

CHAPTER V

KEEPING OF BOOKS OF ACCOUNTS

5.1 The Corporation is required to maintain proper Books of Accounts as per provisions of section 209 of the Companies Act with respect to:

- (i) all sums of money received and expended by the Corporation and the matters in respect of which the receipt and expenditure take place;
- (ii) all sales and purchases of goods by the Corporation;
- (iii) the assets and liabilities of the Corporation

5.2 Further the section 209, *ibid*, imposes conditions that proper books of accounts shall not be deemed to be kept by the Corporation:

- (i) if these books do not give a true and fair view of the state of affairs of the Corporation; and
- (ii) if such books are not kept on accrual basis and according to the double entry system of accounting

5.3 The books of accounts along-with the vouchers must be preserved in good condition by the Corporation for a period of at least 8 years immediately preceding the current year.

5.4 The books of accounts and other relevant papers and record should be kept upto date as they are open to inspection during business hours by Registrar of Companies or any officer authorised by Central Government or Securities and Exchange Board of India as provided in Section 209A, *ibid*.

5.5 As in any commercial organisation, three main books of account, viz., Cash Book, Ledger and Journal will be kept in every office, including Head Office of RSRDC. In support of the main Ledger, subsidiary ledgers will be maintained as per the requirement and instructions. Cash Book is a book of original entry. It also serves the purpose of Cash Ledger.

5.A. CASH BOOK

5.A.1. General

5.A.1.1 As far as possible one cash book and one bank account should be maintained by each office. Cash Book with cash and bank column be maintained. If there is more than one bank account, then one bank column for each bank account may be earmarked.

5.A.1.2 The cash book will be written and maintained by a Cashier and totalled and balanced daily. All monetary transactions shall be entertained in the cash book as soon as they occur in chronological order. It will be checked daily by the Junior Accountant Accountant/AAO posted in the Unit Office and Head Office with reference to concerned receipts/challans and vouchers. It will be signed daily by the RE in the Unit Office and Senior AO in the Head Office daily.

5.A.1.3 The disbursing officer while signing the cash book should exercise following checks:

- i) compare each entry of payment with the gross amount chargeable of the voucher. That the voucher bears the pay order recorded by himself and the entry of disbursement signed by himself.
- ii) see that while examining the posting of a voucher, the deductions shown in the voucher other than those pertaining to the work itself, are posted in cash column in both receipt and payment side as contra entry.
- iii) verify or get verified the totals of the cash book.
- iv) verify the balance brought forward and carried forward.
- v) classification of receipt and expenditure be checked.
- vi) the amount of receipt be checked with that entered on the counterfoil of the receipt.
- vii) any correction made in the cash book should be signed by the disbursing officer himself in red ink by drawing the pen through incorrect entry and inserting the correct entry.

5.A.1.4 The actual balance of cash in cash chest should be physically counted by the disbursing officer off and on in a surprise manner but at least on the last working day of every month and the findings of the count should be recorded in the cash book. If on physical verification, the cash is found short, the amount of shortage may temporarily be posted as advance against the cashier pending enquiry. If the cash on counting is found surplus, then the surplus amount be placed in 'miscellaneous deposit'.

5.A.1.5 The disbursing officer is personally responsible for the prompt record of all receipts and payments correctly in the cash book. He should see that any amount of receipt does not remain outside the cash chest and the cash book. Cash in the cash chest should be kept to the minimum required level and any money more than the immediate requirement be deposited in the bank account.

5.A.1.6 The cash amount be kept in a cash chest with double lock, one key of which be kept by the RE or Senior AO himself and another key be kept with the cashier. The duplicate keys of both the locks of the cash chest shall be placed in a sealed cover and deposited in the Head Office with CAO or any other authority designated by the MD. The keys shall be obtained back once in every year in the month of April for checking and returned back in a fresh sealed cover to the Head Office. Private cash should not be mixed up with the Corporation's money.

5.A.1.7 The cash balances in cash chest of the Unit and the Head Office and that in the transit may be got insured if heavy balances are there, and security may be obtained from the cashier in the form of a fidelity guarantee bond of an insurance company for the amount depending on the average turn over of cash in the unit during a month. Special pay to the cashier may be granted in lieu of the fidelity bond as per GF & AR.

