Sukkur Electric Power Company (SEPCO)

Accounting Manual

Volume-II

Prepared by

USAID Power Distribution Program

January 2013

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1 Introduction

1.1 Objective

The main objective of inventory management is to maintain inventory at appropriate levels so as to supply uninterrupted distribution of electricity and to carry out operational activities smoothly, and maintain investment in inventories at a lean level to maximize profitability.

Both inadequate and excessive quantities of inventories are considered undesirable. Balancing both these competing requirements results in optimal inventory levels, which is a difficult but manageable process as the business requirements change and react frequently in relation to wider changes in the environment.

Other important objectives of inventory management are explained as under:

- To ensure that the supply of necessary material and supplies meet operational needs and fulfil orders of customers on a timely basis.
- To minimize carrying cost of inventories and keep investment in inventories at lean levels.
- To reduce the losses due to theft, obsolescence & wastage.

1.2 Scope

This document covers all the aspects of the Inventory and Materials Management at different Stores of DISCO. This document describes each Process of Inventory and Materials Management, which includes; Descriptive Overview of the process, Flow Chart of all the process activities, Journal Entries and their references with the process activities, Job Descriptions of persons responsible for performing activities and key control matrices to ensure that the process activities are in line with the Standard Policies and Procedure of the DISCO.

Following are the types of Stores in the DISCO:

- Regional Store
  - Field Store
- Warehouse
  - C Type Store
- MIS Store

All the Inventory and Materials Management activities in DISCO are covered under following Processes:

Process ID	Process Name
IMM-1	Material Received from Supplier by the Regional Store
IMM-2	Material Received from Other DISCO by the Regional Store
IMM-3	Material Transferred from Regional Store to Field Store
IMM-4	Material Issued from Field Store
IMM-5	Direct Issue of Material from Regional Store to Accounting Unit Other than Operation Division
IMM-6	Material Transferred from Field Store to Field Store
IMM-7	Material Issued from Regional Store to Other DISCO
IMM-8	Material (Under Warranty/Dismantled/Damaged) Returned to Regional Store
IMM-9	Material Under Warranty Returned to Supplier by Regional Store
IMM-10	Transformer Sent for Repair by Regional Store
IMM-11	Sale of Scrap by Regional Store/Warehouse/C Type Store
IMM-12	Material Received from Regional Store by the MIS Store
IMM-13	Material Issued from MIS Store
IMM-14	Material Received from Supplier by the Warehouse
IMM-15	Material Received from Other DISCO by the Warehouse
IMM-16	Material Received from Supplier by C Type Store
IMM-17	Material Issued from Warehouse to C Type Store
IMM-18	Material Issued from C Type Store
IMM-19	Material Issued from Warehouse to Division of PDGSC
IMM-20	Material Issued from Warehouse to Other DISCO
IMM-21	Material (Under Warranty/Dismantled/Damaged) Returned by Division of PDGSC to Warehouse
IMM-22	Material (Under Warranty/Dismantled/Damaged) Returned by SS&T Division to C Type Store
IMM-23	Material Under Warranty Returned to Supplier by C Type Store
IMM-24	Transformer Sent for Repair by Warehouse/C Type Store

Process ID	Process Name
IMM-25	Inventory Write Off and Provision for Slow Moving Items
IMM-26	Loss on Theft of Material

2 Policies and Definitions

2.1 General Policies

Inventory is valued at lower of cost and net realizable value. Provision is made for obsolete items, except items in transit, which are valued at cost comprising invoice value plus other charges paid thereon.

At Regional Store, inventory is valued at 'Weighted Average Cost Formula. For details refer 2.3.3.

At Warehouse the inventory is valued as per 'Specific Identification Cost Formula'. For details refer 2.3.3.

Inventory count is conducted on quarterly basis and any differences are followed up.

The inventory balance maintained by the Finance Department of PMU and the balance maintained by the Warehouse is reconciled prior to the closing of Trial Balance at the end of each month.

A 'Reserve Stock Limit' is set on the basis of a report prepared by the Regional Store and the Warehouse. This report states the usage of each item over the period of last three years. This report is sent to Material Management Department (by the Regional Store) and the Project Management Unit (by the Warehouse) who verifies it and then sets a limit for the year. The RSL set is sent to CEO for approval. The Department of Material Management has the responsibility to ensure that the inventory does not fall below the RSL.

The Regional Store/Warehouse sends the inventory record to the Material Management Department/Project Management Unit weekly and fortnightly. Senior Manager MM/Deputy Manager Procurement (at PMU) compares the record with the RSL and if the balance in hand is less than the RSL then either a Tender is raised or material is purchased from other DISCO.

A Stock Adjustment Note (SAN) is prepared by the Store System Supervisor. The SAN specifies the reason due to which the adjustment is required. The SAN is sent to Regional Store Manager/Deputy Manager Warehouse for approval. The Regional Store Manager/Deputy Manager Warehouse reviews the SAN and then gives approval for the adjustment in the inventory record.

2.2 Definitions

2.2.1 Inventory

Inventories are assets:

- Held for sale in the ordinary course of business (Finished Goods);
- In the form of materials or supplies to be consumed in the rendering of services. (IAS 2.6)

2.2.2 Net Realizable Value

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. (IAS 2.6)

2.2.3 Cost of Inventories

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. (IAS 2.10)

2.2.4 Cost of Purchase

The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxation authorities) transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. (IAS 2.11)

2.2.5 SS Cheque

SS Cheque is issued only for issue of material made within the DISCOs. It serves as a payment for the material requested. It is a non cash transfer of funds from the concerned Accounting Unit to the Warehouse/Regional Store.

2.3 General accounting guidelines

2.3.1 Measurement of inventories

Inventories are measured at the lower of:

- Weighted Average Moving Cost
- Net Realizable value (NRV). (IAS 2.9)

The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2.3.2 Recognition as an Expense

When inventories are sold and revenue is recognized, the carrying amount of those inventories is recognized as an expense (often called cost-of-goods-sold). Any write-down to NRV and any inventory losses are also recognized as an expense when they occur. (IAS 2.34)

2.3.3 Cost Formulas

Specific Identification Cost Formula

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects shall be assigned by using specific identification of their individual costs. (IAS 2.23)

Specific identification of cost means that specific costs are attributed to identified items of inventory. This is the appropriate treatment for items that are segregated for a specific project, regardless of whether they have been bought or produced. However, specific identification of costs is inappropriate when there are large numbers of items of inventory that are ordinarily interchangeable. In such circumstances, the method of selecting those items that remain in inventories could be used to obtain predetermined effects on profit or loss. (IAS 2.24)

Weighted Average Cost Formula

The cost of inventories other than those in the above paragraph shall be assigned by using weighted average cost formula. An entity shall use the same cost formula for all inventories having a similar nature and use to the entity. For inventories with a different nature or use, different cost formulas may be justified. (IAS 2.25)

Under the weighted average cost formula, the cost of each item is determined from the weighted average of the cost of similar items at the beginning of a period and the cost of similar items purchased or produced during the period. The average may be calculated on a periodic basis, or as each additional shipment is received, depending upon the circumstances of the entity. (IAS 2.27)

2.3.4 Net Realizable Value (NRV)

The cost of inventories may not be recoverable if those inventories are damaged, if they have become wholly or partially obsolete, or if their selling prices have declined. The cost of inventories may also not be recoverable if the estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The practice of writing inventories down below cost to net realisable value is consistent with the view that assets should not be carried in excess of amounts expected to be realised from their sale or use. (IAS 2.28)

Inventories are usually written down to net realisable value item by item. In some circumstances, however, it may be appropriate to group similar or related items. This may be the case with items of inventory relating to the same product line that have similar purposes or end uses, are produced and marketed in the same geographical area, and cannot be practicably evaluated separately from other items in that product line. It is not appropriate to write inventories down on the basis of a classification of inventory, for example, finished goods, or all the inventories in a particular operating segment. (IAS 2.29)

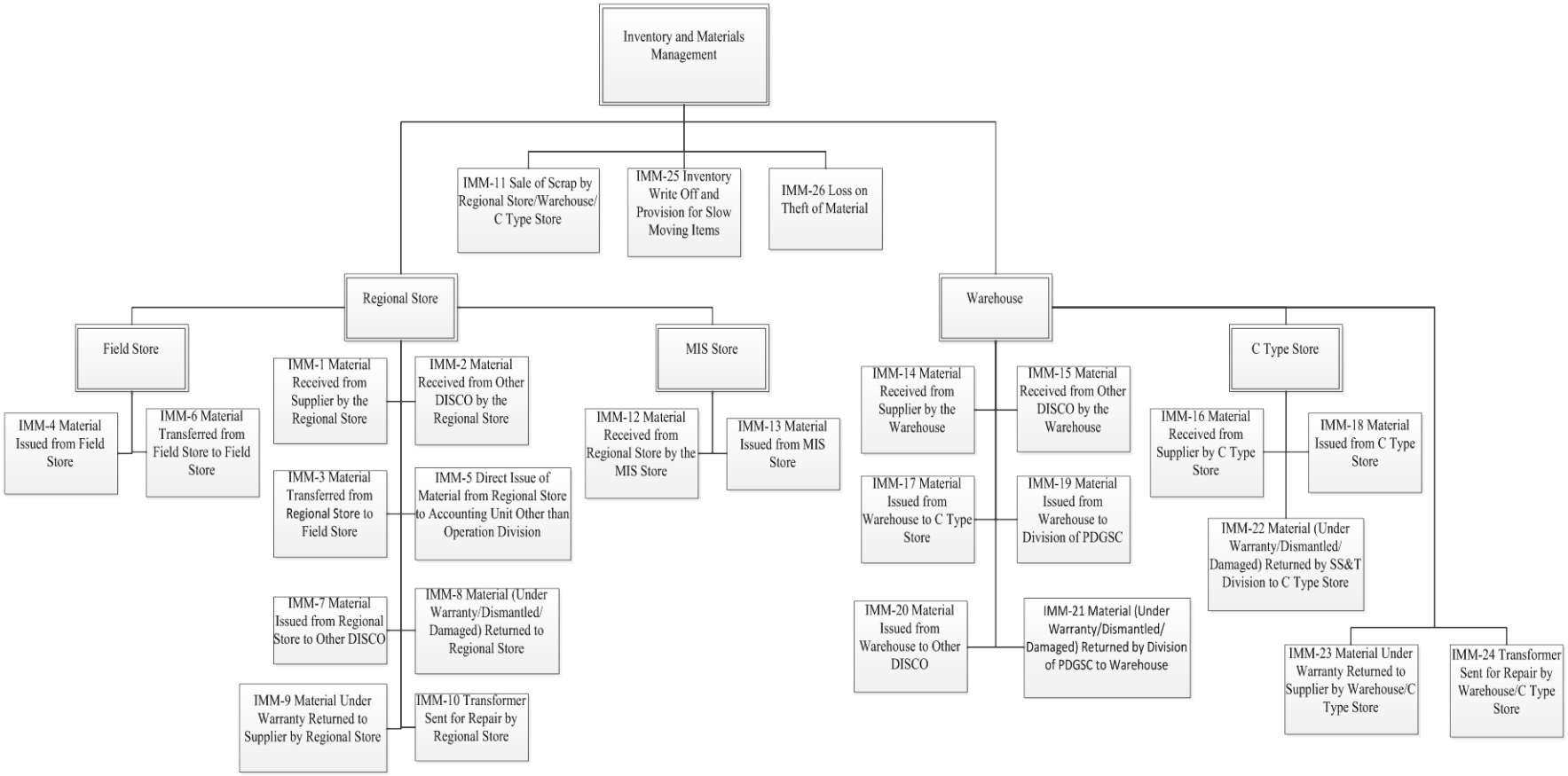
A new assessment is made of net realizable value in each subsequent period. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write down is reversed (i.e. the reversal is limited to the amount of the original write-down) so that the new carrying amount is lower of cost and the revised net realizable value. (IAS 2.33)

2.3.5 Required Disclosure

The financial statements shall disclose:

- The accounting policies adopted in measuring inventories, including the cost formula used;
- The total carrying amount of inventories and the carrying amount in classifications appropriate to the entity;
- The carrying amount of inventories carried at fair value less costs to sell;
- The amount of inventories recognized as an expense during the period;
- The amount of any write-down of inventories recognized as an expense in the period.
- The amount of any reversal of any write-down that is recognized as a reduction in the amount of inventories recognized as expense in the period.
- The circumstances or events that led to the reversal of a write-down of inventories.
- The carrying amount of inventories pledged as security for liabilities. (IAS 2.36)

3 Overview of the Process of Inventory and Materials Management



Process ID	Process Name	Description of Process
IMM-1	Material Received from Supplier by the Regional Store	A. This process covers the activities regarding the receipt of material from supplier by the Regional Store. B. Material is received along with the supporting documents at the Regional Store. C. Good Received Note (GRN) is prepared at the Regional Store. D. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.
IMM-2	Material Received from Other DISCO by the Regional Store	A. This process covers the activities regarding the receipt of material from other DISCO by the Regional Store. B. SR is prepared by the Store Keeper and verified by the Accounts Section of the Regional Store. C. In case advance payment is made to the other DISCO, a Cheque along with SR is sent to the other DISCO. D. When material is received from other DISCO, a Good Received Note (GRN) is prepared by the Store Keeper and verified by the Accounts Section of Regional Store. E. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.
IMM-3	Material Transferred from Regional Store to Field Store	A. This process covers the activities regarding the transfer of material to Field Store by Regional Store. B. Material is transferred to Field Store by the Regional Store on

Process ID	Process Name	Description of Process
		the basis of Goods Transfer Note (GTN). C. GTN is prepared by the Store Keeper and approved by Deputy Manager Regional Store. D. OGP is prepared and material is transferred to the Field Store. E. Store Account is updated on the basis of GTN by the Regional Store and Field Store on issuing and receiving the material respectively. F. LPS is prepared by both the Regional Store and Field Store to record the transfer of material. G. On the month end, Store Account and LPS of all the Field Stores are consolidated by the Accounts Section of Regional Store to update the Trial Balance.
IMM-4	Material Issued from Field Store	A. This process covers the activities regarding Material Issued from Field Store. B. Approved SR and SS Cheque are received by the Field Store from the Concerned Operation/Construction Division. C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Field Store respectively. D. SR is approved by Assistant Manager Field Store and the material is issued to the Concerned Operation/Construction Division. E. Store Account is updated on the basis of SR and LPS is prepared

Process ID	Process Name	Description of Process
		to update the accounts accordingly. F. On the month end, Store Account and LPS of all the Field Stores are consolidated by the Accounts Section of Regional Store to update the Trial Balance.
IMM-5	Direct Issue of Material from Regional Store to Accounting Units Other than Operation Division	A. This process covers the activities regarding material issued from Regional Store to Offices other than Operation Divisions. B. Approved SR and SS Cheque are received by the Regional Store from the Concerned Accounting Unit. C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Regional Store respectively. D. SR is approved by Deputy Manager Regional Store and the material is issued to the Concerned Accounting Unit. E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.
IMM-6	Material Transferred from Field Store to Field Store	A. This process covers the transfer of material from one Field Store to the other Field Store. B. Material is transferred from one Field Store to the other on the basis of Goods Transfer Note (GTN). C. GTN is prepared by the Store Keeper and approved by Assistant Manager of the Issuing Field Store. D. OGP is prepared and material is transferred to the Receiving

Process ID	Process Name	Description of Process
		Field Store. E. Store Account is updated on the basis of GTN by the Issuing Field Store and Receiving Field Store on issuing and receiving the material respectively. F. LPS is prepared by both Field Stores to record the transfer of material. G. On the month end, Store Account and LPS of all the Field Stores are consolidated by the Accounts Section of Regional Store to update the Trial Balance.
IMM-7	Material Issued from Regional Store to Other DISCO	A. This process covers the activities regarding the issuance of material from Regional Store to other DISCO. B. Approval is obtained from CEO to issue the material to other DISCO and Allocation Order is issued by GM Technical. C. Advance payment is made by Other DISCO in the form of cheque. A Cheque along with SR is received by Regional Store. D. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Regional Store respectively. E. SR is approved by Deputy Manager Regional Store and the material is issued to the Other DISCO after receiving Credit Advice from Finance Directorate. F. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

Process ID	Process Name	Description of Process
IMM-8	Material (Under Warranty/Dismantled/Damaged) Returned to Regional Store	A. This process covers the activities regarding material returned to the Regional Store. B. NBV of the asset is assigned to the Material Return Note (MRN) and sent to the Field Store. C. MRN is verified and approved at the Field Store and SS Cheque is issued to the Concerned Division. D. Store Account is updated on the basis of MRN and LPS is prepared to update the accounts accordingly. E. GTN is prepared at the Field Store and material is transferred to the Regional Store. F. Material under warranty is returned to the Supplier, damaged (repairable) transformer is sent to TRW for repair and other damaged material is sent to the Disposal Store after calculating its NRV. G. On the month end, Store Account and LPS of all the Field Stores are consolidated by the Accounts Section of Regional Store to update the Trial Balance.
IMM-9	Material Under Warranty Returned to Supplier by Regional Store	A. This process covers the activities regarding material returned to Supplier by the Regional Store. B. Material is returned to the Supplier on the basis of SR approved by the Deputy Manager Regional Store.

Process ID	Process Name	Description of Process
		C. Store Account and Supplier Ledger are updated on the basis of SR and LPS is prepared to update the accounts accordingly. D. When material is returned by the Supplier, GRN is prepared and verified at the Regional Store. E. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.
IMM-10	Transformer Sent for Repair by Regional Store	A. This process covers the activities regarding the transformer sent for repair by the Regional Store. B. Transformer is sent for repair to TRW on the basis of SR approved by the Deputy Manager Regional Store. C. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly. D. When transformer along with Cost Sheet is returned by TRW, GRN is prepared and verified at the Regional Store. E. Store Account is updated on the basis of GRN and LPS is prepared to update the accounts accordingly.
IMM-11	Sale of Scrap by Regional Store/Warehouse/C Type Store	A. This process covers the activities regarding sale of scrap by Regional Store/ Warehouse/ C Type Store. B. Survey Report is prepared at the Regional Store/ Warehouse/ C Type Store and verified by the Verification Committee at the Finance Directorate.

Process ID	Process Name	Description of Process
		C. Approval of auction is obtained from CEO. D. After receiving the bid price, LOA is issued to the highest bidder. E. After receiving the Release Order, material is issued on SR to the bidder by the Regional Store. F. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly. G. If the scrap sold belongs to Warehouse/ C Type Store, a credit advice is issued to the Warehouse/ SS&T Division of GSO by the Regional Store.
IMM-12	Material Received from Regional Store by the MIS Store	A. This process covers the activities regarding the receipt of material by MIS Store from Regional Store B. Approved SR and SS Cheque are received by the Regional Store from the Office of MIS. C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Regional Store respectively. D. SR is approved by Deputy Manager Regional Store and the material is issued to the MIS Store. E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly. F. Material is received and GRN is prepared at the MIS Store and

Process ID	Process Name	Description of Process
		Store Account is updated on the basis of GRN. G. On the month end, Store Account and LPS of the MIS Store are consolidated by the Consolidation Section of Finance Directorate to update the Trial Balance.
IMM-13	Material Issued from MIS Store	A. This process covers the activities regarding Material Issued from MIS Store. B. Approved SR and SS Cheque are received by the MIS Store from the Concerned Office. C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the MIS Store respectively. D. SR is approved by Manager MIS and the material is issued to the Concerned Office. E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly. F. On the month end, Store Account and LPS of the MIS Store are consolidated by the Consolidation Section of Finance Directorate to update the Trial Balance.
IMM-14	Material Received from Supplier by the Warehouse	A. This process covers the activities regarding the receipt of material from a supplier by the Warehouse. B. Material is received along with the supporting documents at the Warehouse.

Process ID	Process Name	Description of Process
		C. Goods Received Note (GRN) is prepared at the Warehouse. D. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.
IMM-15	Material Received from Other DISCO by the Warehouse	A. This process covers the activities regarding the receipt of material from other DISCO by the Warehouse. B. SR is prepared by the Store Keeper and verified by the Accounts Section of the Warehouse. C. In case advance payment is made to the other DISCO, a Cheque along with SR is sent to the other DISCO. D. When material is received from other DISCO, a Good Received Note (GRN) is prepared by the Store Keeper and verified by the Accounts Section of Warehouse. E. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.
IMM-16	Material Received from Supplier by C Type Store	A. This process covers the activities regarding the receipt of material from supplier by the C Type Store. B. Material is received along with the supporting documents at the C Type Store. C. Good Received Note (GRN) is prepared at the C Type Store. D. Store Account and Supplier Ledger are updated by the SS&T Division of GSO on the basis of GRN and LPS is prepared to

Process ID	Process Name	Description of Process
		update the accounts accordingly.
IMM-17	Material Issued from Warehouse to C Type Store	A. This process covers the activities regarding the issuance of material from Warehouse to C Type Store. B. Approved SR and SS Cheque are received by the Warehouse from the SS&T Division of GSO. C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Warehouse respectively. D. SR is approved by Deputy Manager Warehouse and the material is issued to the C Type Store. E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly. F. Material is received and GRN is prepared at the C Type Store and Store Account is updated on the basis of GRN by the SS&T Division of GSO.
IMM-18	Material Issued from C Type Store	A. This process covers the activities regarding Material Issued by C Type Store. B. Approved SR and SS Cheque (in case material is issued to Division other than the SS&T Division of C Type Store) are received by the C Type Store from the Concerned Division. C. SR is checked by the Store Keeper and verified by the SS&T Division of C Type Store. D. Material is issued to the Concerned Division and the Store

Process ID	Process Name	Description of Process
		Account is updated on the basis of SR. E. LPS is prepared to update the accounts accordingly.
IMM-19	Material Issued from Warehouse to Division of PDGSC	A. This process covers the activities regarding material issued from Warehouse to Division of PDGSC. B. Approved SR and SS Cheque are received by the Warehouse from the Concerned Division of PDGSC. C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Warehouse respectively. D. SR is approved by Deputy Manager Warehouse and the material is issued to the Concerned Division of PDGSC. E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.
IMM-20	Material Issued from Warehouse to Other DISCO	A. This process covers the activities regarding the issuance of material from Warehouse to other DISCO. B. Approval is obtained from CEO to issue the material to other DISCO and Allocation Order is issued by GM Technical. C. Advance payment is made by other DISCO, a Cheque along with SR is received by Regional Store. D. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Warehouse respectively. E. SR is approved by Deputy Manager Warehouse and the material

Process ID	Process Name	Description of Process
		is issued to the other DISCO. F. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.
IMM-21	Material (Under Warranty/Dismantled/Damaged) Returned by Division of PDGSC to Warehouse.	A. This process covers the activities regarding material returned by Division of PDGSC to Warehouse. B. Value as per Project Ledger is assigned to the Material Return Note (MRN) and sent to the Warehouse. C. Store Account is updated on the basis of MRN and LPS is prepared to update the accounts accordingly. D. Material under warranty is returned to the Supplier, damaged (repairable) transformer is sent to TRW for repair and other damaged material is kept for disposal after calculating its NRV.
IMM-22	Material (Under Warranty/Dismantled/Damaged) Returned by SS&T Division to C Type Store	A. This process covers the activities regarding material returned by SS&T Division to the C Type Store. B. NBV of the asset is assigned to the Material Return Note (MRN) and sent to the C Type Store. C. Store Account is updated on the basis of MRN and LPS is prepared to update the accounts accordingly. D. Material under warranty is returned to the Supplier, damaged (repairable) transformer is sent to TRW for repair and other damaged material is kept for disposal after calculating its NRV.
IMM-23	Material Under Warranty Returned to Supplier by C Type Store	A. This process covers the activities regarding material returned to

Process ID	Process Name	Description of Process
		Supplier by the C Type Store. B. Material is returned to the Supplier on the basis of SR approved by the Deputy Manager Operations. C. Store Account and Supplier Ledger are updated on the basis of SR and LPS is prepared to update the accounts accordingly. D. When material is returned by the Supplier, GRN is prepared at the C Type Store and verified at the SS&T Division of GSO. E. Store Account is updated on the basis of GRN and LPS is prepared to update the accounts accordingly.
IMM-24	Transformer Sent for Repair by Warehouse/C Type Store	A. This process covers the activities regarding the transformer sent for repair by the Warehouse/C Type Store. B. Transformer is sent for repair to TRW on the basis of SR approved by the Deputy Manager Warehouse /Deputy Manager Operations. C. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly. D. When transformer along with Cost Sheet is returned by TRW, GRN is prepared at the Warehouse/C Type Store and verified at the SS&T Division of GSO (in case of C Type Store). E. Store Account is updated on the basis of GRN and LPS is prepared to update the accounts accordingly.
IMM-25	Inventory Write Off and Provision for Slow Moving Items	A. This process covers the activities regarding inventory write off

Process ID	Process Name	Description of Process
		and calculation of provision of slow moving items. B. Store Account and Inactive Material Report are prepared at the Regional Store / Warehouse. C. Value of inventory items is determined by the Disposal Committee. D. On the basis of value determined by the Disposal Committee, NRV and provision of slow moving items is determined by the Consolidation Section of Finance Directorate. E. After approval of inventory write off LPS is prepared to record the loss on inventory write off and provision for slow moving items.
IMM-26	Loss on Theft of Material	A. This process covers the activities regarding theft and writing off Inventory, penalties and recoveries from the employees and third parties. B. When the Regional Store / Warehouse receive the theft report, Store Account is updated and LPS is prepared to record receivable against theft. C. If an employee/third party is involved in the theft of Asset, the amount is recovered from them and if no employee or third party is identified then it is charged to income statement as a loss.

IMM-1 Material Received from Supplier by the Regional Store

IMM-1.1 Descriptive Overview of the Process

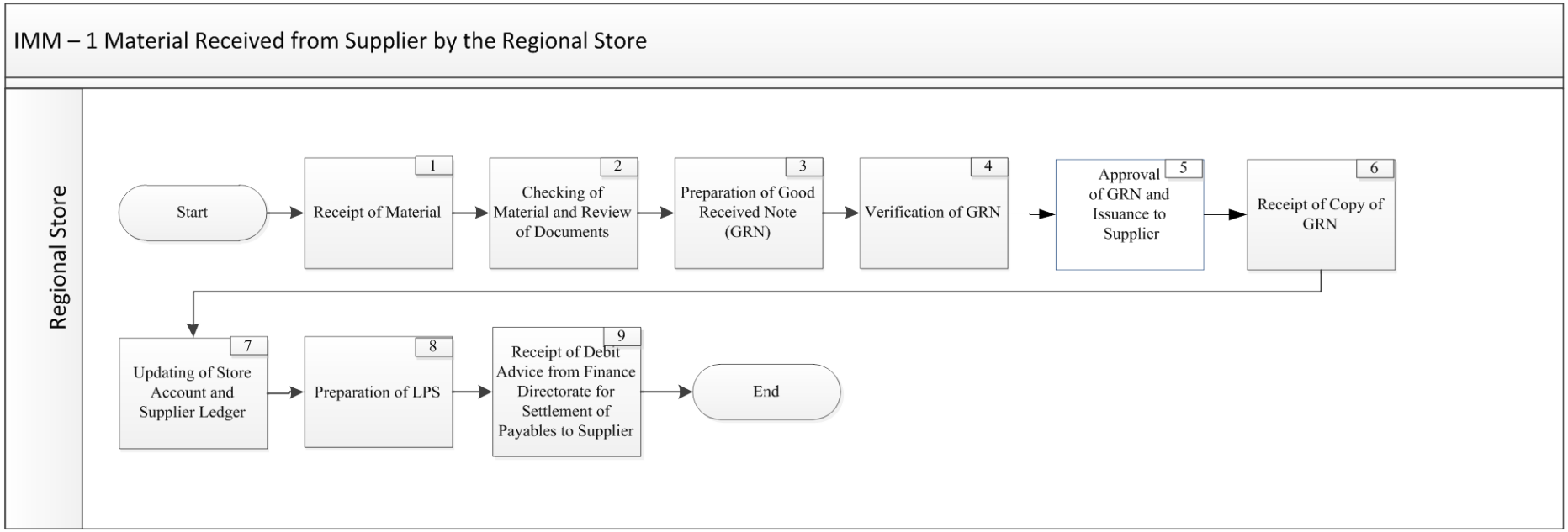
A. This process covers the activities regarding the receipt of material from supplier by the Regional Store.

B. Material is received along with the supporting documents at the Regional Store.

C. Good Received Note (GRN) is prepared at the Regional Store.

D. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.

IMM-1.2 Flow Chart



IMM-1.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Material	Material is received at the Regional Store along with the supporting documents which include: ➢ Purchase Order ➢ Delivery Challan ➢ Warranty Certificate ➢ Inspection Certificate ➢ Invoice ➢ Packing List			Regional Store	Store Keeper
2.	Checking of Material and Review of Documents	The Deputy Manager Regional Store (DMRS) checks that the material received is as per the PO and counter signs the Delivery Challan and Inspection Certificate.			Regional Store	DMRS
3.	Preparation of Good Received Note (GRN)	a) GRN is prepared and signed by the Store Keeper. b) GRN is forwarded to the Accounts Section of Regional Store for verification. **[**Refer ***"Volume IIII, Annexure – 85"*** for the specimen of ***GRN*****]**	GRN		Regional Store	Store Keeper
4.	Verification of GRN	Accounts Section of Regional Store verifies the rate and quantity of material on GRN by matching it with the PO and Delivery Challan and counter signs the GRN.			Regional Store	AA, AO, AMA
5.	Approval of GRN and Issuance to Supplier	After GRN is verified by the Accounts Section, the GRN is approved by the Deputy Manager Regional Store and issued to Supplier.			Regional Store	DMRS

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
6.	Receipt of Copy of GRN	Copy of approved GRN is forwarded to the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA
7.	Updating of Store Account and Supplier Ledger	The Store Account and Supplier Ledger are updated by the Accounts Section of Regional Store on the basis of GRN. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 127"*** for the specimen of ***Supplier Ledger***]	Store Account, Supplier Ledger		Regional Store	AA, AO, AMA
8.	Preparation of LPS	LPS is prepared by Accounts Section of Regional Store to record the Inventory and Payables to Supplier. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Regional Store	AA, AO, AMA
9.	Receipt of Debit Advice from Finance Directorate for Settlement of Payables to Supplier	a) Payment is made to the Supplier by the Payment Section of Finance Directorate and Debit advice is issued to the Regional Store. b) On receiving the Debit Advice, the Accounts Section of Regional Store prepares LPS to record settlement of Payables to Supplier.		Entry for Settlement of Payables to Supplier is mentioned in PAP -2	Regional Store	AA, AO, AMA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"PAP - 2"*** for details regarding ***payment to supplier and issuance of debit advice from Finance Directorate for settlement of payables to supplier***]				

IMM-1.4 Journal Entries

1. When material is received from Supplier, the following entry is posted by Regional Store:

Description	Debit	Credit
Stores	***	
GST Receivable from GOP	***	
Trade Creditors		***

IMM-1.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Regional Store	1,3
Accounts Assistant	
Regional Store	4,6,7,8,9
Accounts Officer	
Regional Store	4,6,7,8,9
Assistant Manager Accounts	
Regional Store	4,6,7,8,9
Deputy Manager Regional Store	
Regional Store	2,5

IMM-1.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material received from supplier is of correct quantity and right specification as per Purchase Order.	Material received from the supplier may be less or more than the actual order resulting in under/over payment to the supplier. Poor quality material may result in extra cost for the Company.	The Deputy Manager Regional Store (DMRS) check that the quantity and quality of material received is as per PO. DMRS then counter signs the Delivery Challan and Inspection Certificate.	2
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked by AO & AA, verified by AMA by matching it with the PO and Delivery Challan. GRN is finally approved by the Deputy Manager Regional Store.	5
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account and Supplier Ledger are updated by AA on the basis of GRN, checked by AO and approved by AMA.	7
4	Inventory receipts are recorded completely and in the correct accounting period.	Inventory balances may be misstated. Receipts may be recorded in the wrong period, resulting in misstatement of inventory balances.	LPS is prepared by AA on the basis of GRN, verified by AO and approved by AMA.	8

IMM-2 Material Received from Other DISCO by the Regional Store

IMM-2.1 Descriptive Overview of the Process

A. This process covers the activities regarding the receipt of material from other DISCO by the Regional Store.

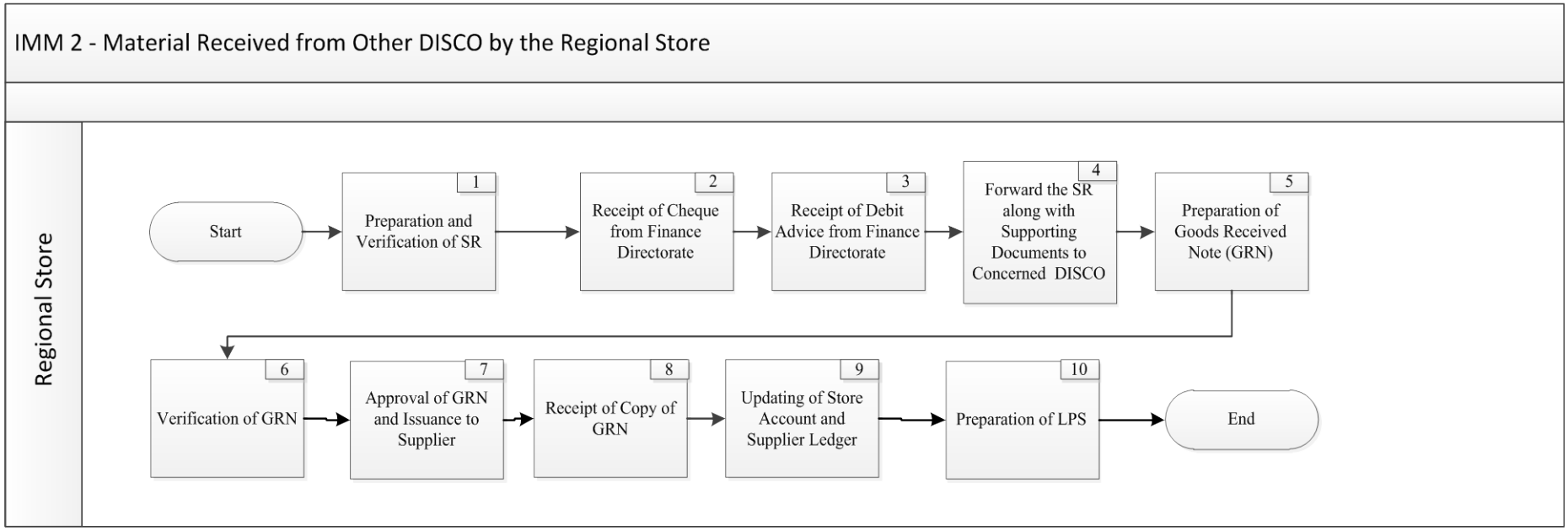
B. SR is prepared by the Store Keeper and verified by the Accounts Section of the Regional Store.

C. Advance payment is made to Other DISCO in the form of cheque. The Cheque along with SR is sent to the other DISCO.

D. When material is received from other DISCO, a Goods Received Note (GRN) is prepared by the Store Keeper and verified by the Accounts Section of Regional Store.

E. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.

IMM-2.2 Flow Chart



IMM-2.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation and Verification of SR	a) In case of emergency requirement, any material can be procured from other DISCOs. b) The Office of MM obtains approval from CEO for purchase of material from Other DISCO on a Noting Sheet. c) Noting Sheet is attached with the Allocation Order received from Other DISCO, mentioning the Unit Rate of the item to be purchased. d) SR is prepared by the Store Keeper and verified by the Accounts Section of the Regional Store. **[**Refer ***"PAP - 8"***, for details regarding ***procurement of material from other DISCOs*****]** **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***Store Requisition*****]**	SR		Regional Store	Store Keeper
2.	Receipt of Cheque from Finance Directorate	a) Office of MM grants financial approval on Noting Sheet. b) After Financial approval, Pre-audit is performed by the Payment Section of Finance Directorate. c) After Pre-audit, Cheque is forwarded by the Finance			Regional Store	AMA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		Directorate to the Regional Store for payment to the Other DISCO. d) Cheque is received by the Regional Store. [Refer ***"PAP - 8"*** for details regarding ***receipt of cheque from Finance Directorate regarding the advance payment made to other DISCO***]				
3.	Receipt of Debit Advice from Finance Directorate	Debit Advice is received from the Finance Directorate for the advance payment made to Other DISCO. [Refer ***"PAP - 8"*** for details regarding the ***receipt of debit advice from Finance Directorate regarding the advance payment made to other DISCO***]		Entry for advance Payment and issuance of Debit advice is mentioned in process PAP-8	Regional Store	AMA
4.	Forward the SR along with Supporting Documents to Concerned DISCO	Following documents are sent to Other DISCO by Regional Store: ➢ Authority Letter ➢ Allocation Order ➢ Cheque ➢ Approved SR			Regional Store	DMRS
5.	Preparation of Goods Received Note (GRN)	a) After the receipt of material from Other DISCO, GRN is prepared and signed by the Store Keeper. b) GRN is then forwarded to the Accounts Section of Regional Store for verification.	GRN		Regional Store	Store Keeper

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 85"*** for the specimen of ***GRN***]				
6.	Verification of GRN	a) Accounts Section of Regional Store verifies the rate and quantity of the material on approved GRN by matching it with the Allocation Order and Delivery Challan. b) After verification of GRN, the AMA of the Regional Store counter signs it.			Regional Store	AA, AO, AMA
7.	Approval of GRN and Issuance to Supplier	GRN is approved by the Deputy Manager Regional Store and issued to Other DISCO.			Regional Store	DMRS
8.	Receipt of Copy of GRN	Copy of approved GRN is received by the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA
9.	Updating of Store Account and Supplier Ledger	The Store Account and Supplier Ledger are updated by Accounts Section of Regional Store on the basis of approved GRN accordingly. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 127"*** for the specimen of ***Supplier Ledger***]	Store Account, Supplier Ledger		Regional Store	AA, AO, AMA
10.	Preparation of LPS	LPS is prepared by the Accounts Section to record the	LPS	1	Regional Store	AO, AA, AMA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		receipt of material from Other DISCO. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]				

IMM-2.4 Journal Entries

1. When material is received from Other DISCO, the following entry is posted by Regional Store:

Description	Debit	Credit
Stores	***	
Receivables from Associated Company - DISCO		***

IMM-2.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Regional Store	1,5
Accounts Assistant	
Regional Store	6,8,9,10
Accounts Officer	
Regional Store	6,8,9,10
Assistant Manager Accounts	
Regional Store	2,3,6,8,9,10
Deputy Manager Regional Store	
Regional Store	4,7

IMM-2.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material received from supplier is of correct quantity and right specification as per Purchase Order.	Material received from the supplier may be less or more than the actual order resulting in under/over payment to the supplier. Poor quality material may result in extra cost for the Company.	The Deputy Manager Regional Store (DMRS) check that the quantity and quality of material received is as per PO. DMRS then counter signs the Delivery Challan and Inspection Certificate.	2
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked by AO & AA, verified by AMA by matching it with the PO and Delivery Challan. GRN is finally approved by the Deputy Manager Regional Store.	5
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account and Supplier Ledger are updated by AA on the basis of GRN, checked by AO and approved by AMA.	7
4	Inventory receipts are recorded completely and in the correct accounting period.	Inventory balances may be misstated. Receipts may be recorded in the wrong period, resulting in misstatement of inventory balances.	LPS is prepared by AA on the basis of GRN, verified by AO and approved by AMA.	8

IMM-3 Material Transferred from Regional Store to Field Store

IMM-3.1 Descriptive Overview of the Process

A. This process covers the activities regarding the transfer of material to Field Stores by Regional Store.

B. Material is transferred to Field Stores by the Regional Store on the basis of Goods Transfer Note (GTN).

C. GTN is prepared by the Store Keeper and approved by Deputy Manager Regional Store.

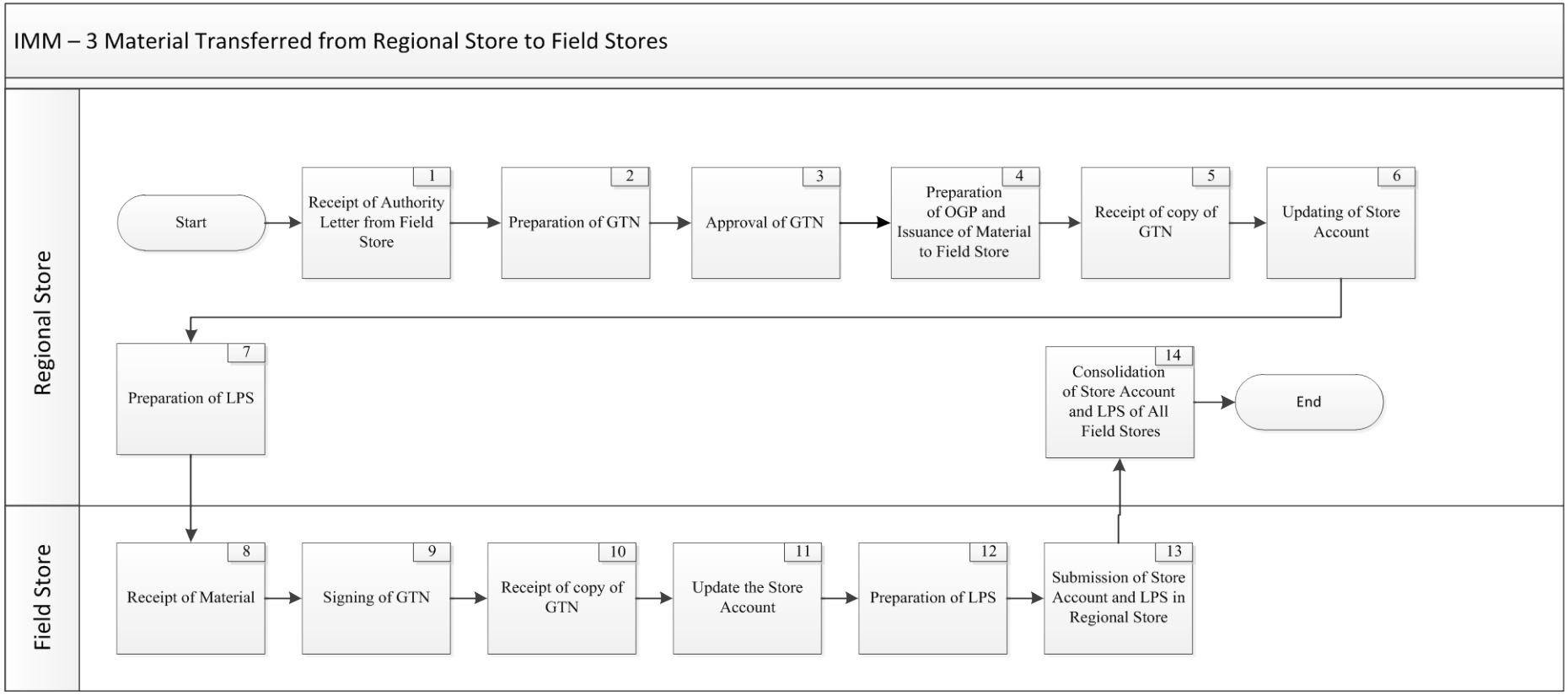
D. OGP is prepared and material is transferred to the Field Store.

E. Store Account is updated on the basis of GTN by the Regional Store and Field Store on issuing and receiving the material respectively.

F. LPS is prepared by both the Regional Store and Field Store to record the transfer of material.

G. On the month end, Store Account and LPS of all the Field Stores are consolidated by the Accounts Section of Regional Store to update the Trial Balance.

IMM-3.2 Flow Chart



IMM-3.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Authority Letter from Field Store	Authority Letter is received by the Regional Store from the Field Store to issue the material as per Allocation Order.			Regional Store	Store Keeper
2.	Preparation of GTN	The Store Keeper at the Regional Store prepares and signs a Goods Transfer Note (GTN) to issue the material to the respective field store. **[**Refer ***"Volume III, Annexure – 128"*** for the specimen of ***LPS***]	GTN		Regional Store	Store Keeper
3.	Approval of GTN	The GTN is approved by the Deputy Manager Regional Store.			Regional Store	DMRS
4.	Preparation of OGP and Issuance of Material to Field Store	OGP is prepared by the Store Keeper of the Regional Store and material is issued/transferred to the Field Store. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]	OGP		Regional Store	Store Keeper
5.	Receipt of copy of GTN	Copy of approved GTN is received by the Accounts Section of Regional Store.			Regional Store	AMA
6.	Updating of Store Account	The Store Account is updated by Accounts Section of the Regional Store on the basis of approved GTN. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***]	Store Account		Regional Store	AA, AO, AMA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]				
7.	Preparation of LPS	LPS is prepared by the Accounts Section of the Regional Store to record the transfer of material to the Field Store. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Regional Store	AO, AA, AMA
8.	Receipt of Material	Field Store receives material along with the copy of GTN from the Regional Store.			Field Store	Store Keeper
9.	Signing of GTN	The Store Keeper and AM (FS) sign the Goods Transfer Note (GTN) to confirm that goods are received.			Field Store	Store Keeper, AMFS
10.	Receipt of copy of GTN	Copy of GTN is received by the Accounts Section of Field Store.			Field Store	AA, AO
11.	Update the Store Account	The Store Account is updated by AA, checked by AO of the Field Store on the basis of GTN. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Field Store	AA, AO
12.	Preparation of LPS	LPS is prepared by the Accounts Section to record the material received from Regional Store. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Field Store	AA, AO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
13.	Submission of Store Account and LPS in Regional Store	On month end, the Store Account and LPS are submitted to the Accounts Section of Regional Store for consolidation purposes.			Field Store	AA, AO
14.	Consolidation of Store Account and LPS of All Field Stores	The Store Accounts and LPS of all the Field Stores are reconciled and consolidated for updating of Trial Balance by the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA

IMM-3.4 Journal Entries

1. When material is issued/transferred from Regional Store to Field Store the following entry is posted by the Regional Store:

Description	Debit	Credit
Material (GTN) Clearing Account – Field Store	***	
Stores		***

2. When material is received from Regional Store in Field Store the following entry is posted by the Field Store:

Description	Debit	Credit
Stores	***	
Material (GTN) Clearing Account – Field Store		***

IMM-3.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Regional Store	1,2,4
Field Store	8,9
Accounts Assistant	
Regional Store	6,7,14
Field Store	10,11,12,13
Accounts Officer	
Regional Store	6,7,14
Field Store	10,11,12,13
Assistant Manager Accounts	
Regional Store	5,6,7,14
Assistant Manager Field Store	
Field Store	9
Deputy Manager Regional Store	
Regional Store	3

IMM-3.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to Field Store, once Authority Letter is received by Store Keeper of the Regional Store.	3
2	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved GTN and checked by AO and AMA of the Regional Store. The Store Account is updated by AA on the basis of approved GTN and checked by AO of the Field Store.	6,11
3	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved GTN, checked and approved by AO and AMA of Regional Store. LPS is posted by AA on the basis of approved GTN, checked and approved by AO of Field Store.	7,12
4	Intra-company transactions are accurate and complete.	Intra-company transactions may not be completely or accurately posted to the general ledger.	On month end, the Store Account and LPS are submitted by the Field Store to the Regional Store. In the Regional Store, records are consolidated and reconciled by AA, checked by AO and approved by AMA prior to updating of Trial Balance.	13,14

IMM-4 Material Issued from Field Store

IMM-4.1 Descriptive Overview of the Process

A. This process covers the activities regarding Material Issued from Field Store.

B. Approved SR and SS Cheque are received by the Field Store from the Concerned Operation/Construction Division.

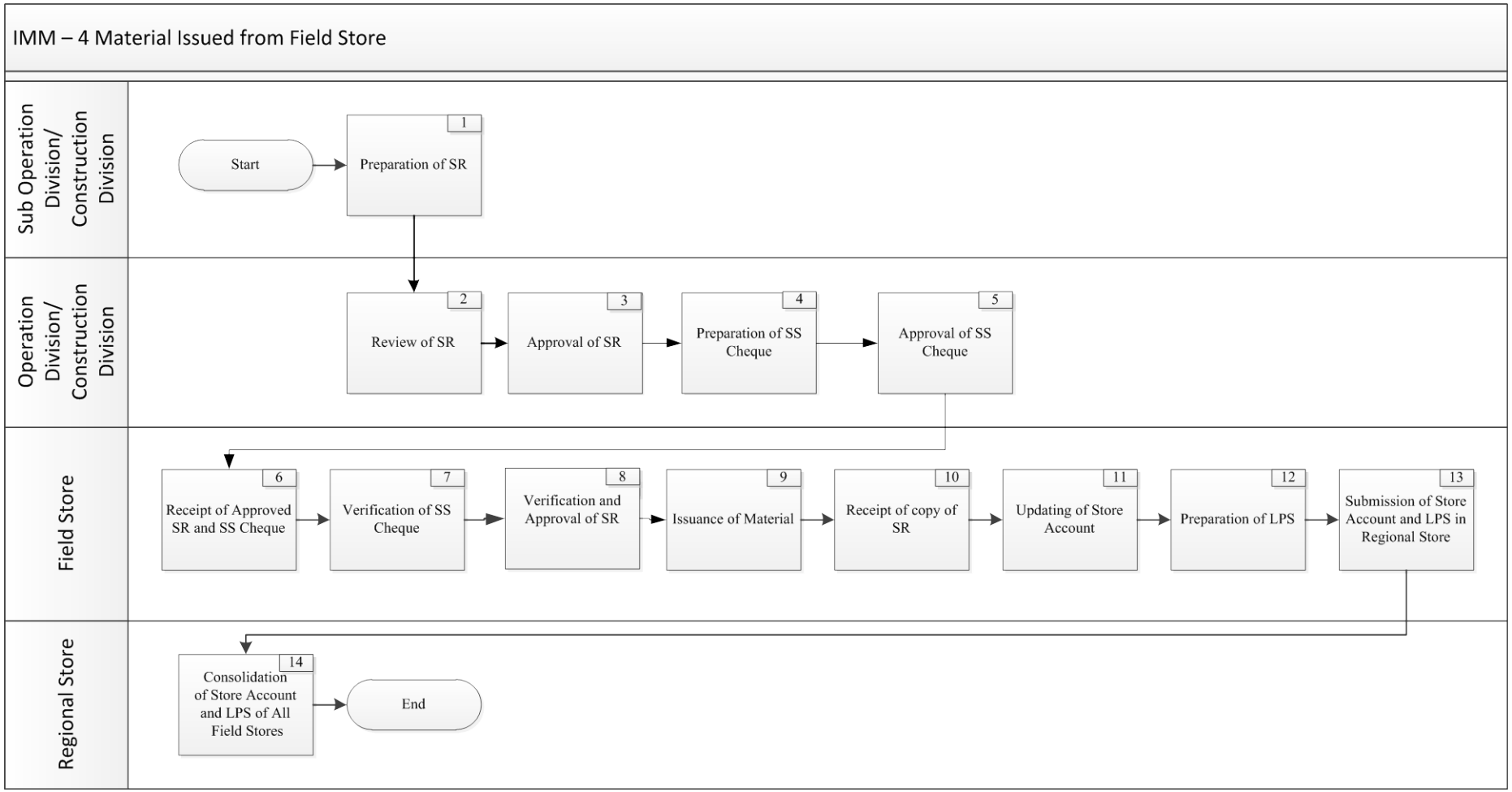
C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Field Store respectively.

D. SR is approved by Assistant Manager Field Store and the material is issued to the Concerned Operation/Construction Division.

E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

F. On the month end, Store Account and LPS of all the Field Stores are consolidated by the Accounts Section of Regional Store to update the Trial Balance.

IMM-4.2 Flow Chart



IMM-4.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of SR	a) SR is prepared by the Line Superintendent of the Concerned Sub Operation Division and signed by Assistant Manager Operations. b) SR is forwarded to the Divisional Accounts Officer for review. c) Project number is mentioned on the SR which indicates the project on which the material to be drawn from the Store will be used. [Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR***]	SR		Sub Operation Division/ Construction Division	LS, AMO
2.	Review of SR	a) SR is reviewed by DAO to ensure that it is prepared appropriately. b) If SR is prepared appropriately, continues to activity # 3 else return to activity # 1 for necessary amendment/ rectifications.			Operation Division/Construction Division	DAO
3.	Approval of SR	SR is approved by the Deputy Manager of the Operation Division/Construction Division.			Operation Division/ Construction Division	DMO
4.	Preparation of SS Cheque	SS Cheque is prepared by DAO and forwarded to DMO for approval. [Refer ***"Volume III, Annexure – 96"*** for the specimen of	SS Cheque		Operation Division/ Construction Division	DAO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		***SS Cheque*]**				
5.	Approval of SS Cheque	SS Cheque is approved by DMO of the Concerned Division.			Operation Division/ Construction Division	DMO
6.	Receipt of Approved SR and SS Cheque	Approved SR along with SS Cheque is received at the Field Store.			Field Store	Store Keeper, AM (FS)
7.	Verification of SS Cheque	SS Cheque is verified by the Accounts Section of Field Store.			Field Store	AA, AO
8.	Verification and Approval of SR	a) SR is verified by the Store Keeper by matching it with the Allocation Order and checks the project number assigned to it. b) After verification, the SR is approved by the AM (FS).			Field Store	Store Keeper, AM (FS)
9.	Issuance of Material	a) Material is issued to the concerned LS and OGP is prepared by the Store Keeper and approved by AM (FS). **[**Refer **"*FAM - 5"*** for details regarding the ***receipt of material by the Operation Division*]** **[**Refer **"*FAM - 6"*** for details regarding the ***receipt of material by the Operation Division*]** **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP*]**	OGP		Field Store	Store Keeper
10.	Receipt of copy of SR	Copy of approved SR is received by the Accounts Section of Field Store.			Field Store	AA, AO
11.	Updating of Store Account	The Store Account is updated by AA and checked by AO of the Field Store on the basis of approved SR.	Store Account		Field Store	AA, AO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]				
12.	Preparation of LPS	LPS is prepared to record the accounting impact of issuance of material. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Field Store	AA, AO
13.	Submission of Store Account and LPS in Regional Store	On month end, the Store Account and LPS are submitted to the Accounts Section of Regional Store for consolidation purposes.			Field Store	AA, AO
14.	Consolidation of Store Account and LPS of All Field Stores	The Store Accounts and LPS of all the Field Stores are reconciled and consolidated for updating of Trial Balance by the Accounts Section of the Regional Store.			Regional Store	AA, AO, AMA

IMM-4.4 Journal Entries

1. When material is issued by Field Store, the following entry is posted by Field Store:

Description	Debit	Credit
IOT - SS Cheque	***	
Stores – Field Store		***
Store Handling Charges		***

IMM-4.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Line Superintendent	
Sub Operation Division	1
Store Keeper	
Field Store	6,8,9
Accounts Assistant	
Field Store	7,10,11,12,13
Regional Store	14
Accounts Officer	
Field Store	7,10,11,12,13
Regional Store	14
Divisional Accounts Officer	
Operation Division/ Construction Division	2,4
Assistant Manager Operations	
Sub Operation Division	1
Assistant Manager Accounts	
Regional Store	14
Assistant Manager Field Store	
Field Store	6,8
Assistant Manager Accounts	
Regional Store	14
Deputy Manager Operations	
Operation Division/Construction Division	3,5

IMM-4.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to Operation/Construction Division, once SR approved by the Deputy Manager is received by Store Keeper of the Field store.	6
2	Payments received are appropriately reviewed prior to the issuance of material.	Inappropriate or inaccurate payments may be received by the Store.	SS Cheque is verified by the AA and AO of the Field Store.	7
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR and checked by AO of the Field Store.	11
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by AO.	12
5	Intra-company transactions are accurate and complete.	Intra-company transactions may not be completely or accurately posted to the general ledger.	On month end, the Store Account and LPS are submitted by the Field Store to Regional Store. In the Regional Store, records are consolidated and reconciled by AA, checked by AO and approved by AMA prior to updating of Trial Balance.	13,14

IMM-5 Direct Issue of Material from Regional Store to Accounting Unit Other than Operation Division

IMM-5.1 Descriptive Overview of the Process

A. This process covers the activities regarding material issued from Regional Store to Offices other than Operation Division.

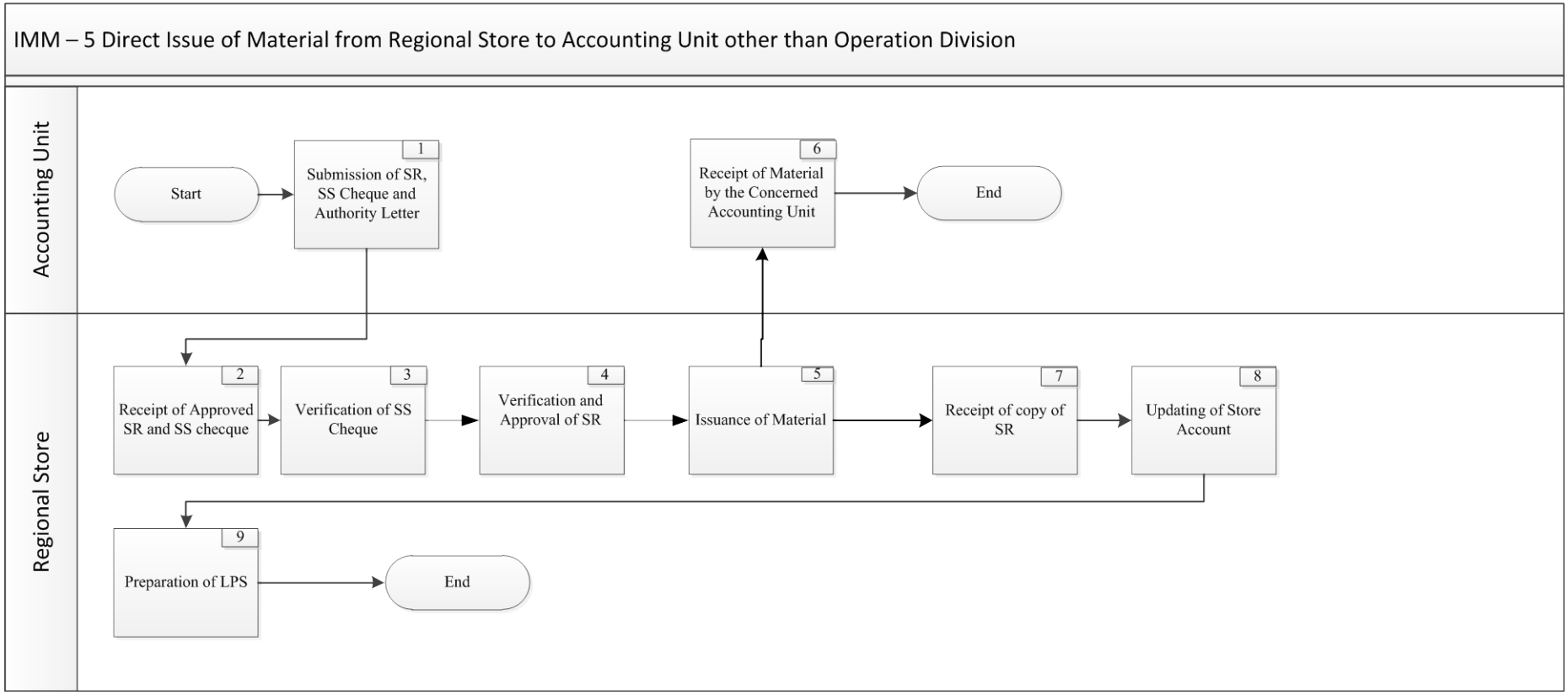
B. Approved SR and SS Cheque are received by the Regional Store from the Concerned Accounting Unit.

C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Regional Store respectively.

D. SR is approved by Deputy Manager Regional Store and the material is issued to the Concerned Accounting Unit.

E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

IMM-5.2 Flow Chart



IMM-5.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Submission of SR, SS Cheque and Authority Letter	a) The SR is prepared by the concerned department/ section of the Accounting Unit and approved by the Competent Authority. b) Project number is mentioned on the SR which indicates the project for which the material is to be drawn from the Store will be used. c) The SR is verified by the DAO/AO/AMA of the concerned Accounting Unit. d) SS Cheque is prepared by DAO/AO/AMA of the Concerned Accounting Unit and approved by the Competent Authority. e) SR along with SS Cheque and an Authority Letter is sent to the Regional Store for issuance of material. **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR***] **[**Refer ***"Volume III, Annexure – 96"*** for the specimen of ***SS Cheque***]	SR, SS Cheque		Accounting Unit	DAO/ AO/ AMA
2.	Receipt of Approved SR and SS Cheque	Approved SR along with SS Cheque is received at the Regional Store.			Regional Store	Store Keeper
3.	Verification of SS	SS Cheque is verified by the Accounts Section of Regional			Regional Store	AA, AO, AMA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Cheque	Store.				
4.	Verification and Approval of SR	a) SR is verified by the Store Keeper by matching it with the Allocation Order and checks the project number assigned to it. b) The SR is then approved by the DMRS.			Regional Store	Store Keeper, DMRS
5.	Issuance of Material	a) OGP is prepared by the Store Keeper and approved by the DMRS. b) After the approval of OGP, material is issued by Regional Store to the concerned Accounting Unit. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]	OGP		Regional Store	Store Keeper, DMRS
6.	Receipt of Material by the Concerned Accounting Unit	Material is received by the Concerned Accounting Unit. **[**Refer ***"FAM - 10"*** for details regarding the ***receipt of material by the concerned Accounting Unit***]			Accounting Unit	
7.	Receipt of copy of SR	Copy of SR is received by the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA
8.	Updating of Store Account Report	The Store Account is updated by the Accounts Section of Regional Store on the basis of approved SR. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen	Store Account		Regional Store	AA, AO, AMA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		of ***Store Account***]				
9.	Preparation of LPS	LPS is prepared by the Accounts Section of Regional Store to record the accounting impact of issuance of material. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Regional Store	AO, AA, AMA

IMM-5.4 Journal Entries

1. When material is issued to the Accounting Unit other than Operation Division, the following entry is posted by the Regional Store:

Description	Debit	Credit
IOT - SS Cheque	***	
Stores		***
Store Handling Charges		***

IMM-5.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Regional Store	2,4,5
Accounts Assistant	
Regional Store	3,7,8,9
Accounts Officer	
Accounting Unit	1
Regional Store	3,7,8,9
Divisional Accounts Officer	
Accounting Unit	1
Assistant Manager Accounts	
Accounting Unit	1
Regional Store	3,7,8,9
Deputy Manager Regional Store	
Regional Store	4, 5

IMM-5.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to Accounting Unit, once SR approved by the Competent Authority is received by Store Keeper of the Regional Store.	2
2	Payments received are appropriately reviewed prior to the issuance of material.	Inappropriate or inaccurate payments may be received by the Store.	SS Cheque is verified by the Accounts Section of Regional Store.	3
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR, checked by AO and AMA of the Regional Store.	8
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked by AO and approved by AMA.	9

IMM-6 Material Transferred from Field Store to Field Store

IMM-6.1 Descriptive Overview of the Process

A. This process covers the transfer of material from one Field Store to the other Field Store.

B. Material is transferred from one Field Store to the other on the basis of Goods Transfer Note (GTN).

C. GTN is prepared by the Store Keeper and approved by Assistant Manager of the Issuing Field Store.

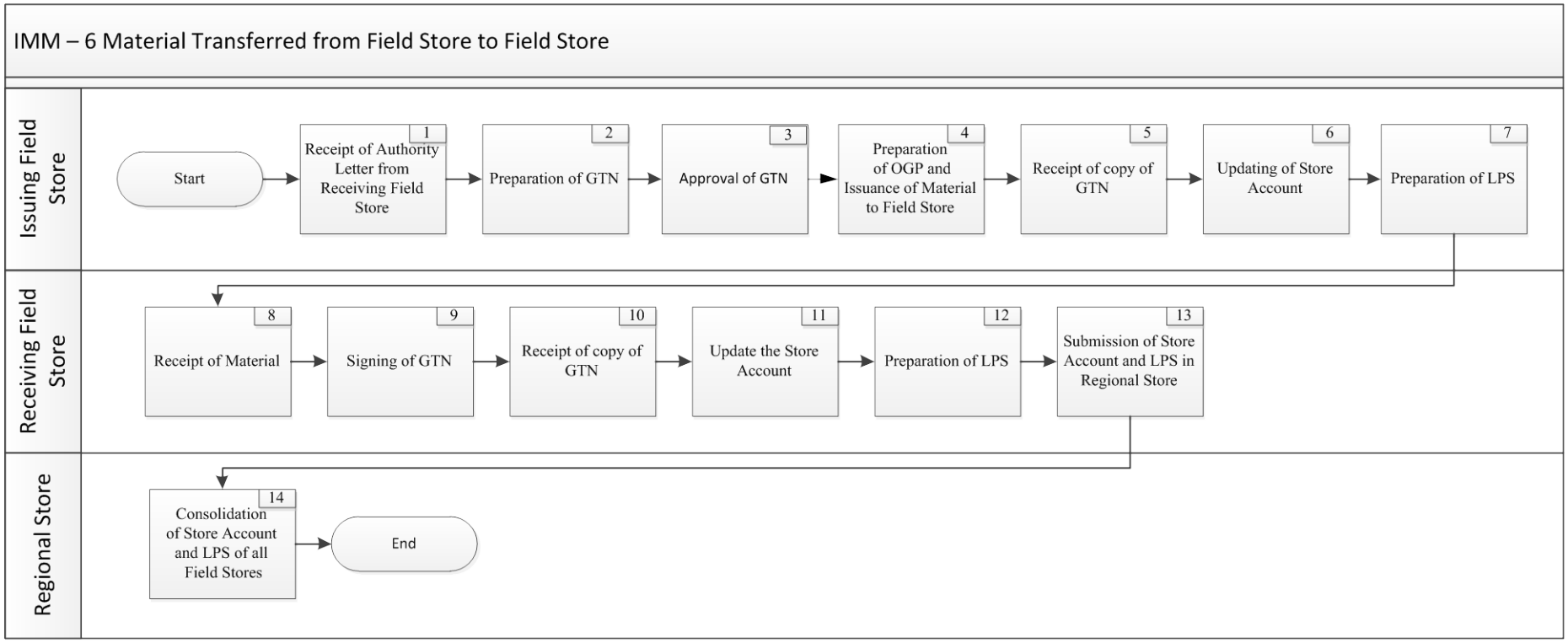
D. OGP is prepared and material is transferred to the Receiving Field Store.

E. Store Account is updated on the basis of GTN by the Issuing Field Store and Receiving Field Store on issuing and receiving the material respectively.

F. LPS is prepared by both Field Stores to record the transfer of material.

G. On the month end, Store Account and LPS of all the Field Stores are consolidated by the Accounts Section of Regional Store to update the Trial Balance.

IMM-6.2 Flow Chart



IMM-6.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Authority Letter from Receiving Field Store	Authority Letter is received by the Issuing Field Store from Receiving Field Store to issue the material as per Allocation Order.			Issuing Field Store	Store Keeper
2.	Preparation of GTN	Goods Transfer Note (GTN) is prepared and signed by the Store Keeper of the Issuing Field Store and forwarded to AM (FS) for approval. **[**Refer ***"Volume IIII, Annexure – 128"*** for the specimen of ***GTN*****]**	GTN		Issuing Field Store	Store Keeper
3.	Approval of GTN	The GTN is approved by the AM (FS) of the Issuing Field Store.			Issuing Field Store	AM (FS)
4.	Preparation of OGP and Issuance of Material to Field Store	OGP is prepared by the Store Keeper of the Issuing Field Store and material is issued/transferred to the Receiving Field Store. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP*****]**	OGP		Issuing Field Store	Store Keeper
5.	Receipt of copy of GTN	Copy of approved GTN is received by the Accounts Section of the Issuing Field Store.			Issuing Field Store	AA, AO
6.	Updating of Store Account	The Store Account is updated by the Accounts Section of the Issuing Field Store on the basis of GTN. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen	Store Account		Issuing Field Store	AA, AO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]				
7.	Preparation of LPS	LPS is prepared by the Accounts Section to record the accounting impact of transfer of material. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Issuing Field Store	AA, AO
8.	Receipt of Material	Material along with the copy of GTN is received from the Issuing Field Store.			Receiving Field Store	Store Keeper
9.	Signing of GTN	GTN is signed by the Store Keeper and AM (FS) to confirm that the goods have been received.			Receiving Field Store	Store Keeper, AM (FS)
10.	Receipt of copy of GTN	Copy of GTN is received by the Accounts Section of Receiving Field Store.			Receiving Field Store	AA, AO
11.	Updating of Store Account	The Store Account is updated by Accounts Section of the Receiving Field Store on the basis of GTN. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Receiving Field Store	AA, AO
12.	Preparation of LPS	LPS is prepared by the Accounts Section of Receiving Field Store to record the accounting impact of receiving of material.	LPS	2	Receiving Field Store	AA, AO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]				
13.	Submission of Store Account and LPS in Regional Store	On month end, the Store Account and LPS are submitted to the Accounts Section of Regional Store for consolidation purposes.			Receiving Field Store, Issuing Field Store	AA, AO
14.	Consolidation of Store Account and LPS of All Field Stores	The Store Account and LPS of all the Field Stores are reconciled and consolidated for updating of Trial Balance.			Regional Store	AA, AO, AMA

IMM-6.4 Journal Entries

1. When material is transferred by the Issuing Field Store to the Receiving Field Store the following entry is posted by the Issuing Field Store:

Description	Debit	Credit
Material (GTN) Clearing Account – Receiving Field Store	***	
Stores		***

2. When material is received from the Issuing Field Store the following entry is posted by the Receiving Field Store:

Description	Debit	Credit
Stores	***	
Material (GTN) Clearing Account – Issuing Field Store		***

IMM-6.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Receiving Field Store	8,9
Issuing Field Store	1,2,4
Accounts Assistant	
Receiving Field Store	10,11,12,13
Issuing Field Store	5,6,7,13
Regional Store	14
Accounts Officer	
Receiving Field Store	10,11,12,13
Issuing Field Store	5,6,7,13
Regional Store	14
Assistant Manager Accounts	
Regional Store	14
Assistant Manager Field Store	
Issuing Field Store	3
Receiving Field Store	9

IMM-6.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to Receiving Field Store, once Authority Letter is received by Store Keeper of the Issuing Field store.	1
2	Material is transferred as per approved GTN.	GTN may not be properly authorized according to company policy, resulting in unauthorized transfer of material.	GTN is prepared and signed by the Store Keeper and approved by AMFS of the Issuing Field Store.	3
3	All transfers of material are checked against supporting documents prior to their inclusion in the inventory.	Incorrect GTN may result in the misstatement of Inventory record.	Material along with the copy of GTN is received from the Issuing Field Store. GTN is signed by the Store Keeper and AM (FS) to confirm that the goods have been received.	8
4	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved GTN and checked by AO of the Issuing Field Store. The Store Account is updated by AA on the basis of approved GTN and checked by AO of the Receiving Field Store.	6,11
5	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved GTN, checked and approved by AO of Issuing Field Store. LPS is posted by AA on the basis of approved GTN, checked and approved by AO of Receiving Field Store.	7,12
6	Intra-company transactions are accurate and complete.	Intra-company transactions may not be completely or accurately posted to the general ledger.	On month end, the Store Account and LPS are submitted by the Receiving Field Store, Issuing Field	13,14

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
			Store to the Regional Store. In the Regional Store, records are consolidated and reconciled by AA, checked by AO and approved by AMA prior to updating of Trial Balance.	

IMM-7 Material Issued from Regional Store to Other DISCO

IMM-7.1 Descriptive Overview of the Process

A. This process covers the activities regarding the issuance of material from Regional Store to other DISCO.

B. Approval is obtained from CEO to issue the material to other DISCO and Allocation Order is issued by GM Technical.

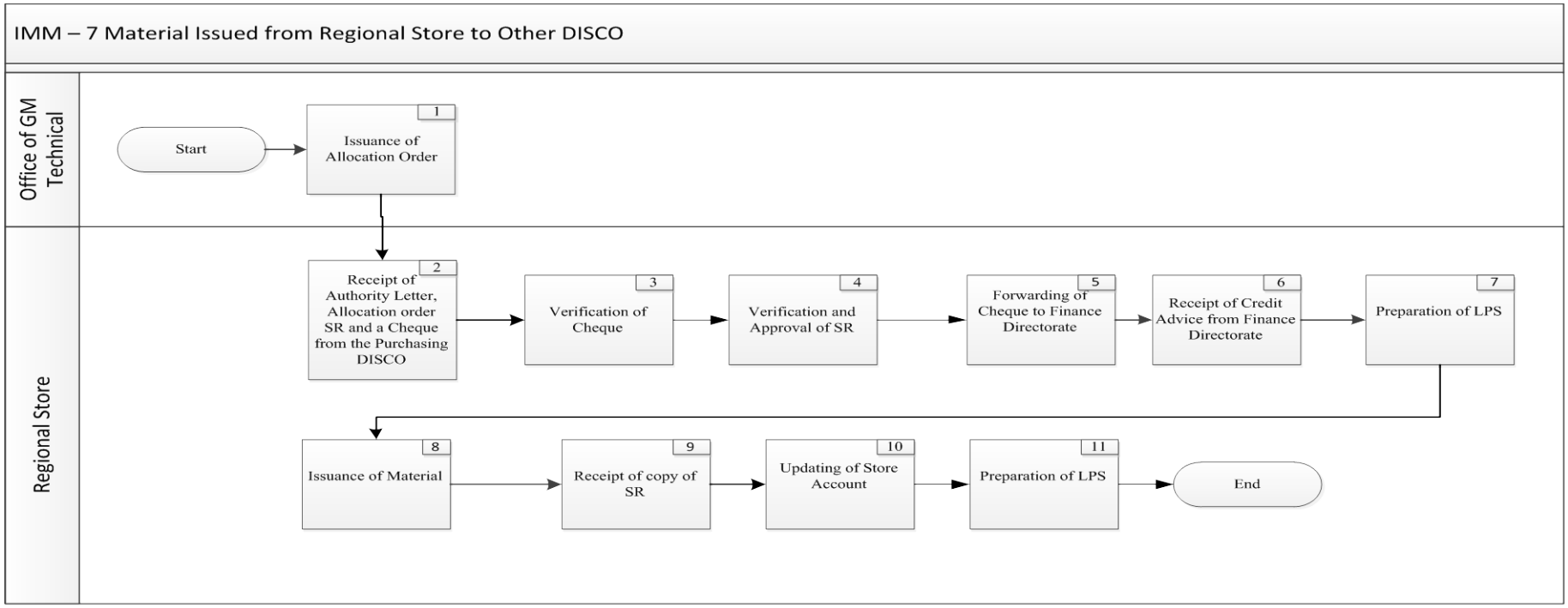
C. Advance payment is made by Other DISCO in the form of cheque. A Cheque along with SR is received by Regional Store.

D. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Regional Store respectively.

E. SR is approved by Deputy Manager Regional Store and the material is issued to the Other DISCO after receiving Credit Advice from Finance Directorate.

F. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

IMM-7.2 Flow Chart



IMM-7.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Issuance of Allocation Order	a) On receiving the request of material from the Other DISCO, approval is obtained from CEO. b) After obtaining approval from CEO, Allocation Order is issued by the GM Technical for issuance of material to the Other DISCO. **[**Refer ***"Volume III, Annexure – 130"*** for the specimen of ***Allocation Order***]	Allocation Order		Office of GM Technical	GM Technical
2.	Receipt of Authority Letter, Allocation Order, Cheque and SR from the Purchasing DISCO	Following documents are received from Other DISCO by Regional Store ➢ Authority Letter ➢ Allocation Order ➢ Cheque ➢ Approved SR			Regional Store	Store Keeper
3.	Verification of Cheque	a) The Store Keeper sends Cheque to the Accounts Section of Regional Store. b) The Accounts Section ensures that the cheque received from other DISCO is of the correct amount and GST is properly calculated. c) The Cheque is returned to Storekeeper after verification.			Regional Store	AO, AA, AMA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
4.	Verification and Approval of SR	a) SR is verified by the Store Keeper by matching it with the Allocation Order. b) After verification by the Store Keeper, the SR is approved by the DMRS.			Regional Store	Store Keeper, DMRS
5.	Forwarding of Cheque to Finance Directorate	The Cheque is forwarded along with a letter to the Banking Section of Finance Directorate to deposit the Cheque in the bank.			Regional Store	AA, AO, AMA
6.	Receipt of Credit Advice from Finance Directorate	Credit Advice is received from the Finance Directorate against the amount of Cheque received in their bank account. **[**Refer ***"Volume III, Annexure – 21"*** for the specimen of ***Credit Advice*****]**	Credit Advice		Regional Store	AMA
7.	Preparation of LPS	a) On receipt of advance payment, LPS is prepared by the Banking Section to record the Cheque received from the other DISCO. b) On receipt of Credit Advice from Finance Directorate, LPS is prepared by the Accounts Section to record the payables to Associated Company - DISCO. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	Regional Store	AO, AA, AMA
8.	Issuance of Material	a) OGP is prepared by the Store Keeper and approved by DMRS. b) Material is issued by Regional Store to the Other DISCO.	OGP		Regional Store	Store Keeper, DMRS

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]				
9.	Receipt of copy of SR	Copy of approved SR along with the Cheque is then forwarded to the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA
10.	Updating of Store Account	The Store Account is updated by the Accounts Section of Regional Store on the basis of approved SR. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Regional Store	AA, AO, AMA
11.	Preparation of LPS	LPS is prepared by the Accounts Section to record the accounting impact of issuance of material. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Regional Store	AO, AA, AMA

IMM-7.4 Journal Entries

1. On receipt of advance payment and issuance of credit advice from Finance Directorate, the following entries are posted by the Banking Section and the Regional Store respectively:

a. On receipt of advance payment, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Miscellaneous Collection	***	
IOT-Credit Advice		***

b. On receipt of Credit Advice from Banking Section, the following entry is posted by the Regional Store:

Description	Debit	Credit
IOT-Credit Advice	***	
Advance from Associated Company - DISCO		***

2. When material is issued to Other DISCO, the following entry is posted by the Regional Store:

Description	Debit	Credit
Advance from Associated Company - DISCO	***	
Stores		***

IMM-7.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Regional Store	2,4,8
Accounts Assistant	
Regional Store	3,5,7,9,10, 11
Accounts Officer	
Regional Store	3,5,7,9,10, 11
Assistant Manager Accounts	
Regional Store	3,5,6,7,9,10, 11
Deputy Manager Regional Store	
Regional Store	4,8
General Manager Technical	
Office of GM Technical	1

IMM-7.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to Other DISCO, once Allocation Order approved by the GM Technical is received by Store Keeper of the Regional Store.	4
2	Payments received are appropriately reviewed prior to the issuance of material.	Inappropriate or inaccurate payments may be received from the customer.	The Accounts Section of Regional Store ensures that the cheque received from other DISCO is of the correct amount and GST is properly calculated.	3
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR and checked by AO and AMA.	10
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by AO and AMA.	11

IMM-8 Material (Under Warranty/Dismantled/Damaged) Returned to Regional Store

IMM-8.1 Descriptive Overview of the Process

A. This process covers the activities regarding material returned to the Regional Store.

B. NBV of the asset is assigned to the Material Return Note (MRN) and sent to the Field Store.

C. MRN is verified and approved at the Field Store and SS Cheque is issued to the Concerned Division.

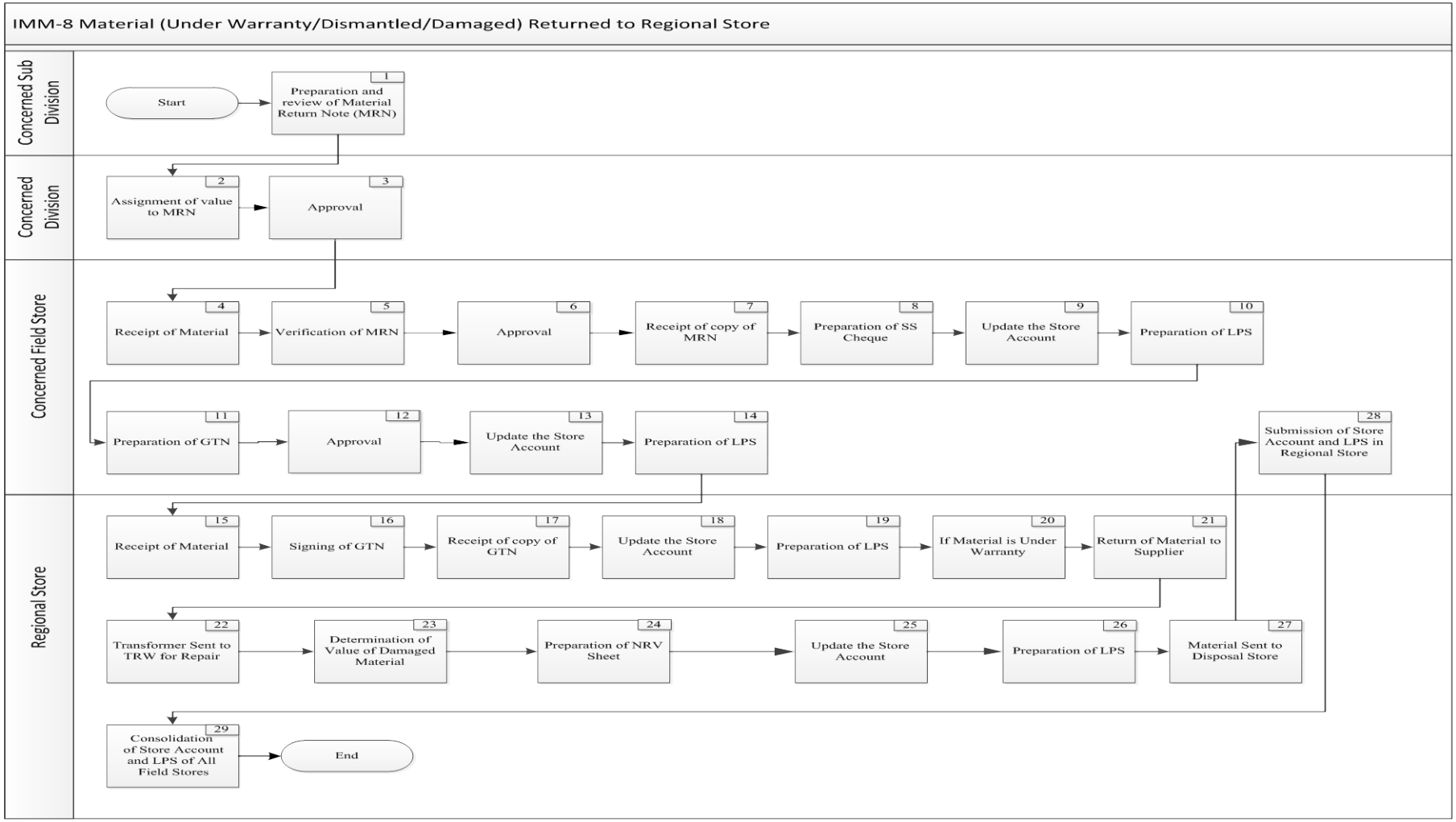
D. Store Account is updated on the basis of MRN and LPS is prepared to update the accounts accordingly.

E. GTN is prepared at the Field Store and material is transferred to the Regional Store.

F. Material under warranty is returned to the Supplier, damaged (repairable) transformer is sent to TRW for repair and other damaged material is sent to the Disposal Store after calculating its NRV.

G. On the month end, Store Account and LPS of all the Field Stores are consolidated by the Accounts Section of Regional Store to update the Trial Balance.

IMM-8.2 Flow Chart



IMM-8.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation and review of Material Return Note (MRN)	MRN is prepared by the Line Superintendent of the Concerned Sub Division and forwarded to the DAO to assign value as per the Fixed Asset Register. **[**Refer ***"Volume IIII, Annexure – 78"*** for the specimen of ***MRN*****]**	MRN		Concerned Sub Division	LS
2.	Assignment of value to MRN	MRN is reviewed and signed by the DAO who assigns value to MRN of the material to be returned as per the Net Book Value (NBV).			Concerned Division	DAO
3.	Approval	MRN is approved by the Deputy Manager of the Concerned Division and material is forwarded along with MRN to the Field Store.			Concerned Division	DMO
4.	Receipt of Material	a) Material along with MRN is received by the Store Keeper of Concerned Field Store. b) MRN is signed by the Store Keeper and forwards it to the Accounts Section for verification.			Concerned Field Store	Store Keeper
5.	Verification of MRN	MRN is verified by the Accounts Section of Concerned Field Store.			Concerned Field Store	AA, AO
6.	Approval	MRN is approved by the Assistant Manager Field Store.			Concerned Field Store	AMFS
7.	Receipt of copy of MRN	Copy of MRN is received by the Accounts Section for preparation of SS Cheque.			Concerned Field Store	AA, AO
8.	Preparation of SS Cheque	SS Cheque is prepared by the Concerned Field Store, as per the value on MRN and issued to the Representative of the Concerned Division.	SS Cheque		Concerned Field Store	AA, AO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 96"*** for the specimen of ***SS Cheque***]				
9.	Update the Store Account	The Store Account is updated by Accounts Section of the Concerned Field Store on the basis of MRN. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Concerned Field Store	AA, AO
10.	Preparation of LPS	LPS is prepared by the Accounts Section Concerned Field Store to record the receipt of material returned by the Concerned Division. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Concerned Field Store	AA, AO
11.	Preparation of GTN	GTN is prepared and signed by the Store Keeper of the Concerned Field Store to transfer the material to the Regional Store. [Refer ***"Volume III, Annexure – 128"*** for the specimen of ***GTN***]	GTN		Concerned Field Store	Store Keeper
12.	Approval	GTN is approved by the AM (FS).			Concerned Field Store	AM (FS)
13.	Update the Store Account	The Store Account is updated by Accounts Section of Concerned Field Store on the basis of GTN.	Store Account		Concerned Field Store	AA, AO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]				
14.	Preparation of LPS	LPS is prepared by the Accounts Section of Concerned Field Store to record the transfer of material to Regional Store. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Concerned Field Store	AA, AO, AMA
15.	Receipt of Material	Material is received along with the copy of GTN from the Field Store.			Regional Store	Store Keeper
16.	Signing of GTN	The Store Keeper and DMRS sign the GTN to confirm that goods are received.			Regional Store	Store Keeper, DMRS
17.	Receipt of copy of GTN	Copy of GTN is received by the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA
18.	Update the Store Account	The Store Account is updated by Accounts Section of the Regional Store on the basis of GTN. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Regional Store	AA, AO, AMA
19.	Preparation of LPS	LPS is prepared by the Accounts Section of Regional Store	LPS	3	Regional Store	AA, AO, AMA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		to record the receipt of material from Field Store. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]				
20.	If Material is Under Warranty	If Material is Under Warranty then continues to Activity# 21 else continues to Activity# 22.			Regional Store	
21.	Return of Material to Supplier	Material under warranty is returned to the Supplier by the Regional Store. [Refer ***"IMM - 9"***, for details regarding ***the return of material under warranty to Supplier***]			Regional Store	Store Keeper
22.	Transformer Sent to TRW for Repair	If material is Transformer and repairable, it is sent to TRW for repair. [Refer ***"IMM - 10"***, for details regarding ***the issuance of transformer to TRW for repair***]			Regional Store	
23.	Determination of Value of Damaged Material	If Material returned is repairable, the value of damaged material is determined by the Disposal Committee.			Regional Store	Disposal Committee
24.	Preparation of NRV Sheet	a) As per the value determined by the Disposal Committee, a NRV (Net Realizable Value) Sheet is prepared by the Accounts Section of Regional Store. b) If the value determined is less than the cost of material returned then loss on inventory write down is recognized.	NRV Adjustment Sheet		Regional Store	AA, AO, AMA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 131"*** for the specimen of ***NRV Adjustment Sheet***]				
25.	Update the Store Account	Store Account is updated by the Accounts Section of Regional Store to record the inventory write off on the basis of NRV Sheet. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Regional Store	AA, AO, AMA
26.	Preparation of LPS	LPS is prepared by the Accounts Section to record the loss on inventory write down on the basis of NRV Sheet. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	4	Regional Store	AA, AO, AMA
27.	Material Sent to Disposal Store	Damaged material which is not repairable is sent to the Disposal Store.			Regional Store	Store Keeper
28.	Submission of Store Account and LPS in Regional Store	On month end, the Store Account and LPS are submitted by Field Store to the Accounts Section of Regional Store for consolidation purposes.			Concerned Field Store	AA, AO
29.	Consolidation of Store Account and LPS of All Field Stores	The Store Accounts and LPS of all the Field Stores are reconciled and consolidated for updating of Trial Balance.			Regional Store	AA, AO, AMA

IMM-8.4 Journal Entries

1. When material is returned by the Concerned Division, the following entry is posted by the Field Store:

Description	Debit	Credit
Stores – Field Store	***	
SS Cheque		***

2. When material is transferred to the Regional Store the following entry is posted by the Field Store:

Description	Debit	Credit
Material (GTN) Clearing Account – Regional Store	***	
Stores – Field Store		***

3. When material is received from Field Store the following entry is posted by the Regional Store:

Description	Debit	Credit
Stores	***	
Material (GTN) Clearing Account – Field Store		***

4. If the NRV is less than the cost of material returned, then inventory is written down to NRV and the following entry is posted by the Regional Store:

Description	Debit	Credit
Loss on Inventory Write Down	***	
Stores		***

IMM-8.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Line Superintendent	
Concerned Sub Division	1
Store Keeper	
Concerned Field Store	4,11
Regional Store	15,16,21,27
Accounts Assistant	
Concerned Field Store	5,7,8,9,10,13,14
Regional Store	17,18,19,24,25,26,29
Accounts Officer	
Concerned Field Store	5,7,8,9,10,13,14
Regional Store	17,18,19,24,25,26,29
Divisional Accounts Officer	
Concerned Division	2
Assistant Manager Accounts	
Concerned Field Store	14
Regional Store	17,18,19,24,25,26,29
Assistant Manager Field Store	
Concerned Field Store	6,12
Deputy Manager Operations	
Concerned Division	3
Deputy Manager Regional Store	
Regional store	16
Disposal Committee	
Regional Store	23

IMM-8.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	All customer returns are recorded completely and accurately.	Material returns may not be recorded accurately or completely. The balance of inventory may be misstated in the financial statements.	MRN is reviewed and signed by the DAO who assigns value to MRN of the material to be returned as per the Net Book Value (NBV).	1,2
2	All returns are authorized by the Competent Authority.	Returns may be unintentionally and/ or inappropriately created or maintained by users.	MRN is approved by the Deputy Manager of the Concerned Division	3
3	All returns are checked against supporting before being returned to inventory.	Physical inventory returned may not be as per MRN which may result in the misstatement of inventory record.	MRN is checked by AA, verified by the AO and approved by the AMFS of Concerned Field Store.	5,6
4	Material is transferred as per approved GTN.	GTN may not be properly authorized according to company policy, resulting in unauthorized transfer of material.	GTN is prepared and signed by the Store Keeper and approved by AMFS.	11,12
5	All transfers of material are checked against supporting documents prior to their inclusion in the inventory.	Incorrect GTN may result in the misstatement of Inventory record.	Material along with the copy of GTN is received from the Field Store. GTN is signed by the Store Keeper and AM (FS) to confirm that the goods have been received.	16
6	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved MRN and checked by AO of the Concerned Field Store. The Store Account is updated by AA on the basis of approved GTN and checked by AO of the Concerned Field Store. The Store Account is updated by AA on the basis of	9,13,18

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
			approved GTN, and checked and verified by AO and AMA of the Regional Store.	
7	Inventory transactions are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved MRN, checked and approved by AO of Field Store. LPS is posted by AA on the basis of approved GTN, checked and approved by AO of Field Store. LPS is posted by AA on the basis of approved GTN, checked by AO and approved by AMA of Regional Store.	10,14,19
8	Intra-company transactions are accurate and complete.	Intra-company transactions may not be completely or accurately posted to the general ledger.	On month end, the Store Account and LPS are submitted by the Receiving Field Store, Issuing Field Store to the Regional Store. In the Regional Store, records are consolidated and reconciled by AA, checked by AO and approved by AMA prior to updating of Trial Balance.	28,29

IMM-9 Material Under Warranty Returned to Supplier by Regional Store

IMM-9.1 Descriptive Overview of the Process

A. This process covers the activities regarding material returned to Supplier by the Regional Store.

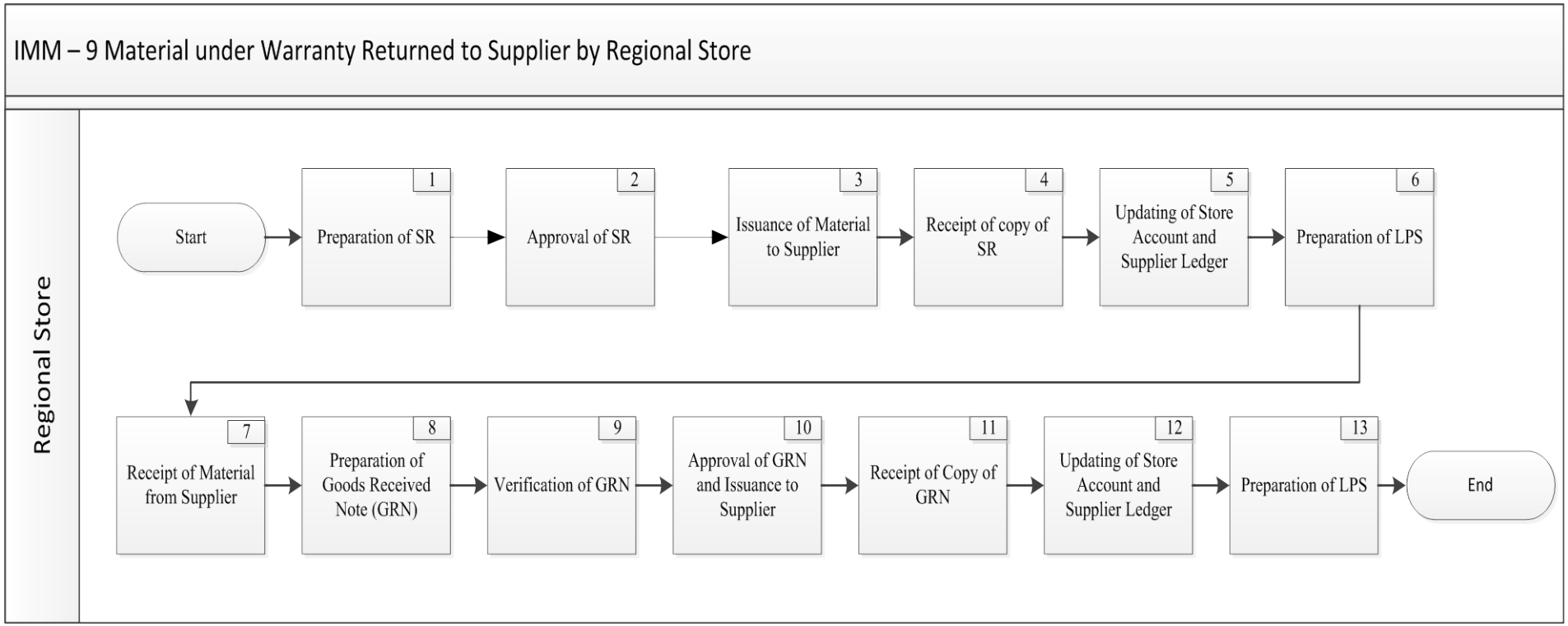
B. Material is returned to the Supplier on the basis of SR approved by the Deputy Manager Regional Store.

C. Store Account and Supplier Ledger are updated on the basis of SR and LPS is prepared to update the accounts accordingly.

D. When material is returned by the Supplier, GRN is prepared and verified at the Regional Store.

E. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.

IMM-9.2 Flow Chart



IMM-9.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of SR	When a material under warranty is to be returned to the supplier, SR is prepared by the Store Keeper. **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR***]	Store Requisition		Regional Store	Store Keeper
2.	Approval of SR	SR is approved by the DMRS.			Regional Store	DMRS
3.	Issuance of Material to Supplier	a) OGP is prepared by the Store Keeper and approved by DMRS. b) After the approval of OGP, Material is returned to the Supplier. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]	OGP		Regional Store	Store Keeper
4.	Receipt of copy of SR	Copy of approved SR is received by the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA
5.	Updating of Store Account and Supplier Ledger	The Store Account and Supplier Ledger are updated by the Accounts Section of the Regional Store on the basis of approved SR. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen	Store Account, Supplier Ledger		Regional Store	AA, AO, AMA

		of ***Store Account***] [Refer ***"Volume III, Annexure – 127"*** for the specimen of ***Supplier Ledger***]				
6.	Preparation of LPS	LPS is prepared by the Accounts Section of the Regional Store to record the return of material to Supplier. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Regional store	AA, AO, AMA
7.	Receipt of Material from Supplier	After the repair/exchange of material from Supplier, it is received at the Regional Store.			Regional Store	Store Keeper
8.	Preparation of Goods Received Note (GRN)	a) GRN is prepared on receiving the material under warranty from Supplier by the Store Keeper. b) The value of the material is determined on the basis of the value recorded on SR when the material was returned to the Supplier (as per activity # 1). c) GRN is forwarded to the Accounts Section of Regional Store for verification. [Refer ***"Volume III, Annexure – 85"*** for the specimen of ***GRN***]	GRN		Regional Store	Store Keeper
9.	Verification of GRN	a) Accounts Section of Regional Store verifies the rate and quantity of the material on GRN by matching it with the Invoice/SR and Delivery Challan. b) After verification AMA of Regional Store Counter signs the GRN.			Regional Store	AA, AO, AMA
10.	Approval of GRN and Issuance to	GRN is approved by the Deputy Manager Regional Store and a copy is returned to the Supplier.			Regional Store	DMRS

	Supplier					
11.	Receipt of Copy of GRN	Copy of approved GRN is received by the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA
12.	Updating of Store Account and Supplier Ledger	The Store Account and Supplier Ledger are updated by Accounts Section of Regional Store on the basis of approved GRN. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 127"*** for the specimen of ***Supplier Ledger*****]**	Store Account, Supplier Ledger		Regional Store	AA, AO, AMA
13.	Preparation of LPS	LPS is prepared by Accounts Section of Regional Store to record the Inventory from Supplier. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	2	Regional Store	AA, AO, AMA

IMM-9.4 Journal Entries

1. When material under warranty is returned to the supplier, the following entry is posted by the Regional Store:

Description	Debit	Credit
Receivables- Others	***	
Stores		***

2. When material under warranty is received from the supplier, the following entry is posted by the Regional Store:

Description	Debit	Credit
Stores	***	
Receivables- Others		***

IMM-9.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Regional Store	1,3,7,8
Accounts Assistant	
Regional Store	4,5,6,9,11,12,13
Accounts Officer	
Regional Store	4,5,6,9,11,12,13
Assistant Manager Accounts	
Regional Store	4,5,6,9,11,12,13
Deputy Manager Regional Store	
Regional Store	2,10

IMM-9.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Returns made to Supplier are authorized by the Competent Authority.	SR may not be properly authorized according to company policy, resulting in unauthorized return of material.	SR is prepared by Store Keeper and approved by Deputy Manager Regional Store.	1,2
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked by AO & AA, verified by AMA by matching it with the Delivery Challan. GRN is finally approved by the Deputy Manager Regional Store.	8,9,10
3	All inventory transactions are appropriately reflected in the Store Account and Supplier Ledger.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account and Supplier Ledger is updated by AA on the basis of approved MRN, checked by AO and approved by AMA of the Regional Store. The Store Account and Supplier Ledger is updated by AA on the basis of approved GRN, checked by AO and approved by AMA of the Regional Store.	5,12
4	Inventory transactions are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked by AO and approved by AMA of Regional Store. The Store Account and Supplier Ledger is updated by AA on the basis of approved GRN, checked by AO and approved by AMA of the Regional Store.	6,13

IMM-10 Transformer Sent for Repair by Regional Store

IMM-10.1 Descriptive Overview of the Process

A. This process covers the activities regarding the transformer sent for repair by the Regional Store.

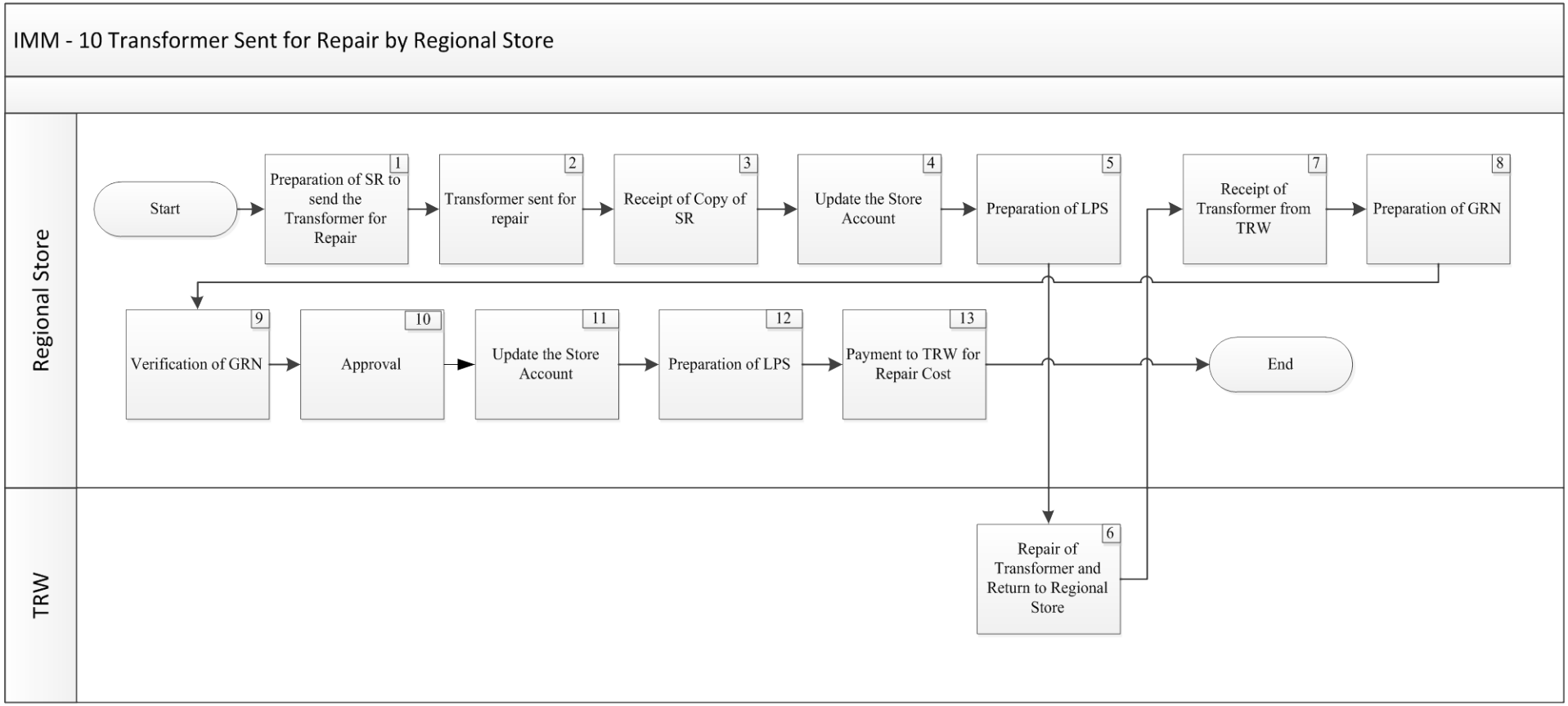
B. Transformer is sent for repair to TRW on the basis of SR approved by the Deputy Manager Regional Store.

C. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

D. When transformer along with Cost Sheet is returned by TRW, GRN is prepared and verified at the Regional Store.

E. Store Account is updated on the basis of GRN and LPS is prepared to update the accounts accordingly.

IMM-10.2 Flow Chart



IMM-10.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of SR to send the Transformer for Repair	SR is prepared by the Store Keeper of Regional Store and approved by the Deputy Manager Regional Store. **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR***]	SR		Regional Store	Store Keeper, DMRS
2.	Transformer sent for repair	After the approval of SR, OGP is prepared and the damaged Transformer is sent to TRW. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]	OGP		Regional Store	Store Keeper
3.	Receipt of Copy of SR	Copy of approved SR is received by the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA
4.	Update the Store Account	The Store Account is updated by Accounts Section of Regional Store on the basis of approved SR. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Regional Store	AA, AO, AMA
5.	Preparation of LPS	LPS is prepared by the Accounts Section of Regional Store to record the transfer of Transformer to TRW.	LPS	1	Regional Store	AA, AO, AMA

		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**				
6.	Repair of Transformer and Return to Regional Store	After the repair of Transformer, TRW sends the Transformer to the Regional Store along with the Cost Sheet showing the repair cost incurred.			TRW	
7.	Receipt of Transformer from TRW	Transformer along with the Cost Sheet is received by the Regional Store.			Regional Store	Store Keeper
8.	Preparation of GRN	a) GRN is prepared with the value upon which the Transformer was sent to TRW and adding the repair cost as per the Cost Sheet. b) GRN is forwarded to the Accounts Section of Regional Store for verification. **[**Refer ***"Volume III, Annexure – 85"*** for the specimen of ***GRN*****]**	GRN		Regional Store	Store Keeper
9.	Verification of GRN	GRN is verified by the Accounts Section of Regional Store by matching the value as per Cost Sheet.			Regional Store	AA, AO, AMA
10.	Approval	GRN is approved by the Deputy Manager Regional Store.			Regional Store	DMRS
11.	Update the Store Account	The Store Account is updated by Accounts Section of Regional Store on the basis of approved GTN. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]**	Store Account		Regional Store	AA, AO, AMA

12.	Preparation of LPS	LPS is prepared by Accounts Section of Regional Store to record the receipt of Transformer from TRW. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Regional Store	AA, AO, AMA
13.	Payment to TRW for Repair Cost	Payment of repair charges is made to TRW from the Imprest Account. **[**Refer ***"PAP – 5"*** for details regarding ***payment to TRW***]		Entry for Settlement of Payables to Supplier is mentioned in PAP - 5	Regional Store	AA, AO, AMA

IMM-10.4 Journal Entries

1. When Transformer is sent for repair to TRW the following entry is posted by the Regional Store:

Description	Debit	Credit
Receivables – Others	***	
Stores		***

2. When Transformer is received after repair from TRW, the following entry is posted by the Regional Store:

Description	Debit	Credit
Stores (including the repair charges)	***	
Receivables – Others		***
Accounts Payable		***

IMM-10.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store keeper	
Regional Store	1,2,7,8
Accounts Assistant	
Regional Store	3,4,5,9,11,12,13
Accounts Officer	
Regional Store	3,4,5,9,11,12,13
Assistant Manager Accounts	
Regional Store	3,4,5,9,11,12,13
Deputy Manager Regional Store	
Regional Store	1,10

IMM-10.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Returns made for repair are authorized by the Competent Authority.	SR may not be properly authorized according to company policy, resulting in unauthorized return of material.	SR is prepared by Store Keeper and approved by Deputy Manager Regional Store.	1
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked by AO & AA, verified by AMA by matching it with the Delivery Challan and Cost Sheet. GRN is finally approved by the Deputy Manager Regional Store.	8,9,10
3	All inventory transactions are appropriately reflected in the Store Account and Supplier Ledger.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account and Supplier Ledger is updated by AA on the basis of approved SR, checked by AO and approved by AMA of the Regional Store. The Store Account and Supplier Ledger is updated by AA on the basis of approved GRN, checked by AO and approved by AMA of the Regional Store.	4,11
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved MRN, checked by AO and approved by AMA of Regional Store. LPS is posted by AA on the basis of approved GRN, checked by AO and approved by AMA of Regional Store.	5,12

IMM-11 Sale of Scrap by Regional Store/ Warehouse/ C Type Store

IMM-11.1 Descriptive Overview of the Process

A. This process covers the activities regarding sale of scrap by Regional Store/ Warehouse/ C Type Store.

B. Survey Report is prepared at the Regional Store/ Warehouse/ C Type Store and verified by the Verification Committee at the Finance Directorate.

C. Approval of auction is obtained from CEO.

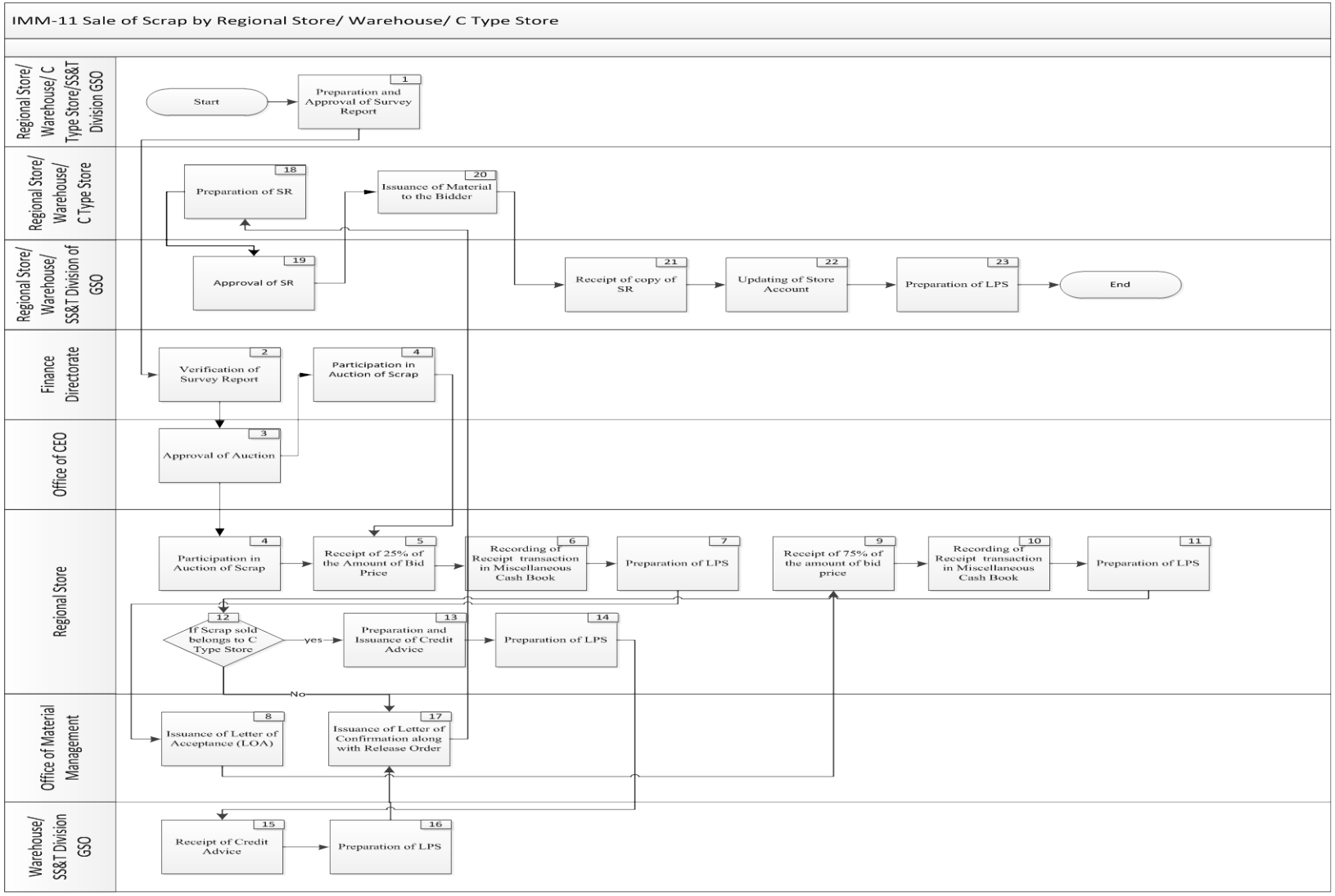
D. After receiving the bid price, LOA is issued to the highest bidder.

E. After receiving the Release Order, material is issued on SR to the bidder by the Regional Store.

F. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

G. If the scrap sold belongs to Warehouse/ C Type Store, a credit advice is issued to the Warehouse/ SS&T Division of GSO by the Regional Store.

IMM-11.2 Flow Chart



IMM-11.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation and Approval of Survey Report	a) Survey Report is prepared by the Store Keeper, checked by Accounts Section and approved by the DMRS/ DM Warehouse / DMO. b) The survey report is then sent to the Finance Directorate. [Refer ***"Volume III, Annexure – 132"*** for the specimen of ***Survey Report***]	Survey Report		Regional Store Warehouse C Type Store SS&T Division GSO	Store Keeper, AMA, DMRS DM Warehouse Store Keeper DMO
2.	Verification of Survey Report	a) Survey Report is received from Office of Material Management. b) Survey Report is verified by matching the reserve price on the Survey Report with the market value. c) After verification, the Survey Report is returned to Office of Material Management.			Finance Directorate	AO
3.	Approval of Auction	Approval of auction is obtained from CEO by Director Disposal.			Office of CEO	CEO
4.	Participation in Auction of Scrap	Open Auction is conducted by the Disposal Committee, the Accounts Officer of Finance Directorate/ AMA of Regional Store participates in this Auction as a member of Disposal Committee.			Finance Directorate Regional Store	AO AMA
5.	Receipt of 25% of the Amount of Bid Price	Earnest Money i.e. 25% of the amount of bid price as Cash/ Cheque is received by the Accounts Section of Regional Store from the bidder.			Regional Store	AA, AO, AMA

6.	Recording of Receipt transaction in Miscellaneous Cash Book	The Earnest money received from the bidder is recorded in the Cash Book in Miscellaneous Bank Account. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Regional Store	AA, AO, AMA
7.	Preparation of LPS	LPS is prepared by the Accounts Section of Regional Store to record the Earnest Money received from the bidder. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Regional Store	AA, AO, AMA
8.	Issuance of Letter of Acceptance (LOA)	After the approval from CEO to receive the remaining75% amount of bid price and issue the scrap material to the bidder, LOA is issued by the Office of Material Management to the bidder. **[**Refer ***"Volume III, Annexure – 133"*** for the specimen of ***Letter of Acceptance***]	Letter of Acceptance		Office of Material Management	Deputy Manager Disposal
9.	Receipt of 75% of the amount of bid price	Remaining 75% amount of bid price is received as Cash/ Cheque by the Accounts Section of the Regional Store.			Regional Store	AA, AO, AMA
10.	Recording of Receipt transaction in Miscellaneous Cash Book	The receipt transaction is recorded in the Cash Book of Miscellaneous Bank Account. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Regional Store	AA, AO, AMA
11.	Preparation of LPS	LPS is prepared by the Accounts Section to record the remaining balance received from the bidder.	LPS	2	Regional Store	AA, AO, AMA

		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**				
12.	If Scrap sold belongs to C Type Store	If Scrap sold belongs to Warehouse / C Type Store, then continues to Activity# 13 else continues to Activity# 17.			Regional Store	
13.	Preparation and Issuance of Credit Advice	a) Credit Advice is prepared by the Accounts Section of Regional Store on receiving the amount from bidder. b) Credit Advice is issued to Warehouse / Concerned SS&T Division of GSO. **[**Refer ***"Volume III, Annexure – 21"*** for the specimen of ***Credit Advice*****]**	Credit Advice		Regional Store	AA, AO, AMA
14.	Preparation of LPS	LPS is prepared by the Accounts Section of Regional Store to record the issuance of Credit Advice. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	3	Regional Store	AA, AO, AMA
15.	Receipt of Credit Advice	Credit Advice is received by the Warehouse/ SS&T Division of GSO from the Regional Store.			Warehouse/ SS&T Division GSO	DAO
16.	Preparation of LPS	LPS is prepared by the Accounts Section of Warehouse / SS&T Division GSO to record the receiving of Credit Advice. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	4	Warehouse / SS&T Division GSO	AA, DAO
17.	Issuance of Letter of Confirmation along with Release	Letter of Confirmation along with Release Order is issued by the Office of Material Management to the bidder and copy is sent to Regional Store/ C Type Store.	Letter of Confirmation, Release Order		Office of Material Management	Deputy Manager Disposal

	Order	[Refer ***"Volume III, Annexure – 134"*** for the specimen of ***Letter of Confirmation***] [Refer ***"Volume III, Annexure – 135"*** for the specimen of ***Release Order***]				
18.	Preparation of SR	On receiving the Release Order, SR is prepared by the Store Keeper of Regional Store/ Warehouse / C Type Store to issue material to the selected bidder. [Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR***]	SR		Regional Store/ Warehouse / C Type Store	Store Keeper
19.	Approval of SR	SR is approved by the DMRS/ / DM Warehouse / DMO.			Regional Store Warehouse SS&T Division of GSO	DMRS DM Warehouse DMO
20.	Issuance of Material to the Bidder	a) OGP is prepared by the Store Keeper and approved by DMRS/ DMO. b) After approval of OGP, material is issued to the Bidder. [Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]	OGP		Regional Store/ Warehouse / C Type Store	Store Keeper
21.	Receipt of copy of SR	Copy of SR is received by the Accounts Section of Regional Store/ Warehouse / SS&T Division of C Type Store.			Regional Store Warehouse SS&T Division of GSO	AA, AO, AMA AA, DAO AA, DAO
22.	Updating of Store	The Store Account updated by Accounts Section of	Store Account		Regional Store	AA, AO, AMA

	Account	Regional Store/ Warehouse / SS&T Division of GSO on the basis of SR. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]			Warehouse SS&T Division of GSO	AA, DAO AA, DAO
23.	Preparation of LPS	LPS is prepared by the Accounts Section of Regional Store/ Warehouse / SS&T Division of GSO to record the issue of material to the Bidder. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	5	Regional Store Warehouse SS&T Division of GSO	AA, AO, AMA AA, DAO AA, DAO

IMM-11.4 Journal Entries

1. When the Earnest Money is received from bidder and deposited in Miscellaneous Bank Account, following entry is posted by the Regional Store:

Description	Debit	Credit
Bank – Miscellaneous Account	***	
Payables Others		***

2. When the Remaining Amount is received from bidder and deposited in Miscellaneous Bank Account, following entry is posted by the Regional Store:

Description	Debit	Credit
Bank – Miscellaneous Account	***	
Payables Others		***

3. If scrap sold belongs to Warehouse/ C Type Store, then Regional Store issues the Credit Advice with the full amount received from the bidder and the following entry is posted:

Description	Debit	Credit
Payables Others	***	
IOT		***

4. When Credit Advice is received by Warehouse/ SS&T Division of GSO from Regional Store, following entry is posted by the Warehouse/SS&T Division of GSO:

Description	Debit	Credit
IOT	***	
Payables Others		***

5. When material is issued to the Bidder through SR, following entry is posted by the Regional Store/Warehouse/ SS&T Division of GSO:

   a. If Sales Proceeds exceed the cost of Scrap sold, the following entry is posted:

Description	Debit	Credit
Payables Others	***	
Stores		***
Gain on Sales of Scrap		***

   b. If Sales Proceeds is less than the cost of Scrap sold, the following entry is posted:

Description	Debit	Credit
Payables Others	***	
Loss on Sale of Scrap	***	
Stores		***

IMM-11.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Regional Store/ Warehouse/ C Type Store	1,18,20
Accounts Officer	
Regional Store	5,6,7,9,10,11,13,14,21,22,23
Finance Directorate	2,4
Accounts Assistant	
Regional Store	5,6,7,9,10,11,13,14,21,22,23
Warehouse	16,21,22,23
SS&T Division GSO	16,21,22,23
Divisional Accounts Officer	
Warehouse	15,16,21,22,23
SS&T Division GSO	15,16,21,22,23
Assistant Manager Accounts	
Regional Store	1,4,5,6,7,9,10,11,13,14,21,22,23
Deputy Manager Warehouse	
Warehouse	1,19
Deputy Manager Regional Store	
Regional Store	1,19
Deputy Manager Disposal	
Office of Material Management	8,17
Deputy Manager Operation	
SS&T Division GSO	1,19
CEO	
Office of CEO	3

IMM-11.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Items to be sold as scrap are authorized by the Competent Authority.	Items in running condition are sold as scrap for less than their value resulting in financial loss to the Company.	Survey Report is prepared by the Store Keeper, checked by Accounts Section and approved by the DMRS/ DM Warehouse / DMO.	1
2	Appropriate reserve price is set for the scrap material.	Understated reserve price may be financial loss for the Company.	Survey Report is verified by the Verification Committee by matching the reserve price on the Survey Report with the market value.	2
3	Sale of scrap is authorized by the Competent Authority.	Unauthorized sale may result in the loss of valuable material.	Approval of auction is obtained from CEO by Director Disposal.	3
4	Material is only issued to the highest bidder.	Material may be issued to an unauthorized buyer.	On receipt of advance from the bidder, a Letter of Confirmation along with Release Order is issued by the Office of Material Management to the bidder and copy is sent to Regional Store/ C Type Store.	17
5	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR and checked by AO and AMA.	22
6	Inventory transactions are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by AO and AMA.	23

IMM-12 Material Received from Regional Store by the MIS Store

IMM-12.1 Descriptive Overview of the Process

A. This process covers the activities regarding the receipt of material by MIS Store from Regional Store

B. Approved SR and SS Cheque are received by the Regional Store from the Office of MIS.

C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Regional Store respectively.

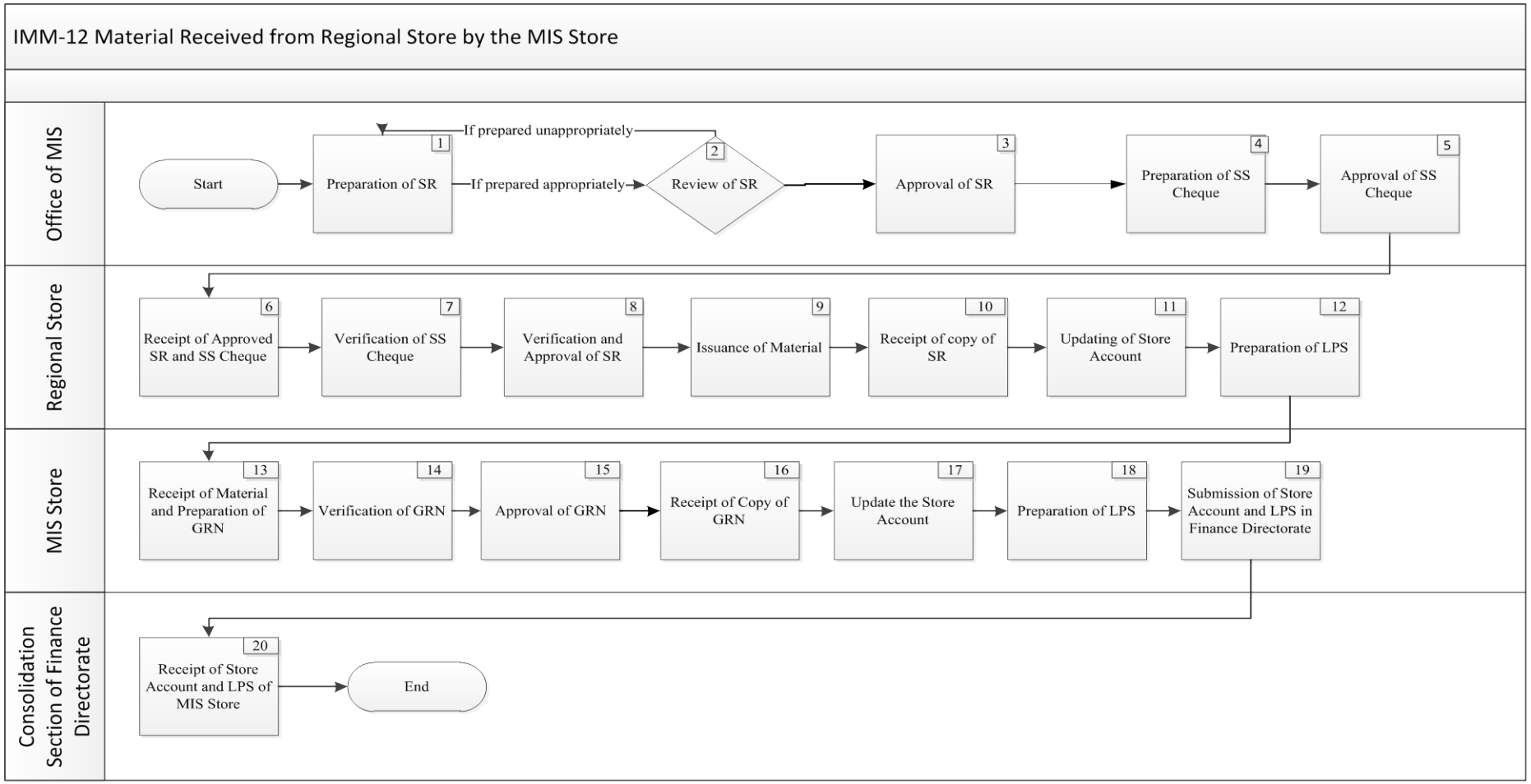
D. SR is approved by Deputy Manager Regional Store and the material is issued to the MIS Store.

E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

F. Material is received and GRN is prepared at the MIS Store and Store Account is updated on the basis of GRN.

G. On the month end, Store Account and LPS of the MIS Store are consolidated by the Consolidation Section of Finance Directorate to update the Trial Balance.

IMM-12.2 Flow Chart



IMM-12.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of SR	SR is prepared by the Office of MIS and forwarded to the Accounts Officer for review. **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR***]	SR		Office of MIS	Store Keeper
2.	Review of SR	a) SR is reviewed by AO to ensure that it is prepared appropriately. b) If SR is prepared appropriately, continues to activity # 3 else return to activity # 1 for necessary amendment/ rectifications.			Office of MIS	AO
3.	Approval of SR	SR is approved by Manager MIS and sent to the Regional Store for issuance of material.			Office of MIS	Manager MIS
4.	Preparation of SS Cheque	SS Cheque is prepared by AA, checked by AO and forwarded to Manager MIS for approval. **[**Refer ***"Volume III, Annexure – 96"*** for the specimen of ***SS Cheque***]	SS Cheque		Office of MIS	AA, AO
5.	Approval of SS Cheque	SS Cheque is approved by Manager MIS and sent to the Regional Store.			Office of MIS	Manager MIS
6.	Receipt of Approved SR and SS Cheque	Approved SR along with SS Cheque is received at the Regional Store.			Regional Store	Store Keeper
7.	Verification of SS	SS Cheque is verified by the Accounts Section of Regional			Regional Store	AA, AO, AMA

	Cheque	Store.				
8.	Verification and Approval of SR	SR is verified by the Store Keeper by matching it with the Allocation Order and it is approved by the DMRS.			Regional Store	Store Keeper, DMRS
9.	Issuance of Material	Material is issued to the Office of MIS. OGP is prepared by the Store Keeper and approved by DMRS. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]	OGP		Regional Store	Store Keeper, DMRS
10.	Receipt of copy of SR	Copy of approved SR is received by the Accounts Section of Regional Store.			Regional Store	AA, AO, AMA
11.	Updating of Store Account	The Store Account is updated by Accounts Section of Regional Store on the basis of approved SR. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Regional Store	AA, AO, AMA
12.	Preparation of LPS	LPS is prepared to record the accounting impact of issuance of material. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Regional Store	AA, AO, AMA
13.	Receipt of Material and Preparation of GRN	a) Material is received from Regional Store and GRN is prepared by the Store Keeper of MIS Store. b) GRN is forwarded to the Accounts Section of MIS Store for verification.	GRN		MIS Store	Store Keeper

		[Refer ***"Volume III, Annexure – 85"*** for the specimen of ***GRN*****]**				
14.	Verification of GRN	Accounts Officer verifies the rate and quantity of the material on GRN and counter signs the GRN.			MIS Store	AA, AO
15.	Approval of GRN	After verification from the Accounts Officer, GRN is approved by Manager MIS.			MIS Store	Manager MIS
16.	Receipt of Copy of GRN	Copy of approved GRN is received by the Accounts Section of MIS Store.			MIS Store	AA, AO
17.	Update the Store Account	The Store Account is updated by Accounts Section of MIS Store on the basis of GRN. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]**	Store Account		MIS Store	AA, AO
18.	Preparation of LPS	LPS is prepared by the Accounts Section of MIS Store to record the receipt of material. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	2	MIS Store	AA, AO
19.	Submission of Store Account and LPS in Finance Directorate	On month end, the Store Account and LPS are submitted to the Consolidation Section of Finance Directorate for updating in Trial Balance.			MIS Store	AA, AO
20.	Receipt of Store Account and LPS of MIS Store	The Consolidation Section receives the Store Account and LPS from MIS Store.			Consolidation Section of Finance Directorate	AA, AO, AMA

IMM-12.4 Journal Entries

1. When material is issued / transferred from Regional Store to MIS Store the following entry is posted by the Regional Store:

Description	Debit	Credit
IOT – SS Cheque	***	
Stores		***
Store Handling Charges		***

2. When material is received from Regional Store in MIS Store the following entry is posted by the MIS Store:

Description	Debit	Credit
Stores – MIS Store	***	
IOT – SS Cheque		***

IMM-12.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store keeper	
Office of MIS	1
MIS Store	13
Regional Store	6,8,9
Accounts Assistant	
Office of MIS	4
MIS Store	14,16,17,18,19
Regional Store	7,10,11,12
Consolidation Section of Finance Directorate	20
Accounts Officer	
Office of MIS	2,4
MIS Store	14,16,17,18,19
Regional Store	7,10,11,12
Consolidation Section of Finance Directorate	20
Assistant Managers Account	
Regional Store	7,10,11,12
Consolidation Section of Finance Directorate	20
Deputy Manager Regional Store	
Regional Store	8,9
Manager Management Information Systems	
Office of MIS	3,5
MIS Store	15

IMM-12.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1.	Store Requisitions are subject to appropriate review and authorization.	Store Requisitions may not be properly authorized according to company policy, resulting in unauthorized receipt of material.	SR is reviewed by AO to ensure that it is prepared appropriately. SR is approved by Manager MIS and sent to the Regional Store for issuance of material.	2,3
2.	Payments are appropriately reviewed and authorized by the Competent Authority.	Inappropriate or inaccurate payments may be made without proper authorization.	SS Cheque is prepared by AA, checked by AO and approved by Manager MIS.	4,5
3.	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	SR is verified by the Store Keeper by matching it with the Allocation Order and approved by the DMRS.	8
4.	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked by AA and verified by AO by matching it with Allocation Order and SR. GRN is finally approved by the Manager MIS.	14,15
5.	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of SR, checked by AO and approved by AMA of the Regional Store. The Store Account is updated by AA on the basis of GRN, checked and approved by AO of the MIS Store.	11,17
6.	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked by AO and approved by AMA of the Regional Store. LPS is posted by AA on the basis of approved GRN, checked and approved by AO of MIS Store.	12,18

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
7.	Intra-company transactions are accurate and complete.	Intra-company transactions may not be completely or accurately posted to the general ledger.	On month end, the Store Account and LPS are submitted by the MIS Store to the Consolidation Section of Finance Directorate. In the Consolidation Section of Finance Directorate, records are consolidated and reconciled by AA, checked by AO and approved by AMA prior to updating of Trial Balance.	19,20

IMM-13 Material Issued from MIS Store

IMM-13.1 Descriptive Overview of the Process

A. This process covers the activities regarding Material Issued from MIS Store.

B. Approved SR and SS Cheque are received by the MIS Store from the Concerned Office.

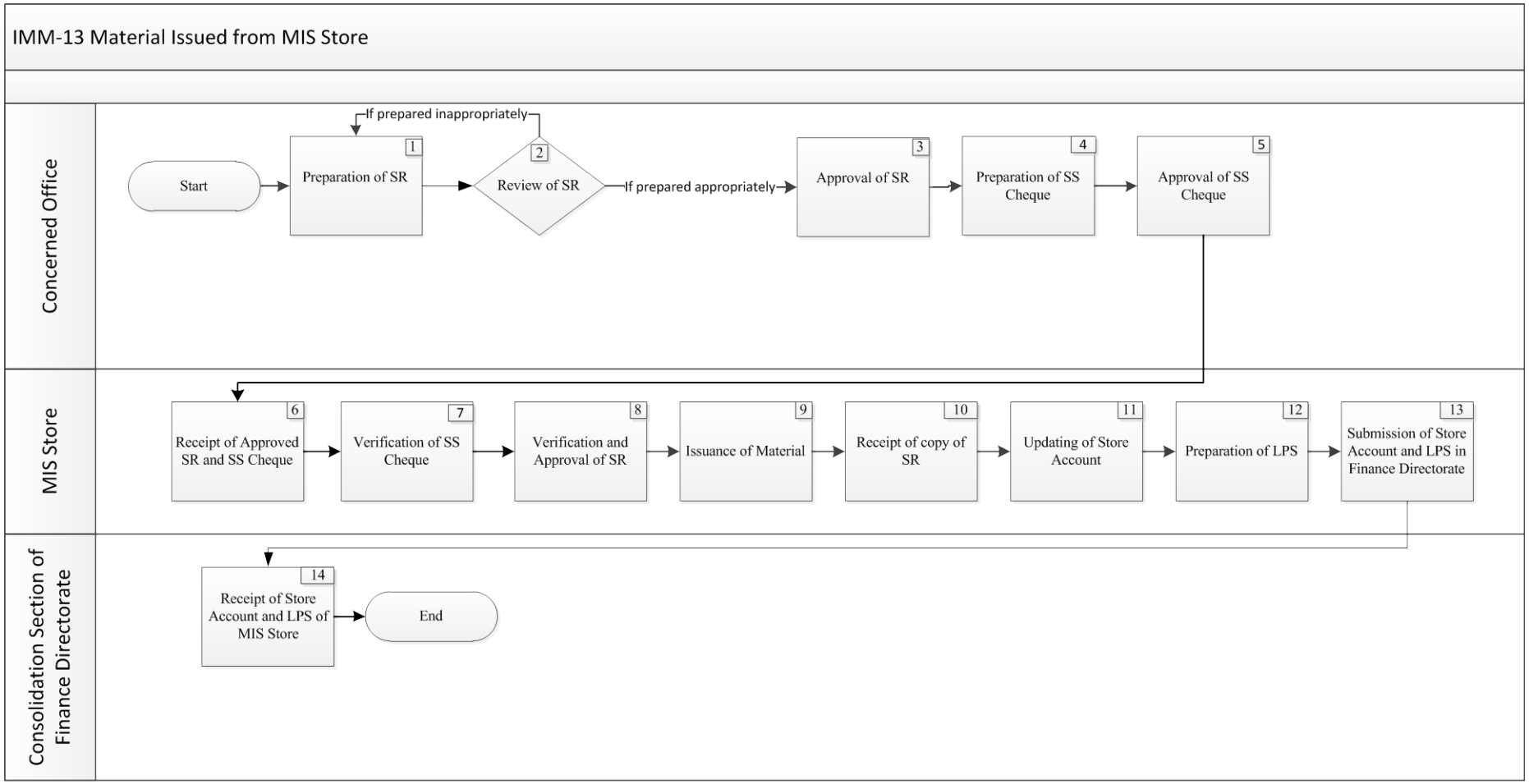
C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the MIS Store respectively.

D. SR is approved by Manager MIS and the material is issued to the Concerned Office.

E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

F. On the month end, Store Account and LPS of the MIS Store are consolidated by the Consolidation Section of Finance Directorate to update the Trial Balance.

IMM-13.2 Flow Chart



IMM-13.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of SR	a) SR is prepared by the Concerned Office and forwarded to the Accounts Officer for review. b) Project number is mentioned on the SR which indicates the project for which the material is to be drawn from the Store.. **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR***]	SR		Concerned Office	Competent Authority
2.	Review of SR	a) SR is reviewed by AO/DAO to ensure that it is prepared appropriately. b) If SR is prepared appropriately, continues to activity # 3 else return to activity # 1 for necessary amendment/ rectifications.			Concerned Office	AO/DAO
3.	Approval of SR	SR is approved by the Competent Authority of the Concerned Office and sent to the MIS Store.			Concerned Office	Competent Authority
4.	Preparation of SS Cheque	SS Cheque is prepared by the Concerned Office and forwarded for approval to the Competent Authority. **[**Refer ***"Volume III, Annexure – 96"*** for the specimen of ***SS Cheque***]	SS Cheque		Concerned Office	AA, AO
5.	Approval of SS Cheque	SS Cheque is approved by the Competent Authority at the Concerned Office.			Concerned Office	Competent Authority

6.	Receipt of Approved SR and SS Cheque	Approved SR along with SS Cheque is received at the MIS Store.			MIS Store	Store Keeper
7.	Verification of SS Cheque	SS Cheque is verified by the Accounts Section of MIS Store.			MIS Store	AA, AO
8.	Verification and Approval of SR	a) SR is verified by the Store Keeper by matching it with the Allocation Order. The Store Keeper checks the project number assigned on SR.. b) The SR is then approved by the Manager MIS.			MIS Store	Store Keeper, Manager MIS
9.	Issuance of Material	a) OGP is prepared by the Store Keeper and approved by Manager MIS. b) After approval of OGP, material is issued to the Concerned Office. c) Material is received by the Concerned Office from the MIS Store. **[**Refer ***"FAM - 10"*** for details regarding ***the receipt of material by the Concerned Office*****]** **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP*****]**	OGP		MIS Store	Store Keeper, Manager MIS
10.	Receipt of copy of SR	Copy of approved SR is received by the Accounts Section of MIS Store.			MIS Store	AA, AO
11.	Updating of Store Account	The Store Account is updated by Accounts Section of MIS Store on the basis of approved SR. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]**	Store Account		MIS Store	AA, AO

		[Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]**				
12.	Preparation of LPS	LPS is prepared to record the accounting impact of issuance of material. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	MIS Store	AA, AO
13.	Submission of Store Account and LPS in Finance Directorate	On month end, the Store Account and LPS are submitted to the Consolidation Section of Finance Directorate for updating the Trial Balance.			MIS Store	AA, AO
14.	Receipt of Store Account and LPS of MIS Store	The Consolidation Section receives the Store Account and LPS from MIS Store.			Consolidation Section of Finance Directorate	AA, AO, AMA

IMM-13.4 Journal Entries

1. Upon issue of material to the Concerned Office, the following entry is posted by MIS Store:

Description	Debit	Credit
IOT - SS Cheque	***	
Stores – MIS Store		***

IMM-13.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store keeper	
MIS Store	6,8,9
Accounts Assistant	
Concerned Office	4
MIS Store	7,10,11,12,13
Consolidation Section of Finance Directorate	14
Accounts Officer	
Concerned Office	2,4
MIS Store	7,10,11,12,13
Consolidation Section of Finance Directorate	14
Divisional Accounts Officer	
Concerned Office	2
Assistant Manager Accounts	
Consolidation Section of Finance Directorate	14
Manager MIS	
MIS Store	8,9

IMM-13.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to the Concerned Office, once SR approved by the Competent Authority is received by Store Keeper of the MIS Store.	6
2	Payments received are appropriately reviewed prior to the issuance of material.	Inappropriate or inaccurate payments may be received by the Store.	SS Cheque is verified by the AA and AO of the MIS Store.	7
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR and checked by AO of the MIS Store.	11
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posting by AA on the basis of approved SR, checked and approved by AO of the MIS Store.	12
5	Intra-company transactions are accurate and complete.	Intra-company transactions may not be completely or accurately posted to the general ledger.	On month end, the Store Account and LPS are submitted by the MIS Store to the Consolidation Section of Finance Directorate. In the Consolidation Section of Finance Directorate, records are consolidated and reconciled by AA, checked by AO and approved by AMA prior to updating of Trial Balance.	13,14

IMM-14 Material Received from Supplier by the Warehouse

IMM-14.1 Descriptive Overview of the Process

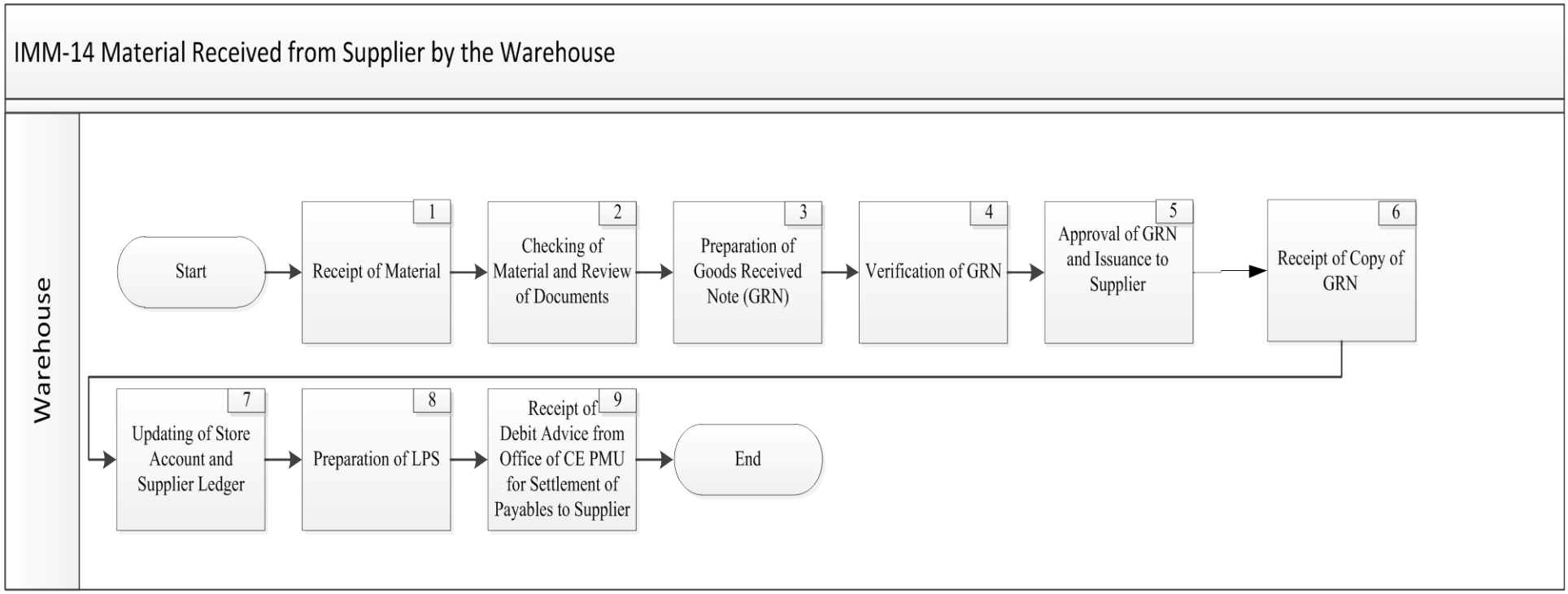
A. This process covers the activities regarding the receipt of material from a supplier by the Warehouse.

B. Material is received along with the supporting documents at the Warehouse.

C. Goods Receipt Note (GRN) is prepared at the Warehouse.

D. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.

IMM-14.2 Flow Chart



IMM-14.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Material	Material is received at the Warehouse from Supplier along with the supporting documents which include: ➢ PO ➢ Delivery Challan ➢ Warranty Certificate ➢ Inspection Certificate ➢ Invoice ➢ Packing List ➢ Bill of Lading ➢ Form I			Warehouse	Store Keeper
2.	Checking of Material and Review of Documents	The Deputy Manager Warehouse checks that the material received is as per PO and counter signs the Delivery Challan and Inspection Certificate.			Warehouse	Deputy Manager Warehouse
3.	Preparation of Goods Received Note (GRN)	a) GRN is prepared and signed by the Store Keeper of Warehouse. b) GRN is forwarded to the Accounts Section for verification. **[**Refer ***"Volume III, Annexure – 85"*** for the specimen of ***GRN***]	GRN		Warehouse	Store Keeper

4.	Verification of GRN	Accounts Section verifies the rate and quantity of the material on GRN by matching it with the PO and Delivery Challan and counter signs the GRN.			Warehouse	AA, DAO
5.	Approval of GRN and Issuance to Supplier	GRN is approved by the Deputy Manager Warehouse and issued to Supplier.			Warehouse	Deputy Manager Warehouse
6.	Receipt of Copy of GRN	Copy of approved GRN is received by the Accounts Section of Warehouse.			Warehouse	AA, DAO
7.	Updating of Store Account and Supplier Ledger	The Store Account and Supplier Ledger are updated by Accounts Section of Warehouse on the basis of GRN. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 127"*** for the specimen of ***Supplier Ledger*****]**	Store Account, Supplier Ledger		Warehouse	AA, DAO
8.	Preparation of LPS	LPS is prepared by Accounts Section of Warehouse to record the Inventory and Payables to Supplier as follows: a) If the material is purchased from local Supplier, the GST Receivable from GOP will be separately recorded. b) If the material is purchased from Foreign Supplier the GST will be part of the cost of material, and hence, will not be recorded separately. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of	LPS	1	Warehouse	AA, DAO

		LPS]				
9.	Receipt of Debit Advice from Office of CE PMU for Settlement of Payables to Supplier	a) Debit Advice is received by the Accounts Section of Warehouse from the Office of CE PMU regarding the payment to the Supplier. b) On receiving the Debit Advice, the Accounts Section of Warehouse settles the Payables to Supplier, through funds obtained from Finance Directorate. [Refer ***"PAP – 3"*** for details regarding ***receipt of debit advice from Office of CE PMU for settlement of payables to supplier***]		Entry for Settlement of Payables to Supplier is mentioned in PAP - 3	Warehouse	AA, DAO

IMM-14.4 Journal Entries

1. When material is received from the Supplier, the following entry is posted by Warehouse:

   a) Material received from local Supplier:

Description	Debit	Credit
Stores	***	
GST Receivable from GOP	***	
Trade Creditors		***

   b) Material received from Foreign Supplier:

Description	Debit	Credit
Stores	***	
Trade Creditors		***

IMM-14.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Warehouse	1,3
Accounts Assistant	
Warehouse	4,6,7,8,9
Divisional Accounts Officer	
Warehouse	4,6,7,8,9
Deputy Manager Ware house	
Warehouse	2,5

IMM-14.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material received from supplier is of correct quantity and right specification as per Purchase Order.	Material received from the supplier may be less or more than the actual order resulting in under/over payment to the supplier. Poor quality material may result in extra cost for the Company.	The Deputy Manager Regional Store (DMRS) check that the quantity and quality of material received is as per PO. DMRS then counter signs the Delivery Challan and Inspection Certificate.	2
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked and verified by DAO by matching it with the PO and Delivery Challan. GRN is finally approved by the Deputy Manager Warehouse.	5
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account and Supplier Ledger are updated by AA on the basis of GRN, checked and approved by DAO.	7
4	Inventory receipts are recorded completely and in the correct accounting period.	Inventory balances may be misstated. Receipts may be recorded in the wrong period, resulting in misstatement of inventory balances.	LPS is prepared by AA on the basis of GRN, verified and approved by DAO.	8

IMM-15 Material Received from Other DISCO by the Warehouse

IMM-15.1 Descriptive Overview of the Process

A. This process covers the activities regarding the receipt of material from other DISCO by the Warehouse.

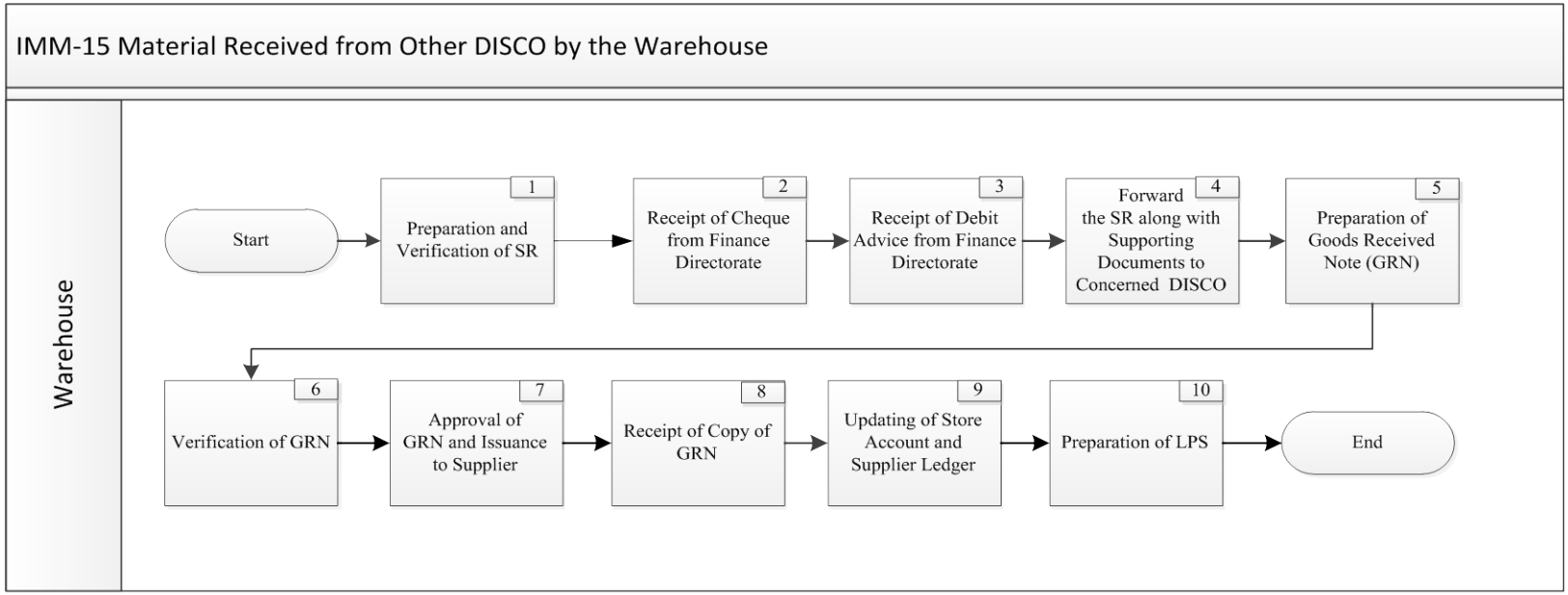
B. SR is prepared by the Store Keeper and verified by the Accounts Section of the Warehouse.

