

Title	Procedure for : Salary and other allowances	Clause No.	Rev. No.-Nil
Document No.	YASHADA/M02/ACC		Date-25/07/2010

Purpose: Salary and related allowances of staff

Scope: Regular staff of YASHADA, staff on Deputation and contract

Responsibility: Pay bill clerk, cashier

Activities:

1. Receive information about joining, appointment, increment, and leave etc. from administration
2. Prepare of pay-bill or voucher along with pay slips, challans and schedules
3. Maintain pay-bill register
4. Prepare of bills of arrears of pay and allowances
5. Prepare of bills of arrears of Dearness Allowance
6. Send for approval of bills by AO and Registrar and disburse pay and allowances by crediting the amount to bank account of the staff or by cheque.

Reference Documents:

Joining reports,
Last Pay Certificates,
Orders of leave,
Certificates of increment,
Information regarding deduction of income-tax, GPF received from staff, orders of additional pay etc.

Records:

- a. pay bill register
- b. copies of schedules and challans

MIS Parameters

1. In case of bills other than pay bills after receiving necessary information from administration

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PURPOSE: To disburse Traveling allowance of staff

SCOPE: All staff of YASHADA for official tours.

RESPONSIBILITY: Pay bill clerk

PROCEDURE:

1. receipt of details of tour from staff member in format no.
2. checking sanction for the tour in general and air travel etc. in particular
3. calculation of Daily allowance and actual expenses
4. preparation of TA bill and its approval by Accounts officer and Registrar
5. special approval by DG for hotel expenses and food charges if free lodging and boarding are not available
6. disbursal of traveling allowance after recovery of advance if any

Reference Documents: YASHADA Service Rules to determine the Daily Allowance

Records:

Following Records are maintained

- a. Traveling allowance bill register
- b. Voucher of the TA bill

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

1. by 20th of every month for bills received during the month

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PURPOSE: Disbursal of various types of advances such as Vehicle advance, House Building Advance, computer advance

SCOPE: Advances of this type are admissible only to regular YASHADA staff

RESPONSIBILITY: Pay bill clerk

PROCEDURE:

1. The order sanctioning the advance is issued by administration specifying the amount of advance, installments- amount and number for principle amount of advance.
2. Bill for advance is prepared and approved by Accounts Officer and Registrar
3. Amount of advance is credited to the incumbents bank account
4. After recovery of Principle is over interest is calculated on the basis of prevalent rate of interest and recovered in installments
5. A register is an advance is maintained in which order no. of sanction, amount sanctioned, number of installments and amount of installments is mentioned.

Reference Documents: Order issued by administration sanctioning the advances
Government Resolution for determining the rate of interest
Resolutions of the Executive Committee

Records:

Following Records are maintained

- a. Register of advances sanctioned and disbursed
- b. List of advances recoverable on 31/3 of every financial year

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

1. bill be prepared within 7 days of receiving the order

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PURPOSE: Calculation and recovery of Income Tax of staff and issue of TDS certificate, filing of Income Tax Return in Form No. 24

SCOPE: All YASHADA staff- regular, deputation and contract

RESPONSIBILITY: Pay bill clerk

PROCEDURE:

1. Probable Income Tax of incumbent is calculated in the beginning of financial year
2. The Income tax so calculated is intimated to the staff and they are instructed to intimate to the Accounts section tax to be deducted from salary taking into consideration their investments within 7 days.
3. Review of Income Tax is taken in September, December and December, February and the staff is informed accordingly and they should inform accounts section of their I tax deduction accordingly within 7 days
4. TDS certificate in form no. 16 is issued to the staff member
5. Income Tax Return for the staff of the institute is filed in Form No. 24

Reference Documents: Income Tax Act

Information received from staff regarding investment, rebates available and tax to be deducted

Records:

Following Records are maintained

- a. Copies of TDS Certificate
- b. Copy of income Tax return
- c. Copy of proof of investment given by staff

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

1. Meeting statutory requirements
2. No audit points raised on I Tax deduction

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PURPOSE: Medical Reimbursement to the staff

SCOPE: Reimbursement of medical expenses incurred by regular and deputation staff of YASHADA

RESPONSIBILITY: Accounts Clerk

PROCEDURE:

1. Submission of medical bill along with vouchers of hospital, chemist etc. in prescribed format by the staff member, with remarks by YASHADA Medical Officer about the rule of YASHADA service rules under which the bill is to be treated
2. Submission of the bill the Director General if the bill requires use of his discretionary powers to sanction the bill
3. Preparation of the bill, its entry in relevant register and approval by Accounts Officer and Registrar
4. Disbursal of admissible amount to the staff member

Reference Documents: YASHADA Service Rules
Information about dependents submitted by staff member

Records:

Following Records are maintained

- a. Voucher of medical reimbursement
- b. Register of medical reimbursement bills

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

1. 1st week and third week

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PURPOSE: Payment of advances to staff – advances for petrol and lubricants, tour, course advance, medical advance

SCOPE: payment of advance for fuel to drivers, tour advance to staff, course advance to course directors, medical advance to applicant incumbent.

