PMGSY Administrative Expenses Fund account unless specially authorised to receive higher amounts in cash. Divisional Officer may normally receive cash up to an amount not exceeding Rs.1,000 (one thousand) in each case. The acceptance of counterfeit coins or notes shall be regarded as a loss of cash.

**Note 3:** Bank drafts tendered in payment of PMGSY revenues, dues, etc.-(1) (a) Bank drafts drawn on local branch of a scheduled bank may be accepted by Divisional Officer in payment of PMGSY dues subject to the provisions of special instructions, if any, issued by SRRDA in consultation with the State Government and the NRRDA/Ministry of Rural Development. The bank draft should be crossed by the drawer before tendering. However, until they are cleared, the PMGSY cannot admit that payment has been received; consequently, the receipt of the draft alone may be acknowledged when it is tendered. A formal payment receipt shall be given to the tenderer (or sent to his address wherever such an arrangement is envisaged) after the draft has been cleared. The preliminary acknowledgement of the receipt of the of the draft, will be given in the form indicated below by the Divisional Officer:

“Received draft number..... for Rs..... drawn on..... on account of  
.....”.

**Note 4:** All bank drafts will be drawn in favour of the SRRDA and deposited by the PIU in SRRDA’s account.

**7.1.2** The Divisional Officer is the primary Disbursing Officer of the division, and all realisations and payments on PMGSY Administrative Expenses Fund account made by his subordinates are made on his behalf and on his responsibility.

**7.1.3** Every Officer is personally responsible for the money which passes through his hands and for the prompt record of Receipts and Payments in the prescribed accounts as well as for the correctness of the account in every respect. The private cash or accounts of members of the PIU or the State funds should not be mixed up with the PMGSY cash or accounts.

**7.1.4 (a)** If the Divisional Officer receives information from the Accounts Officer that moneys have been incorrectly withdrawn and that a certain sum should be recovered in respect of any bill passed by him, he shall effect the recovery without delay and without regard to any correspondence undertaken or contemplated with reference to the retrenchment order; and he shall, without delay, repay the sum in such manner as the Accounts Officer may direct.

(b) A Divisional Officer supplied with funds for expenditure shall be responsible for such funds until an account of them has been rendered to the satisfaction of the Accounts Officer concerned. He shall also be responsible for seeing that payments are made to persons entitled to receive them.

#### 7.2 MODES OF OBTAINING CASH

**7.2.1 (a)** The Divisional Officer will be placed in direct account with the accredited Bank of the SRRDA on which he will draw cheques for payment of all bills passed by him after exercising the requisite prescribed checks.

**Note:** The Empowered Officer of the SRRDA would allow drawing of self-cheques for some expenditure. Payment to Government organizations and authorities providing public services like telephone, internet etc. should be paid by cheque, barring exceptional circumstances. SRRDA may also lay down guidelines. He may lay down suitable limits on quarterly payments. Standing instructions will be issued to the Bank Branches by the Empowered Officer in this regard.

(b) No Expenditure can be incurred out of the PMGSY Administrative Expenses Fund in anticipation of subsequent approval by the competent authority.

**7.2.2** The Divisional Officer is permitted to make payments from the PMGSY Administrative Expenses Fund only of bills of Administrative Expenses, as specified in the Chart of Accounts, including travel expenses, duly approved by the competent authority.

**7.2.3** The appropriation of receipts to expenditure in the PMGSY accounts is strictly prohibited.

**7.2.4** No officer is authorised to draw cheques on any bank other than the accredited bank with which he is placed in funds. The transactions involving payments to be made by Divisional Officer outside the Divisional headquarters should be settled by Bank Drafts.

**7.2.5** The employment of Group 'D'/IVth officials to fetch or carry money should be discouraged. When it is absolutely necessary to employ a Group 'D' employee for this purpose, a man of some length of service and proved trustworthiness should only be selected and in all cases, when the amount to be handled is large one or more guards should be sent to accompany the messenger.

**7.2.6** Petty office expenses should be paid in cash. For these it is permissible to draw money from the accredited bank by cheque to replenish the cash chest. The Divisional Officer must, however, draw cheques for the minimum of cash actually required to meet current requirement. SRRDA will set this limit.

**7.2.7** In drawing cheques, the Drawing and Disbursing Officer should be guided by the following rule:

- (1) Cheques on the accredited bank shall be drawn on forms contained in cheque books supplied by the accredited bank to the authorized signatory of the PIU.
- (2) Cheques will be crossed accounts payee only, unless the Divisional Officer orders in writing to be otherwise. All cheques above the amount specified in the Income-tax Act will be issued account payee only. (**Note:** This does not apply to self-cheques drawn to keep cash in the chest for petty payments.)
- (3) Post-dated or pre-dated cheques will not be issued.
- (4) The Divisional Officer should ensure that sufficient bank authorization exists to cover the amount of the cheque issued. It is an offence to issue a cheque without ensuring adequate bank balance.
- (5) A cheque once crossed will not be un-crossed in any circumstances. The proper course will be to cancel it and issue another cheque.

**7.2.8** Period of validity of a cheque. The period of currency of cheques will be determined according to regulations the accredited bank follows. This is six months at present.

**7.2.9** Revalidation of the time-barred cheque by the Cheque drawing Divisional Officer is not permissible irrespective of the date of its drawal. A fresh cheque should be issued in all such cases.

**Procedure for Cancellation of a Cheque.**

**7.2.10** (i) When it is necessary to cancel a cheque, in cases where the cheque is not issued, its cancellation should be recorded with dated signature on the counterfoil and the cheque should be destroyed;

- (ii) where it is issued and withdrawn, after similar note on its counterfoil, it should be defaced; and forwarded to the Accounts Officer by the PIU and the entries in the accounts should be suitably reversed;
- (iii) if the cheque is not in the drawer's possession, after satisfying himself with reference to his records (namely, payment and bank scrolls and register of cheques delivered) that it is not paid, he should promptly send an intimation by registered post (acknowledgement due) to the branch bank on which it is drawn to stop payment of the cheque. He should also inform the Accounts Officer. If the currency of the cheque has not expired at the



time of sending the intimation, the bank shall acknowledge in writing that it has kept a note of the 'stop payment' order.

- (iv) A cheque remaining unpaid for any cause, six months after the month of its issue and not surrendered for issue of a fresh cheque should be cancelled in the manner indicated in clause (iii) with the difference that no acknowledgement of the stop payment order may be insisted from the bank. Its amount should also be written back in the accounts.
- (v) A time-barred cheque returned to the drawing officer for renewal should not be destroyed. A reverse entry in the accounts should be suitably passed, crediting the amount to the head to which it was debited when the cheque was issued. The cheque drawing officer should cancel the cheque under his signature. The cancelled cheque should be treated as a voucher/sub-voucher for issuing a fresh cheque in lieu thereof and the fact of issuing fresh cheque should be mentioned on it.

**7.2.11** (i) If a request is received by the cheque drawing officer for issue of a fresh cheque in lieu of a cheque which is alleged to have been lost, within a period of one year from the date of issue of original cheque, he should send an intimation by registered post (acknowledgement due) to the bank drawn upon regarding the alleged loss of the cheque and advise it to stop payment if the cheque is presented for payment thereafter. If the currency of the cheque has not expired at the time of sending such an intimation, the bank shall acknowledge in writing in the form given below:

"We acknowledge receipt of your Letter No..... dated .....and advice having noted to stop payment of cheque No. ....dated ..... for Rs. .... Rupees ..... favouring..... (the name of the payee). In this connection, it is certified, that cheque No..... dated ..... for Rs..... reported by the drawing officer to have been drawn by him on this bank in favour of ..... will not be paid if presented thereafter."

- (ii) In case, however, the currency of the cheque alleged to have been lost has expired when the intimation regarding the loss of the cheque is sent to the bank, no acknowledgement of the "stop payment order" may be insisted upon from the bank; the postal acknowledgement may be treated as sufficient for the record of the cheque drawing officer. On receipt of acknowledgement from the bank the cheque drawing officer will send a copy thereof to the Accounts Officer for issue of a non-payment certificate. On receiving a copy of this acknowledgement from the said cheque drawing officer, the Accounts Officer concerned will, after verification of his relevant records i.e. register of cheque paid, etc. and after keeping a suitable note against the relevant-entry in that register, issue a non-payment certificate to the Divisional Officer in the following form:

"Certified that cheque No. .... dated ..... for Rs..... reported by ..... (the drawing officer) to have been drawn by him on..... branch of ..... bank in favour of ..... has been /not been paid".

Accounts officer will also obtain a similar certificate from the bank.

The Divisional Officer will note particulars of the non-payment certificate received by him against the relevant entry in the office copy of the schedule of cheques issued attached to the monthly Balance Sheet that the original cheque has not been paid and it has been 'stopped' from payment. A similar note will also be made by him on the counterfoil of that cheque and office copy of the relevant paid voucher before issuing a fresh cheque in lieu thereof, and in the manual system of accounting, against the original entry in the Cash Book.

- (iii) The Party requesting for the issuance of a fresh cheque in lieu of the lost one should execute an indemnity bond in the form prescribed by the State Government. However, in the case of a Government Department, Public Undertaking wholly owned by the State Government of the PIU, or the Central Government, or the bank, the execution of such an indemnity bond is not necessary but a fresh cheque should in these cases be issued only on receipt of a certificate that the cheque alleged to have been lost was not received by them or having' received the same, it was lost and further that it will be returned to the cheque drawing officer if found afterwards.
- (iv) On completion of the requirements in clauses (i) to (iii), the cheque drawing officer may issue a fresh cheque in lieu of the lost one by passing the necessary entries, namely reversing the entry for the issue of the original cheques and a fresh entry for the issue of the new cheque.

- (v) If it is found afterwards that the original cheque had been paid, the cheque drawing officer will take up the matter with the paying branch telegraphically and stop payment of the renewed cheque if not already paid. He will also reverse the entries made in the relevant record (including counterfoils) on this account on receipt of confirmation of this fact from the paying branch. In case the renewed cheque is reported to have been paid by then, he will place the paid amount under the head of account "Miscellaneous Advances" till the matter is investigated and the amount is recovered or written off.

### 7.3 RECEIPT OF MONEY

#### I. Accounting Procedure

**7.3.1** When money is received by PIU or SRRDA on behalf of PMGSY, it should at once be brought to account in the Cash Book and a receipt in Form PMGSY/IA/F-5 should invariably be granted to the payer unless the use of Cash Memo has been prescribed by SRRDA. If, however, the amount be realized by recovery from a payment made on a bill or other voucher setting forth full particulars of the deduction, a receipt should be granted only if specially desired by the payee, but the fact of the recovery having been made by deduction from the payment voucher should be clearly recorded on the receipt.

**NOTE 1:** Final acquaintance for drafts on local banks accepted under proper authority should not be given to the payer until they have been cleared.

**NOTE 2:** Before an officer signs a receipt in Form PMGSY/IA/F-5 for cash actually received by him, he should see that the receipt of the money has been duly recorded in his Cash Book, and in token of this check the entry in the Cash Book should be initialled and dated at the same time.

**7.3.2** Drafts of private individuals if accepted by PIU in payment of PMGSY dues on Administrative Expenses Account should be treated as cash, vide paragraph 7.1.1 and entered in the Cash Book in the ordinary way just like other cash transactions. When these are sent to the bank for credit to the account of SRRDA, they should be shown in the cash column of the payment side of the Cash Book as "Remittances to SRRDA with the classification as 51.03 Central Administrative Expenses Fund entered in the Cash Book.

**NOTE:** When drafts accepted from private individuals are dis-honoured on presentation to the banks, the original entries on both the sides of the Cash Books should be reversed.

**7.3.3** Receipts in Form PMGSY/IA/F-5 can be issued only by Divisional Officers,

**NOTE:** A divisional officer should not issue any duplicates or copies of receipts granted for money received on the allegation that the originals have been lost. If any necessity arises for such a document, a certificate may be given that on a specified day a certain sum on a certain account was received from a certain person. This prohibition extends only to the issue of duplicates on the allegation that the originals have been lost and does not-apply to cases authorised by special orders of the Government in which duplicates have to be prepared and tendered with originals.

**7.3.4** If an officer of the PIU, who is not in charge of a Cash Book, receives money on behalf of PMGSY at exceptional times, he should not mix it up with the imprest or any other cash in his charge, but pay or remit it, at the earliest opportunity, to his Divisional Officer. The full particulars of receipt including the date of its realisation should be forwarded immediately to enable him to make the necessary entries in the Cash Book. The record of the transaction will be in the correspondence and not in the imprest account of receiving officer.

#### II. DISPOSAL OF RECEIPTS

**7.3.5** Moneys realised by officers of the PIU or the SRRDA should be paid, as soon as possible, into the accredited bank. A Divisional Officer, however, is not permitted to make use of cash receipt even temporarily for current expenditure.

### 7.4 PAYMENTS

#### I. Manner of Payment

**7.4.1** All payments which officers authorised to draw cheques have to make should be made by cheques; but see also paragraph 7.2.6 for payment in cash.



**7.4.2** It is also permissible to make payments to suppliers of stores by obtaining bank drafts at the latter's request as the accredited bank will issue the draft without any charge.

**7.4.3** As a rule, no cheque should be drawn until it is intended to be paid away and cheques drawn in favour of suppliers and others should be made over to them by the disbursing officer direct; but the disbursing officer may be assisted in making disbursements by a cashier appointed for the purpose under paragraph 7.8.2. The occasional delivery of cheques through a subordinate may be permitted at the discretion and on the responsibility of the disbursing officer. In such cases the subordinate should make no entry in any accounts which he keeps, as a payment made by cheques should appear in the cash account of the Disbursing Officer who draws the cheques and the subordinate's record will be in his correspondence.

**NOTE:** It is a serious irregularity to draw cheques and keep them in the cash chest at the close of the financial year for the purpose of showing the full amount of grant as utilized.

## II. Bills

**7.4.4** General instructions regarding the form of bills and their preparation, completion and stamping are laid down in the Treasury Rules of the State Governments. As far as possible, the particular form of bill applicable to the case should be used. Suppliers of stores and others should be encouraged to submit their bills and claims in proper prescribed forms. But bills not prepared on such forms should not be rejected if they set forth the necessary details of the claims. In such cases, the additional particulars required should be added by the Disbursing Officer.

## III. Vouchers

**7.4.5** As a general rule, every payment including repayment of money previously lodged with the PIU or SRRDA for whatever purpose, must be supported by a voucher setting forth full and clear particulars of the claim and all information necessary for its proper classification and identification in the accounts. The full name of the head of account, to which the charges admitted on a voucher are debitable or to which the deductions or other credits shown on the voucher are credited should be clearly indicated on it in the space provided for the purpose or in some prominent position.

**NOTE:** When it is not possible to support a payment by a voucher or by the payee's receipt, a certificate of payment, prepared in manuscript, signed by the Disbursing Officer and countersigned, if necessary, by his Superior Officer, together with a memorandum explaining the circumstances, should always be placed on record and submitted to the Accounts Officer, where necessary. Full particulars of the claims should invariably be set forth, and where this necessitates the use of a regular bill form, the certificate itself may be recorded thereon.

**7.4.6** Every voucher must bear a pay order signed (and not just initialled) and dated by the responsible Divisional Officer. This order should specify the amount payable both in words and figures. All pay orders must be signed by hand and in ink.

**NOTE:** Cashiers and others authorised to make disbursements on passed bills, vide paragraph 7.4.3 should make no payment without a proper pay order of the Disbursing Officer recorded clearly on the bill or other voucher.

**7.4.7** Every voucher should also bear, or have attached to it, an acknowledgement of the payment, signed by the person by whom or in whose behalf the claim is put forward. This acknowledgement should be taken at the time of the payment. When the payee signs in an Indian script, he should be required to note the amount acknowledged in the script in the international numerals in his own handwriting, unless the State Government has prescribed otherwise by rule.

**NOTE 1:** If a Disbursing Officer anticipates any difficulty in obtaining, from the person to whom money is due, a receipt in the proper form, it is open to him to decline to hand over the cheque or cash, or to make a remittance to him, as the case may be, until the acknowledgement of the payment, with all necessary particulars, has been given by him. In all cases of payment by remittance, a note of the date and mode of remittance must be made on the bill or voucher at the time of remittance. In cases of remittance by postal money order, made at the request of the payee; the purpose of the remittance should be briefly stated in the acknowledgement portion thereof and the postal charges deducted from the payment due.

**NOTE 2:** In the case of article received by value payable post, the value payable cover together with the invoice or bill showing the details of the items paid for may be accepted as a voucher. The Disbursing Officer should endorse

a note on the cover to the effect that the payment was made through the post office; and this will also cover charges for the money order commission.

**NOTE 3:** A certified copy (marked duplicate) of a receipted voucher may be retained by the Disbursing Officer, should this be necessary to complete the record of his office, but the payee should not be required to sign such a copy or give a duplicate acknowledgment of the payment.

**NOTE 4:** A specimen format of the voucher is form PMGSY/IA/F-6.

## 7.5 Remittances to Accredited Bank

**7.5.1** The officer-in-charge of a Cash Book should record all the remittances of cash/cheques/drafts to the accredited bank in the Cash Book and the Register of Remittances into the Bank form PMGSY/IA/F-10E. This is essential for the preparation of the Bank Remittance Reconciliation Statement form PMGSY/SCH/F-52 REM.

**7.5.2** The officer-in-charge of the Cash Book should keep the record of all the cheques issued, not only in the Cash Book, but also in the PIU-Wise Register of Cheques Issued form PMGSY/IA/F-10D. This is essential for the preparation of the Bank Authorisation Utilisation and Reconciliation Statement form PMGSY/SCH/F-52.

## 7.6 I. Cash Book

### (a) Upkeep

**7.6.1** An account of the cash transactions should be maintained in the Cash Book Form PMGSY/IA/F-3A by Divisional Officers in the capacity of cheque Drawing and Disbursing Officers. Officers entrusted with imprest or temporary advance should maintain and render accounts of their disbursements in Imprest Cash Book Form PMGSY/IA/F-4. The SRRDA should maintain Cash Book in form PMGSY/1A/F-3.