C. Advance payment is made to the other DISCO, a Cheque along with SR is sent to the other DISCO.

D. When material is received from other DISCO, a Goods Receipt Note (GRN) is prepared by the Store Keeper and verified by the Accounts Section of Warehouse.

E. Store Account and Supplier Ledger are updated on the basis of GRN and LPS is prepared to update the accounts accordingly.

IMM-15.2 Flow Chart



IMM-15.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation and Verification of SR	a) In case of emergency requirement, any material can be procured from other DISCOs. b) The Office of MM obtains approval from CEO for purchase of material from Other DISCO on a Noting Sheet. c) Noting Sheet is attached with the Allocation Order received from Other DISCO, mentioning the Unit Rate of the item to be purchased. d) SR is prepared by the Store Keeper and verified by the Accounts Section of the Warehouse. **[**Refer ***"PAP – 8"***, for details regarding ***the procurement of material from Other DISCOs*****]** **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR*****]**	SR		Warehouse	Store Keeper, DAO
2.	Receipt of Cheque from Finance Directorate	a) Office of MM grants financial approval on Noting Sheet. b) After Financial approval, Pre-audit is performed by the Payment Section of Finance Directorate. c) After Pre-audit, Cheque is forwarded by the Finance Directorate to the Warehouse for payment to the Other			Warehouse	DAO, Deputy Manager Warehouse

		DISCO. d) Cheque is received by the Warehouse. **[**Refer ***"PAP – 8"*** for details regarding ***the receipt of cheque from Finance Directorate regarding the advance payment made to other DISCO***]				
3.	Receipt of Debit Advice from Finance Directorate	Debit Advice is received from the Finance Directorate for the advance payment made to the Other DISCO. **[**Refer ***"PAP – 8"*** for details regarding ***the receipt of debit advice from Finance Directorate regarding the advance payment made to Other DISCO***]		Entry for advance Payment and issuance of Debit advice is mentioned in process PAP - 8	Warehouse	
4.	Forward the SR along with Supporting Documents to Concerned DISCO	Following documents are sent to Other DISCO by Warehouse: ➢ Authority Letter ➢ Allocation Order ➢ Cheque ➢ Approved SR			Warehouse	Deputy Manager Warehouse
5.	Preparation of Goods Received Note (GRN)	a) GRN is prepared and signed by the Store Keeper. b) GRN is forwarded to the Accounts Section for verification. **[**Refer ***"Volume III, Annexure – 85"*** for the specimen of ***GRN***]	GRN		Warehouse	Store Keeper
6.	Verification of GRN	a) Accounts Section of Warehouse verifies the rate and			Warehouse	AA, DAO

		quantity of the material on approved GRN by matching it with the Allocation Order and Delivery Challan. b) After verification of GRN, the DAO of the Warehouse counter signs it.				
7.	Approval of GRN and Issuance to Supplier	GRN is approved by the Deputy Manager Warehouse and issued to the Other DISCO.			Warehouse	Deputy Manager Warehouse
8.	Receipt of Copy of GRN	Copy of approved GRN is received by the Accounts Section of Warehouse.			Warehouse	AA , DAO
9.	Updating of Store Account and Supplier Ledger	The Store Account and Supplier Ledger are updated by Accounts Section of Warehouse on the basis of approved GRN accordingly. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 127"*** for the specimen of ***Supplier Ledger*****]**	Store Account, Supplier Ledger		Warehouse	AA, DAO
10.	Preparation of LPS	LPS is prepared by the Accounts Section of Warehouse to record the receipt of material from Other DISCO. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	Warehouse	AA, DAO

IMM-15.4 Journal Entries

1. When material is received from the Other DISCO, the following entry is posted by Warehouse:

Description	Debit	Credit
Stores	***	
Receivables from Associated Company - DISCO		***

IMM-15.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Warehouse	1,5
Accounts Assistant	
Warehouse	6,8,9,10
Divisional Accounts Officer	
Warehouse	1,2,6,8,9,10
Deputy Manager Warehouse	
Warehouse	2,4,7

IMM-15.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material received from supplier is of correct quantity and right specification as per Purchase Order.	Material received from the supplier may be less or more than the actual order resulting in under/over payment to the supplier. Poor quality material may result in extra cost for the Company.	The Deputy Manager Warehouse checks that the quantity and quality of material received is as per PO. DMRS then counter signs the Delivery Challan and Inspection Certificate.	2
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked and verified by DAO by matching it with the PO and Delivery Challan. GRN is finally approved by the Deputy Manager Warehouse.	5
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account and Supplier Ledger are updated by AA on the basis of GRN, checked and approved by DAO.	7
4	Inventory receipts are recorded completely and in the correct accounting period.	Inventory balances may be misstated. Receipts may be recorded in the wrong period, resulting in misstatement of inventory balances.	LPS is prepared by AA on the basis of GRN, verified and approved by DAO.	8

IMM-16 Material Received from Supplier by C Type Store

IMM-16.1 Descriptive Overview of the Process

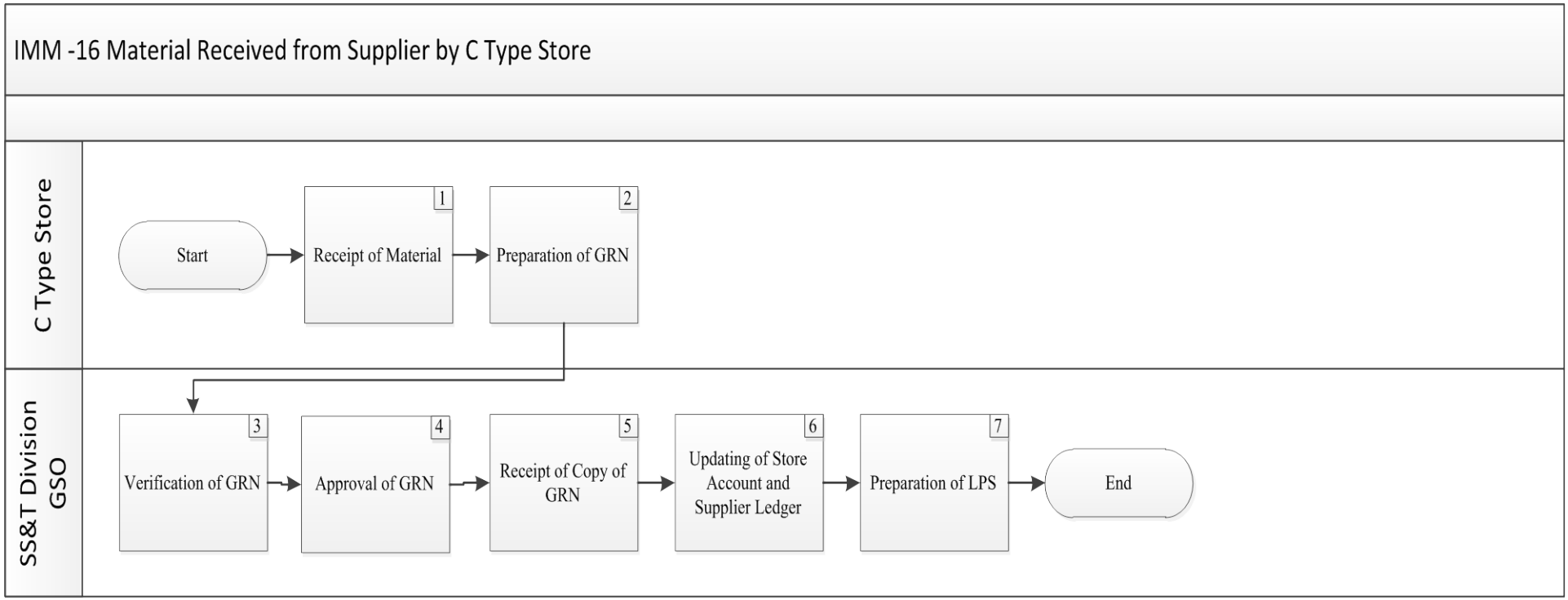
A. This process covers the activities regarding the receipt of material from supplier by the C Type Store.

B. Material is received along with the supporting documents at the C Type Store.

C. Goods Receipt Note (GRN) is prepared at the C Type Store.

D. Store Account and Supplier Ledger are updated by the SS&T Division of GSO on the basis of GRN and LPS is prepared to update the accounts accordingly.

IMM-16.2 Flow Chart



IMM-16.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Material	Material is received at the C Type Store along with the supporting documents which include: ➢ PO ➢ Delivery Challan ➢ Warranty Certificate ➢ Inspection Certificate ➢ Invoice ➢ Packing List			C Type Store	Store Keeper
2.	Preparation of GRN	GRN is prepared by the Store Keeper, signed by AET/RE and forwarded to the Accounts Section of SS&T Division of GSO. **[**Refer ***"Volume III, Annexure – 85"*** for the specimen of ***GRN*****]**	GRN		C Type Store	Store Keeper, AET/RE
3.	Verification of GRN	a) DAO of SS&T Division GSO verifies the GRN and the supporting documents. b) After verification DAO counter signs the GRN.			SS&T Division GSO	DAO
4.	Approval of GRN	After verification by DAO, GRN is approved by the DMO of SS&T Division GSO.			SS&T Division GSO	DMO
5.	Receipt of Copy of GRN	Copy of approved GRN is received by the Accounts Section of SS&T Division of GSO.			SS&T Division GSO	DAO

6.	Updating of Store Account and Supplier Ledger	The Store Account and Supplier Ledger are updated by Accounts Section of SS&T Division GSO on the basis of GRN accordingly. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 127"*** for the specimen of ***Supplier Ledger*****]**	Store Account, Supplier Ledger		SS&T Division GSO	AA, DAO
7.	Preparation of LPS	LPS is prepared by Accounts Section of SS&T Division of GSO to record the material received from Supplier. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	SS&T Division GSO	AA, DAO

IMM-16.4 Journal Entries

1. Upon receiving the material at C Type Store from the Supplier, the following entry is posted by SS&T Division of GSO:

Description	Debit	Credit
Stores	***	
GST Receivable from GOP	***	
Trade Creditors		***

IMM-16.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store keeper	
C Type Store	1,2
Accounts Assistant	
SS&T Division GSO	6,7
Divisional Accounts Officer	
SS&T Division GSO	3,5,6,7
Assistant Engineer Transmission/Resident Engineer	
C Type Store	2
Deputy Manager Operations	
SS&T Division GSO	4

IMM-16.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material received from supplier is of correct quantity and right specification as per Purchase Order.	Material received from the supplier may be less or more than the actual order resulting in under/over payment to the supplier. Poor quality material may result in extra cost for the Company.	The Store Keeper check that the quantity and quality of material received is as per PO.	1
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked and verified by DAO by matching it with the PO and Delivery Challan. GRN is finally approved by the Deputy Manager Operations.	3,4
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account and Supplier Ledger are updated by AA on the basis of GRN, checked and approved by DAO.	6
4	Inventory receipts are recorded completely and in the correct accounting period.	Inventory balances may be misstated. Receipts may be recorded in the wrong period, resulting in misstatement of inventory balances.	LPS is prepared by AA on the basis of GRN, verified and approved by DAO.	7

IMM-17 Material Issued from Warehouse to C Type Store

IMM-17.1 Descriptive Overview of the Process

A. This process covers the activities regarding the issuance of material from Warehouse to C Type Store.

B. Approved SR and SS Cheque are received by the Warehouse from the SS&T Division of GSO.

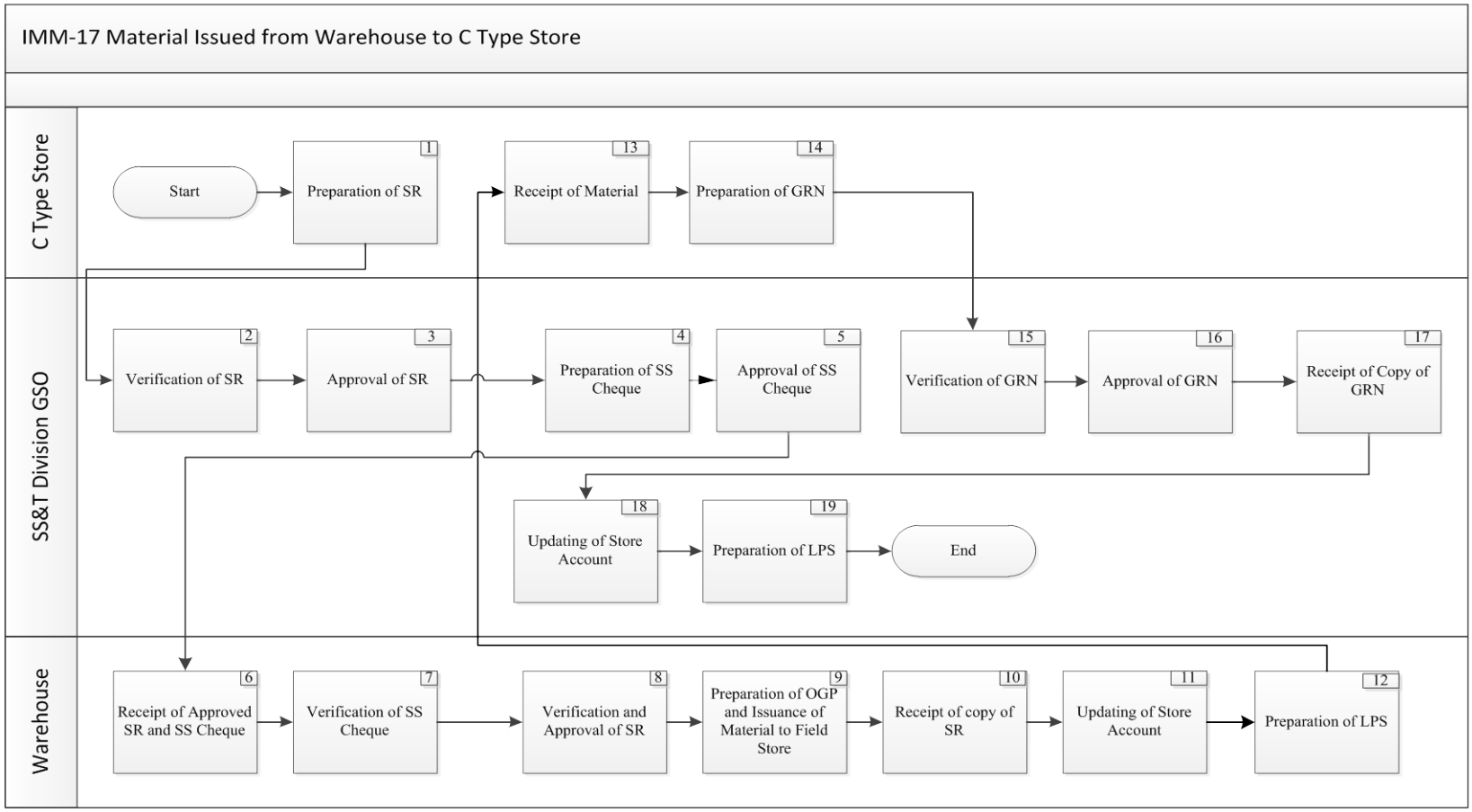
C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Warehouse respectively.

D. SR is approved by Deputy Manager Warehouse and the material is issued to the C Type Store.

E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

F. Material is received and GRN is prepared at the C Type Store and Store Account is updated on the basis of GRN by the SS&T Division of GSO.

IMM-17.2 Flow Chart



IMM-17.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of SR	a) SR is prepared by the Store Keeper of C Type Store. b) Project number is mentioned on the SR which indicates the project for which the material is to be drawn from the Store.			C Type Store	Store Keeper
2.	Verification of SR	SR is verified by the DAO by matching the SR with the Allocation Order and checks the project number assigned to it.			SS&T Division GSO	DAO
3.	Approval of SR	After verification from DAO, SR is approved by the DMO.			SS&T Division GSO	DMO
4.	Preparation of SS Cheque	SS Cheque is prepared by DAO and forwarded to DMO for approval. **[**Refer ***"Volume III, Annexure – 96"*** for the specimen of ***SS Cheque*****]**	SS Cheque		SS&T Division GSO	DAO
5.	Approval of SS Cheque	SS Cheque is approved by DMO of the Concerned Division.			SS&T Division GSO	DMO
6.	Receipt of Approved SR and SS Cheque	Approved SR along with SS Cheque is received at the Warehouse.			Warehouse	Store Keeper
7.	Verification of SS Cheque	SS Cheque is verified by the Accounts Section of Warehouse.			Warehouse	AA, DAO
8.	Verification and Approval of SR	a) SR is verified by the Store Keeper by matching it with the Allocation Order and checks the project number assigned to it. b) After verification, SR is approved by the DM			Warehouse	Store Keeper, DM Warehouse

		Warehouse.				
9.	Preparation of OGP and Issuance of Material to Field Store	OGP is prepared by the Store Keeper of the Warehouse and material is issued /transferred to the C Type Store. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]	OGP		Warehouse	Store Keeper
10.	Receipt of copy of SR	Copy of approved SR is received by the Accounts Section of Warehouse.			Warehouse	AA, DAO
11.	Updating of Store Account	The Store Account is updated by AA of Warehouse on the basis of approved SR. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Warehouse	AA, DAO
12.	Preparation of LPS	LPS is prepared by the Accounts Section of Warehouse. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Warehouse	AA, DAO
13.	Receipt of Material	C Type Store receives material from the Warehouse.			C Type Store	Store Keeper
14.	Preparation of GRN	a) GRN is prepared by the Store Keeper of C Type Store and signed by Resident Engineer (RE). b) GRN is then forwarded to the Accounts Section of SS&T Division of GSO. **[**Refer ***"Volume III, Annexure – 85"*** for the specimen of	GRN		C Type Store	Store Keeper, RE

		GRN]				
15.	Verification of GRN	Accounts Section of SS&T Division of GSO verifies the rate and quantity of the material on GRN and counter signs the GRN.			SS&T Division GSO	AA, DAO
16.	Approval of GRN	After verification, GRN is approved by the DMO.			SS&T Division GSO	DMO
17.	Receipt of Copy of GRN	Copy of approved GRN is received by the Accounts Section of SS&T Division of GSO.			SS&T Division GSO	DAO
18.	Updating of Store Account	The Store Account is updated by Accounts Section of SS&T Division of GSO on the basis of approved GRN. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		SS&T Division GSO	AA, DAO
19.	Preparation of LPS	LPS is prepared by Accounts Section of SS&Ts Division of GSO to record the material received from Warehouse. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	SS&T Division GSO	AA, DAO

IMM-17.4 Journal Entries

1. When material is issued/transferred from Warehouse to C Type Store the following entry is posted by the Warehouse:

Description	Debit	Credit
IOT – SS Cheque	***	
Stores		***
Store Handling Charges		***

2. When material is received from Warehouse in C Type Store the following entry is posted by the SS&T Division of GSO:

Description	Debit	Credit
Stores	***	
IOT – SS Cheque		***

IMM-17.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
C Type Store	1,13,14
Warehouse	6,8,9
Resident Engineer	
C Type Store	14
Accounts Assistant	
Warehouse	7,10,11,12
SS&T Division GSO	15,18,19
Divisional Accounts Officer	
SS&T Division GSO	2,4,15,17,18,19
Warehouse	7,10,11,12
Deputy Manager Operations	
SS&T Division GSO	3,5,16
Deputy Manager Warehouse	
Warehouse	8

IMM-17.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to C Type Store, once SR approved by the Deputy Manager Operations of SS&T Division is received by the Store Keeper of Warehouse.	6
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked by AA and verified by DAO by matching it SR and Allocation Order. GRN is finally approved by the Deputy Manager Operations.	15,16
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR and checked by DAO of the Warehouse. The Store Account is updated by AA on the basis of approved GRN and checked by DAO of the SS&T Division.	11,18
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by DAO. LPS is posted by AA on the basis of approved GRN, checked and approved by DAO.	12,19

IMM-18 Material Issued from C Type Store

IMM-18.1 Descriptive Overview of the Process

A. This process covers the activities regarding Material Issued by C Type Store.

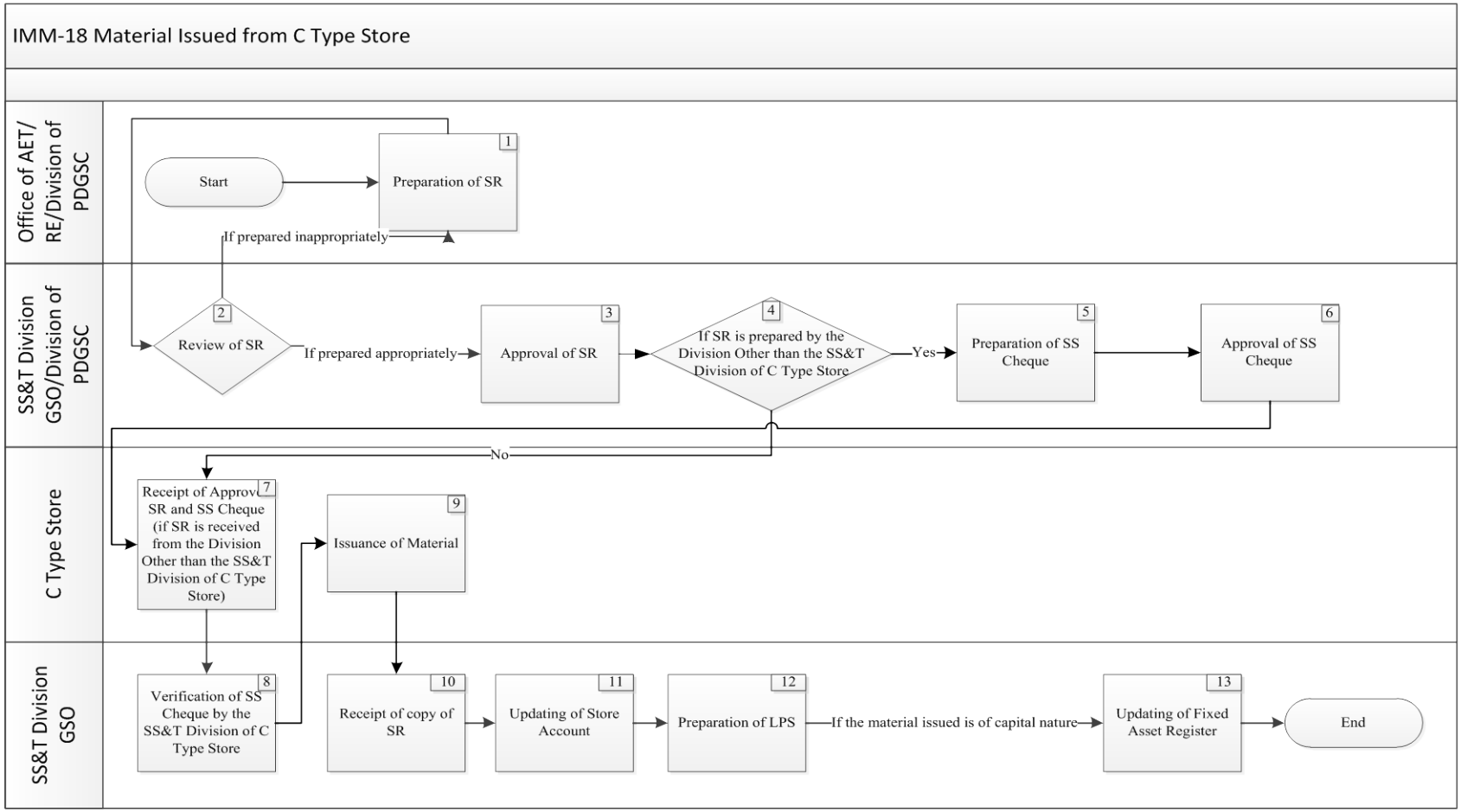
B. Approved SR and SS Cheque (in case material is issued to Division other than the SS&T Division of C Type Store) are received by the C Type Store from the Concerned Division.

C. SR is checked by the Store Keeper and verified by the SS&T Division of C Type Store.

D. Material is issued to the Concerned Division and the Store Account is updated on the basis of SR.

E. LPS is prepared to update the accounts accordingly.

IMM-18.2 Flow Chart



IMM-18.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of SR	a) SR is prepared by the LS/SSO of the Concerned Office of Assistant Engineer Transmission (AET)/ Resident Engineer (RE) and forwarded to the Divisional Accounts Officer for review. b) Project number is mentioned on the SR which indicates the project for which the material is to be drawn from the Store. **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR*****]**	SR		Office of AET RE Division of PDGSC	LS SSO LS
2.	Review of SR	a) SR is reviewed by DAO to ensure that correct project number is assigned to it and also verifies the supporting documents. b) If SR is prepared appropriately, continues to activity # 3 else return to activity # 1 for necessary amendment/ rectifications.			SS&T Division GSO/Division of PDGSC	DAO
3.	Approval of SR	SR is approved by the DMO.			SS&T Division GSO/Division of PDGSC	DMO
4.	If SR is prepared by the Division Other than the SS&T Division of C Type Store	If SR is prepared by the Division Other than SS&T Division of C Type Store, then continue to Activity# 5 else continue to Activity# 7.			SS&T Division GSO/Division of PDGSC	

5.	Preparation of SS Cheque	SS Cheque is prepared by DAO and forwarded to DMO for approval. **[**Refer ***"Volume III, Annexure – 96"*** for the specimen of ***SS Cheque*****]**	SS Cheque		SS&T Division GSO/Division of PDGSC	DAO
6.	Approval of SS Cheque	SS Cheque is approved by DMO of the Concerned Division.			SS&T Division GSO/Division of PDGSC	DMO
7.	Receipt of Approved SR and SS Cheque (if SR is received from the Division Other than the SS&T Division of C Type Store)	a) If SR is received from SS&T Division GSO of C Type Store, SS Cheque is not received from SS&T Division GSO. b) If approved SR is received from the Division Other than the SS&T Division of C Type Store, then SS Cheque is also received by the C Type Store, along with the approved SR.			C Type Store	Store Keeper
8.	Verification of SS Cheque by the SS&T Division of C Type Store	SS Cheque is verified by DAO of the SS&T Division of C Type Store.			SS&T Division GSO	DAO
9.	Issuance of Material	OGP is prepared by the Store Keeper of C Type Store and material is issued to the concerned LS/SSO. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP*****]**	OGP		C Type Store	Store Keeper
10.	Receipt of copy of SR	a) Copy of approved SR is received by the Accounts Section of SS&T Division of GSO from C Type Store. b) If SR is received from the Division Other than the SS&T Division of C Type Store, then SS Cheque is also			SS&T Division GSO	AA, DAO

		received by the C Type Store along with the SR.				
11.	Updating of Store Account	The Store Account is updated by Accounts Section of SS&T Division of GSO on the basis of approved SR. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]**	Store Account		SS&T Division GSO	AA, DAO
12.	Preparation of LPS	LPS is prepared to record the accounting impact of issuance of material as follows: a) If the material issued is of capital nature [*as per the Fixed Asset Policy as mentioned in the Accounting Manual of Fixed Asset Management (FAM)*], then cost of material is capitalized as Fixed Asset. b) If the material issued is used for Repair and Maintenance purposes then the cost of material is charged to Repair and Maintenance Account. c) If material is issued to the Division Other than the SS&T Division of C Type Store, then the cost of material is charged to IOT – SS Cheque. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	SS&T Division GSO	AA, DAO
13.	Updating of Fixed Assets Register	The addition of fixed asset is updated in Fixed Assets Register of SS&T Division GSO.	Fixed Assets Register		SS&T Division GSO	AA, DAO

		[Refer ***"Volume III, Annexure – 84"*** for the specimen of ***Fixed Assets Register***]				

IMM-18.4 Journal Entries

1. When material is issued by C Type Store to SS&T Division of GSO, the following entry is posted by SS&T Division of GSO:

   a) If the material issued is of capital nature then fixed asset is capitalized:

Description	Debit	Credit
Asset	***	
Stores		***

   b) If the material issued is used for Repair and Maintenance purposes then the cost of material is charged to Repair and Maintenance Account:

Description	Debit	Credit
Repair and Maintenance	***	
Stores		***

   c) If material is issued to the Division Other than the SS&T Division of C Type Store, then amount of material is charged to IOT – SS Cheque:

Description	Debit	Credit
IOT – SS Cheque	***	
Stores		***

IMM-18.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
C Type Store	7,9
Line Superintendent	
Office of AET	1
Division of PDGSC	1
Sub Station Operator	
Office of Resident Engineer	1
Accounts Assistant	
SS&T Division GSO	10,11,12,13
Divisional Accounts Officer	
SS&T Division GSO	2,5,8,10,11,12,13
Division of PDGSC	2,5
Deputy Manager Operations	
SS&T Division GSO	3,6
Division of PDGSC	3,6

IMM-18.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to C Type Store, once SR approved by the Deputy Manager Operations of SS&T Division GSO is received by Store Keeper of the C Type Store.	7
2	Payments received are appropriately reviewed prior to the issuance of material.	Inappropriate or inaccurate payments may be received by the Store.	SS Cheque is verified by the DAO of the SS&T Division of C Type Store.	8
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR and checked by DAO of the SS&T Division GSO.	11
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by DAO.	12

IMM-19 Material Issued from Warehouse to Division of PDGSC

IMM-19.1 Descriptive Overview of the Process

A. This process covers the activities regarding material issued from Warehouse to Division of PDGSC.

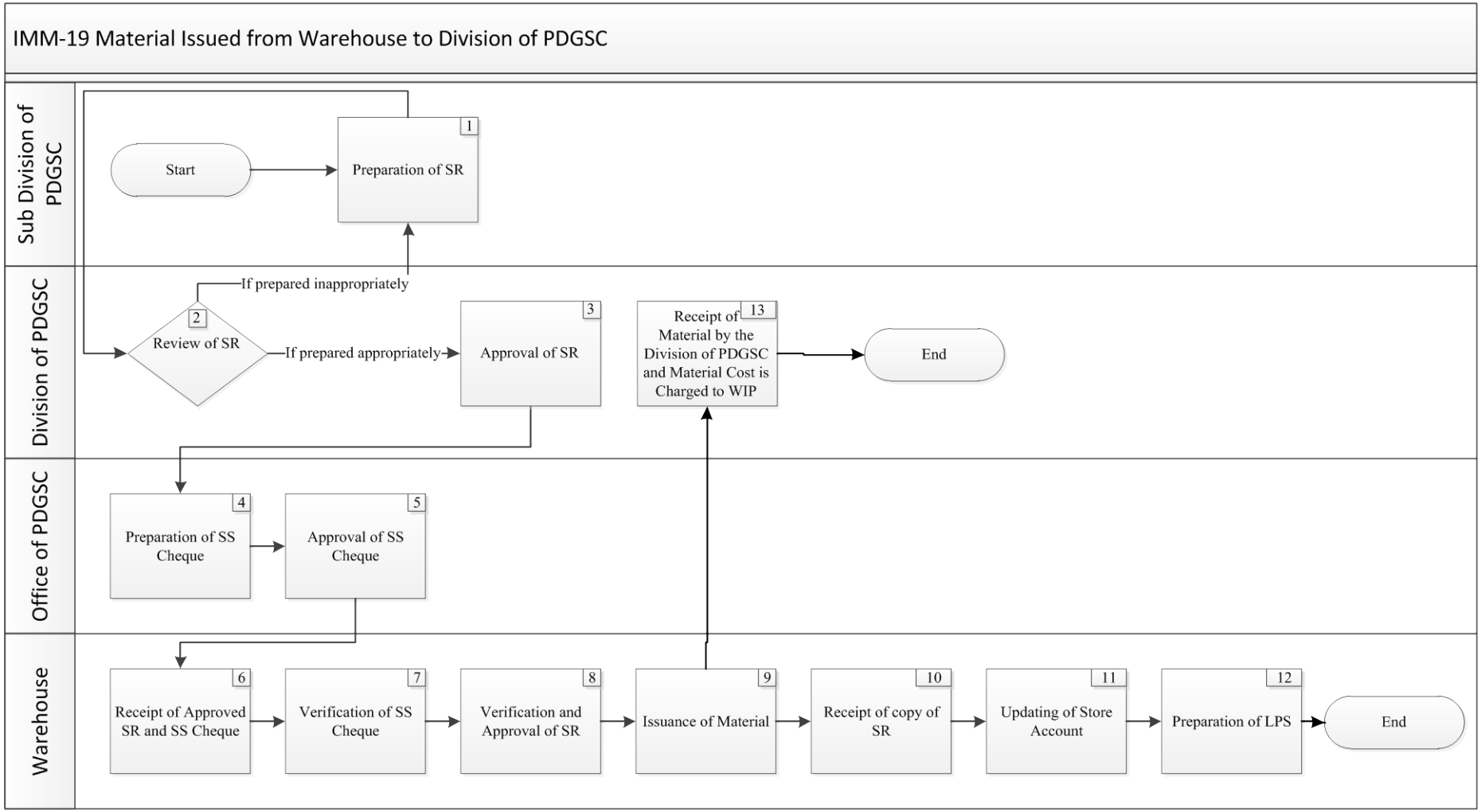
B. Approved SR and SS Cheque are received by the Warehouse from the Concerned Division of PDGSC.

C. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Warehouse respectively.

D. SR is approved by Deputy Manager Warehouse and the material is issued to the Concerned Division of PDGSC.

E. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

IMM-19.2 Flow Chart



IMM-19.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of SR	a) SR is prepared by the Line Superintendent (LS) of the Concerned Sub Division of PDGSC and forwarded to the Divisional Accounts Officer for review. b) Project number is mentioned on the SR which indicates the project for which the material is to be drawn from the Store. **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR*****]**	SR		Sub Division of PDGSC	LS
2.	Review of SR	a) SR is reviewed by DAO to ensure that it is prepared appropriately. b) If SR is prepared appropriately, continues to activity # 3 else return to activity # 1 for necessary amendment/ rectifications.			Division of PDGSC	DAO
3.	Approval of SR	SR is approved by the AMO and DMO of the Division of PDGSC.			Division of PDGSC	AMO, DMO
4.	Preparation of SS Cheque	SS Cheque is prepared by AMA and forwarded to the Office of PDGSC for approval. **[**Refer ***"Volume III, Annexure – 96"*** for the specimen of ***SS Cheque*****]**	SS Cheque		Office of PDGSC	AMA
5.	Approval of SS Cheque	SS Cheque is approved by PDGSC.			Office of PDGSC	PDGSC

6.	Receipt of Approved SR and SS Cheque	Approved SR along with SS Cheque is received at the Warehouse.			Warehouse	Store Keeper
7.	Verification of SS Cheque	SS Cheque is verified by the Accounts Section of Warehouse.			Warehouse	AA, DAO
8.	Verification and Approval of SR	a) SR is verified by the Store Keeper by matching it with the Allocation Order and checks the project number assigned to it. b) After verification, SR is approved by DM Warehouse.			Warehouse	Store Keeper, Deputy Manager Warehouse
9.	Issuance of Material	a) OGP is prepared by the Store Keeper and approved by DM Warehouse. b) After approval, material is issued to the concerned LS. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]	OGP		Warehouse	Store Keeper, Deputy Manager Warehouse
10.	Receipt of copy of SR	Copy of approved SR is received by the Accounts Section of Warehouse.			Warehouse	AA, DAO
11.	Updating of Store Account	The Store Account is updated by Accounts Section of Warehouse on the basis of approved SR. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Warehouse	AA, DAO
12.	Preparation of LPS	LPS is prepared to record the accounting impact of issuance of material.	LPS	1	Warehouse	AA, DAO

		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]				
13.	Receipt of Material by the Division of PDGSC and Material Cost is Charged to WIP	Material is received by the Division of PDGSC and material cost is charged to Work-In-Process. [Refer ***"FAM – 1"***, for details regarding ***the receipt of material by the Division of PDGSC***] [Refer ***"FAM – 2"*** , for details regarding ***the receipt of material by the Division of PDGSC***]			Division of PDGSC	

IMM-19.4 Journal Entries

1. When material is issued by Warehouse, the following entry is posted by Warehouse:

Description	Debit	Credit
IOT - SS Cheque	***	
Stores		***
Store Handling Charges		***

IMM-19.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Warehouse	6,8,9
Line Superintendent	
Sub Division of PDGSC	1
Accounts Assistant	
Warehouse	7,10,11,12
Divisional Accounts Officer	
Warehouse	7,10,11,12
Division of PDGSC	2
Deputy Manager Operations	
Division of PDGSC	3
Assistant Manager Operations	
Division of PDGSC	3
Assistant Manager Accounts	
Office of PDGSC	4
Project Director Grid System Construction	
Office of PDGSC	5
Deputy Manager Warehouse	
Warehouse	8,9

IMM-19.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to Division of PDGSC, once SR approved by the Assistant Manager Operations and Deputy Manager Operations of Division of PDGSC is received by Store Keeper and Deputy Manager of Warehouse.	6
2	Payments received are appropriately reviewed prior to the issuance of material.	Inappropriate or inaccurate payments may be received by the Store.	SS Cheque is verified by the AA and DAO of the Warehouse.	7
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR and checked by DAO of Warehouse.	11
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by DAO.	12

IMM-20 Material Issued from Warehouse to Other DISCO

IMM-20.1 Descriptive Overview of the Process

A. This process covers the activities regarding the issuance of material from Warehouse to other DISCO.

B. Approval is obtained from CEO to issue the material to other DISCO and Allocation Order is issued by GM Technical.

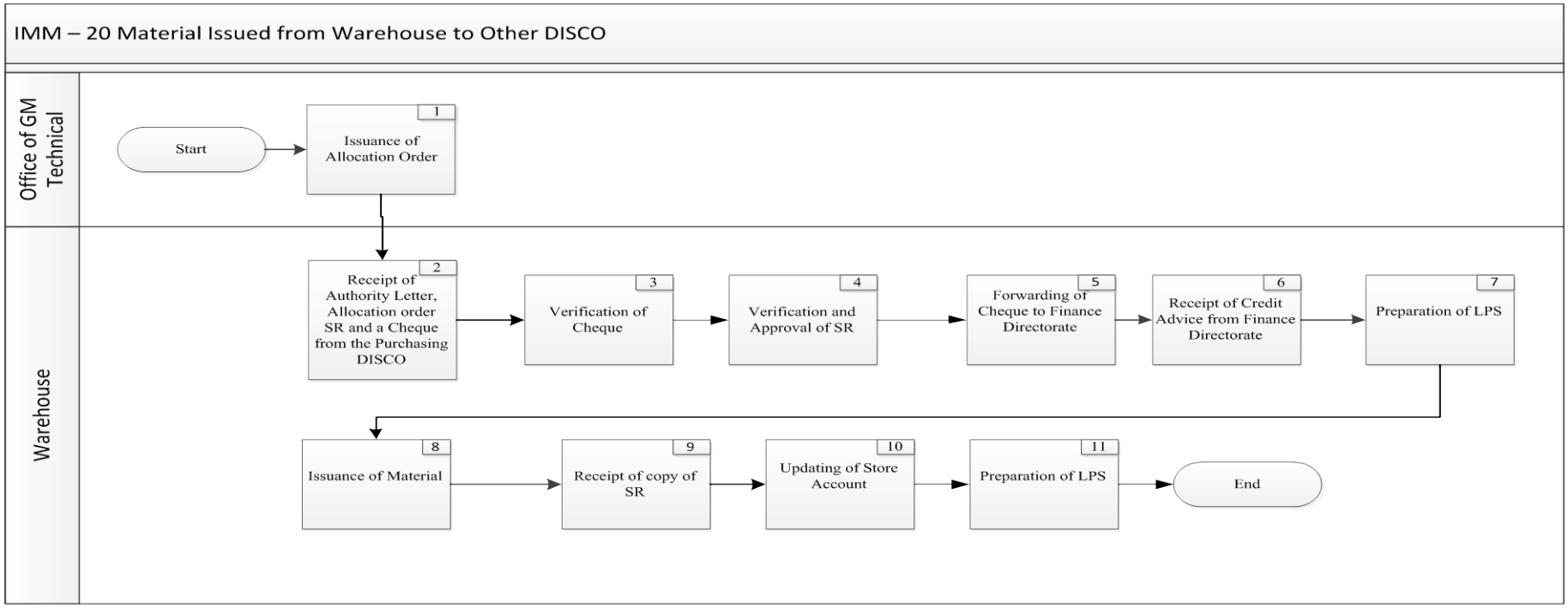
C. Advance payment is made by other DISCO, a Cheque along with SR is received by Warehouse.

D. SR and SS Cheque are verified by the Store Keeper and the Accounts Section of the Warehouse respectively.

E. SR is approved by Deputy Manager Warehouse and the material is issued to the other DISCO.

F. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

IMM-20.2 Flow Chart



IMM-20.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Issuance of Allocation Order	a) On receiving the request of material from the Other DISCO, approval is obtained from CEO. b) After obtaining approval from CEO, Allocation Order is issued by the GM Technical for issuance of material to the Other DISCO. **[**Refer ***"Volume III, Annexure – 130"*** for the specimen of ***Allocation Order***]	Allocation Order		Office of GM Technical	GM Technical
2.	Receipt of Authority Letter, Allocation Order, Cheque and SR from the Purchasing DISCO	Following documents are received from Other DISCO by Warehouse ➢ Authority Letter ➢ Allocation Order ➢ Cheque ➢ Approved SR			Warehouse	Store Keeper
3.	Verification of Cheque	a) The Store Keeper sends Cheque to the Accounts Section of Warehouse. b) The Accounts Section ensures that the cheque received from other DISCO is of the correct amount and GST is properly calculated. c) The Cheque is returned to Storekeeper after verification.			Warehouse	AA, DAO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
4.	Verification and Approval of SR	a) SR is verified by the Store Keeper by matching it with the Allocation Order. b) After verification by the Store Keeper, the SR is approved by the DM Warehouse.			Warehouse	Store Keeper, DM Warehouse
5.	Forwarding of Cheque to Finance Directorate	The Cheque is forwarded along with a letter to the Banking Section of Finance Directorate to deposit the Cheque in the bank.			Warehouse	AA, DAO
6.	Receipt of Credit Advice from Finance Directorate	Credit Advice is received from the Finance Directorate against the amount of Cheque received in their bank account. **[**Refer ***"Volume III, Annexure – 21"*** for the specimen of ***Credit Advice*****]**	Credit Advice		Warehouse	DAO
7.	Preparation of LPS	a) On receipt of advance payment, LPS is prepared by the Banking Section to record the Cheque received from the other DISCO. b) On receipt of Credit Advice from Finance Directorate, LPS is prepared by the Accounts Section to record the payables to Associated Company - DISCO. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	Warehouse	AA, DAO
8.	Issuance of Material	a) OGP is prepared by the Store Keeper and approved by DM Warehouse. b) Material is issued by Warehouse to the Other DISCO.	OGP		Warehouse	Store Keeper, DM Warehouse

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]				
9.	Receipt of copy of SR	Copy of approved SR along with the Cheque is received by the Accounts Section of Warehouse.			Warehouse	AA, DAO
10.	Updating of Store Account	The Store Account is updated by the Accounts Section of Warehouse on the basis of approved SR. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Warehouse	AA, DAO
11.	Preparation of LPS	LPS is prepared by the Accounts Section to record the accounting impact of issuance of material. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Warehouse	AA, DAO

IMM-20.4 Journal Entries

1. On receipt of advance payment and issuance of credit advice from Finance Directorate, the following entries are posted by the Banking Section and the Warehouse respectively:

a. On receipt of advance payment, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Miscellaneous Collection	***	
IOT-Cash		***

b. On receipt of Credit Advice from Banking Section, the following entry is posted by the Warehouse:

Description	Debit	Credit
IOT-Credit Advice	***	
Advance from Associated Company - DISCO		***

2. When material is issued to Other DISCO, the following entry is posted by the Warehouse:

Description	Debit	Credit
Advance from Associated Company - DISCO	***	
Stores		***

IMM-20.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Warehouse	2,4,8
Accounts Assistant	
Warehouse	3,5,7,9,10, 11
Divisional Accounts Officer	
Warehouse	3,5,6,7,9,10, 11
Deputy Manager Warehouse	
Warehouse	4,8
General Manager Technical	
Office of GM Technical	1

IMM-20.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Material is issued as per the approved requisition.	Material may be issued against invalid requisitions, resulting in improper inventory management and misstatement of inventory balances.	Material is issued to Other DISCO, once Allocation Order approved by the GM Technical is received by Store Keeper of the Warehouse.	4
2	Payments received are appropriately reviewed prior to the issuance of material.	Inappropriate or inaccurate payments may be received from the customer.	The Accounts Section of Warehouse ensures that the cheque received from other DISCO is of the correct amount and GST is properly calculated.	3
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR and checked by DAO.	10
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by DAO.	11

IMM-21 Material (Under Warranty/Dismantled/Damaged) Returned by Division of PDGSC to Warehouse

IMM-21.1 Descriptive Overview of the Process

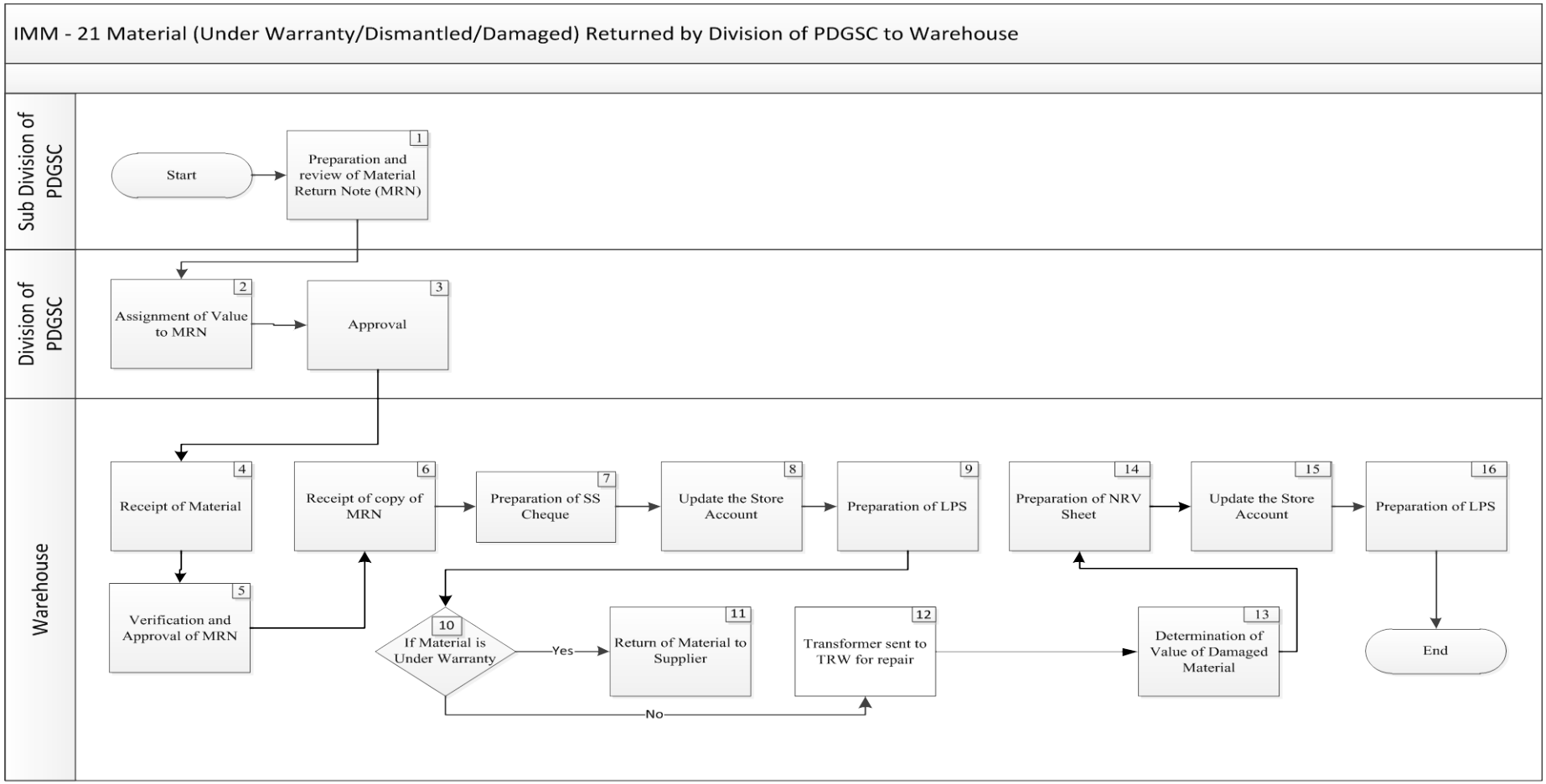
A. This process covers the activities regarding material returned by Division of PDGSC to Warehouse.

B. Value as per Project Ledger is assigned to the Material Return Note (MRN) and sent to the Warehouse.

C. Store Account is updated on the basis of MRN and LPS is prepared to update the accounts accordingly.

D. Material under warranty is returned to the Supplier, damaged (repairable) transformer is sent to TRW for repair and other damaged material is kept for disposal after calculating its NRV.

IMM-21.2 Flow Chart



IMM-21.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation and review of Material Return Note (MRN)	MRN is prepared by the Line Superintendent of the Concerned Sub Division and forwarded to the DAO to assign value as per the Project Ledger. **[**Refer ***"Volume III, Annexure – 78"*** for the specimen of ***MRN*****]**	MRN		Sub Division of PDGSC	LS/SSO
2.	Assignment of Value to MRN	MRN is reviewed and signed by the DAO who assigns value to MRN of the material to be returned as per the value in Project Ledger.			Division of PDGSC	DAO
3.	Approval	MRN is approved by the DMO of Division of PDGSC and material is forwarded along with MRN to the Warehouse.			Division of PDGSC	DMO
4.	Receipt of Material	Material along with MRN is received by the Store Keeper of Warehouse.			Warehouse	Store Keeper
5.	Verification and Approval of MRN	MRN is verified by the Accounts Section of the Warehouse and approved by the DM Warehouse.			Warehouse	AA, DAO, DM Warehouse
6.	Receipt of copy of MRN	Copy of approved MRN is received by the Accounts Section of Warehouse.			Warehouse	AA, DAO
7.	Preparation of SS Cheque	SS Cheque is prepared by the Accounts Section of Warehouse as per the value of approved MRN and issued to the Representative of the Concerned Division of PDGSC. **[**Refer ***"Volume III, Annexure – 96"*** for the specimen of ***SS Cheque*****]**	SS Cheque		Warehouse	AA, DAO
8.	Update the Store Account	The Store Account is updated by the Accounts Section of Warehouse on the basis of approved MRN.	Store Account		Warehouse	AA, DAO

		[Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]				
9.	Preparation of LPS	LPS is prepared by the Accounts Section Warehouse to record the return of material. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Warehouse	AA, DAO
10.	If Material is Under Warranty	If Material is Under Warranty then continues to Activity# 11 else continues to Activity# 12.			Warehouse	
11.	Return of Material to Supplier	Material under warranty is returned to the Supplier by the Warehouse. [Refer ***"IMM – 23"***, for details regarding ***the return of material under warranty to Supplier***]			Warehouse	Store Keeper
12.	Transformer Sent to TRW for Repair	If material is Transformer and Repairable, it is sent to TRW for repair. [Refer ***"IMM – 24"***, for details regarding ***the issuance of transformer to TRW for repair***]			Warehouse	
13.	Determination of Value of Damaged Material	If Material returned is repairable, the value of damaged material is determined by the Disposal Committee.			Warehouse	Disposal Committee
14.	Preparation of NRV Sheet	a) As per the value determined by the Disposal Committee, a NRV (Net Realizable Value) Sheet is prepared by the Accounts Section of Warehouse.	NRV Adjustment Sheet		Warehouse	AA, DAO

		b) If the value determined is less than the cost of material returned then loss on inventory write down is recognized. **[**Refer ***"Volume III, Annexure – 131"*** for the specimen of ***NRV Adjustment Sheet***]				
15.	Update the Store Account	Store Account is updated by the Accounts Section of Warehouse to record the loss inventory write down on the basis of NRV Sheet. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Warehouse	AA, DAO
16.	Preparation of LPS	LPS is prepared by the Accounts Section of Warehouse to record the inventory write down on the basis of NRV Sheet. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Warehouse	AA, DAO

IMM-21.4 Journal Entries

1. When material is returned by the Division of PDGSC, the following entry is posted by the Warehouse:

Description	Debit	Credit
Stores	***	
SS Cheque		***

2. If the NRV is less than the cost of material returned, then inventory is written down to NRV and the following entry is posted by the Warehouse:

Description	Debit	Credit
Loss on Inventory Write Down	***	
Stores		***

IMM-21.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Line Superintendent / Sub Station Officer	
Sub Division of PDGSC	1
Store Keeper	
Warehouse	4,11
Accounts Assistant	
Warehouse	5,6,7,8,9,14,15,16
Divisional Assistant Officer	
Division of PDGSC	2
Warehouse	5,6,7,8,9,14,15,16
Deputy Manager Operations	
Division of PDGSC	3
Disposal Committee	
Warehouse	13

IMM-21.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	All customer returns are recorded completely and accurately.	Material returns may not be recorded accurately or completely. The balance of inventory may be misstated in the financial statements.	MRN is reviewed and signed by the DAO who assigns value to MRN of the material to be returned as per Project Ledger.	2
2	All returns are authorized by the Competent Authority.	Returns may be unintentionally and/ or inappropriately created or maintained by users.	MRN is approved by the Deputy Manager of the Concerned Division.	3
3	All returns are checked against supporting before being returned to inventory.	Physical inventory returned may not be as per MRN which may result in the misstatement of inventory record.	MRN is checked by AA and verified by the DAO and approved by DM Warehouse.	5
4	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved MRN and checked and verified by DAO of the Warehouse.	8
5	Inventory transactions are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved MRN, checked and approved by DAO of the Warehouse.	9

IMM-22 Material (Under Warranty/Dismantled/Damaged) Returned by SS&T Division to C Type Store

IMM-22.1 Descriptive Overview of the Process

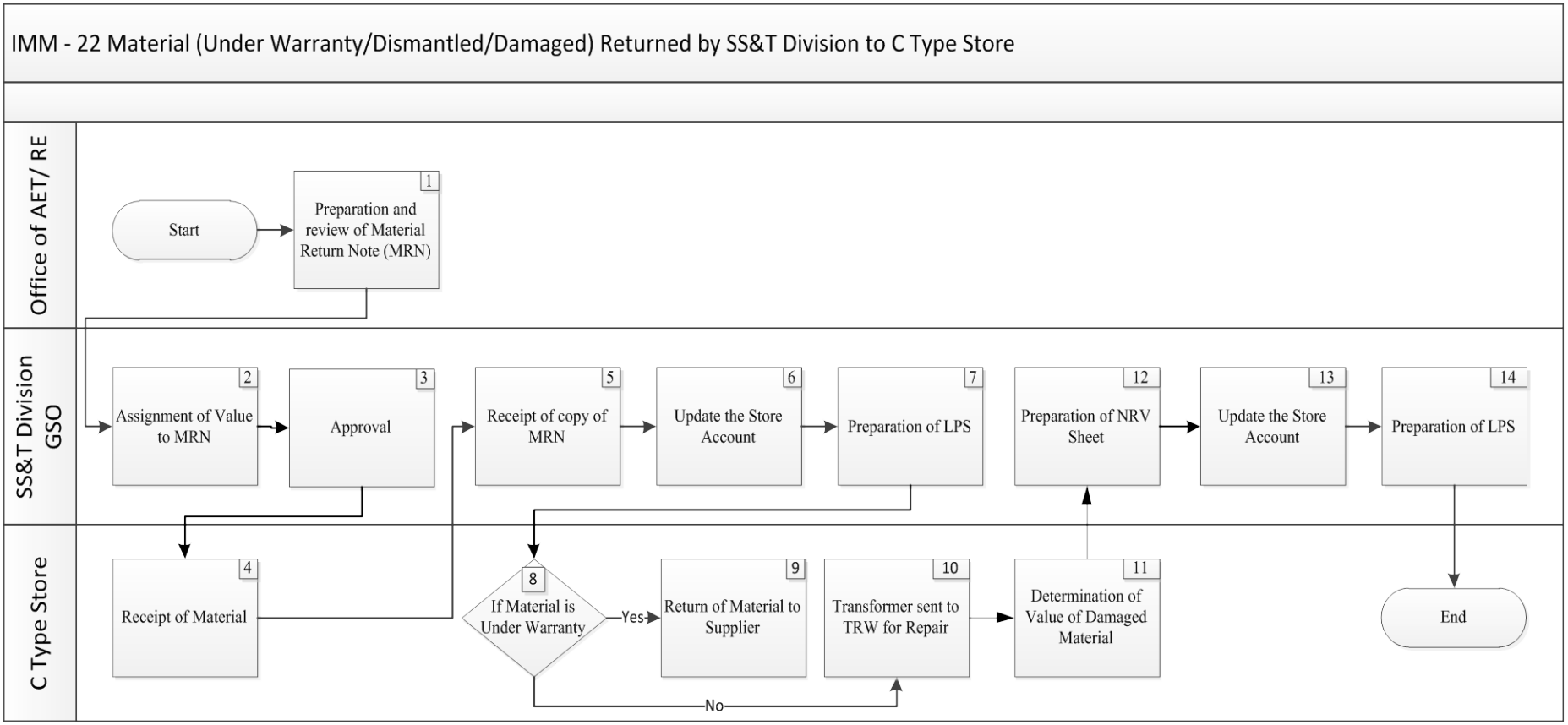
A. This process covers the activities regarding material returned by SS&T Division to the C Type Store.

B. NBV of the asset is assigned to the Material Return Note (MRN) and sent to the C Type Store.

C. Store Account is updated on the basis of MRN and LPS is prepared to update the accounts accordingly.

D. Material under warranty is returned to the Supplier, damaged (repairable) transformer is sent to TRW for repair and other damaged material is kept for disposal after calculating its NRV.

IMM-22.2 Flow Chart



IMM-22.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation and review of Material Return Note (MRN)	a) MRN is prepared by the LS/SSO of the Concerned Office of Assistant Engineer Transmission (AET)/ Resident Engineer (RE). b) MRN is forwarded to the DAO to assign value as per the Fixed Assets Register. **[**Refer ***"Volume III, Annexure – 78"*** for the specimen of ***MRN*****]**	MRN		Office of AET Office of RE	LS SSO
2.	Assignment of Value to MRN	a) MRN is reviewed by the DAO of SS&T Division GSO. b) DAO assigns value to MRN (of the material to be returned) as per the Net Book Value (NBV) of the Fixed Asset in the Fixed Assets Register.			SS&T Division GSO	DAO
3.	Approval	MRN is approved by the DMO of SS&T Division GSO and material is forwarded along with MRN to the C Type Store.			SS&T Division GSO	DMO
4.	Receipt of Material	Material along with MRN is received by the Store Keeper of C Type Store.			C Type Store	Store Keeper
5.	Receipt of copy of MRN	Copy of approved MRN is received by the Accounts Section of SS&T Division GSO.			SS&T Division GSO	AA, DAO
6.	Update the Store Account	The Store Account is updated by Accounts Section of SS&T Division of GSO on the basis of approved MRN. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen	Store Account		SS&T Division GSO	AA, DAO

		of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]				
7.	Preparation of LPS	LPS is prepared by the Accounts Section of SS&T Division GSO to record the return of material to C Type Store. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	SS&T Division GSO	AA, DAO
8.	If Material is Under Warranty	If Material is Under Warranty then continues to Activity# 9 else continue to Activity# 10.			C Type Store	
9.	Return of Material to Supplier	Material under warranty is returned to the Supplier by the C Type Store. [Refer ***"IMM – 23"***, for details regarding ***the return of material under warranty to supplier***]			C Type Store	Store Keeper
10.	Transformer Sent to TRW for Repair	If Material is Transformer and Repairable, it is sent to TRW for repair. [Refer ***"IMM – 24"***, for details regarding ***the issuance of transformer to TRW for repair***]			C Type Store	
11.	Determination of Value of Damaged Material	If the material returned is irreparable then value of damaged material is determined by the Disposal Committee.			C Type Store	Disposal Committee
12.	Preparation of NRV Adjustment Sheet	a) As per the value determined by the Disposal Committee, a NRV (Net Realizable Value) Adjustment Sheet is prepared by the DAO of the SS&T Division of GSO. b) If the value determined is less than the cost of	NRV Adjustment Sheet		SS&T Division GSO	AA, DAO

		material returned then Loss on inventory write down is recognized. **[**Refer ***"Volume III, Annexure – 131"*** for the specimen of ***NRV Adjustment Sheet***]				
13.	Update the Store Account	Store Account is updated by the Accounts Section of SS&T Division GSO to record the inventory write off on the basis of NRV Adjustment Sheet. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		SS&T Division GSO	AA, DAO
14.	Preparation of LPS	LPS is prepared by the Accounts Section to record the inventory write down on the basis of NRV Sheet. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	SS&T Division GSO	AA, DAO

IMM-22.4 Journal Entries

1. When material is returned to C Type Store the following entry is posted by the SS&T Division of GSO:

Description	Debit	Credit
Stores	***	
Accumulated Depreciation	***	
Asset		***

2. If the NRV is less than the cost of material returned, then inventory is written down to NRV and the following entry is posted by the SS&T Division of GSO:

Description	Debit	Credit
Loss on Inventory Write Down	***	
Stores		***

IMM-22.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Line Superintendent	
Office of AET	1
Sub Station Operator	
Office of RE	1
Store Keeper	
C Type Store	4,9
Accounts Assistant	
SS&T Division GSO	5,6,7,12,13,14
Divisional Assistant Officer	
SS&T Division GSO	2,5,6,7,12,13,14
Deputy Manager Operations	
SS&T Division GSO	3
Disposal Committee	
C Type Store	11

IMM-22.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	All customer returns are recorded completely and accurately.	Material returns may not be recorded accurately or completely. The balance of inventory may be misstated in the financial statements.	MRN is reviewed and signed by the DAO who assigns value to MRN of the material to be returned as per the Fixed Asset Register.	2
2	All returns are authorized by the Competent Authority.	Returns may be unintentionally and/ or inappropriately created or maintained by users.	MRN is approved by the DMO of the SS&T Division of GSO.	3
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved MRN and checked and verified by DAO of the SS&T Division of GSO.	6
4	Inventory transactions are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved MRN, checked and approved by DAO of the SS&T Division of GSO.	7

IMM-23 Material Under Warranty Returned to Supplier by Warehouse / C Type Store

IMM-23.1 Descriptive Overview of the Process

A. This process covers the activities regarding material returned to Supplier by the C Type Store.

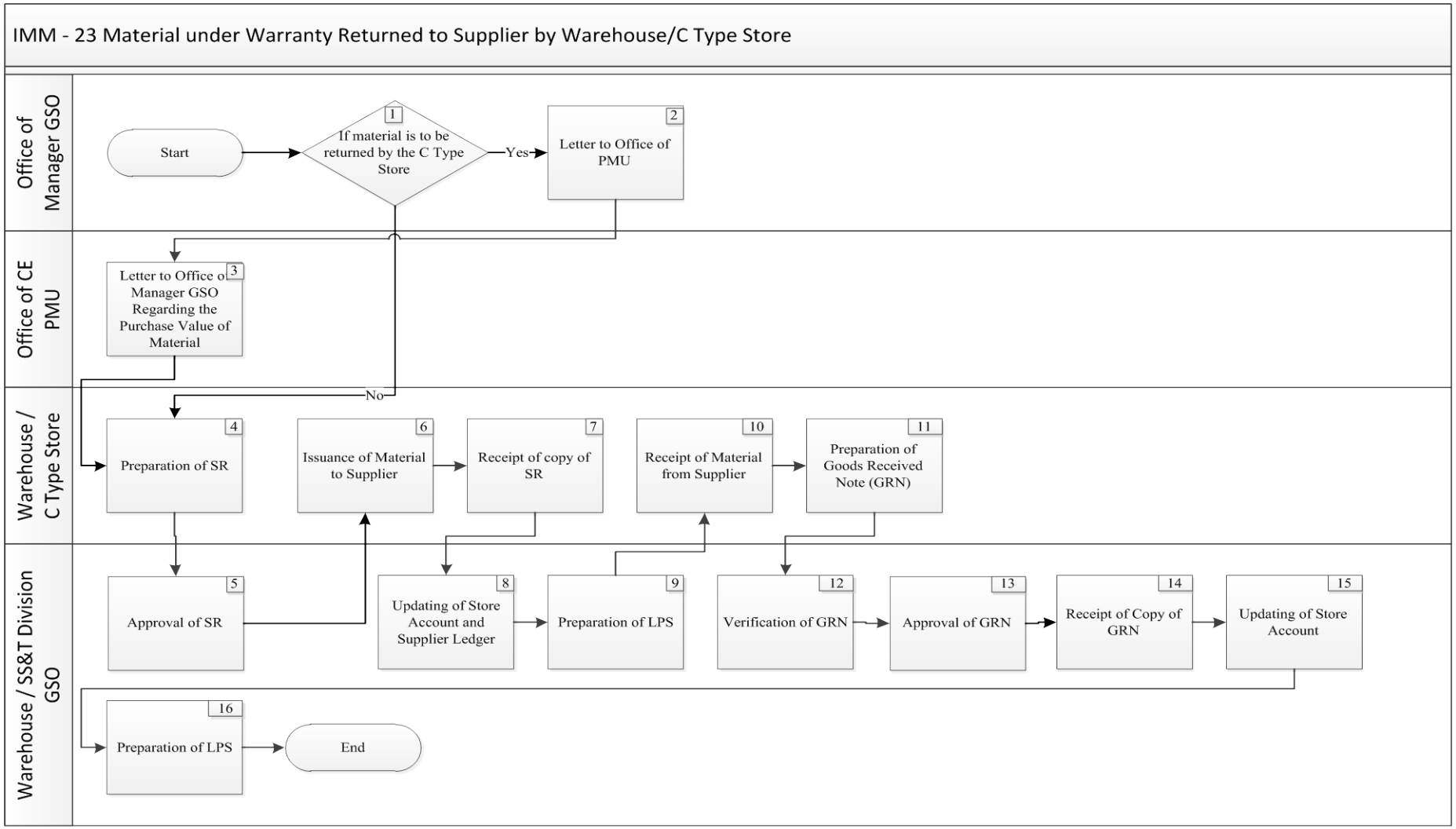
B. Material is returned to the Supplier on the basis of SR approved by the Deputy Manager Operations.

C. Store Account and Supplier Ledger are updated on the basis of SR and LPS is prepared to update the accounts accordingly.

D. When material is returned by the Supplier, GRN is prepared at the C Type Store and verified at the SS&T Division of GSO.

