

## CHAPTER III ACCOUNTS ORGANISATION

3.1 The Accounts Organisation of the Corporation plays an important role and is headed by a Chief Accounts Officer appointed by the State Government on deputation. The Chief Accounts Officer at the head office level is assisted by one Senior Accounts Officer, two Accounts Officers, three Assistant Accounts Officers, two Accountants, one Junior Accountant at present, three Office Assistants, two senior Assistants and one Junior Assistant at present. Of course, a Senior PA is also there. The present work distribution among these accounts personnel as per CAO's order dated September 17, 2005 is given at Annexure-III A to this Chapter.

3.2 At the field unit level, the Resident Engineer is assisted by at least one accounts personnel, be it an Assistants Accounts Officer, an Accountant or a Junior Accountant depending on the quantum of work load of accounting work and volume of construction activity in the Unit.

### **3.3. Duties, Responsibilities and Powers of Chief Accounts Officer**

The Chief Accounts Officer of the Corporation will be the head of Finance and Accounts wing of the Corporation and will be posted by Government of Rajasthan on deputation. He will be an officer of Rajasthan Accounts Service in selection scale or above. The duties, responsibilities and powers of Chief Accounts Officer of RSRDC will be similar to those prescribed in Appendix-4 of GF&AR and Rule 15 and 16 of PWF&AR. More specifically; the CAO will be:

- i) responsible for a sound system of financial management and administration in all the offices of the Corporation including head office and that the neat and updated books of accounts of the Corporation are maintained in prescribed formats;
- ii) consulted in all matters pertaining to sanction of tenders, purchases and exercise of financial powers delegated to the Chairman, Vice-Chairman and Managing Director and other officers of the Corporation posted at Head Office. His advice will be given due weightage and reasons will be recorded in writing if the advice of CAO is overruled;
- iii) consulted in establishment and other matters having financial implications and items presented before the Board of Directors having financial implications will contain the excerpts of advice/comments of CAO in its agenda notes;
- iv) administrative head of all accounts personnel of the Corporation. The distribution of work, transfer/postings, performance appraisal of all accounts personnel will be done with the recommendation or reviewed by him with the approval of MD, where necessary;
- v) responsible for preparation of budget estimates, revised budget estimates with projected profit and loss account and balance sheet and distribution of approved budget provisions to various offices;
- vi) responsible for keeping a strict watch and control on expenditure as per the budget provisions;

- vii) responsible for compilation of overall financial accounts of the Corporation in accordance with the standard financial practices and generally accepted accounting principles and as required by the Companies Act and Accounting Standards. He will prepare monthly profit and loss accounts and balance sheet and compare them with the projected P&L account and balance sheet in order to suggest corrective/remedial measures to the management;
- viii) he will through various ratio analysis technique, statement of changes in financial position, capital budgeting and other management accounting techniques, bring out before the management the current and probable financial position of the Corporation and suggest measures to improve it;
- ix) he will suggest to the management various modes and methods for raising financial resources through term loans, debt instruments, CC limits, etc., for the Corporation as and when required;
- x) responsible for a sound system of internal check of financial transactions in the Corporation throughout and carry out surprise, periodic and annual physical verification of cash, stores, stock material at site and fixed assets of the Corporation;
- xi) responsible to see that his organisation assists the statutory auditors (Chartered Accountants) and Accountant General's audit parties and internal audit parties/auditors during their inspection of the offices and make available to them all relevant accounts record, agreements, vouchers, etc., as demanded by them. He will keep a liason with the CA auditors and comply with the observations made by them on keeping of accounts;
- xii) whenever, RSRDC participates in a tender proceeding and submits its tender, advice of CAO will be obtained for the rates and conditions to be quoted;
- xiii) through the Units and concerned officers he will keep a watch on and make efforts for the recovery of outstanding dues and advances of the Corporation. He will ensure that unserviceable, obsolete and surplus stores are not allowed to accumulate and action for their timely disposal through public auction or otherwise is taken to add to financial resources of the Corporation;
- xiv) he will ensure that income tax, sales tax, service tax, royalty, contract tax, etc., are deducted from the Contractors and suppliers and deposited in the government treasury timely and as per relevant Acts and Rules and returns in prescribed forms are filed timely with the authorities;
- xv) he will ensure that income tax, fringe benefit tax, sales tax, service tax, etc., due to the Corporation on its activities, profit, expenditure, etc., are deposited with the authorities timely and tax returns are filed timely. With the help of tax consultant he will get the proper assessment of tax done timely and if any dispute arises, will get the appeal filed after approval of MD/Board;
- xvi) he will suggest to the management appropriate measures for economy in various expenditures and cost cutting in order to sustain in market competition and reduction of losses/enhancement of profits;
- xvii) he will assist the Statutory Audit Committee, Audit Committee of Government and other committees constituted regarding financial, accounts and audit matters by collecting, compiling and providing necessary information, data as required by the committees. He will ensure timely reply