**7.6.2** The Cash Book is one of the most important account records of the PMGSY. The detailed instructions given in the notes of Form PMGSY/IA/F-3A should be observed strictly in practice by all concerned.

### (b) Balancing

**7.6.3** The Cash Book must be balanced on the date prescribed for closing the cash accounts of the month, but when the transactions are numerous, a weekly or daily balance is recommended and it is advisable that the cash be counted whenever a balance is struck, or at convenient intervals, as this affords an independent check on the accuracy of the postings. The results of such intermediate counting should be recorded in the form of a note (specifying the actual cash) in the body of the Cash Book (Column 10), so as not to interfere with the up-to-date totals; the actual balance of cash in the chest should invariably be stated in the note both in words and figures.

### (c) Rectification of Errors

**7.6.4** An entry once made in the Cash Book should in no circumstances be erased; crossed or correction fluid applied. If a mistake is discovered before ledger posting has been done and before the Cash Book is closed, it should be corrected by drawing the pen through the incorrect entry and inserting the correct one in red ink between the lines. The Disbursing Officer should initial every such correction and invariably date his initials. If ledger posting has been done, or the accounts of the month have been closed no corrections of errors in amount, classification or name of work, should be made in that book but a transfer entry should be prepared for the necessary correction, a suitable remark in red ink (quoting reference to the correction, in accounts) being recorded against the original erroneous entry in Cash Book.

**Note:** Where the Cash Book is kept on the computer, either offline or online, no correction will be made by deleting any entry already made, because the Cash Book is balanced with each transaction instantly. Therefore, all corrections will be made through transfer entry orders only.

### (d) Contra Entries

**7.6.5** There are certain transactions recorded in the Cash Book, which involve no operation on revenue, expenditure, or any other prescribed heads of the accounts classification. In these cases, each entry is counter balanced either at once or after a short interval, by a similar entry of the reverse character. It is not necessary to include transactions, for audit purpose, in any of the schedules and registers subsidiary to the Monthly Account, but the Divisional Accountant should see that all transactions are cancelled by each other in due course. An example of this kind of transaction is: Cash from Bank - A cheque drawn to replenish the cash chest is debited to this head in the Cash



Book, and per contra the amount of the cheque is entered at once, as cash received, under the same head, a cheque drawn in favour of self-being cash (vide paragraph 7.1.2), even though not cashed at once.

(e) *Cash Verification*

**7.6.6** The Disbursing Officer should check all the entries in his Cash Book as soon as possible after the date of their occurrence, and he should initial the Cash Book, dating his initials after the last entry checked. The Cash Book should be signed by him at the end of the month and such signature should be understood fixing responsibility for all entries of the month inclusive of the closing balance.

**NOTE:** The following is the memorandum of some of the more important parts of the verification by the Drawing & Disbursing Officers:-

- (1) Compare each entry of payment with the gross amount chargeable as shown in the connected voucher, seeing, at the same time, that it bears (i) a payment order recorded by himself and (ii) the certificate of disbursement signed by himself or an authorised subordinate, and ticking off each voucher as it is passed;
- (2) See, while examining the postings of vouchers on the payment side, that all deductions shown in the vouchers (other than deductions creditable to the head of accounts to which the payment relates) are posted as receipts on the receipt side of the Cash Book;
- (3) Compare each entry of payment into the Bank with the Bank Challan and satisfy himself that the amounts have been actually credited into the bank;
- (4) Verify the totalling of the Cash Book or have this done by some principal subordinate (other than the writer of the Cash Book) who should initial (and date) it as correct;
- (5) Verify the total of the postings in the "Bank Authorisation" column on the payment side by reference to the memoranda recorded by himself on reverse of the counterfoils of cheques; and
- (6) Where the Cash Book is kept on the computer, the above directions will apply to the monthly print out of the Cash Book, which should be kept in a separate file.

**7.6.7** The actual balance of cash in chest should be counted on the last working day of each month (i.e. immediately after closing the cash account of the month under paragraph 7.6.3.), but where this is not possible, the cash balance may be counted on the first working day of the following month before any disbursement is made on that date. The details of the actual balance should be recorded on the Cash Book and a certificate of the count of cash, specifying both in words and figures, the actual cash balance (exclusive of imprest and temporary advances), and of reconciliation of the balance, so counted with the book balance, should be recorded below the closing entries of the month. The certificate should be signed by the Disbursing Officer who should invariably date his signature.

**NOTE:** Should it not be possible for the Disbursing Officer, owing to his absence, to make the count on the dates prescribed in this paragraph, he should do so at the earliest opportunity recording the reason for the delay on the Cash Balance Report.

**7.6.8** Whenever, on the contents of the cash chest being counted, the balance as per Cash Book is found to be incorrect, it must unless the error can be detected and set right at once under paragraph 7.6.4. be made to agree with the actual count balance by making the necessary receipt or payment entry. "To cash found surplus in chest" under "Deposits Repayable" or "By cash found deficient in chest" under "Miscellaneous Advances", as the case may be. The administrative action to be taken on the occurrence of a deficiency must depend on the nature of each case.

## II. Imprest

**7.6.9** An imprest is an advance of a fixed sum of money given to an individual to enable him to make certain classes of disbursements which may be entrusted to his charge by the Divisional Officer in accordance with such rules, and subject to such restrictions, as may be laid down by the administrative department of the State Government. The amount of an imprest should be kept as low as possible and should in no case exceed one thousand rupees without the special sanction of the SRRDA.

**7.6.10** The account of imprest cash should be kept in duplicate by the imprest holder in Form PMGSY/IA/F-4. "Imprest Cash Account, in accordance with the directions given in that form. The counterfoil should be retained by the imprest holder and the original, supported by the necessary vouchers, should be forwarded to the officer from



whom the imprest is held, whenever the imprest holder finds it necessary to have the account recouped, or when it is proposed to increase or decrease the amount of the imprest or to close the account altogether. The account must, in any case, be rendered to the officer from whom the imprest is held in time to enable him to incorporate the account in his Cash Book before it is closed for the month on the date fixed for the purpose.

**7.6.11** The Recouping Officer should examine the imprest cash account and the supporting vouchers, initial and date the vouchers in token of approval and by a formal pay order (vide paragraph 7.4.6) recorded on the account to authorise the recouping, enhancement, reduction or closing of the imprest, as the case may be. The account should then be abstracted and incorporated in the Cash Book in the manner prescribed.

**NOTE:** If any item in an imprest account appears to the Recouping Officer to be open to objection, the imprest should nevertheless be recouped in full, and the items under objection may be entered in his Cash Book as "Item awaiting adjustment in the Imprest Account..." under "Miscellaneous Advances" to be watched under that head until either the objection is removed or the amount is made good by the imprest holder.

**7.6.12** The imprest-holder is responsible for the safe custody of imprest money and he must at all times be ready to produce the total amount of the imprest in vouchers or in cash.

## **7.7 Cheque Books and Receipt Books**

**7.7.1** Cheque books required by Divisional Officer declared as cheque drawing officers authorised to draw on accredited bank are obtained by them from local branch of the accredited Bank. The Divisional Officer should keep a record of their receipt and also of Cash Memo Books received from the State Government authorities under the arrangements made by the Executing Agency. (vide chapter 15 Miscellaneous).

**7.7.2** Cheque (or Receipt) Books should on receipt be carefully examined by the Divisional Officer concerned who should count the number of forms contained in each and record a certificate of count on the fly-leaf.

**7.7.3** Cheque Books must be kept under lock and key in the personal custody of the Divisional Officer concerned. Receipt Books should be similarly kept by the Officer authorised to sign the receipt.

**7.7.4** A record of cheque books and receipt books shall be kept in separate registers in form PMGSY/SR/F-32.

## **7.8 Custody of Cash**

**7.8.1** PMGSY money in the custody of the PIU/SRRDA should be kept in strong treasure chest secured by two locks of different patterns. All the keys of the same lock must, except where the procedure prescribed in the Note below this paragraph is adopted be kept in the same person's custody, and, as a general rule, the keys of one lock should be kept apart from the keys of the other lock and in a different person's custody when practicable. The chest should never be opened unless both the custodians of the keys are present. When there is a guard, the daffadar or other petty officer of the guard should usually be the custodian of one set of keys and he must always be present when the chest is opened and until it is again locked. Whenever cashier is attached to a division the keys of one of the locks of the treasure chest will necessarily remain in his possession.

**NOTE:** The duplicate keys of Divisional chest should be placed in separate sealed covers and lodged with different officers of higher rank or with the relevant branch of the accredited bank. A duplicate key register should be maintained and once a year, in the month of April, the keys should be sent for, examined and returned under fresh seal, note being made in the register that they have been found correct.

**7.8.2** Cashiers may be appointed whenever in the opinion of the Administrative Department of the State Government the cash transaction of a Division are sufficiently extensive to require it.

**7.8.3** One cashier may make the cash payments of two or more Divisions wherever such an arrangement is found to be practicable.

**7.8.4** The Divisional Officer should count the cash in the hands of cashier at least once a month. The result of such counting should be recorded in the form of a note in the Cash Book showing the date of examination and the amount (in words) found.

## **7.9 Stores**

**7.9** General instructions issued by the State Government in the General Financial Rules for the safe custody and record of assets called dead stock in the Government, and the articles of stationery etc. called consumables should be observed in the manner prescribed. SRRDA may issue special instructions in this regard.



## CHAPTER 8

### TRANSFER ENTRIES

#### 8.1 GENERAL

**8.1.1** Transfer entries, that is, entries intended to transfer an item of receipt or charge from one head of receipt or expenditure to another head become necessary: -

- (a) In order to correct an error of classification in the original accounts;
- (b) In order to adjust, by debit or credit to the proper-head of account, an item outstanding in a deposit account or another account;
- (c) In order to bring to account certain classes of transactions which do not pass through the cash account e.g.
  - (i) for credit to "Unpaid Bills" on account of goods (stationery, etc.) received during the financial year but payment had not been made by the end of the financial year. This entry takes note of the liability on this account.
  - (ii) for credit to revenue receipt heads of account of revenue not recovered in cash including lapsed deposits;
  - (iii) for original debits or credits to relevant heads based on transactions not appearing in cash accounts.

**NOTE:** A list of adjustments which have to be made periodically should be maintained in order to ensure that they are regularly made.

**8.1.2** An error which affects a deposit head or amounts receivable from and payable to other parties must be corrected by transfers, however old and small it may be.

**8.1.3** There will be no minus entries for the correction of errors or transfers. The corrections will be made by debit or credit to the correct head of account by credit or debit to the head of account in which the amount was originally posted

**8.1.4** When a correction is permissible it should be made by a formal transfer entry order.

**8.1.5** For every transfer entry there must be an authority in Transfer Entry Order in form PMGSY/IA/F-17 which sets forth all the necessary particulars.

**NOTE 1:** A Transfer Entry Order must be signed by Divisional Accountant and the Divisional Officer.

**NOTE 2:** A single transfer entry order may cover a number of adjustments and corrections, provided that all the necessary particulars are set forth in respect of each. However, on one side of every transfer entry, there should be only one major head but there may be a debit or credit to various other heads or vice versa. In a transfer entry all particulars explaining both the nature of the adjustment and the grounds for the correction must be clearly stated.

**8.1.6** A Transfer Entry Order may be initiated by the Sub-divisional Officer, and should be so initiated by him in all cases falling with - in clauses (a), (b), and (c) of paragraph 8.1.1 which comes under his cognizance.

**8.1.7** The Divisional Officer should see that no transfer entry is made in the accounts unless admissible under the rules, that a transfer entry is made as soon as it becomes necessary, and that Transfer Entry Order in respect of transactions falling under clauses (a), (b), and (c) of paragraph 8.1.1, proposed by Sub-Divisional Officers, are countersigned by himself in token of acceptance.

**NOTE:** Transfer entries should receive the special attention of Divisional Officer so that habitual errors/misclassifications in the accounts of subordinate officers may not remain unnoticed.

**8.1.8** All Transfer Entry Orders should set forth such explanation of the correction or adjustment proposed to be made as would establish clearly the correctness and necessity of the entry.

**8.1.9** As and when approved, each transfer entry should be entered in the Transfer Entry Book, form PMGSY/IA/F-7, each entry initialed by the Divisional Accountant. The effect thereof should be reflected in the debit and credit ledgers.

**8.1.10** All the entries made in the Transfer Entry Book should be posted to the relevant account head in the Debit Ledgers or the Credit Ledgers, with folio numbers entered against each entry in the Transfer Entry Book and the Ledgers to enable tracing the entries.



## **CHAPTER 9**

### **ADMINISTRATIVE EXPENSES ACCOUNTS**

#### **9.1 GENERAL**

**9.1.1** Administrative Expenses Fund will not be used for any expenditure related to the construction of roads, upgradations, plantation, sign boards, or other heads covered under the PMGSY Programme Fund, or the Maintenance Fund.

**9.1.2** As a general rule, salaries of staff, wages of work-charged staff or daily workers will not be paid from the Administrative Expenses Fund. However, the State Government may provide Administrative Expenses Fund for this purpose for expenses of the SRRDA.

**9.1.3** Office building will not be purchased or constructed from the Administrative Expenses Fund unless the State Government provides, in advance, the full amount for this purpose.

**9.1.4** Stationery or other goods or material purchased for one PIU will not be transferred to another division, PIU or non-PIU.

#### **9.2 ACCOUNT PROCEDURE FOR EXPENSES**

**9.2.1** The expenditure from the Administrative Expenses fund is primarily of two kind:

- i) Consumption expenditure does not create any tangible asset. It relates to expenses on travel, staff salaries of SRRDA, office rent of SRRDA, operation of the OMMS computers and their maintenance, internet charges, data entry costs, payments to independent quality monitors. This expenditure is taken to the Income and Expenditure Account at the end of the year. The total of this expenditure is deducted from the grants received from the Central or State Governments.
- ii) Expenditure on assets continues to appear in the Balance Sheet until the assets are written off.

**9.2.2** The consumption expenditure after being recorded in the Cash Book, shall be posted to the relevant heads of accounts in the General Ledger of Debit Balances, form PMGSY/IA/F-8. At the end of the year. The amount will be transferred, through a transfer entry order, to the Income and Expenditure Account, to close the balance to a nil amount. The net effect of the transactions in the Income and Expenditure Account will be transferred to the Central (or State) Administrative Expenses Fund, (in accordance with paragraph 12.2 of the PMGSY guidelines), which will then appear in the Balance Sheet.

##### **Accounts Procedure for Assets**

**9.2.3** The Central Administrative Expenses Fund or the State Administrative Expenses Fund may also meet the expenditure on purchase of assets, when allowed by the MoRD or the State Government. For example, the MoRD allows the purchase of laboratory equipment from its administrative expenses fund. This expenditure will be booked to assets account and not carried to the Income and Expenditure Account. Assets will be shown in the Balance Sheet, until written off.

##### **Income**

**9.2.4** The sources of income of the Administrative Expenses Fund are:

- a) Grants from MoRD
- b) Grants from the State Government

- c) Interest income from the deposits in the bank.
- d) Miscellaneous income.

**9.2.5** Interest and Miscellaneous income is to be transferred to the account head 51.09 Surpluses and Reserves. It will be used only for such purposes as the MoRD allows. The income gets generated in performing the functions of PMGSY and belongs for its use.

### **9.3 LEDGER OF DEBIT BALANCES**

All the transactions appearing on the credit side of the Cash Book, or in the Debit column of the Transfer Entry Book will be posted in the debit column of the of the relevant head of account in the General Ledger (Debit Balances) Form PMGSY/IA/F-8. The examples of these transactions are administrative expenses, travel expenses, Miscellaneous Advances, Imprest Account etc.

### **9.4 LEDGER OF CREDIT BALANCES**

All the transactions appearing on the debit side of the Cash Book, or in the credit column of the Transfer Entry Book will be posted in the credit column of the of the relevant head of account in the General Ledger (Credit Balances) Form PMGSY/IA/F-9. The examples of these transactions are Central Administrative Fund Account, State Administrative Fund Account, Deposits Repayable, Miscellaneous Receipts, Unpaid Bills, Assets etc.

### **9.5 SUSPENSE ACCOUNTS**

In the PMGSY accounting system, there is no suspense head for the administrative expenses account.

### **9.6 LIABILITIES AWAITING INCORPORATION**

At the end of the financial year, all the liabilities are incorporated in the accounts in the following cases:

- (a) Unpaid balances or partly paid balances of all expenses outstanding as on the last date of the financial year. These mostly will relate to value of goods or services received. For this purpose, a transfer entry order will be passed debiting the relevant expenditure head of account and crediting the account head Unpaid Bills. When the bill are paid in the next financial year, the expenditure will be debited to the head Unpaid bills. Details of unpaid bills or liabilities will be kept in the Register for Unpaid Bills, form PMGSY/SS/F-45.

### **9.7 EXPENDITURE ON INAUGURATION CEREMONIES**

The expenditure incurred with the sanction of competent authority on ceremonies connected with the inauguration of important public works should be debited to the work. It shall not be debited to Administrative Expenses Fund.

### **9.8 DEPRECIATION**

Depreciation will not be provided for the assets purchased. Notes to the accounts will clearly state it. When the life of an asset is over, and it is declared un-serviceable by the competent authority by following the rules of the State Government, the following transfer entry order will be passed after realising its salvage value which will taken to Miscellaneous income:

**Debit:** Central/State Administrative Expenses Fund

**Credit:** Asset Account



## **CHAPTER 10**

### **MISCELLANEOUS ADVANCES**

#### **10.1 INTRODUCTORY**

**10.1.1** Miscellaneous Advance is of temporary character. All the transactions recorded under this head ultimately removed either by recovery in cash or by adjustment. The transactions, therefore, consist of both debits and credits.

**10.1.2** Transactions recorded under the head "Miscellaneous Advances" are divided into two classes:-

- (1) Recoveries against suppliers.
- (2) Recoveries against staff.

**NOTE:** No charges should be debited to this head on the ground of absence or insufficiency of sanction.

**10.1.3** The heading recoveries from the suppliers covers cases where excess payments have been made to them and its recovery may be delayed.