E. Store Account is updated on the basis of GRN and LPS is prepared to update the accounts accordingly.

IMM-23.2 Flow Chart



IMM-23.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	If material is to be returned by the C Type Store	If material is to be returned by the C Type Store, then continues to Activity# 2 else continues to Activity# 4.			Office of Manager GSO	
2.	Letter to Office of PMU	A Letter is written to the Office of CE PMU regarding the return of material under warranty to the Supplier. The Office of CE PME is asked about the purchase value of the material that is to be returned.			Office of Manager GSO	Manager GSO
3.	Letter to Office of Manager GSO Regarding the Purchase Value of Material	A Letter is written regarding the purchase value of the material to be returned by the Office of PMU.			Office of CE PMU	Manager Finance
4.	Preparation of SR	SR is prepared by the Store Keeper of Warehouse / C Type Store. **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR*****]**	Store Requisition		Warehouse / C Type Store	Store Keeper
5.	Approval of SR	SR is approved by the DM Warehouse / DMO.			Warehouse SS&T Division GSO	DM Warehouse DMO
6.	Issuance of Material to Supplier	a) OGP is prepared by the Store Keeper of Warehouse / C Type Store and approved by DM Warehouse / RE. b) After approval of OGP, material is returned to the Supplier.	OGP		Warehouse C Type Store	Store Keeper, DM Warehouse Store Keeper, RE

		[Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP***]				
7.	Receipt of copy of SR	Copy of SR is received by the Accounts Section of Warehouse / SS&T Division of GSO.			Warehouse / SS&T Division GSO	AA, DAO
8.	Updating of Store Account	The Store Account is updated by Accounts Section of Warehouse / SS&T Division GSO on the basis of SR accordingly. [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Store Account		Warehouse / SS&T Division GSO	AA, DAO
9.	Preparation of LPS	LPS is prepared by the Accounts Section of Warehouse / SS&T Division GSO to record the return of material to Supplier. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Warehouse / SS&T Division GSO	AA, DAO
10.	Receipt of Material from Supplier	After repair/replacement material is received from Supplier by Warehouse / C Type Store.			Warehouse / C Type Store	Store Keeper
11.	Preparation of Goods Received Note (GRN)	a) GRN is prepared on receiving the material under warranty from Supplier by the Store Keeper. b) The value of the material is determined on the basis of the value recorded on SR when the material was returned to the Supplier (as per activity # 5). c) GRN is forwarded to DAO for verification.	GRN		Warehouse / C Type Store	Store Keeper

		[Refer ***"Volume III, Annexure – 85"*** for the specimen of ***GRN*****]**				
12.	Verification of GRN	DAO verifies the GRN and supporting documents and counter signs the GRN.			Warehouse / SS&T Division GSO	DAO
13.	Approval of GRN	GRN is approved by the DM Warehouse / DMO.			Warehouse SS&T Division GSO	DM Warehouse DMO
14.	Receipt of Copy of GRN	Copy of approved GRN is received by the Accounts Section of Warehouse / SS&T Division of GSO.			Warehouse / SS&T Division GSO	DAO
15.	Updating of Store Account	The Store Account is updated by Accounts Section of the Warehouse / SS&T Division of GSO on the basis of approved GRN. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]**	Store Account		Warehouse / SS&T Division GSO	AA, DAO
16.	Preparation of LPS	LPS is prepared by Accounts Section of Warehouse / SS&T Division of GSO to record receipt of material. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	2	Warehouse / SS&T Division GSO	AA, DAO

IMM-23.4 Journal Entries

1. When material under warranty is returned to the supplier, the following entry is posted by the Warehouse / SS&T Division of GSO:

Description	Debit	Credit
Receivables- Others	***	
Stores		***

2. When repaired/replaced material under warranty is received from the supplier, the following entry is posted by the Warehouse / SS&T Division of GSO:

Description	Debit	Credit
Stores	***	
Receivables- Others		***

IMM-23.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
C Type Store	4,6,10,11
Warehouse	4,6,10,11
Accounts Assistant	
SS&T Division GSO	7,8,9,15,16
Warehouse	7,8,9,15,16
Divisional Accounts Officer	
SS&T Division GSO	7,8,9,12,14,15,16
Warehouse	7,8,9,12,14,15,16
Resident Engineer	
C Type Store	6
Deputy Manager Operations	
SS&T Division GSO	5,13
Deputy Manager Warehouse	
Warehouse	5,6,13
Manager GSO	
Office of Manager GSO	2
Manager Finance	
Office of CE PMU	3

IMM-23.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Returns made to Supplier are authorized by the Competent Authority.	SR may not be properly authorized according to company policy, resulting in unauthorized return of material.	SR is prepared by Store Keeper and approved by DM Warehouse/ DMO.	4,5
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked and verified by DAO by matching it with the Delivery Challan. GRN is finally approved by the DM Warehouse/ DMO.	11,12,13
3	All inventory transactions are appropriately reflected in the Store Account and Supplier Ledger.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account and Supplier Ledger is updated by AA on the basis of approved SR, checked and approved by DAO of the Warehouse/ SS&T Division of GSO. The Store Account and Supplier Ledger is updated by AA on the basis of approved GRN, checked and approved by DAO of the Warehouse/ SS&T Division of GSO.	8,15
4	Inventory transactions are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by DAO of the Warehouse/ SS&T Division of GSO. The Store Account and Supplier Ledger is updated by AA on the basis of approved GRN, checked and approved by DAO of the Warehouse/ SS&T Division of GSO.	9,16

IMM-24 Transformer Sent for Repair by Warehouse / C Type Store

IMM-24.1 Descriptive Overview of the Process

A. This process covers the activities regarding the transformer sent for repair by the Warehouse / C Type Store.

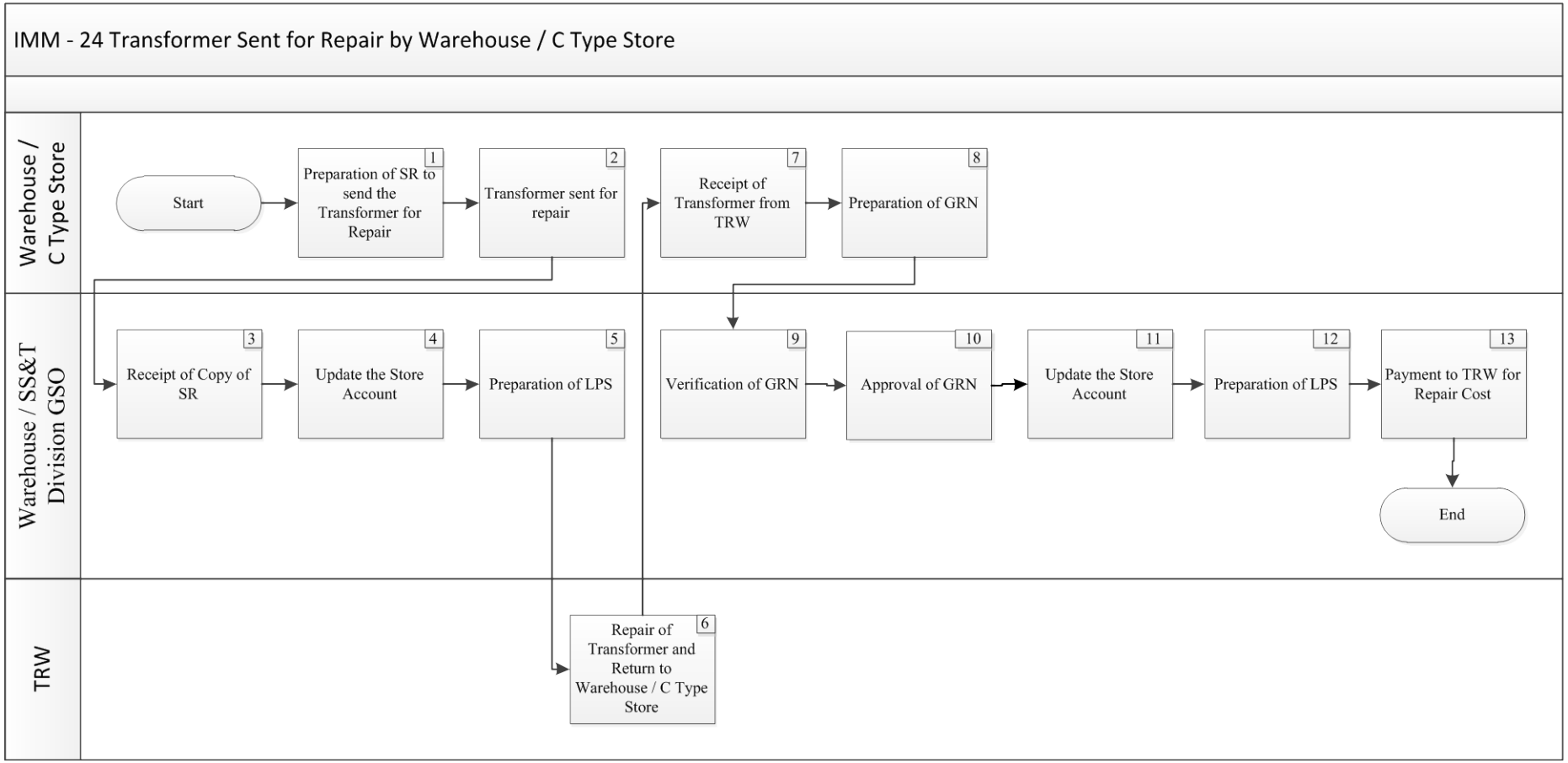
B. Transformer is sent for repair to TRW on the basis of SR approved by the Deputy Manager Warehouse /Deputy Manager Operations.

C. Store Account is updated on the basis of SR and LPS is prepared to update the accounts accordingly.

D. When transformer along with Cost Sheet is returned by TRW, GRN is prepared at the Warehouse / C Type Store and verified at the SS&T Division of GSO (in case of C Type Store).

E. Store Account is updated on the basis of GRN and LPS is prepared to update the accounts accordingly.

IMM-24.2 Flow Chart



IMM-24.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of SR to send the Transformer for Repair	SR is prepared by the Store Keeper and approved by the DM Warehouse / DMO to send the damaged Transformer for repair to Transformer Reclamation Workshop (TRW). **[**Refer ***"Volume III, Annexure – 77"*** for the specimen of ***SR*****]**	SR		Warehouse / C Type Store	Store Keeper
2.	Transformer sent for repair	OGP is prepared and the damaged transformer is sent to TRW along with the SR. **[**Refer ***"Volume III, Annexure – 129"*** for the specimen of ***OGP*****]**	OGP		Warehouse / C Type Store	Store Keeper
3.	Receipt of Copy of SR	Copy of approved SR is received by the Accounts Section of Warehouse / SS&T Division of GSO.			Warehouse / SS&T Division GSO	AA, DAO
4.	Update the Store Account	The Store Account is updated by Accounts Section of Warehouse / SS&T Division GSO on the basis of approved SR. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]**	Store Account		Warehouse / SS&T Division GSO	AA, DAO
5.	Preparation of LPS	LPS is prepared by the Accounts Section of Warehouse / SS&T Division of GSO to record the transfer of material to	LPS	1	Warehouse / SS&T Division GSO	AA, DAO

		TRW. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]				
6.	Repair of Transformer and Return to Warehouse/ C Type Store	After the repair of Transformer, TRW sends the Transformer to the Warehouse / C Type Store along with the Cost Sheet showing the repair cost incurred.			TRW	
7.	Receipt of Transformer from TRW	After repair, the transformer is received by the Warehouse/ C Type Store.			Warehouse / C Type Store	Store Keeper
8.	Preparation of GRN	a) GRN is prepared with the value upon which the transformer was sent to TRW and adding the repair cost as per the Cost Sheet. b) GRN is forwarded to the Accounts Section of Warehouse / SS&T Division of GSO for verification. **[**Refer ***"Volume III, Annexure – 85"*** for the specimen of ***GRN***]	GRN		Warehouse / C Type Store	Store Keeper
9.	Verification of GRN	GRN is verified by the Accounts Section of Warehouse / SS&T Division of GSO by matching it with the Cost Sheet.			Warehouse / SS&T Division GSO	AA, DAO
10.	Approval of GRN	GRN is approved by the DM Warehouse / DMO.			Warehouse SS&T Division GSO	DM Warehouse DMO
11.	Update the Store Account	The Store Account is updated by Accounts Section of Warehouse / SS&T Division GSO on the basis of approved GRN.	Store Account		Warehouse / SS&T Division GSO	AA, DAO

		[Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]				
12.	Preparation of LPS	LPS is prepared by Accounts Section of Warehouse / SS&T Division of GSO to record the material received from TRW. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Warehouse / SS&T Division GSO	AA, DAO
13.	Payment to TRW for Repair Cost	Payment of repair charges is made to TRW from the Imprest Bank Account. [Refer ***"PAP – 5"*** for details regarding ***payment to TRW***]		Entry for Settlement of Payables to Supplier is mentioned in process PAP - 5	Warehouse / SS&T Division GSO	AA, DAO

IMM-24.4 Journal Entries

1. When material is sent for repair through SR, the following entry is posted by the Warehouse/ SS&T Division of GSO:

Description	Debit	Credit
Receivables - Others	***	
Stores		***

2. When material is received after repair, the following entry is posted by the Warehouse/ SS&T Division of GSO:

Description	Debit	Credit
Stores (including the repair charges)	***	
Receivables – Others		***
Trade Creditors – Repair Charges		***

IMM-24.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Warehouse	1,2,7,8
C Type Store	1,2,7,8
Accounts Assistant	
Warehouse	3,4,5,9,11,12,13
SS&T Division GSO	3,4,5,9,11,12,13
Divisional Accounts Officer	
Warehouse	3,4,5,9,11,12,13
SS&T Division GSO	3,4,5,9,11,12,13
Deputy Manager Warehouse	
Warehouse	10
Deputy Manager Operations	
SS&T Division GSO	10

IMM-24.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Returns made for repair are authorized by the Competent Authority.	SR may not be properly authorized according to company policy, resulting in unauthorized return of material.	SR is prepared by Store Keeper and approved by DM Warehouse/ DMO.	1
2	GRN is prepared after matching it with the supporting documents.	Incorrect GRN may result in the misstatement of Inventory record.	GRN is prepared by the Store Keeper, checked by AA and verified by DAO by matching it with the Delivery Challan and Cost Sheet. GRN is finally approved by the DM Warehouse/ DMO.	8,9,10
3	All inventory transactions are appropriately reflected in the Store Account and Supplier Ledger.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account and Supplier Ledger is updated by AA on the basis of approved SR, checked and approved by DAO of the Warehouse/ SS&T Division of GSO. The Store Account and Supplier Ledger is updated by AA on the basis of approved GRN, checked and approved by DAO of the Warehouse/ SS&T Division of GSO.	4,11
4	Inventory issuances are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved MRN, checked and approved by DAO of the Warehouse/ SS&T Division of GSO. LPS is posted by AA on the basis of approved GRN, checked and approved by DAO of the Warehouse/ SS&T Division of GSO.	5,12

IMM-25 Inventory Write Off and Provision for Slow Moving Items

IMM-25.1 Descriptive Overview of the Process

A. This process covers the activities regarding inventory write off and calculation of provision of slow moving items.

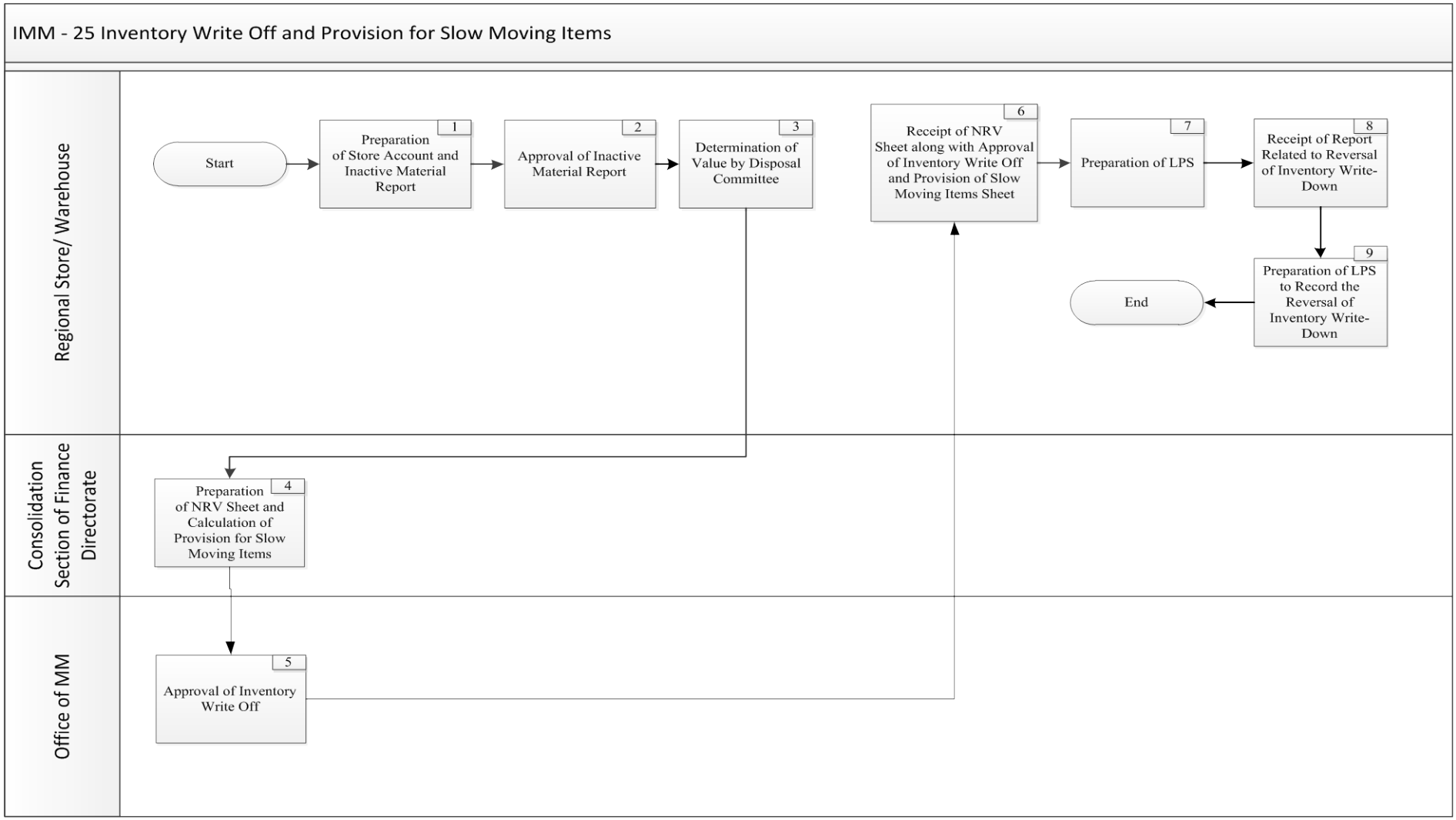
B. Store Account and Inactive Material Report are prepared at the Regional Store / Warehouse.

C. Value of inventory items is determined by the Disposal Committee.

D. On the basis of value determined by the Disposal Committee, NRV and provision of slow moving items is determined by the Consolidation Section of Finance Directorate.

E. After approval of inventory write off LPS is prepared to record the loss on inventory write off and provision for slow moving items.

IMM-25.2 Flow Chart



IMM-25.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of Store Account and Inactive Material Report	Store Account and Inactive Material Report are prepared at the Year End by the Store Keeper. [Refer ***"Volume III, Annexure – 136"*** for the specimen of ***Inactive Material Report***] [Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account***] [Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account***]	Inactive Material Report, Store Account		Regional Store/ Warehouse	Store Keeper
2.	Approval of Inactive Material Report	a) Inactive Material Report is approved by DMRS / DM Warehouse. b) Store Account along with Approved Inactive Material Report is forwarded to the Disposal Committee to determine the NRV (Sale Price less Cost to sell).			Regional Store Warehouse	DMRS DM Warehouse
3.	Determination of Value by Disposal Committee	a) In case the NRV of item is determinable, then the value is assigned by the Disposal Committee based on the most reliable evidence available at the time estimates are made. b) If NRV is not determinable, then estimate (percentage) for slow moving items is determined by the Disposal Committee.			Regional Store/ Warehouse	Disposal Committee
4.	Preparation of NRV	a) As per the value determined by the Disposal	NRV		Consolidation Section	AMA

	Adjustment Sheet and Calculation of Provision for Slow Moving Items	Committee, a NRV (Net Realizable Value) Sheet is prepared by the Consolidation Section of Finance Directorate. b) In case the value is not determined by the Disposal Committee, then provision for slow moving items is calculated on the basis of the estimate (percentage) provided by the Disposal Committee. **[**Refer ***"Volume III, Annexure – 131"*** for the specimen of ***NRV Adjustment Sheet***] **[**Refer ***"Volume III, Annexure – 137"*** for the specimen of ***Provision of Slow Moving Items Sheet***]	Adjustment Sheet, Provision of Slow Moving Items Sheet		of Finance Directorate	
5.	Approval of Inventory Write Off	If the value determined is less than the cost of material then approval is obtained from Senior Manager MM and inventory is written off and charged to Profit & Loss Account.			Office of MM	Senior Manager MM
6.	Receipt of NRV Sheet along with Approval of Inventory Write Off and Provision of Slow Moving Items Sheet	The Accounts Section of the Regional Store obtains the following: a) NRV Sheet along with Approval of Inventory Write Off is received from Consolidation Section of Finance Directorate. b) Provision of Slow Moving Items Sheet is also received from the Consolidation Section of Finance Directorate.			Regional Store Warehouse	DMRS DM Warehouse
7.	Preparation of LPS	LPS is prepared by the Accounts Section of Regional Store/ Warehouse to record the loss on inventory write off and provision for slow moving items.	LPS	1	Regional Store Warehouse	AA, AO, AMA AA, DAO

		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**				
8.	Receipt of Report Related to Reversal of Inventory Write-Down	a) On subsequent review, if there is clear evidence of an increase in the NRV, a Report regarding the reversal of inventory write-down is received from the Disposal Committee. b) Reversal is limited to the amount of the original write-down so that new carrying amount is the lower of cost and the revised NRV.			Regional Store Warehouse	AA, AO, AMA AA, DAO
9.	Preparation of LPS to Record the Reversal of Inventory Write-Down	LPS is prepared by the Accounts Section of Regional Store/ Warehouse to record the reversal of inventory-write-down. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	2	Regional Store Warehouse	AA, AO, AMA AA, DAO

IMM-25.4 Journal Entries

1. LPS is prepared by the Accounts Section to record the loss on inventory write off and provision for slow moving items.

   a. If the NRV is less than the cost of material returned, then inventory is written off and the following entry is posted by the Regional Store/Warehouse:

Description	Debit	Credit
Loss on Inventory Write Off	***	
Stores		***

   b. For provision for slow moving items, the following entry is posted by the Regional Store/ Warehouse:

Description	Debit	Credit
Loss on slow moving items	***	
Provision for slow moving items		***

   c. When material (slow moving item) is to be written off (against provision), then the following entry is posted by the Regional Store/ Warehouse:

Description	Debit	Credit
Provision for slow moving items	***	
Stores		***
Gain (if any)		***

2. In case of reversal of inventory-write-down, the following entry is posted by the Regional Store / Warehouse:

Description	Debit	Credit
Stores	***	
Loss on Inventory Write Off		***

IMM-25.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	
Regional Store / Warehouse	1
Accounts Assistant	
Regional Store/ Warehouse	7,8,9
Accounts Officer	
Regional Store	7,8,9
Divisional Accounts Officer	
Warehouse	7,8,9
Assistant Manager Accounts	
Consolidation Section of Finance Directorate	4
Regional Store	7,8,9
Deputy Manager Warehouse	
Warehouse	2,6
Deputy Manager Regional Store	
Regional Store	2,6
Disposal Committee	
Regional Store/ Warehouse	3
Senior Manager Material Management	
Office of MM	5

IMM-25.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Surplus, obsolete and damaged inventory are identified and monitored on a regular basis.	If surplus, obsolete and damaged inventory are not identified and monitored, it may be inadvertently sold to customers.	Inactive Material Report is prepared at the Year End by the Store Keeper. Inactive Material Report is approved by DMRS / DM Warehouse.	1,2
2	NRV and obsolescence review is carried out on a regular basis.	Inventory may be overstated/understated resulting in the misstatement of financial statements.	NRV Sheet and Provision for Slow Moving Items Sheet is annually prepared by the Consolidation Section of Finance Directorate. If there is clear evidence of an increase in the NRV, a Report regarding the reversal of inventory write-down is received from the Disposal Committee	4,8
3	Inventory write-down is authorized by the Competent Authority.	Unauthorized inventory write-down may not result in the fair presentation of the financial statements.	Inventory write-down is approved by Senior Manager MM.	5
4	Inventory transactions are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by AO/DAO and AMA.	9

IMM-26 Loss on Theft of Material

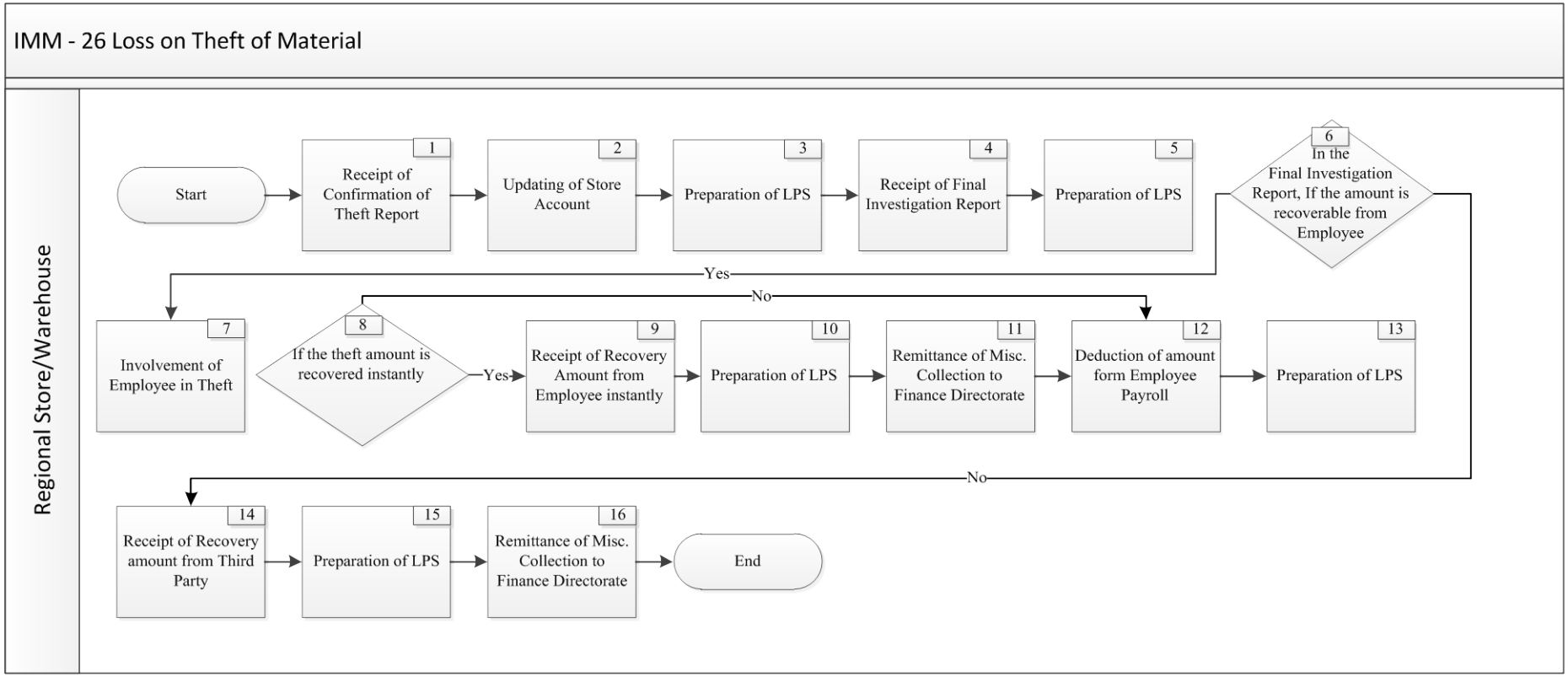
IMM-26.1 Descriptive Overview of the Process

A. This process covers the activities regarding theft and writing off Inventory, penalties and recoveries from the employees and third parties.

B. When the Regional Store / Warehouse receive the theft report, Store Account is updated and LPS is prepared to record receivable against theft.

C. If an employee/third party is involved in the theft of Asset, the amount is recovered from them and if no employee or third party is identified then it is charged to income statement as a loss.

IMM-26.2 Flow Chart



IMM-26.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Confirmation of Theft Report	Theft Report is received by the Store Keeper of Regional Store/ Warehouse and approved by the Competent Authority. **[**Refer ***"Volume III, Annexure – 82"*** for the specimen of ***Theft Report*****]**	Theft Report		Regional Store/Warehouse	Store Keeper
2.	Updating of Store Account	The Store Account is updated by Accounts Section of Regional Store/ Warehouse on the basis of Theft Report accordingly. **[**Refer ***"Volume III, Annexure – 89.1"*** for the specimen of ***Store Account*****]** **[**Refer ***"Volume III, Annexure – 89.2"*** for the specimen of ***Store Account*****]**	Store Account		Regional Store Warehouse	AA, AO, AMA AA, DAO
3.	Preparation of LPS	LPS is prepared by the Accounts Section of Regional Store/ Warehouse to record the receivable against theft. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	Regional Store Warehouse	AA, AO, AMA AA, DAO
4.	Receipt of Final Investigation Report	The Accounts Section of Regional Store/ Warehouse receive the copy of Final Investigation Report.			Regional Store Warehouse	DMRS DM Warehouse

5.	Preparation of LPS	LPS is prepared by the Accounts Section of Regional Store/ Warehouse to record the contra entry in the following cases: a) If the theft amount will be recovered from Employee, then Receivables from Employee against Theft will be recorded. b) If the theft amount will be recovered from Third Party, then Receivables from Third Party against Theft will be recorded. c) If the theft amount cannot be attributed to employee or the third party, then loss against theft will be recorded. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	2	Regional Store Warehouse	AA, AO, AMA AA, DAO
6.	In the Final Investigation Report, If the amount is recoverable from Employee	As per Final Investigation Report if the employee is involved in theft then continues to Activity# 7 else continues to Activity# 14.			Regional Store/Warehouse	
7.	Involvement of Employee in Theft	a) As per Final Investigation Report if the Employee is involved in theft then the recovery amount (fully or partially) is received from Employee as cash/ cheque. b) Amount is deposited in Miscellaneous Bank Account.			Regional Store Warehouse	AA, AO, AMA AA, DAO
8.	If the theft amount is recovered instantly	If the theft amount is recovered instantly from employee, then continues to Activity# 9 else continues to Activity# 12.			Regional Store/Warehouse	

9.	Receipt of Recovery Amount from Employee instantly	The amount recovered from the employee is deposited in Miscellaneous Bank Account.			Regional Store Warehouse	AA, AO, AMA AA, DAO
10.	Preparation of LPS	LPS is prepared by the Accounts Section to record the recovery of theft amount from employee in the following cases: a) If full amount is recovered from employee then Receivable from Employee against Theft is credited. b) If the amount is partially recovered then remaining amount is charged to Income Statement. **[Refer Annexure "IMM-Anx-4" for the specimen of the LPS]**	LPS	3	Regional Store Warehouse	AA, AO, AMA AA, DAO
11.	Remittance of Misc. Collection to Finance Directorate	At the end of the month, the amount of Miscellaneous Bank Account is remitted by the Accounts Section to Finance Directorate in Main Miscellaneous Bank Account. **[**Refer ***"CTM – 7"*** for details regarding ***the remittance of miscellaneous collection to Finance Directorate*****]**			Regional Store Warehouse	AA, AO, AMA AA, DAO
12.	Deduction of amount form Employee Payroll	If the amount is recovered in instalments through Payroll then it is deducted from the monthly salary of employee. **[**Refer ***"Volume III, Annexure – 90"*** for the specimen of ***Pay Bill*****]**	Pay Bill		Regional Store Warehouse	AA, AO, AMA AA, DAO
13.	Preparation of LPS	LPS is prepared by the Accounts Section to record the recovery of theft amount in instalments through Payroll.	LPS	4	Regional Store Warehouse	AA, AO, AMA AA, DAO

		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**				
14.	Receipt of Recovery amount from Third Party	As per Final Investigation Report if the Third Party is involved in theft then the recovery amount is received from Third Party as cash/ cheque and same is deposited in Miscellaneous Bank Account.			Regional Store Warehouse	AA, AO, AMA AA, DAO
15.	Preparation of LPS	LPS is prepared by the Accounts Section to record the recovery of theft amount from third party in the following cases: a) If full amount is recovered from Third Party then Receivable from Third Party against Theft is credited. b) If the amount is partially recovered then remaining amount is charged to Income Statement. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	5	Regional Store Warehouse	AA, AO, AMA AA, DAO
16.	Remittance of Misc. Collection to Finance Directorate	At the end of the month, the amount of Miscellaneous Bank Account is remitted to Finance Directorate in Main Miscellaneous Bank Account. **[**Refer ***"CTM – 7"*** for details regarding ***the remittance of miscellaneous collection to Finance Directorate*****]**			Regional Store Warehouse	AA, AO, AMA AA, DAO

IMM-26.4 Journal Entries

1. On the identification of theft, the following entry is posted by the Regional Store/ Warehouse:

Description	Debit	Credit
Receivable against theft	***	
Stores		***

2. LPS is prepared by the Accounts Section to record the contra entry in the following cases:

   a. If the amount is to be recovered from Employee, the following entry is posted:

Description	Debit	Credit
Receivables from Employee against Theft	***	
Receivable against theft		***

   b. If the amount to be recovered from Third Party, the following entry is posted:

Description	Debit	Credit
Receivables from Third Party against Theft	***	
Receivable against theft		***

   c. In case of theft, if the loss cannot be attributed to employee or the third party, the following entry is posted:

Description	Debit	Credit
Loss against theft	***	
Receivable against theft		***

3. LPS is prepared by the Accounts Section to record the recovery of amount from employee in the following cases:

   a. If full amount is recovered from employee the following entry is posted:

Description	Debit	Credit
Bank – Miscellaneous Account	***	
Receivables from Employee against Theft		***

   b. If the partial amount is recovered from employee, the following entry is posted:

Description	Debit	Credit
Bank – Miscellaneous Account	***	
Profit & Loss Account	***	
Receivables from Employee against Theft		***

4. When recovery from the employee is deducted from the salary in instalments, the following entry is posted every month:

Description	Debit	Credit
Payroll Clearing Account	***	
Receivables from Employee against Theft		***

5. LPS is prepared by the Accounts Section to record the recovery of amount from third party in the following cases:

   a. If full amount is recovered from Third Party, the following entry is posted:

Description	Debit	Credit
Bank – Miscellaneous Account	***	
Receivable against Third Party		***

   b. If the amount is partially recovered, the following entry is posted:

Description	Debit	Credit
Bank – Miscellaneous Account	***	
Profit & Loss Account	***	
Receivable against Third Party		***

IMM-26.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Store keeper	
Regional Store/Warehouse	1
Accounts Officer	
Regional Store	2,3,5,7,9,10,11,12,13,14,15,16
Accounts Assistant	
Regional Store/Warehouse	2,3,5,7,9,10,11,12,13,14,15,16
Divisional Accounts Officer	
Warehouse	2,3,5,7,9,10,11,12,13,14,15,16
Assistant Manager Accounts	
Regional Store/Warehouse	2,3,5,7,9,10,11,12,13,14,15,16
Deputy Manager Warehouse	
Warehouse	4
Deputy Manager Regional Store	
Regional Store	4

IMM-26.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Sufficient and appropriate evidence is obtained before the inventory is written off.	Inappropriate write off may result in the misstatement of financial statements.	Theft Report is received by the Store Keeper of Regional Store/ Warehouse and approved by the Competent Authority.	1
2	Inventory transactions are recorded completely and in the correct accounting period.	The value of inventory may be misstated; materials transactions may be incomplete or posted to the wrong period.	LPS is posted by AA on the basis of approved SR, checked and approved by AO/DAO and AMA.	2
3	All inventory transactions are appropriately reflected in the Store Account.	Inventory transactions are not accumulated in the appropriate inventory account.	The Store Account is updated by AA on the basis of approved SR and checked by AO/DAO and AMA.	3,5,10,13,15

Cash and Treasury Management (CTM)

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1 Introduction

1.1 Objective

Cash and Treasury Management function are of pivotal importance for DISCO's smooth operations as well as effective working capital management to meet obligation and business commitment on timely and efficient manner. The purpose of having a separate Cash and Treasury Management function is to ensure proper management of DISCO's excess cash, arrangement of financing for DISCO operations and improving liaison with banks, financial institution and other sources of funding which is necessary component of maintaining a strong corporate image.

The areas covered under the function of Cash and Treasury Management includes:

- Financing
- Cash at bank
- Advances
- Investment

Financing is arranged through negotiation with financial institutions providing request services and solutions. This function is particularly important in order to manage DISCO's working capital needs and other CAPEX requirements.

Investment decisions require special care to meet the following business needs:

- Influence DISCO's growth in the long run,
- Manages working capital needs more effectively,
- Maintain liquidity as well as fund long term business.

Cash management involves careful management of the DISCO's cash assets and liabilities. This includes careful selection of banks, account types and investment vehicles used in order to comply with cash and investment policies and practices laid down by the management.

1.2 Scope

This document covers all the aspects of the Cash and Treasury Management at different offices of DISCO. This document describes each Process of Cash and Treasury Management, which includes; Descriptive Overview of the process, Flow Chart of all the process activities, Journal Entries and their references with the process activities, Job Descriptions of persons responsible for performing activities and key control matrices to ensure that the process activities are in line with the Standard Policies and Procedure of the DISCO.

Following are the types of Bank accounts maintained in the DISCO:

- General Bank Account
- Imprest Bank Account
- Security Deposit Bank Account
- Capital Contribution Bank Account
- Loan Bank Account

- Pension Bank Account
- ESCROW Bank Account
- Miscellaneous Bank Account

All the Cash and Treasury Management activities in DISCO are covered under following Processes:

Process ID	Process Name
CTM-1	Receipt of Security Deposit and Remittance to Finance Directorate
CTM-2	Refund of Security Deposit
CTM-3	Receipt of Capital Contribution and Remittance to Finance Directorate
CTM-4	Refund of Capital Contribution
CTM-5	Remittance of Revenue Collection to Finance Directorate
CTM-6	Receipt of Miscellaneous Collection and Remittance to Finance Directorate
CTM-7	Receipt of Remittance (Security Deposit, Capital Contribution, Revenue Collection and Miscellaneous Collection) by Finance Directorate
CTM-8	Receipt Against Deposit Work and Grid Sharing Account
CTM-9	Release of Funds by Finance Directorate
CTM-10	Release of Funds by Finance Directorate for 1st Interim, 2nd Interim
CTM-11	Release of Funds by Finance Directorate for Pension
CTM-12	Arrangement of Funds by ESCROW Section of Finance Directorate
CTM-13	Receipt of Funds from Finance Directorate
CTM-14	Preparation of Retention Plan and Receipt of Funds from CPPA
CTM-15	Receipt of Funds from CPPA
CTM-16	Payment of NJS, PTV Fee and Income Tax Collected from Electricity Bills
CTM-17	Payment of WHT and GST Payables
CTM-18	Placement of Funds for Maximization of Profit
CTM-19	Recording of Loan Transactions (Receipt, Payment of Principle Amount, Interest etc.)
CTM-20	Receipt and Payment of Working Funds in Divisions of PD Construction/GSC Circle, Field Stores and Office of CEO
CTM-21	Withdrawal of Cash for Chest (CFC) and Payment of Expenses
CTM-22	Bank Reconciliation at Offices Other than Finance Directorate
CTM-23	Bank Reconciliation at Finance Directorate
CTM-24	Opening of Bank Account (Accounting Unit, Finance Directorate)
CTM-25	Opening of Irrevocable LC
CTM-26	Receipt of Reimbursement of Pension Expense from Associated Companies
CTM-27	Receipt of Amount of Cheque against Payment of Subsidy by MoW&P
CTM-28	Receipt of Funds from WAPDA against Free Electricity supply to Employees
CTM-29	Closing of Bank Account other than Revenue Account

2 Policies and Definitions

2.1 General Policies

2.1.1 Budgeting

In case of the DISCOs, the planning horizon is five years. In the light of these plans, annual plans is prepared and approved by the management.

2.1.2 Banking/Imprest section

2.1.2.1 Bank Accounts

The following types of bank accounts are covered in this narrative;

- **Main Revenue Collection Account**

DISCOs receive collection in various bank accounts. At the day end these collection are transferred to Main Revenue Collection Account which is maintained at every major bank in Pakistan. Funds are collected in this account and are transferred to CPPA on daily basis.

- **General Account**

This account is used as a hub to transfer funds from the Main Revenue Account to the Imprest Bank Account. Funds are transferred to this account using a Retention Letter.

- **Imprest Account**

All Payments are made only through the Imprest bank account. The Imprest account is maintained at all the accounting units.

Funds can only be withdrawn through cheque from an Imprest Account.

2.1.2.2 Transfer of Fund Letter (TOF)

This letter is used to transfer funds from the General Account to the Imprest Account. It is issued by the Banking/Imprest Section. This letter is prepared by the AA and signed by the following persons:

- FD
- MF CP&C
- DM Banking/Imprest
- AM Banking/Imprest

2.1.2.3 Retention Letter (RL)

Banks have standing orders to transfer the DISCO's daily collection to the Central Power Purchasing Agency (CPPA) unless the bank is served by a Retention Letter. The Retention

Letter is issued by the Banking/Imprest Section to transfer funds from the Main Revenue Collection Account to the General Account. The retention letter is authorized by:

- FD
- MCA
- MF CP&C
- DM Banking
- AM Banking/Imprest

In case, any one of the above two persons is not present, FD authorizes the transfer on their behalf.

2.1.2.4 Payments

All the payments are made through cheques and are issued by the Cashier on Pre-Audit bills, Invoices or application from Payment/Pre-Audit Section. All the cheques issued are entered in the Imprest Cash Book maintained by the Accounts Assistant.

Cheque Signatures are as follows:

Group A:

- DM Accounts
- Accounts

Group B:

- DM Admin
- AM Admin

2.1.2.5 Bank Reconciliation Statements

The bank reconciliations statements are prepared on a monthly basis by all the Accounting Units. Bank Reconciliations of every bank account are prepared by the AA of respective Section.

2.1.2.6 Payment Vouchers

Payment Voucher is prepared by the AA in Payment/Pre-Audit Section. It is prepared after receiving a bill or invoices approved by the Competent Authority. All the calculation regarding taxes and adjustment are calculated by the Accounts Assistant. Payment Voucher is sent to the Cashier for Payment.

The Payment Voucher has following Fields;

Invoice Amount	GST		Gross Amount	Advances Adjustment	W.H.T		L.D/Security		Net Amount
	%	Amount			%	Amount	%	Amount	
(1)	(2)		(3)=(1)+(2)	(4)	(5)		(6)		[(3)-(4)+(5)+(6)]

The Payment Voucher is;

- Prepared By: AA Payment/Pre-Audit Section
- Checked by: AO Payment/Pre-Audit Section
- Approved by: AM Payment/Pre-Audit Section

2.1.3 P

2.1.4 re-Audit/Payment Section

Pre-Audit is performed by the Pre-Audit/Payment Section on all the payments made by the DISCOs. Assistant Manager Payments/Pre-Audit can authorize payment up to a specific Amount. Deputy Manager Accounts will approve payment exceeding the specific Amount.

2.1.5 Investment

Short Term Investments are made by the DISCOs according to PEPCO's SOP as adopted by DISCO for Investment.

2.2 Definitions

2.2.1 Liability

A liability is a present obligation of the entity arising from past events, the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

2.2.2 Loans Payable

Loans payable are financial liabilities, other than short-term trade payables on normal credit terms. (IFRS7 Appendix A)

2.2.3 Borrowing costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of funds. (IAS 23.5)

2.2.4 Qualifying Asset

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. (IAS 23.5)

Depending on the circumstances, any of the following may be qualifying assets:

- Inventories
- Manufacturing plants
- Power generation facilities
- Intangible assets
- Investment properties.

Financial assets, and inventories that are manufactured, or otherwise produced, over a short period of time, are not qualifying assets. Assets that are ready for their intended use or sale when acquired are not qualifying assets.

2.2.5 Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. (IAS 7.6)

2.3 General Accounting Guidelines

2.3.1 Borrowings

Borrowing costs directly attributable to the acquisition, construction of qualifying asset (plant and machinery) are being capitalized. As these borrowing costs formed part of the cost of the asset, they are expensed out over the useful life of assets as part of depreciation expense.

2.3.2 Recognition of capitalization of Borrowing Costs

Mark-up, interest and other charges on borrowings are capitalized up to the date of commissioning of the related qualifying assets, acquired out of the proceeds of such long term borrowings. All other mark-up, interest and other charges are recognized as an expense in the period in which they are incurred.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are included in the cost of that asset. Such borrowing costs are capitalized as part of the cost of the asset when it is probable that they will result in future economic benefits to the entity and the costs can be measured reliably. (IAS 23.9)

2.3.3 Commencement of capitalization of Borrowing Costs

An entity shall begin capitalizing borrowing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalization is the date when the entity first meets all of the following conditions:

- It incurs expenditures for the asset;
- It incurs borrowing costs; and
- It undertakes activities that are necessary to prepare the asset for its intended use or sale. (IAS 23.17)

Disclosures related to Capitalized Borrowing Costs

- Amount of borrowing cost capitalized during the period,
- Capitalization rate used. (IAS 23.26)
- Financial Instruments-Initial Recognition

2.3.4 Financial Instruments-Initial Measurement

Financial assets and liabilities are recognized when the DISCO becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given and received respectively. (IFRS9 3.1.1)

2.3.5 Financial Instruments-Subsequent Measurement

These financial assets and liabilities are subsequently measured at fair value, amortized cost or cost, as the case may be. (IFRS9 4.1)

2.3.6 Financial Instruments-De-recognition

Financial Instruments are de-recognized when the DISCO loses control of contractual rights that comprise the financial assets and in case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. (IAS 39.17 & IAS 39.39)

Any gain or losses on de-recognition of financial assets and liabilities are included in the Statement of Comprehensive Income. (IAS 39.26 & IAS 39.41)

2.3.7 Offsetting of financial assets and financial liabilities

A financial asset and a financial liability is offset and the net amount is reported in the balance sheet if the DISCO has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

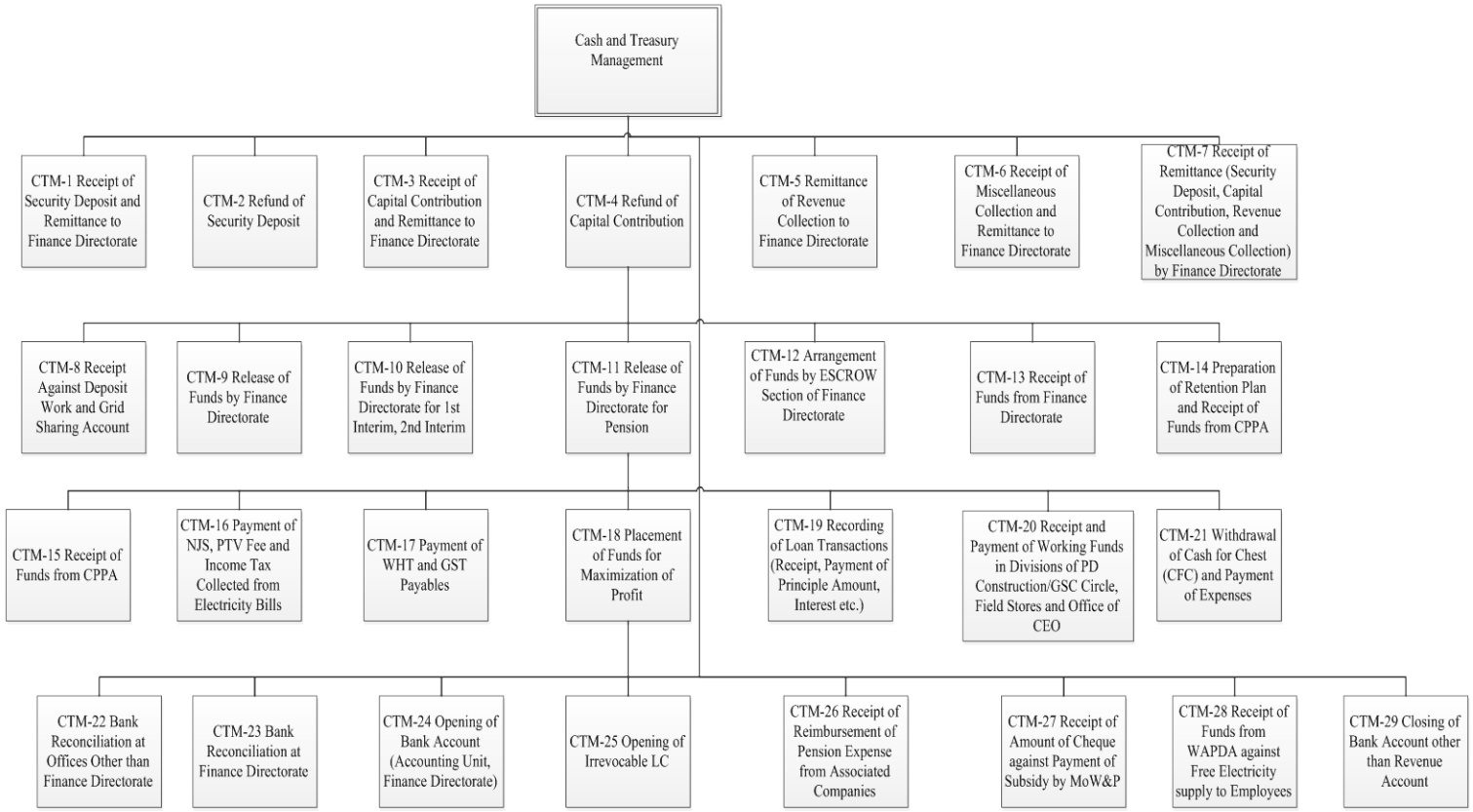
2.3.8 Cash and Cash Equivalents

These are carried in the Statement of Financial Position at cost. For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise cash in hand, demand deposits, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and finances under mark-up arrangements.

2.3.9 Foreign currencies

The financial statements are presented in Pak Rupees, which is the DISCO's functional currency. Transactions in the foreign currency during the year are initially recorded in the functional currency at the rate prevailing at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at functional currency rate of exchange prevailing at the balance sheet date. All differences are taken to the profit and loss account.

3 Overview of the Process of Cash and Treasury Management



Process ID	Process Name	Description of Process
CTM-1	Receipt of Security Deposit and Remittance to Finance Directorate	A. This process covers the activities regarding receipt of Security Deposit and its remittance to Finance Directorate. B. Bank Scroll along with Demand Notices is received by the Concerned Office of AMCS, Security Deposit Cash Book, CP-26 and CP-152 are updated and LPS is prepared to record the amount of Security Deposit received. C. Credit Advice for Security Deposit received on behalf of other Offices of AMCS is issued to other Offices of AMCS. D. Amount of Security Deposit received is remitted to Main Security Deposit Bank Account of Finance Directorate. E. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in Security Deposit Cash Book on basis of Bank Statement. F. Bank reconciliation is performed at the month end. G. CP-48 and CP-49 are prepared and submitted to Banking Section of Finance Directorate by Concerned Office of AMCS.
CTM-2	Refund of Security Deposit	A. This process covers the activities regarding refund of Security Deposit. B. The approved case of refund with application, hand receipt and other supporting documents is received by Concerned Office of AMCS. C. Case is pre-audited and availability of funds is checked in

Process ID	Process Name	Description of Process
		Imprest Bank Account, if funds so required are not available they are demanded from Finance Directorate. D. Cheque is prepared to make payment to the Consumer for refund of Security Deposit, Imprest Cash Book, CP-26 and CP-152 are updated and LPS is prepared to record the refund.
CTM-3	Receipt of Capital Contribution and Remittance to Finance Directorate	A. This process covers the activities regarding receipt of Capital Contribution and its remittance to Finance Directorate. B. Bank scroll along with Demand Notices is received by the Concerned Operation Division, Capital Contribution Cash Book and CP-51 is updated and LPS is prepared to record Capital Contribution received. C. Credit Advice for Capital Contribution received on behalf of other Operation Division is prepared and issued to other Operation Division. D. Capital Contribution received is remitted to Main Capital Contribution Bank Account of Finance Directorate. E. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in Capital Contribution Cash Book. F. Bank reconciliation is performed at the month end. G. CP-48 and CP-49 are prepared and submitted to the Banking Section of Finance Directorate by the Concerned Operation Division.

Process ID	Process Name	Description of Process
CTM-4	Refund of Capital Contribution	A. This process covers the activities regarding refund of Capital Contribution. B. The approved case of refund with application, hand receipt and other supporting documents is received by the Concerned Operation Division. C. Case is pre-audited and availability of funds is checked in Imprest Bank Account, if funds so required are not available they are demanded from Finance Directorate. D. Cheque is prepared to make payment to the Consumer for refund of Capital Contribution, Imprest Cash Book and CP-51 is updated and LPS is prepared to record the refund.
CTM-5	Remittance of Revenue Collection to Finance Directorate	A. This process covers the activities regarding remittance of Revenue Collection to Finance Directorate. B. Standing Instructions are given to Bank for transfer of Revenue Collection to Main Revenue Collection Bank Account of Finance Directorate. C. Revenue Collection Cash Book is updated on the basis of Bank Statement received from Bank and LPS is prepared to record the remittance of Revenue Collection to Finance Directorate. D. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in Revenue Collection Cash Book. E. Bank reconciliation is performed at the month end. F. CP-48 and CP-49 are prepared and submitted to the Banking

Process ID	Process Name	Description of Process
		Section of Finance Directorate by the Concerned Office of AMCS.
CTM-6	Receipt of Miscellaneous Collection and Remittance to Finance Directorate	A. This process covers the activities regarding receipt of Miscellaneous Collection and its remittance to Finance Directorate. B. Receipt against Miscellaneous Collection includes the following: ➢ Tender Fee, ➢ Registration of Firms (Form Fee), ➢ Registration Fee, ➢ Renewal of Registration Fee, ➢ Adjustment of Temporary Advances, ➢ Adjustment of TA Advances, ➢ Receipt against Unpaid BOD Attendance Fee, ➢ Sale proceeds of Old News Paper, ➢ Receipt against private use (calls) of Telephone (Residential), ➢ Receipt against private use (calls) of Telephone (Official), ➢ Receipt against private use of Vehicle, ➢ Community Van Charges, ➢ Recovery of House Rent Allowance, ➢ Recovery of Private call charges of Mobile Phone, ➢ Any kind of recovery from official/officer as pointed out by Audit, ➢ Remaining balances of Long Term Advances and ➢ Receipt against Free Electricity supply to Employees etc.

Process ID	Process Name	Description of Process
		C. Cash/Cheque is received from Customer against sale of items/services by Accounting Unit and a Receipt Voucher is prepared to record the receipt of Cash/ Cheque. D. Miscellaneous Collection Cash Book is updated and LPS is prepared to record the receipt of Cash/Cheque received form Customer. E. Miscellaneous Collection received is remitted to Main Miscellaneous Collection Bank Account of Finance Directorate by Concerned Accounting Unit. F. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in Miscellaneous Collection Cash book G. Bank reconciliation is performed at the month end. H. CP-48 and CP-49 are prepared and submitted to the Banking Section of Finance Directorate by the Concerned Accounting Unit.
CTM-7	Receipt of Remittance (Security Deposit, Capital Contribution, Revenue Collection and Miscellaneous Collection) by Finance Directorate	A. This process covers the activities regarding receipt of remittance (Security Deposit, Capital Contribution, Revenue Collection and Miscellaneous Collection) by Finance Directorate. B. CP-48 and CP-49 related to Revenue Collection, Capital Contribution, Security Deposit, and Miscellaneous Collection Bank Accounts are received by Finance Directorate. C. The remittance transactions as per CP-49 are verified with the MT shown in Bank Statements.

Process ID	Process Name	Description of Process
		D. Cash Book of each Main Collection Bank Account and following statements are updated: ➢ Accounting Unit Wise Receipt Summary, ➢ Bank Account Wise Receipt Summary and ➢ Cash Book Summary of Each Bank Account. E. The transaction related of transfer of funds to CPPA is recorded in the relevant Cash Book on the basis of Bank Statement received and Transfer of Funds Report is prepared. F. The transaction related to transfer of funds to ESCROW Bank Account is recorded in the relevant Cash Book on the basis of Provisional Statement regarding receipt of funds in ESCROW Bank Account and Transfer of Funds Report is prepared. G. Miscellaneous transactions (Profit, Bank Charges etc.) are recorded in relevant Cash Book. H. Bank reconciliation is performed at the month end.
CTM-8	Receipt Against Deposit Work and Grid Sharing Account	A. This process covers the activities regarding receipt against Deposit Work and Grid Sharing Account. B. Pay Order/Cheque along with Demand Notice is received from the Consumer by Banking Section of Finance Directorate. C. Deposit Work Bank Account Cash Book/Grid Sharing Bank Account Cash Book is update and LPS is prepared to record the transaction. D. The following documents are prepared by Banking Section of

Process ID	Process Name	Description of Process
		Finance Directorate: ➢ Report of Deposit Work A/c Credit Advices Detail, ➢ Letter of Confirmation & Realization of Cheques on Account of Deposit Work and ➢ Report of Deposit Work A/c Income Details. E. On the basis of above documents, Letter of Deposit Work and Credit Advice is prepared by the IOT Section of Finance Directorate. F. Letter of Deposit Work and Credit Advice along with supporting documents are dispatched to Office of PDC and other Concerned Offices. G. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in relevant Bank Account Cash Book on the basis of Bank Statement H. Bank reconciliation is performed at the month end.
CTM-9	Release of Funds by Finance Directorate	A. This process covers the activities regarding the release of funds by Finance Directorate. B. An approved Demand for Release of Funds is received by Banking Section of Finance Directorate, if transfer is to be made through ESCROW Bank Account then Demand is forwarded to ESCROW Section of Finance Directorate for arrangement of Funds. C. If the funds are required in Imprest Bank Account transfer is made from General Bank Account(s) of Banking Section of

Process ID	Process Name	Description of Process
		Finance Directorate and if the funds are required in Pension Bank Account transfer is made from Main Pension Bank Account of Banking Section of Finance Directorate. D. Relevant Cash Book is updated and LPS is prepared to record the accounting impact of transfer of funds. E. In case of transfer of funds from Reserve Bank Accounts(Capital, Security, Deposit Work, Grid Sharing, Miscellaneous) special approval is accorded by Competent Authority.
CTM-10	Release of Funds by Finance Directorate for 1st Interim, 2nd Interim	A. This process covers the activities regarding the release of funds by Finance Directorate for 1st and 2nd interim and Fixation/Revision of Imprest Limit. B. An application for Fixation/Revision of Imprest Limit and Performa for Fixation/Revision of Imprest Limit is received from Concerned Accounting Unit by Banking Section of Finance Directorate. C. Application is verified by the Budget and IOT Section of Finance Directorate. D. On the basis of verified application Imprest limit is fixed/revised which is lower of: ➢ One month average of all of the actual recurring expenditure incurred during the past six months or ➢ Proportionate budget for one month, as approved in the annual budget for each head. E. Standing Instruction are forwarded to the Bank for transfer of

Process ID	Process Name	Description of Process
		funds for 1st and 2nd Interim. F. 1st Interim funds are released in the first week of month and 2nd Interim funds are released in the last week of month. G. Relevant Cash Book is updated and LPS is prepared to record the release of funds by Banking Section of Finance Directorate.
CTM-11	Release of Funds by Finance Directorate for Pension	A. This process covers the activities regarding release of funds by Finance Directorate for Pension. B. Demand of Funds for next month Pension payment is received from Pension Paying Offices by Pension Section of Finance Directorate. C. Consolidated Demand for Release of Funds for Pension is prepared by Pension Section of Finance Directorate. D. The approved Demand for Release of Funds is submitted to the Banking Section of Finance Directorate for release of funds for Pension.
CTM-12	Arrangement of Funds by ESCROW Section of Finance Directorate	A. This process covers activities regarding arrangement of funds by ESCROW Section of Finance Directorate. B. An approved Demand for Release of Funds is received from Banking Section of Finance Directorate. C. Funds Transfer Letter is prepared by ESCROW Section of Finance Directorate for transfer of funds. D. The Funds Transfer Letter is forwarded to Bank for transfer of

Process ID	Process Name	Description of Process
		funds and its copy is forwarded to the authorities as mentioned in the CC section of Funds Transfer Letter. E. Relevant Cash Book is updated and LPS is prepared to record the transfer of funds from ESCROW Allied Bank to General Bank Account. F. Intimation Letter along with the list of Pay Orders through which the funds are transferred from the ESCROW Allied Bank Account is received from Bank and submitted to Banking Section of Finance Directorate by ESCROW Section of Finance Directorate.
CTM-13	Receipt of Funds from Finance Directorate	A. This process covers the activities regarding receipt of funds from Finance Directorate. B. Copy of Funds Transfer Letter is received from Banking Section of Finance Directorate and Bank Statement of Imprest Bank Account is obtained to confirm the realisation of funds by Concerned Accounting Unit/Payment Section of Finance Directorate. C. Imprest Cash Book is updated and LPS is prepared to record the receipt of funds from Banking Section of Finance Directorate by Concerned Accounting Unit/Payment Section of Finance Directorate.
CTM-14	Preparation of Retention Plan and Receipt of Funds from CPPA	A. This process covers the activities regarding preparation of Retention Plan and receipt of funds from CPPA. B. Consolidated Statement of all the Demand for Release of Funds received is prepared by the Payment Section of Finance

Process ID	Process Name	Description of Process
		Directorate. C. Letter for Retention of Funds is prepared on the basis of above Consolidated Statement and submitted to Concerned Government Authority for Authorisation. D. Once authorised Retention of Funds Letter is prepared on the basis of Authorization Letter received from Concerned Government Authority by ESCROW Section of Finance Directorate and forwarded to Bank for retention of funds.
CTM-15	Receipt of Funds from CPPA	A. This process covers the activities regarding receipt of funds from CPPA. B. Consolidated Statement of all the Demand for Release of Funds received is prepared by the Payment Section of Finance Directorate. C. Letter for Request of Funds from CPPA is prepared on the basis of above Consolidated Statement and submitted to Concerned Government Authority for Authorisation. D. Intimation Letter regarding Transfer of Funds is received from Concerned Government Authority and the relevant Bank. E. Relevant Allied Bank Account Cash Book is updated and LPS is prepared to record the receipt of funds by ESCROW Section of Finance Directorate.
CTM-16	Payment of NJS, PTV Fee and Income Tax Collected from Electricity Bills	A. This process covers activities regarding payment of NJS, PTV Fee and Income Tax Collected from Electricity Bill.

Process ID	Process Name	Description of Process
		B. On the basis of CP-41, a separate Noting for payment of NJS, PTV Fee and Income Tax collected from Electricity Bills is prepared by Consolidation Section of Finance Directorate and Circle and Office Wise Collection Detail is also prepared and attached with each Noting. C. Noting for payment of NJS, PTV Fee and Income Tax is pre audited and availability of funds in Imprest Bank Account is checked, in case of shortage of funds additional funds are arranged. D. Cheque is prepared and issued to the Concerned Authorities against the payment for NJS, PTV Fee and Income Tax. E. Imprest Cash Book is updated and LPS is prepared to record the payment. F. Debit Advice(s) for payment of NJS, PTV Fee and Income Tax is issued to Concerned Office of AMCS by IOT Section of Finance Directorate.
CTM-17	Payment of WHT and GST Payables	A. This process covers the activities regarding payment of WHT and GST payables. B. Withholding Tax Deduction Detail is prepared showing Vendor Name, NTN/CNIC#, Gross Amount, Withholding Tax Amount by Payment Section of Finance Directorate. C. Approved Noting for the payment of GST is received from Tax Section of Finance Directorate by Payment Section of Finance Directorate.

Process ID	Process Name	Description of Process
		D. Withholding Tax Deduction Detail and Noting for the payment of GST is pre-audited and Cheque in the name of Tax Authorities is prepared and deposited in the designated Bank Account. E. Relevant Cash Book is updated and LPS is prepared to record payment of WHT and GST to Tax Authorities.
CTM-18	Placement of Funds for Maximization of Profit	A. This process covers the activities regarding Placement of Funds for Maximization of Profit. B. Comparative Statement showing different investment options available according to the Letter of Offer of Rate of Interest received from Bank is prepared by Banking Section of Finance Directorate. C. Best investment option is determined by Competent Authority and Funds Transfer Letter for transfer of funds is prepared by Banking Section of Finance Directorate. D. Relevant Cash Book is updated and LPS is prepared to record the placement of funds for maximization of profit. E. Interest Income is accrued on the basis of Statement of Accrued Interest Sheet prepared by Banking Section of Finance Directorate. F. The Bank Statement of relevant Bank Account is obtained to confirm the realisation of Interest Income. G. Relevant Cash Book is updated and LPS is prepared to record the realisation of Interest Income.

Process ID	Process Name	Description of Process
CTM-19	Recording of Loan Transactions (Receipt, Payment of Principle Amount, Interest etc.)	A. This process covers the activities regarding recording of Loan Transactions (Receipt, Payment of Principle Amount, Interest etc). B. Approval of BOD is obtained for obtaining Loan. C. Negotiations with Lender are carried out to finalize the terms and conditions of Loan by the Competent Authority. D. The Loan agreement is signed by the Competent Authority with the approval of BOD. E. Intimation Letter regarding transfer of fund in Loan Bank Account is received from Bank by CP&C Section of Finance Directorate. F. Loan Cash Book is updated and LPS is prepared to record the transaction. G. Interest Expense is accrued on the basis of Interest Payment Schedule prepared by the CP&C Section of Finance Directorate. H. Noting for payment of Interest Expense is approved by Competent Authority and pre- audit is performed. I. The payment of Interest Expense from Loan Bank Account is made to the Bank. J. Cash Book is updated and LPS is prepared to record the payment of accrued Interest Expense. K. Invoice for repayment of Loan is received from Bank by CP&C

Process ID	Process Name	Description of Process
		Section of Finance Directorate. L. Noting for the repayment of Loan is approved by Competent Authority and pre-audit is performed. M. The Loan is repaid from Loan Bank Account, Loan Cash Book is updated and LPS is prepared to record the repayment.
CTM-20	Receipt and Payment of Working Funds in Divisions of PD Construction/GSC Circle, Field Stores and Office of CEO	A. This process covers the activities regarding receipt and payment of Working Funds in Divisions of PD Construction/GSC circle, Field Stores and Office of CEO. B. Approved Demand for Working Funds is submitted to Main Office for release of Working Funds for the payment of Salaries, Travelling Expenses and POL etc by Sub Office. C. On the basis of approved Demand for Working Funds received, a cheque is prepared by PD Construction Circle, GSC Circle, Regional Store and Payment Section of Finance Directorate to transfer the funds to Divisions of PD Construction/GSC Circle, Field Stores and Office of CEO. D. Imprest Cash Book is updated and LPS is prepared to record the transfer of working funds by Main Office. E. Cheque is deposited in the relevant Imprest Bank Account by Sub Office, Imprest Cash Book is updated and LPS is prepared to record the receipt of working funds.
CTM-21	Withdrawal of Cash for Chest (CFC) and Payment of Expenses	A. This process covers the activities regarding withdrawal of cash for chest and payment of expenses.

Process ID	Process Name	Description of Process
		B. Cheque is prepared for withdrawal of Cash for Chest from Imprest Bank Account with the approval from D&D Officer. C. Imprest Cash Book is updated and LPS is prepared to record the issuance of cash for chest. D. Cash is withdrawn from Imprest Bank Account, CFC Cash Book is updated and LPS is prepared to record the receipt of cash for chest. E. Payment for petty expenses is made from Cash for Chest, CFC Cash Book is updated and LPS is prepared to record the payment by Concerned Accounting Unit.
CTM-22	Bank Reconciliation at Offices Other than Finance Directorate	A. This process covers the activities regarding Bank Reconciliations at Offices Other than Finance Directorate. B. The Bank Reconciliations of following Bank Accounts is performed at Offices Other than Finance Directorate: ➢ Imprest Bank Account ➢ Main Revenue Collection Bank Account ➢ Capital Contribution Bank Account ➢ Security Deposit Bank Account ➢ Miscellaneous Collection Bank Account C. Bank Statement of relevant Bank Account is received and the transactions of Bank Charges, Profit or Withholding Tax on Profit are recorded in relevant Cash Book. D. Bank reconciliation is performed and in case the Nature of Bank Account is Capital Contribution, Security Deposit, Revenue

Process ID	Process Name	Description of Process
		Collection or Miscellaneous Collection then CP-48 is also prepared. E. Follow ups/ Correspondence is carried out for settling out of Un-Reconciled items.
CTM-23	Bank Reconciliation at Finance Directorate	A. The process covers the activities regarding Bank Reconciliations at Finance Directorate. B. The Bank Reconciliations of following Bank Account is performed at Finance Directorate: ➢ Imprest Bank Account ➢ ESCROW Bank Account ➢ Taxes and Duties Bank Account ➢ Distribution Marginal Bank Account ➢ Main Revenue Collection Bank ➢ Capital Contribution Bank Account ➢ Security Deposit Bank Account ➢ Miscellaneous Collection Bank Account ➢ General Bank Account ➢ Pension Bank Account ➢ Income Tax Bank Account ➢ LC Bank Account ➢ Loan Bank Account C. Bank Statement of relevant Bank Account is received and the transactions of Bank Charges, Profit or Withholding Tax on Profit are recorded in relevant Cash Book. D. Bank reconciliation is performed and the un reconciled items are

Process ID	Process Name	Description of Process
		identified. E. On the basis of approved Bank reconciliation Management Reports are prepared and sent to Finance Management, Concerned Offices of Manager Operation, Concerned Offices of AMCS and Concerned Banks. F. Follow ups/ Correspondence is carried out for settling out of Un-Reconciled items.
CTM-24	Opening of Bank Account (Accounting Unit, Finance Directorate)	A. This process covers activities regarding opening of Bank Account (Accounting Unit, Finance Directorate). B. An Application for Opening of New Bank Account along with the consent of bank is received from the relevant Office by Banking Section of Finance Directorate. C. For first time investment/placement of funds in any Bank approval from BOD is taken. D. Signature Card is signed by the Authorised Signatories if Bank Account is of Finance Directorate. E. The approved Letter for opening of Bank account is submitted to the Bank for opening of new Bank Account. If account is of Finance Directorate BOD resolution and Signature card is also send to the bank. F. If account is of accounting unit and of Imprest nature copy of letter received from banking section and signature card will be send to the bank.

Process ID	Process Name	Description of Process
		G. Intimation letter from bank will be send when bank account will be opened.
CTM-25	Opening of Irrevocable LC	A. This process covers the activities regarding opening of Irrevocable LC. B. Letter of Request for Opening of Irrevocable LC containing the name of Bank and the Account Number is received from supplier by Payment Section of Finance Directorate. C. The LC Opening Form is filled as per terms and condition mentioned on Purchase Order by Payment Section of Finance Directorate. D. LC Form approved by Payment Section of Finance Directorate is submitted to Bank for Opening of Irrevocable LC.
CTM-26	Receipt of Reimbursement of Pension Expense from Associated Companies	A. This process covers the activities regarding reimbursement of Pension Expense from Associated Companies. B. List of Payment of Pension paid on Behalf of Associated Companies is received from Pension Paying Offices by Pension Section of Finance Directorate. C. Reimbursement Letter for reimbursement of pension payment made along with details of it is sent to Associated Company. D. Cheque for reimbursement of Pension paid on behalf of Associated Companies is received by Banking Section of Finance Directorate. E. Relevant Cash Book is updated and LPS is prepared to record the

Process ID	Process Name	Description of Process
		receipt of reimbursement.
CTM-27	Receipt of Amount of Cheque against Payment of Subsidy by MoW&P	A. This process covers the activities regarding receipt of Amount of Cheque against Subsidy by MoW&P. B. CP&C Section of Finance Directorate receives the Cheque for Subsidy from MoW&P and forwards it to ESCROW Section of Finance Directorate. C. The Cheque is deposited in relevant Bank Account, relevant Cash Book is updated and LPS is prepared to record the receipt of subsidy.
CTM-28	Receipt of Funds from WAPDA against Free Electricity supply to Employees	A. This process covers the activities regarding receipt of funds from WAPDA against free Electricity supply to Employees. B. The Cheque for the reimbursement of Free Supply of Electricity is received from WAPDA by Concerned Office of AMCS. C. The Cheque is deposited in relevant Bank Account, relevant Cash Book is updated and LPS is prepared to record its impact.
CTM-29	Closing of Bank Account other than Revenue Account	A. This process covers activities regarding Closing of Bank Account other than Revenue Account B. A noting is prepared and approved for closing of Bank Account. C. The approved Letter for closing of Bank Account is submitted to the Bank for closing of Bank Account along with order of transferring the Balance of funds. D. The Bank sends the intimation that Account is closed as per

Process ID	Process Name	Description of Process
		orders.

CTM-1 Receipt of Security Deposit and Remittance to Finance Directorate

CTM-1.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt of Security Deposit and its remittance to Finance Directorate.

B. Bank Scroll along with Demand Notices is received by the Concerned Office of AMCS, Security Deposit Cash Book, CP-26 and CP-152 are updated and LPS is prepared to record the amount of Security Deposit received.

C. Credit Advice(s) for Security Deposit received on behalf of other Offices of AMCS is issued to other Offices of AMCS.

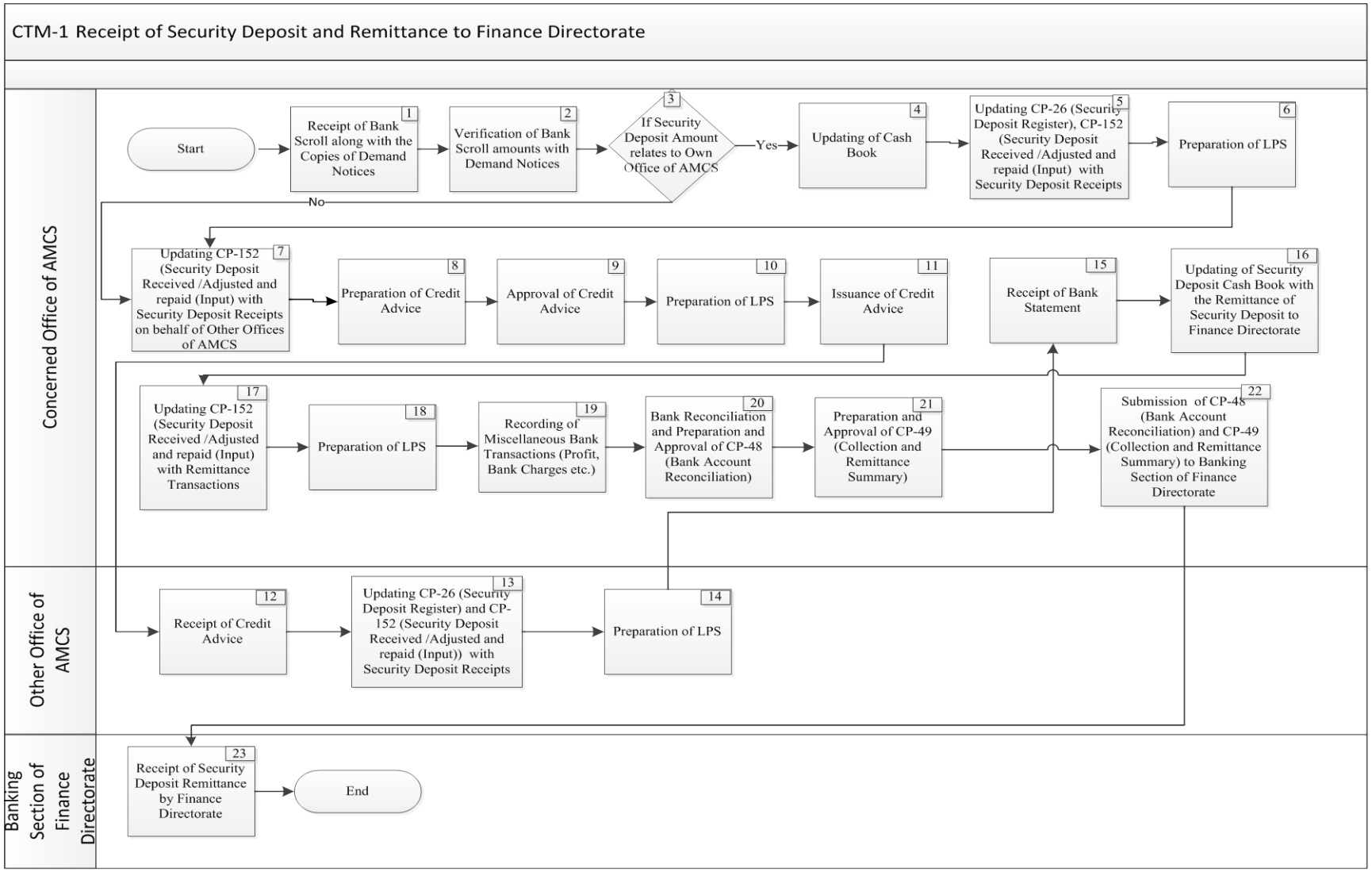
D. Amount of Security Deposit received is remitted to Main Security Deposit Bank Account of Finance Directorate.

E. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in Security Deposit Cash Book on basis of Bank Statement.