RESPONSIBILITY: Head Accountant, Cashier and Accounts Clerk

PROCEDURE:

1. Sanction for advance by appropriate authority.
2. Payment of advance if previous advances have been settled after the appropriate form for advance is submitted to Accounts Section duly signed by the applicant, Accounts officer and Registrar
3. Maintenance of record of advance sanctioned and pending settlement.
4. Pursuance of settlement of advances
5. Settlement of advance and its entry in cash book after necessary form is filled by the person who has availed of the advance along with vouchers and unspent balance if any.

Reference Documents: YASHADA Service Rules
Policy Circulars issued in this matter

Following Records are maintained

- a. Records: Register of advance sanctioned
- b. Records of advances settled in cashbook
- c. List of advance pending prepared at the end of each financial year

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

1. The advance forms should be submitted to accounts section before 4.00 clock under any circumstances and advance should be availed of before 4.00 p.m.

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PURPOSE: Maintenance of Cash Book, Ledgers, Preparation of Annual Financial Accounts including Trial Balance, Receipt and Payment Accounts, Income and Expenditure Accounts, and Balance Sheet with various relevant statements

SCOPE: YASHADA main accounts

RESPONSIBILITY: Cashier and Accounts Clerk

PROCEDURE:

1. To write daily f cash book in Tally software
2. Drawing daily closing balance of cash in hand and in account in Saraswat Bank
3. Preparation of monthly Bank Reconciliation Statement
4. Preparation of Monthly Receipt and Payment Account
5. Preparation of Trial Balance, Receipt and Payment Account, Income and Expenditure Statement and Balance Sheet at the end of Financial year
6. Annual Financial Report includes various other Statements such as list of security deposits, investments, advances pending recovery, assets etc.

Reference Documents: Vouchers of payments

Receipts

Register of Cheque issued

Records:

Following Records are maintained

- a. vouchers
 - b. receipts
 - c. register of Cheque issued
 - d. advance settlement forms
 - e. bank reconciliation statement
 - f. Annual Financial Report
- MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)
1. The Annual Accounts should be ready within 4 months of closure of the financial year

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PURPOSE: Payment of Bills of contractors, suppliers and consultants.

SCOPE:

RESPONSIBILITY: Accounts Clerk and Head Accountant

PROCEDURE:

1. Bills received from various departments, in prescribed form along with original voucher from supplier, passes for payment by the department head and with all necessary certificates
2. The bill is scrutinized by accounts clerk in case of supplier, annual maintenance contractor and head accountant in case of contractor for proper sanction, procedure, certificates, measurements etc.
3. Entry of the bill is taken in bills register
4. After approval of bill by Accounts Officer and Registrar (other higher appropriate authority if amount of bill so demands) cheque is issued
5. Income Tax is deducted at source as per applicable rate and credited to State Bank of India and TDS certificate is issued to concerned and income tax return is filed for the financial year.

- Reference Documents: 1.Blue and white form with all necessary certificates
2. Measurement Books in case of payment for civil works

Records:

Following Records are maintained

- a. Bill Register
- b. Vouchers
- c. Acknowledgment of payment

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

1. Payment of bills within 7 days of receiving it in accounts section with all necessary accompaniments and certificates
2. payment of Income Tax as per rules within specified period in SBI

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PURPOSE: Submission of Annual Budget and Revised Budget Estimate to GoM, submission of Monthly Expenditure Statement to GoM, reconciliation of expenditure with expenditure booked by Accountant General

SCOPE: Submission next financial year's budget and current year's revised budget to General Administration Department, and Rural Development Department, GoM for both recurring and non-recurring expenditure, submission of MES to the said two departments GoM, Reconciliation of expenditure booked by Accountant General against the institute based on expenditure booked by Treasury on quarterly basis

RESPONSIBILITY: Head Accountant, Accounts Officer

PROCEDURE:

1. Each Section of the institute such as Estate, Library, Administration, Publications, CAVP etc. are instructed to submit their estimated demands of expenditure to Accounts Section. These demands should be intimated to accounts section within 7 days of issue of circular to that effect by accounts section.
2. Based on these demands and further instructions by DDG (Admin) and DG Budget estimates are submitted to GAD and RDD.
3. MES is prepared on the basis of cash book and submitted monthly to GAD and RDD
4. The Budgetary grants actually sanctioned are intimated to the institute by GAD and RDD. To obtain grants sanctioned by GAD a bill is submitted to Treasury by Accounts Officer. The Grants sanctioned by RDD are disbursed to this office by Divisional Commissioner, Revenue, Pune. The grants sanctioned are distributed section wise by DDG (Admin) and DG
5. If the Grants sanctioned are inadequate the GAD and RDD are requested to sanction appropriate grants by submitting Revised Budget Estimate
6. The Budget Estimates and Revised Budget Estimates are submitted for approval by Board of Governors.