**10.1.4** The head "Recovery from staff" is meant for all debits which are recoverable from staff. The following are some examples:

- (i) Cash found short.
- (ii) Excess payment made due to negligence of staff.
- (iii) Shortages in goods received.
- (iv) Losses, retrenchment, error, etc.
- (v) Other items.

**10.1.5** Items under the head "Miscellaneous Advances" account are to be cleared either by actual recovery, or by transfer, under proper sanction or authority to some other head of account. Items or balances which may become irrecoverable should not be so transferred until ordered to be written off by the competent authority.

#### **Account of Miscellaneous Advances**

**10.1.6** The detailed accounts of Miscellaneous Advances should be kept in Form PMGSY/SR/F-23, Register of Miscellaneous Advances. For each of categories, a separate set of folios should be reserved, and all the items under each class should be detailed, so that their clearance may be watched individually. An abstract should be prepared to show the totals of all the classes.

#### **10.2 SCHEDULES**

Outstanding balance under the head miscellaneous advances shall be shown in form PMGSY/SCH/F 53-E-ADM and attached with the Monthly Balance Sheet.

## **CHAPTER 11**

### **DEPOSITS REPAYABLE**

#### **11.1 INTRODUCTORY**

Deposit transactions of the Administrative Expenses Fund are kept only in one account Deposit Repayable in the General Ledger of Debit Balances.

#### **11.2 SECURITY DEPOSITS**

**11.2.1** Earnest money deposit is received from the suppliers if bids are invited along with earnest money in cash. Earnest money received in the form of bank draft shall not be en-cashed but treated as securities as this is refunded to the bidders as soon as the contract is awarded. It will be kept in safe custody and entered in the register of earnest money deposits opened for this purpose.

##### **Register of Repayable Deposits and Schedule of Deposits**

**11.2.2** Details of deposits are kept in the Register of Deposits Repayable, form PMGSY/SR/F-22. From the register, an annual extract known as the Schedule of Deposits, should be prepared and attached to the annual Balance Sheet.

#### **11.3 LAPSED DEPOSITS**

All deposits outstanding for more than three years shall lapse. The amount should be transferred by a transfer entry order to Miscellaneous Receipts. Any refund of lapsed deposit will be made in accordance with the State Government's orders. The Application-cum-Bill for Refund of Lapsed Deposit will be submitted in form PMGSY/SS/F-51.



## CHAPTER 12

### ACCOUNTS OF DIVISIONAL OFFICERS OF PIUS

#### 12.1 Introductory

**12.1.1** The cash accounts of the divisional office for a month are closed on the last working day of the calendar month.

**12.1.2** The Transfer Entry Book for a month should be closed as soon as possible after the expiry of the month, but before this is done, all necessary transfer entries should be made.

**NOTE:** PIUs do not levy on works any centage charges. Therefore, no transfer entry is prepared for them.

**12.1.3** The cash accounts of the entire division, as also all transfer entry transactions, should be scrutinised by the Divisional Accountant before they are incorporated in concerned registers, schedules and the monthly accounts.

#### 12.2 SCRUTINY OF ACCOUNTS

**12.2.1** The Divisional Accountant should examine the accounts to see:

- (i) that all the sums receivable are duly realised, and on realisation remitted to bank.
- (ii) that all the bills are prepared in accordance with the rules applicable to each case and are covered by sanction and approval. It should be seen, in particular, that on the basis of rates sanctioned by competent authorities, and of facts, (as to quantities of supplies made, etc., or services rendered) certified by authorised officers, the claims presented for payment are valid and in order.

**NOTE:** It is not necessary that the Divisional Accountant should check personally the arithmetical accuracy of all bills and accounts, but he is responsible that cent per cent check is exercised efficiently under his supervision.

**12.2.2** The Divisional Accountant should exercise a similar check from day to day in regard to the transactions recorded direct in the Cash Book of the divisional office. The Divisional Accountant should affix his dated initials after the last entry of the day's transaction in the divisional Cash Book, in token of check in the manual system of accounts keeping.

**12.2.3** Every payment should be recorded, and a receipt for the same so obtained to ensure that a second claim against the Division on the same account is impossible, and if it represents a refund of a sum previously received by the PIU, it should also be seen that the amount paid is correctly refundable to the payee.

**12.2.4** The Divisional Accountant is responsible that every order or sanction affecting expenditure to be accounted for in the monthly accounts is noted at once in a suitable register (or other account); preferably one wherein the expenditure incurred against it can be watched readily. General sanctions to administrative expenditure should be noted in a special register opened for this purpose.

**12.2.5** It is one of the functions of the Divisional Accountant to see that expenditure which is within the competence of the Divisional Officer to sanction or regularise, is not incurred, as a matter of course, under the orders of Subordinate Officers, without his knowledge. All such items of expenditure should at once be brought to the notice of the Divisional Officer and his orders obtained and placed on record.

**12.2.6** The expenditure should be checked with the sanctioned amount to ensure that the charges incurred are within the sanctioned amount.

**12.2.7** When a recovery has been ordered to be made from a supplier or other person, which cannot be watched through any account specially prescribed for the purpose, the order should be noted at once in the Register of



Miscellaneous Recoveries in Form PMGSY/SR/F-32A opened specially for the purpose, so that the amounts recovered from time to time (with particulars of the accounts concerned) may be recorded against it, and prompt compliance with the order watched.

**12.2.8** After check, every voucher should be enfacéd with the word “checked” over the dated initials of the Divisional Accountant, as well as of any clerk who may have applied a preliminary check. Vouchers should be “Cancelled” by means of a perforating or endorsing stamp and kept carefully, to be made available for audit, whenever demanded by the audit.

**NOTE 1:** Stamps affixed to vouchers should be so cancelled that they cannot be used again, and if with this object they are punched through, care should be taken that the acknowledgement of the payee is not destroyed thereby.

**12.2.9** The result of the examination of accounts received from junior/sub engineers, should be intimated to them in all cases in which it is necessary to obtain further information, certificates etc. or to direct them to correct the relevant records of their offices or avoid the recurrence of any irregularity. The procedure to be observed may be prescribed by the Divisional Officer. The records connected with the results of the examination should be called for from the officer not below the rank of the Assistant Engineer and made available to Inspecting Officers/ Audit Officers at the time of audit for review.

### **12.3 Bank Authorisation Statement by PIU**

**12.3.1** The PIU will account for in its Cash Book the remittances made into the accredited Bank as well as cheques drawn on it. At the end of the month, the accredited bank branch will send it a statement of remittances realised and payments made against cheques issued by the PIU. The Bank’s statement may not inform the PIU the balance of bank authorization; it may only list the cheques paid and remittances received.

**12.3.2** On receipt of the statement from the bank, the Divisional Officer will effect a reconciliation in Bank Authorisation Utilisation and Reconciliation Statement form PMGSY/SCH/F-52-ADM indicating the differences between the cheques issued by the Division on the one hand and the cheques encashed and accounted for by the bank. He should also record on the form the details of cheques issued but not encashed as well as the earlier outstanding cheques now accounted for in the bank in its latest statement. The monthly accounts of the division will be supported by this statement.

**12.3.3** Differences which do not represent amounts of un-cashed cheques should be settled expeditiously in consultation with the bank.

**12.3.4** The PIU will also prepare a statement of remittances into the Bank account of SRRDA, and its reconciliation with the Bank’s statement in form PMGSY/SCH/F-52 (REM)-ADM. It will be attached to the Monthly accounts sent to SRRDA.

### **12.4 COMPILATION OF MONTHLY ACCOUNTS**

#### **(a) Introductory**

**12.4.1** Before the compilation of the monthly accounts and the accompanying schedules, General Ledger (Debits Balances) and General Ledger (Credit Balances), (forms PMGSY / IA / F-8 and F-9 respectively), should be written up from the original Cash Book, and the Transfer Entry Book in accordance with the instructions printed on the standard form and of this manual. The General Ledgers will consolidate all the transactions of the division and will thereby facilitate the location of errors and omissions made in the compilation of the Monthly Account and the Schedules and also serve as an independent check over the accounts so compiled.

#### **12.4.2 Monthly Account of Receipts and Payments:-**

- (a) This shows the Receipts and Payments during a month.
- (b) Income and Expenditure Account: This shows the Income and Expenditure from the month of April of the financial year to the end of the month for which the monthly account is prepared.
- (c) Balance Sheet: Balance Sheet always relates to the liabilities and assets on a particular date. The monthly Balance Sheet shows the PIU’s assets and liabilities as on the last date of the month. It summarises the net worth of the Administrative Expenses Fund of the PIU.



## (b) Registers and Schedules

**12.4.3** All cash and transfer entry transactions of the month should be posted into one of the schedule and/or registers named below, to which the transactions relates :

Serial No.	Register	Schedule
<b>I</b>	<b>Posted from the relevant accounts in the General Ledger of Debit Balances</b>	
1.	Register of Miscellaneous Advance (Form PMGSY/SR/F-23)	Schedule for Current Assets (Form PMGSY/SCH/F-53E-ADM) (These schedules will be prepared from the Register of Miscellaneous Advances)
2	Register of Durable Assets (PMGSY/SS/F-46)	Schedule of Durable Assets (Form PMGSY/SCH/F-53F-ADM)
3	Register of S.T.D./Trunk Call Charges Register of Traveling Expenses Register of Consumable Stores (Forms as per State Government Orders)	
<b>II</b>	<b>Posted from the relevant accounts in the General Ledger of Credit Balances</b>	
1		Schedule of Administrative Expenses Fund (Central and State received by PIU (Form PMGSY/SCH/F-52A-ADM)
2		Schedule of Surplus Funds/Misc. Income (Form PMGSY/SCH/F-52B-ADM)
3	Register of Deposits Repayable (Form PMGSY/SR/F-22)	Schedule for Deposits Repayable (Form PMGSY/SCH/F-52C ADM)
4	Register of Un-paid Bills (form PMGSY/SS/F-45)	Schedule of Current Liabilities Form (PMGSY/SCH/F-52D ADM)

### Monthly Account of Receipts and Payments

**12.4.4** The Monthly Account of Receipts and Payments should be prepared in the Form PMGSY/F-1A-ADM for presentation to the Divisional Officer and submission to the Accounts Officer. This account is an abstract of the entire receipts and disbursements of the division and also the receipts and disbursements of the month worked out from the Ledger of Debit Balances and the Ledger of the Credit Balances.

### Monthly Income and Expenditure Account

**12.4.5** Income and Expenditure Account Form PMGSY/F-1(I&E-3) shows Income and Expenditure from April of the financial year to the end of the month for which the monthly account pertains. It has three parts:

Part I for expenditure from the Central Administrative Expenses Fund;

Part II for State Administrative Expenses Fund; and

Part III for Income and the Expenditure from the Surplus Fund.

The account is prepared for each month except the month of March which gets covered in the Annual Account of Income and Expenditure.

### Monthly Balance Sheet

**12.4.6** The heads of Receipts and Payments appearing in the monthly account and not taken to the monthly Income and Expenditure account appear in the Monthly Balance Sheet form PMGSY/F-2B-ADM. The Balance Sheet is supported by the various schedules prescribed. It is prepared for each month except the month of March which gets covered in the Annual Balance Sheet.

**12.4.7** There are certain transactions recorded in the Cash Book, which involve no operation on income, expenditure, or any other prescribed heads of the accounts classification, as every such entry is counter balanced either at once or after an interval, by a similar entry of the reverse character. It is not necessary to include transactions, for audit purpose, in any of the schedules and registers subsidiary to the Monthly Account, but the Divisional Accountant should see that all transactions are cancelled by each other in due course. An example of this kind of transaction is: Cash from Bank - A cheque drawn to replenish the cash chest is debited to this head in the Cash Book, and per contra entry of the amount of the cheque is entered at once, as cash received, under the same head, a cheque drawn in favour of self-being cash (vide paragraph 7.1.1), even though not cashed at once.

**12.4.8** Save as provided in paragraph 12.4.7, all transactions of the division, as recorded in the initial accounts of cash and the Transfer Entry Book, and posted in the ledgers are recorded in the Register of Cheques Issued, Register of Remittances into the bank, Register of Miscellaneous Advances etc. barring a few transaction like Miscellaneous Receipts for which there is no separate register for the PIU. Transactions recorded in the Cash Book and the Transfer Entry Book are posted direct from those sources, no items being omitted.

**(e) Submission to Account Officer**

**12.4.9** The Monthly Account and the Balance Sheet is due to reach the Accounts Officer by the 5<sup>th</sup> of the next month. The Annual Accounts should reach the Accounts Officer by the 10<sup>th</sup> April.

The Balance Sheet should be supported by the following schedules:

1	Schedule L1 Administrative Expenses Funds	PMGSY/SCH/F-52A-ADM
2	Schedule L 2– Surplus Funds and Miscellaneous Income	PMGSY/SCH/F-52B-ADM
3	Schedule L3 Deposits Re-Payable	PMGSY/SCH/F-52C-ADM
4	Schedule L 4 – Current Liabilities	PMGSY/SCH/F-52D-ADM
5	Schedule A 1 Current Assets	PMGSY/SCH/F-53E-ADM
6	Schedule A 2 Durable Assets	PMGSY/SCH/F-53F-ADM
7	Bank Authorisation Utilisation and Reconciliation Statement	PMGSY/SCH/F-52
8	Bank Remittances Reconciliation Statement	PMGSY/SCH/F-52 (REM)-ADM

**(f) Authenticating the Accounts**

**12.4.10** The Divisional Accountant is required to sign not only the Monthly Account, the Income and Expenditure Account and the Balance Sheet but also all the schedules etc., accompanying them. It is not necessary that the Divisional Officer should sign all the schedules; he must, however, sign the Monthly Account, Income and Expenditure Account and the Balance Sheet and the List of Schedules Annexed with the Balance Sheet of the PIU, form PMGSY/SCH/F-56, unless he is absent from headquarters, in which case he should send to the Accounts Officer, as soon as he can examine his books and papers on return, a report in PMGSY/GEN/F-60 (with a duplicate copy of the Monthly Account, and the Balance Sheet signed by himself), without which the Accounts Officer will not pass the Monthly Account finally.

**NOTE:** It is desirable that the Divisional Officer should make arrangements for the review by himself of all vouchers before they are submitted to the Accounts Officer, and that unless the circumstances are exceptional, he should sign the accounts himself.

**12.5 ANNUAL ACCOUNTS**

**12.5.1** The financial year ends on the 31st March. Transactions taking place after that date cannot be treated as pertaining to the previous year. However, unadjusted outstanding of the year should be cleared within the accounts of the year, and the errors in accounts coming to notice after 31st March should be set right, if possible, without affecting the accounts and estimates of the following year. Whilst, therefore, the cash accounts positively close on the 31st March, the Transfer Entry Book remains open for rectification of errors and other adjustments.



**NOTE:** If any adjustments in accounts have been purposely deferred till the close of the accounts of the year, it is permissible to effect them after 31st March in the same way as adjustments in rectification of errors notified after that date.

**12.5.2** The Annual accounts will be prepared at the end of the financial in the following order:

- (a) After the Monthly Account of Receipts and Payments for March has been prepared, prepare Annual Account of Receipts and Payments in Form PMGSY/F-1B (Annual) ADM.
- (b) The PIU shall pass two transfer entry orders as follows:
  - (1) Transferring to the Income and Expenditure Account, the balance in Misc. Receipts. The entry will be:  
Debit: Misc. Receipt Account.  
Credit: Income and Expenditure Account.
  - (2) Transferring to the Income and Expenditure Account the balance in all the minor heads of consumable expenditure. The entry will be:  
Debit: Income and Expenditure Account.  
Credit: The minor head concerned.
- (c) Post the above two Transfer Entry Orders into the Transfer Entry Book, and the relevant ledgers. It will result in Nil balance in the affected ledger accounts.
- (d) Prepare the Income and Expenditure Account in form PMGSY/F-1(I&E-3).
- (e) The total of expenditure in Part I of the Income and Expenditure Account will be debited to the head of account 51.03 to reduce the balance available for use. Similarly, the total of expenditure in Part II will be debited to the head of account 51.06.
- (f) The net effect of the debits and credits in Part III of the Income and Expenditure Account will be credited to the minor head 51.09 if surplus, and debited if deficit.
- (g) Prepare the Annual Balance Sheet in Form PMGSY-F-2B ADM.

**Note:** The entry of the closing cash balance should be supported by (1) the original Cash Balance Reports (Form PMGSY/SCH/F-57), and (2) a certificate of the Divisional Officer to the effect that he has obtained on or after 31st March, and retained in his office, an acknowledgement from the officer or subordinate concerned, in respect of each item of imprest shown in the Cash Balance Reports of the Division for 31st March.

## **12.6 REVIEW OF UNSETTLED ACCOUNTS**

The register and schedule relating to Miscellaneous Advances and Deposit Repayable should be reviewed monthly so that the steps necessary to effect the expeditious clearance of outstanding balances, whether by actual recovery or by adjustment in the accounts, may be taken regularly throughout the year. In February or early March, special steps should be taken with a view to bring about all possible reductions in the number and amounts of outstanding balances at the close of the year.

## **CHAPTER 13**

### **ACCOUNTS OF STATE RURAL ROADS DEVELOPMENT AGENCY**

#### **13.1 INTRODUCTION**

SRRDA will follow the double entry system of accounting and maintain separate account books for the PMGSY Programme Fund, Administrative Expenses Fund and the Maintenance Fund. For the Administrative Expenses Fund, it will use the chart of accounts codified in Chapter-4. Following books of accounts shall be maintained by the SRRDA:

- (i) Cash book with cash and bank columns on both the sides of the Cash Book. (form PMGSY/IA/F-3).
- (ii) Bank Authorisation Transfer Entry Book for bank authorisations issued to PIUs. (form PMGSY/IA/F-7A).
- (iii) Transfer Entry Book for other adjustments. (form PMGSY/IA/F-7).
- (iv) General Ledger (Dedit Balances). (form PMGSY/IA/F-8).
- (v) General Ledger (Credit Balances). (form PMGSY/IA/F-9).
- (vi) PIU-wise Administrative Expenses Fund Register (one for the Central and another for the State Administrative Expenses Fund) showing details of funds transferred to each PIU. (form PMGSY/IA/F-10-ADM and 10A-ADM).
- (vii) PIU-wise Bank Authorisation Register showing the authorizations outstanding against each PIU. (form PMGSY/IA/F-10B-ADM and 10C-ADM).
- (viii) Register of Remittances into the Bank by PIUs and SRRDA. (form PMGSY/IA/F-10E-ADM).