F. Bank reconciliation is performed at the month end.

G. CP-48 and CP-49 are prepared and submitted to Banking Section of Finance Directorate by Concerned Office of AMCS.

CTM-1.2 Flow Chart



CTM-1.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Bank Scroll along with the Copies of Demand Notices	Bank Scroll of Security Deposit is received by the Concerned Office of AMCS from bank along with the copies of Demand Notices on daily basis.			Concerned Office of AMCS	AA
2.	Verification of Bank Scroll amounts with Demand Notices	The Concerned Office of AMCS matches the transactions of Bank Scroll with the attached copies of the Demand Notices to ensure that the amount on Bank Scroll is same as the amount of Demand Notice.			Concerned Office of AMCS	AA
3.	If Security Deposit Amount relates to Own Office of AMCS	If the amount of Security Deposit relates to Own Office of AMCS then continues to Activity # 4, else continues to Activity # 7.			Concerned Office of AMCS	
4.	Updating of Cash Book	The receipt of Security Deposit is recorded in the Security Deposit Cash Book by Concerned Office of AMCS on daily basis. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Concerned Office of AMCS	AA, DAO
5.	Updating CP-26 (Security Deposit Register), CP-152 (Security Deposit Received /Adjusted and repaid (Input) with Security Deposit Receipts	The CP-26 (Security Deposit Register) and CP-152 (Security Deposit Received /Adjusted and repaid (Input) are updated by the Concerned Office of AMCS. **[**Refer ***"Volume III, Annexure – 18"*** for the specimen of ***CP-26***]	CP-26, CP-152		Concerned Office of AMCS	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 19"*** for the specimen of ***CP-152***]				
6.	Preparation of LPS	LPS is prepared to post the receipts of Security Deposit. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Concerned Office of AMCS	AA, DAO
7.	Updating CP-152 (Security Deposit Received /Adjusted and repaid (Input) with Security Deposit Receipts on behalf of Other Offices of AMCS	Security Deposit related to the Other Offices of AMCS is recorded in the CP-152 (Security Deposit Received /Adjusted and repaid (Input) by the Concerned Office of AMCS. [Refer ***"Volume III, Annexure – 19"*** for the specimen of ***CP-152***]	CP-152		Concerned Office of AMCS	AA, DAO
8.	Preparation of Credit Advice(s)	A Credit Advice(s) showing the amount collected on the behalf of Other Office of AMCS is prepared by the Concerned Office of AMCS. [Refer ***"Volume III, Annexure – 21"*** for the specimen of ***Credit Advice***]	Credit Advice		Concerned Office of AMCS	AA
9.	Approval of Credit Advice(s)	The Credit Advice(s) is approved by the DAO of the Concerned Office of AMCS.			Concerned Office of AMCS	DAO
10.	Preparation of LPS	LPS is prepared by the Concerned Office of AMCS to record the Credit Advice(s).	LPS	2	Concerned Office of AMCS	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]				
11.	Issuance of Credit Advice(s)	The Credit Advice(s) along with the copies of Demand Notices is issued to the Other Office of AMCS on whose behalf the amount of Security Deposit is collected.			Concerned Office of AMCS	AA
12.	Receipt of Credit Advice(s)	The Credit Advice(s) is received by the Other Office of AMCS.			Other Office of AMCS	DAO
13.	Updating CP-26 (Security Deposit Register) and CP-152 (Security Deposit Received /Adjusted and repaid (Input)) with Security Deposit Receipts	The CP-26 (Security Deposit Register) and CP-152 (Security Deposit Received /Adjusted and repaid (Input)) are updated by the Other Office of AMCS on the basis of Credit Advice(s) and Demand Notices received accordingly. [Refer ***"Volume III, Annexure – 18"*** for the specimen of ***CP-26***] [Refer ***"Volume III, Annexure – 19"*** for the specimen of ***CP-152***]	CP-26, CP-152		Other Office of AMCS	AA, DAO
14.	Preparation of LPS	LPS is prepared by the Other Office of AMCS to record the receipt of Credit Advice(s). [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	3	Other Office of AMCS	AA, DAO
Remittance of Security Deposit to Finance Directorate						
15.	Receipt of Bank Statement	Bank Statement is received by the Concerned Office of AMCS.			Concerned Office of AMCS	AA
16.	Updating of Security Deposit Cash Book with the	The remittance of Security Deposit amount to Finance Directorate is recorded in the Security Deposit Cash Book with the each remittance transaction by the Concerned	Cash Book		Concerned Office of AMCS	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Remittance of Security Deposit to Finance Directorate	Office of AMCS. [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]				
17.	Updating CP-152 (Security Deposit Received /Adjusted and repaid (Input) with Remittance Transactions	CP-152 (Security Deposit Received /Adjusted and repaid (Input) is updated according to remittances as appearing on the Bank Statement by the Concerned Office of AMCS. [Refer ***"Volume III, Annexure – 19"*** for the specimen of ***CP-152***]	CP-152		Concerned Office of AMCS	AA, DAO
18.	Preparation of LPS	LPS is prepared by the Concerned Office of AMCS to record the remittance to Finance Directorate. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	4	Concerned Office of AMCS	AA, DAO
19.	Recording of Miscellaneous Bank Transactions (Profit, Bank Charges etc.)	Miscellaneous Bank Transactions (Profit, Bank Charges etc.) are recorded in the Security Deposit Cash Book. [Refer ***"CTM - 22"*** for details regarding ***recording of miscellaneous bank transactions(profit, bank charges etc)***] [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book	Entry for recording of Miscellaneous Bank Transactions is mentioned in CTM-22	Concerned Office of AMCS	AA, DAO
20.	Bank Reconciliation and Preparation and Approval of CP-48 (Bank Account Reconciliation)	On month end Bank Reconciliation is performed and CP-48 (Bank Account Reconciliation) is prepared and approved by Concerned Office of AMCS.	CP-48		Concerned Office of AMCS	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"CTM - 22"*** for details regarding ***recording of miscellaneous bank transactions(profit, bank charges etc)***] [Refer ***"Volume III, Annexure – 22"*** for the specimen of ***CP-48***]				
21.	Preparation and Approval of CP-49 (Collection and Remittance Summary)	CP-49 (Collection and Remittance Summary) is prepared by the Concerned Office of AMCS to record the date wise remittance transactions of Security Deposit Amounts remitted to the Main Security Deposit Bank Account of Finance Directorate. [Refer ***"Volume III, Annexure – 23"*** for the specimen of ***CP-49***]	CP-49		Concerned Office of AMCS	AA, AO, AMCS
22.	Submission of CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) to Banking Section of Finance Directorate	The CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) are submitted to the Banking Section of Finance Directorate by the Concerned Office of AMCS.			Concerned Office of AMCS	AA
23.	Receipt of Security Deposit Remittance by Finance Directorate	a) The Banking Section of Finance Directorate receives the CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) from the Concerned Office of AMCS. b) After verification the Banking Section of Finance Directorate updates the Cash Book of Main Security Deposit Bank Account.		Entry for receipt of Security Deposit Remittance by Finance Directorate is mentioned in CTM-7	Banking Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"CTM - 7"*** for details regarding ***receipt of security deposit and remittance by Finance Directorate***]				

CTM-1.4 Journal Entries

1. On receipt of the Security Deposit from consumer, the following entry is posted by the Concerned Office of the AMCS:

Description	Debit	Credit
Bank – Security Deposit	***	
Security Deposit		***

2. If the amount of Security Deposit relates to the Other Office of AMCS, the following entry is posted by the Concerned Office of AMCS:

Description	Debit	Credit
Security Deposit	***	
IOT – Credit Advice		***

3. On receiving the Credit Advice(s) from Concerned Office of AMCS, the following entry is posted by the Other Office of AMCS:

Description	Debit	Credit
IOT – Credit Advice	***	
Security Deposit		***

4. On remittance of amount of Security Deposit to the Finance Directorate, the following entry is posted by the Concerned Office of the AMCS:

Description	Debit	Credit
IOT – Remittance – Security Deposit	***	
Bank – Security Deposit		***

CTM-1.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Office of AMCS	1,2,4,5,6,7,8,10,11,15,16,17,18, 19,20,21,22
Banking Section of Finance Directorate	23
Other Office of AMCS	13,14
Accounts Officer	
Concerned Office of AMCS	21
Divisional Accounts Officer	
Concerned Office of AMCS	4,5,6,7,9,10,16,17,18,19,20
Other Office of AMCS	12,13,14
Assistant Manager Customer Services	
Concerned Office of AMCS	21

CTM-1.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Amount equal to the amount mentioned in the Demand Notice is deposited by the consumer.	Incorrect amount is deposited by the consumer.	The Concerned Office of AMCS matches the transactions of Bank Scroll with the attached copies of the Demand Notices to ensure that the amount on Bank Scroll is same as the amount of Demand Notice.	2
2	Receipt of amount of the Demand Notice is properly recorded according to the DISCOs accounting Policy and in the correct period.	Receipt of amount of the Demand Notice is not properly recorded according to the DISCOs accounting Policy and in the correct period.	The LPS is prepared by the AA and approved by the DAO.	6
3	Credit Advice(s) is accurately prepared.	Wrong amount of the Security Deposit may be transferred to the Other Office of the AMCS.	The Verification is performed by the AA and approved by the DAO.	9
4	Receipt of the Credit Advice(s) for the other office of the AMCS is accounted for according to the DISCOs Accounting Policy, accurately and in the relevant period.	The receipt of the Credit Advice(s) is not properly recorded.	The LPS is prepared by the AA and approved by the DAO.	18

CTM-2 Refund of Security Deposit

CTM-2.1 Descriptive Overview of the Process

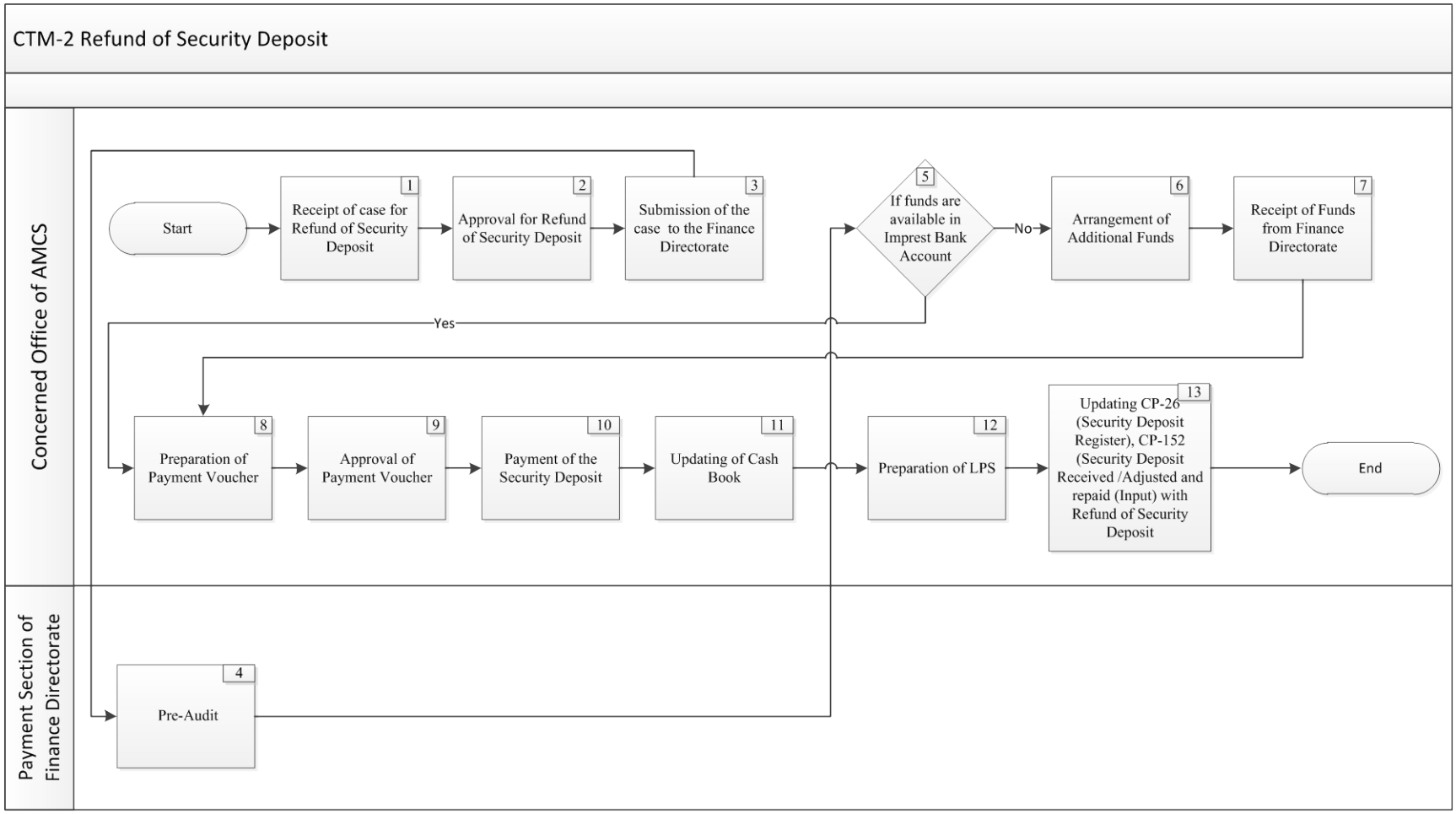
A. This process covers the activities regarding refund of Security Deposit.

B. The approved case of refund with application, hand receipt and other supporting documents is received by Concerned Office of AMCS.

C. Case is pre-audited and availability of funds is checked in Imprest Bank Account, if funds so required are not available they are demanded from Finance Directorate.

D. Cheque is prepared to make payment to the Consumer for refund of Security Deposit, Imprest Cash Book, CP-26 and CP-152 are updated and LPS is prepared to record the refund.

CTM-2.2 Flow Chart



CTM-2.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of case for Refund of Security Deposit	a) The case for refund of Security Deposit after the approval of Manager Operation, Chief Engineer Operation and CEO (as the case may be) along with application, Hand Receipt and other supporting documents is received. b) Hand Receipt is verified by Concerned SDO Operation to check that: ➢ The amount of security in question has not been refunded previously to the Consumer. ➢ The amount of security in question has not been adjusted previously in case of extension of load to the Consumer. ➢ The connection/service has permanently disconnected. ➢ Nothing is outstanding against the Consumer in case of permanent disconnection. ➢ Any observation pointed out by Audit at later stage will be recoverable from Consumer.			Concerned Office of AMCS	AMCS
2.	Approval for Refund of Security Deposit	The Hand Receipt is stamped with the Pass Order by the Concerned Office of AMCS. [Refer ***"Volume III, Annexure – 24"*** for the specimen of ***Pass Order***]	Pass Order		Concerned Office of AMCS	DAO, AMCS
3.	Submission of the case to the Finance Directorate	The case is forwarded to the Payment Section of Finance Directorate by the Concerned Office of AMCS.			Concerned Office of AMCS	DAO, AMCS
4.	Pre-Audit	The case is received by the Payment Section of the			Payment	

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		Finance Directorate and Pre-audit is performed. [Refer ***"PAP - 9"*** for details regarding ***pre-audit***]			Section of Finance Directorate	
5.	If funds are available in Imprest Bank Account	a) The Office of AMCS checks the availability of funds in the Imprest Bank Account for the payment to Consumer. b) If funds are available in Imprest Bank Account then continues to Activity # 8 else continues to Activity # 6.			Concerned Office of AMCS	DAO
6.	Arrangement of Additional Funds	If funds are not available in the Imprest Bank Account, the following procedure is performed at the Concerned Office of AMCS; a) The Demand for Release of Fund is prepared by the Concerned Office of AMCS. b) The Payment Section of Finance Directorate obtains the approval from CEO and Banking Section of Finance Directorate releases funds to the Concerned Office of AMCS. [Refer ***"CTM - 9"*** for details regarding ***release of funds by Finance Directorate***] [Refer ***"Volume III, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume III, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***]	Demand for Release of Funds	Entry for release of funds by Finance Directorate is mentioned in CTM-9	Concerned Office of AMCS	AA, DAO, AMCS

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
7.	Receipt of Funds from Finance Directorate	Funds are received in the Imprest Bank Account of Concerned Office of AMCS. **[**Refer ***"CTM - 13"*** for details regarding ***receipt of funds by Finance Directorate*****]**		Entry for receipt of funds from Finance Directorate is mentioned in CTM-13	Concerned Office of AMCS	
8.	Preparation of Payment Voucher	Payment Voucher is prepared by the Concerned Office of AMCS to refund the amount of Security Deposit to the Consumer.			Concerned Office of AMCS	AA
9.	Approval of Payment Voucher	Payment Voucher is approved by the DAO and AMCS.			Concerned Office of AMCS	DAO, AMCS
10.	Payment of the Security Deposit	Cheque is Issued to the Consumer against the payment for refund of Security Deposit.			Concerned Office of AMCS	AA, DAO, AMCS
11.	Updating of Cash Book	Imprest Cash Book is updated with the payment transaction of Refund of Security Deposit.			Concerned Office of AMCS	AA, DAO
12.	Preparation of LPS	LPS is prepared by the Concerned Office of AMCS to record the payment of Refund of Security Deposit to the Consumer. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	Concerned Office of AMCS	AA, DAO
13.	Updating CP-26 (Security Deposit Register), CP-152 (Security Deposit Received /Adjusted and repaid (Input))	The CP-26 (Security Deposit Register) and CP-152 (Security Deposit Received /Adjusted and repaid (Input)) are updated to record the refund of Security Deposit to the Consumer. **[**Refer ***"Volume III, Annexure – 18"*** for the specimen of	CP-26, CP-152		Concerned Office of AMCS	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	with Refund of Security Deposit	***CP-26***] [Refer ***"Volume III, Annexure – 19"*** for the specimen of ***CP-152***]				

CTM-2.4 Journal Entries

1. On refund of Security Deposit to the Consumer, the following entry is posted by the Concerned Office of AMCS:

Description	Debit	Credit
Security Deposit	***	
Bank – Imprest Account		***

CTM-2.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Office of AMCS	6,8,10,11,12,13
Divisional Accounts Officer	
Concerned Office of AMCS	2,3,5,6,9,10,11,12,13
Assistant Manager Customer Services	
Concerned Office of AMCS	1,2,3,6,9,10

CTM-2.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Refund of Security Deposit is only made after proper authorization.	Unauthorized refund is made for Security Deposit.	Hand receipt is verified by the SDO operation before the refund of the Security Deposit is made.	2
2	Transaction is recorded accurately and in the relevant period.	Transactions may not be recorded accurately and in the relevant period.	LPS is prepared by the AA and approved by the DAO.	12

CTM-3 Receipt of Capital Contribution and Remittance to Finance Directorate

CTM-3.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt of Capital Contribution and its remittance to Finance Directorate.

B. Bank scroll along with Demand Notices is received by the Concerned Operation Division, Capital Contribution Cash Book and CP-51 is updated and LPS is prepared to record Capital Contribution received.

C. Credit Advice(s) for Capital Contribution received on behalf of other Operation Division is prepared and issued to other Operation Division.

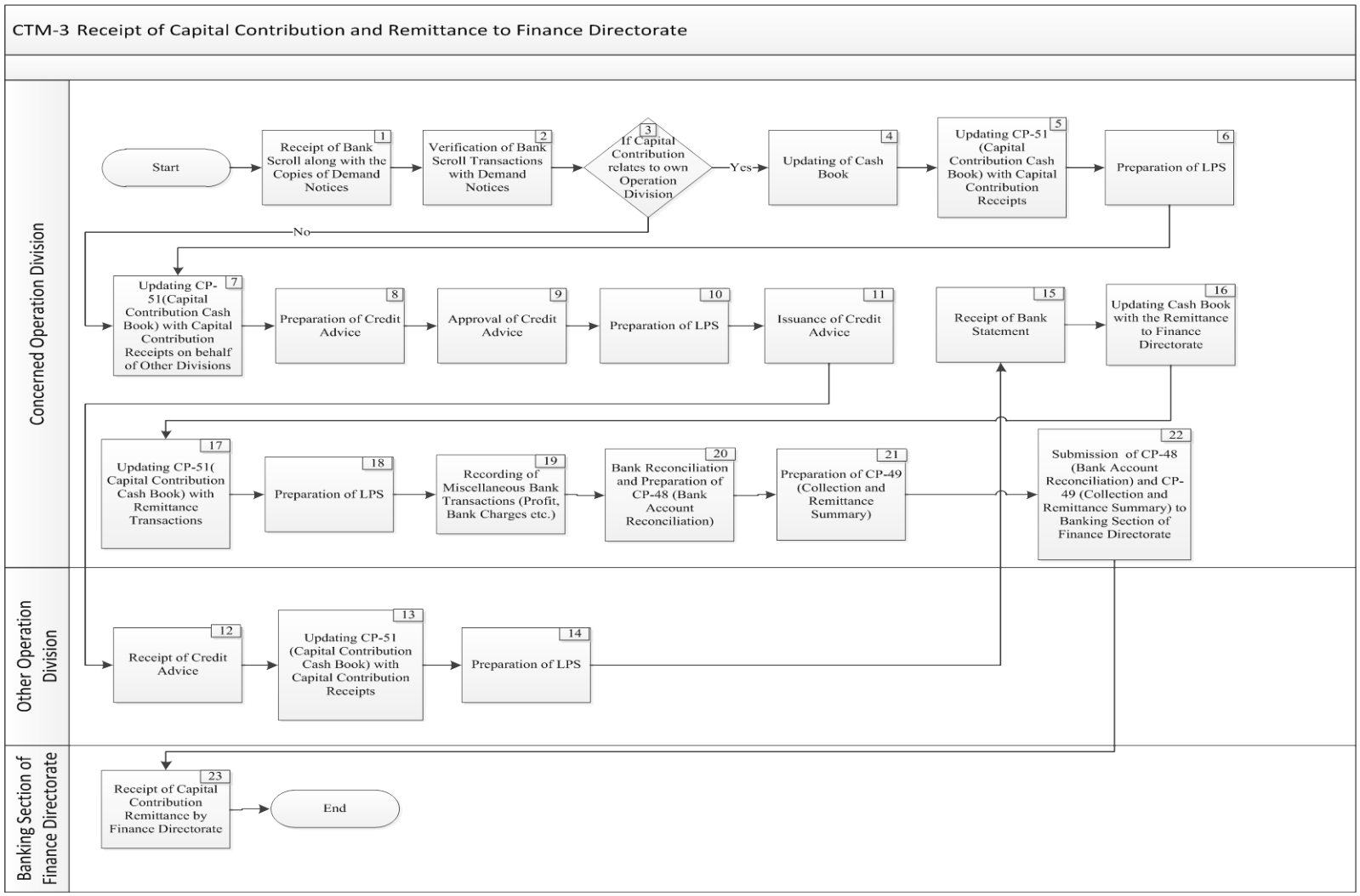
D. Capital Contribution received is remitted to Main Capital Contribution Bank Account of Finance Directorate.

E. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in Capital Contribution Cash Book.

F. Bank reconciliation is performed at the month end.

G. CP-48 and CP-49 are prepared and submitted to the Banking Section of Finance Directorate by the Concerned Operation Division.

CTM-3.2 Flow Chart



CTM-3.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Bank Scroll along with the Copies of Demand Notices	Bank Scroll of Capital Contribution is received by the Concerned Operation Division from bank along with the copies of Demand Notices on daily basis.			Concerned Operation Division	AA
2.	Verification of Bank Scroll Transactions with Demand Notices	The Concerned Operation Division matches the transactions of Bank Scroll with the attached copies of the Demand Notices to ensure that the amount on Bank Scroll matches with the amounts of Demand Notices.			Concerned Operation Division	AA
3.	If Capital Contribution relates to own Operation Division	If the amount of Capital Contribution relates to Own Operation Division then continues to Activity # 4, else continues to Activity # 7.			Concerned Operation Division	
4.	Updating of Cash Book	The receipt of Capital Contribution is recorded in the Capital Contribution Cash Book with each transaction of Bank Scroll and approved by the DAO of Concerned Operation Division on daily basis. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Concerned Operation Division	AA, DAO
5.	Updating CP-51 (Capital Contribution Cash Book) with Capital Contribution Receipts	The Concerned Operation Division updates the CP-51 (Capital Contribution Cash Book) with the Capital Contribution Receipts. **[**Refer ***"Volume III, Annexure – 26"*** for the specimen of ***CP-51*****]**	CP-51		Concerned Operation Division	AA, DAO
6.	Preparation of LPS	LPS is prepared to record the receipts of Capital Contribution.	LPS	1	Concerned Operation	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]			Division	
7.	Updating CP-51(Capital Contribution Cash Book) with Capital Contribution Receipts on behalf of Other Divisions	Capital Contribution related to the other Operation Division is recorded in CP-51 (Capital Contribution Cash Book). [Refer ***"Volume III, Annexure – 26"*** for the specimen of ***CP-51***]	CP-51		Concerned Operation Division	AA, DAO
8.	Preparation of Credit Advice(s)	A Credit Advice(s) showing the amount collected on behalf of Other Operation Division is prepared by the Concerned Operation Division. [Refer ***"Volume III, Annexure – 21"*** for the specimen of ***Credit Advice***]	Credit Advice		Concerned Operation Division	AA
9.	Approval of Credit Advice(s)	The Credit Advice(s) is approved by the Concerned Operation Division.			Concerned Operation Division	DAO
10.	Preparation of LPS	LPS is prepared to record the accounting impact of Credit Advice(s) on the basis of issuance of the Credit Advice(s). [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Concerned Operation Division	AA, DAO
11.	Issuance of Credit Advice(s)	The Credit Advice(s) along with the copies of Demand Notices is issued to the Other Operation Division on whose behalf the amount of Capital Contribution was collected.			Concerned Operation Division	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
12.	Receipt of Credit Advice(s)	The Credit Advice(s) is received by the Other Operation Division.			Other Operation Division	DAO
13.	Updating CP-51 (Capital Contribution Cash Book) with Capital Contribution Receipts	The CP-51 (Capital Contribution Cash Book) is updated on the basis of Credit Advice and Demand Notices received by the Other Operation Division. [Refer ***"Volume III, Annexure – 26"*** for the specimen of ***CP-51***]	CP-51		Other Operation Division	AA, DAO
14.	Preparation of LPS	LPS is prepared to record the receipt of Credit Advice(s). [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	3	Other Operation Division	AA, DAO
Remittance of Capital Contribution to Finance Directorate						
15.	Receipt of Bank Statement	Bank Statement is received by the Concerned Operation Division.			Concerned Operation Division	AA
16.	Updating of Cash Book with the Remittance of Capital Contribution to Finance Directorate	The remittance of Capital Contribution amounts to Finance Directorate by the Concerned Operation Division is recorded in the Capital Contribution Cash Book with each remittance transaction. [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Concerned Operation Division	AA, DAO
17.	Updating CP-51 (Capital Contribution Cash Book) with Remittance	CP-51 (Capital Contribution Cash Book) is updated according to remittances as appearing on the Bank Statement.	CP-51		Concerned Operation Division	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Transactions	[Refer ***"Volume III, Annexure – 26"*** for the specimen of ***CP-51***]				
18.	Preparation of LPS	LPS is prepared to record the remittance to Finance Directorate. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	4	Concerned Operation Division	AA, DAO
19.	Recording of Miscellaneous Bank Transactions (Profit, Bank Charges etc.)	Miscellaneous Bank Transactions (Profit, Bank Charges etc.) are recorded in the Capital Contribution Cash Book. [Refer ***"CTM - 22"*** for details regarding ***recording of miscellaneous bank transactions(profit, bank, charges etc)***] [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book	Entry for recording of Miscellaneous Bank Transactions is mentioned in CTM-22	Concerned Operation Division	AA, DAO
20.	Bank Reconciliation and Preparation of CP-48 (Bank Account Reconciliation)	On month end Bank Reconciliation is performed by Concerned Operation Division and CP-48 (Bank Account Reconciliation) is prepared. [Refer ***"CTM - 22"*** for details regarding ***recording of miscellaneous bank transactions(profit, bank, charges etc)***] [Refer ***"Volume III, Annexure – 22"*** for the specimen of ***CP-48***]	CP-48		Concerned Operation Division	AA, AO, DAO
21.	Preparation of CP-49 (Collection and Remittance	CP-49 (Collection and Remittance Summary) is prepared by the Concerned Operation Division to record the date wise remittance transactions of Capital Contribution Amount	CP-49		Concerned Operation Division	AA, AO, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Summary)	remitted to the Main Capital Contribution Bank Account of Finance Directorate. **[**Refer ***"Volume III, Annexure – 23"*** for the specimen of ***CP-49***]				
22.	Submission of CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) to Banking Section of Finance Directorate	The CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) are submitted to the Banking Section of Finance Directorate by the Concerned Operation Division.			Concerned Operation Division	AA
23.	Receipt of Capital Contribution Remittance by Finance Directorate	a) The Banking Section of Finance Directorate receives the CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) from the Concerned Operation Division. b) After verification the Banking Section of Finance Directorate updates the Receipt side of the Cash Book of Main Capital Contribution Bank Account. **[**Refer ***"CTM - 7"*** for details regarding ***receipt of capital contribution and remittance by Finance Directorate***] **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book	Entry for receipt of Capital Contribution and Remittance by Finance Directorate is mentioned in CTM-7	Banking Section of Finance Directorate	AA

CTM-3.4 Journal Entries

1. On receipt of the Capital Contribution, the following entry is posted by the Concerned Operation Division:

Description	Debit	Credit
Bank – Capital Contribution	***	
Capital Contribution		***

2. If the amount of Capital Contribution relates to the Other Operation Division, the following entry is posted by the Concerned Operation Division:

Description	Debit	Credit
Bank – Capital Contribution	***	
IOT – Credit Advice		***

3. On receiving the Credit Advice(s) from Operation Division, the following entry is posted by the Other Operation Division:

Description	Debit	Credit
IOT – Credit Advice	***	
Capital Contribution		***

4. On remittance of amount of Capital Contribution to the Finance Directorate, the following entry is posted by the Concerned Operation Division:

Description	Debit	Credit
IOT – Remittance – Capital Contribution	***	
Bank – Capital Contribution		***

CTM-3.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Operation Division	1,2,4,5,6,7,8,10,11,15,16,17,18,19,20,21,22
Other Operation Division	13,14
Banking Section of Finance Directorate	23
Accounts Officer	
Concerned Operation Division	20,21
Divisional Accounts Officer	
Concerned Operation Division	4,5,6,7,9,10,16,17,18,19,20,21
Other Operation Division	12,13,14

CTM-3.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Amount equal to the amount mentioned in the Demand Notice is deposited by the consumer.	Incorrect sum is deposited by the consumer.	The Concerned Operation Division matches the transactions of Bank Scroll with the attached copies of the Demand Notices to ensure that the amount on Bank Scroll matches with the amounts of Demand Notices.	2
2	Receipt of amount of the Demand Notice is recorded according to the DISCOs accounting Policy, accurately and in the correct period.	Receipt of amount of the Demand Notice is not recorded according to the DISCOs accounting Policy, accurately and in the correct period.	The LPS is prepared by the AA and approved by the DAO.	6
3	Credit Advice(s) is accurately prepared.	Wrong amount of the Security Deposit is transferred to the Other Office of AMCS.	The verification is performed by the AA and approved by the DAO.	9
4	Receipt of the Credit Advice(s) from the other office of the AMCS is according to the DISCOs Accounting Policy, accurately and in the relevant period.	Receipt of the Credit Advice(s) is not properly recorded.	LPS is prepared by the AA and approved by the DAO.	18

CTM-4 Refund of Capital Contribution

CTM-4.1 Descriptive Overview of the Process

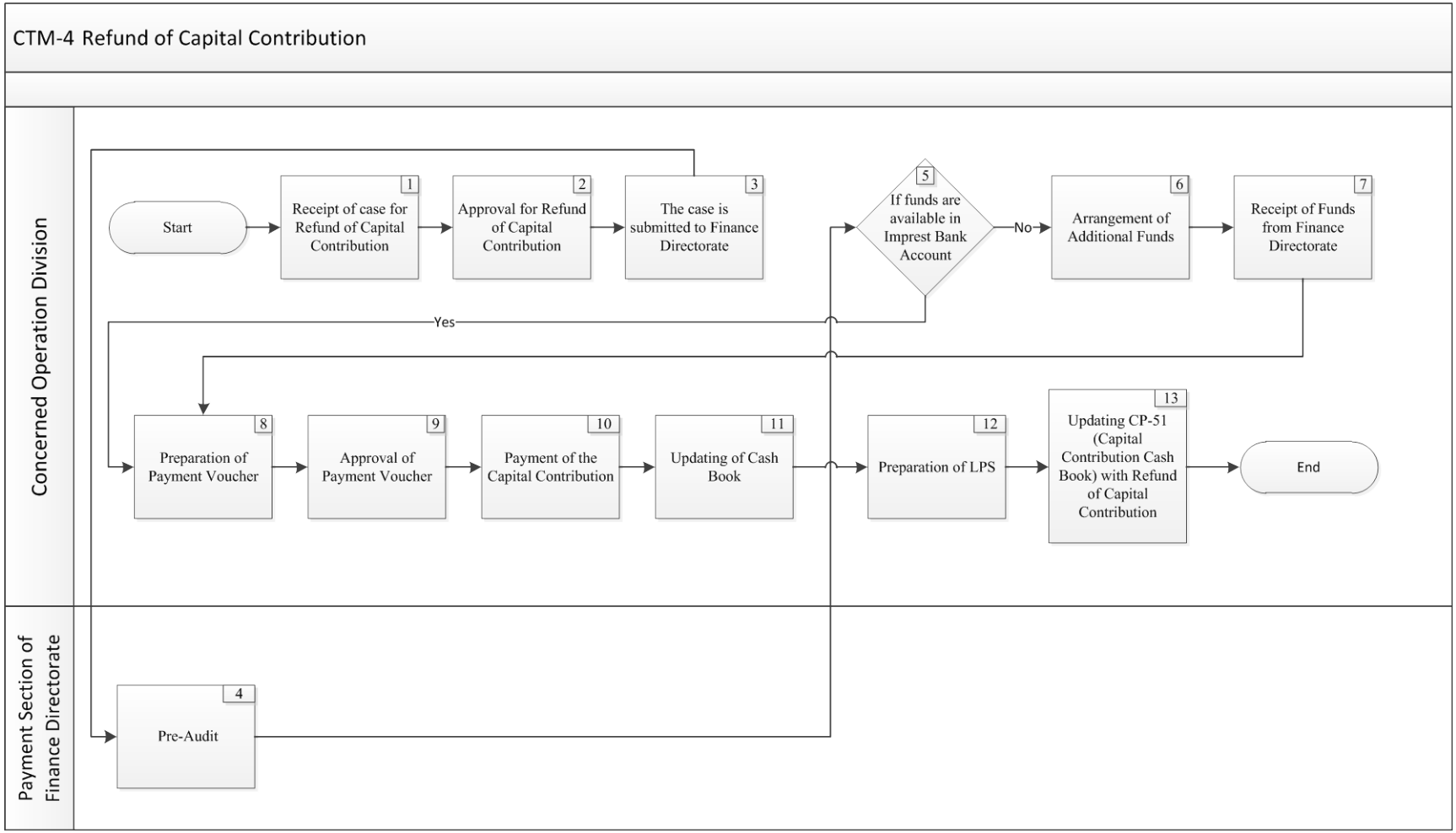
A. This process covers the activities regarding refund of Capital Contribution.

B. The approved case of refund with application, hand receipt and other supporting documents is received by Concerned Operation Division.

C. Case is pre-audited and availability of funds is checked in Imprest Bank Account, if funds so required are not available they are demanded from Finance Directorate.

D. Cheque is prepared to make payment to the Consumer for refund of Capital Contribution, Imprest Cash Book and CP-51 is updated and LPS is prepared to record the refund.

CTM-4.2 Flow Chart



CTM-4.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of case for Refund of Capital Contribution	a) The case for refund of Capital Contribution after the approval of Competent Authority i.e. Manager Operation, Chief Engineer Operation and CEO (as the case may be) along with application, Hand Receipt and other supporting documents is received at the Concerned Operation Division. b) Hand Receipt is verified by Concerned SDO Operation to check that: ➢ No material has been drawn from store against the receipt of capital contribution in question. ➢ The amount of capital contribution in question has not been refunded previously to the Consumer. ➢ The amount of capital contribution in question has not been adjusted previously in case of extension of load to the Consumer. ➢ Any observation pointed out by Audit at later stage will be recoverable from Consumer.			Concerned Operation Division	AA
2.	Approval for Refund of Capital Contribution	The Hand Receipt is stamped with the Pass Order by the Concerned Operation Division. **[**Refer ***"Volume III, Annexure – 24"*** for the specimen of ***Pass Order*****]**	Pass Order		Concerned Operation Division	AA, DAO
3.	The case is submitted to Finance Directorate	The case is submitted to the Payment Section of Finance Directorate by the Concerned Operation Division.			Concerned Operation Division	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
4.	Pre-Audit	Pre-audit is performed by the Payment Section of Finance Directorate. **[**Refer ***"PAP - 9"*** for details regarding ***pre-audit*****]**			Payment Section of Finance Directorate	
5.	If funds are available in Imprest Bank Account	a) The Operation Division checks the availability of funds in the Imprest Bank Account for the payment to Consumer. b) If funds are available in Imprest Bank Account then continues to Activity # 8 else continues to Activity # 6.			Concerned Operation Division	DAO
6.	Arrangement of Additional Funds	If funds are not available in the Imprest Bank Account the following procedure is performed; a) The Demand for Release of Funds is prepared and approved by the Concerned Operation Division. b) The Payment Section of Finance Directorate obtains the approval from CEO and Banking Section of Finance Directorate releases the funds to Concerned Operation Division. **[**Refer ***"CTM - 9"*** for details regarding ***release of funds by Finance Directorate*****]** **[**Refer ***"Volume III, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds*****]** **[**Refer ***"Volume III, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds*****]**	Demand for Release of Funds	Entry for release of funds by Finance Directorate is mentioned in CTM-9	Concerned Operation Division	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
7.	Receipt of Funds from Finance Directorate	Funds are received in the Imprest Bank Account of Concerned Operation Division. **[**Refer ***"CTM - 13"*** for details regarding ***receipt of funds by Finance Directorate*****]**		Entry for receipt of funds from Finance Directorate is mentioned in CTM-13	Concerned Operation Division	
8.	Preparation of Payment Voucher	Payment Voucher is prepared by the Concerned Operation Division to make the payment to the Consumer for the refund of the Capital Contribution. **[**Refer ***"Volume III, Annexure – 4"*** for the specimen of ***Payment Voucher*****]**	Payment Voucher		Concerned Operation Division	AA
9.	Approval of Payment Voucher	Payment Voucher is approved by DAO and DMO of the Concerned Operation Division.			Concerned Operation Division	DAO, DMO
10.	Payment of the Capital Contribution	A cheque is prepared, approved and issued to the Consumer against the payment for Refund of Capital Contribution.			Concerned Operation Division	DAO, DMO
11.	Updating of Cash Book	Imprest Cash book is updated with the payment transaction of Refund of Capital Contribution by the Concerned Operation Division. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Concerned Operation Division	AA, DMO
12.	Preparation of LPS	LPS is prepared to record the payment of Refund of Capital Contribution.	LPS	1	Concerned Operation Division	AA, DMO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]				
13.	Updating of CP-51 (Capital Contribution Cash Book) with Refund of Capital Contribution	The CP-51 (Capital Contribution Cash Book) is updated to record the refund of Capital Contribution to the Consumer. **[**Refer ***"Volume III, Annexure – 26"*** for the specimen of ***CP-51***]	CP-51		Concerned Operation Division	AA, DMO

CTM-4.4 Journal Entries

1. On refund of Capital Contribution to the Consumer, the following entry is posted by the Concerned Operation Division:

Description	Debit	Credit
Capital Contribution	***	
Bank – Imprest Account		***

CTM-4.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Operation Division	1,2,3,6,8,11,12,13
Divisional Accounts Officer	
Concerned Operation Division	2,5,6,9,10
Deputy Manager Operations	
Concerned Operation Division	9,10,11,12,13

CTM-4.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Only authorized refunds are made for Security Deposits.	Unjustified and unauthorized Security Deposits are refunded.	Hand receipt is verified by the SDO operation before the refund of the Security Deposit is made.	2
2	Transaction is recorded accurately and in the relevant period.	Transactions are not recorded accurately and in the relevant period.	LPS is prepared by the AA and approved by the DAO.	12

CTM-5 Remittance of Revenue Collection to Finance Directorate

CTM-5.1 Descriptive Overview of the Process

A. This process covers the activities regarding remittance of Revenue Collection to Finance Directorate.

B. Standing Instructions are given to Bank for transfer of Revenue Collection to Main Revenue Collection Bank Account of Finance Directorate.

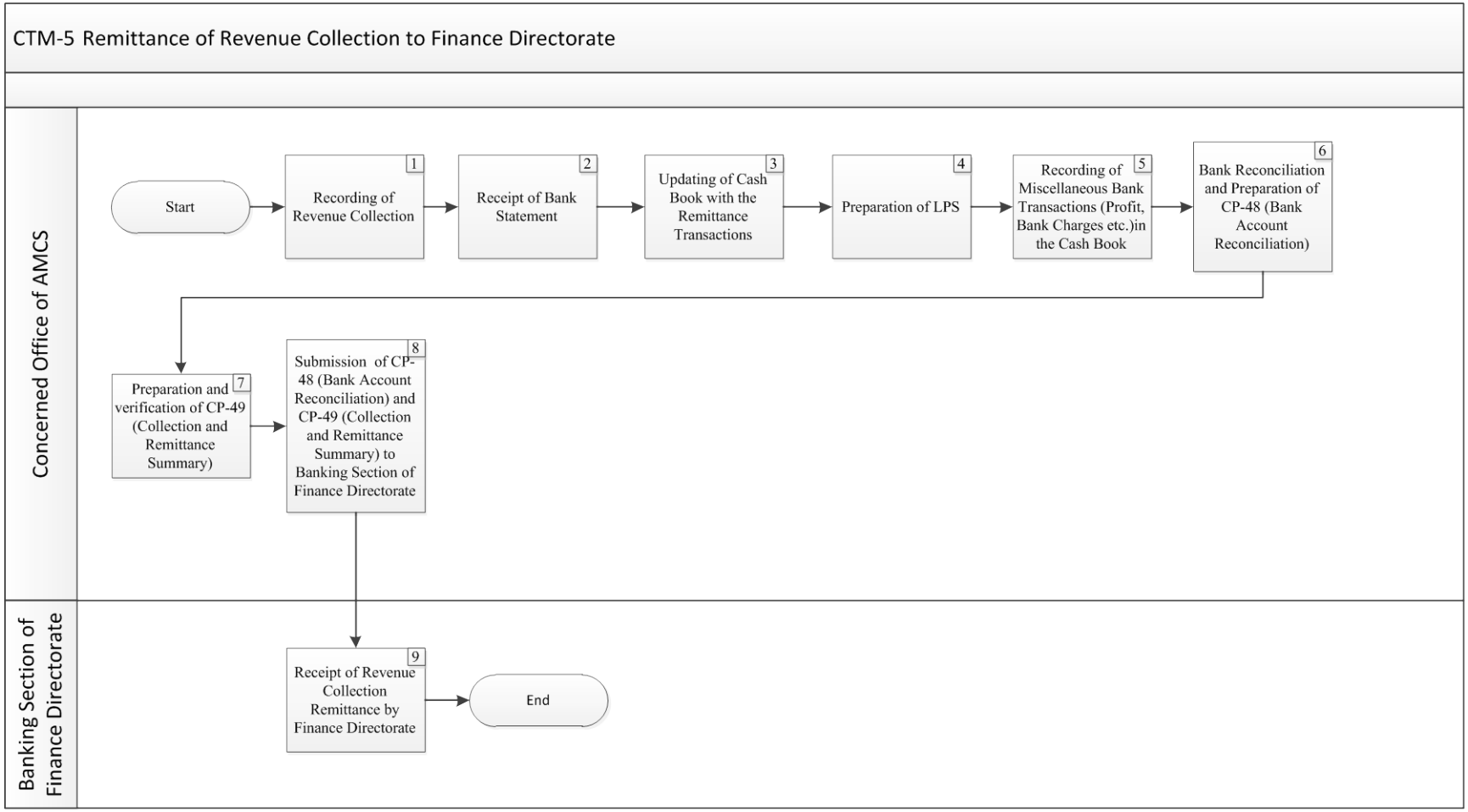
C. Revenue Collection Cash Book is updated on the basis of Bank Statement received from Bank and LPS is prepared to record the remittance of Revenue Collection to Finance Directorate.

D. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in Revenue Collection Cash Book.

E. Bank reconciliation is performed at the month end.

F. CP-48 and CP-49 are prepared and submitted to the Banking Section of Finance Directorate by the Concerned Office of AMCS.

CTM-5.2 Flow Chart



CTM-5.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Recording of Revenue Collection	The revenue collected is recorded by the Concerned Office of AMCS. [Refer ***"RNR - 2"*** for details regarding ***recording of revenue collection from general consumer***] [Refer ***"RNR - 3"*** for details regarding ***recording of revenue collection from Government Institutions***] [Refer ***"RNR - 4"*** for details regarding ***recording of revenue collection from other accounting unit of disco***] [Refer ***"RNR - 5"*** for details regarding ***recording of revenue collection from own office of AMCS***]		Entry for recording of Revenue Collected is mentioned in RNR-2, 3,4,5	Concerned Office of AMCS	
2.	Receipt of Bank Statement	Bank Statement of Revenue Collection Bank Account is received from the bank by the Concerned Office of AMCS.			Concerned Office of AMCS	AA
3.	Updating of Cash Book with the Remittance Transactions	The date wise remittance transactions of Revenue Collection Bank Account to the Main Revenue Collection Bank Account of Finance Directorate are recorded in the Revenue Collection Cash Book by the Concerned Office of AMCS Concerned. [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Concerned Office of AMCS	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
4.	Preparation of LPS	LPS is prepared by the Concerned Office of AMCS to record the remittance to Finance Directorate. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Concerned Office of AMCS	AA, DAO
5.	Recording of Miscellaneous Bank Transactions (Profit, Bank Charges etc.) in Cash Book	Miscellaneous Bank Transactions (Profit, Bank Charges etc.) are recorded in the Revenue Collection Cash Book on the basis of Bank Statement. [Refer ***"CTM - 22"*** for details regarding ***recording of miscellaneous bank transactions(profit, bank, charges etc)***] [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book	Entry for recording of Miscellaneous Bank Transactions is mentioned in CTM-22	Concerned Office of AMCS	AA, DAO
6.	Bank Reconciliation and Preparation of CP-48 (Bank Account Reconciliation)	On month end Bank Reconciliation is performed and CP-48 (Bank Account Reconciliation) is prepared on the basis of CP-101 (Weekly Collections Cash Book by Bank Branches) and CP-104 (Divisional Collections Cash Book) by AA and approved by DAO. [Refer ***"CTM - 22"*** for details regarding ***preparation of bank reconciliation statement***] [Refer ***"Volume III, Annexure – 22"*** for the specimen of ***CP-48***]	CP-48		Concerned Office of AMCS	AA, DAO
7.	Preparation and verification of CP-49 (Collection and	CP-49 (Collection and Remittance Summary) is prepared on the basis of CP-101 (Weekly Collections Cash Book by Bank Branches) and CP-104 (Divisional	CP-49		Concerned Office of AMCS	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Remittance Summary)	Collections Cash Book) by Concerned Office of AMCS to record the date wise remittance of Revenue Collection to the Main Revenue Collection Bank Account of Finance Directorate. [Refer ***"Volume III, Annexure – 23"*** for the specimen of ***CP-49***]				
8.	Submission of CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) to Banking Section of Finance Directorate	The CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) are submitted to the Banking Section of Finance Directorate by the Concerned Office of AMCS.			Concerned Office of AMCS	AA
9.	Receipt of Revenue Collection Remittance by Finance Directorate	a) The Banking Section of Finance Directorate receives the CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) from the Concerned Office of AMCS. b) After verification the Banking Section of Finance Directorate updates the Cash Book of Main Revenue Collection Bank Account. [Refer ***"CTM - 7"*** for details regarding ***receipt of revenue collection remittance by Finance Directorate***]	Cash Book	Entry for receipt of Revenue Collection Remittance by Finance Directorate is mentioned in CTM-7	Banking Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]				

CTM-5.4 Journal Entries

1. On remittance of Revenue Collection to the Main Revenue Collection Account of Finance Directorate, the following entry is posted by the Concerned Office of the AMCS:

Description	Debit	Credit
IOT – Remittance – Revenue Collection	***	
Bank – Revenue Collection Account		***

CTM-5.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Office of AMCS	2,3,4,5,6,7,8
Banking Section of Finance Directorate	9
Divisional Accounts Officer	
Concerned Office of AMCS	3,4,5,6,7

CTM-5.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Revenue Collection Bank Account is properly and accurately updated.	Cash Book may not be properly updated resulting in the following:. ➢ It will cause the balance of the cash book to be wrongly stated. ➢ It will further cause problems in preparing the Bank Reconciliations. ➢ The balance in the Main Revenue Collection Account Cash Book as maintained in the Finance Directorate will not reconcile with the balances in the Revenue Collection Cash Book maintained at the Office of the AMCS.	The date wise remittance transactions of Revenue Collection Bank Account to the Main Revenue Collection Bank Account of Finance Directorate are recorded in the Revenue Collection Cash Book by the Concerned Office of AMCS Concerned.	3
2	All the transactions relevant to the bank account are properly accounted for.	The balances as stated by the Cash Book and the Cash Book may not reconcile. Transaction may remain unnoticed and thus remain unrecorded.	Bank Reconciliation is prepared to ensure that all the errors are identified and rectified accordingly.	6
3	CP-49 is properly prepared.	Finance Directorate account for the funds received from the office of the AMCS on the basis of the CP-49. In case the CP-49 is not properly prepared, wrong amount of the funds received by the Finances Directorate may be recorded by the Finance Directorate.	CP-49 (Collection and Remittance Summary) is prepared on the basis of CP-101 (Weekly Collections Cash Book by Bank Branches) and CP-104 (Divisional Collections Cash Book) by Concerned Office of AMCS to record the date wise remittance of Revenue Collection to the Main Revenue Collection Bank Account of Finance Directorate.	7

CTM-6 Receipt of Miscellaneous Collection and Remittance to Finance Directorate

CTM-6.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt of Miscellaneous Collection and its remittance to Finance Directorate.

B. Receipt against Miscellaneous Collection includes the following:

- Tender Fee,
- Registration of Firms (Form Fee),
- Registration Fee,
- Renewal of Registration Fee,
- Adjustment of Temporary Advances,
- Adjustment of TA Advances,
- Receipt against Unpaid BOD Attendance Fee,
- Sale proceeds of Old News Paper,
- Receipt against private use (calls) of Telephone (Residential),
- Receipt against private use (calls) of Telephone (Official),
- Receipt against private use of Vehicle,
- Community Van Charges,
- Recovery of House Rent Allowance,
- Recovery of Private call charges of Mobile Phone,
- Any kind of recovery from official/officer as pointed out by Audit,
- Remaining balances of Long Term Advances and
- Receipt against Free Electricity supply to Employees etc.

C. Cash/Cheque is received from Customer against sale of items/services by Accounting Unit and a Receipt Voucher is prepared to record the receipt of Cash/ Cheque.

D. Miscellaneous Collection Cash Book is updated and LPS is prepared to record the receipt of Cash/Cheque received form Customer.

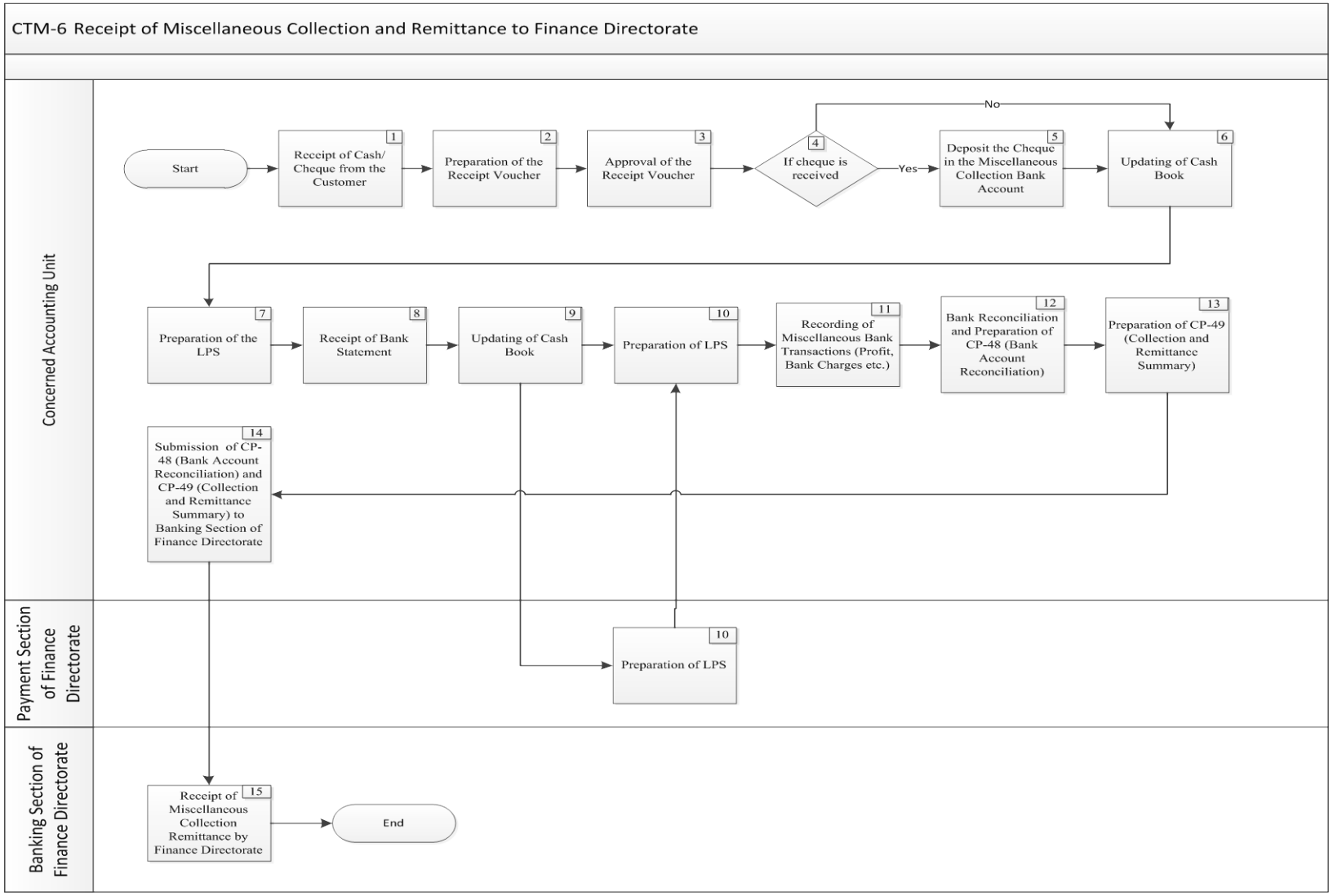
E. Miscellaneous Collection received is remitted to Main Miscellaneous Collection Bank Account of Finance Directorate by Concerned Accounting Unit.

F. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in Miscellaneous Collection Cash book

G. Bank reconciliation is performed at the month end.

H. CP-48 and CP-49 are prepared and submitted to the Banking Section of Finance Directorate by the Concerned Accounting Unit.

CTM-6.2 Flow Chart



CTM-6.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Cash/Cheque from the Customer	Cash/Cheque is received from Customer against sale of items/services by Concerned Accounting Unit.			Concerned Accounting Unit	AA
2.	Preparation of Receipt Voucher	Receipt Voucher is prepared by the Concerned Accounting Unit to record the receipt of Cash/ Cheque received from Customer. **[**Refer ***"Volume III, Annexure – 27"*** for the specimen of ***Receipt Voucher*****]**	Receipt Voucher		Concerned Accounting Unit	AA
3.	Approval of Receipt Voucher	Receipt Voucher is approved by the Concerned Accounting Unit.			Concerned Accounting Unit	DAO/AO/AMA, AMCS/ DMO/PD
4.	If cheque is received	If cheque is received than continues to Activity # 5 else continues to Activity # 6.			Concerned Accounting Unit	
5.	Deposit the Cheque in the Miscellaneous Collection Bank Account	The cheque received is deposited in the Miscellaneous Collection Bank Account by the Concerned Accounting Unit.			Concerned Accounting Unit	AA
6.	Updating of Cash Book	The receipt of Miscellaneous Collection is recorded in the Miscellaneous Collection Cash Book by the Concerned Accounting Unit. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Concerned Accounting Unit	AA, DAO
7.	Preparation of LPS	LPS is prepared by the Concerned Accounting Unit to record the receipt of cash/ cheque from the Customer.	LPS	1	Concerned Accounting Unit	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]				
8.	Receipt of Bank Statement	Bank Statement is received from Bank by the Concerned Accounting Unit.			Concerned Accounting Unit	AA
9.	Updating of Cash Book	The remittance of Miscellaneous Collection to Finance Directorate is recorded in the Miscellaneous Collection Cash Book by the Concerned Accounting Unit.			Concerned Accounting Unit	AA, DAO
10.	Preparation of LPS	LPS is prepared by the Concerned Accounting Unit to record the remittance to Finance Directorate. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2, 3	Concerned Accounting Unit, Payment Section of Finance Directorate	AA, DAO
11.	Recording of Miscellaneous Bank Transactions (Profit, Bank Charges etc.)	Miscellaneous Bank Transactions (Profit, Bank Charges etc.) are recorded in the Miscellaneous Collection Cash Book on the basis of Bank Statement. **[**Refer ***"CTM - 22"*** for details regarding ***recording of miscellaneous bank transactions(profit, bank charges etc)***]		Entry for recording of Miscellaneous Bank Transactions is mentioned in CTM-22	Concerned Accounting Unit	AA, DAO
12.	Bank Reconciliation and Preparation of CP-48 (Bank Account Reconciliation)	On month end Bank Reconciliation is performed and CP-48 (Bank Account Reconciliation) is prepared by the Concerned Accounting Unit. **[**Refer ***"CTM - 22"*** for details regarding ***preparation of bank reconciliation statement***]	CP-48		Concerned Accounting Unit	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 22"*** for the specimen of ***CP-48***]				
13.	Preparation of CP-49 (Collection and Remittance Summary)	CP-49 (Collection and Remittance Summary) is prepared by AA and approved by DAO to record the date wise remittance of Miscellaneous Bank Account to the Main Miscellaneous Bank Account of Finance Directorate. [Refer ***"Volume III, Annexure – 23"*** for the specimen of ***CP-49***]	CP-49		Concerned Accounting Unit	AA, DAO
14.	Submission of CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) to Banking Section of Finance Directorate	The CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) is submitted to the Banking Section of Finance Directorate by the Concerned Accounting Unit.			Concerned Accounting Unit	AA
15.	Receipt of Miscellaneous Collection Remittance by Finance Directorate	a) The Banking Section of Finance Directorate receives the CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) from the Accounting Unit. b) After verification the Banking Section of Finance Directorate updates the Cash Book of Main Miscellaneous Collection Bank Account. [Refer ***"CTM - 7"*** for details regarding ***receipt of miscellaneous collection remittance by Finance Directorate***]		Entry for receipt of Miscellaneous Collection Remittance by Finance Directorate is mentioned in CTM-7	Banking Section of Finance Directorate	AA

CTM-6.4 Journal Entries

1. On receipt of Cash/ Cheque from the Customer, the following entry is posted by the Concerned Accounting Unit:

Description	Debit	Credit
Bank – Miscellaneous Collection Account	***	
Relevant Miscellaneous Income		***

2. On remittance of Miscellaneous Collection to the Main Miscellaneous Collection Bank Account of Finance Directorate, the following entry is posted by the Concerned Accounting Unit:

Description	Debit	Credit
IOT – Remittance – Miscellaneous Collection	***	
Bank – Miscellaneous Collection Account		***

3. On remittance of Miscellaneous Collection to the Main Miscellaneous Collection Bank Account of Finance Directorate, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
AP/ AR Clearing Account	***	
Bank – Miscellaneous Collection Account		***

CTM-6.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Accounting Unit	1,2,5,6,7,8,9,10,11,12,13,14
Banking Section of Finance Directorate	15
Payment Section Finance Directorate	10
Accounts Officer	
Concerned Accounting Unit	3
Divisional Accounts Officer	
Concerned Accounting Unit	3,6,7,9,10,11,12,13
Payment Section of Finance Directorate	10
Assistant Manager Accounts	
Concerned Accounting Unit	3
Assistant Manager Customer Services	
Concerned Accounting Unit	3
Deputy Manager Operations	
Concerned Accounting Unit	3
Project Director	
Concerned Accounting Unit	3

CTM-6.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Correct amount of miscellaneous collection is remitted to the Finance Directorate.	Incorrect amount of collections may be remitted to the Finance Directorate.	Receipt Voucher is prepared by the Concerned Accounting Unit to record the receipt of Cash/ Cheque received from customer.	3
2	Miscellaneous collection is accurately recorded by the Concerned Accounting Unit.	Miscellaneous collection may be inaccurately recorded by the Concerned Accounting Unit.	LPS is prepared by the AA and approved by the DAO to record the receipt of cash/ cheque from the customer.	7
3	Remittance of miscellaneous collection to Finance Directorate is accurately recorded by the Concerned Accounting Unit.	Remittance of miscellaneous collection to Finance Directorate is accurately recorded by the Concerned Accounting Unit.	LPS is prepared by the AA and approved by the DAO to record the remittance of cash/ cheque from the customer.	10

CTM-7 Receipt of Remittance (Security Deposit, Capital Contribution, Revenue Collection, Miscellaneous Collection) by Finance Directorate

CTM-7.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt of remittance (Security Deposit, Capital Contribution, Revenue Collection, and Miscellaneous Collection) by Finance Directorate.

B. CP-48 and CP-49 related to Revenue Collection, Capital Contribution, Security Deposit, and Miscellaneous Collection Bank Accounts are received by Finance Directorate.

C. The remittance transactions as per CP-49 are verified with the MT shown in Bank Statements.

D. Cash Book of each Main Collection Bank Account and following statements are updated:

- Accounting Unit Wise Receipt Summary,
- Bank Account Wise Receipt Summary and
- Cash Book Summary of Each Bank Account.

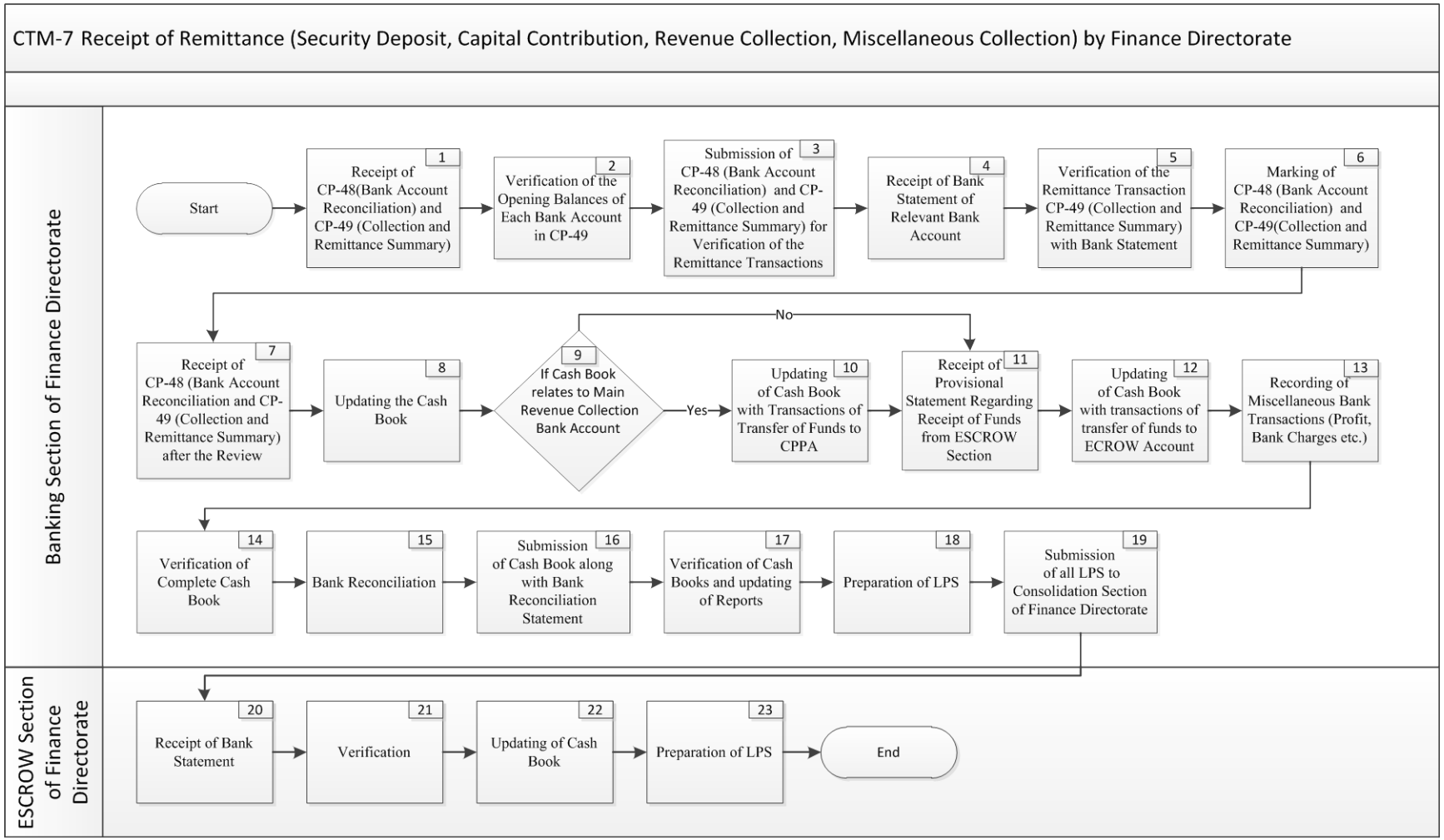
E. The transaction related of transfer of funds to CPPA is recorded in the relevant Cash Book on the basis of Bank Statement received and Transfer of Funds Report is prepared.

F. The transaction related to transfer of funds to ESCROW Bank Account is recorded in the relevant Cash Book on the basis of Provisional Statement regarding receipt of funds in ESCROW Bank Account and Transfer of Funds Report is prepared.

G. Miscellaneous transactions (Profit, Bank Charges etc.) are recorded in relevant Cash Book.

H. Bank reconciliation is performed at the month end.

CTM-7.2 Flow Chart



CTM-7.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary)	The CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) related to the Revenue, Capital, Security, and Miscellaneous Bank Accounts are received by the Banking Section of the Finance Directorate from the Accounting Units.			Banking Section of Finance Directorate	AA
2.	Verification of the Opening Balances of Each Bank Account in CP-49	The Opening Balances of CP-49 are compared with the Closing Balances of the previous month from Bank Balance Sheet (Relevant Collection Bank Account).			Banking Section of Finance Directorate	AA
3.	Submission of CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) for Verification of the Remittance Transactions	CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) are submitted to relevant AA of Banking Section of Finance Directorate for verification of remittance transactions of each Bank Account in CP-49.			Banking Section of Finance Directorate	AA
4.	Receipt of Bank Statement of Relevant Bank Account	Bank Statement of relevant Bank Account is received by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
5.	Verification of the Remittance Transaction of CP-49 (Collection and Remittance Summary) with	The remittance transactions as per CP-49 (Collection and Remittance Summary) are verified with the MT (Money Transfer) transactions received in the Bank Statement by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Bank Statement					
6.	Marking of CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary)	CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) is marked by DMA FF to AMA to AO to AA.			Banking Section of Finance Directorate	AA, AO, AMA, DMA (FF)
7.	Receipt of CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) after the Review	CP-48 (Bank Account Reconciliation) and CP-49 (Collection and Remittance Summary) are received after the review by the AA of the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
8.	Updating of Cash Book	a) Cash Book of each Main Collection Bank Account is updated. b) Following Statements are also updated: ➢ Accounting Unit Wise Receipt Summary, ➢ Bank Account Wise Receipt Summary and ➢ Cash Book Summary of Each Bank Account. **[**Refer ***"Volume III, Annexure – 28"*** for the specimen of ***Accounting Unit Wise Receipt Summary*****]** **[**Refer ***"Volume III, Annexure – 29"*** for the specimen of ***Bank Account Wise Receipt Summary*****]** **[**Refer ***"Volume III, Annexure – 30"*** for the specimen of ***Cash Book Summary of Each Bank Account*****]**	Cash Book, Accounting Unit Wise Receipt Summary, Bank Account Wise Receipt Summary, Cash Book Summary of Each Bank Account		Banking Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]				
9.	If Cash Book relates to Main Revenue Collection Bank Account	If Cash Book relates to Main Revenue Collection Bank Account then continues to Activity # 10 else continues to Activity # 11.			Banking Section of Finance Directorate	
10.	Updating of Cash Book with Transactions of Transfer of Funds to CPPA	Cash Book of each Main Revenue Collection Bank Account is updated with transactions of transfer of funds to CPPA from the Bank Statement and Transfer of Funds Report is prepared. [Refer ***"Volume III, Annexure – 31"*** for the specimen of ***Transfer of Funds Report***] [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book, Transfer of Funds Report		Banking Section of Finance Directorate	AA, AO, AMA
11.	Receipt of Provisional Statement Regarding Receipt of Funds from ESCROW Section	Provisional Statement regarding receipt of funds in ESCROW Bank Account from Main Revenue Collection Bank Account is received from ESCROW Section of Finance Directorate. [Refer ***"Volume III, Annexure – 32"*** for the specimen of ***Provisional Statement Regarding Receipt of Funds***]	Provisional Statement Regarding Receipt of Funds		Banking Section of Finance Directorate	AO
12.	Updating of Cash Book with transactions of transfer of funds to ESCROW Account	Main Revenue Collection Cash Book is updated with transactions of transfer of funds to ESCROW Bank Account and Transfer of Funds Report is prepared. [Refer ***"Volume III, Annexure – 31"*** for the specimen of	Cash Book, Transfer of Funds Report		Banking Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		Transfer of Funds Report] [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]				
13.	Recording of Miscellaneous Bank Transactions (Profit, Bank Charges etc.)	Miscellaneous Bank Transactions (Profit, Bank Charges etc.) are recorded in the relevant Cash Book. [Refer ***"CTM - 23"*** for details regarding ***recording of miscellaneous bank transactions(profit, bank charges etc)***] [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book	Entry for recording of Miscellaneous Bank Transactions is mentioned in CTM-23	Banking Section of Finance Directorate	AA
14.	Verification of Complete Cash Book	All relevant Cash Books are verified for all transactions recorded in it.			Banking Section of Finance Directorate	AMA
15.	Bank Reconciliation	On month end Bank Reconciliation is performed by relevant AA of each Main Collection Bank Account of the Banking Section of Finance Directorate. [Refer ***"CTM - 23"*** for details regarding ***Bank Reconciliation***]			Banking Section of Finance Directorate	AA
16.	Submission of Cash Book along with Bank Reconciliation Statement	Cash Book along with Bank Reconciliation Statement is submitted to relevant AA for verification.			Banking Section of Finance Directorate	AA
17.	Verification of Cash Books and updating of Reports	All relevant Cash Books are verified and following reports are updated; ➢ Cash Book Summary,	Cash Book Summary of each Bank		Banking Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		➢ Cash Book Detail, ➢ Bank Branch and Accounting Unit wise Report and ➢ Transfer of Funds Report. **[**Refer ***"Volume III, Annexure – 30"*** for the specimen of ***Cash Book Summary of Each Bank Account*****]** **[**Refer ***"Volume III, Annexure – 33"*** for the specimen of ***Cash Book Detail*****]** **[**Refer ***"Volume III, Annexure – 34"*** for the specimen of ***Bank Branch and Accounting unit Wise Report*****]** **[**Refer ***"Volume III, Annexure – 31"*** for the specimen of ***Transfer of Funds Report*****]**	Account, Cash Book Detail, Bank Branch and Accounting Unit wise Report, Transfer of Funds Report			
18.	Preparation of LPS	a) Consolidated LPS for each Nature of Bank Accounts (i.e. Revenue, Capital, Security, and Miscellaneous) is prepared for all the transactions of all the relevant Bank Accounts. b) Following types of LPS are prepared; ➢ LPS folio 1 - Remittance Received ➢ LPS folio 2 - Bank Profit ➢ LPS folio 3 - Bank Commission ➢ LPS folio 4 - Bank Charges ➢ LPS folio 5 - Inter Bank Transfer (Transfer to ESCROW and Transfer to CPPA) ➢ LPS folio 6 - Bank wise Summary of all the Bank Accounts (Funds received and the Funds transfer	LPS	1, 2, 3, 4, 5, 6	Banking Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		from the Bank) **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**				
19.	Submission of all LPS to Consolidation Section of Finance Directorate	All LPS are submitted by the Banking Section of Finance Directorate to Consolidation Section of Finance Directorate.			Banking Section of Finance Directorate	AA
20.	Receipt of Bank Statement	Bank Statement of ESCROW Bank Account is received by ESCROW Section of Finance Directorate.			ESCROW Section of Finance Directorate	AA
21.	Verification	The receipt of Funds as per Bank Statement are matched/tallied with the statement provided by the Banking Section of Finance Directorate regarding transfer of Revenue Funds to the ESCROW Bank Account by Main Revenue Accounts.			ESCROW Section of Finance Directorate	AA, AMA
22.	Updating of Cash Book	The receipt of funds is recorded in the ESCROW Bank Account Cash Book by the ESCROW Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		ESCROW Section of Finance Directorate	AA, AMA
23.	Preparation of LPS	LPS is prepared to record the receipt of funds in the ESCROW Bank Account. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	7	ESCROW Section of Finance Directorate	AA, AMA

CTM-7.4 Journal Entries

1. To record the receipt of funds related to Revenue Collection, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Main Revenue Collection Account	***	
IOT – Remittance – Revenue Collection		***

2. To record the receipt of funds related to Capital Contribution, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Main Capital Contribution Account	***	
IOT – Remittance – Capital Contribution		***

3. To record the receipt of funds related to Security Deposit, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Main Security Deposit	***	
IOT- Remittance – Security Deposit		***

4. To record the receipt of funds related to Miscellaneous Collection, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Main Miscellaneous Collection Account	***	
IOT – Remittance – Miscellaneous Collection		***

5. To record the transfer of funds to CPPA, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Receivables from Associated Company – CPPA	***	
Bank – Main Revenue Collection Account		***

6. To record the transfer of funds to ESCROW Bank Account, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
AP/ AR Clearing Account	***	
Bank – Main Revenue Collection Account		***

7. To record the receipt of funds in ESCROW Bank Account, the following entry is posted by the ESCROW Section of Finance Directorate:

Description	Debit	Credit
Bank – ESCROW Account	***	
AP/ AR Clearing Account		***

CTM-7.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Officer	
Banking Section of Finance Directorate	6,8,10,11,12.17,18
Accounts Assistant	
Banking Section of Finance Directorate	1,2,3,4,5,6,7,8,10,12,13,15,16,17,18,19
ESCROW Section of Finance Directorate	20,21,22,23
Assistant Manager Accounts	
Banking Section of Finance Directorate	6,8,10,12,14.17,18
ESCROW Section of Finance Directorate	21,22,23
Deputy Manager Accounts (Field Formation)	
Banking Section of Finance Directorate	6

CTM-7.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	The CP-49 is accurately prepared.	The CP-49 is not prepared accurately.	The transaction appearing on the CP-49 is traced in the Bank Statement.	5
2	The Cash Book is properly updated.	The Cash Book is not properly updated.	The Cash Book is verified by the AMA.	14

CTM-8 Receipt against Deposit Work and Grid Sharing Account

CTM-8.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt against Deposit Work and Grid Sharing Account.