5.A.1.8 The cashier or any person authorised to receive and handle the Corporation's money will be responsible for:

- i) receipt of money on behalf of the Corporation and grant receipt thereof;
- ii) accounting of receipts in cash book with reference to the receipts issued, challans, vouchers and other ancillary accounts record and their proper custody and maintenance;
- iii) carrying money to or bring money from the bank;
- iv) custody and security of cash balances and securities and other valuables, bonds, bank guarantees, etc., under his charge;
- v) custody of used and blank receipt books, cheque books, vouchers;
- vi) payments to various persons, firms, organisations as per sanctions, bills, pay orders and obtain proper acknowledgement, and to see that the amount is paid to the actual payee;
- vii) account of receipt and issue of service postage stamps and keep requisite number of revenue stamps;
- viii) watch adjustment/recovery of various advances issued to the Corporation's employees;
- ix) physical checking of the cash in cash chest daily with reference to the cash book balance
- x) sale of tender forms receiving the cost;
- xi) receiving earnest money, securities, guarantees, etc;
- xii) keeping proper and correct account of the PD accounts of the Corporation with the treasury, write cheques pertaining to PD accounts and carry out regular reconciliation with the treasury;
- xiii) any other work assigned by the RE/Sr. AO.

5.A.2 Receipt of Money

5.A.2.1 Corporation dues and other money receivable on Corporation's account may be accepted in the form of local cheques, bank drafts, banker's cheques, postal order, money order or in cash in the office or in the bank. When received in cash, it will be in the form of legal tender notes and coins only.

5.A.2.2 When money is received in the form of cheques, the cheques should be 'account payee'. However, until the cheque has been cleared, it cannot be admitted that the payment has been received, therefore, final receipt cannot be granted at the time of tendering of the cheque. A simple receipt stating receipt of the cheque may be given in the first instance and a final receipt shall be given after clearing of the cheque. Collection charges, if any, may be recovered from the party presenting the cheque.

5.A.2.3 In the event of dishonour of a cheque, the fact shall be reported at once to the tenderer with a demand for payment in cash. The Corporation shall not be liable for any loss occurred to the party due to imposition of penalty, etc., for delay in payment. In addition to it criminal action against the drawer of the cheque may also be considered by the Corporation if the cheque has been dishonoured due to insufficient balance in the bank account of the drawer.

5.A.2.4 Bank Draft/Banker's Cheque shall not be distinguished from cheques for the above purpose.

5.A.2.5 Printed receipt books in prescribed formats shall only be used for granting receipt. The leaves of a receipt book shall be machine numbered and shall also bear the receipt book number on them. Double sided carbon paper shall be used while preparing a receipt. The office copy of a receipt shall also be printed one. Before a receipt book is brought into use, the number of forms contained therein shall be counted and a certificate of number of receipt forms contained in the book shall be recorded on the front page of the book by RE/Sr. AO. The blank receipt books shall be kept in lock and key in the personal custody of the RE/Sr. AO. The account of receipt, issue and balance of the receipt books including used receipt books shall be kept in the register of receipt books in the prescribed form.

5.A.2.6 The receipt will be signed by the RE/Sr. AO or an accounts personnel and the amount received shall be mentioned both in figures and words.

5.A.2.7 When money is realised not in cash but by recovery from a payment made on a bill, a receipt may be granted only if specially desired by the contractor/supplier.

5.A.2.8 Duplicates or copies of receipts shall not be issued. If, however, a necessity arises for such a document, a certificate shall only be given stating that on a specified day a certain sum on a certain account was received from a certain person.

5.A.2.9 The cheques and drafts received in the Units or Head Office shall first be entered in the register of cheques and drafts in the following format and shall be remitted to the bank for collection soon thereafter.

Register of Cheques/Drafts Received and Adjusted

S. No.	Date of receipt	From whom received	Name of the bank	Cheque/draft number and date	Amount	Classification of purpose of receipt	Date of remittance to the bank	Date of clearing of the cheque/draft	RE/ Sr. AO's initials	Remarks
1	2	3	4	5	6	7	8	9	10	11

5.A.3 **Payments**

5.A.3.1 **General**

- i) Payments on Corporation's account may be made out of the permanent advance or temporary advance or through bills presented, by cash, cheques, bank drafts, banker's cheques, money orders or through adjustments.
- ii) A bill is a statement of claims containing specification of the nature and amount of the claim either in gross or by items.
- iii) The claims may be relating personal claims of the employees of the Corporation, contingent expenditure, miscellaneous expenditure, refunds, stores, works, tools and plant, machinery and equipment, loans and advances, repayment of loans, etc.