#### **13.2 SINGLE BANK ACCOUNT**

**13.2.1** SRRDA has only one bank account for its Programme Fund and another bank account for both the Central Administrative Expenses Fund and the State Administrative Expenses Fund. It opens these two accounts with one bank. It does not transfer funds to PIUs, instead, it authorizes the PIUs to draw cheques on its funds and keep their accounts in prescribed forms. Moreover, it sets the bank authorizations limits for withdrawal for each quarter.

**13.2.2** The accredited bank automatically invests SRRDA's surplus funds (funds above a threshold limit) in its fixed deposits at the interest rate decided in the tripartite agreement. The bank informs the SRRDA the interest credited to SRRDA's account and its detailed calculations.

**13.2.3** The branches of the SRRDA's accredited bank provide the following facilities to the PIUs:

- (i) To draw self cheque by the PIUs;
- (ii) To accept deposit of the moneys received by PIU in bank account of SRRDA maintained at State level;
- (iii) To furnish bank statement at the close of each month showing the opening balance of bank authorisation account, details of PIU's cheques encashed during the month and the balance of bank authorisation account on the closing day of the month. (This statement is also furnished to the SRRDA. At some places, the bank branches only furnish details of cheques paid and deposits received).

**13.2.4** Since the PIUs operate on the single bank account of the SRRDA, they need an authority from the SRRDA to draw on this account. SRRDA will issue, on indents from the PIUs, Bank Authorisations Authority in form PMGSY/GEN/F-65. It will show such payees-wise details as it deems fit.

**13.2.5** SRRDA and each PIU operate bank authorisation account and classify the transaction to the head of account mentioned in the chart of accounts. In SRRDA, this account is in the Ledger of Credit balances, as this is SRRDA's liability to honour the cheques it authorised the PIUs to issue. The PIUs have a bank authorisation column in their Cash Book, on both sides of the Cash Book. This is the fund available to them for expenditure.



**13.2.6** SRRDA will also maintain the following registers in addition to the ledger accounts:

- i) PIU-wise Administrative Expense Funds Register in form PMGSY/IA/F-10-ADM (one for Central funds and another for State funds) to record the details of Administrative Funds (Central or State) transferred to or received back from a PIU.
- ii) An abstract of the outstanding Administrative Expenses Fund (both for the Central and State Funds) in only one form PMGSY/IA/F-10A-ADM. This will be prepared each month.
- iii) PIU-wise Bank Authorisations Register form PMGSY/IA/F-10B-ADM to record the release of bank authorisation to each PIU and its utilization.
- iv) An abstract of the outstanding Bank Authorisations at the close of each month in form PMGSY/IA/F-10C-ADM.

**13.2.7** The balances in these PIU-wise Registers must agree with the balances appearing in the monthly accounts received from the PIU. Any difference should be promptly investigated and set right.

### 13.3 ACCOUNTING PROCEDURE

- (i) SRRDA shall maintain a two column Cash Book having cash and bank columns on its both sides in form PMGSY/1A/F-3.
- (ii) The funds received from MoRD will be posted on the receipt side of the Cash Book in bank column by showing classification Account Code No.51.01.
- (iii) The funds received from the State Government will be posted on the receipt side of the Cash Book in bank column by showing classification Account Code No.51.04.

**Note:** Details of the Government orders sanctioning the release of funds will be kept in the form PMGSY/SR/F-28.

**2.** The register will have continuous numbers, starting with 1 each financial year.

**3.** All sanctions will bear the serial number shown in this register, and kept in one folder.

**4.** The totals will be worked out at the end of each quarter.

- (iv) On receipt of requisition of funds from the PIU in the form PMGSY/GEN/F-64A-ADM or PMGSY/GEN/F-64B-ADM, SRRDA's empowered officer will issue it a bank authorisation in the format PMGSY/GEN/E-65 with endorsement to the bank showing the amount, names of payees, etc. Separate authorizations will be issued for the Central and State Funds.
- (v) One signed copy of the bank authorisation will become the voucher for the entry in the "Bank Authorisation Transfer Entry Book"(BATE Book). The entry number of the Bank Authorisation Transfer Entry Book should also be indicated in the Bank Authorisation.
- (vi) Entries in the Bank Authorisation Transfer Entry Book will be debited to the account head 51.02 Central Administrative Funds Transferred to the PIU (or 51.05 State Administrative Funds transferred to the PIU); and credited to the head 51.07 Bank Authorisation.

**Note:** Similar entry will be for State Administrative Expenses Funds authorized to PIUs.

The detailed account of each PIU will be kept in the PIU Central Funds Transferred/State Funds Transferred and PIU-Wise Bank Authorisation Register.

- (vii) Each PIU will send to SRRDA each month the following account so as to reach it, by the fifth of the next month:
  - (a) Monthly Account of Receipts and Payments;
  - (b) Monthly Income and Expenditure Account showing the Income and Expenditure from the start of the financial year to the end of the month to which the accounts relate;
  - (c) Monthly Balance Sheet showing the liabilities and assets as on the last date for which the accounts pertain, with the prescribed schedules, and the reconciliation statements for cheques issued and remittances made.

- (viii) SRRDA has to incorporate in its books the information about the cheques issued by PIUs and their remittances into the bank. Therefore, the monthly accounts from PIUs must reach the SRRDA by the 5<sup>th</sup> of the next month with the following schedules, among others.

Bank Authorisation Utilisation and Reconciliation Statement	PMGSY/SCH/F-52
Bank Remittances Reconciliation Statement	PMGSY/SCH/F-52 (REM) -ADM

SRRDA shall pass an order on each of the above schedules accepting them, and make entry on the payment side of the Cash Book for the cheques issued and on the receipt side for the remittances made for the total amounts. It will also post the details of cheques in the PIU-Wise Register of Cheques Issued (form PMGSY/IA/F-10D-ADM). Entries from the Cash Book will be credited to Bank Authorisation Account in the General Ledger of Credit Balances. Thereafter, PIU-wise totals will be posted in the PIU-Wise Bank Authorisation Register. Similar action will be taken for remittances by posting their details in the PIU-Wise Register of Remittances, form PMGSY/IA/F-10E-ADM.

- (ix) Net credit balance in the PIU-wise Bank Authorisation Register should agree with the amount shown in the Balance Sheet of the PIU. Any difference should be promptly investigated and set right.
- (x) Moneys received by PIUs by cheques/ demand drafts/ pay orders, etc. for the Central or State Administrative Expenses Fund shall be deposited by the PIU in the branch of accredited bank for crediting the account of SRRDA. They will furnish the details of these deposits in the Bank Remittances Reconciliation Statement form PMGSY/SCH/F-52 (REM) -ADM sent to SRRDA with the monthly Balance Sheet. On its receipt SRRDA shall pass an transfer entry order crediting the account head 51.02 "Central Administrative Expenses Fund transferred to PIU" and debiting the Bank Account. The transfer entry will then be posted in the Cash Book and the ledger. (If the deposit relates to the State Fund, a similar entry will be made.)

Net debit balance of Central and State Administrative Expenses funds of the PIU in the accounts of SRRDA shall be in agreement with the net credit balance in the accounts of PIU. Any difference should be promptly investigated and set right.

- (xi) In order to avoid any differences, which arise because of delays in transit, , there shall be no issue of bank authorisation during the last five working days of the month.
- (xii) Gross amount of interest received from bank shall be taken as receipt in bank column of the Cash Book, account classification 60.01. The tax deducted at source by bank shall be shown on payment side in the bank column "Tax Deducted at Source" Account Classification 53.01. Refund for Tax Deducted at Source shall be claimed from Income Tax Department. In case the SRRDA comes to know of the tax amount later, it will take to the Cash Book only when the actual amount is received. A separate Transfer Entry Order may be passed debiting the Head 53.01 and crediting 60.01 for the amount of tax deducted.

(**Note:** It would be better for the SRRDA to obtain exemption from payment of Income Tax.)

### **13.4 MONTHLY ACCOUNT, INCOME AND EXPENDITURE ACCOUNT AND BALANCE SHEET**

#### **Monthly Account of Receipts and Payments**

**13.4.1** SRRDA will prepare its Monthly Account of Receipts and Payments in form PMGSY/F-1-ADM at the end of each month. This account shows not only the Receipts and Payments, but also the cumulative total of the Receipts and Payments.

(**Note:** The cumulative balances column of Cash Book also serve the purpose of trial balance.)

#### **Income and Expenditure Account**

**13.4.2** SRRDA will prepare each month an Income and Expenditure Account, in form PMGSY/F-1 (I&E-2), from the monthly account of Receipts and Payments.

#### **Balance Sheet**

**13.4.3** SRRDA will prepare each month a Balance Sheet in form PMGSY/F-2A-ADM showing its liabilities and assets as on the last date of the month. It will attach to it the following schedules:



Serial No.	Particulars	Form No.
1	Bank Reconciliation Statement	No form. SRRDA will attach to its Balance Sheet and the State Balance Sheet a Bank Reconciliation Statement showing the reasons for the difference between its books and that of the bank.
2	Schedule L-1 Central Administrative Expenses Fund	PMGSY/SCH/F-52A-ADM
3	Schedule L-1 State Administrative Expenses Fund	PMGSY/SCH/F-52A-ADM
4	Schedule L-2 Surpluses and Misc. Receipts	PMGSY/SCH/F-52B-ADM
5	Abstract of PIU Wise Bank Authorisations Outstanding	PMGSY/SCH/F-10C-ADM
6	Schedule L-4 Current Liabilities	PMGSY/SCH/F-52D-ADM
7	Schedule A-1 Current Assets	PMGSY/SCH/F-53E-ADM
8	Schedule A-2 Durable Assets	PMGSY/SCH/F-53F-ADM

### 13.5 STATE INCOME AND EXPENDITURE ACCOUNT AND THE BALANCE SHEET

#### STATE INCOME AND EXPENDITURE ACCOUNT

**13.5.1** SRRDA is responsible to render not only its own accounts, but also consolidated accounts of all the PIUs under its control. Its own accounts do not reflect the use of Administrative Expenses Fund as it transfers a good part of the resources to the PIUs.

**13.5.2** For preparing the account for the State, to depict the consolidated picture of its own accounts and the accounts of all the PIUs, the SRRDA will proceed as follows:

- (a) Step 1. The SRRDA will consolidate the Monthly Accounts received from all the PIUs, in the Master Sheet of Accounts of All the PIUs form PMGSY/F-1AA.
- (b) Step 2. The SRRDA will prepare the Master Sheet of Income and Expenditure Account by merging the consolidated figures of the PIUs with its own figures.
- (c) Step 3. From Step 2 above, the SRRDA will prepare the Consolidated Income and Expenditure Account for the State in form PMGSY/F-1(I&E-1).
- (d) Step 4 The SRRDA will prepare the six Schedules for the State mentioned in paragraph 13.4.3 above to show the separate details for all the PIUs and the State, and the consolidated figure for the State.
- (e) Step 5. The SRRDA will prepare the Master Sheet of consolidated Balance Sheet of SRRDA and PIUs in form PMGSY/F-1AAA-ADM & State Balance Sheet in form PMGSY/F-2-ADM.

#### 13.6 ANNUAL ACCOUNT

**13.6.1** SRRDA has to prepare the annual accounts in similar way as the monthly account. The major changes are:

- (a) All the expense heads, for example, expenses allowed by the State Government, are transferred to the Income and Expenditure Account by passing a transfer entry. In this manner, the balance in the expenditure accounts becomes nil balance and the opening balance in the next year is also nil. However, expenditure on assets, like furniture, is not taken to Income and Expenditure account. This amount is shown as asset in the Balance Sheet.



(b) SRRDA has to prepare an Annual Account of Receipts and Payments in form PMGSY / F-1A (ANNUAL)-ADM.

**13.6.2** The Governing Council of SRRDA will approve the annual accounts. After its approval, a transfer entry order will be passed to reduce the amount outstanding against the PIUs, and the amounts received by SRRDA from the Central and State Governments. The amount equal to the expenses debited to the Income and Expenditure Accounts of each PIU will be taken into account. For example, if the PIU-A has debited Rs. 5 lakhs to Income and Expenditure account, then the transfer entry order will be:

Debit	Central Administrative Expenses Fund received from GOI (51.01)	Rs.5 lakh
Credit	Central Administrative Expenses Fund Transferred to PIU (51.02)	Rs.5 lakh

***Similar entry will be passed for the State Fund. Thus, the figures in the books of SRRDA and the PIU will agree.***



## CHAPTER 14

### AUDIT

#### 14.1 STATUTORY AUDIT

**14.1.1** The chartered accountant appointed to audit the programme funds will also audit the administrative expenses funds.

**14.1.2** The SRRDA will inform the auditor the form in which it wants the audit report on Administrative Expenses Fund. Though the auditor is free to comment on the accounts, the SRRDA may lay down a format of the report to fulfill the requirement of the Ministry of Rural Development and the State Government.

**14.1.3** The auditor will not take up any other work of SRRDA to ensure his independence. No auditor will continue to be SRRDA auditor for a period exceeding three years.

#### 14.2 OBJECTIVE

**14.2.1** The objective of the statutory audit of the PMGSY Administrative Expense Fund is obtain the professional opinion of the auditor on the annual financial accounts of SRRDA, including the PIUs who work for it.

##### Scope

**14.2.2** The audit will be carried out in accordance with the relevant national standards of auditing, and will include such tests and controls as the auditor considers necessary under the circumstances. In conducting the audit, special attention should be paid to the following:

- (i) That the SRRDA faithfully followed conditions laid down in the PMGSY Guidelines / Operational Manual / Accounts Manual in spending the funds it received from MoRD for the Administrative Expenses or the State Government.
- (ii) That SRRDA used all the funds in accordance with the relevant financing agreements, with due attention to economy and efficiency, and only for the purposes for which they were provided.
- (iii) That all the expenditure have the necessary supporting documentation; and that it has been incurred in accordance with the PMGSY Guidelines, Operational Manual and the Accounts Manual.
- (iv) That proper and complete records have been kept as prescribed in the Accounts Manual, and the Operational Manual.
- (v) That the PIUs have used the funds for the PMGSY Administrative Expenses Fund and that the auditor, after visiting the PIUs and conducting audit is satisfied on this count.
- (vi) That the accounts have been prepared in accordance with consistently applied relevant principles laid down in the Administrative Expenses Manual and give a true and fair view of the financial year of receipts, payments, assets and liabilities.
- (vii) That in respect of the activities taken up under aid from the World Bank, Asian Development Bank and others, the schedules to the Balance Sheet depict the correct figures of expenditure on them.

#### 14.3 AUDIT REPORT

**14.3.1** Besides a primary opinion on the Financial Statements, the audit report should include a separate paragraph commenting on the accuracy and propriety of expenditures shown in the Income and Expenditure Account and the Balance Sheet on the activities financed by the World Bank or the Asian Development Bank and others, and the extent to which they can rely on these as a basis for reimbursement.

**14.3.2** In case a qualified opinion or disclaimer is given by the auditor, the audit report should state in a clear and informative manner all the reasons for such an opinion.

**14.3.3.** Audit report to be accompanied by:

- Management Letter
- In respect of activities funded by the World Bank or the ADB:
- Listing of ineligible claims, if any.
- Reconciliation of Statement of Expenditure claims with the actual expenditure as reported in the audited financial statements.

#### **Time Period for Submission**

**14.3.4** The audited financial statements including the audit report should be sent to the SRRDA within four months of closing of the financial year.

#### **Management Letter**

**14.3.5** In addition to the audit reports, the auditor should prepare a “management letter” in which the auditor should:

- (a) Give comments and observations, if any, on the accounting records, systems and controls that were examined during the course of the audit;
- (b) Identify specific deficiencies and areas of weakness (if any) in systems and controls and make recommendations for their improvement;
- (c) Report on the degree of compliance with the financial/ internal control procedures as documented in the financial manual of the project.
- (d) Communicate matters that have come to attention during the audit which might have a significant impact of the implementation on the society; and
- (e) Bring to attention any other matter that the auditor considers pertinent.

**14.3.6** The Observations in the Management Letter must be accompanied by recommendations from the auditors. The audit report and the Management Letter should be placed before the Audit Committee for its recommendations to the Executive Committee of the SRRDA.

#### **Access to Records and Documents**

**14.3.7** SRRDA and PIUs should provide the auditor access to all legal documents, correspondence, financial manual, transaction records and any other information associated with the Administrative Expenses Funds as deemed necessary by the auditor.

### **14.4 COMPTROLLER AND AUDITOR GENERAL OF INDIA**

The Comptroller and Auditor General has a constitutional right to audit the accounts of any organization if it received grants above Rs.25 lakhs from the Government of India. Therefore, his audit teams will be auditing the transactions and accounts of the SRRDA and the PIUs at such intervals as he decides. Audit will take into account the total grant SRRDA receives, namely, the total of Programme Fund grants and the Administrative Expenses Fund grant.

### **14.5 INTERNAL AUDIT**

#### **Selecting Internal Auditors**

**14.5.1** SRRDA will appoint internal auditors as a management aid to ensure the true and fair record of accounts. The auditors should have experience of public works audit. SRRDA may identify, with the help of the NRRDA, competent organizations for this task.

#### **Period of Internal Audit and Fees**

**14.5.2** The period of internal audit should be one year, running concurrently with the year during which the audit is done, except for some overlap. The audit is to be carried out in two phases of six months each ending on 30<sup>th</sup> September, and 31<sup>st</sup> March. The appointment letter of auditor should contain details of the date of commencement of audit, completion of audit work in each phase, the dates by which reports are to be submitted and the phase-wise



fees payable. It should specify the level of the supervisory officer and the minimum period he must visit each PIU, in each phase, and the minimum qualifications of the members of the audit team.