- of audit reports (AG and internal audit), factual statements, draft paras, CAG reports, etc., and their disposal;
- xviii) he will ensure that bank accounts are reconciled regularly with the cash book by various officers of the Corporation operating these accounts;
  - xix) he will get done financial stock taking of big projects at regular intervals so as to correlate the progress of expenditure with physical progress of works actually done as compared to the estimates/targets in order to ascertain the prospects of the projects being completed with the time and cost estimates;
  - xx) through surprise and regular inspection of offices he will get detected cases of shortages, losses, defalcations, embezzlements, misappropriations, etc., and get punitive action taken against the defaulters after following prescribed procedures and rules and suggest reformative action and precautions for future;
  - xxi) he will see that retirement benefits like pension, gratuity, GPF, leave salary are released by the Corporation to the retired employees and regular pension payments are made monthly with enhancement of DA, etc., as and when declared by the Corporation;
  - xxii) in case of observations of Jr. Accountant/Accountant/AAO in financial matters, release of payment, acceptance of tenders, etc., are not accepted by the RO in Units, RO may make payments, accept contracts, etc., in spite of that but such matters will be referred to the CAO by the concerned accounts personnel. CAO with the approval of MD will give final decision in such matters.

#### **3.4 Duties and Functions of Officers and Staff Posted in Accounts Section at Head Office**

The duties and functions of the officers and staff posted in the Accounts Section at the head office of the Corporation will be determined by the Chief Accounts Officer from time to time keeping in view the principle of equitable distribution of work and expertise of the particular employee in the specific field. The provisional work distribution may be as follows:

3.4.1 The Senior Accounts Officer will be deputy to the Chief Accounts Officer and will look after the working of the section in general.

3.4.2 The Senior Accounts Officer will himself associate with the important works of finalisation of budget estimates; revised estimates; and finalisation of the Corporation's annual accounts as a whole; all payments at the head office level; monitoring of expenditure against the estimates; projecting probable profits, cash flows; analysis of tenders received and tender rates to be quoted to clients, etc.

3.4.3 One Accounts Officer will deal with the tax matters (income tax, sales tax, fringe benefit tax, service tax, etc.); release of funds to units and monitoring of its utilisation; raising of finances from financial institutions for BOT/mega highway and other projects to be undertaken by the Corporation and their proper accounting.

3.4.4 The other Accounts Officer will look after mainly the audit work, i.e., AG audit; CA audit; internal audit; physical verification; special audits; factual statements/draft paras, issued by AG; CAG reports; PUC matters; matters related to audit committees; liason with CA auditors, internal auditors and AG auditors.

3.4.5 The three Assistant Accounts Officers will assist the Sr. AO and 2 AOs in their work. In addition to support work, they may be given some independent work as decided by CAO, like bank reconciliation, pension payment, GPF account, etc.

3.4.6 The Senior Personal Assistant to the Chief Accounts Officer may also be allotted certain specific work like maintenance of files of agenda notes and minutes of meetings of Board and various committees, besides dictation and typing work and maintenance of APAR dossiers, confidential files, etc.