5.A.3.2 Following general points should be seen and complied with while preparing a claim:

- i) The nature, amount and period of claim should be clearly mentioned in the bill.
- ii) A competent written authority should be there for a specific claim.
- iii) Deductions should be made from the claim as intimated or as per rules/codal provisions and should be supported by prescribed schedules attaché to it.
- iv) The classification of expenditure and recoveries should be distinctly recorded on the claim.
- v) The claim bill should be prepared on the printed bill form prescribed for the nature of claim and should be prepared either in ink or ballpoint pen or typed or computer printed.
- vi) The amount of claim should be written both in figures and words.
- vii) Any correction made in the bill should be attested by the drawer of the claim by signing under it. Erasures should not be used.
- viii) Budget provision should be entered on each bill and it should be seen that sufficient budget provision exists and fund specific to the expenditure exists in the Bank Account.

5.A.3.3 Payment should be made only on presentation of original bill and not on duplicate copy. However, bills affixed with facsimile signature of the authorised officer of the Telecommunication Department, PHED, Electricity Company forming sub-voucher of a contingent bill may be accepted for payment. When a bill is required in duplicate or triplicate, only original bill need to be signed or countersigned in full, other copies being initiated. In case an original bill is lost before payment it must be ensured that it is not paid afterwards for which red ink entries of non-payment should be made in bill register and other relevant records like MB, establishment register, etc. Then payment on duplicate copy of the bill may be made writing 'duplicate' on it in red ink

5.A.3.4 A claim should be fully checked before payment with regard to its entitlement, correctness and propriety. Check slips for checking of claims with respect to works and supply bills should be used which have been given in relevant chapters.

5.A.3.5 Payment due to a contractor may be made to his financing bank directly on his request on production of a power of attorney in the name of the bank. However, the contractor should accept the correctness of his account with the Corporation regarding work.

5.A.3.6 A proper acknowledgment of receipt of payment should be obtained from the payee and it should be on a revenue stamp if the payment is of more than Rs. 500/-. If there are more than one payee related to one bill, an Acquittance Roll form may be used for taking acknowledgement.

5.A.3.7 A bill becomes a voucher when it is duly receipted and stamped "Paid and Cancelled". Every voucher should bear or have attached to it, an acknowledgement of payment signed by the person by whom the claim has been put forward. Every voucher shall bear a pay order on it signed by the disbursing office specifying the amount to be paid both in figures and words. All paid vouchers shall be stamped "Paid" or "paid and cancelled" so that they may not be used again. Vouchers and Acquittance Rolls should be filed and kept safely till the period prescribed for their preservation.

5.A.3.8 In case where it is not possible or expedient to support a claim by a voucher or by the payee's receipt due to loss of bill, receipt, etc., a certificate of payment duly signed by the disbursing officer may be placed on record in the following format:

"Certified that a sum of Rs. in words Rupees drawn vide cheque number dated for payment to M/s on account of has actually been paid to on by cash/through cheque/bank draft number dated....."

5.A.3.9 Such certificate may also be used in case the amount being petty and payee being illiterate.

5.A.4 **Payment by Cheques**

5.A.4.1 Whenever a cheque book is brought into use, its intimation should be sent to the concerned bank. The cheque forms in the cheque book should be counted and it should be seen that they are correct in number. Any deficiency in count should be immediately intimated to the bank.

5.A.4.2 All cheques drawn should be entered in a register of cheques issued and the cashier preparing the cheque, the accounts person checking the prepared cheque and the disbursing officer signing the cheque should also sign in the register.

5.A.4.3 In the register of cheques issued or on the counterfoil of the cheque, the amount of balance in the relevant bank account should be worked out after each entry and entered in it to see that sufficient balance exists in the bank account.

5.A.4.4 The payment of Rs. 2500/- and above should be made by cheque only and the cheque should be crossed by writing the words "Payee's Account Only" in

the two parallel diagonal lines drawn in the top left corner of the cheque. The cheques shall be signed by two officials authorised by Board of Directors or MD for this purpose, one of them will be an accounts personnel.