B. Pay Order/Cheque along with Demand Notice is received from the Consumer by Banking Section of Finance Directorate.

C. Deposit Work Bank Account Cash Book/Grid Sharing Bank Account Cash Book is updated and LPS is prepared to record the transaction.

D. The following documents are prepared by Banking Section of Finance Directorate:

- Report of Deposit Work A/c Credit Advices Detail,
- Letter of Confirmation & Realization of Cheques on Account of Deposit Work and
- Report of Deposit Work A/c Income Details.

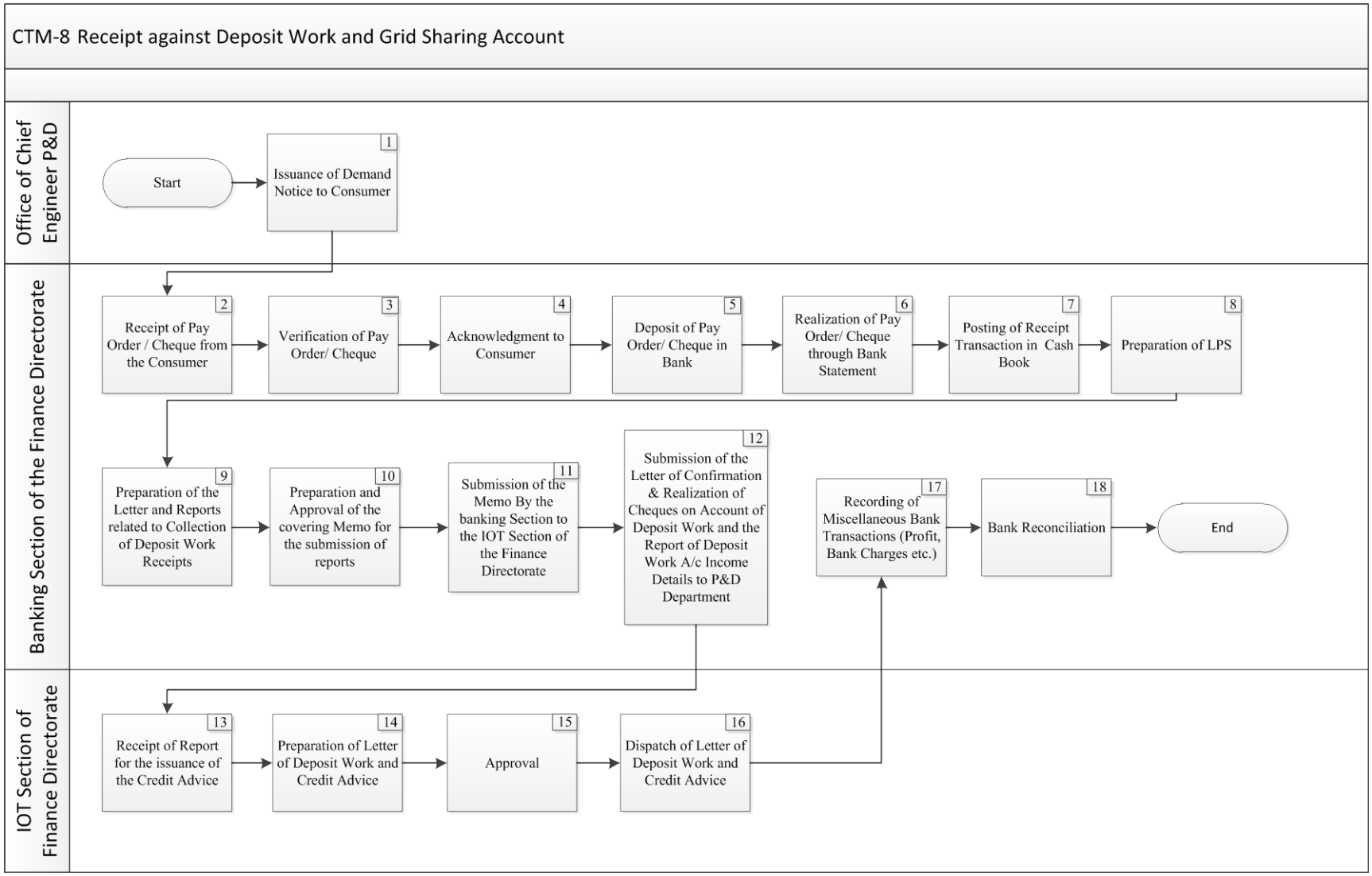
E. On the basis of above documents, Letter of Deposit Work and Credit Advice(s) is prepared by the IOT Section of Finance Directorate.

F. Letter of Deposit Work and Credit Advice(s) along with supporting documents are dispatched to Office of PDC and other Concerned Offices.

G. Miscellaneous transactions (Profit, Bank Charges etc) are recorded in relevant Bank Account Cash Book on the basis of Bank Statement.

H. Bank reconciliation is performed at the month end.

CTM-8.2 Flow Chart



CTM-8.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Issuance of Demand Notice to Consumer	Demand Notice is issued by the Office of Chief Engineer P&D for Deposit Work to the Consumer. **[**Refer ***"Volume III, Annexure – 35"*** for the specimen of ***Demand Notice*****]**	Demand Notice		Office of Chief Engineer P&D	Chief Engineer P&D
2.	Receipt of Pay Order / Cheque from the Consumer	The Demand Notice and Pay Order/Cheque are received from the Consumer by the Banking Section of the Finance Directorate.			Banking Section of Finance Directorate	AA
3.	Verification of Pay Order/ Cheque	The following points are verified by the Banking Section of Finance Directorate: ➢ The amount of Pay Order/ Cheque is matched with the amount mentioned in the Demand Notice. ➢ Pay Order/Cheque is received within 30 days from the date of issuance of the Demand Notice. ➢ The payer as mentioned in the Pay Order/Cheque is the same person to whom the Demand Notice is issued. ➢ The aggregate amount of the Demand Notice matches with the amount related to different department as mentioned in the Demand Notice.			Banking Section of Finance Directorate	AA
4.	Acknowledgment to Consumer	Acknowledgment/Receipt is issued to the Consumer by the Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 36"*** for the specimen of ***Acknowledgment/Receipt*****]**	Acknowledgment/Receipt		Banking Section of Finance Directorate	AA, AO
5.	Deposit of Pay	The Pay Order/Cheque is deposited in the relevant Deposit			Banking Section of	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Order/ Cheque in Bank	Work/Grid Sharing Bank Account by the Banking Section of Finance Directorate.			Finance Directorate	
6.	Realization of Pay Order/ Cheque through Bank Statement	Bank Statement of the Deposit Work/Grid Sharing Bank Account is obtained by the Banking Section of Finance Directorate to confirm the realization of the amount of Pay Order/Cheque.			Banking Section of Finance Directorate	AA
7.	Posting of Receipt Transaction in Cash Book	The receipt transaction is posted in Deposit Work/ Grid Sharing Bank Account Cash Book by the Banking Section of the Finance Directorate. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Banking Section of Finance Directorate	AA, AO, AMA
8.	Preparation of LPS	LPS is prepared to record the receipt of amount through Pay Order/Cheque against Demand Notice. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1, 2	Banking Section of Finance Directorate	AA, AO, AMA
9.	Preparation of the Letter and Reports related to Collection of Deposit Work Receipts	The following reports are prepared by the Banking Section of Finance Directorate: ➢ Report of Deposit Work A/c Credit Advice(s) Detail, ➢ Letter of Confirmation & Realization of Cheques on Account of Deposit Work and ➢ Report of Deposit Work A/c Income Details. **[**Refer ***"Volume III, Annexure – 37"*** for the specimen of ***Report of Deposit Work A/C Credit Advices Detail*****]** **[**Refer ***"Volume III, Annexure – 38"*** for the specimen of	Report of Deposit Work A/c Credit Advice(s) Detail, Letter of Confirmation & Realization of Cheques on Account of Deposit Work, Report		Banking Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		Letter of Confirmation & Realization of Cheques on Account of Deposit Work] [Refer ***"Volume III, Annexure – 39"*** for the specimen of ***Report of Deposit Work A/c Income Details***]	of Deposit Work A/c Income Details			
10.	Preparation and Approval of the covering Memo for the submission of reports	a) Covering Memo is prepared by the Banking Section of Finance Directorate. b) Covering Memo is approved by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA, AO, AMA, DMCA, MCA
11.	Submission of the Memo By the Banking Section to the IOT Section of Finance Directorate	Covering Memo for Report of Deposit Work A/c Credit Advice(s) Detail is submitted to the IOT Section of Finance Directorate for issuance of Credit Advice(s) to the Concerned Accounting Unit.			Banking Section of Finance Directorate	AA
12.	Submission of the Letter of Confirmation & Realization of Cheques on Account of Deposit Work and the Report of Deposit Work A/c Income Details to P&D Department	The Banking Section of the Finance Directorate submits the following document to the P&D Department: ➢ Letter of Confirmation & Realization of Cheques on Account of Deposit Work and ➢ Report of Deposit Work A/c Income Details.			Banking Section of Finance Directorate	AA, AO, AMA
13.	Receipt of Report for the issuance of the Credit Advice(s)	Report of Deposit Work A/c Credit Advice(s) Detail is received at IOT Section of Finance Directorate for the issuance of the Credit Advice(s) from the Banking Section of the Finance Directorate.			IOT Section of Finance Directorate	AMA
14.	Preparation of Letter of Deposit	Letter of Deposit Work and Credit Advice(s) is prepared by the IOT Section of Finance Directorate along with	Letter of Deposit		IOT Section of Finance	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Work and Credit Advice(s)	supporting documents. [Refer ***"Volume III, Annexure – 40"*** for the specimen of ***Letter of Deposit Work***] [Refer ***"Volume III, Annexure – 21"*** for the specimen of ***Credit Advice***]	Work, Credit Advice		Directorate	
15.	Approval	Letter of Deposit Work is approved by the IOT Section of Finance Directorate.			IOT Section of Finance Directorate	AA, AO, AMA
16.	Dispatch of Letter of Deposit Work and Credit Advice(s)	Letter of Deposit Work and Credit Advice(s) along with supporting documents are dispatched to Office of PDC and Other Concerned Offices.			IOT Section of Finance Directorate	AA
17.	Recording of Miscellaneous Bank Transactions (Profit, Bank Charges etc.)	Miscellaneous Bank Transactions (Profit, Bank Charges etc.) are recorded in Deposit Work/ Grid Sharing Bank Account Cash Book on the basis of Bank Statement. [Refer ***"CTM - 23"*** for details regarding ***recording of miscellaneous bank transactions(profit, bank charges etc)]*** [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book	Entry for recording of Miscellaneous Bank Transactions is mentioned in CTM-23	Banking Section of Finance Directorate	AA, DAO
18.	Bank Reconciliation	On month end Bank Reconciliation is performed by the Banking Section of the Finance Directorate. [Refer ***"CTM - 23"*** for details regarding ***preparation of bank reconciliation statement***]			Banking Section of Finance Directorate	AA

CTM-8.4 Journal Entries

1. On receipt of amount through Pay Order/Cheque against Deposit Work, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Deposit Work Account	***	
IOT– Cash Account (Concerned Executing Agencies)		***
* Misc Service Income – Vetting Charges		***
* Misc Service Income – Inspection and Supervision Charges		***
* Misc Service Income – Existing Material Charges		***
* Misc Service Income – Renovation and Rehabilitation Charges		***

* If applicable.

2. On receipt of amount through Pay Order/Cheque against Grid Sharing Account, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Grid Sharing Account	***	
Receipt Against Grid Sharing Account		***

CTM-8.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Banking Section of the Finance Directorate	2,3,4,5,6,7,8,9,10,11,12,17,18
IOT Section of Finance Directorate	14,15,16
Accounts Officer	
Banking Section of the Finance Directorate	4,7,8,10,12
IOT Section of Finance Directorate	15
Divisional Accounts Officer	
Banking Section of the Finance Directorate	17
Assistant Manager Accounts	
Banking Section of the Finance Directorate	7,8,10,12
IOT Section of Finance Directorate	13,15
Deputy Manager Corporate Accounts	
Banking Section of Finance Directorate	10
Manager Corporate Accounts	
Banking Section of Finance Directorate	10
Chief Engineer Planning and Development	
Office of Chief Engineer P&D	1

CTM-8.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Pay Order/Cheque is properly verified.	Inaccurate amount may be paid by the consumers.	The following points are verified by the Banking Section of Finance Directorate: ➢ The amount of Pay Order/ Cheque is matched with the amount mentioned in the Demand Notice. ➢ Pay Order/Cheque is received within 30 days from the date of issuance of the Demand Notice. ➢ The payer as mentioned in the Pay Order/Cheque is the same person to whom the Demand Notice is issued. The aggregate amount of the Demand Notice matches with the amount related to different department as mentioned in the Demand Notice.	3
2	Receipts are accurately and completely recorded in the Cash Book.	Cash Book may be misstated.	The receipt transaction is posted in Deposit Work/ Grid Sharing Bank Account Cash Book by the Banking Section of the Finance Directorate.	7
3	Receipts are recorded accurately and in the correct accounting period.	Receipt against Deposit Work may be misstated.	LPS is prepared by AA to record the receipt of amount through Pay Order/Cheque against Demand Notice. LPS is verified by the AO and approved by the AMA.	8

CTM-9 Release of Funds by Finance Directorate

CTM-9.1 Descriptive Overview of the Process

A. This process covers the activities regarding the release of funds by Finance Directorate.

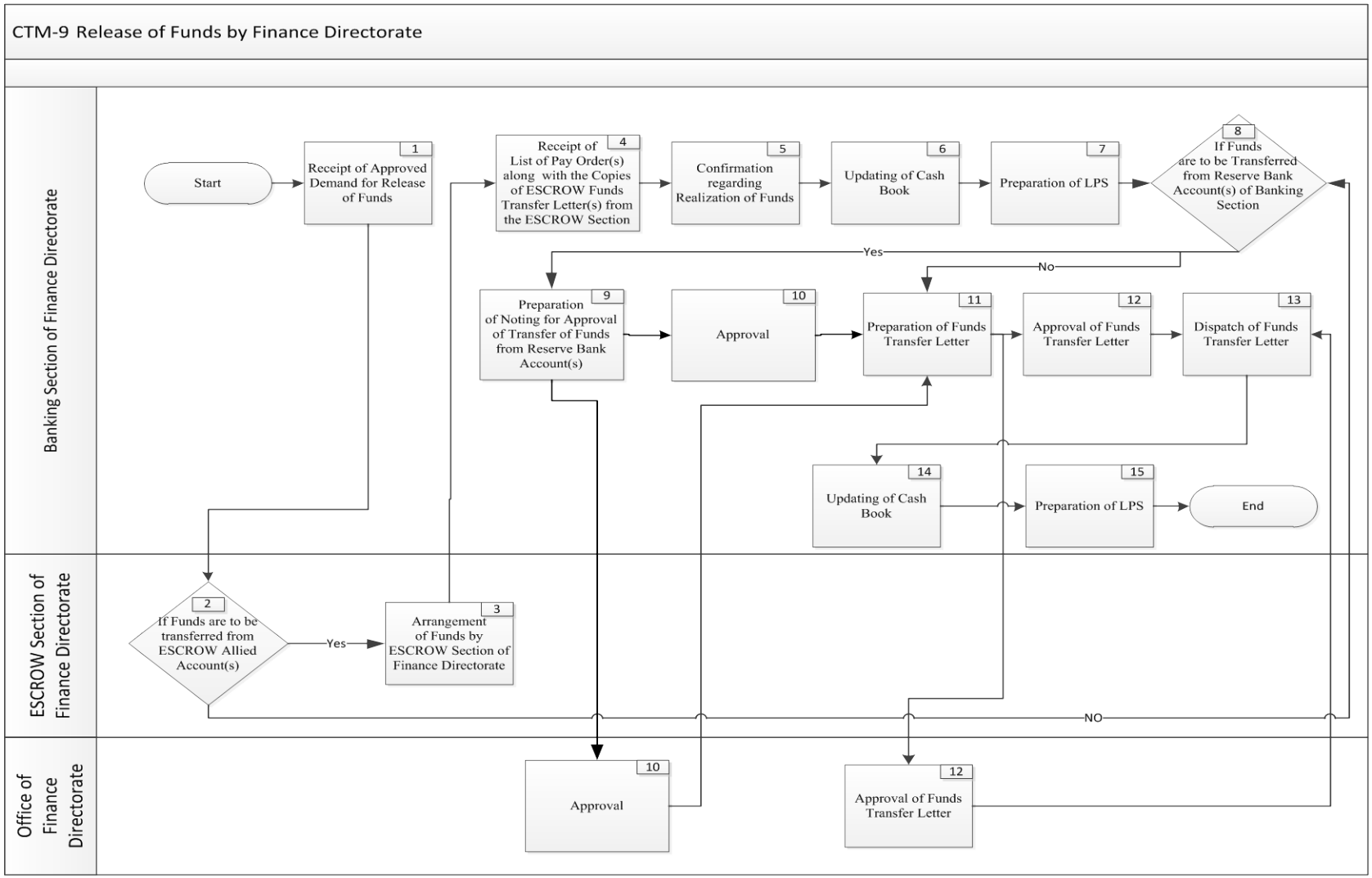
B. An approved Demand for Release of Funds is received by Banking Section of Finance Directorate, if transfer is to be made through ESCROW Bank Account then Demand is forwarded to ESCROW Section of Finance Directorate for arrangement of Funds.

C. If the funds are required in Imprest Bank Account transfer is made from General Bank Accounts of Banking Section of Finance Directorate and if the funds are required in Pension Bank Account transfer is made from Main Pension Bank Account of Banking Section of Finance Directorate.

D. Relevant Cash Book is updated and LPS is prepared to record the accounting impact of transfer of funds.

E. In case of transfer of funds from Reserve Bank Accounts (Capital, Security, Deposit Work, Grid Sharing, Miscellaneous) special approval is accorded by the Competent Authority.

CTM-9.2 Flow Chart



CTM-9.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Approved Demand for Release of Funds	An approved Demand for Release of Funds is received by the Banking Section of the Finance Directorate from Payment Section of Finance Directorate.			Banking Section of Finance Directorate	AMA
2.	If Funds are to be transferred from ESCROW Allied Account(s)	If Funds are required to be transferred from ESCROW Allied Account(s) then continues to Activity # 3 else continues to Activity # 8.			ESCROW Section of Finance Directorate	
3.	Arrangement of Funds by ESCROW Section of Finance Directorate	Demand for Release of Funds is received by the ESCROW Section of the Finance Directorate from the Banking Section of Finance Directorate for arrangement of funds. **[**Refer ***"CTM - 12"*** for details regarding ***arrangement of funds by ESCROW section of Finance Directorate*** **]**		Entry for transfer of funds from ESCROW Allied Account is mentioned in CTM-12	ESCROW Section of Finance Directorate	
4.	Receipt of List of Pay Order(s) along with the Copies of ESCROW Funds Transfer Letter(s) from the ESCROW Section	The List of Pay Orders along with the copies of ESCROW Funds Transfer Letters is received by the Banking Section of the Finance Directorate from ESCROW Section of Finance Directorate.			Banking Section of Finance Directorate	AMA
5.	Confirmation regarding Realization of Funds	a) If the funds are required for Imprest Account then Bank Statement of General Bank Accounts of Banking Section of Finance Directorate is obtained to confirm that the funds are received by ESCROW Allied Accounts.			Banking Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		b) If the funds are required for Pension Account then Bank Statement of Pension Bank Account(s) of Banking Section of Finance Directorate is obtained to confirm that the funds are received by ESCROW Allied Account.				
6.	Updating of Cash Book	Receipt of funds from ESCROW Allied Bank Account(s) to the General Bank Accounts or Pension Bank Accounts is recorded in the relevant Cash Books. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Banking Section of Finance Directorate	AA, AO, AMA
7.	Preparation of LPS	LPS is prepared to record the accounting impact of receipt of the funds in General Bank Account or Pension Bank Account. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1, 2	Banking Section of Finance Directorate	AA, AO, AMA
8.	If Funds are to be Transferred from Reserve Bank Account(s) of Banking Section	If Funds are required to be transferred from the Reserve Bank Accounts (Capital, Security, Deposit Work, Grid Sharing, Miscellaneous) of the Banking Section of Finance Directorate and there is need for any inter reserves account adjustments/arrangements then continues to Activity # 9 else continues to Activity # 11.			Banking Section of Finance Directorate	
9.	Preparation of Noting for Approval of Transfer of Funds from Reserve Bank Account(s)	Noting for approval of transfer of funds from Reserve Bank Account(s) is prepared by Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting*****]**	Noting		Banking Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
10.	Approval	Noting for approval of transfer of funds from Reserve Bank Account(s) is approved.			Banking Section of Finance Directorate Office of Finance Directorate	AO, AMA, DMA (FF), MCA FD
11.	Preparation of Funds Transfer Letter	a) Funds Transfer Letter is prepared by the Banking Section of Finance Directorate on the basis of Approved Demand for Release of Funds / Approved Noting as per Activity # 10. b) Funds Transfer Letter includes the following details: ➢ Bank Account(s) from where the funds are to be transferred ➢ Bank Account(s) to whom the funds are to be transferred. ➢ Accounting unit to whom the funds are transferred ➢ Nature of payment for which funds are transferred **[**Refer ***"Volume III, Annexure – 42"*** for the specimen of ***Funds Transfer Letter*****]**	Funds Transfer Letter		Banking Section of Finance Directorate	AA, AO
12.	Approval of Funds Transfer Letter	The Funds Transfer Letter is approved and signed by any two of the following: ➢ AMA ➢ DMCA (FF) ➢ MCA			Banking Section of Finance Directorate Office of Finance Directorate	AMA, DMCA (FF), MCA, FD

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		➢ FD				
13.	Dispatch of Funds Transfer Letter	The original Funds Transfer Letter is sent to the Bank by the Banking Section of Finance Directorate for transfer of funds and its copy is forwarded to the authorities as mentioned in the CC section of Funds Transfer Letter.			Banking Section of Finance Directorate	AA
14.	Updating of Cash Books	The transfer of the funds is recorded in the relevant Cash Book by the Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Banking Section of Finance Directorate	AA, AO, AMA
15.	Preparation of LPS	LPS is prepared to record the payments and receipts transactions. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	3, 4, 5	Banking Section of Finance Directorate	AA, AO, AMA

CTM-9.4 Journal Entries

1. On receipt of funds in General Bank Account from ESCROW Allied Bank Account, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – General Account	***	
AP/AR Clearing Account		***

2. On receipt of funds in Pension Bank Account from ESCROW Allied Bank Account, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Pension Account	***	
AP/AR Clearing Account		***

3. In case the funds are transferred to the Accounting Unit, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
IOT – Cash Account	***	
Bank – Relevant Account		***

4. In case the funds are transferred to another Bank Account of the Finance Directorate, the following entry is posted by Banking Section of Finance Directorate:

Description	Debit	Credit
AP/AR Clearing Account	***	
Bank – Relevant Account		***

5. In case the funds are received in the other Bank Account of the Finance Directorate, the following entry is posted by Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Relevant Account	***	
AP/AR Clearing Account		***

CTM-9.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Banking Section of Finance Directorate	5,6,7,9,11,13,14,15
Accounts Officer	
Banking Section of Finance Directorate	6,7,10,11,14,15
Assistant Manager Accounts	
Banking Section of Finance Directorate	1,4,6,7,10,12,14,15
Deputy Manager Accounts (Field Formation)	
Banking Section of Finance Directorate	10
Deputy Manager Corporate Accounts (Field Formation)	
Banking Section of Finance Directorate	12
Manager Corporate Accounts	
Banking Section of Finance Directorate	10,12
Finance Director	
Office of Finance Directorate	10,12

CTM-9.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	The funds are released on the basis of the approved Additional Demand.	The funds are not released on the basis approved Additional Demand.	The funds are released after receiving an approved Additional Demand from the Payment Section of Finance Directorate.	1
2	Funds are received in the Bank Account before releasing it.	The funds are released without confirming that sufficient funds are available. This will cause the instrument to be dishonored by the Bank.	The following activities are performed to ensure that sufficient funds are available before releasing them: a) The List of Pay Order(s) along with the copies of ESCROW Funds Transfer Letters is received by the Banking Section of the Finance Directorate from ESCROW Section of Finance Directorate. b) If the funds are required for Imprest Cash Book then Bank Statement of General Bank Account(s) of Banking Section of Finance Directorate is obtained to confirm that the funds are received by ESCROWs Allied Accounts. If Funds are required to be transferred from the Reserve Bank Accounts (Capital, Security, Deposit Work, Grid Sharing, Miscellaneous) of the Banking Section.	4, 5, 8
3	The receipt of the funds is recorded properly and in the correct accounting period.	The receipt of kthe funds is not recorded properly and in the correct accounting period.	LPS is prepared by the AA, checked by the AO and approved by the AMA.	7

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
4	The payments and receipts of the funds are recorded properly and in the correct accounting period.	The payments and receipts of the funds is not recorded properly and in the correct accounting period.	LPS is prepared by the AA, checked by the AO and approved by the AMA.	15

CTM-10 Release of Funds by Finance Directorate for 1st Interim and 2nd Interim

CTM-10.1 Descriptive Overview of the Process

A. This process covers the activities regarding the release of funds by Finance Directorate for 1st and 2nd interim and Fixation/Revision of Imprest Limit.

B. An application for Fixation/Revision of Imprest Limit and Performa for Fixation/Revision of Imprest Limit is received from Concerned Accounting Unit by Banking Section of Finance Directorate.

C. Application is verified by the Budget and IOT Section of Finance Directorate.

D. On the basis of verified application Imprest limit is fixed/revised which is lower of:

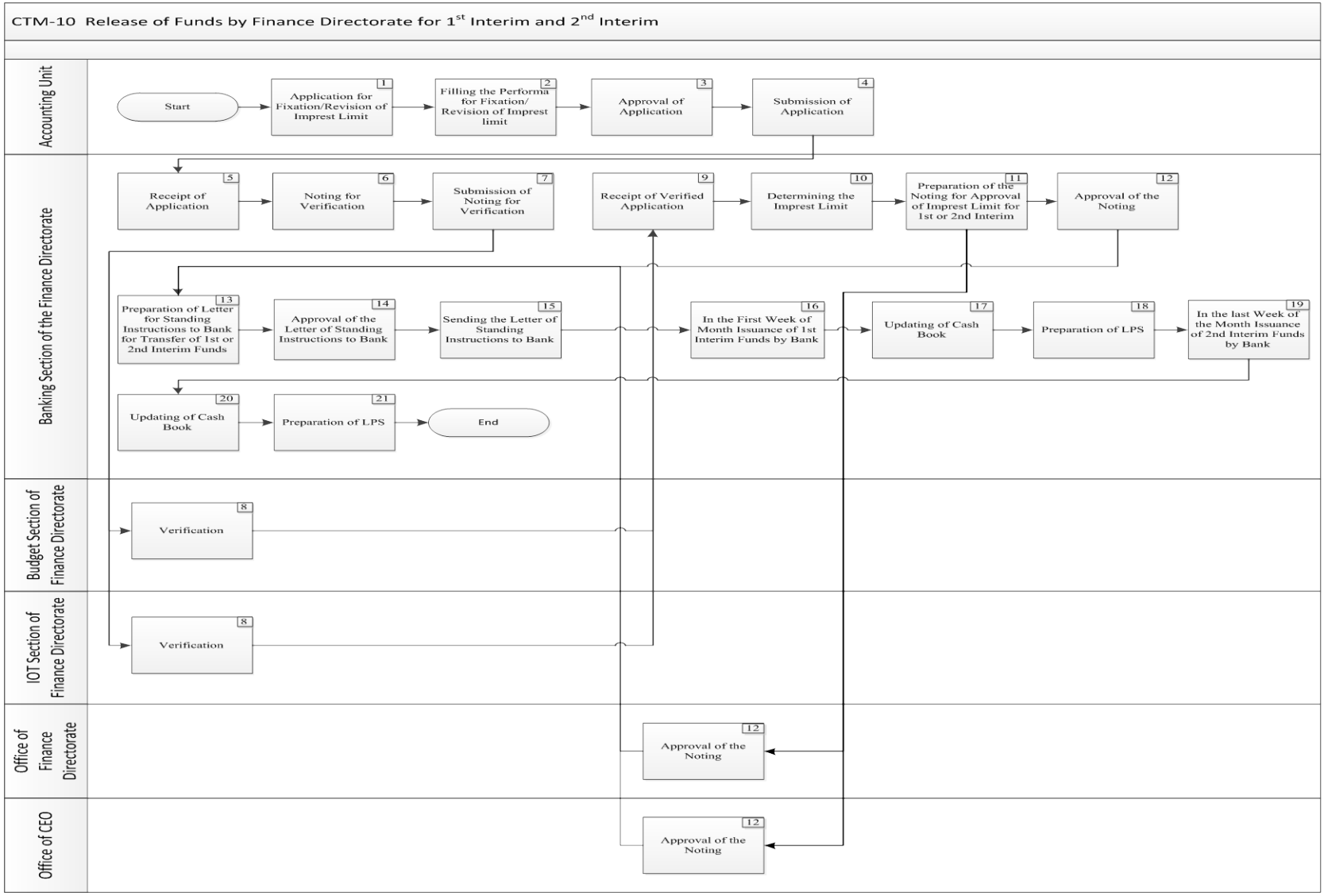
- One month average of all of the actual recurring expenditure incurred during the past six months or
- Proportionate budget for one month, as approved in the annual budget for each head.

E. Standing Instruction are forwarded to the Bank for transfer of funds for 1st and 2nd Interim.

F. 1st Interim funds are released in the first week of month and 2nd Interim funds are released in the last week of month.

G. Relevant Cash Book is updated and LPS is prepared to record the release of funds by Banking Section of Finance Directorate.

CTM-10.2 Flow Chart



CTM-10.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Application for Fixation/Revision of Imprest Limit	An application for fixation/revision of Imprest limit is prepared by the Accounting Unit. [Refer ***"Volume III, Annexure – 43"*** for the specimen of ***Application for Fixation/Revision of Imprest Limit***]	Application for Fixation/Revision of Imprest Limit		Accounting Unit	AA, DAO
2.	Filling the Performa for Fixation/Revision of Imprest Limit	a) The performa for fixation/revision of Imprest Limit is filled by Accounting Unit. b) The following information under each recurring expense head is provided in the Performa; ➢ One month average of all of the actual recurring expenditure incurred during the past six months and ➢ Proportionate budget for one month, as approved in the annual budget. c) Copy of the Budget along with the proof of the expenditure on the following heads is attached with the application; ➢ House Rent, ➢ Vehicle and ➢ Utility Bills. [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Performa of Fixation/Revision of the Imprest Limit***]	Performa for Fixation/Revision of the Imprest Limit		Accounting Unit	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
3.	Approval of Application	The application is approved by the Accounting Unit.			Accounting Unit	AMCS/ DMO
4.	Submission of Application	a) The application is submitted to the Banking Section of Finance Directorate. b) The application is accompanied by Performa for fixation/revision of Imprest Limit and the supporting documents.			Accounting Unit	AA
5.	Receipt of Application	The application along with the Performa for fixation/revision of Imprest Limit and the supporting documents is received by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
6.	Noting for Verification	A noting is prepared for the verification of: ➢ Copy of Budget as annexed with application and ➢ Statement of Expenditure as annexed with the application. **[**Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting*****]**	Noting		Banking Section of Finance Directorate	AA, AO, AMA
7.	Submission of Noting for Verification	The noting for verification along with the application is submitted to Budget and IOT Section of Finance Directorate by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
8.	Verification	The Budget and proof of the Expenditure annexed with the application are verified by Budget Section of Finance Directorate and IOT Section of Finance Directorate.			Budget Section of Finance Directorate, IOT Section of Finance Directorate	AA, AO, AMA
9.	Receipt of Verified Application	Application verified by Budget and IOT Section of Finance Directorate is received by the Banking Section of Finance			Banking Section of Finance	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		Directorate.			Directorate	
10.	Determining the Imprest Limit	The Imprest Limit is lower of; ➢ One month average of all of the actual recurring expenditure incurred during the past six months and ➢ Proportionate budget for one month, as approved in the annual budget, for each head.			Banking Section of Finance Directorate	AMA
11.	Preparation of Noting for Approval of Imprest Limit for 1st or 2nd Interim	Noting for approval of Imprest Limit for 1st or 2nd Interim is prepared by the Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting*****]**	Noting		Banking Section of Finance Directorate	AA
12.	Approval of Noting	Noting is approved by Banking Section of Finance Directorate.			Banking Section of Finance Directorate Office of Finance Directorate Office of CEO	AO, AMA, DMCA (FF), MCA FD CEO
13.	Preparation of Letter for Standing Instructions to Bank for Transfer of 1st or 2nd Interim Funds	Letter for Standing Instructions to Bank for Transfer of 1st or 2nd Interim Funds is prepared by the Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 45"*** for the specimen of ***Letter for Standing instructions to Bank for Transfer of 1st or 2nd Interim funds*****]]**	Letter for Standing Instructions to Bank for Transfer of 1st or 2nd Interim Funds		Banking Section of Finance Directorate	AA
14.	Approval of Letter of Standing	Letter for Standing Instructions to Bank for Transfer of 1st or 2nd Interim Funds is approved by the Banking Section of			Banking Section of Finance	AO, AMCA, DMCA (FF),

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Instructions to Bank	Finance Directorate.			Directorate	MCA
15.	Sending the Letter of Standing Instructions to Bank	Approved Letter of Standing Instructions to Bank is forwarded to the Bank by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
16.	In the First Week of Month Issuance of 1st Interim Funds by Bank	In the first week of the every month, the Bank will transfer the 1st Interim funds as mentioned in the standing order to the Accounting Unit.				
17.	Updating of Cash Book	The transfer of funds is recorded in the relevant Cash Book by the Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Banking Section of Finance Directorate	AA, AO, AMA
18.	Preparation of LPS	LPS is prepared to record the transfer of funds by Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1, 2	Banking Section of Finance Directorate	AA, AO, AMA
19.	In the last Week of the Month Issuance of 2nd Interim Funds by Bank	In the last week of the every month, the Bank will transfer the 2nd Interim of funds as mentioned in the standing order to the Accounting Unit.				
20.	Updating of Cash Book	The transfer of funds is recorded in the relevant Cash Book by the Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Banking Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
21.	Preparation of LPS	LPS is prepared to record the transfer the funds by Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1, 2	Banking Section of Finance Directorate	AA, AO, AMA

CTM-10.4 Journal Entries

1. In case the funds are transferred to the Accounting Unit, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
IOT – Cash Account	***	
Bank – Relevant Account		***

2. In case the funds are transferred to Imprest Bank Account of the Finance Directorate, the following entry is posted by Banking Section of Finance Directorate:

Description	Debit	Credit
AP/AR Clearing Account	***	
Bank – Relevant Account		***

CTM-10.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Accounting Unit	1,2,4
Banking Section of Finance Directorate	5,6,7,9,11,13,15,17,18,20,21
Budget Section of Finance Directorate	8
IOT Section of Finance Directorate	8
Accounts Officer	
Banking Section of Finance Directorate	6,12,14,17,18,20,21
Budget Section of Finance Directorate	8
IOT Section of Finance	8
Divisional Accounts Officer	
Accounting Unit	1,2
Assistant Manager Accounts	
Banking Section of Finance Directorate	6,10,12,17,18,20,21
Budget Section of Finance Directorate	8
IOT Section of Finance	8
Assistant Manager Customer Services	
Accounting Unit	3
Assistant Manager Corporate Accounts	
Banking Section of Finance Directorate	14
Deputy Manager Operations	
Accounting Unit	3
Deputy Manager Corporate Accounts (Field Formation)	
Banking Section of Finance Directorate	12,14
Manager Corporate Accounts	
Banking Section of Finance Directorate	12,14
Finance Director	
Office of Finance Directorate	12
Chief Executive Officer	
Office of CEO	12

CTM-10.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Only duly approved application for fixation/revision of Imprest limit is processed.	Unauthorized limits may be set.	The application is approved by the Accounting Unit.	3
2	Imprest limit is fixed/revised as per approved budget.	Imprest limit in excess/short of approved budget may result in financial loss to the DISCO and deviate from the approved Company policy.	The Budget and proof of the Expenditure annexed with the application are verified by Budget and IOT section of Finance Directorate.	8
3	Only approved Standing Instructions are forwarded to the bank.	Unauthorized Standing Instructions may result in financial loss to the DISCO.	Letter for Standing Instructions to Bank for Transfer of 1st or 2nd Interim Funds is approved by the Banking Section of Finance Directorate.	14
4	Transfer for funds to the bank is accurately recorded.	Inaccurate recording of transfer of funds may result in misstatements.	LPS to record the transfer of funds is prepared by the AA, verified by the AO and approved by the AMA.	18

CTM-11 Release of Funds by Finance Directorate for Pension

CTM-11.1 Descriptive Overview of the Process

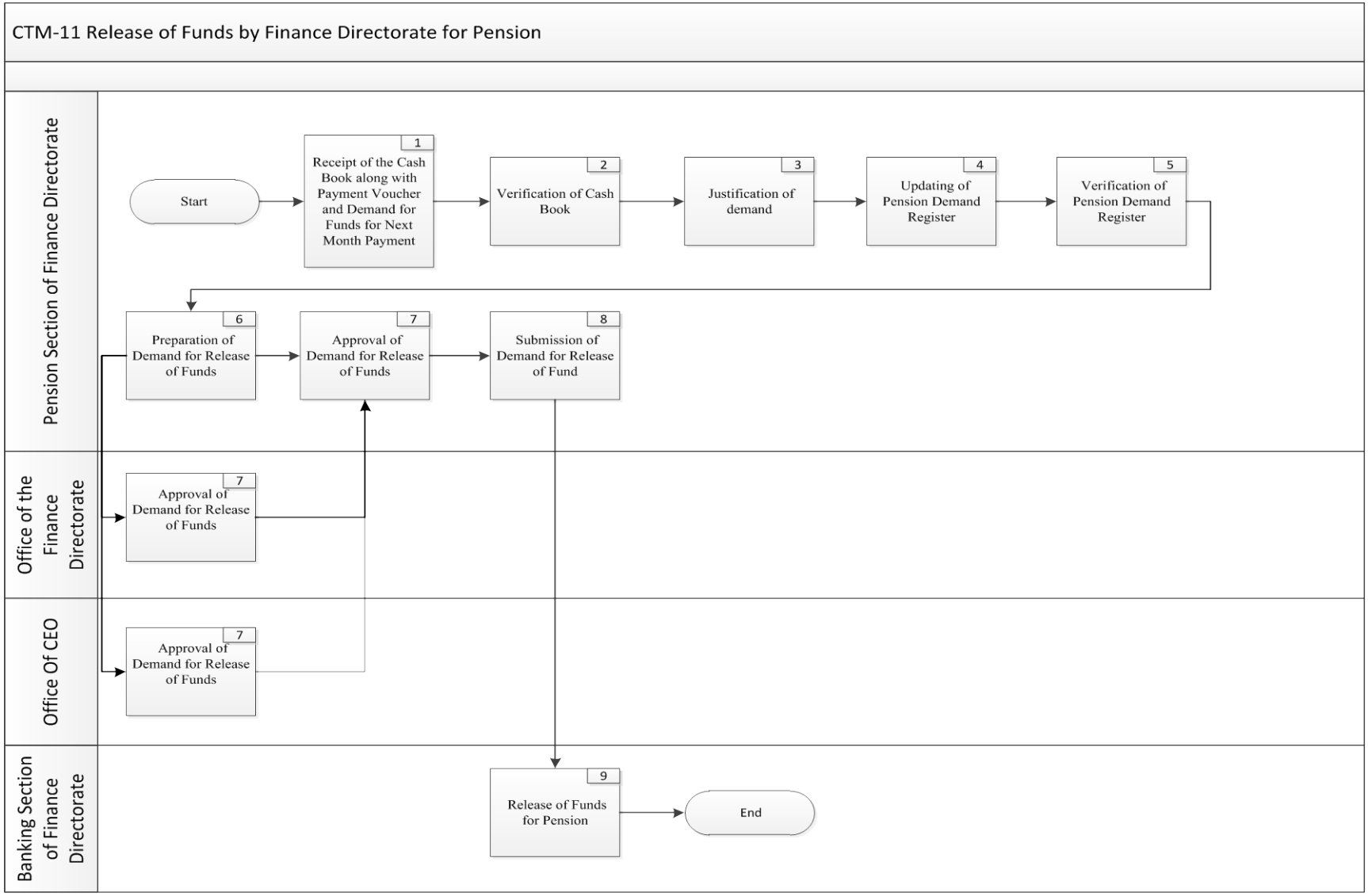
A. This process covers the activities regarding release of funds by Finance Directorate for Pension.

B. Demand of Funds for next month Pension payment is received from Pension Paying Offices by Pension Section of Finance Directorate.

C. Consolidated Demand for Release of Funds for Pension is prepared by Pension Section of Finance Directorate.

D. The approved Demand for Release of Funds is submitted to the Banking Section of Finance Directorate for release of funds for Pension.

CTM-11.2 Flow Chart



CTM-11.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Cash Book along with Payment Voucher and Demand for Funds for Next Month Payment	The following documents are received by the Pension Section of Finance Directorate from the Pension Paying Offices; ➢ Cash Book, ➢ Payment Voucher and ➢ Demand for Release of Funds.			Pension Section of Finance Directorate	AMA
2.	Verification of Cash Book	a) The opening balances are matched with the closing balances of the previous month's Cash Book. b) The receipt and payment transactions in each Cash Book are verified regarding the expenses incurred during the month and the closing balances.			Pension Section of Finance Directorate	AA, AO, AMA
3.	Justification of Demand	a) The Demand for Funds is justified with respect to the previous Demand received. b) In case any material difference in the Demands is found, the Pension Section of Finance Directorate enquires the Pension Paying Office regarding increase or decrease of amount. c) The Pension Paying Office provides the explanation and evidence of the increase or decrease in the Demand.			Pension Section of Finance Directorate	AA, AO, AMA
4.	Updating of Pension Demand Register	The Pension Demand Register is updated on the basis of the Demand received from the Pension Paying Offices by Pension Section of Finance Directorate.	Pension Demand Register		Pension Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 46"*** for the specimen of ***Pension Demand Register***]				
5.	Verification of Pension Demand Register	The transaction recorded in Pension Demand Register is matched with the Demand received from Pension Paying Offices by Pension Section of Finance Directorate to ensure its completeness.			Pension Section of Finance Directorate	AO, AMA
6.	Preparation of Demand for Release of Funds	A consolidated Demand for Release of Funds is prepared on the basis of Pension Demand Register by the Pension Section of Finance Directorate. [Refer ***"Volume III, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume III, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***]	Demand for Release of Funds		Pension Section of Finance Directorate	AA
7.	Approval of Demand for Release of Funds	The Demand for Release of Funds is approved.			Pension Section of Finance Directorate Office of the Finance Directorate Office of CEO	AO, AMA, DMCA (HQ), MCA, FD CEO
8.	Submission of Demand for Release of Fund	The Demand for Release of Funds is submitted to the Banking Section of Finance Directorate by the Pension Section of Finance Directorate.			Pension Section of Finance Directorate	AA
9.	Release of Funds for Pension	On the basis of approved Demand for Release of Funds the funds are transferred to the Pension Bank Account by the Banking Section of Finance Directorate.		Entry for release of funds by Finance	Banking Section of Finance Directorate	

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"CTM - 9"*** for details regarding ***the release of funds for pension by Finance Directorate*****]**		Directorate is mentioned in CTM-9		

CTM-11.4 Journal Entries

None

CTM-11.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Pension Section of Finance Directorate	2,3,4,6,8
Accounts Officer	
Pension Section of Finance Directorate	2,3,5,7
Assistant Manager Accounts	
Pension Section of Finance Directorate	1,2,3,5,7
Manager Corporate Accounts	
Pension Section of Finance Directorate	7
Deputy Manager Corporate Accounts (Head Quarter)	
Pension Section of Finance Directorate	7
Finance Director	
Office of the Finance Directorate	7
CEO	
Office of CEO	7

CTM-11.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Cash book is properly prepared.	Cash book is not properly prepared.	a) The receipt and payment transactions in each Cash Books are verified regarding the expenses incurred during the month and the closing balances. b) The opening balances are matched with the closing balances of the previous month's cash book.	1, 2
2	Demand for the pension is rational.	The Demand for the fund is not rational may result in mismanagement of Funds.	The Demand for Funds is justified with respect to the previous Demand received.	3
3	Funds for pension are properly approved as per the DISCO policy.	Unauthorized funds are approved resulting in financial loss to the DISCO.	The Demand for Release of Funds is approved by AO, AMA, DMCA (HQ), MCA, FD and CEO.	7

CTM-12 Arrangement of Funds by ESCROW Section of Finance Directorate

CTM-12.1 Descriptive Overview of the Process

A. This process covers activities regarding arrangement of funds by ESCROW Section of Finance Directorate.

B. An approved Demand for Release of Funds is received from Banking Section of Finance Directorate.

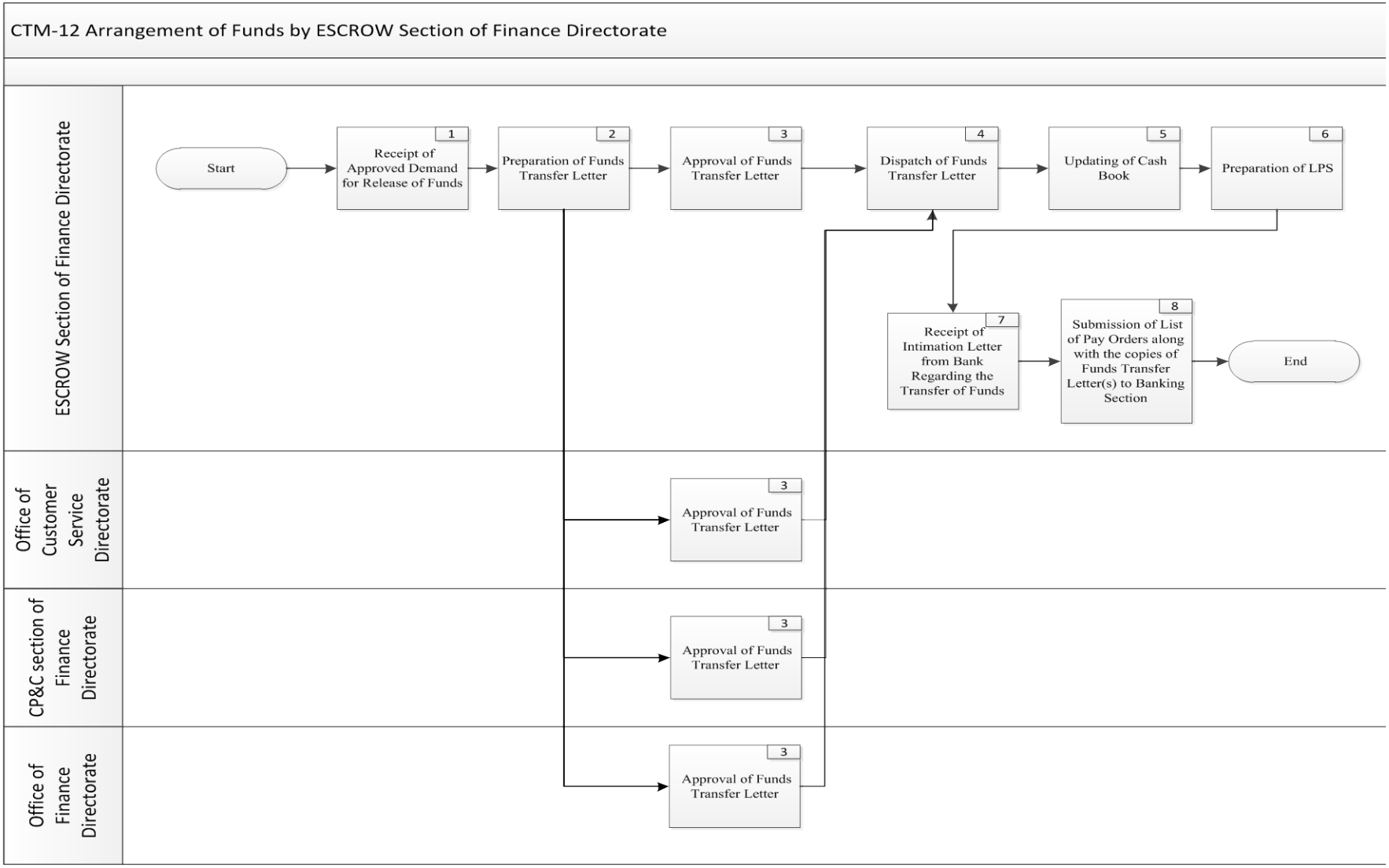
C. Funds Transfer Letter is prepared by ESCROW Section of Finance Directorate for transfer of funds.

D. The Funds Transfer Letter is forwarded to Bank for transfer of funds and its copy is forwarded to the authorities as mentioned in the CC section of Funds Transfer Letter.

E. Relevant Cash Book is updated and LPS is prepared to record the transfer of funds from ESCROW Allied Bank to General Bank Account.

F. Intimation Letter along with the list of Pay Orders through which the funds are transferred from the ESCROW Allied Bank Account is received from Bank and submitted to Banking Section of Finance Directorate by ESCROW Section of Finance Directorate.

CTM-12.2 Flow Chart



CTM-12.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Approved Demand for Release of Funds	An approved Demand for Release of Funds is received for arrangement of funds by the ESCROW Section of the Finance Directorate from the Payment Section of the Finance Directorate.			ESCROW Section of Finance Directorate	AA
2.	Preparation of Funds Transfer Letter	Funds Transfer Letter is prepared by the ESCROW Section of Finance Directorate to transfer the funds from the ESCROW Allied Bank Account(s) to the General Bank Account(s) of Banking Section of Finance Directorate. [Refer ***"Volume III, Annexure – 42"*** for the specimen of ***Funds Transfer Letter***]	Funds Transfer Letter		ESCROW Section of Finance Directorate	AA
3.	Approval of Funds Transfer Letter	a) The Funds Transfer Letter (related to the **Power Purchase Payment Allied Bank Account**) is approved by FD and CSD. b) The Funds Transfer Letter (related to the **Distribution Margin Allied Bank Account**) is approved by FD, MCA, and MF CP&C. c) The Funds Transfer Letter (related to the **Taxes and Duties Allied Bank Account**) is approved by FD, MCA, and MF CP&C.			ESCROW Section of Finance Directorate Office of Customer Service Directorate CP&C section of Finance Directorate Office of Finance Directorate	MCA CSD MF CP&C FD
4.	Dispatch of Funds Transfer Letter	a) The original Funds Transfer Letter is sent to the Bank for transfer of funds by the ESCROW Section of Finance Directorate.			ESCROW Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		b) A copy of Funds Transfer Letter is forwarded to the Banking Section of Finance Directorate.				
5.	Updating of Cash Book	The transfer of funds from Allied Bank Account(s) to General Bank Account(s) is updated in their respective Cash Book(s). [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		ESCROW Section of Finance Directorate	AA, AO, AMA
6.	Preparation of LPS	LPS is prepared by the ESCROW Section of the Finance Directorate to record the transfer of funds from the respective Allied Bank Account(s) to the General Account(s). [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	ESCROW Section of Finance Directorate	AA, AO, AMA
7.	Receipt of Intimation Letter from Bank Regarding the Transfer of Funds	Intimation Letter along with the list of Pay Orders is received from Bank by the ESCROW Section of Finance Directorate.			ESCROW Section of Finance Directorate	AA
8.	Submission of List of Pay Orders along with the copies of Funds Transfer Letter(s) to Banking Section	The List of Pay Orders along with the copies of Funds Transfer Letter(s) is submitted to the Banking Section of Finance Directorate by the ESCROW Section of Finance Directorate.			ESCROW Section of Finance Directorate	AA

CTM-12.4 Journal Entries

1. On transfer of funds from ESCROW Allied Account(s) to the General Bank Account(s), the following entry is posted by the ESCROW Section of Finance Directorate:

Description	Debit	Credit
AP/ AR Clearing Account	***	
Bank – Relevant Allied Bank Account		***

CTM-12.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
ESCROW Section of Finance Directorate	1,2,4,5,6,7,8
Accounts Officer	
ESCROW Section of Finance Directorate	5,6
Assistant Manager Accounts	
ESCROW Section of Finance Directorate	5,6
Manager Finance Corporate Planning and Control	
CP&C section of Finance Directorate	3
Manager Corporate Accounts	
ESCROW Section of Finance Directorate	3
Customer Service Director	
Office of Customer Service Directorate	3
Finance Director	
Office of Finance Directorate	3

CTM-12.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Funds are released on proper authorized request.	Funds are released without the proper approval.	TOF Letter is prepared on the basis of approved Demand for Release of Funds letter receives by the ESCROW Section.	1
2	Release of the funds is accurately recorded and in the relevant Accounting Period.	That the transaction is not accurately recorded in the correct accounting period.	LPS is prepared by the AA, checked by the AO and approved by the AM.	6

CTM-13 Receipt of Funds from Finance Directorate

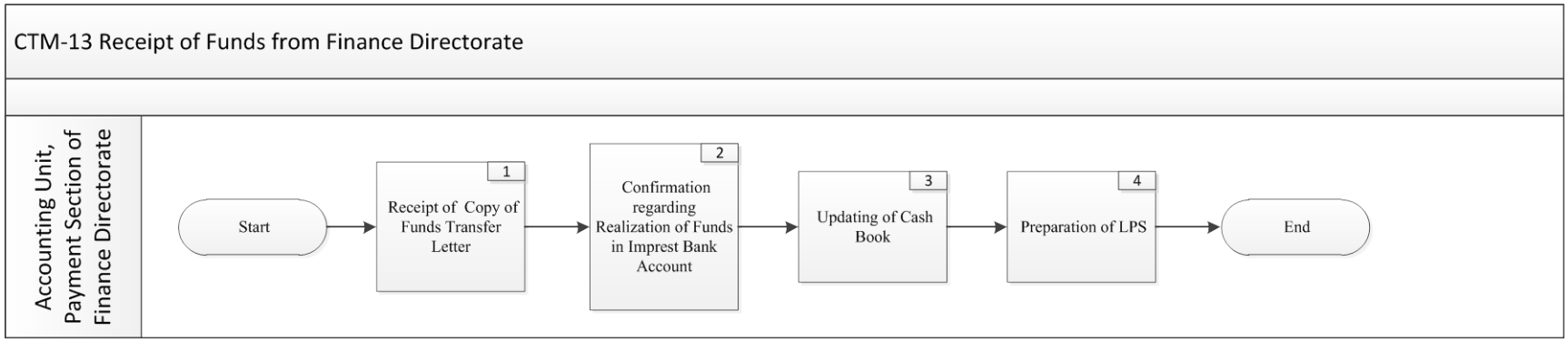
CTM-13.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt of funds from Finance Directorate.

B. Copy of Funds Transfer Letter is received from Banking Section of Finance Directorate and Bank Statement of Imprest Bank Account is obtained to confirm the realisation of funds by concerned Accounting Unit/Payment Section of Finance Directorate.

C. Imprest Cash Book is updated and LPS is prepared to record the receipt of funds from Banking Section of Finance Directorate by concerned Accounting Unit/Payment Section of Finance Directorate.

CTM-13.2 Flow Chart



CTM-13.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Copy of Funds Transfer Letter	Copy of Funds Transfer Letter is received from the Banking Section of Finance Directorate by the Payment Section of Finance Directorate or Accounting Unit.			Accounting Unit, Payment Section of Finance Directorate	AA, DAO
2.	Confirmation regarding Realization of Funds in Imprest Bank Account	Bank Statement of Imprest Bank Account is obtained to confirm that the funds are received in Imprest Bank Account by the Accounting Unit or the Payment Section of Finance Directorate.			Accounting Unit, Payment Section of Finance Directorate	AA
3.	Updating of Cash Book	Receipt of funds from the Banking Section of Finance Directorate is recorded in the Imprest Cash Book by Accounting Unit or Payment Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Accounting Unit, Payment Section of Finance Directorate	AA, DAO AA, AO, AMA
4.	Preparation of LPS	LPS is prepared to record the receipt of funds from Banking Section of Finance Directorate in Imprest Bank Account by Accounting Unit or Payment Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1, 2	Accounting Unit, Payment Section of Finance Directorate	AA, DAO AA, AO, AMA

CTM-13.4 Journal Entries

1. On receipt of funds from Banking Section of Finance Directorate in Imprest Bank Account, the following entry is posted by the Accounting Unit:

Description	Debit	Credit
Bank – Imprest Account	***	
IOT – Cash Account		***

2. On receipt of funds from Banking Section of Finance Directorate in Imprest Bank Account of Finance Directorate, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
Bank – Imprest Account	***	
AP/ AR Clearing Account		***

CTM-13.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Accounting Unit	1,2,3,4
Payment Section of Finance Directorate	1,2,3,4
Accounts Officer	
Payment Section of Finance Directorate	3,4
Divisional Account Officer	
Accounting Unit	1,3,4
Payment Section of Finance Directorate	1
Assistant Manager Accounts	
Payment Section of Finance Directorate	3,4

CTM-13.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Cash book is updated accurately.	Cash book is not updated accurately.	Cash Book is updated on the basis of the bank statement to ensure that entry is made after the fund receipt.	2
2	The receipt of the funds is recorded accurately and in the relevant Accounting Period.	The receipt of the funds is not recorded accurately in the relevant Accounting Period.	LPS is prepared by the AA and checked by AO and approved by the AMA.	4

CTM-14 Preparation of Retention Plan and Receipt of Funds from CPPA

CTM-14.1 Descriptive Overview of the Process

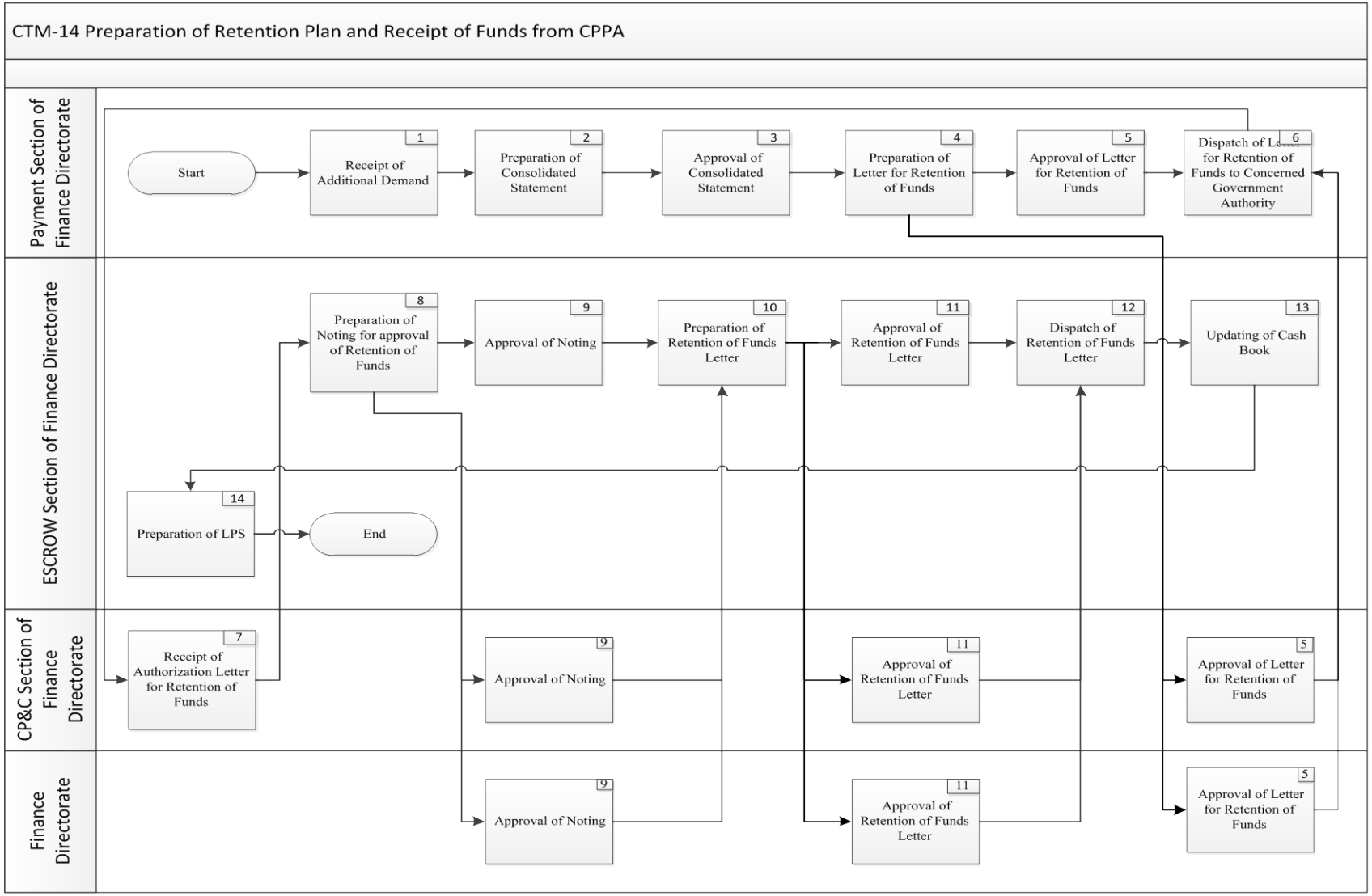
A. This process covers the activities regarding preparation of Retention Plan and receipt of funds from CPPA.

B. Consolidated Statement of all the Demand for Release of Funds received is prepared by the Payment Section of Finance Directorate.

C. Letter for Retention of Funds is prepared on the basis of above Consolidated Statement and submitted to Concerned Government Authority for Authorisation.

D. Once authorised Retention of Funds Letter is prepared on the basis of Authorization Letter received from Concerned Government Authority by ESCROW Section of Finance Directorate and forwarded to Bank for retention of funds.

CTM-14.2 Flow Chart



CTM-14.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Additional Demand	The Additional Demand(s) is received by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA
2.	Preparation of Consolidated Statement	A Consolidated Statement of the funds that are required by the DISCO on the basis of Additional Demand received is prepared by the Payment Section of Finance Directorate. [Refer ***"Volume III, Annexure – 47"*** for the specimen of ***Consolidated Statement***]	Consolidated Statement		Payment Section of Finance Directorate	AA
3.	Approval of Consolidated Statement	The Consolidated Statement is approved by AO and AMA.			Payment Section of Finance Directorate	AO, AMA
4.	Preparation of Letter for Retention of Funds	On the basis of Consolidated Statement, a Letter for Retention of Funds is prepared by the Payment Section of the Finance Directorate. [Refer ***"Volume III, Annexure – 48"*** for the specimen of ***Letter for Retention of Funds***]	Letter for Retention of Funds		Payment Section of Finance Directorate	AA
5.	Approval of Letter for Retention of Funds	The Letter for Retention of Funds is approved.			Payment Section of Finance Directorate CP&C Section of Finance Directorate Finance Directorate	AO, AMA, DMCA MF FD
6.	Dispatch of Letter for Retention of	The Letter for Retention of Funds is dispatched by the Payment Section of Finance Directorate to Concerned			Payment Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Funds to Concerned Government Authority	Government Authority for authorisation.				
7.	Receipt of Authorization Letter for Retention of Funds	After authorization the Letter for Retention of Funds is received from Concerned Government Authority by the ESCROW Section of Finance Directorate.			CP&C Section of Finance Directorate	MF
8.	Preparation of Noting for approval of Retention of Funds	Noting for approval of retention of funds is prepared by the ESCROW Section of Finance Directorate according to the Authorization Letter received from Concerned Government Authority. **[**Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting*****]**	Noting		ESCROW Section of Finance Directorate	AA
9.	Approval of Noting	Noting for approval of retention of funds is approved.			ESCROW Section of Finance Directorate CP&C Section of Finance Directorate Finance Directorate	AO, AMA, DMCA MF FD
10.	Preparation of Retention of Funds Letter	a) Retention of Funds Letter is prepared on the basis of Authorization Letter and approved Noting. b) The Retention of Funds Letter contains instructions to Bank regarding transfer of funds from the ESCROW Bank Account to the ESCROW Allied Bank Accounts.	Retention of Funds Letter		ESCROW Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 49"*** for the specimen of ***Retention of Funds Letter*** **]**				
11.	Approval of Retention of Funds Letter	Retention of Funds Letter is approved.			ESCROW Section of Finance Directorate CP&C Section of Finance Directorate Finance Directorate	AO, AMA, MCA MF FD
12.	Dispatch of Retention of Funds Letter	Approved Retention of Funds Letter is forwarded to the Bank by the ESCROW Section of Finance Directorate for retention of funds.			ESCROW Section of Finance Directorate	AA
13.	Updating of Cash Book	The transfer of funds from the ESCROW Bank Account to the ESCROW Allied Bank Accounts is recorded in the relevant Cash Book. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		ESCROW Section of Finance Directorate	AA, AO, AMA
14.	Preparation of LPS	LPS is prepared to record the transfer of funds from the ESCROW Bank Account to the ESCROW Allied Bank Accounts. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1, 2	ESCROW Section of Finance Directorate	AA, AO, AMA

CTM-14.4 Journal Entries

1. On transfer of funds from ESCROW Bank Account to Allied Bank Accounts, the following entry is posted by the ESCROW Section of Finance Directorate:

Description	Debit	Credit
AP / AR Clearing Account	***	
Bank – ESCROW Account		***

2. On receiving of funds from ESCROW Bank Account into Allied Bank Accounts, the following entry is posted by the ESCROW Section of Finance Directorate:

Description	Debit	Credit
Bank – Relevant Allied Account	***	
AP / AR Clearing Account		***

CTM-14.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Payment Section of Finance Directorate	1,2,4,6
ESCROW Section of Finance Directorate	8,10,12,13,14
Accounts Officer	
Payment Section of Finance Directorate	3,5
ESCROW Section of Finance Directorate	9,11,13,14
Assistant Manager Accounts	
Payment Section of Finance Directorate	3,5
ESCROW Section of Finance Directorate	9,11,13,14
Deputy Manager Corporate Accounts	
Payment Section of Finance Directorate	5
ESCROW Section of Finance Directorate	9
Manager Corporate Accounts	
ESCROW Section of Finance Directorate	11
Manager Finance	
CP&C Section of Finance Directorate	5, 7, 9, 11
Finance Director	
Office of Finance Directorate	5, 9, 11

CTM-14.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	The Consolidated Statement is approved by the Competent Authority.	The Consolidated Statement is not approved by the Competent Authority which may result in errors.	The Consolidated Statement is approved by AA and AMA.	3
2	The Letter for Retention of Funds is approved by the Competent Authority.	The Letter for Retention of Funds is not approved by the Competent Authority may result in unauthorized retention of Funds.	The Letter for Retention of Funds is approved by AO, AMA, DMCA CP&C, MF CP&C, and FD.	5
3	Retention of Funds Letter is prepared accurately.	Retention of Funds Letter is not prepared accurately may result in Errors.	Retention of Funds Letter is prepared on the basis of Authorization Letter and approved Noting.	10
4	Record the transfer of the funds accurately and in the correct accounting period.	Transfer of the funds is not recorded accurately and in the correct accounting period.	LPS is prepared by the AA, checked by AO and approved by AMA.	14

CTM-15 Receipt of Funds from CPPA

CTM-15.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt of funds from CPPA.

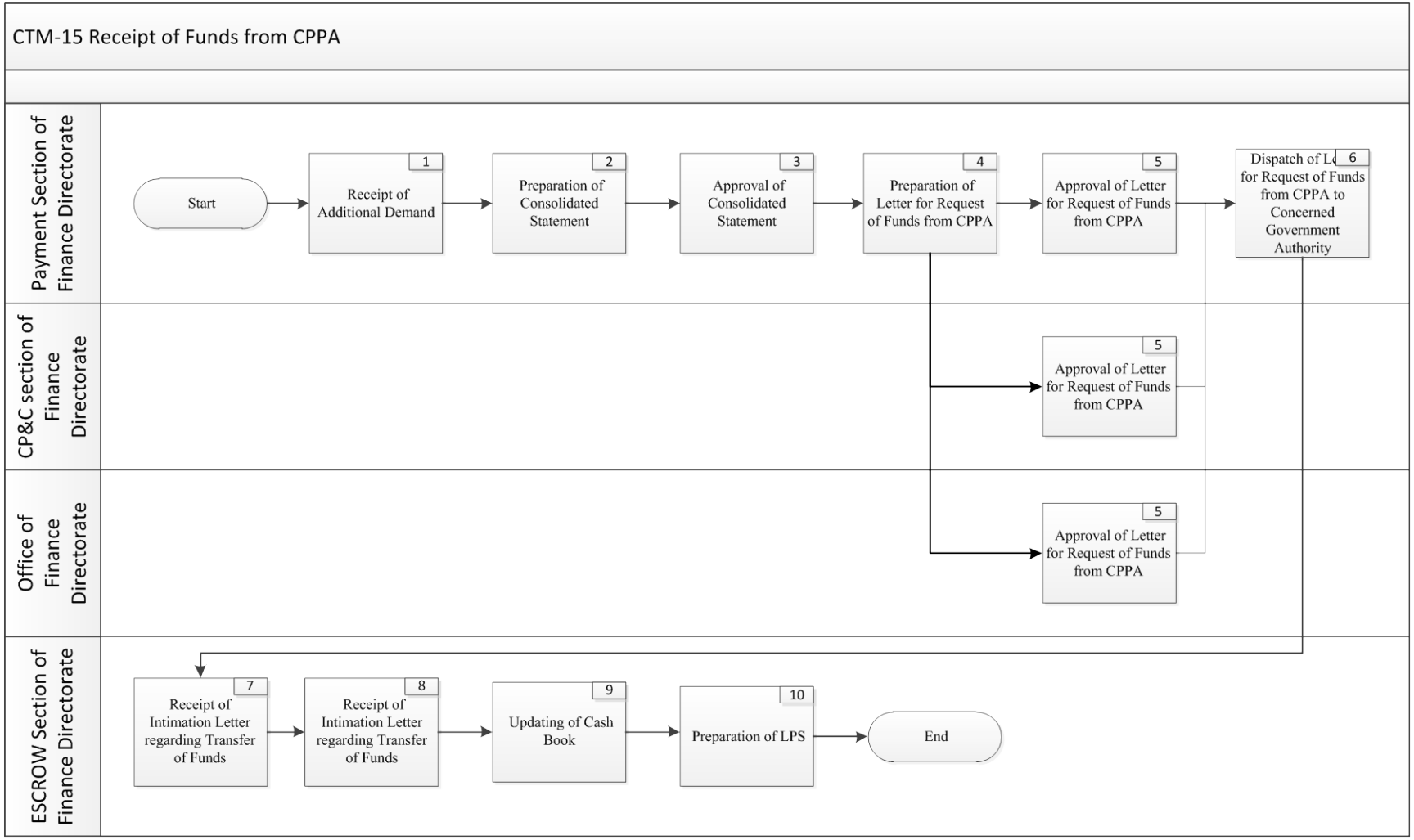
B. Consolidated Statement of all the Demand for Release of Funds received is prepared by the Payment Section of Finance Directorate.

C. Letter for Request of Funds from CPPA is prepared on the basis of above Consolidated Statement and submitted to Concerned Government Authority for Authorisation.