### Objectives of Internal Audit

**14.5.3** The broad objectives of Internal Audit shall be as under:-

- (a) To ensure that the accounting and financial management systems remain reliable and effective in design and to assess the extent to which they are being followed;
- (b) To review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensuring the accuracy of the books;
- (c) To verify that the system of internal check is effective in design and operation in order to ensure the prevention of and early detection of defalcations, frauds, misappropriations and misapplications;
- (d) To identify areas of significant inefficiencies in existing systems and to suggest necessary remedial measures;
- (e) To confirm the existence of financial propriety in all decisions and verify compliance to Government and statutory requirements;
- (f) To review the performance of various functions in the light of performance budgeting;
- (g) To associate with Superintending Engineers, Executives of the SRRDA, and Vigilance etc., in their surprise checks and inspections in one of their visits to the unit whenever asked for;
- (h) To ensure that the units have obtained confirmation and prepared statements of reconciliation of balances as on 30<sup>th</sup> June, and 31<sup>st</sup> January, under outstanding advances to contractors, and of creditors.

**Note:** In this context, internal auditors shall analyse outstanding advances into (1) good and fully recoverable, (2) requiring adjustment entries to be passed, (3) doubtful of recovery, and (4) bad with supporting documents/ explanations and reasons as for each and every account. The analysis will be of the accounts as per the ledgers and schedules to the accounts as at beginning of the year whose audit is taken up. This analysis shall be furnished along with the Phase I audit report for the first six months.

- (i) To report compliance of guidelines issued from time to time by the Ministry of Rural Development, Government of India, National Rural Roads Development Agency, the State Rural Development Department, Executive Agency and the State Rural Roads Development Agency.
- (j) To report compliance of internal audit observations outstanding as at the end of the year.
- (k) To report that tax deduction at source are being made in all cases, as applicable under the Income Tax Act, 1961, and other statues at prescribed rates and that TDS deposits are being made within the prescribed time and also that the unit is complying with all statutory requirements under Income Tax and other laws.
- (l) Routine errors of omissions or commissions noticed during the course of internal audit may be got rectified on the spot.

### Extent and Scope of Internal Audit:

**14.5.4** The extent and scope of internal audit will be as follows: This is only indicative. The internal auditor is free to extend any area and to any extent to cover within his review as required or as may be necessary to achieve the objectives.

- (a) Purchases
  - (i) Above Rs. 1 lakh 100 per cent;
  - (ii) All others: 20 per cent.
- (b) Accounts
  - (i) 100% vouching of Cash Payment Vouchers, Bank Adjustment Vouchers and Transfer Entry Vouchers. Cheque payments may be vouched to cover 50% of the transactions in each of the months selected.
  - (ii) Purchases: A list of the cases audited should be mentioned in the report while in case of "Accounts" (vouching of cash, bank and transfer entry), the name of the months for which vouching has been reviewed shall be mentioned in the report.

(c) Compliance

While conducting internal audit in a subsequent phase, the auditor will ensure that the compliance report on audit observations pointed out in reports relating to earlier audits is made and corrective action taken on those points are furnished in the Audit Report of the subsequent phase. In other words it may be ensured while conducting the audit Phase – II, that compliance report on audit observations pointed out in earlier report of Phase-I is made and corrective action taken on those points are furnished in Phase-II audit report.

**REPORTS**

**14.5.5** Auditor should discuss results of audit with the Divisional Officer of the PIU in each phase and important observations should be brought to his notice for taking timely corrective action. The reports should be prepared after duly taking into account the facts brought out in the discussion. These should be couched in polite language. Offensive or strong words, sarcastic language etc. should on no account figure in the report. No suppositions, assumptions or allegations should be included in the report. Only facts should be mentioned and inevitable conclusions drawn. There should be no reference to responsibility being fixed for any irregularity; the administrative authorities have to take action for this.

**14.5.6** Internal Audit Reports should be divided into three main portions namely:

**PART I. Important Observations, Objections and Reservations**

This part should contain all such irregularities which auditors want to bring to the notice of management, specifying the financial implications. This part should also bring out deviations by site from policies, systems and procedures prescribed by NRRDA, MORD and SRRDA. The observations should be arranged into self-contained audit paragraphs with a suitable title.

**PART II. COMPLIANCE AND REPORT**

This part should contain actions taken for rectification of errors pointed out by previous auditor or by the current auditors in earlier phase/phases. It should also contain the confirmations by the PIU about implementations of policies, system etc. to avoid the recurrence of such irregularities in future.

**PART III. DETAILED REPORT :**

This part shall comprise of auditors' points on confirmations on matters or areas specified in the guidelines for audit.

The report should be supplemented, in each Phase, by a statement indicating:

1. Particulars of records along with their volume and value checked as compared to the total volume and value of transactions.
2. A summary report indicating the important observations for each phase and for each area.
3. A statement indicating the audit personnel deployed, their designation and the period of deployment for each phase.

The report should also contain reference to areas where no adverse observation have been noted. In respect of other areas specific suggestion for improvement may also be highlighted for each area.

**Submission of Internal Audit Report**

**14.5.7** The reports are to be submitted in three copies for each phase of audit to the Chief Executive Officer of the SRRDA, with two CDs of the report. Internal auditor will send two copies to the Divisional Officer.

**Replies to the Internal Audit Reports**

**14.5.8** Divisional Officer should base his replies to the internal audit reports, or audit memos, on his own knowledge, as far as possible. .It is not enough to pass on the explanations of a subordinate, reports prepared in this manner may lull suspicion for the time being, but lead to greater irregularity afterwards. He will forward one copy of the audit report to the Superintending Engineer with his comments for onward transmission to SRRDA.



### Processing the Internal Audit Report:

**14.5.9** The Superintending Engineer will process the internal audit report. He shall pass orders in respect of matters which he is competent to deal with finally and record his remarks with a note of the action taken on all other points before returning the documents to the SRRDA.

**NOTE:** As an exception to the above rule, the Divisional Officer may send his first reply to an Inspection Report direct to the Audit Officer/Accounts Officer with a copy of the reply to the Superintending Engineer.

**14.5.10** Once a transaction has been entered in the Audit Note or otherwise challenged in one or the other documents the responsibility for having the objection removed will devolve upon the Divisional Officer, and the Audit Officer is required to report to the higher authorities all important items and any serious delays in the adjustment of individual objections.

**NOTE:** An audit objection is usually removed by obtaining the requisite sanction, by making the necessary recovery, by correcting or completing the relevant account or voucher by furnishing the necessary documents or information, or by otherwise securing compliance with the provisions of a specified rule. In cases in which a protest is made against an audit objection as being incorrect, the objection should be held to be in force unless a formal intimation of its withdrawal is received from the Audit Officer/Accounts Officer.

**14.5.11** The Audit Officer will place under objection any transaction coming to his notice which is not covered by adequate sanction or involves an excess thereon or other deviation. In some cases, the Divisional Officer may have/ already taken action to regularise the transactions or the excess (if any) over sanction plus any further excess that may be anticipated, may be within his own powers of sanction without preparing a revised estimate, and he may have accorded the necessary formal approval to it: Yet, if the necessary intimation of sanction does not reach the Audit Officer/Accounts Officer when the divisional accounts in which the irregular transaction appear are being audited/inspected, the Audit Office'/Accounts Officer will raise the objection, as he is not authorised to assume that the necessary sanction has been accorded. Divisional Officers will, therefore, find it advisable to send to the Audit Officer/Accounts Officer the earliest intimation of such of their sanctions and orders as are required to be communicated to him (vide paragraph 5.4.1) and to give it, without waiting for the receipt of the Audit Note/Inspection Report. The intimation should have the necessary information in regard to transactions for which, within their knowledge, adequate authority does not exist. A single note or statement, prepared monthly and signed by the Divisional Officer himself, will ordinarily suffice, in respect of transactions brought to account in the Monthly Account, but, if it cannot precede or accompany the Monthly Account, it should be sent to the Audit Officer/ Accounts Officer within a week of the despatch of the account.

**NOTE 1:** The object of this rule is to obviate the issue of unnecessary audit objections, but a reduction in the number of objections can be effected only by observing the requirements of the financial and other rules bearing on the transactions, and by taking timely action to accord or obtain, as the case may be, such sanction or order as may be required in cases in which a deviation from rules had occurred.

**NOTE 2:** The Divisional Accountant is responsible (i) for bringing prominently to the notice of the Divisional Officer at least once a month, the irregular transactions on which action has not already been taken by the latter at the instance of Sub-Divisional Officers or on his own, and (ii) or giving effect to the provisions of this paragraph in accordance with the procedure which the Divisional Officers may have desired to be observed in this connection.

### 14.6 AUDIT COMMITTEE

SRRDA will appoint an Audit Committee consisting of three members of its Executive Body. Head of the Finance Division will assist the committee; however, he will not be its member. The Audit Committee will consider all the audit reports, and place its recommendations before the Executive Committee.

## CHAPTER 15

### MISCELLANEOUS

#### 15.1 CHEQUE BOOKS

The following procedure will be followed in regard to indenting, safe custody, issue and accountal of cheque books.

**15.1.1 Indent** - The supply of cheque books required for making payments by the Divisional Officer will be made by the Bank, on the advice of the Accounts Officer, on the basis of indents received from the Divisional Officer.

**15.1.2 Issue of Cheque Books to Divisional Officer** - The Divisional Officers, (who are termed as the Drawing and Disbursing Officers vested with cheque drawing powers) will requisition their requirement of cheque books/forms from the Accounts Officer.

**15.1.3 Stock Register of Cheque Books** - A Stock Register of Cheque Books should be maintained to keep an account of the receipts, issues and balances of cheque books (form PMGSY / SR / F-32). Each morning the cheque cashier should take such cheque books from the Officer-in-Charge, as are likely to be used during the course of the day and should remain responsible for their use and return of the unused cheque forms balance at the close of the day to the Divisional Officer.

**15.1.4** In cases, where the power of drawal of funds by cheque(s) is withdrawn from any cheque-drawing Divisional Officer, all the unused form in the partly used cheque books with that officer shall be defaced by writing the word "Cancelled" promptly across such cheque form and its counterfoil (but without the signature of the Drawing Officer) and returned to the Accounts Officer concerned who should destroy them after keeping a note in the relevant records. All unused cheque books with such an officer shall however be returned by him to the Accounts Officer without any cancellation.

**15.1.5** Whenever a new cheque book is brought into use, the DDO should intimate the number of the cheque book and the Serial Number of the Cheque forms contained therein to the Bank as well as the Accounts Officer.

**15.1.6 Stock taking at the change of the Officer-in-Charge** - Every six month, in April and October, stock taking of the cheque book should be done by an Officer other than the Officer-in-Charge and a certificate of physical count recorded by him in the Stock Register. This stock taking should also be done whenever there is a change of the Officer-in-Charge and the Relieving Officer should initial the entry in respect of each of the cheque book noted in the form PMGSY / SR / F-32 and sign a certificate in the Stock Register in the following form :-

"Received the current cheque books as indicated by my initials in the register of account of cheque forms and the unused cheque books from .....to..... as entered in the Stock Register."

**15.1.7** The physical verification can also be entrusted either to the Inspecting Officer of the internal inspection party conducting the normal inspection of his office or by any Gazetted Officer of his department who visits that office on any other official work.

#### 15.2 RECEIPT BOOKS

**15.2.1** The following procedure will be followed in regard to indenting, safe custody, issue and accountal of the receipt books.

**15.2.2** Receipts in machine numbered form PMGSY/IA/F-5 may be obtained from SRRDA. This standard form will be used for all the moneys received on PMGSY purposes; unless the SRRDA prescribes otherwise. SRRDA will keep complete record of the Receipt Books printed, and supplied to PIUs and for its own use.



**15.2.3** The receipt books must be kept under lock and key in the personal custody officer authorized to sign them by the Executing Agency for the PIUs and for its own use by the SRRDA.

**15.2.4** Before a receipt book is brought into use, the number of forms contained therein shall be counted and the result recorded in a conspicuous place in the book over the signature of the Officer in charge of the book. Counterfoils of the used receipt books will be kept in his personal custody.

**15.3 TRANSFER OF CHARGE**

**I. Divisional and Sub-divisional Officers**

**15.3.1** The Relieving Officer will take into account the expenditure in cash and on stores, as the case may be, from and for the first day of the month during which the relief took place, and submit the next monthly account in the same manner as if he has been in-charge during the whole month. But the Relieved Officer remains responsible for the transactions during his incumbency.

**15.3.2** In the case of transfers of divisional or sub-divisional charges, the Cash Book in the case of Divisional Office or imprest account in respect of Divisional Office and Sub-Divisional Office should be closed on the date of transfer, and a note recorded in it, over the signatures of both the Relieved and Relieving Officers showing the cash or imprest balances, the number of unused cheques made over and received in transfer by them as the case may be. A copy of this note, together with a receipt in the form appended below for the stores under the immediate charge of the Relieved Officer, should be forwarded on the same day to the Superintending Engineer in the case of divisional or to the Divisional Officer in the case of sub-divisional charges.

The receipts of cash and stores balances should be prepared by the Relieved Officer, but the Relieving Officer should note any inaccuracies therein so that the Superintending Engineer or the Divisional Officer, as the case may be, may pass such orders in respect of any deficient articles as may be necessary. A copy of the receipts may be given to the Relieved Officer, if desired by him.

FORM A (For Divisional Charges)

Received in transfer from A.B., formerly Divisional Officer ..... Division, the stores in his personal charges as detailed in the annexed list.

The Priced Stores Ledger is on record and have been posted up-to-date/to end of.....

Station : C.D.,

Date : Divisional Officer.....Division.

FORM B (For Sub-Divisional charges)

Received in transfer from A.B., formerly officer-in-charge.....sub-division the stock which has been in his personal custody as detailed in the Bin Cards, which have been posted up-to-date.

Station : C.D., Date : (Relieving) Sub-Divisional Officer.

**Divisional Accountant**

**15.3.3** When a Divisional Accountant is about to be relieved of his duties in a divisional office, either permanently or temporarily, he should prepare a memorandum reviewing the PMGSY accounts of the Division. The state of stock and purchase accounts and of outstandings in the accounts of works should be reviewed in particular. All important liabilities as also recoveries to be made from the staff or from contractors and others which should receive special attention should be mentioned.

Any arrears or defects in the working of the divisional office or subordinate offices rendering accounts to it should be specified with a statement of the remedies applied or contemplated. Other points requiring the special attention of the relieving Accountant, whether in regard to the initial or compiled accounts or to Inspection Notes received from the Accounts Officer should also be sent forth in detail.



The memorandum should be in a tabular form with columns for (1) remarks by the relieving Accountant (2) remarks by the Divisional Officer and (3) Orders of the Accounts Officer. The relieving Accountant should examine it when taking over charge and promptly forward it, with his remarks, to the Accounts Officer through the Divisional Officer, who will record such observations, as he may consider necessary.

#### **15.4 Reconstitution of Executive Charges**

When in consequence of the reconstitution of executive charges or of any other arrangements, the accounts of two or more Divisional Officers are to be amalgamated, or those of any office are either to be broken up into parts or closed, the Divisional Officers concerned should apply in time to the Accounts Officer for instructions to be observed in regard to PMGSY accounts in giving effect to the arrangements. On all occasions, the necessary transfer between offices of unsettled accounts, of liabilities not yet brought to account, of quantity account of road metal, and of relevant account and records (including unused forms of cheque books, receipt books and cash memo books) should receive the special attention of all concerned.

- (i) Work in progress.
- (ii) Appropriation and sanctions not yet completely operated upon.
- (iii) Stock and other Purchase accounts.
- (iv) Deposit and cash balances.
- (v) Interest-bearing securities.

**NOTE:** PIU division, once established, will not be closed without the approval of NRRDA which will decide how the records will be preserved by the successor unit.

#### **15.5 PRESERVATION OF RECORDS**

**15.5.1** PIUs and SRRDA will ensure preservation of records as these form vital elements of claims and their payments. All the vouchers of the monthly account will be neatly tied up in separate folders, and kept under lock and key of the Executive Engineer and the Divisional Accountant. Loss of any voucher will be serious dereliction of duty of both of them. A complete list of records will be kept; and signed by the relieving and relieved officer at the time of transfers. Special care, as prescribed for court or vigilance cases, will be taken in all cases of disputes with the contractor.

**15.5.2** The destruction of account records in Public Works offices is governed by such rules as prescribed by Government for the PWD divisions. However, no record will be destroyed before the period of limitation as applicable to Government records is over. Records will also not be destroyed until the audit is over, or the vigilance case or the court case to which these relate is over. In cases not covered by such rules, the specific concurrence of the Accounts Officer is necessary before any records are ordered to be destroyed and that in each Divisional office full details are maintained permanently in form PMGSY/GEN/F-63 of all records destroyed from time to time.



## CHAPTER 16

### REPORTS

#### 16.1 GENERAL

SRRDA receives some amount from the World Bank or the Asian Development Bank for payment of fees to consultants, research projects, workshops etc. The MoRD releases these funds to the SRRDA as Administrative Expenses Fund. SRRDA has to submit quarterly reports to the MoRD on the utilization of these funds. MoRD will, in turn, will send the reports to World Bank and the Asian Development Bank. The reports are in the following formats:

#### A. STATEMENT FOR THE SOURCES AND USES OF FUNDS

Activity	Particulars	From the start to the end of the last year	In the current year to the end of the last quarter	During the quarter	Total
	Amount Received				
	Amount Spent				
	Balance				

#### B STATEMENT OF CASH WITHDRAWAL (DISBURSEMENT) FOR INTERNATIONAL AGENCIES TO CLAIM RE-IMBURSEMENT.

Activity	Eligible Percentage	Actual expenditure during the current quarter	Admissible re-imbusement

*It may be noted that MoRD receives funds from the international organizations. Therefore, it knows the funds received. Funds to the State come only as a grant from Government of India, not segregated as World Bank or ADB grants, though the amount is known, generally.*

**FORMS OF ACCOUNTS FOR  
ADMINISTRATIVE EXPENSES FUND**

PMGSY/F-1-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**(Referred to in paragraph 13.4.1 of the Accounts Manual of Administrative Expenses Fund)**  
**MONTHLY ACCOUNT OF RECEIPTS AND PAYMENTS (FOR SRRDA)**

Name of SRRDA \_\_\_\_\_ State \_\_\_\_\_

Month \_\_\_\_\_ 200 \_\_\_\_\_

Account Code Number	Head of Account	Ledger Folio	DEBIT BALANCES		
			To end of previous month	For the month	To end of the month (4+5)
1	2	3	4	5	6
51.02	Central Administrative Expenses Fund transferred to PIUs				
51.05	State Administrative Expenses Funds transferred by SRRDA to PIUs				
52.01	Cash in Chest				
52.02	Imprest with Staff				
52.03	Bank Balance				
52.04	Fixed Deposits with the Bank				
53.01	Tax Deducted at source by others				
54.01	Travelling Expenses				
54.02	Data Entry Costs				
54.03	Internet Charges				
54.04	Maintenance of Computers				
54.07	Telephone Expenses				
54.09	Micellaneous Office Expenses				
54.10-54.19	Expenses approved by the State Government to be incurred from Funds it provided				
61.01	Miscellaneous Advances				
And so on					
	TOTAL				

ACCOUNTANT

OFFICER-IN-CHARGE/SRRDA

**NOTES TO THE MONTHLY ACCOUNT OF RECEIPTS AND PAYMENTS (FOR SRRDA)****Debit Balances****Note:**

- Cash in chest (and also Bank Balance) "to end of the month" shall be the closing balance as shown in the Cash Book. Cash in chest (and also Bank Balance) "for the month" shall be worked by deducting the balance "to end of the previous month" from the balance "to end of the month" i.e. column 6 minus column 4.
- Bank reconciliation statement along-with photocopy of bank account shall be enclosed with the monthly account.