5.A.4.5 The bank officer may be instructed that whenever he receives any cheque issued by the Corporation for payment of a bigger amount, say Rs. 50,000/- and above, he should confirm it from the RE/Sr. AO about the issue of cheque so as to prevent any fraudulent withdrawal.

5.A.4.6 No cheque should be drawn until it is intended to be paid away. It will be serious irregularity if a cheque is drawn at the close of the financial year and placed in cash chest for the purpose of utilising a grant.

5.A.4.7 Whenever a cheque issued is required to be cancelled on a later date, the originally issued cheque should be collected back from the payee and en faced with writing "cancelled" and kept preserved till orders for destruction of such cheques are issued. In the cash book a minus entry will be made in the red ink on the payment side or a reverse entry will be made on receipt side giving remark on the original entry also about the cancellation. When a fresh cheque is required to be issued in lieu of the cancelled cheque, then a new cheque will be made out and signed and issued. This transaction in the cash book may be written like that when a new cheque is issued. The other way of writing it is that in place of the two entries, i.e., one of cancellation and another of the issue of new cheque, only one entry in red ink in payment side in the "particulars" column may be made in the form of remark for issue of a fresh cheque without affecting the "bank column".

5.A.4.8 However when the original cheque is lost by the payee and a fresh cheque is required to be issued in its place, then firstly a 'stop payment' order will be given to the bank and then a non-payment certificate will be obtained from the bank. An Indemnity Bond in prescribed form shall also be got executed. Then only a new cheque may be issued.

5.A.4.9 Blank cheque books shall be kept in lock and key and in personal custody of the disbursing officer. Similarly, counterfoils of used cheque books will be kept in custody and preserved till orders for their destruction are issued.

5.A.4.10 The disbursing officer while making payment by cheque to contractors/suppliers shall deduct income tax, sales tax, contract tax from payment to be made, as per provisions of Income Tax Act/Sales Tax Act and Rules. A certificate of such deductions may be given to the payee.

5.A.4.11 Loss of a cheque book, a blank cheque or issued cheque should be promptly reported to the concerned bank with instructions to stop payment on such a cheque/cheques.

5.A.4.12 A payment by cheque will be deemed to have been made in the case the cheque has been honoured by the bank:

- (i) the date on which the cheque is handed over to the payee or his authorised messenger, or
- (ii) the date on which the cover containing the cheque has been put into the post (if requested to send it by post).

5.A.5 Imprest and Temporary Advance

5.A.5.1 to 5.A.5.4 Deleted

5.A.5.5 A temporary advance is an advance sum of money granted to subordinate officer for making payments on a voucher which has already been passed for payment, e.g., payment of electricity bill, water bill, bank advice, task roll/muster roll of contractual labour, etc.

5.A.5.6 A temporary advance will be granted by RE/MD on submission of requisition for it by the officer concerned which shall be accompanied with the passed voucher as per office order No. B-10(5) Vol. II/11707- 32 dated 18.10.2006 (enclosed).

- : कार्यालय आदेश : -

यूनिटों के कार्यकलापो की समीक्षा के दौरान पाया गया कि यूनिटों द्वारा अधिकारियों व कर्मचारियों को दिये गये अस्थाई अग्रिम का समायोजन/ वसूली समय पर नहीं किया जा रहा है। अतः अस्थाई अग्रिम स्वीकृति / समायोजन बाबत निम्न निर्देश दिये जाते हैं: -

1. आवासीय अभियन्ता द्वारा किसी भी कर्मचारी/ अधिकारी को PWF&R के नियम 124 के अनुरूप रूपये 2000/- से अधिक की अग्रदाय राशि स्वीकृत नहीं किया जाय।
2. विशेष परिस्थितियों में महाप्रबन्धक/ मुख्य परियोजना प्रबन्धक की लिखित स्वीकृति के उपरान्त ही रूपये 2000/- से अधिक की अग्रदाय राशि स्वीकृत किया जा सकेगी।
3. अस्थाई अग्रिम PWF&R के नियम 130 के अनुरूप सिर्फ पारित बिलो के विरुद्ध ही दिया जाय।
4. अस्थाई अग्रिम का पूर्ण राशि का समायोजन/ वसूली उस माह की अंतिम तिथि अथवा अधिकतम 7 दिवस में कराया जाना आवश्यक होगा। एक माह से अधिक रखने पर 12 प्रतिशत ब्याज की दर से वसूली की जाय।
5. कर्मचारी/ अधिकारी के यदि अस्थाई अग्रिम अथवा अग्रदाय राशि बकाया हो तो स्थानान्तरण पर राशि अन्तिम वेतन प्रमाण पत्र में दर्शाया जाना आवश्यक होगा।
6. यूनिटों में कार्यरत सहायक लेखाधिकारी/ लेखाकार उक्त नियमों की पालना सुनिश्चित करेंगे एवं पूर्णतया जिम्मेदार होंगे। तथा यदि किन्ही कारणों से पालना नहीं होती है तो उसकी रिपोर्ट मुख्यालय प्रेषित करेंगे।