D. Intimation Letter regarding Transfer of Funds is received from Concerned Government Authority and the relevant Bank.

E. Relevant Allied Bank Account Cash Book is updated and LPS is prepared to record the receipt of funds by ESCROW Section of Finance Directorate.

CTM-15.2 Flow Chart



CTM-15.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Additional Demand	The Additional Demand(s) is received by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA
2.	Preparation of Consolidated Statement	A Consolidated Statement of the funds that are required on the basis of Additional Demand received is prepared by the Payment Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 47"*** for the specimen of ***Consolidated Statement*****]**	Consolidated Statement		Payment Section of Finance Directorate	AA
3.	Approval of Consolidated Statement	The Consolidated Statement is approved by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AO, AMA
4.	Preparation of Letter for Request of Funds from CPPA	On the basis of Consolidated Statement, a Letter for Request of Funds from CPPA is prepared by the Pay ment Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***Letter for Request of Funds from CPPA*****]**	Letter for Request of Funds from CPPA		Payment Section of Finance Directorate	AA
5.	Approval of Letter for Request of Funds from CPPA	The Letter for Request of Funds from CPPA is approved.			Payment Section of Finance Directorate CP&C section of Finance Directorate Office of the Finance directorate	AO, AMA, DMCA MF CP&C FD

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
6.	Dispatch of Letter for Request of Funds from CPPA to Concerned Government Authority	The Letter for Request of Funds from CPPA is dispatched by the Payment Section of Finance Directorate to Concerned Government Authority for authorisation.			Payment Section of Finance Directorate	AA
7.	Receipt of Intimation Letter regarding Transfer of Funds	The approved Intimation Letter regarding the transfer of funds is received from Concerned Government Authority by the ESCROW Section of Finance Directorate.			ESCROW Section of Finance Directorate	AA
8.	Receipt of Intimation Letter regarding Transfer of Funds	Intimation Letter regarding receipt of funds in Allied Bank Accounts is received from Bank by the ESCROW Section of Finance Directorate.			ESCROW Section of Finance Directorate	AA
9.	Updating of Cash Book	The receipt of funds is recorded in Cash Book of relevant Allied Bank Account. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		ESCROW Section of Finance Directorate	AA, AO, AMA
10.	Preparation of LPS	LPS is prepared to record the receipt of funds in relevant Allied Bank Account. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	ESCROW Section of Finance Directorate	AA, AO, AMA

CTM-15.4 Journal Entries

1. On receipt of funds into Allied Bank Account, the following entry is posted by the ESCROW Section of Finance Directorate:

Description	Debit	Credit
Bank – Relevant Allied Account	***	
AP / AR Clearing Account		***

CTM-15.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Payment Section of Finance Directorate	1,2,4,6
ESCROW Section of Finance Directorate	7,8,9,10
Accounts Officer	
Payment Section of Finance Directorate	3,5
ESCROW Section of Finance Directorate	9,10
Assistant Manager Accounts	
Payment Section of Finance Directorate	3,5
ESCROW Section of Finance Directorate	9,10
Deputy Manager Corporate Accounts	
Payment Section of Finance Directorate	5
Manager Finance Corporate Planning and Control	
CP&C section of Finance Directorate	5
Finance Directorate	
Office of Finance Directorate	5

CTM-15.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	The Letter for Retention is prepared correctly and approved.	That letter for Retention is not prepared accurately. This will cause fewer amounts of the funds to be retained than the required fund.	The Letter for Retention is prepared on the basis of the Consolidation Statement to ensure that it is correctly prepared. In Addition it is further approved by the AO, AMA, DMCA , MF CP&C and FD to ensure accuracy and completeness.	4,5
2	Cash book is properly updated.	Cash book is not properly updated resulting in misstatement.	The cash book is updated after receiving the Intimation Letter regarding the transfer of funds is received.	9
3	Receipt of funds in relevant Allied Bank Account is accurately recorded in the correct Accounting Period.	Receipt of funds are not recorded accurately resulting in misstatement of funds	LPS is prepared by the AA to record the receipt of funds in relevant Allied Bank Account, checked by the AO and approved by the AMA.	10

CTM-16 Payment of NJS, PTV Fee and Income Tax Collected from Electricity Bill

CTM-16.1 Descriptive Overview of the Process

A. This process covers activities regarding payment of NJS, PTV Fee and Income Tax Collected from Electricity Bill.

B. On the basis of CP-41, a separate Noting for payment of NJS, PTV Fee and Income Tax collected from Electricity Bills is prepared by Consolidation Section of Finance Directorate and Circle and Office Wise Collection Detail is also prepared and attached with each Noting.

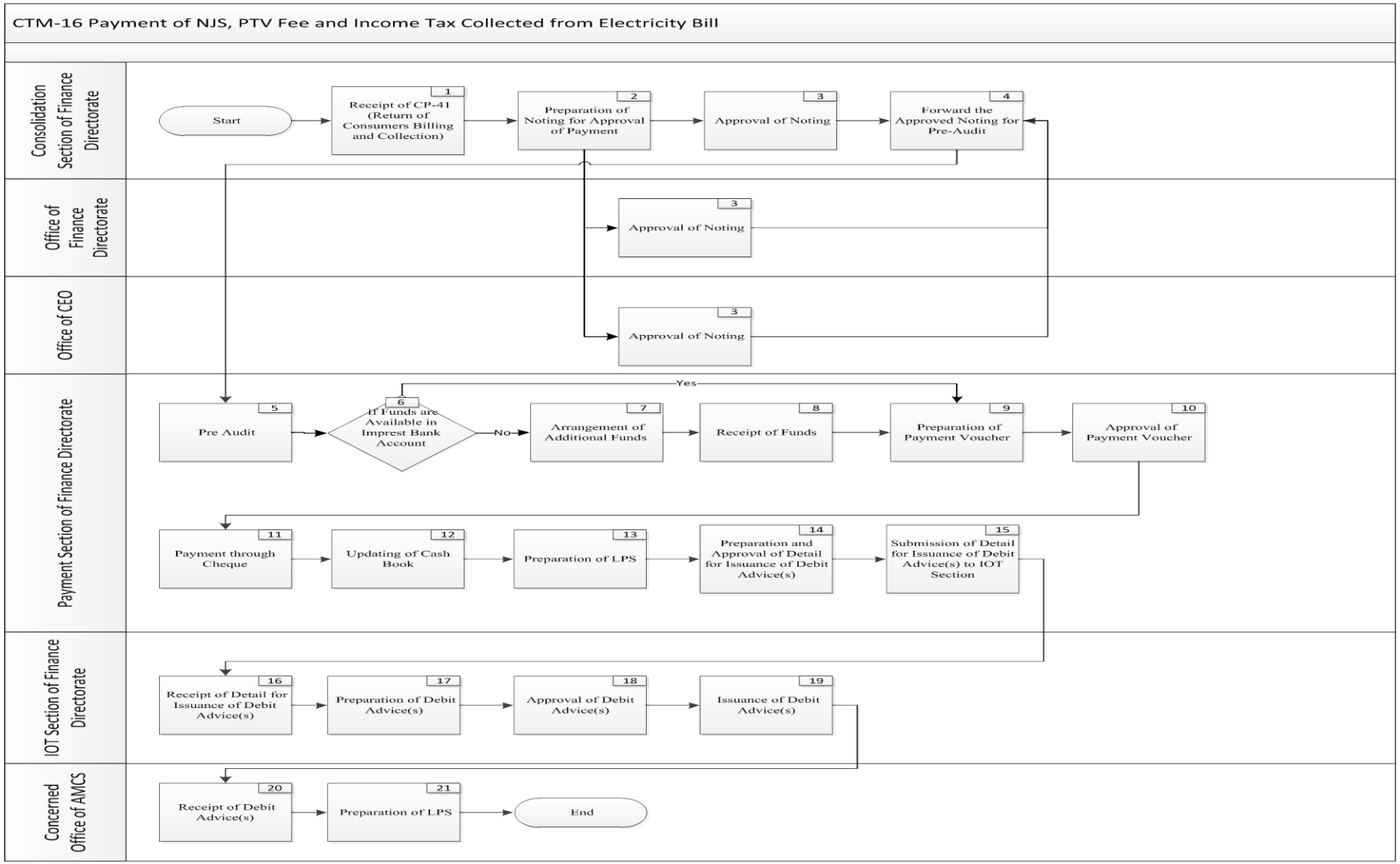
C. Noting for payment of NJS, PTV Fee and Income Tax is pre audited and availability of funds in Imprest Bank Account is checked, in case of shortage of funds additional funds are arranged.

D. Cheque is prepared and issued to the Concerned Authorities against the payment for NJS, PTV Fee and Income Tax.

E. Imprest Cash Book is updated and LPS is prepared to record the payment.

F. Debit Advice(s) for payment of NJS, PTV Fee and Income Tax is issued to Concerned Office of AMCS by IOT Section of Finance Directorate.

CTM-16.2 Flow Chart



CTM-16.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of CP-41 (Return of Consumers Billing and Collection)	CP-41 (Return of Consumers Billing and Collection) is received by the Consolidation Section of Finance Directorate from MIS Directorate.			Consolidation Section of Finance Directorate	AA
2.	Preparation of Noting for Approval of Payment	On the basis of CP-41 (Return of Consumers Billing and Collection), the following reports are prepared: ➢ A separate Noting for payment of NJS, PTV Fee and Income Tax collected from Electricity Bills and ➢ Circle and Office Wise Collection Detail. [Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting]*** [Refer ***"Volume III, Annexure – 51"*** for the specimen of ***Circle and Office Wise Collection Detail]***	Noting, Circle and Office Wise Collection Detail		Consolidation Section of Finance Directorate	AA
3.	Approval of Noting	Separate Noting for each payment i.e NJS, PTV Fee and Income Tax is approved.			Consolidation Section of Finance Directorate Office of finance Directorate Office of CEO	AO, AMA, DMCA , MCA FD CEO
4.	Forward the Approved Noting	Approved Noting is forwarded to Payment Section of Finance Directorate for Pre-Audit.			Consolidation Section of Finance	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	for Pre-Audit				Directorate	
5.	Pre-Audit	Pre-Audit is performed by the Payment Section of Finance Directorate. **[**Refer ***"PAP - 9"*** for details regarding ***the process of pre-audit*** **]**			Payment Section of Finance Directorate	
6.	If Funds are Available in Imprest Bank Account	a) The Payment Section of Finance Directorate checks the availability of funds in the Imprest Bank Account for the payment of NJS, PTV Fee and Income Tax. b) If funds are available in Imprest Bank Account then continues to Activity # 9 else continues to Activity # 7.			Payment Section of Finance Directorate	AA, AO
7.	Arrangement of Additional Funds	If funds are not available in the Imprest Bank Account following procedure is performed: a) The Demand for Release of Funds is prepared and approved. b) The Payment Section of Finance Directorate obtains the approval from CEO and Banking Section of Finance Directorate releases funds to the Imprest Bank Account. **[**Refer ***"CTM - 9"*** for details regarding ***arrangement of additional funds*****]**	Demand for Release of Funds	Entry for release of funds by Finance Directorate is mentioned in CTM-9	Payment Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume III, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***]				
8.	Receipt of Funds	Funds are received in the Imprest Bank Account of Finance Directorate. [Refer ***"CTM - 13"*** for details regarding ***receipt of funds from Finance Directorate***]		Entry for receipt of funds from Finance Directorate is mentioned in CTM-13	Payment Section of Finance Directorate	
9.	Preparation of Payment Voucher	Payment Voucher is prepared by the Payment Section of Finance Directorate for the each payment i.e. NJS, PTV Fee and Income Tax respectively. [Refer ***"Volume III, Annexure – 4"*** for the specimen of ***Payment Voucher***]	Payment Voucher		Payment Section of Finance Directorate	AA
10.	Approval of Payment Voucher	Payment Voucher is approved by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AO, AMA
11.	Payment through Cheque	A cheque is prepared and issued to the Concerned Authorities against the payment for NJS, PTV Fee and Income Tax by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA
12.	Updating of Cash Book	Imprest Cash Book is updated on the basis of payment by the Payment Section of Finance Directorate. [Refer ***"Volume III, Annexure – 5"*** for the	Cash Book		Payment Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		specimen of ***Cash Book***]				
13.	Preparation of LPS	LPS is prepared by Payment Section of Finance Directorate to record the payment of NJS, PTV Fee and Income Tax. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Payment Section of Finance Directorate	AA, AO, AMA
14.	Preparation and Approval of Detail for Issuance of Debit Advice(s)	Detail for Issuance of Debit Advice(s) is prepared by the Payment Section of Finance Directorate. [Refer ***"Volume III, Annexure – 52.1"*** for the specimen of ***Detail for Issuance of Debit Advice***] [Refer ***"Volume III, Annexure – 52.2"*** for the specimen of ***Detail for Issuance of Debit Advice***]	Detail for Issuance of Debit Advice		Payment Section of Finance Directorate	AA, AO, AMA
15.	Submission of Detail for Issuance of Debit Advice(s) to IOT Section	The Payment Section of Finance Directorate forwards the Detail for Issuance of Debit Advice(s) to the IOT Section of Finance Directorate.			Payment Section of Finance Directorate	AA
16.	Receipt of Detail for Issuance of Debit Advice(s)	The IOT Section of Finance Directorate receives the Detail for Issuance of Debit Advice(s).			IOT Section of Finance Directorate	AMA
17.	Preparation of Debit Advice(s)	Debit Advice(s) is prepared by the IOT Section of Finance Directorate for payment of NJS, PTV Fee and Income Tax and forwarded to the respective Offices of AMCS.	Debit Advice		IOT Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 53"*** for the specimen of ***Debit Advice***				
18.	Approval of Debit Advice(s)	Debit Advice(s) is approved by the IOT Section of Finance Directorate.			IOT Section of Finance Directorate	AA, AO, AMA
19.	Issuance of Debit Advice(s)	Debit Advice(s) is issued to the Concerned Offices of AMCS by IOT Section of Finance Directorate.			IOT Section of Finance Directorate	AA
20.	Receipt of Debit Advice(s)	Debit Advice(s) is received by Concerned Office of AMCS from the IOT Section of Finance Directorate.			Concerned Office of AMCS	DAO
21.	Preparation of LPS	LPS is prepared by the Concerned Office of AMCS to record the receipt of Debit Advice(s). **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	2	Concerned Office of AMCS	AA, DAO

CTM-16.4 Journal Entries

1. On payment of NJS, PTV Fee and Income Tax, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
IOT – Debit Advice	***	
Bank – Imprest Account		***

2. On receipt of Debit Advice(s) from IOT Section of Finance Directorate, the following entry is posted by the Concerned Office of AMCS.

Description	Debit	Credit
NJS Payable	***	
PTV Fee Payable	***	
Income Tax Payable	***	
IOT – Debit Advice		***

CTM-16.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Consolidation Section of Finance Directorate	1,2,4
Payment Section of Finance Directorate	6,7,9,11,12,13,14,15
IOT Section of Finance Directorate	17,18,19
Concerned Office of AMCS	21
Accounts Officer	
Consolidation Section of Finance Directorate	3
Payment Section of Finance Directorate	6,7,10,12,13,14
IOT Section of Finance Directorate	18
Divisional Account Officer	
Concerned Office of AMCS	20,21
Assistant Manager Accounts	
Consolidation Section of Finance Directorate	3
Payment Section of Finance Directorate	7,10, 12,13,14
IOT Section of Finance Directorate	16,18
Deputy Manager Corporate Accounts	
Consolidation Section of Finance Directorate	3
Manager Corporate Accounts	
Consolidation Section of Finance Directorate	3
Finance Director	
Office of Finance Directorate	3
Chief Executive Officer	
Office of CEO	3

CTM-16.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Correct amount of noting is prepared for the payment of NJS, PTV Fee and Income Tax collected from Electricity Bills.	Incorrect amount of noting is prepared for the payment of NJS, PTV Fee and Income Tax collected from Electricity Bills.	Noting is prepared on the basis of the CP-41 to ensure that it is accurately prepared.	2
2	Debit Advice(s) is correctly prepared and approved.	The Debit Advice(s) is not correctly prepared. This will misstate the balance of the NJS, PTV Fee and Income Tax collected.	Debit Advice(s) is prepared on the basis of the Detail for Issuance of Debit Advice(s) prepared by the Payment Section to ensure that correct amount is used in creating the Debit t Advice(s) is approved by AA, AO and AMA.	17. 18
3	Payment of NJS, PTV Fee and Income tax is recorded accurately and in the correct Accounting Period.	Inaccurate recording of NJS, PTV Fee and Income tax will result in misstatement of these heads.	LPS is prepared to record the payment of NJS, PTV fee and Income Tax by the AA, checked by the AO and approved by the AMA.	13

CTM-17 Payment of WHT and GST Payables

CTM-17.1 Descriptive Overview of the Process

A. This process covers the activities regarding payment of WHT and GST payables.

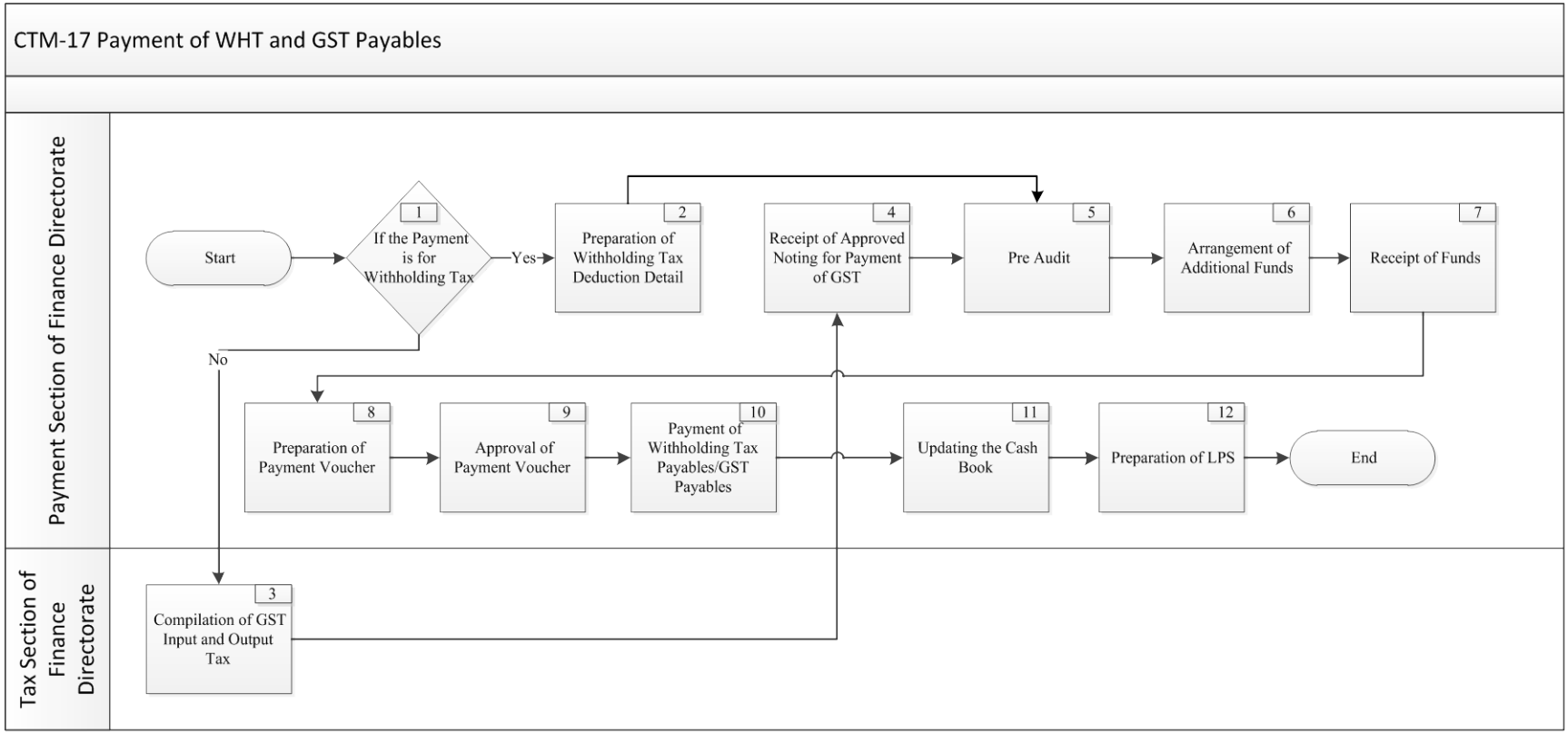
B. Withholding Tax Deduction Detail is prepared showing Vendor Name, NTN/CNIC#, Gross Amount, Withholding Tax Amount by the Payment Section of Finance Directorate.

C. Approved Noting for the payment of GST is received from Tax Section of Finance Directorate by Payment Section of Finance Directorate.

D. Withholding Tax Deduction Detail and Noting for the payment of GST is pre-audited and Cheque in the name of Tax Authorities is prepared and deposited in the designated Bank Account.

E. Relevant Cash Book is updated and LPS is prepared to record payment of WHT and GST to Tax Authorities.

CTM-17.2 Flow Chart



CTM-17.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	If the Payment is for Withholding Tax	If the Payment is for Withholding Tax then continues to Activity # 2 and in case the payment is for GST continues to Activity # 3.			Payment Section of Finance Directorate	
2.	Preparation of Withholding Tax Deduction Detail	a) Withholding Tax Deduction Detail is prepared by Payment Section of Finance Directorate. b) This document contains the following details regarding payments to the suppliers: ➢ Vendor Name ➢ NTN/CNIC# ➢ Gross Amount ➢ Withholding Tax Amount **[**Refer ***"Volume III, Annexure – 54"*** for the specimen of ***Withholding Tax Deduction Detail*****]**	Withholding Tax Deduction Detail		Payment Section of Finance Directorate	AO
3.	Compilation of GST Input and Output	GST Input and Output is compiled by the Tax Section of Finance Directorate. **[**Refer ***"TAX - 3 "*** for details regarding ***the compilation of GST Input and Output tax*****]**			Tax Section of Finance Directorate	
4.	Receipt of Approved Noting for Payment of GST	The approved Noting for the approval of the payment of GST is received by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA
5.	Pre-Audit	Pre-Audit is performed by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"PAP - 9"*** for details regarding ***pre-audit***]				
6.	Arrangement of Additional Funds	a) The Demand for Release of Fund is prepared and approved by the Payment Section of Finance Directorate. b) The Payment Section of Finance Directorate obtains the approval from CEO and Banking Section of Finance Directorate releases funds to the Imprest Bank Account. [Refer ***"CTM - 9"*** for details regarding ***arrangement of additional funds***] [Refer ***"Volume III, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume III, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***]	Demand for Release of Funds	Entry for release of funds by Finance Directorate is mentioned in CTM-9	Payment Section of Finance Directorate	AA, AO, AMA
7.	Receipt of Funds	Funds are received in the Imprest Bank Account of Finance Directorate. [Refer ***"CTM - 13"*** for details regarding ***receipt of funds by Finance Directorate***]		Entry for receipt of funds from Finance Directorate is mentioned in CTM-13	Payment Section of Finance Directorate	
8.	Preparation of Payment Voucher	Payment Voucher is prepared to make the payment to the concerned Tax Authority. [Refer ***"Volume III, Annexure – 4"*** for the specimen	Payment Voucher		Payment Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		of ***Payment Voucher***]				
9.	Approval of Payment Voucher	Payment Voucher is approved by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AO, AMA
10.	Payment of Withholding Tax Payables/GST Payables	Cheque is prepared in the name of Tax Authority and deposited in their relevant Bank Account.			Payment Section of Finance Directorate	AA
11.	Updating of Cash Book	Imprest Cash Book is updated to record the payment of Withholding Tax/ GST Payables. [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Payment Section of Finance Directorate	Cashier/AA, AO, AMA
12.	Preparation of LPS	LPS is prepared by the Payment Section of Finance Directorate to record the Payment. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1, 2	Payment Section of Finance Directorate	Cashier/AA, AO, AMA

CTM-17.4 Journal Entries

1. On payment to Tax Authorities regarding Withholding Tax deducted, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
Withholding Tax Payable	***	
Bank – Imprest Account		***

2. On payment to Tax Authorities regarding GST Payables, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
GST Payable	***	
Bank – Imprest Account		***

CTM-17.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Cashier	
Payment Section of Finance Directorate	11,12
Accounts Assistant	
Payment Section of Finance Directorate	4,6,8,10,11,12
Accounts Officer	
Payment Section of Finance Directorate	2,6,9,11,12
Assistant Manager Accounts	
Payment Section of Finance Directorate	6,9,11,12

CTM-17.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	All invoices on which Withholding Tax is applicable are accounted for, to ensure completeness.	All the invoices are not accounted for while calculating WHT. This may subject the DISCOs to penalties.	Withholding Tax Deduction Detail is prepared by Payment Section of Finance Directorate to ensure that all the invoices are accounted for in computing the Withholding Tax payable.	2
2	Payment is only made for approved Payment Vouchers.	Unauthorized payment may be made.	Payment Voucher is approved by the Competent Authority.	9
3	Payment for WHT and GST payables is recorded accurately and in the correct Accounting Period.	Incorrect recording of WHT and GST Payables will result in misstatement.	LPS is prepared to record the payment of WHT and GST payables by AA, checked by the AO and approved by AMA.	12

CTM-18 Placement of Funds for Maximization of Profit

CTM-18.1 Descriptive Overview of the Process

A. This process covers the activities regarding Placement of Funds for Maximization of Profit.

B. Comparative Statement showing different investment options available according to the Letter of Offer of Rate of Interest received from Bank is prepared by Banking Section of Finance Directorate.

C. Best investment option is determined by Competent Authority and Funds Transfer Letter for transfer of funds is prepared by Banking Section of Finance Directorate.

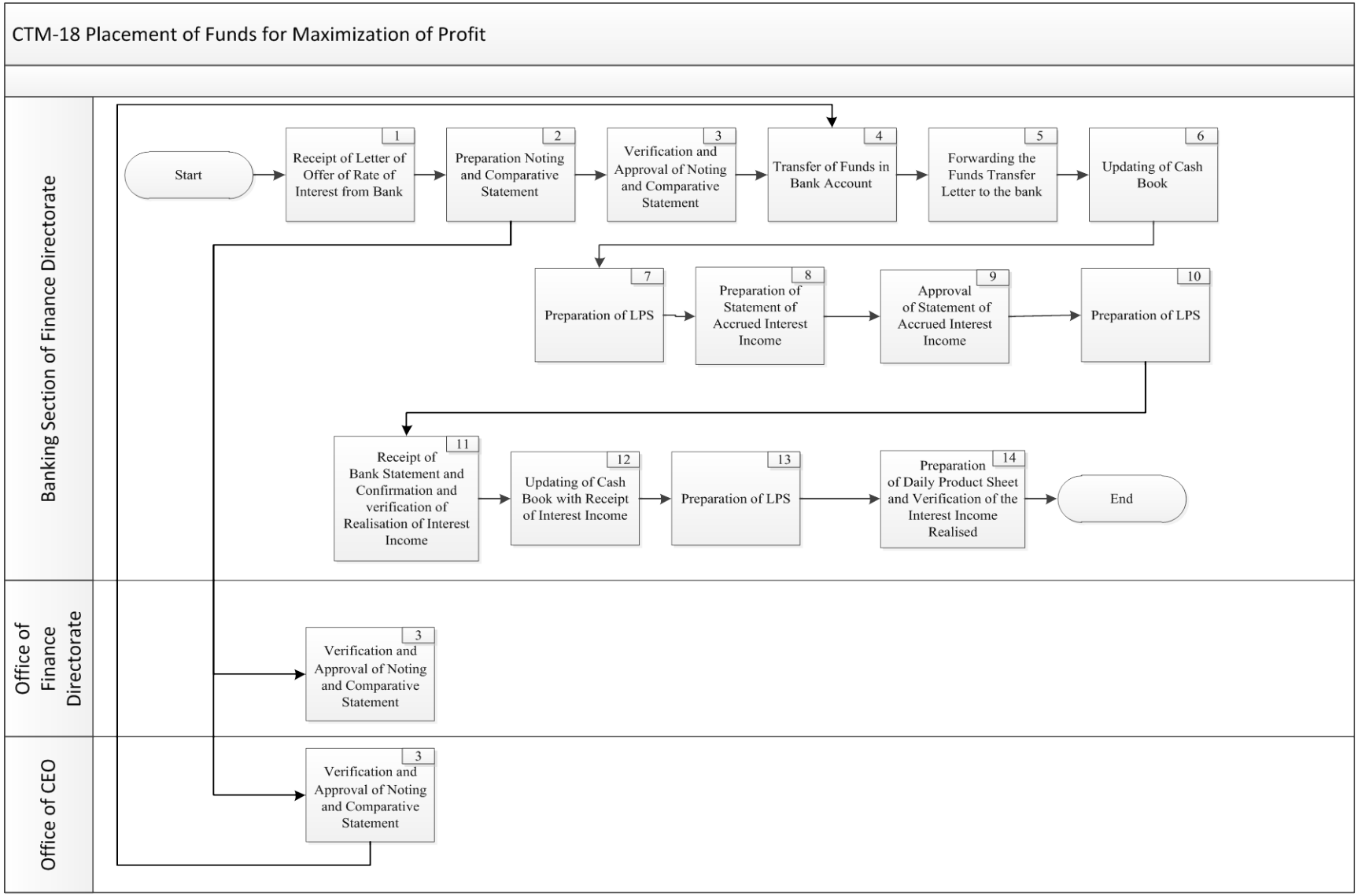
D. Relevant Cash Book is updated and LPS is prepared to record the placement of funds for maximization of profit.

E. Interest Income is accrued on the basis of Statement of Accrued Interest Sheet prepared by Banking Section of Finance Directorate.

F. The Bank Statement of relevant Bank Account is obtained to confirm the realisation of Interest Income.

G. Relevant Cash Book is updated and LPS is prepared to record the realisation of Interest Income.

CTM-18.2 Flow Chart



CTM-18.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Letter of Offer of Rate of Interest from Bank	The Letter of Offer of Rate of Interest, showing the interest rates offered by the Bank, is received from the Banks by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AMA
2.	Preparation of Noting and Comparative Statement	a) Comparative Statement is prepared showing different investment options available according to the Letter of Offer of Rate of Interest received from Banks. b) Noting is prepared with the proposal of best option for investment. [Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting***] [Refer ***"Volume III, Annexure – 55"*** for the specimen of ***Comparative Statement***]	Noting, Comparative Statement		Banking Section of Finance Directorate	AMA
3.	Verification and Approval of Noting and Comparative Statement	a) The noting is matched with the Letter of Offer of Rate, by the Banking Section of Finance Directorate to make sure it is properly made. b) The Noting along with Comparative Statement is approved.			Banking Section of Finance Directorate Office of Finance Directorate Office of CEO	AO, AMA, DMCA (FF), MCA FD CEO
4.	Transfer of Funds in Bank Account	Funds Transfer Letter is prepared by the Banking Section of Finance Directorate to transfer the funds from relevant Bank(s) Account(s) to other		Entry for transfer of funds by	Banking Section of Finance Directorate	

		Bank(s) Account(s). **[**Refer ***"CTM - 9"*** for details regarding ***transfer of funds by Finance directorate***]		Finance Directorate is mentioned in CTM-9		
5.	Forwarding the Funds Transfer Letter to the bank	Funds Transfer Letter for transfer of funds to other Bank(s) Account(s) is forwarded to the Bank by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
6.	Updating of Cash Book	Cash Book is updated by the Banking Section of Finance Directorate to record the transfer of funds to other Bank Account. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Banking Section of Finance Directorate	AA
7.	Preparation of LPS	LPS is prepared by the Banking Section of Finance Directorate to record the transfer of funds to other Bank Account. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Banking Section of Finance Directorate	AA, AO, AMA
Interest Income						
8.	Preparation of Statement of Accrued Interest Income	A Statement of Accrued Interest Income is prepared by the Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 56"*** for the specimen of ***Statement of Accrued Interest Income]***	Statement of Accrued Interest Income		Banking Section of Finance Directorate	AA

9.	Approval of Statement of Accrued Interest Income	The Statement of Accrued Interest Income is approved by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA, AO, AMA
10.	Preparation of LPS	LPS is prepared by the Banking Section of Finance Directorate to record the accrued Interest Income. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Banking Section of Finance Directorate	AA, AO, AMA
11.	Receipt of Bank Statement and Confirmation and Verification of Realisation of Interest Income	a) The Bank Statement of relevant Bank Account is received by the Banking Section of Finance Directorate from Bank to confirm the realisation of Interest Income. b) The interest received is matched with the Statement of Accrued Interest to ensure that full amount of interest is realized.			Banking Section of Finance Directorate	AA
12.	Updating of Cash Book with Receipt of Interest Income	Relevant Bank Account Cash Book is updated by the Banking Section of Finance Directorate to record realisation of accrued Interest Income. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Banking Section of Finance Directorate	AA
13.	Preparation of LPS	LPS is prepared by the Banking Section of Finance Directorate to record the realization of the accrued Interest Income. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	3	Banking Section of Finance Directorate	AA, AO, AMA
14.	Preparation of Daily Product Sheet and	c) Monthly statement regarding Daily Product Sheet is prepared by the Banking Section of	Daily Product Sheet		Banking Section of Finance	AA, AO, AMA

	Verification of the Interest Income Realised	Finance Directorate. d) Interest Income realised is matched with the accrued Interest Income as per Statement of Accrued Interest Income along with credit entry of interest income in the Bank Statement. **[**Refer ***"Volume III, Annexure – 57"*** for the specimen of ***Daily Product Sheet*****]**			Directorate	

CTM-18.4 Journal Entries

1. On receipt of funds in Investment Bank Account, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Investment Account	***	
AP / AR Clearing Account		***

2. On accrual of the Interest Income, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Accrued Interest Income	***	
Interest Income		***

3. On realization of accrued Interest Income, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Investment Account	***	
Accrued Interest Income		***

CTM-18.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Banking Section of Finance Directorate	5,6,7,8,9,10,11,12,13,14
Accounts Officer	
Banking Section of Finance Directorate	3,7,9,10,13,14
Assistant Manager Account	
Banking Section of Finance Directorate	1,2,3,7,9,10,13,14
Deputy Manager Corporate Accounts (Field Formation)	
Banking Section of Finance Directorate	3
Manager Corporate Accounts	
Banking Section of Finance Directorate	3
Finance Director	
Office of Finance Directorate	3
Chief Executive Officer	
Office of CEO	3

CTM-18.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Noting and the Comparative Statement is prepared accurately and in accordance with the Letter of Offer of Rate received.	The wrong option for investment is selected which does not optimize the profit resulting in financial loss to the DISCO.	Noting and the Comparative Statement is matched with the Letter of Offer of Rate	3
2	The transfer of the funds is properly recorded and in the current accounting period	Incorrect recording of transfer of funds results in misstatement of funds.	LPS is prepared by AA to record the transfer of funds, checked by the AO and approved by the AMA.	7
3	Realization of the accrued Interest Income is recorded accurately and in the correct Accounting Period.	Incorrect amount of accrued interest income is realized.	LPS is prepared by the AA to record the realization of accrued interest income, checked by AO and approved by the AMA.	13
4	The full amount of the interest is received by the DISCOs.	Full amount of interest is not received by the DISCOs	The interest realized is match with the Statement of Accrued Interest to ensure that full amount of interest is realized.	14

CTM-19 Recording of Loan Transactions (Receipt, Payment of Principle Amount, Interest etc)

CTM-19.1 Descriptive Overview of the Process

A. This process covers the activities regarding recording of Loan Transactions (Receipt, Payment of Principle Amount, Interest etc).

B. Approval of BOD is obtained for obtaining Loan.

C. Negotiations with Lender are carried out to finalize the terms and conditions of Loan by the Competent Authority.

D. The Loan agreement is signed by the Competent Authority with the approval of BOD.

E. Intimation Letter regarding transfer of fund in Loan Bank Account is received from Bank by CP&C Section of Finance Directorate.

F. Loan Cash Book is updated and LPS is prepared to record the transaction.

G. Interest Expense is accrued on the basis of Interest Payment Schedule prepared by the CP&C Section of Finance Directorate.

H. Noting for payment of Interest Expense is approved by Competent Authority and pre- audit is performed.

I. The payment of Interest Expense from Loan Bank Account is made to the Bank.

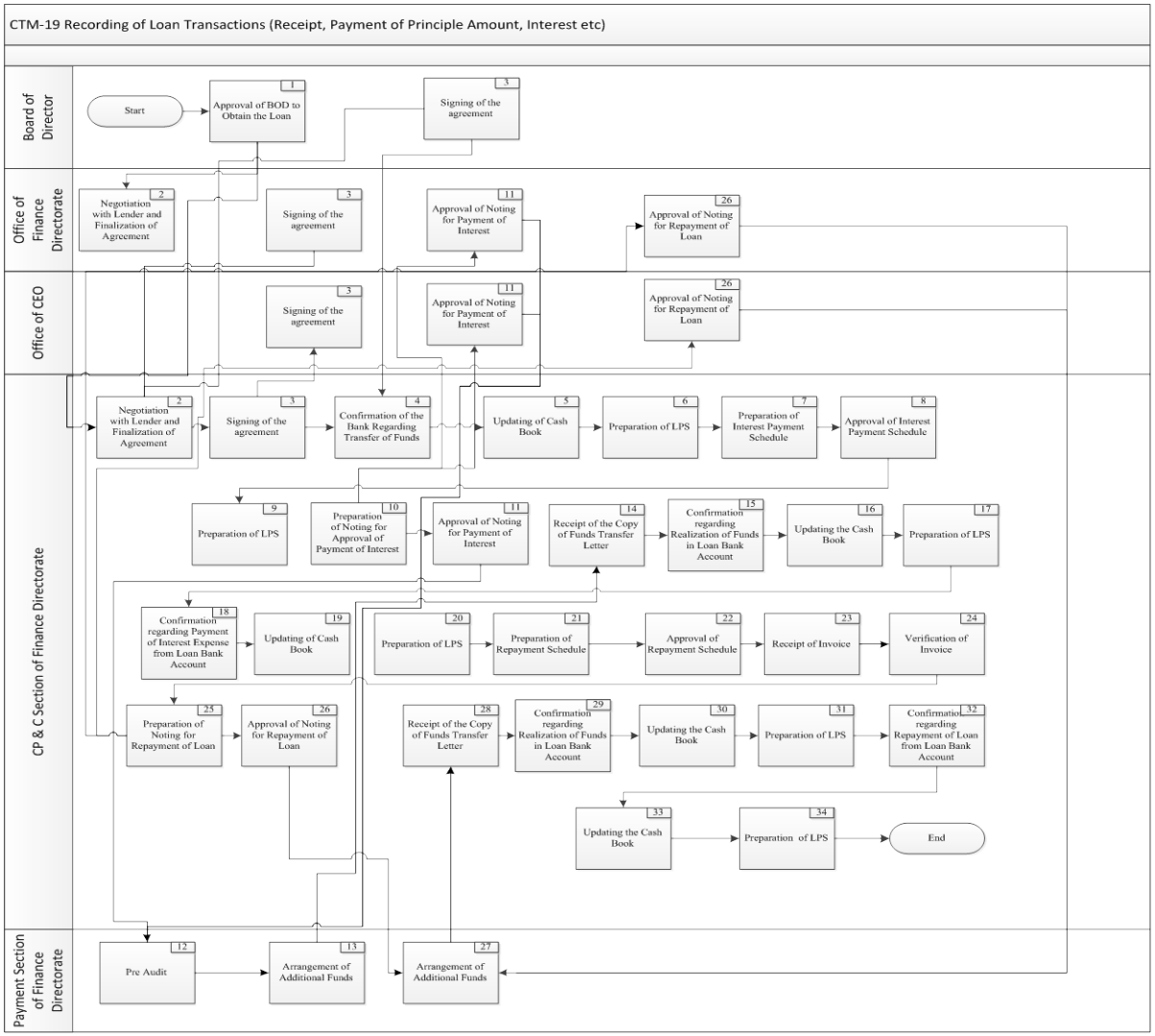
J. Cash Book is updated and LPS is prepared to record the payment of accrued Interest Expense.

K. Invoice for repayment of Loan is received from Bank by CP&C Section of Finance Directorate.

L. Noting for the repayment of Loan is approved by Competent Authority and pre-audit is performed.

M. The Loan is repaid from Loan Bank Account, Loan Cash Book is updated and LPS is prepared to record the repayment.

CTM-19.2 Flow Chart



CTM-19.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Approval of BOD to Obtain the Loan	The BOD passes the resolution for obtaining the Loan.			Board of Director	BOD
2.	Negotiation with Lender and Finalization of Agreement	After approval of BOD, negotiations with Lender are carried out by the Finance Directorate to finalize the terms and conditions of loan and other relating matters.			CP & C Section of Finance Directorate Office of Finance Directorate	MF CP & C FD
3.	Signing of Agreement	With the approval of BOD, the agreement of Loan is signed off.			CP & C Section of Finance Directorate Office of Finance Directorate Office of CEO Board of Director	MF CP & C FD CEO BOD
4.	Confirmation of Bank Regarding Transfer of Funds	On receiving the loan amount, the Bank sends the Intimation Letter to the CP&C Section of Finance Directorate that amount has been credited in the DISCO's Loan Bank Account.			CP & C Section of Finance Directorate	MF CP&C
5.	Updating of Cash Book	Cash Book of Loan Bank Account is updated by the CP & C Section of Finance Directorate.	Cash Book		CP & C Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**				
6.	Preparation of LPS	LPS is prepared by the CP & C Section of Finance Directorate to record the receipt of Loan. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	CP & C Section of Finance Directorate	AA, AO, AMA
Interest Expense						
7.	Preparation of Interest Payment Schedule	A schedule for the payment of interest is prepared by the CP & C Section of Finance Directorate in accordance with the terms and conditions mentioned on Loan Agreement. **[**Refer ***"Volume III, Annexure – 58"*** for the specimen of ***Interest Payment Schedule*****]**	Interest Payment Schedule		CP & C Section of Finance Directorate	AA, AO
8.	Approval of Interest Payment Schedule	The Interest Payment Schedule is approved by the CP & C Section of Finance Directorate.			CP & C Section of Finance Directorate	AO, AMA, DMCA MF CP&C
9.	Preparation of LPS	LPS is prepared by the CP & C Section of Finance Directorate to record the accrual of interest expense as per Interest Payment Schedule. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	2	CP & C Section of Finance Directorate	AA, AO, AMA
10.	Preparation of Noting for Approval of Payment of Interest	Noting is prepared by CP & C Section of Finance Directorate for approval of payment of interest expense.	Noting		CP & C Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting***]				
11.	Approval of Noting for Payment of Interest	a) Noting for approval of payment of interest expense is approved. b) The noting is forwarded by the CP & C Section of Finance Directorate to the Payment Section of Finance Directorate.			CP & C Section of Finance Directorate Office of Finance Directorate Office of CEO	AO, AMA, MF CP & C, FD CEO
12.	Pre-Audit	Pre-Audit is performed by the Payment Section of Finance Directorate. [Refer ***"PAP - 9"*** for details regarding ***pre-audit***]			Payment Section of Finance Directorate	
13.	Arrangement of Additional Funds	a) The Demand for Release of Fund is prepared and approved by Payment Section of Finance Directorate. b) The Payment Section of Finance Directorate obtains the approval from CEO and Banking Section of Finance Directorate releases funds to the Loan Bank Account. [Refer ***"CTM - 9"*** for details regarding ***arrangement of additional funds by Finance Directorate***]	Demand for Release of Funds	Entry for release of funds by Finance Directorate is mentioned in CTM-9	Payment Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume III, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***]				
14.	Receipt of Copy of Funds Transfer Letter	Copy of Funds Transfer Letter is received by the CP & C Section of Finance Directorate, from the Banking Section of Finance Directorate.			CP & C Section of Finance Directorate	AMA
15.	Confirmation regarding Realization of Funds in Loan Bank Account	Bank Statement of Loan Bank Account is obtained by the CP & C Section of Finance Directorate to confirm that the funds are received / realized in Loan Bank Account.			CP & C Section of Finance Directorate	AA
16.	Updating of Cash Book	Receipt of the funds from the Banking Section of Finance Directorate is recorded in the Loan Cash Book by the CP & C Section of Finance Directorate. [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		CP & C Section of Finance Directorate	AA, AO, AMA
17.	Preparation of LPS	LPS is prepared by CP & C Section of Finance Directorate to record the receipt of the funds from Banking Section of Finance Directorate in Loan Bank Account. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	3	CP & C Section of Finance Directorate	AA
18.	Confirmation regarding Payment	Bank Statement of Loan Bank Account is obtained by the CP & C Section of Finance Directorate, to confirm			CP & C Section of Finance	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	of Interest Expense from Loan Bank Account	that the payment of interest expense from Loan Bank Account.			Directorate	
19.	Updating of Cash Book	The Loan Cash Book is updated by the CP & C Section of Finance Directorate to record the payment of Interest Expense. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		CP & C Section of Finance Directorate	AA
20.	Preparation of LPS	LPS is prepared by the CP & C Section of Finance Directorate to record the payment of Interest Expense. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	4	CP & C Section of Finance Directorate	AA, AO, AMA
Repayment of Loan						
21.	Preparation of Repayment Schedule	Repayment Schedule is prepared by the CP & C Section of Finance Directorate, in accordance with terms and conditions mentioned on Loan Agreement. **[**Refer ***"Volume III, Annexure – 59"*** for the specimen of ***Repayment Schedule*****]**	Repayment Schedule		CP & C Section of Finance Directorate	AA
22.	Approval of Repayment Schedule	Repayment Schedule is approved by the CP & C Section of Finance Directorate.			CP & C Section of Finance Directorate	AO, AMA, DMCA MF CP&C
23.	Receipt of Invoice	Invoice is received by the CP & C Section of Finance Directorate from Bank for the repayment of the Loan.			CP & C Section of Finance Directorate	AA, AO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
24.	Verification of Invoice	Invoice is verified with the repayment schedule by CP & C Section of Finance Directorate.			CP & C Section of Finance Directorate	AA, AO
25.	Preparation of Noting for Repayment of Loan	A Noting is prepared by for the repayment of the Loan. **[**Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting*****]**	Noting		CP & C Section of Finance Directorate	AA, AO
26.	Approval of Noting for Repayment of Loan	Noting for the repayment of the loan is approved.			CP & C Section of Finance Directorate Office of Finance Directorate Office of CEO	AO, AMA, MF CP & C, FD CEO
27.	Arrangement of Additional Funds	a) The Demand for Release of Fund is prepared and approved by the Payment Section of Finance Directorate. b) The Payment Section of Finance Directorate obtains the approval from CEO and Banking Section of Finance Directorate releases funds to the Loan Bank Account. **[**Refer ***"CTM - 9"*** for details regarding ***arrangement of additional funds by Finance Directorate*****]**	Demand for Release of Funds	Entry for release of funds by Finance Directorate is mentioned in CTM-9	Payment Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume III, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***]				
28.	Receipt of Copy of Funds Transfer Letter	Copy of Funds Transfer Letter is received by the CP & C Section of Finance Directorate from the Banking Section of Finance Directorate.			CP & C Section of Finance Directorate	AMA
29.	Confirmation regarding Realization of Funds in Loan Bank Account	Bank Statement of Loan Bank Account is obtained by the CP & C Section of Finance Directorate to confirm that the funds are received / realized in Loan Bank Account.			CP & C Section of Finance Directorate	AA
30.	Updating of Cash Book	Receipt of the funds from the Banking Section of Finance Directorate is recorded in the Loan Cash Book by the CP & C Section of Finance Directorate. [Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		CP & C Section of Finance Directorate	AA, AO, AMA
31.	Preparation of LPS	LPS is prepared to record the receipt of the funds from Banking Section of Finance Directorate in Loan Bank Account by the CP & C Section of Finance Directorate. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	5	CP & C Section of Finance Directorate	AA, AO, AMA
32.	Confirmation regarding Repayment of Loan from Loan Bank	Bank Statement of Loan Bank Account is obtained by the CP & C Section of Finance Directorate to confirm that Loan is repaid from Loan Bank Account.			CP & C Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Account					
33.	Updating of Cash Book	The Loan Cash Book is updated by the CP & C Section of Finance Directorate to record the repayment of loan. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		CP & C Section of Finance Directorate	AA, AO, AMA
34.	Preparation of LPS	LPS is prepared to record the repayment of the loan by the CP & C Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	6	CP & C Section of Finance Directorate	AA, AO, AMA

CTM-19.4 Journal Entries

1. On receipt of Loan, the following entry is posted by the CP & C Section of Finance Directorate:

Description	Debit	Credit
Bank – Loan Account	***	
Loan		***

2. On recording of Accrual of the Interest Expense, the following entry is posted by the CP & C Section of Finance Directorate:

Description	Debit	Credit
Interest Expense	***	
Accrued Interest Expense		***

3. On receipt of funds for the payment of the Interest Expense, the following entry is posted by the CP&C Section of Finance Directorate:

Description	Debit	Credit
Bank – Loan Account	***	
AP/ AR Clearing Account		***

4. On payment of the Interest Expense, the following entry is posted by the CP&C Section of Finance Directorate:

Description	Debit	Credit
Accrued Interest Expense	***	
Bank – Loan Account		***

5. On receipt of funds for the Repayment of Loan, the following entry is posted by the CP&C Section of Finance Directorate:

Description	Debit	Credit
Bank – Loan Account	***	
AP/ AR Clearing Account		***

6. On Repayment of Loan, the following entry is posted by the CP&C Section of Finance Directorate:

Description	Debit	Credit
Loan	***	
Bank – Loan Account		***

CTM-19.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
CP & C Section of Finance Directorate	5,6,7,9,10,15,16,17,18,19,20,21,23,24,25,29,30,31,32,33,34
Payment Section of Finance Directorate	13, 27
Accounts Officer	
CP & C Section of Finance Directorate	5,6,7,8,9,11,16,20,22,23,24,25,26,30, 31,33,34
Payment Section of Finance Directorate	13, 27
Assistant Manager Accounts	
CP & C Section of Finance Directorate	5,6,8,9,11,14,16,20,22,26,28,30,31,33,34
Payment Section of Finance Directorate	13, 27
Deputy Manager Corporate Accounts	
CP & C Section of Finance Directorate	8,22
Manager Finance (Corporate Planning and Control)	
CP & C Section of Finance Directorate	2,3,4,8,11,22,26
Finance Director	
Office of Finance Directorate	2,3,11,26
Chief Executive Officer	
Office of CEO	3,11,26
Board Of Director	
Board Of Director	1,3

CTM-19.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Loan is properly approved.	The Loan is not properly approved may result in unauthorised Borrowing.	The Loan is approved by the BOD.	1
2	The funds are received in the bank account before updating the cash book.	The funds are not received in the bank account and cash book is erroneously updated.	The cash book is updated on the basis of the intimation letter received from the bank indicating that the funds have been transferred.	4,5
3	The correct amount of interest is recorded and paid.	An incorrect amount of interest is recorded and paid. The over payment will result in financial loss to the DISCOs and underpayment may subject the DISCOs to further interest or penalties.	The Interest Payment Schedule is prepared by the AA and approved by the AO, AMA, DMCA CP&C, MF CP&C.	7,8
4	Payment of interest is made accurately.	The payment of interest is not made accurately. This may subject the DISCOs to additional interest or penalties.	Bank statement is obtained by the AA to ensure that payment of the interest has been made.	18
5	Repayment of the loan is according to the terms and conditions contained in the loan agreement.	The repayment of the loan is not according to the term and condition contain in the loan agreement. This may subject the DISCOs to additional interest or penalties.	Repayment Schedule is prepared by the AA and approved by the AO, AMA, DMCA CP&C and MF CP&C to ensure that repayment will be made in accordance with the loan agreement.	21,22
6	Correct amount of loan is repaid.	Repayment may be made for incorrect amount resulting in financial loss to the DISCO.	The invoice is matched with the repayment schedule to ensure that correct amount is paid.	24

CTM-20 Receipt and Payment of Working Funds in Divisions of PD Construction/GSC Circle, Field Stores and Office of CEO

CTM-20.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt and payment of Working Funds in Divisions of PD Construction/GSC circle, Field Stores and Office of CEO.

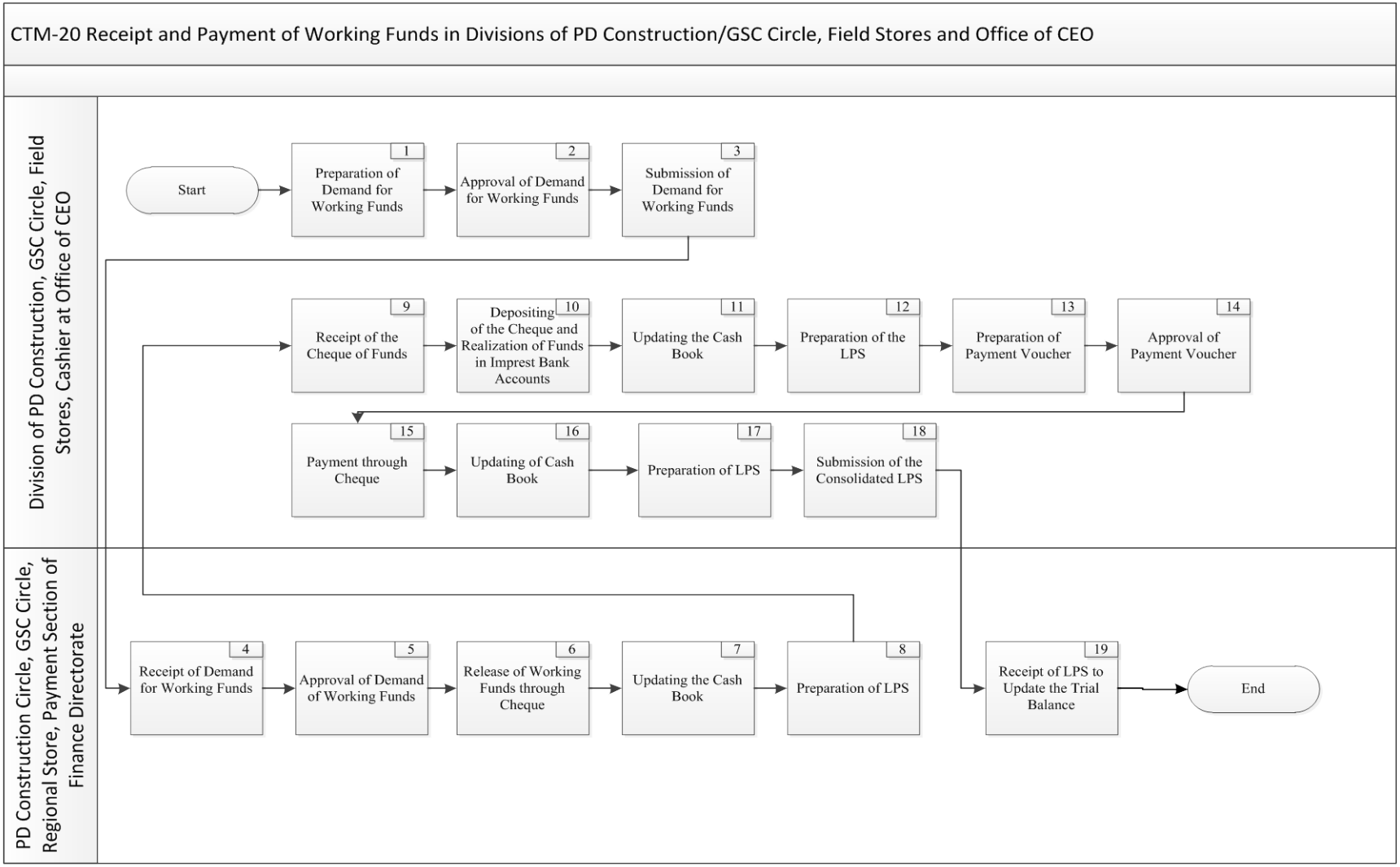
B. Approved Demand for Working Funds is submitted to Main Office for release of Working Funds for the payment of Salaries, Travelling Expenses and POL etc by Sub Office.

C. On the basis of approved Demand for Working Funds received, a cheque is prepared by PD Construction Circle, GSC Circle, Regional Store and Payment Section of Finance Directorate to transfer the funds to Divisions of PD Construction/GSC Circle, Field Stores and Office of CEO.

D. Imprest Cash Book is updated and LPS is prepared to record the transfer of working funds by Main Office.

E. Cheque is deposited in the relevant Imprest Bank Account by Sub Office, Imprest Cash Book is updated and LPS is prepared to record the receipt of working funds.

CTM-20.2 Flow Chart



CTM-20.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of Demand for Working Funds	Demand for Working Funds is prepared for the payment of Salaries, Travelling Expense and POL etc. [Refer ***"Volume III, Annexure – 60"*** for the specimen of ***Demand for Working Funds***]	Demand for Working Funds		Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA
2.	Approval of Demand for Working Funds	Demand for Working Funds is approved.			Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA, DAO
3.	Submission of Demand for Working Funds	Demand for Working Funds is submitted to Main Office for release of Working Funds.			Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA
4.	Receipt of Demand for Working Funds	Demand for release of Working Funds is received from Sub Office for release of Working Funds.			PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	AMCA
5.	Approval of Demand for Working Funds	Demand for Release of Working Funds is approved.			PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	PD, DMRS

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
6.	Release of Working Funds through Cheque	A cheque is prepared by Main Office to transfer the funds to the Sub Office.			PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	AA
7.	Updating of Cash Book	The transfer of funds is recorded in the Imprest Cash Book. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	AA
8.	Preparation of LPS	LPS is prepared to record the transfer of Working Funds. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	AA, AO, AMA
9.	Receipt of Cheque	Cheque is received by the Sub Office.			Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA
10.	Depositing of the Cheque and Realization of Funds in Imprest Bank Accounts	a) Cheque is deposited in the relevant Imprest Bank Account. b) Bank Statement is obtained from Bank to ensure that the funds are received in Imprest Bank Account.			Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA
11.	Updating of Cash Book	The receipt of funds is recorded in the Imprest Cash Book.	Cash Book		Division of PD Construction, GSC Circle, Field	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		[Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]			Stores, Cashier at Office of CEO	
12.	Preparation of LPS	LPS is prepared to record the receipt of Working Funds in the Imprest Bank Account. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA, DAO
Recording of Payment Transactions						
13.	Preparation of Payment Voucher	Payment Voucher is prepared to record the payment of Salaries, Travelling Expense and POL etc. [Refer ***"Volume III, Annexure – 4"*** for the specimen of ***Payment Voucher***]	Payment Voucher		Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA
14.	Approval of Payment Voucher	Payment Voucher is approved.			Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	DAO
15.	Payment through Cheque	A cheque is prepared and issued for payment.			Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA
16.	Updating of Cash Book	Imprest Cash Book is updated to record the payment through Imprest Bank Account. [Refer ***"Volume III, Annexure – 5"*** for the	Cash Book		Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		specimen of ***Cash Book***]				
17.	Preparation of LPS	LPS is prepared to record the payment of Expense through Imprest Bank Account. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	3	Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA, DAO
18.	Submission of Consolidated LPS	On month end, Consolidated LPS is submitted to the Main Office for consolidation purposes.			Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	AA
19.	Receipt of LPS to Update the Trial Balance	The Consolidated LPS of Sub Office is received for updating of Trial Balance.			PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	AA, AO, AMA

CTM-20.4 Journal Entries

1. When Working Funds is transferred to Divisions of PD Construction/GSC Circle, Field Stores and Cashier at Office of CEO, the following entry is posted by PD Construction Circle, GSC Circle, Regional Store and Payment Section of Finance Directorate:

Description	Debit	Credit
Working Fund	***	
Bank – Imprest Account		***

2. When Working Funds are received from PD Construction Circle, GSC Circle, Regional Store and Payment Section of Finance Directorate, the following entry is posted by Divisions of PD Construction/GSC Circle, Field Stores and Cashier at Office of CEO:

Description	Debit	Credit
Bank – Imprest Account	***	
Working Fund		***

3. When payment is made through Imprest Bank Account (Working Fund), the following entry is posted by Divisions of PD Construction/GSC Circle, Field Stores and Cashier at Office of CEO:

Description	Debit	Credit
Expense Account	***	
Bank – Imprest Account		***

CTM-20.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	1,2,3,9,10,11,12,13,15,16,17,18
PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	6,7,8,19
Accounts Officer	
PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	8,19
Divisional Accounts Officer	
Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	2,11,12,14,16,17
Assistant Manager Accounts	
PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	8,19
Assistant Manager Corporate Accounts	
PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	4
Deputy Manager Regional Store	
PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	5
Project Director	
PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	5

CTM-20.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Demand for the Working Funds is properly authorized.	The demand for working funds is not authorized may result in mismanagement of Funds.	The demand for funds is prepared and approved by AA and DAO respectively.	2
2	The release of Working Funds is approved.	Unauthorized working funds are released.	The release of funds is approved by the PD, DMRS.	5
3	Transfer of the funds from PD Construction Circle, GSC Circle and Regional Store are recorded accurately and in the correct accounting period.	Incorrect amount of funds are transferred.	LPS is prepared to record the transfer of funds by AA, checked by AO and approved by the AMA.	8
4	Payment of Salaries, Travelling Expense, POL etc is only made for authorized transactions.	Unauthorized payments are made for Salaries, Travelling Expense, POL etc.	Payment Voucher is approved by the Competent Authority.	14

CTM-21 Withdrawal of Cash for Chest (CFC) and Payment of Expenses

CTM-21.1 Descriptive Overview of the Process

A. This process covers the activities regarding withdrawal of cash for chest and payment of expenses.

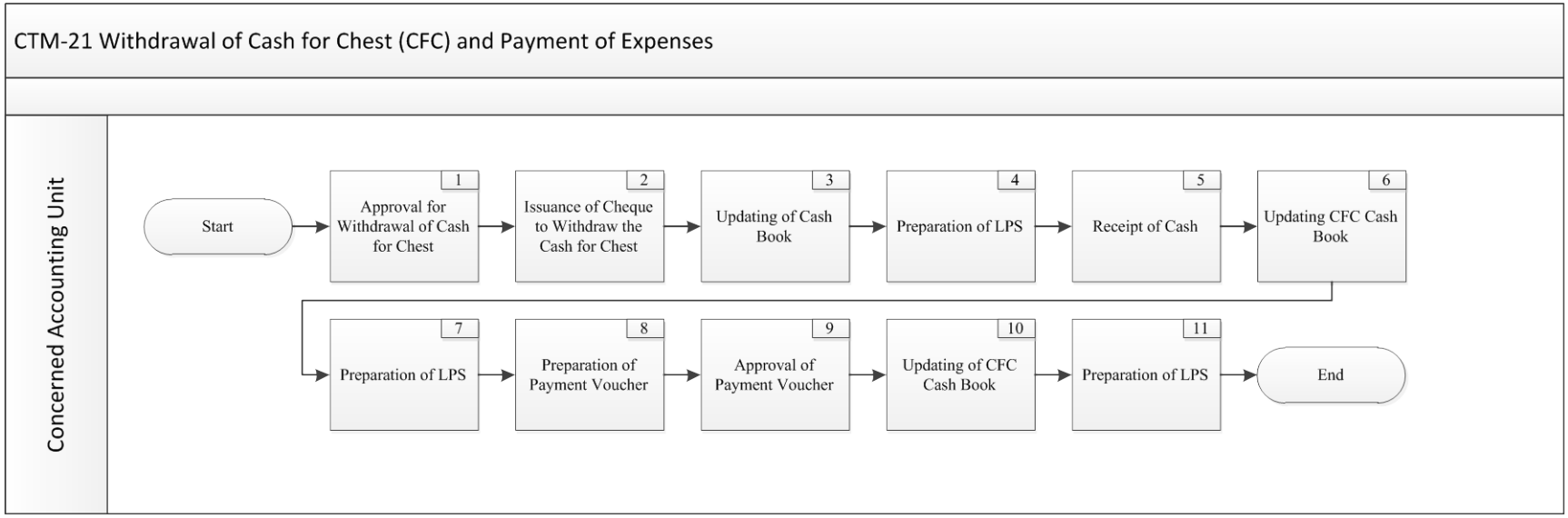
B. Cheque is prepared for withdrawal of Cash for Chest from Imprest Bank Account with the approval from D&D Officer.

C. Imprest Cash Book is updated and LPS is prepared to record the issuance of cash for chest.

D. Cash is withdrawn from Imprest Bank Account, CFC Cash Book is updated and LPS is prepared to record the receipt of cash for chest.

E. Payment for petty expenses is made from Cash for Chest, CFC Cash Book is updated and LPS is prepared to record the payment by the Concerned Accounting Unit.

CTM-21.2 Flow Chart



CTM-21.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Approval for Withdrawal of Cash for Chest	Withdrawal of Cash for Chest is approved by the Concerned Accounting Unit.			Concerned Accounting Unit	Competent Authority
2.	Issuance of Cheque to Withdraw the Cash for Chest	Cheque is prepared for withdrawal of Cash for Chest from Imprest Bank Account by the Concerned Accounting Unit.			Concerned Accounting Unit	AA
3.	Updating of Cash Book	The issuance of Cash for Chest from Imprest Bank Account is updated in the Imprest Bank Account Cash Book by the Concerned Accounting Unit. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Concerned Accounting Unit	AA
4.	Preparation of LPS	LPS is prepared to record the issuance of Cash for Chest. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Concerned Accounting Unit	AA, AO, AMA
5.	Receipt of Cash	Cash is withdrawal from the bank by the Concerned Accounting Unit.			Concerned Accounting Unit	AA
6.	Updating of CFC Cash Book	After the withdrawal of the cash, the receipt is recorded in the CFC Cash Book. **[**Refer ***"Volume III, Annexure – 61"*** for the specimen of ***CFC Cash Book***]	CFC Cash Book		Concerned Accounting Unit	AA, AO, AMA
7.	Preparation of LPS	LPS is prepared by the Concerned Accounting Unit	LPS	2	Concerned	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		to record the receipt of cash for chest. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]			Accounting Unit	
Payment of Expenses						
8.	Preparation of Payment Voucher	Payment Voucher is prepared for payment through Cash by the Concerned Accounting Unit. [Refer ***"Volume III, Annexure – 4"*** for the specimen of ***Payment Voucher***]	Payment Voucher		Concerned Accounting Unit	AA
9.	Approval of Payment Voucher	Payment Voucher is approved by the Concerned Accounting Unit.			Concerned Accounting Unit	AO, AMA
10.	Updating of CFC Cash Book	CFC Cash Book is updated to record the payment by the Concerned Accounting Unit. [Refer ***"Volume III, Annexure – 61"*** for the specimen of ***CFC Cash Book***]	CFC Cash Book		Concerned Accounting Unit	AA, AO, AMA
11.	Preparation of LPS	LPS is prepared by the Concerned Accounting Unit to record the payment. [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS***]	LPS	3	Concerned Accounting Unit	AA, AO, AMA

CTM-21.4 Journal Entries

1. On issuance of Cash for Chest, the following entry is posted by Concerned Accounting Unit:

Description	Debit	Credit
Cash Clearing Account	***	
Bank – Imprest Account		***

2. On receipt of Cash for Chest, the following entry is posted by the Concerned Accounting Unit:

Description	Debit	Credit
Cash in Hand (Cash for Chest)	***	
Cash Clearing Account		***

3. When payment is made through Cash for Chest, the following entry is posted by the Concerned Accounting Unit:

Description	Debit	Credit
Expense Account	***	
Cash in Hand (Cash for Chest)		***

CTM-21.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Competent Authority	
Concerned Accounting Unit	1
Accounts Assistant	
Concerned Accounting Unit	2,3,4,5,6,7,8,10,11
Accounts Officer	
Concerned Accounting Unit	4,6,7,9,10,11
Assistant Manager Accounts	
Concerned Accounting Unit	4,6,7,9,10,11

CTM-21.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Withdrawal of cash is properly authorized.	Cash is withdrawn without proper authorization.	The withdrawal of the cash is authorized by the D&D Officer.	1
2	Recording of accounting aspect properly and in the correct Accounting Period.	Lack of proper recording may result in misstatement of Financial Statement.	LPS is prepared by the AA, checked by the AO and approved by the AMA.	4, 7, 11
3	Payment of expenses is only made for authorized transactions.	Payment is made for unauthorized expenses.	Payment Voucher is approved by the Concerned Accounting Unit.	9

CTM-22 Bank Reconciliation at Offices Other than Finance Directorate

CTM-22.1 Descriptive Overview of the Process

A. This process covers the activities regarding Bank Reconciliations at Offices Other than Finance Directorate.

B. The Bank Reconciliations of following Bank Accounts is performed at Offices Other than Finance Directorate:

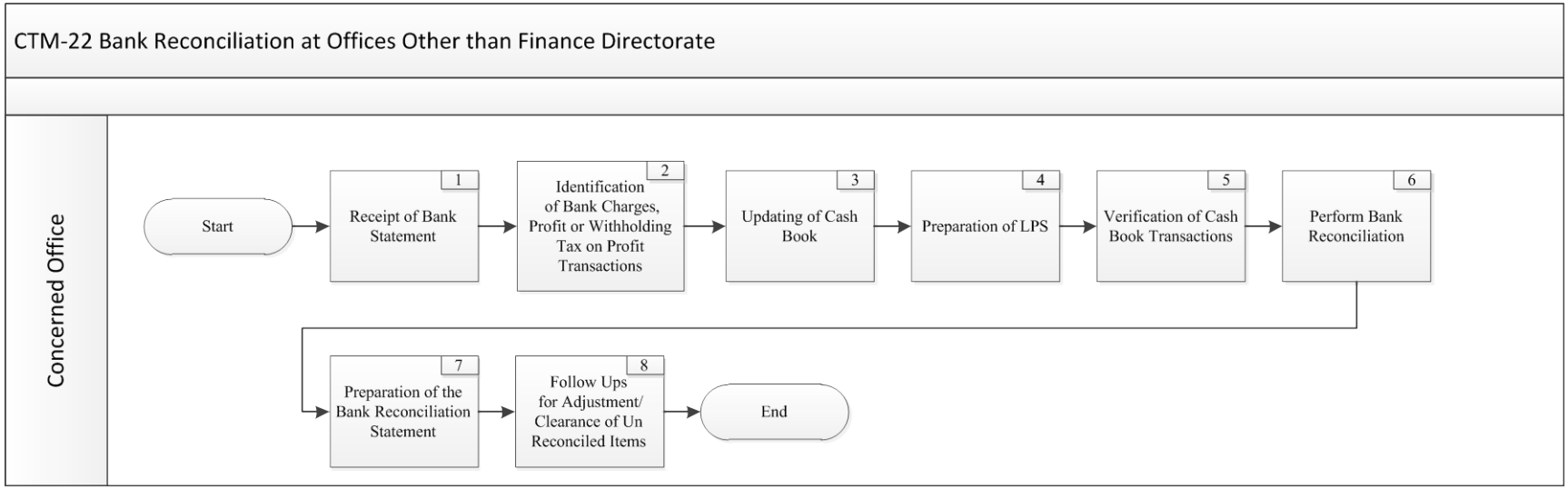
- Imprest Bank Account
- Main Revenue Collection Bank Account
- Capital Contribution Bank Account
- Security Deposit Bank Account
- Miscellaneous Collection Bank Account

C. Bank Statement of relevant Bank Account is received and the transactions of Bank Charges, Profit or Withholding Tax on Profit are recorded in relevant Cash Book.

D. Bank reconciliation is performed and in case the Nature of Bank Account is Capital Contribution, Security Deposit, Revenue Collection or Miscellaneous Collection then CP-48 is also prepared.

E. Follow ups/ Correspondence is carried out for settling out of Un-Reconciled items.

CTM-22.2 Flow Chart



CTM-22.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Bank Statement	Bank Statement of relevant Bank Account is received by the Concerned Office.			Concerned Office	AA/CA
2.	Identification of Bank Charges, Profit or Withholding Tax on Profit Transactions	From the Bank Statement, the transactions of Bank Charges, Profit or Withholding Tax on Profit are identified for recording in Cash Book.			Concerned Office	AA/CA
3.	Updating of Cash Book	Relevant Cash Book is updated by the Concerned Office with Bank Charges, Profit or Withholding Tax on Profit Transactions. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Concerned Office	AA/CA
4.	Preparation of LPS	LPS is prepared by the Concerned Office to record the accounting impact of Bank Charges, Profit or Withholding Tax on Profit Transactions. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1, 2, 3	Concerned Office	AA/CA, DAO, AMA/DMA
5.	Verification of Cash Book Transactions	Each Cash Book is verified by Concerned Office to ensure that all the transactions during the month are incorporated.			Concerned Office	AA/CA
6.	Perform Bank Reconciliation	a) The Bank Reconciliation is performed and un reconciled items are identified. b) Un reconciled items are usually of following the nature:			Concerned Office	AA/CA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		➢ Amount Un Credited MT/ cheques ➢ Amount Less Credited /cheques ➢ Amount Excess Credited by Bank ➢ Amount Wrongly Credited by Bank ➢ Amount Not Debited by Bank ➢ Amount Wrongly Debited by Bank ➢ Amount Excess Debited by Bank ➢ Amount Less Debited by Bank				
7.	Preparation of the Bank Reconciliation Statement	a) Bank Reconciliation Statement along with the Detail of Un-reconciled transactions is prepared by the Concerned Office. b) It ensures that the closing balance as per Cash Book is reconciled with closing balance as per Bank Statement. c) If Nature of Bank Account is Capital Contribution, Security Deposit, Revenue Collection or Miscellaneous Collection then CP-48 (Bank Account Reconciliation) is prepared. **[**Refer ***"Volume III, Annexure – 62"*** for the specimen of ***Bank Reconciliation Statement*****]** **[**Refer ***"Volume III, Annexure – 22"*** for the specimen of ***CP-48*****]**	Bank Reconciliation Statement, CP-48		Concerned Office	AA/CA, DAO, AMA/DMA
8.	Follow Ups for Adjustment/ Clearance of Un	a) Follow ups/ Correspondence is carried out for the clearance of Un-Reconciled items with the Relevant Bank.			Concerned Office	AA/CA, DAO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Reconciled Items	b) The adjustments against clearance of Un-Reconciled Items are made in the current month.				