Reference Documents: 1. Maharashtra Budget Manual

2. White Book for Budgetary Provisions
3. Requirements of funds as intimated by sections of the institute
4. Minutes of the meetings regarding distribution of Grants to sections
5. Actual expenditure for previous 3 years

Records:

Following Records are maintained

- a. Item-wise actual expenditure incurred

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- b. Requirements of funds as intimated by sections
- c. Distribution of funds section-wise

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

- 1. The budgetary calendar as specified in Maharashtra Budget Manual

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PURPOSE: Investment of the Surplus Funds of the Institute

SCOPE: Investment of Surplus funds of YASHADA as per Board of Governors Resolution and directives of Finance Department, GoM regarding investments and Decisions of Investment Committee comprising Principal Secretary (Exp), Finance Department, GoM, Director General, YASHADA and Accounts Officer, YASHADA.

RESPONSIBILITY: Head Accountant, Accounts Officer, Investment Committee

PROCEDURE:

1. A review of surplus funds of YASHADA not required immediately is taken by Head Accountant and Accounts Officer from time to time.
2. A note regarding surplus funds available for investments is submitted to Director General
3. If the Director General decides so, a meeting of the Investment Committee is convened.
4. As per prevalent Guidelines of Finance Department, GoM, rates of interest from Nationalized Banks are obtained and comparative statement of the rates of interest is prepared
5. The Investment Committee decides the amount to be invested, the period of investment and the institute with which the amount is to be invested.
6. The investment is made in form of Fixed Deposit as per decision of the investment committee.

Reference Documents: 1. Resolutions of the Finance Department, GoM regarding guidelines of investment

2. Rates of interest quoted by nationalized banks
3. Decision of Investment Committee

Records:

Following Records are maintained

- a. Minutes of the meetings of Investment Committee
- b. Comparative statements of interest
- c. Investment Register in which all investments made are recorded in detail.

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

1. timely review of bank balance in Saraswat Bank above Rs.50 lacs within 1 month.

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PURPOSE: Internal and statutory audit

SCOPE: Internal Auditors and Statutory Auditors are appointed for the Institute and internal audit is conducted on bi-monthly basis while the Statutory Auditors audit the Annual Financial Statements.

RESPONSIBILITY: Accounts section

PROCEDURE:

1. Internal Auditors carry out accounts and procedural audit every two months and every voucher is checked
2. The comments of the Internal Auditors are communicated to concerned sections and rectifications if necessary are carried out in accounting entries. Compliance to the points should be reported by the concerned section in 15 days to accounts section
3. The statutory audit is carried out after the Annual Financial Report is ready and this is also for procedural and accounting aspects.
4. The observations and comments in the Audit Report of the Statutory Auditors is carried out.
5. The Audit Report of the Statutory Auditors and the Annual Accounts are submitted to the Board of Governors for approval

Reference Documents: Annual Accounts Report

Reports of the Internal Auditors

Report of the Statutory Auditors

Agenda and minutes of BoG meeting regarding approval of Audit Report and Annual Accounts

Records:

Following Records are maintained

- a. Annual Accounts
- b. Audit Report of Statutory Auditors
- c. Minutes of approval of Accounts by Board of Governors
- d. Compliance of observations in the Audit Report

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

1. the Audit Report and Annual Accounts should be submitted to the approval of BoG within 4 months of closure of previous financial year

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PURPOSE: Maintenance of Accounts of Projects and Sponsored courses

SCOPE: YASHADA receives money from agencies other than GoM, GoI for carrying out projects, conducting sponsored courses. The accounts of these Projects and Sponsored courses are kept by Accounts Section

RESPONSIBILITY: Head accountant, Cashier, Accounts Clerk

PROCEDURE:

1. Receipt is issued for the funds received to the funding agency.
2. A separate bank account is opened for keeping these funds if the funding agency so desires
3. A separate ledger head is opened for keeping accounts of the project/ sponsored course and expenditure properly authorized is debited to this account.
4. In case of projects Annual Accounts are prepared including Balance Sheet
5. Utilization Certificate is issued to the funding agency when the funds have been utilized on the basis of cashbook, ledger and vouchers
6. Project Coordinator should also maintain record of expenses and receipts and monthly reconcile the same with accounts section

Reference Documents:

Records:

Following Records are maintained

- a. Final account of all projects
- b. Vouchers of expenditure of all projects
- c. Other correspondence related to accounts.

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

1. Ensuring monthly reconciliation between project coordinator and accounts section
2. Ensuring statutory compliances

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PURPOSE: The Leave salary and Pension Contribution is paid to Government of Maharashtra.

SCOPE: YASHADA contributes the share of Leave Salary and Pension of the staff on deputation to the Government of Maharashtra.

RESPONSIBILITY: Accounts officer, Head accountant

PROCEDURE:

The Head Accountant calculates the Leave Salary and Pension contribution to be made by YASHADA of the staff on foreign service as per Maharashtra Civil Service Rules (Foreign Service), 1982.

The calculation is verified by Accounts Officer and Financial Advisor.

A demand draft of the LSPC contribution is sent to various departments.

Reference Documents: Maharashtra Civil Service Rules, 1982

Service record of the staff on deputation

Salary bill

Records:

Following Records are maintained

- Statement of calculation of LSPC
- Recording of payment of LSPC in Service Book of the incumbent.

MIS Parameters (Qualitative, Specific to YASHADA objectives, with reference to time)

- The LSPC contribution has to be sent to respective departments by 15th April.

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