महाप्रबन्धक

प्रतिलिपि: -

1. निजी सचिव, प्रबन्ध निदेशक/ महाप्रबन्धक/ मुख्य परियोजना प्रबन्धक, आर.एस.आर.डी.सी लि. जयपुर
2. मुख्य लेखाधिकारी, आर.एस.आर.डी.सी लि. जयपुर
3. अधिक्षण अभियन्ता, आर.एस.आर.डी.सी लि. जयपुर
4. समस्त आवासीय अभियन्ता, आर.एस.आर.डी.सी लि. जयपुर

महाप्रबन्धक

5.A.5.7 After receiving the amount of temporary advance, the advance holder will make the disbursement to the concerned persons as soon as possible and render the account of temporary advance to the RE/Head Office, as the case may be in Form RPWA-2 along with paid vouchers soon after that. In any case the account of temporary advance should be rendered within four weeks from the date of receipt of the advance amount. If this is not done, the amount of advance may be recovered in full from the salary of the official concerned. If it is not possible, interest @18 per cent per annum will be charged from the advance holder.

5.A.5.8 The payment of money for temporary advance will be accounted for in the cash book on payment side like entry of any other advance or imprest, to an official. On submission of the account of temporary advance in Form RPWA-2 the payee wise details of expenditure will be entered on payment side and the advance account will be closed in full on the receipts side of the cash book. Any amount remaining undisbursed shall be deposited back and any item of expenditure which is found objectionable will be placed as miscellaneous advance against the person to whom the temporary advance was granted till the objection is removed.

5.A.5.9 On transfer of an employee from one office to another, any outstanding amount of imprest or temporary advance will be deposited by the employee forthwith before relieving in the form of cash or vouchers. If any amount of such advances still remain outstanding and the employee has to be relieved on the ground of administrative exigency, the outstanding amount of imprest and temporary advance shall be shown recoverable in one instalment in full in the last pay certificate.

5.A.6 Bank Reconciliation

5.A.6.1 There may arise difference in the amount of balance arrived at in the bank column of the cash book and that in the account of the RE/Head Office maintained by the bank due to various reasons, like cheques issued by the RE/Head Office but not presented to the bank for clearance/encashment, interest credited by the bank but not taken in the cash book, etc Therefore, monthly reconciliation of the accounts of the Corporation with the banks is necessary to identify the items of difference.

5.A.6.2 A regular reconciliation of account with the banks will not only help in identifying the items of difference but will also reveal cases of fraudulent payments, embezzlement, etc.

5.A.6.3 The bank reconciliation will be done and statement prepared by an accounts person posted in the RE office/Head Office and not by the cashier. The statement of reconciliation will be seen and signed by RE.

5.A.6.4 The bank reconciliation of each bank account will be done soon after the end of a month and the statement of bank reconciliation will be enclosed by the RE with the monthly Trial Balance and other returns required to be sent to the Head

Office. The bank reconciliation statements of bank accounts of head office will be attached to the monthly trial balance of head office and will be put up before the Chief Accounts Officer of the Corporation for perusal and instructions alongwith the monthly account of the Head Office and Corporation as a whole.