**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**MONTHLY ACCOUNT OF RECEIPTS AND PAYMENTS (FOR SRRDA)**  
 (Referred to in paragraph 13.4.1 of the Accounts Manual of Administrative Expenses Fund)

Name of SRRDA \_\_\_\_\_ State \_\_\_\_\_

Month \_\_\_\_\_ 200 \_\_\_\_\_

Account Code Number	Head of Account	Ledger Folio	CREDIT BALANCES		
			To end of previous month	For the month	To end of the month (4+5)
1	2	3	4	5	6
51.01	Central Administrative Expenses Funds Received by SRRDA from Government of India				
51.04	State Administrative Expenses Funds received by SRRDA from State Government				
51.07	Bank Authorization Account (Books of SRRDA)				
51.09	Surpluses and Reserves Account				
60.01	Interest received from Bank				
60.02	Miscellaneous Receipts				
62.01	Unpaid Bills				
62.02	Deposits from Suppliers				
	Total				

**ACCOUNTANT**

**OFFICER-IN-CHARGE/SRRDA**

**Note:**

In the annual account the total amount of incidental receipts shall be credited to incidental funds generated from interest etc.

PMGSY/F-1A-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**MONTHLY ACCOUNT OF RECEIPTS AND PAYMENTS (FOR PIU)**  
 (Referred to in paragraph 12.4.4 of the Accounts Manual of Administrative Expenses Fund)

Name of PIU \_\_\_\_\_

Month \_\_\_\_\_ 200 \_\_\_\_\_

Account Code Number	Head of Account	Ledger Folio	Debit Balances		
			To end of previous month	For the month	To end of the month (4+5)
1	2	3	4	5	6
51.08	Bank Authorization Account				
52.01	Cash in Chest	CBF			
52.02	Imprest with Staff				
54.01	Travelling Expenses				
54.02	Data Entry Costs				
54.03	Internet Charges				
54.04	Maintenance of Computers				
54.07	Telephone Expenses				
54.08	Outsourcing of execution and management functions				
54.09	Miscellaneous Office Expenses				
55	Administrative Expenses from the State Administrative Expenses Fund				
58	Capital Expenditure from Central Administrative Expenses Fund				
58.01	Laboratory Equipment				
59	Capital Expenditure from State Administrative Expenses Fund				
61.01	Miscellaneous Advances				
And so on					
	TOTAL				

ACCOUNTANT

OFFICER-IN-CHARGE/ PIU

**Notes:**

- Cash in chest (as also Bank Authorisation Account) ***“to end of the month”*** shall be the closing balance as shown in the Cash Book. Cash Balance ***“for the month”*** shall be worked by deducting the balance ***“to end of the previous month”*** from the balance ***“to end of the month”*** i.e. column 6 minus column 4.
- Vouchers*** shall be retained by PIU for Audit.



**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**MONTHLY ACCOUNT OF RECEIPTS AND PAYMENTS (FOR PIU)**  
 (Referred to in paragraph 12.4.4 of the Accounts Manual of Administrative Expenses Fund)

Name of Unit (PIU) \_\_\_\_\_

Month \_\_\_\_\_ 200\_\_\_\_\_

Account Code Number	Head of Account	Ledger Folio	Credit Balances		
			To end of previous month	For the month	To end of the month (4+5)
1	2	3	4	5	6
51.03	Central Administrative Expenses Fund received from SRRDA				
51.06	State Administrative Expenses Fund received from SRRDA				
51.09	Surpluses and Reserves Account				
60.02	Miscellaneous Receipts				
62.01	Unpaid bills				
62.02	Deposits from Suppliers				
And so on					
	Total				

**ACCOUNTANT**

**OFFICER-IN-CHARGE/PIU**

**Note:-**

Total amount of incidental receipts shall be credited to Incidental funds generated from Interest etc. in the annual account.

PMGSY/F-1AA-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**Master Sheet of Accounts of All the PIUs**  
**(Referred to in paragraph 13.5.2(a) of the Accounts Manual of Administrative Expenses Fund)**  
**As at 200**

For compiling and consolidating the accounts of all the PIUs

Line No.	Head of Account	Liabilities	PIU A	PIU B	PIU C	And so on	Total
1	51.03	Central Administrative Expenses Fund					
2	51.06	State Administrative Expenses Fund received up to 31st January, 2005					
3	51.03	Deduct Central Admn Fund Transferred to SRRDA					
4	60.02	Misc. receipts					
5	62.01	Unpaid bills					
6	62.02	Deposits from Suppliers					
7		<b>Total (Lines 1 to 6)</b>					
		<b>Assets</b>					
8	52.01	Cash in chest					
9	51.08	Bank Authorisation					
10	52.02	Imprest with Staff					
11		Debtors					
12	61.01	Miscellaneous Advances					
13		Central Administrative Expense Fund					
14	54.01	Travel					
15	54.05	Stationery					
16	54.07	Telephone					
17	54.09	Misc. office Expenses					
18	58.01	Laboratory Equipment					
19		<b>Total (Lines 8 to 18)</b>					
20		<b>Difference between totals of Assets and Liabilities</b>					





**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**Master Sheet of Consolidated Balance Sheet of SRRDA and PIUs**  
**(Referred to in paragraph 13.5.2(e) of the Accounts Manual of Administrative Expenses Fund)**

As at

Liabilities					Assets				
Account Head	Particulars	SRRDA	PIUs	Consolidated	Account Head	Particulars	SRRDA	PIUs	Consolidated
51.01	Administrative Expenses Fund Received by SRRDA from GOI				52.01	Cash with PIUs			
60.01	Interest received from bank account				52.03	Bank Balance SRRDA			
<b>Total</b>									
<b>The following contra Items of mutual liabilities and assets between SRRDA and PIUs are not part of State Balance Sheet.</b>									
	Bank Authorisations					Bank Authorisation Received			
	Programme Funds received from SRRDA					Programme Funds Transferred to PIUs			
	Total								
	Grand Total								

ACCOUNTS OFFICER/DIVISIONAL ACCOUNTANT

OFFICER-IN-CHARGE SRRDA/PIU

## PMGSY/F-1A (ANNUAL) ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**ANNUAL ACCOUNT OF RECEIPTS AND PAYMENTS (FOR SRRDA)**  
 (Referred to in paragraph 13.6.1 of the Accounts Manual of Administrative Expenses Fund)  
 FOR THE YEAR 1<sup>ST</sup> APRIL, 200 TO 31<sup>ST</sup> MARCH, 200

Name of SRRDA \_\_\_\_\_

Account Code Number	Head of Account	Ledger Folio	Payments Debit Balances		
			Opening balance on 1 <sup>st</sup> April of the year	During the year	Closing balance on 31 <sup>st</sup> March of the year
1	2	3	4	5	6
54.01	Travelling expenses				
54.02	Data Entry Costs				
54.03	Internet Charges				
54.04	Maintenance of Computers				
54.07	Telephone Expenses				
54.09	Miscellaneous Office Expenses				
55	Expenses approved by the State Government to be incurred from Funds it provided				
61.01	Miscellaneous Advances				
52.01	Cash in chest				
52.03	Bank Balance				
52.02	Imprest With Staff				
And so on					
	Total				

ACCOUNTANT

OFFICER-IN-CHARGE

**Notes:**

- Closing cash in chest (and also Bank Balance ) in column 6 shall be the closing balance as shown in the Cash Book. Opening cash in chest (and also Bank Balance) in column 4 will also be as shown in the Cash Book. Column 5 for "During the Year" shall be worked by deducting the amount in column 4 from the amount in column 6.
- Bank reconciliation statement along-with photocopy of bank account shall be enclosed with the account



PMGSY/F-1A (ANNUAL)-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**ANNUAL ACCOUNT OF RECEIPTS AND PAYMENTS (FOR SRRDA)**  
 (Referred to in paragraph 13.6.1 of the Accounts Manual of Administrative Expenses Fund)  
**FOR THE YEAR 1<sup>ST</sup> APRIL, 200 TO 31<sup>ST</sup> MARCH, 200**

Name of SRRDA \_\_\_\_\_

Account Code Number	Head of Account	Ledger Folio	Receipts CREDIT BALANCES		
			Opening balance on 1 <sup>st</sup> April of the year	During the year	Closing balance on 31 <sup>st</sup> March of the year
1	2	3	4	5	6
51.01	Administrative Expenses Funds Received by SRRDA from Government of India				
51.04	Administrative Expenses Funds received by SRRDA from State Government				
51.07	Bank Authorization Account (Books of SRRDA)				
51.09	Surplus Funds and Reserves				
60.01	Interest received from Bank Account				
60.02	Miscellaneous Receipts				
62.01	Unpaid Bills				
62.02	Deposits from Suppliers				
	Total				

ACCOUNTANT

OFFICER-IN-CHARGE

**Note:**

In the annual account the total amount of Miscellaneous Receipts and Interest Income shall be credited to the Surpluses and Reserves.

PMGSY/F-1B (ANNUAL)-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**ANNUAL ACCOUNT OF RECEIPTS AND PAYMENTS (FOR PIU)**  
**FOR THE YEAR 1<sup>ST</sup> APRIL, 200 TO 31<sup>ST</sup> MARCH, 200**  
(Referred to in paragraph 12.5.2 of the Accounts Manual of Administrative Expenses Fund)

Name of PIU \_\_\_\_\_

Account Code Number	Head of Account	Ledger Folio	Receipts Credit Balances		
			Opening balance on 1 <sup>st</sup> April of the year	Receipts During the year	Closing balance on 31 <sup>st</sup> March of the year
1	2	3	4	5	6
51.03	Central Administrative Expenses Fund received from SRRDA				
51.06	State Administrative Expenses Fund received by PIU from SRRDA				
51.07	Bank Authorization Account				
60.02	Miscellaneous Receipts				
62.01	Unpaid bills				
62.02	Deposits from Suppliers				
And so on					
	Total				

DIVISIONAL ACCOUNTANT

DIVISIONAL OFFICER

**Note:-**

Total amount of incidental receipts shall be credited to Incidental funds generated from interest etc. in the annual account.



PMGSY/F-1B (ANNUAL)-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**ANNUAL ACCOUNT OF RECEIPTS AND PAYMENTS (FOR PIU)**  
 (Referred to in paragraph 12.5.2 of the Accounts Manual of Administrative Expenses Fund)

Name of PIU \_\_\_\_\_

Year \_\_\_\_\_

Account Code Number	Head of Account	Ledger Folio	PaymentsDebit Balances		
			Opening balance on 1 <sup>st</sup> April of the year	Payments During the year	Closing balance on 31 <sup>st</sup> March of the year
1	2	3	4	5	6
54.01	Travelling expenses				
54.02	Data Entry Costs				
54.03	Internet Charges				
54.04	Maintenance of Computers				
54.07	Telephone Expenses				
54.09	Miscellaneous Office Expenses				
61.01	Miscellaneous Advances				
52.01	Cash in chest	CBF			
52.02	Imprest With Staff				
And so on					
	Total				

ACCOUNTANT

OFFICER-IN-CHARGE/PIU

**Notes:**

1. Closing cash in chest (and also Bank Balance ) in column 6 shall be the closing balance as shown in the Cash Book. Opening cash in chest (and also Bank Balance) in column 4 will also be as shown in the Cash Book. Column 5 for "During the Year" shall be worked by deducting the amount in column 4 from the amount in column 6.
2. Bank reconciliation statement along-with photocopy of bank account shall be enclosed with the account
3. Vouchers shall be retained by PIU for Audit.

PMGSY/F-1 (I&amp;E-1)

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**Consolidated Income and Expenditure Account for the State of \_\_\_\_\_**  
**(Referred to in paragraph 13.5.2(c) of the Accounts Manual of Administrative Expenses Fund)**  
**From 1<sup>st</sup> April, \_\_\_\_\_ to the end of the month of \_\_\_\_\_, 200**

Name of SRRDA \_\_\_\_\_

Line No.	Particulars	SRRDA Amount		ALL PIUs Amount		State(Col 4 + 6)
		3	4	5	6	
1	2	3	4	5	6	7
	<b>Part I. Central Administrative Expense Fund</b>					
	<b>Expenditure</b>					
	Travel					
	Telephone					
	Etc. etc.					
	<b>TOTAL Expenses taken to the Balance Sheet Sch L1</b>					
	<b>Part II. State Administrative Expenses Fund</b>					
	<b>Expenditure</b>					
	<b>Object Head of Expenditure 1 State Fund</b>					
	<b>Object Head 2</b>					
	<b>Etc. Etc.</b>					
	<b>TOTAL Expenses taken to the Balance Sheet Sch L1</b>					

ACCOUNTANT

OFFICER-IN-CHARGE SRRDA



PMGSY/F-1(I&amp;E-2)

**PMGSY ADMINISTRATIVE EXPENSES FUND**

Income and Expenditure Account (SRRDA) for the period from 1<sup>st</sup> April, \_\_\_\_\_ to the end of the month of \_\_\_\_\_ ,  
200\_\_.

(Referred to in paragraph 13.4.2 of the Accounts Manual of Administrative Expenses Fund)

Name of SRRDA \_\_\_\_\_

Part I. Administrative Expense Funds from Government of India,	Amount
<b>Ministry of Rural Development</b>	
<b>Expenses</b>	
Travelling expenses	
Telephone Expenses	
Computer Maintenance Expenses	
<b>Etc. etc.</b>	
<b>TOTAL Expenses taken to the Balance Sheet</b>	
<b>Part II. State Administrative Expenses Fund ( from the State Government</b>	
<b>Expenses</b>	
<b>(List the expenses Account head wise)</b>	
<b>TOTAL Expenses taken to the Balance Sheet</b>	
<b>III. Surpluses</b>	
<b>Income</b>	
<b>Miscellaneous Income</b>	
<b>Interest Income</b>	
<b>Total</b>	
<b>(Carried to the Surpluses and Reserves in the Balance Sheet)</b>	

ACCOUNTANT

OFFICER-IN-CHARGE SRRDA

PMGSY/F-1(I&amp;E-3)

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**Income and Expenditure Account (PIU)**  
 (Referred to in paragraph 12.4.5 of the Accounts Manual of Administrative Expenses Fund)  
 for the period from 1st April, 2004 to the end of the \_\_\_\_\_, 20

Name of PIU \_\_\_\_\_

Part I. Administrative Expense Funds from Government of India, Ministry of Rural Development	Current Year	
	Amount	Amount
<b>Expenses</b>		
Travelling expenses		
Telephone Expenses		
Etc. Etc.		
<b>TOTAL Expenses taken to the Balance Sheet</b>		
<b>Part II. State Administrative Expenses Fund ( from the State Government</b>		
<b>Expenses</b>		
(List the expenses Account head wise)		
<b>TOTAL Expenses taken to the Balance Sheet</b>		
<b>III. Surpluses</b>		
<b>Miscellaneous Income</b>		
(Carried to the Surpluses in the Balance Sheet)		

DIVISIONAL ACCOUNTANT

DIVISIONAL OFFICER





PMGSY-F-2-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
 (Referred to in paragraph 13.4.3 of the Accounts Manual of Administrative Expenses Fund)  
 State Balance Sheet  
 Consolidated Balance Sheet of the SRRDA and PIUs

As at last (date, month year)

Line No.	Particulars	Schedule No.	Amount
	<b>CAPITAL FUND AND LIABILITIES</b>		
1	Central Administrative Expenses Fund	L 1 (PM)GSY/SCH/F-52A-ADM)	
2	State Administrative Expenses Fund	L 1 (PMGSY/SCH/F-52A-ADM)	
3	Surplus Funds (from interest and other receipts)	L 2 (PMGSY/SCH/F-52B-ADM)	
4	Interest Income	L 2 (PMGSY/SCH/F-52B-ADM)	
5	Bank Authorisation		
6	Deposits Repayable	L3 (PMGSY/SCH/F-52C-ADM)	
7	Current Liabilities	L 4 (PMGSY/SCH/F-52D-ADM)	
8	<b>Total</b>		
	<b>ASSETS</b>		
9	Cash in Chest with SRRDA		
10	Cash in Chest with PIUs		
11	Bank Balance		
12	Imprest with Staff		
13	Current Assets	A1(PMGSY/SCH/F-53E-ADM)	
14	Durable Assets	A2(PMGSY/SCH/F-53F-ADM)	
	Total		

ACCOUNTANT

OFFICER-IN-CHARGE/ PIU

**Note:** Add a column for the previous year in the annual Balance Sheet.

PMGSY/F-2A-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND****Monthly/Annual Balance Sheet****(Referred to in paragraph 13.4.3 of the Accounts Manual of Administrative Expenses Fund)**