3.4.7 The Accountants, Junior Accountants and other subordinate staff like Office Assistants, Senior Assistants, Junior Assistants will be allotted works as per the need, qualification and experience mainly to assist the Senior AO and AOs in their work. One Senior or Junior Assistant may be allotted the work of Cashier after taking a suitable fidelity bond.

3.4.8 Any transfer of personnel into or out of the Accounts Section will be done by MD with the recommendation of Chief Accounts Officer.

### **3.5 Duties and Functions of Accounts Personnel Posted with REs in Units**

3.5.1 At least one accounts person of the rank of Assistant Accounts Officer or Accountant or Junior Accountant will be posted in each field Unit including Mechanical and Electrical Units, headed by RE.

3.5.2 The accounts person in the Unit will be directly under the administrative control of RE but he will be also accountable to the CAO for his technical and professional performance.

3.5.3 The duties and functions of the subordinate accounts person posted in the Unit will be mutatis mutandis similar to those delineated in Appendix-5 of GF&AR and Rule 23 and 47 to 53 of PWF&AR for AAO, Accountant and Divisional Accountant.

3.5.4 Certain important functions of the accounts personnel posted in Units are enumerated below:

- i) He will act as financial assistant to the RE in all matters involving financial implications, exercise of financial powers, operation of financial rules, establishment matters.
- ii) Prepare budget estimates, revised budget estimates for the Unit and submit them to the head office.

- iii) He himself will maintain the cash book with bank column or get it maintained by a person of ministerial staff and he will check it daily with receipts and vouchers.
- iv) He will do regularly reconciliation of cash book entries with the bank and sort out the reasons of differences in cash book balance with balance in bank account.
- v) He will maintain the general ledger neat and up-to-date from cash book, stock accounts and journal. Subsidiary ledgers for deposits, advances, miscellaneous works advances, works abstracts, contractor's transactions, GPF, income tax, sales tax, royalty, etc., will be posted in detail and in the formats prescribed.
- vi) Stores and stock accounts will be maintained for both value and quantity from receipt vouchers, indents, issue vouchers and adjusted in monthly accounts through journal entries.
- vii) Sub-head-wise material-at-site (MAS) account will be maintained and adjustment of consumption of material on the work will be done through adjustment entries in Works Abstract.
- viii) Quantity account of tools and plants will be maintained for the receipt and issue of T&P and those sent out for repairs and lent out in the T&P Register in prescribed format.
- ix) Monthly trial balance from general ledger will be prepared by the accounts person and sent to the head office through RE in prescribed format by the due date for incorporation in the Corporation's account.
- x) He will keep a watch on the expenditure on various works and prepare a monthly demand of funds for payment for each work and put it to the RE, who will, after scrutiny, forward the demand to the head office for release of funds. Similar demand will be prepared and sent to the head office for payment of salaries, personal claims of the employees and office expenses, etc., keeping in view the budget provisions and actual requirement.
- xi) He will ensure that income tax, sales tax, royalty, service tax, etc., are deducted as per relevant taxation rules and deposited in government account and returns filed in prescribed time limit and formats, certificates of tax deduction are issued to the concerned persons in prescribed formats.
- xii) He will be associated with the tender procedure for a work or purchase of stores from the beginning, i.e., preparation and checking of cost estimate and technical sanction to it; invitation of tenders; preparation of tender documents; their sale; receipt; opening; preparation of comparative statement, evaluation of technical and financial bids; recommendation to HO for sanction; issue of work order/purchase order as per the sanction and execution of agreement. He will prepare the check/scrutiny slips in the prescribed formats for each of the process and submit it to the RE for decision.
- xiii) He will check the contractors'/suppliers' running and final bills with measurement books and prepare check slips in prescribed format and record his observations found in checking for presenting to the RE for orders. RE will record appropriate instructions regarding removal of objections and/or payment.