5.A.6.5 The bank reconciliation statement may be prepared in following format:

BANK RECONCILIATION STATEMENT

Name of the Office
 Name of the Bank
 Account Number Period

S.No.	Particulars	Amount (Rs.)
1	Balance as per the Cash Book
2	Add, Cheques issued but not presented to the bank for payment (enclose list of cheques giving cheque No., date and amount)
3	Add, Amounts credited by the bank but not appeared in the Cash Book, e.g., cheques, cash directly deposited in the bank, interest credited, etc.
4	Less, Cheques/drafts received and remitted to the bank but not credited pending realisation
5	Less, Amounts debited by the bank but not appeared in the cash book, e.g., bank charges, interest on overdrafts, service tax, income tax, etc.
6	Other differences: omissions, errors, etc. (+)
7	Balance as per the bank statement

5.A.6.6 Like bank reconciliation, regular reconciliation of Personal Deposit Accounts (PD Accounts) of the Corporation should be carried out with the Treasury office and difference sorted out.

5.A.6.7 Necessary entries in the cash book will be made on the basis of bank reconciliation and bank statement.

5.B JOURNAL

5.B.1 All business transactions having monetary value pass through the Journal. As a Cash Book is maintained for cash transactions (including bank transactions), the cash transactions need not to pass through the Journal. Journal is also a book of original or initial entry.

5.B.2 Entries in the Journal should be made as soon as transactions occur, in the order of their occurrence.

5.B.3 Journal Book should be maintained in its standard format having columns for date, particulars, LF, debit (Rs.) and credit (Rs.). A brief narration of the transaction should be given in the 'particulars' column. When Journal entry is ledgerised, the concerned Ledger Folio number should be entered in the 'LF' column for cross reference.

5.B.4 For making an entry in the Journal, a Journal Voucher shall first be prepared setting out details of the transaction, names of debit and credit accounts affected by it. The serial numbers given to the entries in the Journal during a month may be given in Roman numerals like I, II, III, etc., to distinguish them from the cash voucher numbers.

5.B.5 Following nature of transactions among others will be passed through the Journal:

- i) Opening and closing entries of all the Liabilities and Assets accounts of the Ledger appearing in the Balance Sheet.
- ii) Closing entries of the Ledger accounts whose balances are transferred to Profit and Loss Account.
- iii) Purchase of stock, stores, construction material and Tools and Plant, etc., on credit for works or stores.
- iv) Transfer of material from one work to another or to the stores.
- v) Receipt of steel on a work or stores crediting the Head Office account.
- vi) Levy of centage charges on cost plus basis works.
- vii) Levy of storage charges on works.
- viii) Issue of materials from stores to the works.
- ix) Rectification of errors.
- x) Purchase and sale of fixed assets on credit.
- xi) Raising of bills for hire charges of machinery and equipment.
- xii) Placing the amount of passed final bills of contractors under 'Miscellaneous Deposits' when the contractors do not turn up to receive the payment.
- xiii) Adjusting shortages/excesses of material, tools and plant, etc., noticed on physical verification.
- xiv) Writing off the value of unserviceable stores after obtaining the orders of competent authority.

5.B.6 At the time of closing of annual accounts of the Corporation, following type of transactions among others, will find place in Journal:

- i) Charging of depreciation on fixed assets and BOT works.
- ii) Accounting of accrued income and losses like interest earned on investments/deposits/advance income tax, centage charges earned on works executed measured and bills raised but not paid for, accrued toll, accrued rent anticipated losses on tendered works, profit on sale of fixed assets on credit, earnest money forfeited by clients, etc.
- iii) Accounting of prepaid expenses like advance payment of insurance, rent, deferred revenue expenses, deferred creditors, etc.
- iv) Making various provisions like for income tax, sales tax, audit fee, bonus, bad debts, gratuity, pension, leave encashment, contingent liabilities, dividend, principal and interest to be paid, unpaid salaries/wage, general and special reserves, losses of stores/materials/cash, etc.
- v) Accounting of balance material at sites of works, stock/cash in transit.
- vi) Work in progress, toll debtors, debtors for completed works, etc.
- vii) Pending remittances to state government of deductions made from salaries of deputation staff and contributions pertaining to their pension, gratuity, leave salary, provident fund, etc.
- viii) Pending remittances of deductions made from salaries of staff, like income tax, LIC premium, personal loans from banks, cooperative society, etc.
- ix) Prior period adjustments.

5.C LEDGER

5.C.1 A ledger is a book of final entry of accounting transactions in which entries are made from both Cash Book and Journal.

5.C.2 Printed Ledger Book in the standard format will be used in which debit and credit side may be divided by a lime in the middle like a Cash Book or both debit and credit columns may be together followed with a 'Balance' column, one column each for date and number of Cash Book/Journal Voucher are provided.