Name of SRRDA \_\_\_\_\_

Balance Sheet as at \_\_\_\_\_

<b>FUNDS AND LIABILITIES</b>	Schedule	Current Year Amount	Previous Year Amount*
<b>Central Administrative Expenses Fund</b>	L1(PM)GSY/SCH/ F-52A-ADM)		
<b>State Administrative Expenses Fund</b>	L1(PM)GSY/SCH/ F-52A-ADM)		
Surpluses	L2 (PMGSY/SCH/ F-52B-ADM)		
Deposits Repayable	L3(PMGSY/SCH/ F-52C-ADM)		
Current Liabilities	L4(PMGSY/SCH/ F-52D-ADM)		
<b>TOTAL Funds and Liabilities</b>			
<b>ASSETS</b>			
<b>Central Administrative Expenses Fund transferred to PIUs</b>			
<b>State Administrative Expenses Fund transferred to PIUs</b>			
Cash in Chest			
Bank Balance			
Imprest with staff			
Current Assets	A1(PMGSY/SCH/ F-53E-ADM)		
Durable Assets	A2(PMGSY/SCH/ F-53F-ADM)		
<b>TOTAL</b>			

**ACCOUNTANT****OFFICER-IN-CHARGE/ PIU**

\* This column is only for the Annual Balance Sheet



**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**Balance Sheet Monthly/Annual**  
 (Referred to in paragraph 12.4.6 of Accounts Manual of Administrative Expenses Fund)

Name of PIU \_\_\_\_\_

Balance Sheet as at \_\_\_\_\_

<b>CAPITAL FUND AND LIABILITIES</b>	Schedule	Amount
<b>Central Administrative Expenses Fund</b>	L 1 (PM)GSY/SCH/F-52A-ADM)	
<b>State Administrative Expenses Fund</b>	L 1(PMGSY/SCH/F-52A-ADM)	
Surplus Funds and Miscellaneous Income	L 2(PMGSY/SCH/F-52B-ADM)	
Deposits Repayable	L3(PMGSY/SCH/F-52C-ADM)	
Current Liabilities	L 4(PMGSY/SCH/F-52D-ADM)	
<b>Total Liabilities</b>		
<b>ASSETS</b>		
Cash in Chest with SRRDA		
Cash in Chest with PIUs		
Bank Balance		
Imprest with Staff		
Current Assets	A1(PMGSY/SCH/F-53E-ADM)	
Durable Assets	A2(PMGSY/SCH/F-53F-ADM)	
<b>TOTAL Assets</b>		

**ACCOUNTANT**

**OFFICER-IN-CHARGE/ PIU**

PMGSY/IA/F-3

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
 (Referred to in paragraphs 7.6.1 and 13.1 of the Accounts Manual of Administrative Expenses Fund)  
**CASH BOOK**

Name of SRRDA \_\_\_\_\_

Month \_\_\_\_\_ 200\_\_\_\_\_

DEBIT			RECEIPTS			
Date	Money Receipt/ Voucher Number	Particulars of Transaction	Ledger Folio	Cash	Bank	Account Code Number
				Rs.	Rs.	
1	2	3	4	5	6	7

PAYMENTS				CREDIT			
Date	Voucher Number	Particulars of Transaction	Ledger Folio	Cash	Cheque Number	Bank	Account Code Number
				Rs.		Rs.	
8	9	10	11	12	13	14	15

**Note:**

1. Cash Book pages shall be machine numbered.
2. Cash Book is the ledger account for cash and bank transactions.
3. Receipt Side of Cash Book shall be the Debits to Cash and Bank Account, whereas payment side of Cash Book shall be credits to cash and bank account.
4. Account codes shall be recorded in column 7 and 15 of the Cash Book for each entry to facilitate ledger posting.
4. Account code wise details shall be recorded in column 7 and 15 of the Cash Book for each entry to help in ledger posting.
5. Bank Column is for SRRDA and Bank Authorisation Column for PIU.



**PMGSY ADMINISTRATIVE EXPENSES FUND**  
 (Referred to in paragraph 7.6.1 of the Accounts Manual of Administrative Expenses Fund)  
**CASH BOOK of PIU**

Name of PIU \_\_\_\_\_

Month \_\_\_\_\_ 200\_\_

DEBIT			RECEIPTS			
Date	Money Receipt/ Voucher Number	Particulars of Transaction	Ledger Folio	Cash	Bank Authorisation	Account Code Number
				Rs.	Rs.	
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>

PAYMENTS					CREDIT		
Date	Voucher Number	Particulars of Transaction	Ledger Folio	Cash	Cheque Number	Bank Authorisation	Account Code Number
				Rs.		Rs.	
<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>

**Note:**

1. Cash Book pages shall be machine numbered.
2. Cash Book is the ledger account for cash and bank transactions.
3. Receipt Side of Cash Book shall be the Debits to Cash and Bank Account , whereas payment side of Cash Book shall be credits to cash and bank account.
4. Account codes shall be recorded in column 7 and 15 of the Cash Book for each entry to facilitate ledger posting.

PMGSY/IA/F-4

**PMGSY ADMINISTRATIVE EXPENSES FUND  
IMPREST CASH BOOK**

(Referred to in paragraph 7.6.10 of the Accounts Manual of Administrative Expenses Fund)

Name of PIU/SRRDA \_\_\_\_\_

IMPREST CASH BOOK OF SHRI \_\_\_\_\_

DESIGNATION \_\_\_\_\_

Date	Voucher Number	Particulars of Transaction	Amount	Account Code Number
1	2	3	4	5

**ABSTRACT OF CASH PAYMENTS**

Voucher Number	Account Code Number	Account Code Number	Account Code Number	Account Code Number	Account Code Number
	Amount	Amount	Amount	Amount	Amount
1	2	3	4	5	6

Signature of Imprest Holder \_\_\_\_\_

**Note:**

- Imprest Cash Book pages shall be machine numbered.
- Abstract of cash payments shall be printed on the overleaf of Imprest Cash-Book.

PMGSY/IA/F-5

**PMGSY ADMINISTRATIVE EXPENSES FUND  
MONEY RECEIPT BOOK ORIGINAL**

(Referred to in paragraphs 5.2.5, 7.3.1 and 7.7.1 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU/SRRDA \_\_\_\_\_

BOOK NUMBER \_\_\_\_\_ RECEIPT NUMBER \_\_\_\_\_

DATE \_\_\_\_\_

RECEIVED WITH THANKS FROM M/s/ SHRI \_\_\_\_\_

A SUM OF RUPEES (IN WORDS) \_\_\_\_\_

ON ACCOUNT OF \_\_\_\_\_

Rs. ....

Revenue Stamp
---------------

Signature \_\_\_\_\_

Designation \_\_\_\_\_

**Note:**

- Money Receipt Book shall be printed in Duplicate.
- Book shall contain 50 Receipts.
- Book number and Receipt number shall be machine numbered.
- Reversible carbon paper shall be used.



PMGSY/IA /F-7

**PMGSY ADMINISTRATIVE EXPENSES FUND  
TRANSFER ENTRY BOOK**

(Referred to in paragraphs 8.1.9 and 13.1 (iii) of the Accounts Manual of Administrative Expenses Fund)

Name of PIU/SRRDA \_\_\_\_\_

Month \_\_\_\_\_ 200\_\_

Date	T.E.No.	Particulars of Transaction with reasons for adjustment	DEBITS			CREDITS			Dated Initials of Accountant
			Ledger Folio	Account Code Number and its description	Amount	Ledger Folio	Account Code Number and its description	Amount	
1	2	3	4	5	6	7	8	9	10

**Note:** Pages of Transfer Entry Book shall be machine numbered.

PMGSY/IA/F-7A

**PMGSY ADMINISTRATIVE EXPENSES FUND  
BANK AUTHORISATION TRANSFER ENTRY BOOK**

(Referred to in paragraph 13.1 (ii) of the Accounts Manual of Administrative Expenses Fund)

Name of PIU/SRRDA \_\_\_\_\_

Month \_\_\_\_\_ 200\_\_

Date	Bank Authorisation Order Number	Particulars of Transaction	Ledger Folio	DEBITS		CREDITS			Dated Initials of Accountant
				Account Code Number	Amount	Ledger Folio	Account Code Number	Amount	
1	2	3	4	5	6	7	8	9	10

**Note:**

Pages of Transfer Entry Book shall be machine numbered.





**PMGSY ADMINISTRATIVE EXPENSES FUND  
GENERAL LEDGER (DEBIT BALANCES)**  
(Referred to in paragraph 9.2.2 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU / SRRDA \_\_\_\_\_

ACCOUNT CODE NUMBER \_\_\_\_\_

ACCOUNT CODE DESCRIPTION / \_\_\_\_\_

Date	Vr. / T.E. No.	Particulars of Transaction	Cash Book/ TE/BATE Entry Book Folio	Transactions for the Month			Closing Balance (Last + column 7)
				DEBIT	CREDIT	Debit Balance (5-6)	
1	2	3	4	5	6	7	8
		Opening Balance					

**Note:**

- Pages of ledger shall be machine numbered.
- Separate page shall be allotted to each Account Code
- Index shall be prepared in the beginning of ledger to show page numbers allotted to each Account Code.
- Opening balance shall be the first transaction entered in the particulars column when carried over to the next sheet or page.
- If the credit transactions exists, then the balance in column 7 will be a minus debit balance.

**PMGSY ADMINISTRATIVE EXPENSES FUND  
GENERAL LEDGER (CREDIT BALANCES)**  
(Referred to in paragraph 9.4 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU / SRRDA \_\_\_\_\_

ACCOUNT CODE NUMBER \_\_\_\_\_

Account Code Description / \_\_\_\_\_

Date	M.R/Vr/TE No.	Particulars of Transaction	Cash Book /TE/BATE Entry Book Folio	Transactions for the Month			Closing Balance (Last + column 7)
				CREDIT	DEBIT	Credit Balance(6-7)	
1	2	3	4	5	6	7	8

**Note:**

- Pages of ledger shall be machine numbered.
- Separate page shall be allotted to each Account Code
- Index shall be prepared in the beginning of ledger to show page numbers allotted to each Account Code.
- Opening balance shall be the first transaction entered in the particulars column when carried over to the next sheet or page.
- If a debit transactions exists, then the balance in column 7 will be a minus credit balance..

PMGSY/IA/F-10 ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**REGISTER OF CENTRAL/STATE FUNDS TRANSFERRED BY SRRDA TO PIU**  
(Referred to in paragraph 13.1. (vi) of the Accounts Manual of Administrative Expenses Fund)

Name of SRRDA \_\_\_\_\_

Name of PIU \_\_\_\_\_

Date	Particulars of Transaction	Cash Book/ Transfer Entry Book Folio	Transaction amount			Balance after the transaction (last balance +6)
			Fund Transferred (Debit)	Funds Received Back (Credit)	Debit Balance (4-5)	
1	2	3	4	5	6	7

**NOTE:**

- Pages of Register shall be machine numbered.
- Register shall be maintained PIU-wise.
- Each PIU shall be allotted page numbers and index thereof shall be prepared in the beginning of the register.
- Surplus funds, if any, received back from PIU shall be accounted for in column 5
- An abstract shall also be prepared showing the position of net funds transferred to each PIU during the month and to end of the month.
- There will be a separate register for Central and State Funds.

PMGSY/IA/F-10A-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**ABSTRACT PIU-WISE REGISTER OF ADMINISTRATIVE EXPENSES FUND TRANSFERRED BY SRRDA**  
(Referred to in paragraph 13.1. (vi) of the Accounts Manual of Administrative Expenses Fund)

S. No.	Name of PIU	Ledger Folio	Central/State Administrative Expensed Fund Outstanding at the end of						
			APRIL	May	June	July	Aug	Sept	Oct and so on
1	2	3	4	5	6	7	8	9	10
		<b>TOTAL</b>							

**Note:**

Columns for 12 months shall be opened in the same manner as for the months of April and May.



PMGSY/IA/F-10B-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**REGISTER OF PIU-WISE BANK AUTHORISATIONS**  
 (Referred to in paragraph 13.1. (vii) of the Accounts Manual of Administrative Expenses Fund)

NAME OF SRRDA \_\_\_\_\_

Account Code No. 51.07 BANK AUTHORISATIONS TO PIU

NAME OF PIU \_\_\_\_\_

Date	Vr. / T.E. No.	Particulars of Transaction	Cash Book / TE/BATE Entry Book Folio	Transaction Amount			Closing Credit Balance (Last balance + column 7)
				Bank Authorisation issued CREDIT	Bank Authorisation used by PIU DEBIT	Credit Balance (5-6)	
1	2	3	4	5	6	7	8

**Note:**

- Pages of Register shall be machine numbered.
- Register shall be maintained PIU-wise.
- Each PIU shall be allotted page numbers and its index prepared in the beginning of the register.
- Authorisations cancelled, lapsed, used, shall be accounted for in column 5.
- An abstract shall also be prepared showing the position of outstanding Bank Authorisation with each PIU.

PMGSY/IA/F-10C-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**ABSTRACT OF PIU-WISE OUTSTANDING BANK AUTHORISATIONS**  
 (Referred to in paragraph 13.1. (vii) of the Accounts Manual of Administrative Expenses Fund)

S. No.	Name of PIU	Ledger Folio	OUTSTANDING AUTHORISATIONS AT THE END OF						
			APRIL	May	June	July	Aug	Sept	Oct and so on
1	2	3	4	5	6	7	8	9	10
		<b>TOTAL</b>							

**Note:** Columns for 12 months shall be opened in the same manner as for the months of April and May.

PMGSY/IA/F-10D-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND****PIU-Wise Register of Cheques Issued**

(Referred to in paragraph 13.3 (viii) of the Accounts Manual of Administrative Expenses Fund)

Name of PIU \_\_\_\_\_

S. No.	Date	Voucher No.	Cheque	Amount	Month of Bank Statement in which encashed	Remarks

**Abstract at the end of the Month:**

1.	Un-cashed cheques outstanding at the end of the previous month	
2	Deduct the cheques encashed during the month	
3	Balance (1 minus 2)	
4	Add Cheques issued during the month not encashed	
5	Total (3 + 4)	

Details of outstanding Cheques as on \_\_\_\_\_

S. No.	PIU	Cheque No.	Amount

PMGSY/IA/F-10E-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND****Register of Remittances into the Bank**

(Referred to in paragraph 13.1. (viii) of the Accounts Manual of Administrative Expenses Fund)

Name of PIU/SRRDA \_\_\_\_\_

S. No.	Date	Bank Remittances Reconciliation Statement/Pay in slip	Amount Rs.	Month of Bank Statement in which the deposit appears	Remarks
1	2	3	4	5	6

**Abstract at the end of the Month**

Remittances not reported by the bank

Brought forward from the previous month

Accounted for by the bank

**Details of the Remittances Outstanding**

S. No.	Date	PIU	Amount



PMGSY/IA/F-17

**PMGSY ADMINISTRATIVE EXPENSES FUND  
TRANSFER ENTRY ORDER**

(Referred to in paragraph 8.1.5 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU/SRRDA \_\_\_\_\_

MONTH \_\_\_\_\_ Transfer Entry Order No. \_\_\_\_\_

Date	Particulars of transaction with reasons for adjustment	DEBIT		CREDIT	
		Account Code Number	Amount	Account Code Number	Amount
1	2	3	4	5	6

ACCOUNTANT \_\_\_\_\_

OFFICER-IN-CHARGE/ PIU \_\_\_\_\_

PMGSY/SR/F-22

**PMGSY ADMINISTRATIVE EXPENSES FUND  
REGISTER OF DEPOSITS REPAYABLE**

(Referred to in paragraph 11.2.2 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU / SRRDA \_\_\_\_\_

S. No.	Month and year from which transaction dated	Name of supplier/	Name of work	Opening Balance	APRIL.....					MAY and so on
					Voucher/ Transfer Entry		CREDIT	DEBIT	Balance	
					Number	Date				
1	2	3	4	5	6	7	8	9	10	11

**Note:**

1. Column for 12 months shall be opened on the same pattern as for the month of April.
2. The register shall be divided in two parts.
  - a) Earnest Money Deposit
  - b) Others
3. Month and year from which transaction dated in column 2 shall be filled in for the transactions brought forward from the previous year.

PMGSY/SR/F-23

**PMGSY ADMINISTRATIVE EXPENSES FUND  
REGISTER OF MISCELLANEOUS ADVANCES**

(Referred to in paragraph 10.1.6 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU / SRRDA \_\_\_\_\_

S. No.	Month and year from which transaction dated	Name of supplier/ contractor/ employee	Particulars of Transaction	Opening Balance	APRIL.....				MAY and so on	
					Voucher/ Transfer Entry		CREDIT	DEBIT		Balance
					Number	Date				
1	2	3	4	5	6	7	8	9	10	

**Note:**

1. Column for 12 months shall be opened on the same pattern as for the month of April.
2. The register shall be divided in four parts viz.
  - a) Against contractors / suppliers.
  - b) Against staff.
  - c) Advances on DPR
3. Month and year from which transaction dated in column 2 shall be filled in for the transactions brought forward from the previous year.

**PMGSY ADMINISTRATIVE EXPENSES FUND**

(Referred to in paragraph 12.4.3 of the Accounts Manual of Administrative Expenses Fund)

**REGISTER OF S.T.D./TRUNK CALL CHARGES  
REGISTER OF TRAVELLING EXPENSES  
REGISTER OF CONSUMABLE STORE**

As per State Government Orders



PMGSY/SR/F-28

**PMGSY ADMINISTRATIVE EXPENSES FUND**

**Register of Government Sanctions Releasing Administrative Expenses Fund**

(Referred to in paragraph 13.3 (iii) (Note) of the Accounts Manual of Administrative Expenses Fund)

Serial No.	Administrative Expenses Fund Received From	Sanction Details		Purpose and Amount Received				Acknowledged by MR No. and Date	Remarks
		Number	Date	MoRD Funded	World Bank Funded	Asian Dev Bank Funded	State Government's Commitments		
1	2	3	4	5	6	7	8	9	10

**Notes:**

1. This register will have continuous serial numbers, starting with Serial No. 1 each financial year.
2. All sanctions will bear the serial no. shown in this Register, and kept in one folder.
3. Work out the totals at the end of each quarter.