- xiv) Similarly, salary bills, TA bills, medical bills, contingent bills for office expenses, motor vehicle and other bills will be got prepared by him and checked for submission to RE for signature and payment.
- xv) He will put up to the RE at least once in a month, the list of outstanding amounts to be received for persuasion by RE.
- xvi) The accounts person will see that no payment is made unless it is due and is as per financial rules and conditions of the contract and agreement and work/supply order. That the claim is covered by financial propriety. If he thinks that payment of a certain claim should not be made or it is incomplete, he should bring this fact to the notice of RE. If RE does not agree to the observations raised and feels that the payment should be released, he may do so but the accounts person will report such cases to CAO for his guidance. The CAO after examination of the issue will submit the matter to MD for his decision and whose decision shall be final.
- xvii) He will attend to the audit parties of AG, CA, internal auditor, physical verification party and collect and provide the necessary information, accounts records, etc., to them as demanded. He will prepare the replies of audit reports, factual statements, draft paras, CAG report relevant to his Unit and submit to the RE for his approval and onward submission to HO.
- xviii) At the close of the financial year, he will finalise and close his cash book, complete his journal entries and ledger accounts, get the accounts of works closed as per the instructions issued by HO and prepare the final annual trial balance for submission to the head office through RE.
- xix) He will check and watch the collection of toll being done by the Corporation itself or through the contractors and keep correct account of toll receipts and expenses. In case of the Corporation's own projects or BOT projects, the accounts person will also correlate the physical targets of construction and revenue with those estimated in the project/tender.
- xx) Any other relevant work as may be assigned by RE, CAO and Head Office.

## Annexure-III A

### RAJASTHAN STATE ROAD DEVELOPMENT & CONSTRUCTION CORPORATION, LTD., JAIPUR

#### WORK DISTRIBUTION OF ACCOUNTS SECTION

No.:Sr./PA/CAO/Moni/

Date: 17.09.2005

S.N.	Name	Designation	Allotted Works	Remarks
1.	Sh. S.K. Tekwani	Sr. A.O.	Finalization of Accounts, Budget, Payments, B.G. and all accounts works, monitoring of deposits/ expenditure of work and toll receipts, B.P.E. and plan work, salary	
2.	Sh. M.L. Sharma	A.O.	Sales Tax, Income Tax, Monitoring of funds and its proper utilisation by the Units/HO, Raising of funds from bank/financial institutions like HUDCO/ICICI,BOR, BOT/ Mega highway projects its finance, utilization & proper accounting with respect of taxation etc., AG Audit, Internal Audit, Physical verification, PUC matter, Special Audit, Submission of Final Bills	
3.		AAO	Payment, bank reconciliation, HUDCO Loan, Pay fixation, opinion in establishment matters, store purchase opinion. He will report to Sr. AO & AO (Tax)	
4.		AAO	Audit Work, Additional work of BPC Cell	
5.	Sh. S.K. Sharma	AAO	Tenders, Income Tax and Sales Tax	
6.	Sh. M.M. Mittal	Sr. P.A.	APA's Matter, confidential matters, telephonic/ PUC;s board, and E.C. meeting works, dictation work on computer and other works assigned by CAO	
7.	Sh. N.K. Bhatnagar	Accountant	Payment, Income Tax, Sales Tax, TDS, Bank reconciliation, Bank Guarantee, Checking of Cash Book & HUDCO work he will report to AAO (P)	
8.	Sh. B.C. Jain	Accountant	Payment, Income Tax, Sales Tax, TDS, Bank reconciliation, Bank Guarantee, Checking of Cash Book & HUDCO work he will report to AAO (P)	
9.	Sh. A.P. Mathur	Jr. Actt	Audit Work	
10.	Smt Rekha Jain	OA	Salary, deposit of deductions, Sales Tax & Income Tax deductions, unit trial balance compilation	
11.	Sh L.N. Sharma	OA	HO, trial balance, ledger keeping in absence of Sh Devendra Jain he will look after Dak work he will directly report to Sr. AO	
12.	Smt. C.P. Sharma	OA	GPF Accounts, medical, conveyance & Pension. She will look after the work under Sr. AO	
13.	Sh. N.L. Soni	Sr. Asstt.	Sales Tax & Income Tax	
14.		Sr. Astt.	Audit Work	
15.	Sh Devendra Jain	Jr. Asstt.	Cashier	

The above distribution of work among be various officers/staff of Account Section is hereby made with immediate effect.

**Chief Accounts Officer**