5.C.3 The Main Ledger may have various Subsidiary Ledgers to account for a class of transactions at one place.

5.C.4 Posting in the Main and Subsidiary Ledgers should be made daily and preferably by a person other than the Cashier, giving date and reference of Cash Book/Journal Voucher number.

5.C.5 A Ledger folio will be allotted to each account and its cross reference will be given in the Cash Book or Journal against the relevant entry.

5.C.6 If the Progressive Balance format of Ledger is used then net balance (debit or credit) should be worked out after each entry in a Ledger Folio otherwise monthly balance may be struck out for each account in the Ledger.

5.D SUBSIDIARY LEDGERS

Subsidiary Ledgers in support of Main Ledger may be maintained for the following accounts:

5.D.1 **Subsidiary Ledger for Clients' work:** Subsidiary ledger for clients' work will be a debit ledger incorporating expenditure from all sources on each construction work undertaken by the corporation. It will be maintained by the concerned RE office in Form RPWA-33 (form of Work Abstract for Major Works) and each cash book voucher and journal entries pertaining to a particular work will be posted in it as and when the transaction occurs during a month. Sub heads of work as given in the estimate or "G" Schedule and suspense sub-heads may be opened in the ledger as per requirement and convenience like, earth work, masonry work, RCC works, etc. and Material suspense, Contractor's suspense (Advance Payment, Secured Advance, Contractor's other Transaction), Labour Suspense, contingency, quality control, miscellaneous expenses etc. Monthly subhead wise totals for each work and total expenditure on each work during a month and upto the month be worked out. This subsidiary ledger will form the basis for computing the cost of work in progress.

5.D.2 **Subsidiary Ledger for Client's Account:** Each client-wise subsidiary ledger will be maintained in which the amount of the bill raised will be debited and the payments received will be credited. Alternatively, a client-wise and work wise debit ledger may be maintained separately for debiting the amount of bill raised and a credit ledger may be maintained for the payments and advance payments received. The amount of bill raised may be worked out by adding the centage charges to the cost of work (taken from subsidiary ledger for works maintained as per para 5.D.1 minus the cost of material at site remaining unutilised) for cost plus work; and bill prepared as per bill of quantities (G-schedule) of the contract, plus/minus tender premium.

5.D.3 Contractor-wise and work-wise account of earnest money and security deposit will be maintained in Subsidiary Ledger for Deposits in form No. RPWA-67.

5.D.4 Similar Deposit Ledger will be maintained work-wise and contractor-wise for Miscellaneous Deposits in Form No. RPWA-67.

Advances Register will be maintained supplier-wise for advances made to the suppliers in Form No. RPWA-70. Similar Advances Register will be maintained for Miscellaneous Works Advances against the person concerned.

5.D.5 Subsidiary ledger for sundry creditors for each supplier/creditor will be maintained in usual format of ledger.

5.D.6 Loans and Advances to the staff as per Corporation's Rules ad policy will be accounted for in detail in Advances o the Staff Subsidiary Ledger in categories of the type of advance/loan, like Festival Advance, Foodgrain Advance,

House Building/Conveyance Loan, Salary/Leave Salary Advance, Travelling Advance, etc.

5.D.7 Contractor's Ledger will be maintained contractor-wise in Form No. RPWA-43 or 43A for Through Rate Contracts and Labour Contracts respectively accounting the value of work done (credit) and payments made (debits) including contractor's suspense accounts, viz., Advance Payment, Secured Advance and Contractors Other Transaction (COT).

5.D.8 Subsidiary Ledger for any other account may be required to be maintained for which detailed account is needed.

5.D.9 The monthly balances of Subsidiary Ledgers will be taken over in the Main Ledger in relevant account.

5.D.10 The monthly balances (debit or credit) of each Ledger account will be worked out and a monthly Trial Balance will be prepared by each Unit and the Head Office including increase or decrease in the Cash and Bank balances. The Main and Subsidiary Ledgers will be maintained separately for each year. The closing balances of the accounts pertaining to the Profit and Loss Account will be transferred to the Profit and Loss account and closed while the closing balances pertaining to the Liabilities and Assets will be shown in the Balance Sheet and carried forward to the next Financial year's ledger as opening balances. Cross references of Ledger Folio numbers of the accounts of the old and the new Ledger will be written in each other's folios.