PMGSY/SR/F-32

**PMGSY ADMINISTRATIVE EXPENSES FUND**

**REGISTER OF CHEQUE/RECEIPT BOOK**

(Referred to in paragraph 15.1.3 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU/ SRRDA \_\_\_\_\_

Book Number	Designation of Officer	Date of first entry in Cash Book	Date of last entry in Cash Book	Date of Return of counterfoils	Dated initials of Accountant
1	2	3	4	5	6

**Note:**

Separate Register shall be maintained for money receipt books and cheque books.

PMGSY/SR/F-32A

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**REGISTER OF MISCELLANEOUS RECOVERIES**  
 (Referred to in paragraph 12.2.7 of the Accounts Manual of Administrative Expenses Fund)

Item No.	Number and date of authority ordering recovery	Substance of Order				Dated initials of Divisional Accountant	Note of recoveries made against each order				Dated initials of Divisional Accountant	Remarks
		Nature and particulars of the recovery and of the account concerned	From whom due	Amount recoverable	Due date or dues of recovery		No. of voucher or account	Month	Amount	Progressive Total of Recoveries		
1	2	3	4	5	6	7	8	9	10	11	12	13
				Rs.					Rs.			

Division \_\_\_\_\_

Period \_\_\_\_\_





**PMGSY ADMINISTRATIVE EXPENSES FUND  
REGISTER OF UNPAID BILLS**

(Referred to in paragraphs 9.6 and 12.4.3 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU/SRRDA \_\_\_\_\_

S. No.	Month and year from which transaction dated	Name of supplier	Particulars of supplies		Opening Balance	APRIL _____				MAY and so on	
			Material	Quantity		Voucher/ Transfer Entry		CREDIT	DEBIT		Balance
						Number	Date				
1	2	3	4	5	6	7	8	9	10	11	
								Rs.	Rs.	Rs.	

**Note:**

- Column for 12 months shall be opened on the same pattern as for the month of April.
- Month and year from which transaction dated in column 2 shall be filled in for the transactions brought forward from the previous year.
- Balance, if any, after the payment to supplier shall be credited to Miscellaneous Receipts.

**PMGSY ADMINISTRATIVE EXPENSES FUND  
Register of Durable Asset**

(Referred to in paragraph 12.4.3 of the Accounts Manual of Administrative Expenses Fund)

Name of SRRDA/PIU \_\_\_\_\_

**Part I Assets purchased from Central Administrative Fund**

Note: Separate pages will be assigned for each class or category of asset. The following classification will be adopted:

- Laboratory Equipment
- Computer and related accessories
- Communication equipment (fax, telephones, photocopiers etc.)
- Lands and Buildings
- Spare Nos. for future use

**Classification: Code**

**Description**

Serial No.	Particulars with serial no. of the asset, model etc.	Voucher No.	Date	Amount Rs.	ID No. assigned to the asset/printed on the asset	Date of Disposal

**Register of Durable Asset**

Name of SRRDA/PIU \_\_\_\_\_

**Part II Assets purchased from State Administrative Fund**

Note: Separate pages will be assigned for each class or category of asset. The following classification will be adopted:

- Laboratory Equipment
- Computer and related accessories
- Communication equipment (fax, telephones, photocopiers etc.)
- Lands and Buildings
- Spare Nos. for future use

**Classification: Code** .....

**Description** .....

Serial No.	Particulars with serial no. of the asset, model etc.	Voucher No.	Date	Amount Rs.	ID No. assigned to the asset/printed on the asset	Date of Disposal

PMGSY/SS/F-51

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**APPLICATION-CUM-BILL FOR REFUND OF LAPSED DEPOSIT**  
 (Referred to in paragraph 11.3 of the Accounts Manual of Administrative Expenses Fund)

To

The Divisional Officer \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Sir,

The refund of lapsed deposits aggregating Rs. \_\_\_\_\_  
 (Rupees \_\_\_\_\_ ) as mentioned in Cols. 1 to 4 below, is due to me/us and  
 its payment may be arranged –

Purpose for which deposited	No. & date of challan or authority with/under which deposited	Amount deposited & Office/Bank in which deposited	Amount claimed	Amount lapsed to Govt.	Particulars of lapsed statement		Remarks
					Year	Item No.	
1	2	3	4	5	6(a)	6(b)	7

Note: Column 5 to 7 are for use in Departmental Offices.

\*Received payment

Date \_\_\_\_\_ Signature of claimant(s) \_\_\_\_\_

I have satisfied myself about the identity of the claimant(s) and his/their title to the amount claimed vide details given in Columns 5 to 7 above. It is requested that the payment may be made by cheque in favour of self/ \_\_\_\_\_ [Claimant/ (s)] or by bank draft in favour of [Claimant(s)] at \_\_\_\_\_ (Station).

No. \_\_\_\_\_

Signature \_\_\_\_\_

**(Divisional Officer)**

Date \_\_\_\_\_



**PMGSY ADMINISTRATIVE EXPENSES FUND**

**Bank Authorisation Utilisation and Reconciliation Statement  
(Referred to in paragraph 12.3.2 and 13.3 (viii) of the Accounts Manual of Administrative Expenses Fund)**

**PIU will fill in Parts II and III of this statement and send it with the Monthly Account to SRRDA**

**Name of PIU ..... Month .....**

**Part I For office use in State Rural Roads Development Agency**

(This becomes the voucher for entry on the payment side in the bank column of the SRRDA's Cash Book. The classification of the transaction will be Bank Authorisation Account Head 51.07)

Voucher No.	Month	Date	Amount
Debit	Bank Authorisation Account Classification 51.07		
Credit	Bank Account in the Cash Book Classification 52.03		

**Signature of Accountant**

**Signature of Financial Controller**

**Part II (To be prepared by the PIU)**

Line No.	Month and Year	Account of Bank Authorisations Received and Utilised	
		Amount Inner Column	Amount Outer Column
1	Opening Balance of Bank Authorisation as per Cash Book	_____	
2	Bank Authorisations received in the month	_____	
3	Bank Authorisations cancelled in the month	_____	
4	Total (1+2-3)		_____
5	Deduct Cheques Issued during the month, as per statement attached.		
6	Closing Balance of Bank Authorisations as per Cash Book (It should equal (Line No. 4 minus Line 5))		_____

**Signature of Accountant**

**Signature of In-charge PIU**

**Part III**

**Bank Reconciliation Statement for un-cashed cheques**

1. Opening balance of Uncashed Cheques
2. Cheques issued during the month
3. Total
4. Deduct cheques encashed during the month as per bank statement
5. Closing balance of uncashed cheques with details of Cheque No., date and amount

Notes: 1. Attach a statement of uncashed cheques

2. The statement should reach SRRDA latest by the 5th of the next month.

**Signature of Accountant**

**Signature of Officer-In-Charge of PIU/SRRDA**

PMGSY/SCH/F-52(REM)-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**Bank Remittances Reconciliation Statement**  
 (Referred to in paragraph 12.3.4 of the Accounts Manual of Administrative Expenses Fund)  
 PIU will fill in Part II of this statement and send it with the monthly account to SRRDA

Name of PIU

Month

**Part I For office use in State Rural Roads Development Agency**

(This becomes the voucher for entry on the receipt side in the bank column of the SRRDA's Cash Book.  
 The classification of the transaction will be Central Administrative Expenses Fund Minor Head 51.02 or  
 State Administrative Expenses Fund Minor Head 51.05)

Voucher no.	Date	Amount
Debit	Bank Account in the Cash Book	52.03
Credit	Central Administrative Expenses Fund Transferred to PIU	51.02
Credit	State Administrative Expenses Fund Transferred to PIU	51.05

Signature of Accountant

Signature of Financial Controller

**Part II (To be prepared by the PIU)**

Line No.	Month and Year	Account of Bank Authorisations Received and Utilised	
		Amount Inner Column	Amount Outer Column
1	Outstanding Remittances into the accredited Bank of SRRDA		
2	Add Remittances made during the month as per details below:		
	Serial No.      Date      Particulars/Purpose		
	Total		
3	Total Remittances (1+2)		
4	Deduct remittances accounted for by the bank (copy of statement enclosed)		
5	Remittances Outstanding ( 3 -4)		
	Serial No.      Date      Particulars/Purpose		

Signature of Divisional Accountant

Signature of In-charge PIU



**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT (last date and month) year**  
 (Referred to in paragraphs 12.4.9 and 13.4.3 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU/SRRDA \_\_\_\_\_

**SCHEDULE L1-ADMINISTRATIVE EXPENSES FUNDS**

	Current Year	Previous Year*
<b>PART I: Central Administrative Expenses Fund</b>		
<b>Opening Balance</b>		
Received during the year so far		
Total		
<b>Deduct as per Income and Expenditure Account</b>		
BALANCE of which:		
a. Assets per contra		
b. forms part of Bank balance , deposits and current assets		
<b>PART II State Administrative Expenses Funds</b>		
<b>Opening Balance</b>		
Received during the year so far		
Total		
<b>Deduct as per Income and Expenditure Account</b>		
BALANCE of which:		
a. Assets per contra		
b. forms part of Bank balance, deposits and current assets		

Divisional Accountant

Divisional Officer

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT**  
 (Referred to in paragraphs 12.4.9 & 13.4.3 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU/SRRDA \_\_\_\_\_

<b>SCHEDULE L2- SURPLUS FUNDS AND MISCELLANEOUS INCOME:</b>	Current Year	Previous Year*
Opening Balance (A)		
Add transfer of surplus from Income and Expenditure Account (B)		
(Deduct): Transferred to the SRRDA during the year (C)		
<b>TOTAL D=A+B-C</b>		
<b>*To be used only in the Annual Balance Sheet</b>		

Divisional Accountant / Accountant

Divisional Officer / Officer-In-charge SRRDA

PMGSY/SCH/F-52C-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT \_\_\_\_\_**  
 (Referred to in paragraphs 12.4.9 & 13.4.3 of the Accounts Manual of Administrative Expenses Fund )

NAME OF PIU/SRRDA \_\_\_\_\_

<b>SCHEDULE L3. DEPOSITS RE-PAYABLE :</b>	<b>Current Month/Year</b>	<b>Previous Year*</b>
Balance as per the Balance Sheet of the previous month/year. Add: Received during the month/year Less: Refunded during the month/year		
Closing Balance		
Details of deposits outstanding for over three years.		

\*To be used only in the Annual Balance Sheet

Divisional Accountant / Accountant

Divisional Officer / Officer-in-charge SRRDA

PMGSY/SCH/F-52D-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT \_\_\_\_\_**  
 (Referred to in paragraphs 12.4.9 & 13.4.3 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU/SRRDA \_\_\_\_\_

<b>SCHEDULE L4 CURRENT LIABILITIES</b>	<b>Current Month/Year</b>	<b>Previous Year*</b>
Unpaid Bills outstanding Bills outstanding for more than six-months Number of Parties:    Amount		

\*To be used only in the annual balance sheet

Divisional Accountant / Accountant

Divisional Officer / Officer-in-charge SRRDA

PMGSY/SCH/F-53E-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS AT \_\_\_\_\_**  
 (Referred to in paragraphs 12.4.9 and 13.4.3 of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU/SRRDA \_\_\_\_\_

<b>SCHEDULE No. A 1 – CURRENT ASSETS</b>	<b>Current Month/Year</b>
<b>Particulars</b>	<b>Amount</b>
<b>A. Misc Advances</b>	
(i) Considered safe (outstanding for not more than 6 months)	
(ii) Considered un-safe	

Divisional Accountant / Accountant

Divisional Officer / Officer-in-charge SRRDA



PMGSY/SCH/F-53F-ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
 (To be attached to the Annual Balance Sheet)  
 (Referred to in paragraphs 12.4.9 & 13.4.3 of the Accounts Manual of Administrative Expenses Fund)3  
 Schedule No. A 2 Schedule of Durable Assets

Part I. Assets from the Central Administrative Expenses Fund	Opening Balance	Addition during the year	Total	Disposal during the year	Balance
11. Laboratory Equipment					
12. Computer and related accessories					
Total					
Part II. Assets from the State Administrative Expenses Fund					
1. Category wise					
2.					

Divisional Accountant / Accountant

Divisional Officer / Officer-in-charge SRRDA

PMGSY/SCH/F-56

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
 LIST OF SCHEDULES TO BE ANNEXED WITH BALANCE SHEET (PIU)  
 (Referred to in paragraph 12.4.10 of the Accounts Manual of Administrative Expenses Fund)

Schedule Form	Name of Schedule
PMGSY/SCH/F-52-ADM	Bank Authorisation Utilisation and Reconciliation Statement
PMGSY/SCH/F-52 REM-ADM	Bank Remittance Reconciliation Statement
PMGSY/SCH/F-52A-ADM	Schedule of Administrative Expenses Fund
PMGSY/SCH/F-52B-ADM	Schedule of SURPLUS Funds/Misc. Income
PMGSY/SCH/F-52C-ADM	Schedule of Deposits Repayable
PMGSY/SCH/F-52D-ADM	Schedule of Current Liabilities
PMGSY/SCH/F-53E-ADM	Schedule of Current Assets
PMGSY/SCH/F-53F-ADM	Schedule of Durable Assets

DIVISIONAL ACCOUNTANT

PMGSY/SCH/F-57

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
 SCHEDULE FOR CASH BALANCE  
 (Referred to in paragraph 12.5.2 (g) Note of the Accounts Manual of Administrative Expenses Fund)

NAME OF PIU \_\_\_\_\_

MONTH \_\_\_\_\_ 200

Sl. No.	PARTICULARS	AMOUNT
1.	Cash in Chest	
2.	Imprest with staff	
<b>TOTAL</b>		

Divisional Accountant

Divisional Officer

PMGSY/GEN/F-59

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**REGISTER OF DIVISIONAL ACCOUNTANT'S OBJECTIONS**  
 (Referred to in paragraph 5.2.3 of the Accounts Manual of Administrative Expenses Fund)

Item No.	Brief particulars of the transaction or order placed under objection by the Divisional Accountant	Name of Objection (Rule or Order to be quoted)	Amount placed under objection	Divisional Officer's replies with reason for not admitting the objection	Remarks of the Accounts Officer

PMGSY/GEN/F-60

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**DIVISIONAL OFFICER'S REPORT OF SCRUTINY OF ACCOUNTS**  
 (Referred to in paragraph 12.4.10 of the Accounts Manual of Administrative Expenses Fund)

1. After due examination of the office copies of the Monthly Account, and the Balance Sheet with supporting documents, for the month of \_\_\_\_\_ 20 , which were dispatched under the signature of the Divisional Accountant during my absence from headquarters, I respect responsibility for the same.
2. I have initialed the office copies of the Monthly Account, and the Balance Sheet, and the List of Schedules and a duplicate copy of the Monthly Account and the Balance Sheet signed by me is attached to this report.
3. I have issued instructions for the adjustment, in the next month's accounts, for the errors and omissions detailed below, which my scrutiny of the accounts has disclosed:

Divisional Officer

PMGSY/GEN/F-63

**PMGSY PROGRAMME FUND**  
**REGISTER OF DESTRUCTION OF RECORDS**  
 (Referred to in paragraph 15.5.2 of the Accounts Manual of Administrative Expenses Fund)

Item No.	Description of records destroyed			Sanction to destruction		Date of Destruction	Dated signature of the officers witnessing destruction	Remarks
	Nature of document	Volume or size	Period to which the record relates	Reference to the rule or correspondence	Dated initials of the Divisional Officer			
1	2	3	4	5	6	7	8	9





PMGSY/GEN/F-64A - ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**REQUISITION FOR BANK AUTHORISATIONS FOR CENTRAL ADMINISTRATIVE EXPENSES FUNDS**  
 (Referred to in paragraph 13.3 (iv) 1 of the Accounts Manual of Administrative Expenses Fund)

Name of PIU \_\_\_\_\_

No. \_\_\_\_\_ Date: \_\_\_\_\_

To  
 Empowered Officer  
 SRRDA (PMGSY)

\_\_\_\_\_

Kindly issue Bank Authorisation amounting to Rs. \_\_\_\_\_  
 (Rupees \_\_\_\_\_) for the quarter ending \_\_\_\_\_. Details are as under:

S. No.	Purpose	Amount	To Date Expenditure	Bank authorisation available	Bank Authorisation Required	Remarks
1.	2.	3.				
<b>TOTAL</b>						

OFFICER-IN-CHARGE /PIU

PMGSY/GEN/F-64B- ADM

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**REQUISITION FOR BANK AUTHORISATIONS FOR STATE ADMINISTRATIVE EXPENSES FUNDS**  
 (Referred to in paragraph 13.3 (iv) of the Accounts Manual of Administrative Expenses Fund)

Name of PIU \_\_\_\_\_

No. \_\_\_\_\_ Date: \_\_\_\_\_

To  
 Empowered Officer  
 SRRDA (PMGSY)

\_\_\_\_\_

Kindly issue Bank Authorisation amounting to Rs. \_\_\_\_\_  
 (Rupees \_\_\_\_\_) for the quarter ending \_\_\_\_\_. Details are as under:

S. No.	Purpose	Amount	To Date Expenditure	Bank authorisation available	Bank Authorisation Required	Remarks
1.	2.	3.				
<b>TOTAL</b>						

OFFICER-IN-CHARGE /PIU

PMGSY/GEN/F-65

**PMGSY ADMINISTRATIVE EXPENSES FUND**  
**BANK AUTHORISATION AUTHORITY**  
 (Referred to in paragraph 13.3 (iv) of the Accounts Manual of Administrative Expenses Fund)

Name of PIU \_\_\_\_\_

Bank Authorisation amounting to Rs. \_\_\_\_\_

(Rupees \_\_\_\_\_)

for the quarter ending \_\_\_\_\_ is issued as under:

S.No.	Name of Payees	Purpose	Amount	Remarks
<b>TOTAL</b>				

Empowered Officer  
SRRDA

Date:

No.

Copy forwarded to:

1. The Officer In-Charge, PIU \_\_\_\_\_
2. The Chief Manager \_\_\_\_\_ (Bank)
3. Accounts Section of SRRDA for adjustment in the accounts.

Empowered Officer  
SRRDA



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