CTM-22.4 Journal Entries

1. To record the Bank Charges, the following entry is posted by the Concerned Office:

Description	Debit	Credit
Bank Charges	***	
Bank – Relevant Account		***

2. To record the Interest Income, the following entry is posted by the Concerned Office:

Description	Debit	Credit
Bank – Relevant Account	***	
Interest Income		***

3. To record the Withholding Tax deducted on Bank Profit, the following entry is posted by the Concerned Office:

Description	Debit	Credit
Withholding Tax on Bank Profit	***	
Bank – Relevant Account		***

CTM-22.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant / Commercial Assistant	
Concerned Office	1,2,3,4,5,6,7,8
Divisional Accounts Officer	
Concerned Office	4,7,8
Assistant Manager Accounts / Deputy Manager Accounts	
Concerned Office	4,7

CTM-22.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Accounting impact of Bank Charges, Profit or Withholding Tax on Profit Transactions is recorded accurately and in the current accounting period.	Lack of proper recording of Bank Charges, Profit or WHT may result in misstatement of Financial Statement.	LPS is prepared by the AA to record the accounting impact, checked by the AO and approved by the AMA.	4

CTM-23 Bank Reconciliation at Finance Directorate

CTM-23.1 Descriptive Overview of the Process

A. The process covers the activities regarding Bank Reconciliations at Finance Directorate.

B. The Bank Reconciliations of following Bank Account is performed at Finance Directorate:

- Imprest Bank Account
- ESCROW Bank Account
- Taxes and Duties Bank Account
- Distribution Marginal Bank Account
- Main Revenue Collection Bank
- Capital Contribution Bank Account
- Security Deposit Bank Account
- Miscellaneous Collection Bank Account
- General Bank Account
- Pension Bank Account
- Income Tax Bank Account
- LC Bank Account
- Loan Bank Account

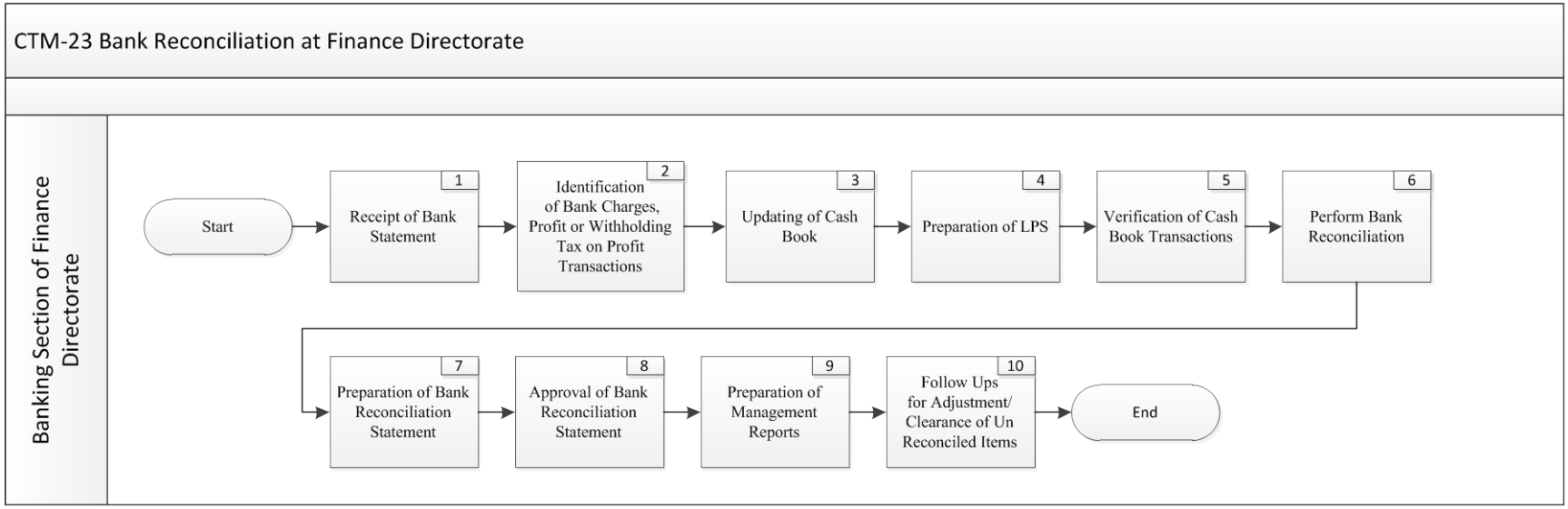
C. Bank Statement of relevant Bank Account is received and the transactions of Bank Charges, Profit or Withholding Tax on Profit are recorded in relevant Cash Book.

D. Bank reconciliation is performed and the un reconciled items are identified.

E. On the basis of approved Bank reconciliation Management Reports are prepared and sent to Finance Management, Concerned Offices of Manager Operation, Concerned Offices of AMCS and Concerned Banks.

F. Follow ups/ Correspondence is carried out for settling out of Un-Reconciled items.

CTM-23.2 Flow Chart



CTM-23.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Bank Statement	Bank Statement of relevant Bank Account is received by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
2.	Identification of Bank Charges, Profit or Withholding Tax on Profit Transactions	From the Bank Statement, the transactions of Bank Charges, Profit or Withholding Tax on Profit are identified for recording in Cash Book by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
3.	Updating of Cash Book	The relevant Cash Book is updated with Bank Charges, Profit or Withholding Tax on Profit Transactions. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Banking Section of Finance Directorate	AA, AO, AMA
4.	Preparation of LPS	LPS is prepared by the Banking Section of Finance Directorate to record the accounting impact of Bank Charges, Profit or Withholding Tax on Profit Transactions. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1, 2, 3	Banking Section of Finance Directorate	AA, AO, AMA
5.	Verification of Cash Book Transactions	Relevant Cash Book is verified by Banking Section of Finance Directorate to ensure that all the transactions during the month are incorporated.			Banking Section of Finance Directorate	AA, AO
6.	Perform Bank Reconciliation	a) The Bank Reconciliation is performed and un reconciled items are identified.			Banking Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		b) Un reconciled items are usually of following nature: ➢ Amount Un Credited MT/ cheques ➢ Amount Less Credited /cheques ➢ Amount Excess Credited by Bank ➢ Amount Wrongly Credited by Bank ➢ Amount Not Debited by Bank ➢ Amount Wrongly Debited by Bank ➢ Amount Excess Debited by Bank ➢ Amount Less Debited by Bank				
7.	Preparation of Bank Reconciliation Statement	Bank Reconciliation Statement along with the Detail of Un-reconciled transactions is prepared by the Banking Section of Finance Directorate to ensure that the closing balance as per Cash Book is reconciled with closing balance as per Bank Statement. **[**Refer ***"Volume III, Annexure – 62"*** for the specimen of ***Bank Reconciliation Statement*****]**	Bank Reconciliation Statement		Banking Section of Finance Directorate	AA
8.	Approval of Bank Reconciliation Statement	Bank Reconciliation Statement is approved by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA, AO, AMA
9.	Preparation of Management Reports	Following Management Reports are prepared and sent to Finance Management, Concerned Offices of Manager Operation, Concerned Offices of AMCS and Concerned Banks: ➢ Late Credit Remittance Report ➢ Un-Credit Aging Report ➢ Cash In Transit Report	Late Credit Remittance Report, Un-Credit Aging Report, Cash In Transit Report, Daily Product Sheet, D&D		Banking Section of Finance Directorate	AA, AO, AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		➢ Daily Product Sheet ➢ D&D Wise Collection Summary ➢ User Wise Bank Reconciliation Status Report (for section internal use) [Refer ***"Volume III, Annexure – 63"*** for the specimen of ***Late Credit Remittance Report***] [Refer ***"Volume III, Annexure – 64"*** for the specimen of ***Un-Credit Aging Report***] [Refer ***"Volume III, Annexure – 65"*** for the specimen of ***Cash In Transit Report***] [Refer ***"Volume III, Annexure – 57"*** for the specimen of ***Daily Product Sheet***] [Refer ***"Volume III, Annexure – 66"*** for the specimen of ***D&D Wise Collection Summary***] [Refer ***"Volume III, Annexure – 20"*** for the specimen of ***User Wise Bank Reconciliation Status Report (for section internal use)***]	Wise Collection Summary, User Wise Bank Reconciliation Status Report (for section internal use)			
10.	Follow Ups for Adjustment/ Clearance of Un Reconciled Items	a) Follow ups/Correspondence is carried out for the clearance of Un-Reconciled items with the following: ➢ Relevant Bank ➢ DMO ➢ AMCS			Banking Section of Finance Directorate	AA, AO

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		b) The adjustments against clearance of Un-Reconciled Items are made in the following month.				

CTM-23.4 Journal Entries

1. To record the Bank Charges, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank Charges	***	
Bank – Relevant Account		***

2. To record the Interest Income, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Relevant Account	***	
Interest Income		***

3. To record the Withholding Tax deducted on Bank Profit, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Withholding Tax on Bank Profit	***	
Bank – Relevant Account		***

CTM-23.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Banking Section of Finance Directorate	1,2,3,4,5,6,7,8,9,10
Accounts Officer	
Banking Section of Finance Directorate	3,4,5,8,9,10
Assistant Manager Accounts	
Banking Section of Finance Directorate	3,4,8,9

CTM-23.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Accounting impact of Bank Charges, Profit or Withholding Tax on Profit Transactions is recorded accurately and in the current accounting period.	Lack of proper recording of Bank Charges, Profit or WHT may result in misstatement of Financial Statement.	LPS is prepared by AA, checked by the AO and approved by the AMA.	4

CTM-24 Opening of Bank Account (Accounting Unit, Finance Directorate)

CTM-24.1 Descriptive Overview of the Process

A. This process covers activities regarding opening of Bank Account (Accounting Unit, Finance Directorate).

B. An Application for Opening of New Bank Account along with the consent of bank is received from the relevant Office by Banking Section of Finance Directorate.

C. For first time investment/placement of funds in any Bank approval from BOD is taken.

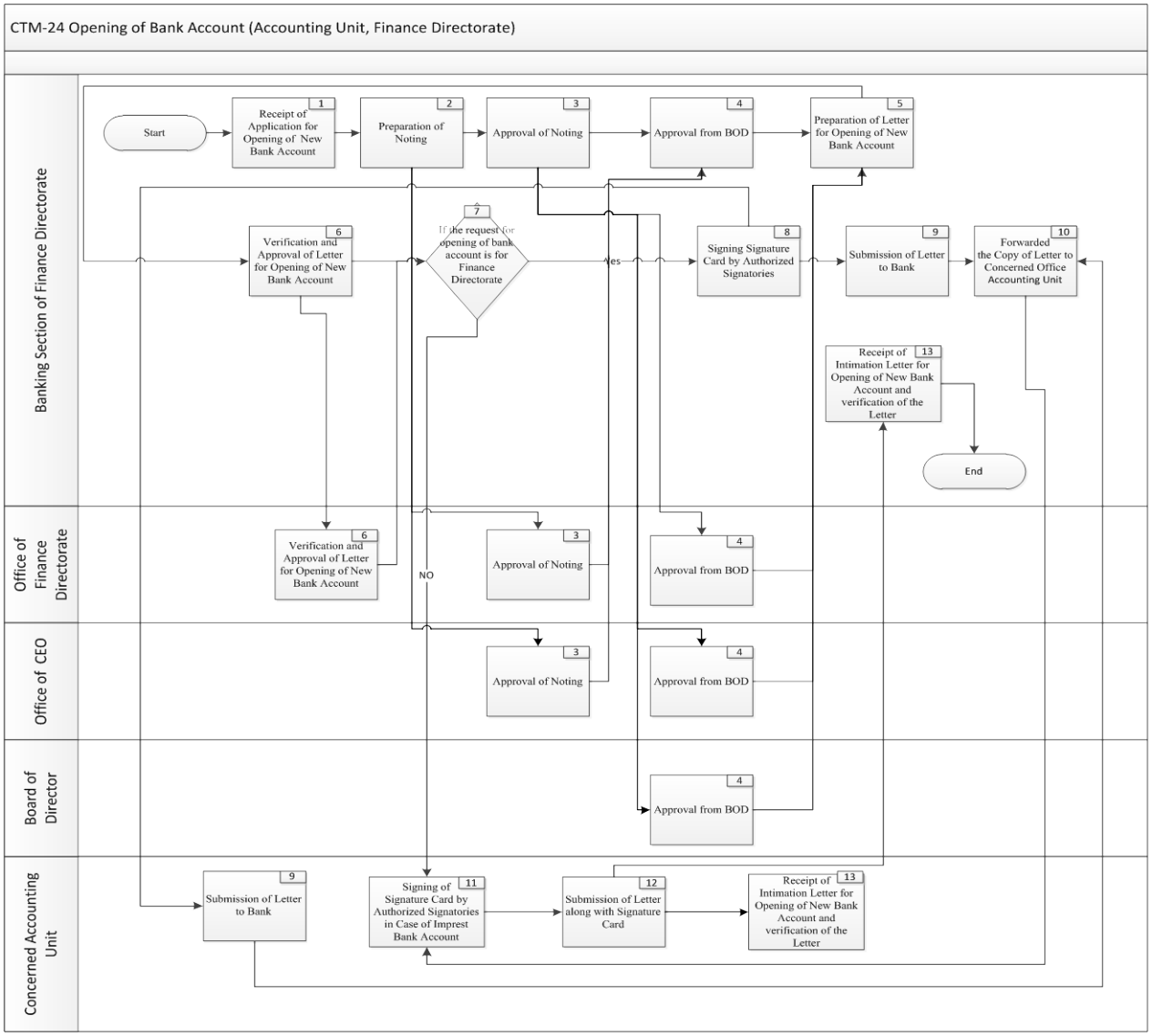
D. Signature Card is signed by the Authorised Signatories if Bank Account is of Finance Directorate.

E. The approved Letter for opening of Bank account is submitted to the Bank for opening of new Bank Account. If account is of Finance Directorate BOD resolution and Signature card is also send to the bank.

F. If account is of Accounting Unit and of Imprest nature copy of letter received from banking section and signature card will be send to the bank.

G. Intimation letter from bank will be send when bank account will be opened.

CTM-24.2 Flow Chart



CTM-24.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Application for Opening of New Bank Account	An Application for Opening of New Bank Account along with the consent of Bank is received from the Concerned Office by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AMA
2.	Preparation of Noting	Noting is prepared for approval for opening of new Bank Account by the Banking Section of Finance Directorate. [Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting***]	Noting		Banking Section of Finance Directorate	AA
3.	Approval of Noting	The Noting is approved.			Banking Section of Finance Directorate Office of Finance Directorate Office of CEO	AO, AMA , DMCA (FF), MCA FD CEO
4.	Approval from BOD	a) For first time for investment/placement of funds in any Bank, the case is presented to BOD for approval. b) After approval the CEO is authorised to operate the said account in the light of PEPCO's			Banking Section of Finance Directorate Office of Finance Directorate	AMA, DMA (FF), MCA FD

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		instructions as adopted by DISCO for placing of funds in Banks.			Office of CEO Board of Director	CEO BOD
5.	Preparation of Letter for Opening of New Bank Account	Letter for Opening of New Bank Account is prepared by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
6.	Verification and Approval of Letter for Opening of New Bank Account	a) The Letter for Opening of Bank Account is matched with the resolution of the BOD to verify that it is made in accordance with the BOD resolution. b) Letter for Opening of New Bank Account is approved.			Banking Section of Finance Directorate Office of Finance Directorate	AO, AMA, DMCA (FF), MCA, FD
7.	If the request for opening of bank account is for Finance Directorate	If the request for opening of Bank Account is for Finance Directorate then continues to Activity # 8 else continues to Activity # 11.				
8.	Signing Signature Card by Authorized Signatories	Signature Card is signed by the Authorised Signatories.			Banking Section of Finance Directorate	Authorised Signatories
9.	Submission of Letter to Bank	a) The Letter is submitted to the Bank for opening of new Bank Account by the Banking Section of Finance Directorate. b) In case of Bank Account for Finance Directorate, the following documents are attached with the letter: ➢ A copy of resolution of BOD regarding authorization of opening of Bank Account			Banking Section of Finance Directorate, Concerned Accounting Unit	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		and nominated signatories for Bank Account. ➢ Signature Card duly signed by authorized signatories.				
10.	Forwarded the Copy of Letter to Concerned Accounting Unit	A copy of Letter is forwarded to the Concerned Accounting Unit by the Banking Section of Finance Directorate.			Banking Section of Finance Directorate	AA
11.	Signing of Signature Card by Authorized Signatories in Case of Imprest Bank Account	If the bank account is of the nature of Imprest Account then authorized Signatories sign the Signature Card.			Concerned Accounting Unit	DAO, AMA, DMA
12.	Submission of Letter along with Signature Card	The Copy of Letter received from Banking Section of Finance Directorate along Signature Card duly signed by authorized signatories is submitted to Bank by the Concerned Accounting Unit.			Concerned Accounting Unit	DAO
13.	Receipt of Intimation Letter for Opening of New Bank Account and Verification of the Letter	a) Intimation Letter is received from Bank regarding opening of new Bank Account. b) The terms and condition as mentioned in the Intimation Letter is matched with the letter submitted to the bank for the opening of the Bank Account.			Banking Section of Finance Directorate, Concerned Accounting Unit	AMA

CTM-24.4 Journal Entries

None

CTM-24.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Banking Section of Finance Directorate	2,5,9,10
Concerned Accounting Unit	9
Accounts Officer	
Banking Section of Finance Directorate	3,6
Divisional Accounts Officer	
Concerned Accounting Unit	11,12
Assistant Manager Accounts	
Banking Section of Finance Directorate	1,3,4,6,11,13
Concerned Accounting Unit	13
Deputy Manager Corporate Accounts (Field Formation)	
Banking Section of Finance Directorate	3,6
Deputy Manager Accounts (Field Formation)	
Banking Section of Finance Directorate	4
Deputy Manager Accounts	
Concerned Accounting Unit	11
Manager Corporate Accounts	
Banking Section of Finance Directorate	3,4,6
Finance Director	
Office of Finance Directorate	3,4,6
Chief Executive Officer	
Office of CEO	3,4
Board of Director	
Board of Director	4

CTM-24.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	The terms and conditions mentioned in the Letter of the opening of the Bank Account are in accordance with the Resolution of the BOD.	The Request for the Opening of the Bank Account is not in accordance with the BODs Resolution may result in non conformance of DISCO policy.	The Letter of the opening of the Bank Account is cross matched with the BODs resolution to ensure that it is in accordance with the Resolution of the BOD.	6
2	Bank Account is opened according to the terms and conditions as mentioned in the request of the Opening of the bank account Letter.	Non conformance of DISCO policy.	The Intimation Letter is cross matched with the Request for the opening of the Bank Account.	13

CTM-25 Opening of Irrevocable LC

CTM-25.1 Descriptive Overview of the Process

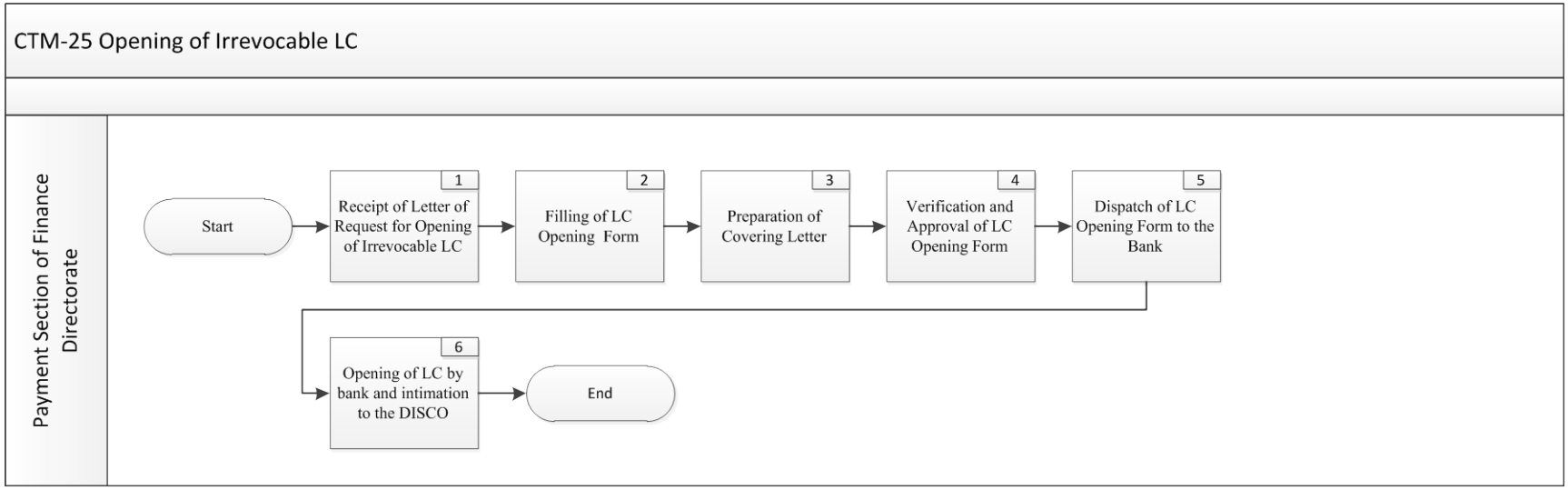
A. This process covers the activities regarding opening of Irrevocable LC.

B. Letter of Request for Opening of Irrevocable LC containing the name of Bank and the Account Number is received from supplier by Payment Section of Finance Directorate.

C. The LC Opening Form is filled as per terms and condition mentioned on Purchase Order by Payment Section of Finance Directorate.

D. LC Form approved by Payment Section of Finance Directorate is submitted to Bank for Opening of Irrevocable LC.

CTM-25.2 Flow Chart



CTM-25.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Letter of Request for Opening of Irrevocable LC	a) Letter of Request for Opening of Irrevocable LC is received from Supplier by the Payment Section of Finance Directorate. b) The Letter contains the name of Bank and the Account Number of the supplier.			Payment Section of Finance Directorate	AA
2.	Filling of LC Opening Form	The LC Opening Form is filled by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA
3.	Preparation of Covering Letter	The Covering Letter for opening of LC is prepared by the Payment Section of Finance Directorate. [Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Covering Letter for Opening of Irrecoverable L/C***]	Covering Letter		Payment Section of Finance Directorate	AA
4.	Verification and Approval of LC Opening Form	a) The LC Opening Form along with the Covering Letter is matched and verified with the terms and condition of the Purchase Order. b) After verification, the LC Opening Form along with Covering Letter is approved.			Payment Section of Finance Directorate	AO, AMA, MCA
5.	Dispatch of LC Opening Form to the Bank	The following documents are dispatched to the bank by the Payment Section of Finance Directorate: ➢ Accepted Purchased Order			Payment Section of Finance Directorate	AA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		➢ Letter of Request for Opening of Irrevocable LC ➢ LC Opening Form ➢ Covering Letter				
6.	Opening of LC by Bank and intimation to the DISCO	The Bank opens the LC and sends the copy of LC to the Payment Section of Finance Directorate and to supplier's Bank as stated by the supplier.			Payment Section of Finance Directorate	AA

CTM-25.4 Journal Entries

None

CTM-25.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Payment Section of Finance Directorate	1,2,3,5,6
Accounts Officer	
Payment Section of Finance Directorate	4
Assistant Manager Accounts	
Payment Section of Finance Directorate	4
Manager Corporate Accounts	
Payment Section of Finance Directorate	4

CTM-25.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	LC Opening Form and the Covering Letter are prepared according to the terms and conditions of the Purchase Order.	The LC is not opened according to the terms and conditions of the Purchase Order may result in non conformance.	The LC Opening Form and the covering letter are cross matched with the terms of the Purchased Order.	4

CTM-26 Receipt of Reimbursement of Pension Expense from Associated Companies

CTM-26.1 Descriptive Overview of the Process

A. This process covers the activities regarding reimbursement of Pension Expense from Associated Companies.

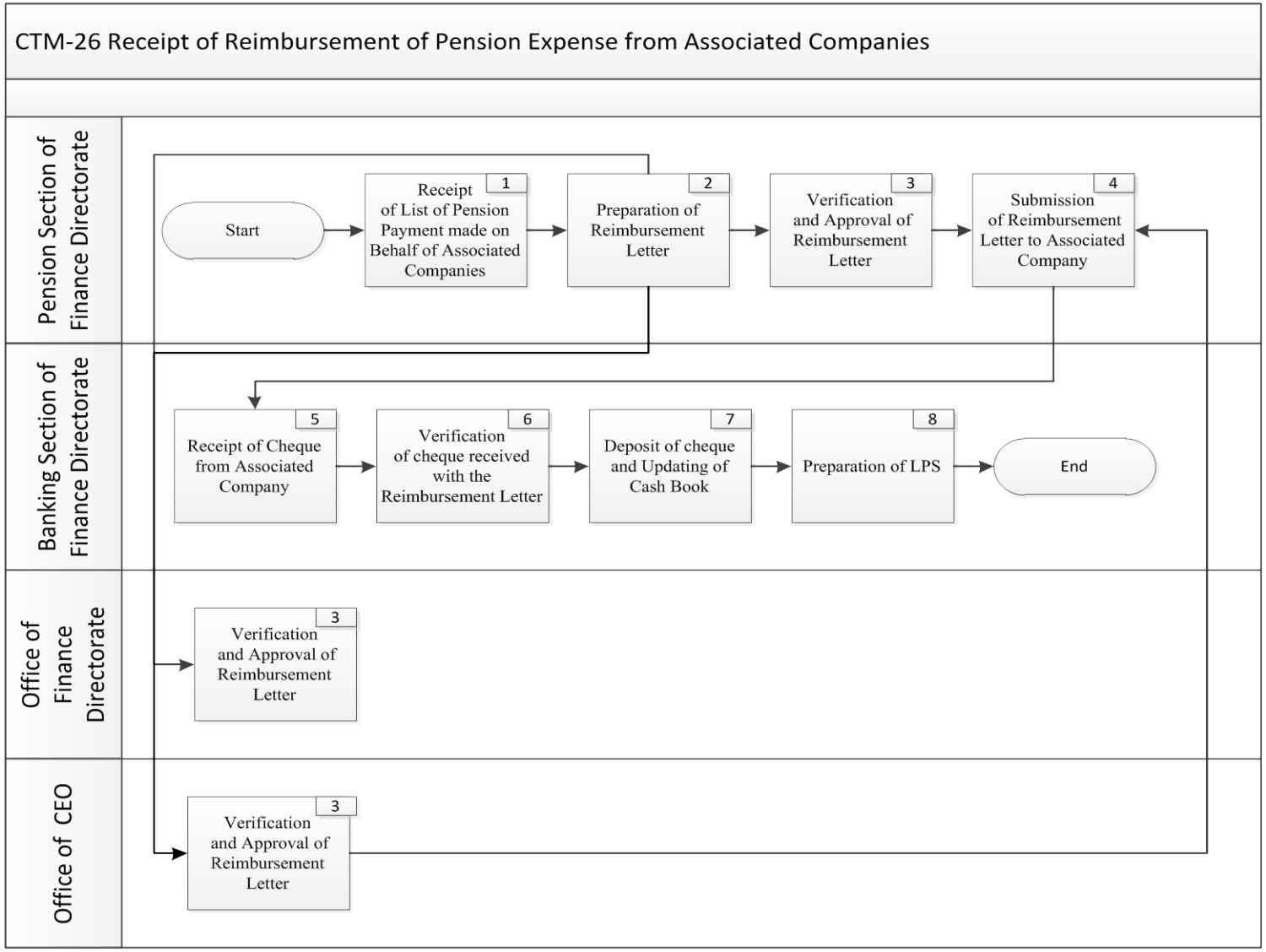
B. List of Payment of Pension paid on Behalf of Associated Companies is received from Pension Paying Offices by Pension Section of Finance Directorate.

C. Reimbursement Letter for reimbursement of pension payment made along with details of it is sent to Associated Company.

D. Cheque for reimbursement of Pension paid on behalf of Associated Companies is received by Banking Section of Finance Directorate.

E. Relevant Cash Book is updated and LPS is prepared to record the receipt of reimbursement.

CTM-26.2 Flow Chart



CTM-26.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of List of Pension Payment made on Behalf of Associated Companies	List of Pension Payment made on Behalf of Associated Companies is received from Pension Paying Offices by Pension Section of Finance Directorate.			Pension Section of Finance Directorate	AMA
2.	Preparation of Reimbursement Letter	Reimbursement Letter is prepared by the Pension Section of Finance Directorate for reimbursement of pension payments made to the pensioners on behalf of Associated Companies. **[**Refer ***"Volume III, Annexure – 69"*** for the specimen of ***Reimbursement Letter*****]**	Reimbursement Letter		Pension Section of Finance Directorate	AA
3.	Verification and Approval of Reimbursement Letter	a) The Pension Section of Finance Directorate matches the amount requested in the Reimbursement Letter for reimbursement of pension paid on behalf of Associated Companies with the list provided by the Pension Paying Offices. b) The Reimbursement Letter is approved.			Pension Section of Finance Directorate Office of Finance Directorate Office of CEO	AO, AMA, DMCA (HQ), MCA FD CEO
4.	Submission of Reimbursement Letter to Associated Company	The Reimbursement Letter along with details of Payment Voucher is submitted by the Pension Section of Finance Directorate to the Associated Company.			Pension Section of Finance Directorate	AA
5.	Receipt of Cheque from Associated Company	The Banking Section of Finance Directorate receives the cheque from the Associated Company regarding the reimbursement of pension paid on			Banking Section of Finance Directorate	AMA

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		their behalf.				
6.	Verification of cheque received with the Reimbursement Letter	The Banking Section of Finance Directorate matches the amount of cheque with the Reimbursement Letter to ensure that the cheque of equal amount is received.			Banking Section of Finance Directorate	AA
7.	Deposit of cheque and updating of Cash Book	Cash Book of the Pension Bank Account is updated by the Banking Section of Finance Directorate on receipt of reimbursement from Associated Company. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Banking Section of Finance Directorate	AA, AO, AMA
8.	Preparation of LPS	LPS is prepared by the Banking Section of Finance Directorate to record the receipt of reimbursement from Associated Company against the payment made on their behalf. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	Banking Section of Finance Directorate	AA, AO, AMA

CTM-26.4 Journal Entries

1. On receipt of reimbursement of Pension Expense from Associated Company, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Pension Account	***	
Pension Receivables from Associated Company – Associated Company		***

CTM-26.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Pension Section of Finance Directorate	2,4
Banking Section of Finance Directorate	6,7,8
Accounts Officer	
Pension Section of Finance Directorate	3
Banking Section of Finance Directorate	7,8
Assistant Manager Accounts	
Pension Section of Finance Directorate	1,3
Banking Section of Finance Directorate	5,7,8
Deputy Manager Corporate Accounts (Head Quarter)	
Pension Section of Finance Directorate	3
Manager Corporate Accounts	
Pension Section of Finance Directorate	3
Finance Director	
Office of Finance Directorate	3
Chief Executive Officer	
Office of CEO	3

CTM-26.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Correct amount of pension is demanded from the Associated Company.	Wrong demand may result in receipt of insufficient/Extra funds from the Associated Company.	The Reimbursement Letter is cross checked from the list of the pension paid on the behalf of the Associated Company and approved by the FD.	3
2	Correct amount is received from the Associated Company.	Incorrect amount may be remitted by the Associated Company.	The Cheque received is cross matched with the Reimbursement Letter to ensure that correct amount is received.	6
3	Receipt of reimbursement is recorded accurately and in the relevant period.	Lack of proper recording may result in misstatement of Financial Statement.	LPS for recording reimbursement is prepared by AA, checked by AO and approved by AMA.	8

CTM-27 Receipt of Amount of Cheque against Payment of Subsidy by MoW&P

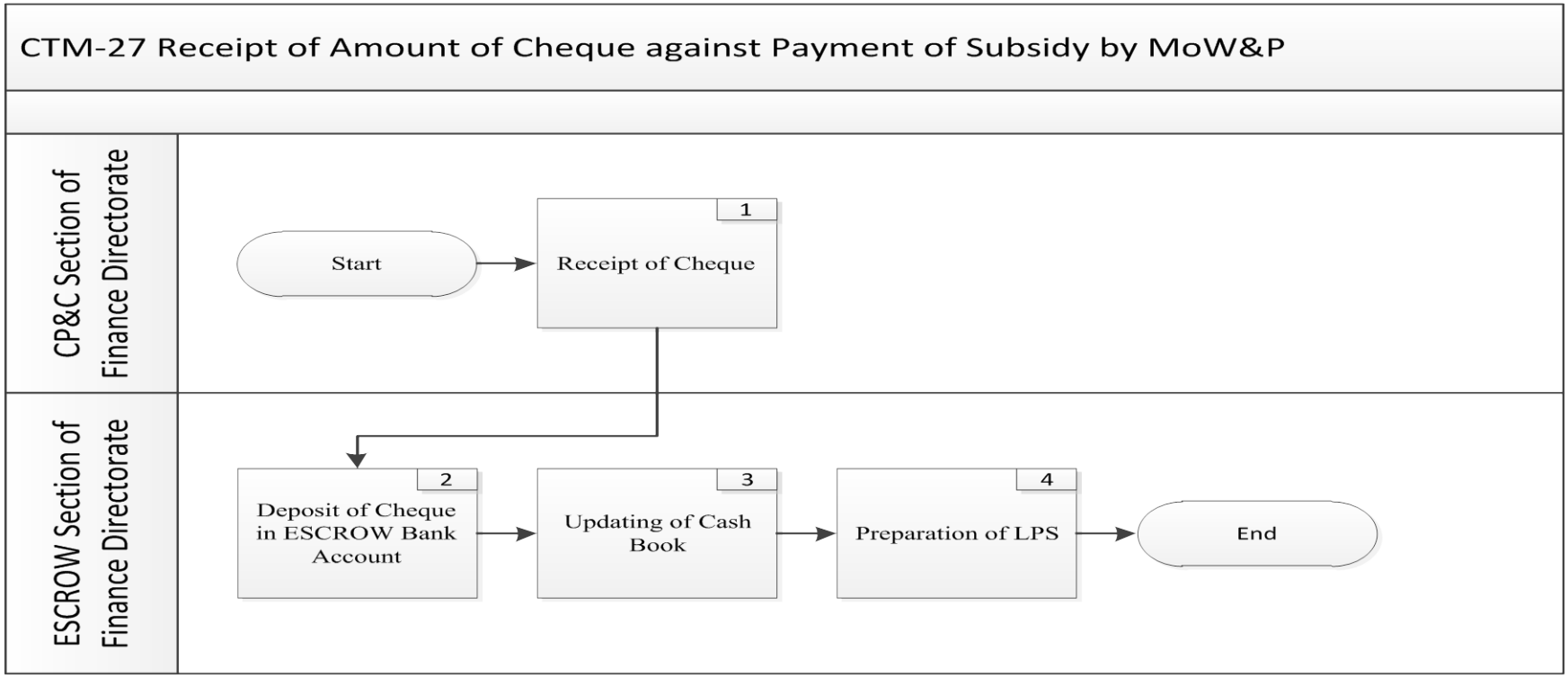
CTM-27.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt of Amount of Cheque against Subsidy by MoW&P.

B. CP&C Section of Finance Directorate receives the Cheque for Subsidy from MoW&P and forwards it to ESCROW Section of Finance Directorate.

C. The Cheque is deposited in relevant Bank Account, relevant Cash Book is updated and LPS is prepared to record the receipt of subsidy.

CTM-27.2 Flow Chart



CTM-27.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Cheque	The CP&C Section of Finance Directorate receives the Cheque for Subsidy from MoW&P and forwards it to the ESCROW Section of Finance Directorate.			CP&C Section of Finance Directorate	AMA
2.	Deposit of Cheque in ESCROW Bank Account	The Cheque is deposited in the ESCROW Bank Account by the ESCROW Section of Finance Directorate.			ESCROW Section of Finance Directorate	AA
3.	Updating of Cash Book	The receipt of amount of cheque is recorded in the Cash Book of ESCROW Bank Account by ESCROW Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		ESCROW Section of Finance Directorate	AA, AO, AMA
4.	Preparation of LPS	LPS is prepared to record the receipt of amount of cheque against payment of subsidy by MoW&P in ESCROW Bank Account by ESCROW Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	ESCROW Section of Finance Directorate	AA, AO, AMA

CTM-27.4 Journal Entries

1. To record the receipt of subsidy, the following entry is posted by the ESCROW Section of Finance Directorate:

Description	Debit	Credit
Bank – ESCROW Account	***	
Subsidy Receivable from GOP		***

CTM-27.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
ESCROW Section of Finance Directorate	2,3,4
Accounts Officer	
ESCROW Section of Finance Directorate	3,4
Assistant Manager Accounts	
CP&C Section of Finance Directorate	1
ESCROW Section of Finance Directorate	3,4

CTM-27.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Receipt of amount of Cheque against payment of subsidy by MoW&P is recorded accurately and in the relevant period.	Lack of proper recording may result in misstatement of Financial Statement.	LPS for receipt of amount of Cheque against payment of subsidy by MoW&P is prepared by the AA, checked by the AO and approved by the AMA.	4

CTM-28 Receipt of Funds from WAPDA against Free Electricity supply to Employees

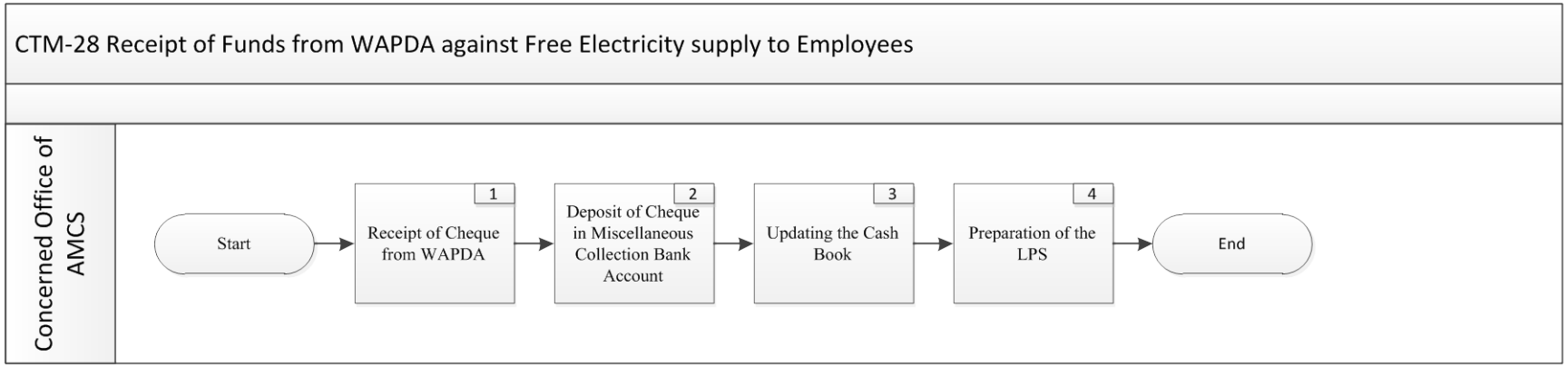
CTM-28.1 Descriptive Overview of the Process

A. This process covers the activities regarding receipt of funds from WAPDA against free Electricity supply to Employees.

B. The Cheque for the reimbursement of Free Supply of Electricity is received from WAPDA by concerned Office of AMCS.

C. The Cheque is deposited in relevant Bank Account, relevant Cash Book is updated and LPS is prepared to record its impact.

CTM-28.2 Flow Chart



CTM-28.3 Detail of Process Activities

Sr. No.	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Cheque from WAPDA	Cheque for the reimbursement of Free Supply of Electricity is received from WAPDA by the Concerned Office of AMCS.			Concerned Office of AMCS	DAO
2.	Deposit of Cheque in Miscellaneous Collection Bank Account	Cheque is deposited in the Miscellaneous Collection Bank Account by the Concerned Office of AMCS.			Concerned Office of AMCS	AA
3.	Updating of Cash Book	The receipt transaction is recorded in Cash Book of Miscellaneous Collection Bank Account by Concerned Office of AMCS. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Concerned Office of AMCS	AA, DAO
4.	Preparation of LPS	LPS is prepared to record the accounting impact of receipt transaction by Concerned Office of AMCS. **[**Refer ***"Volume III, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	Concerned Office of AMCS	AA, DAO

CTM-28.4 Journal Entries

1. To record the receipt of reimbursement of Free Supply of Electricity from WAPDA, the following entry is posted by the Concerned Office of AMCS:

Description	Debit	Credit
Bank – Miscellaneous Collection Account	***	
Receivable Against WAPDA		***

CTM-28.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Office of AMCS	2,3,4
Divisional Accounts Officer	
Concerned Office of AMCS	1,3,4

CTM-28.6 Key Control Matrix

Sr. No.	Objective	Risk	Control Activity	Activity Ref.#
1	Receipt of funds from WAPDA against Free Electricity Supply to Employees is recorded accurately and in the relevant period.	Lack of Proper recording may result in misstatement of Financial Statement.	LPS for recording rreceipt of funds from WAPDA against Free Electricity Supply to Employees is prepared by the AA and approved by the DAO.	4

CTM-29 Closing of Bank Account other than Revenue Account

CTM-29.1 Descriptive Overview of the Process

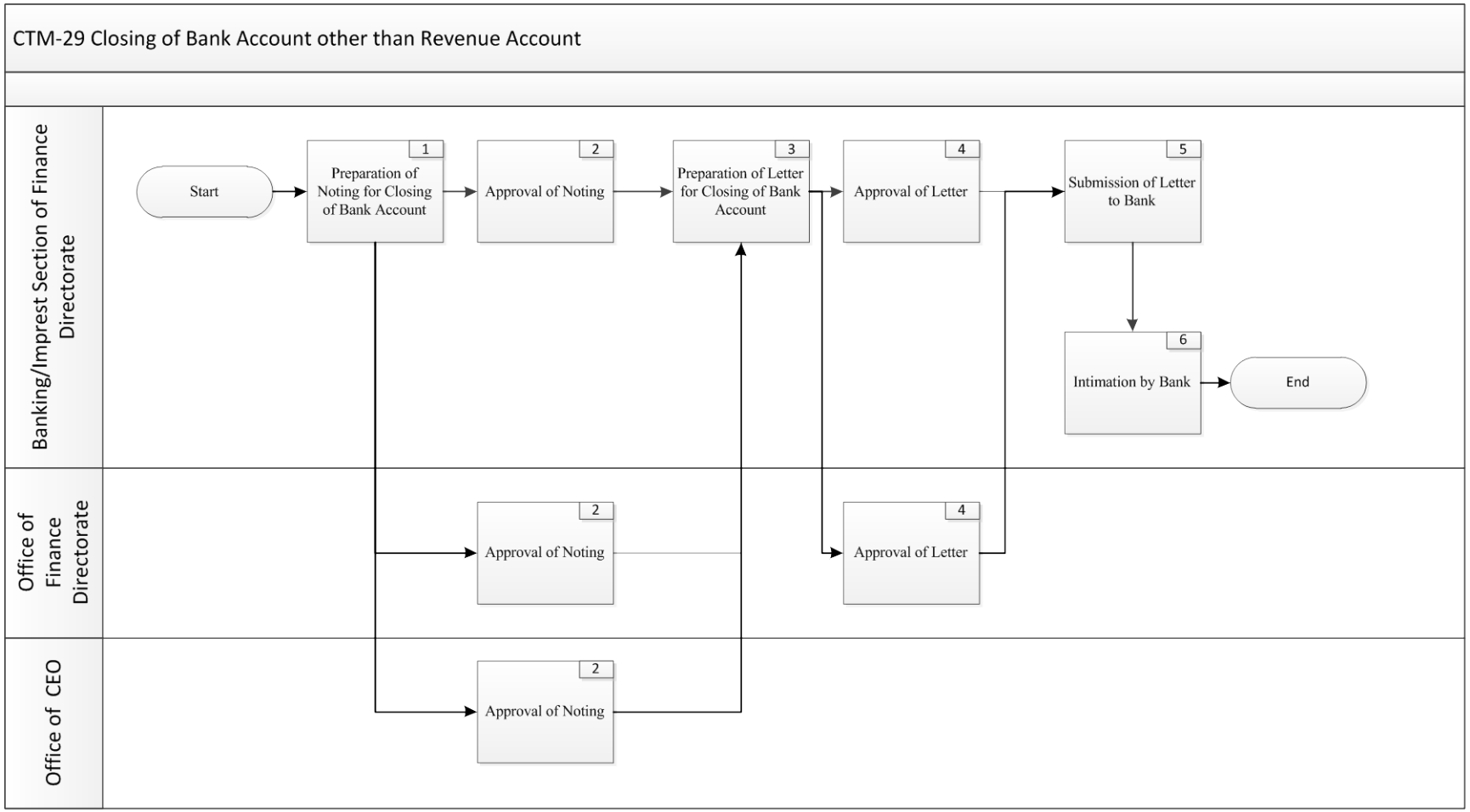
A. This process covers activities regarding Closing of Bank Account other than Revenue Account

B. A noting is prepared and approved for closing of Bank Account.

C. The approved Letter for closing of Bank Account is submitted to the Bank for closing of Bank Account along with order of transferring the Balance of funds.

D. The Bank sends the intimation that Account is closed as per orders.

CTM-29.2 Flow Chart



CTM-29.3 Detail of Process Activities

Sr.#	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of Noting for Closing of Bank Account	Noting is prepared for Closing the Bank Account other than Revenue Collection Bank Account. **NOTE**: Revenue Collection Bank Accounts are seldom closed because they are of perpetual nature and associated with time life of Bank Branch. **[**Refer ***"Volume III, Annexure – 41"*** for the specimen of ***Noting*****]**	Noting		Banking / Imprest Section of Finance Directorate	AO
2.	Approval of Noting	Noting is approved.			Banking/Imprest Section of Finance Directorate Office of Finance Directorate Office of CEO	AMA,DM(FF),MCA FD CEO
3.	Preparation of Letter for Closing of Bank Account	Letter for Closing of Bank Account is prepared by the Banking Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 70"*** for the specimen of ***Letter for Closing of Bank account*** **]**	Letter for Closing of Bank Account		Banking/Imprest Section of Finance Directorate	AA
4.	Approval of Letter	Letter for closing of Bank Account is approved.			Banking/Imprest Section of Finance Directorate	AO,AMA,DM(FF)/ MCA

					Office of Finance Directorate	FD
5.	Submission of Letter to Bank	a) The Letter is submitted to the Bank for closing of Bank Account at month end, by the Banking Section of Finance Directorate. b) The Bank is asked to transfer the balance of funds along with the profit on Bank balance to DISCO Other Bank Account having similar nature.			Banking/Imprest Section of Finance Directorate	AMA
6.	Intimation by Bank	Bank intimates that funds are transferred as per the orders and Bank issues a Statement of Nil Balance Account and closes the Bank Account. **[**Refer ***"Volume III, Annexure – 71"*** for the specimen of ***Statement of Nil Balance Accounts*****]**	Statement of Nil Balance Account		Banking/Imprest Section of Finance Directorate	Concerned Office of Finance Directorate

CTM-29.4 Journal Entries

None

CTM-29.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Officer	
Banking/Imprest Section of Finance Directorate	1,4
Accounts Assistant	
Banking/Imprest Section of Finance Directorate	3
Assistant Manager Accounts	
Banking/Imprest Section of Finance Directorate	2,4,5
Deputy Manager (Field Formation)	
Banking/Imprest Section of Finance Directorate	2,4
Manager Corporate Accounts	
Banking/Imprest Section of Finance Directorate	2,4
Finance Directorate	
Office of Finance Directorate	2,4
Chief Executive Officer	
Office of CEO	2

CTM-29.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Desired Bank Account is closed and with proper approval.	Wrong Bank Account is closed or proper approval is not sanctioned to close the Bank Account.	Noting is prepared to close the Bank Account to ensure that proper Bank Account is being closed and then letter is prepared for closing of Account. Noting and letter is properly approved by the concerned Authorities.	3,4
2	Bank has appropriately closed the Bank Account.	The Balance of funds is not properly transferred, profit on balance of funds is not charged properly.	Bank on closing of Account issues a Statement of Nil Balance to the concerned office where it is authenticated that Statement is correct as per Balances of concerned office.	6

Purchasing and Payables (PAP)

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1 Introduction

1.1 Objective

Purchasing and Payables is the process of ordering, receiving and paying for goods from a financial perspective. It is one of the key activity cycles for a Distribution company.

Purchasing and Payables process has the following main objectives:

- To provide an uninterrupted flow of materials for DISCO's operations,
- To buy the required materials at the right time and in right quantities,
- To buy goods with appropriate technical specifications which fulfill the requirements of DISCO,
- To ensure that the process of procurement is independent, avoids bias and individual influence and provides a level playing field to all interested suppliers,
- To ensure that guidelines and principles laid down by Public Procurement Regulatory Authority (PPRA) are adhered to during the whole process of procurement,
- To make timely payments to vendors,

1.2 Scope

This document is referred to as 'Purchasing and Payables'. Hence, it covers all the aspects of the process initiating from purchasing of Goods and Services till the final payment for procurement.

This document describes each Process of Purchasing and Payables, which includes; Descriptive Overview of the process, Flow Chart of all the process activities, Journal Entries and their references with the process activities, Job Descriptions of persons responsible for performing activities and key control matrices to ensure that the process activities are in line with the Standard Policies and Procedure of the DISCO.

Following are the major categories of Procurement in DISCO:

- Distribution Equipment
- Grid System Equipment
- Electricity
- Services

All the Purchasing and Payables activities in DISCO are covered under following Processes:

Process ID	Process Name
PAP-1	Procurement of Items by Accounting Units
PAP-2	Procurement through the Office of Material Management
PAP-3	Procurement by PMU through Own Resources
PAP-4	Procurement by PMU through Donor Agency
PAP-5	Procurement of Services (Head Office Level)
PAP-6	Purchase of Electricity from CPPA
PAP-7	Purchase of Electricity from SPPs
PAP-8	Procurement of Material from Other DISCOs (On Advance Payment Basis)
PAP-9	Pre Audit & Deductions
PAP-10	Payment to (RRK) Resident Representative Karachi on account of procurement of Imported Material

2 Policies and Definitions

2.1 General Policies

2.1.1 Procurement Planning

Generally the procurement activity in PMU and MM is based on the Annual Procurement Plan prepared every year. Purchase of electricity is a continuous process. DISCOs purchase electricity and supply it to consumers.

2.1.2 Creation and Maintenance of Approved Supplier List

Suppliers are required to be registered with the DISCO if they intend to carry on business with the DISCO. During the procurement process of Office of MM and PMU (with own resources), only the approved suppliers are eligible to submit tenders.

2.2 Definitions

2.2.1 Cost of Purchase of Inventories

The costs of purchase of inventories comprise the purchase price, import duties and other taxes (other than those subsequently recoverable by the entity from the taxing authorities), and transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. (IAS 2.11)

The DISCO is also involved in the purchase of electricity, from Central Power Purchasing Agency (CPPA) and Small Power Producers (SPPs). The cost of purchase of electricity is simply the cost charged to DISCOs by CPPA under the tariff guidelines of National Electric Power Regulatory Authority (NEPRA).

2.2.2 Trade Payables

Some current liabilities, such as trade payables and some accruals for employee and other operating costs, are part of the working capital used in the entity's normal operating cycle. An entity classifies such operating items as current liabilities even if they are due to be settled more than twelve months after the reporting period. (IAS 1.70)

2.3 General accounting guidelines

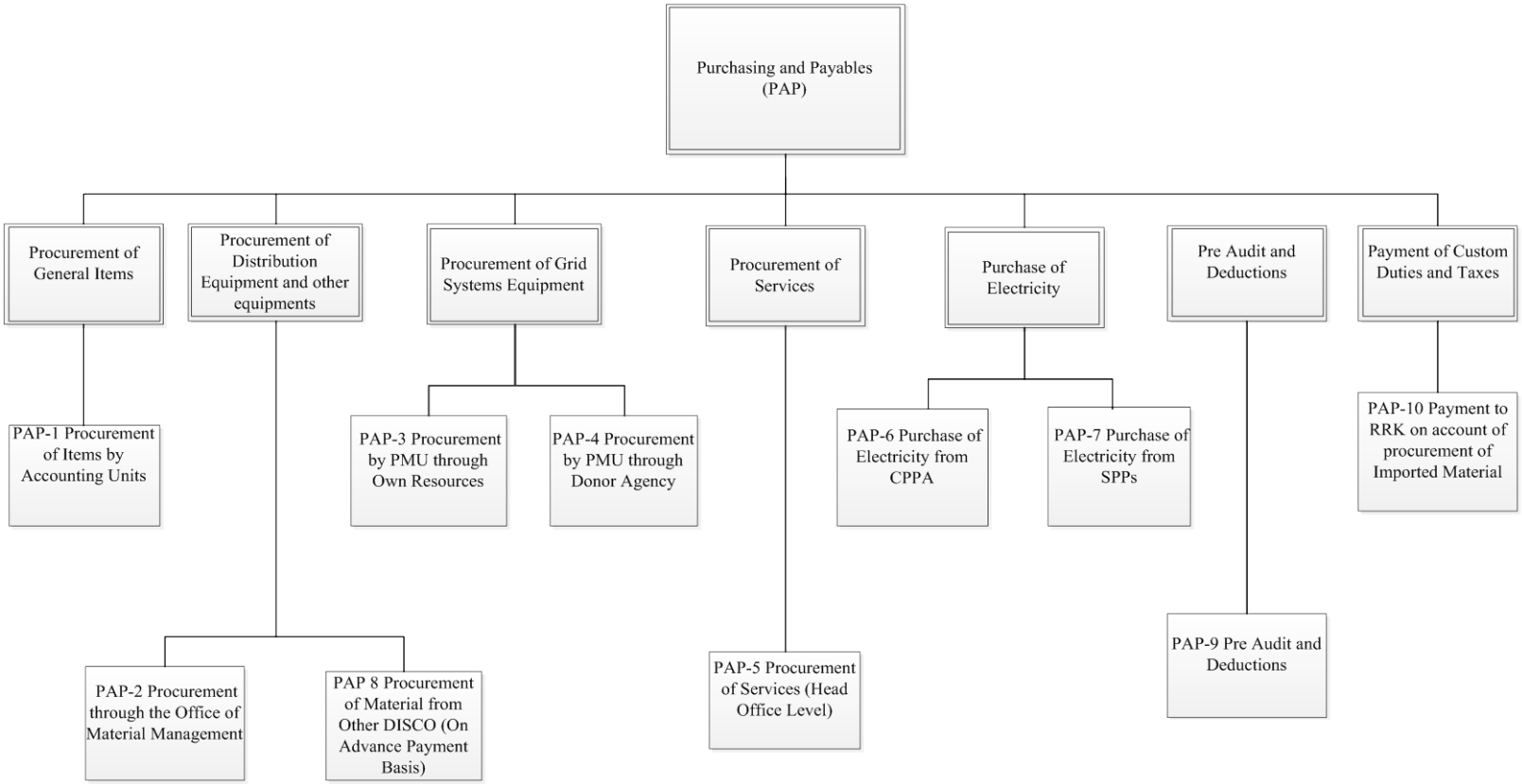
2.3.1 Recognition criteria of Purchases

A purchase is recognised when goods are received at store, physically checked for quantity and verified against the purchase order. A Goods Receipt Note is issued to supplier and entry to record amount payable to supplier is posted.

2.3.2 Trade Payables

Trade payables are recorded at the cost of purchases.

3 Overview of the process of Purchasing and Payables



Process ID	Process Name	Description of Process
PAP-1	Procurement of Items by Accounting Units	A. This process covers the procurement of expense or capital nature items carried out by Accounting Units. B. Approval for procurement of items is received from the Competent Authority in accordance with the financial powers. C. Procurement is carried out through Rate Contracts or Quotations. D. Payment by Accounting Units is made after Pre Audit and release of funds from the Finance Directorate.
PAP-2	Procurement through the Office of Material Management	A. This process covers the procurement carried out by the Office of Material Management. B. Annual Procurement Plan is prepared in consultation with the FD. C. Tenders are called by the Office of Material Management and a Comparative Statement is signed by the members of the Tender Opening Committee. D. Financial Vetting of the Tender File is performed in the Finance Directorate. E. Payment is made after Pre-audit by Payment Section of Finance Directorate either through LC or through imprest bank account after the release of funds by Banking Section of Finance Directorate.
PAP-3	Procurement by PMU through Own Resources	A. This process covers the procurement by PMU through own resources. B. PMU is responsible for the procurement related to construction and maintenance of Grid Systems. C. PC 1 is prepared in consultation with the Manager Finance PMU. D. On the basis of PC 1, an Annual Plan in consultation with MF (PMU) and an Annual Procurement Plan is prepared in

		consultation with Manager CP&C, MF (PMU) and FD. E. Tenders are called by the Office of PMU and a Comparative Statement is signed by the members of the Tender Opening Committee. F. Financial Vetting of the Tender File is performed by the Finance Section of Office of PMU and Finance Directorate. G. Advance Payment Bank Guarantee is received from Supplier. H. Advance Payment is made after Pre-Audit by the Finance Section of PMU either through LC or through Imprest bank account after the release of funds by the Banking Section of Finance Directorate.
PAP-4	Procurement by PMU through Donor Agency	A. This process covers the procurement by PMU through Donor Agency. B. PMU is responsible for the procurement for construction of Grid Systems and major procurement i.e. purchase of Transformers and replacement of GSC lines in case of existing maintenance Lines of GSC Systems. C. PC 1 is prepared in consultation with the Manager Finance (MF) (PMU). D. On the basis of PC 1, an Annual Plan in consultation with MF (PMU) and an Annual Procurement Plan is prepared in consultation with Manager CP&C, MF (PMU) and FD. E. Tenders are called by the Office of PMU and a Comparative Statement is signed by the members of the Tender Opening Committee. F. Financial Vetting of the Tender File is performed by the Finance Section of Office of PMU and Finance Directorate. G. Letter of Commitment is issued by the Donor Agency.

		H. Advance Payment Bank Guarantee is received from Supplier. I. Advance Payment is made after Pre-Audit by the Finance Section of PMU either: ➢ through LC; or ➢ through Imprest bank account after the release of funds by Finance Directorate; or J. Through Direct Payment by the Donor Agency.
PAP-5	Procurement of Services (Head Office Level)	A. This process covers the hiring of professional services i.e. engagement of consultants, hiring of services from skilled personnel etc. B. Approval for hiring the services is granted by the Competent Authority in accordance with financial powers. C. Quotations/Tenders are received by the Concerned Office and a Comparative Statement is signed by the members of the Tender Opening Committee. D. Financial Vetting of the Tender File is performed by the Finance Directorate. E. Work Order is received by the Payment Section of Finance Directorate from the Concerned Office, and payment is made after Pre-Audit either through LC or through Imprest bank account after the release of funds by Finance Directorate.
PAP-6	Purchase of Electricity from CPPA	A. This process covers the purchase of electricity from CPPA. B. Invoice from CPPA is received and verified by the CP&C Section of Finance Directorate. C. After verification of invoice, the Management Accounts Report is updated by the CP&C Section of Finance Directorate. D. Funds are directly remitted from the Revenue Bank Accounts on daily basis to the designated Bank Accounts of CPPA.

PAP-7	Purchase of Electricity from SPPs	A. This process covers the purchase of electricity from SPPs/N-CPP. B. Approved bill from SPP/N-CPP is received by the Payment Section of Finance Directorate. C. Payment is made after Pre Audit and release of funds from the Finance Directorate. D. Payment for the cost of electricity is made to SPPs/N-CPP by DISCO on behalf of CPPA because a Single Buyer Model for purchase of Electricity is followed in Pakistan.
PAP-8	Procurement of Material from Other DISCOs (On Advance Payment Basis)	A. This process covers the purchase of Material from other DISCOs. B. In case of emergency requirement, any material can be procured from other DISCOs. C. Purchase of material from concerned DISCO is approved by CEO. D. Payment is made after Pre Audit and release of funds from the Banking Section of Finance Directorate.
PAP-9	Pre Audit & Deductions	A. This process covers the pre-audit and deductions made by the Payment Section of Finance Directorate. B. All payments/claims required to be made by any D&D offices are required to be pre-audited by the Payment Section of the Finance Directorate except for the following payments/claims for which the AMA/DAO of the D&D offices are authorized to carry out the Pre-audit: ➢ The payments/Claims relating to the Establishment Head such as Pay Allowances, House rent, TA/DA etc. ➢ The Payments/Claims on the account of medical charges up to Rs. 1,000/- ➢ The Payments/Claims on the account of repair and maintenance charges up to Rs. 1,000/- ➢ The Payment/Claims relating to pension, gratuity of

		employees. ➢ The Payment/Claims of any kind up to Rs. 50,000 are pre-audited by AMA of PD Construction and GSC circle. C. The payments/claims up to Rs. 50,000/- are pre-audited by AA, AO and AMA of Payment Section in addition to, DMCA(HQ) in case the payments/claims exceeding Rs. 50,000/-
PAP-10	Payment to (RRK) Resident Representative Karachi on account of procurement of Imported Material.	A. This process covers the payments made to Regional Representative Karachi (RRK). B. Resident Representative Karachi is an agency of WAPDA responsible for clearance of imported material from Customs, which is purchased by DISCOs. C. RRK sends claim to DISCO for Custom Duties, Income Taxes and overheads charged by RRK. D. Funds are provided by Finance Directorate for payment of claims. E. Finance Section of Office of PMU makes payment to RRK and sends Debit Advice to store.

PAP-1 Procurement of items by Accounting Units

PAP-1.1 Descriptive Overview of the Process

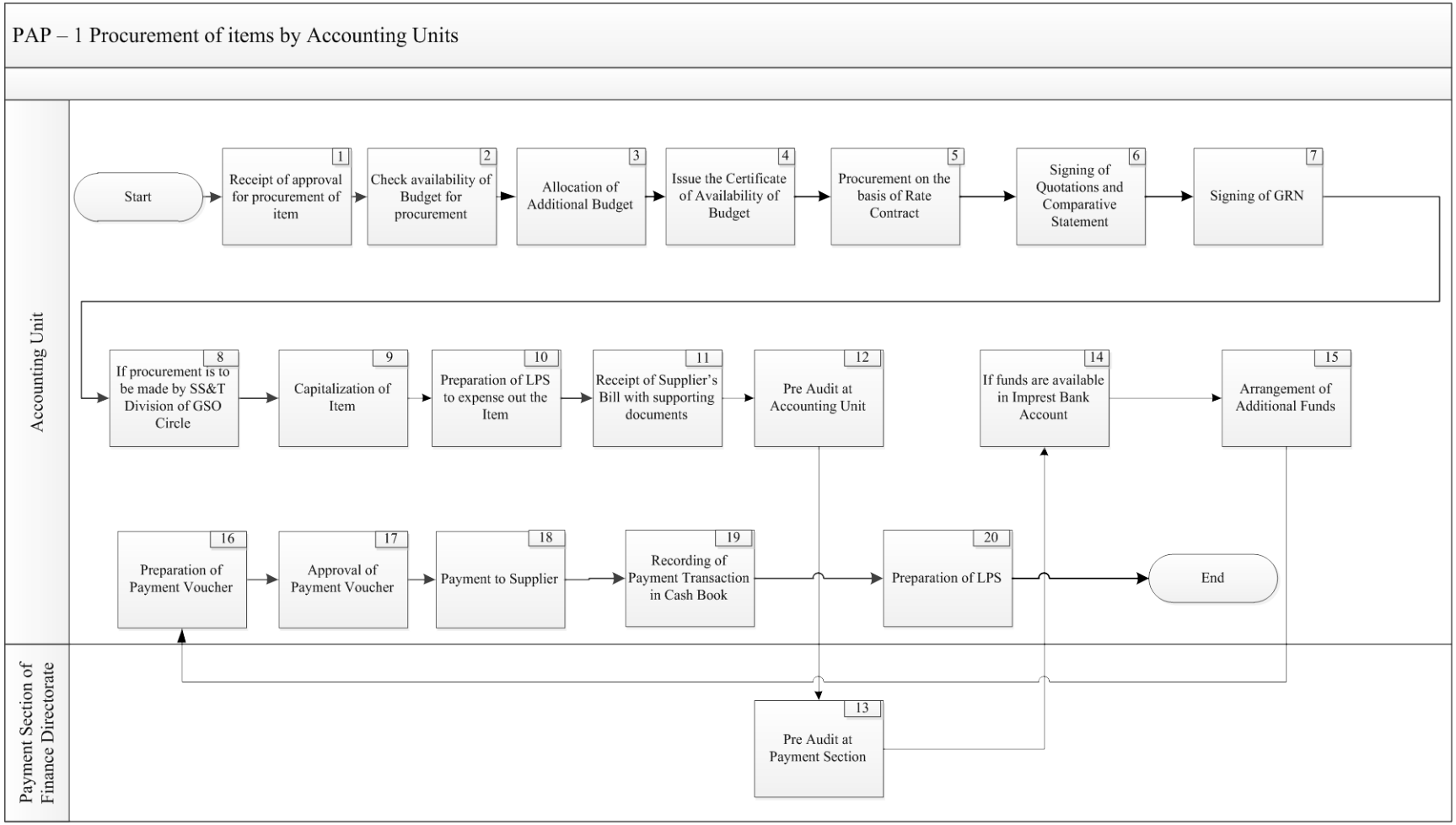
A. This process covers the procurement of expense or capital nature items carried out by Accounting Units.

B. Approval for procurement of items is received from the Competent Authority in accordance with the financial powers.

C. Procurement is carried out through Rate Contracts or Quotations.

D. Payment by Accounting Units is made after Pre Audit and release of funds from the Finance Directorate.

PAP-1.2 Flow Chart



PAP-1.3 Detail of Process Activities

Sr. No	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1	Receipt of approval for procurement of item	Accounting Unit receives approval for procurement of items from the Competent Authority in accordance with the financial powers. [Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers***]			Accounting Unit	DAO
2	Check availability of Budget for procurement	a) The Accounting Unit checks the availability of budget for procurement of a specific item.			Accounting Unit	DAO
3	Allocation of Additional Budget	a) If the budget is not available for the procurement of particular item, the Accounting Unit prepares the requisition for allocation of additional budget. b) This requisition is approved by the Competent Authority in accordance with the financial powers and forwarded to the Budget Section of Finance Directorate for allocation of additional budget to the Accounting Unit. [Refer ***"PBF – 4"*** for details regarding ***allocation of additional budget for operating and maintenance item***]			Accounting Unit	

		[Refer ***"PBF – 5"*** for details regarding ***allocation of additional budget for capital item***] [Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers***]				
4	Issue the Certificate of Availability of Budget	If budget is available the Accounting Unit issues the Certificate of Availability of Budget. [Refer ***"Volume II, Annexure –153 "*** for the specimen of ***Certificate of Availability of Budget***]	Certificate of Availability of Budget		Accounting Unit	DAO
5	Procurement on the basis of Rate Contract	In case a Rate Contract exists for procurement of item, a PO on the basis of Rate Contract is issued to supplier for procurement.			Accounting Unit	
6	Signing of Quotations and Comparative Statement	Where a Rate Contract does not exist following procedure is carried out: a) Quotations and called from Suppliers. b) Comparative Statement is prepared on the basis of Quotations received from Suppliers. c) Comparative Statement is signed by Divisional Accounts Officer and PO is issued to the selected Supplier.	Comparative Statement		Accounting Unit	DAO

		[Refer ***"Volume II, Annexure –55 "*** for the specimen of ***Comparative Statement***]				
7	Signing of GRN	Divisional Accounts Officer in Accounting Unit signs the GRN after the receiving of item from Supplier. The copy of GRN is kept for accounting purposes. [Refer ***"Volume II, Annexure –88 "*** for the specimen of **GRN]**	GRN		Accounting Unit	DAO
8	If procurement is to be made by SS&T Division of GSO Circle	If procurement is to be made by the SS&T Division of GSO Circle then SS&T division must obtain the NOC from the Office of CE PMU.			Accounting Unit	
9	Capitalization of Item	If it is determined in the Accounting Unit that the goods received are of Capital Nature, the Accounting Unit capitalizes the Fixed Asset and updates the Fixed Assets Registers. [Refer ***"FAM – 10"*** for details regarding ***acquisition of fixed assets***]		Entry for recording of Fixed Assets is mentioned in FAM-10	Accounting Unit	
10	Preparation of LPS to expense out the Item	If it is determined in the Accounting Unit That the goods are not of Capital nature, the LPS is prepared by the Accounting Unit to record the payable to Supplier. [Refer ***"Volume II, Annexure –20 "*** for the specimen of ***LPS***]	LPS	1	Accounting Unit	AA,DAO

11	Receipt of Supplier's Bill with supporting documents	Accounting Unit receives the Supplier bills with all the supporting documents for payment.			Accounting Unit	DAO
12	Pre Audit at Accounting Unit	a) After receiving the Bill and Supporting Documents, If the Pre Audit is within the Competency of Accounting Unit then the Accounting Unit performs Pre Audit. b) If the Pre Audit is not within the Competency of Accounting Unit then the Accounting Unit sends the bill along with the supporting documents to the Payment Section of Finance Directorate. **[**Refer ***"PAP – 9"*** for details regarding ***pre audit*****]**			Accounting Unit	
13	Pre Audit at Payment Section	The Payment Section of Finance Directorate performs the Pre Audit and returns the bill along with the supporting documents to Accounting Unit. **[**Refer ***"PAP – 9"*** for details regarding ***pre audit*****]**			Payment Section of Finance Directorate	
14	If funds are available in Imprest Bank Account	The Accounting Unit checks the availability of funds in the Imprest Bank Account for the payment to Supplier.			Accounting Unit	DAO
15	Arrangement of additional funds	If funds are not available in the Imprest Bank Account the following procedure is performed; a) The Accounting Unit prepares the Demand for Release of Funds in case of non availability of funds in the Imprest Bank Account.	Demand for Release of Funds, Funds Transfer Letter	2	Accounting Unit	

		b) After the approval of Competent Authority in accordance with the financial powers, the Demand for Release of Funds is forwarded to Finance Directorate for release of funds. c) The Payment Section of Finance Directorate obtains the approval from CEO and Banking Section of Finance Directorate releases funds to the Accounting Unit. **[**Refer ***"CTM – 9"*** for details regarding ***release of funds to Accounting Unit*****]** [Refer ***"Volume II, Annexure – 191"*** for **Book of Financial Powers**] [Refer ***"Volume II, Annexure –25.1 "*** for the specimen of **Demand for Release of Funds**] [Refer ***"Volume II, Annexure –25.2 "*** for the specimen of **Demand for Release of Funds**] **[**Refer ***"Volume II, Annexure –42 "*** for the specimen of **Funds Transfer Letter]**				
16	Preparation of Payment Voucher	The Accounting Unit prepares the Payment Voucher for making payment to Supplier.	Payment Voucher		Accounting Unit	AA, DAO

		[Refer ***"Volume II, Annexure – 4"*** for the specimen of ***Payment Voucher*****]**				
17	Approval of Payment Voucher	Payment Voucher is approved by the the Accounting Unit.			Accounting Unit	AA, DAO, DMO/AMCS
18	Payment to Supplier	Accounting Unit makes the payment to Supplier from Imprest Bank Account, through Cheque.	Cheque		Accounting Unit	DAO
19	Recording of Payment Transaction in Cash Book	Accounting Unit records the transaction of payment in the Cash Book of Imprest Bank Account. **[**Refer ***"Volume II, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Accounting Unit	AA,DAO
20	Preparation of LPS	LPS is prepared by the Accounting Unit to record the payment transaction and update the Supplier Ledger. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS*****]** [Refer ***"Volume II, Annexure – 127"*** for the specimen of ***Supplier Ledger***]	LPS, Supplier Ledger	3	Accounting Unit	AA, DAO

PAP-1.4 Journal Entries

1. When the items related to expense nature are received, the following entry is posted by the Accounting Unit:

Description	Debit	Credit
Expense	***	
Accounts Payables		***

2. When funds are received by the Accounting Unit from the Finance Directorate, the following entry is posted by the Accounting Unit:

Description	Debit	Credit
Bank – Imprest Account	***	
IOT - Cash		***

3. When the payment is made to the supplier, the following entry is posted by the Accounting Unit:

Description	Debit	Credit
Accounts Payables	***	
Bank – Imprest Account		***

PAP-1.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Accounting unit	10,16,17,19,20
Divisional Accounts Officer	
Accounting unit	1,2,4,6,7,10,11,14,16,17,18,19,20
Deputy Manger Operations/Assistant Manager Customer Service	
Accounting unit	17

PAP-1.6 Key Control Matrix

Sr.No	Objective	Risk	Control Activity	Activity Ref. #
1	Accounts Payables is appropriately updated.	Incorrect treatment of Accounts Payables may result in under/over statement of liability.	In Accounting Unit, LPS to record the Accounts Payables is prepared by AA and checked by DAO.	10
2	Payment Transaction is recorded correctly.	Posting of payment transaction is made incorrectly which may result in non reconciliation of balances and misstatement in financial statements	LPS to update the Supplier Ledger and record the payment transaction is prepared by AA and checked by DAO.	20

PAP-2 Procurement through the Office of Material Management

PAP-2.1 Descriptive Overview of the Process

A. This process covers the procurement carried out by the Office of Material Management.

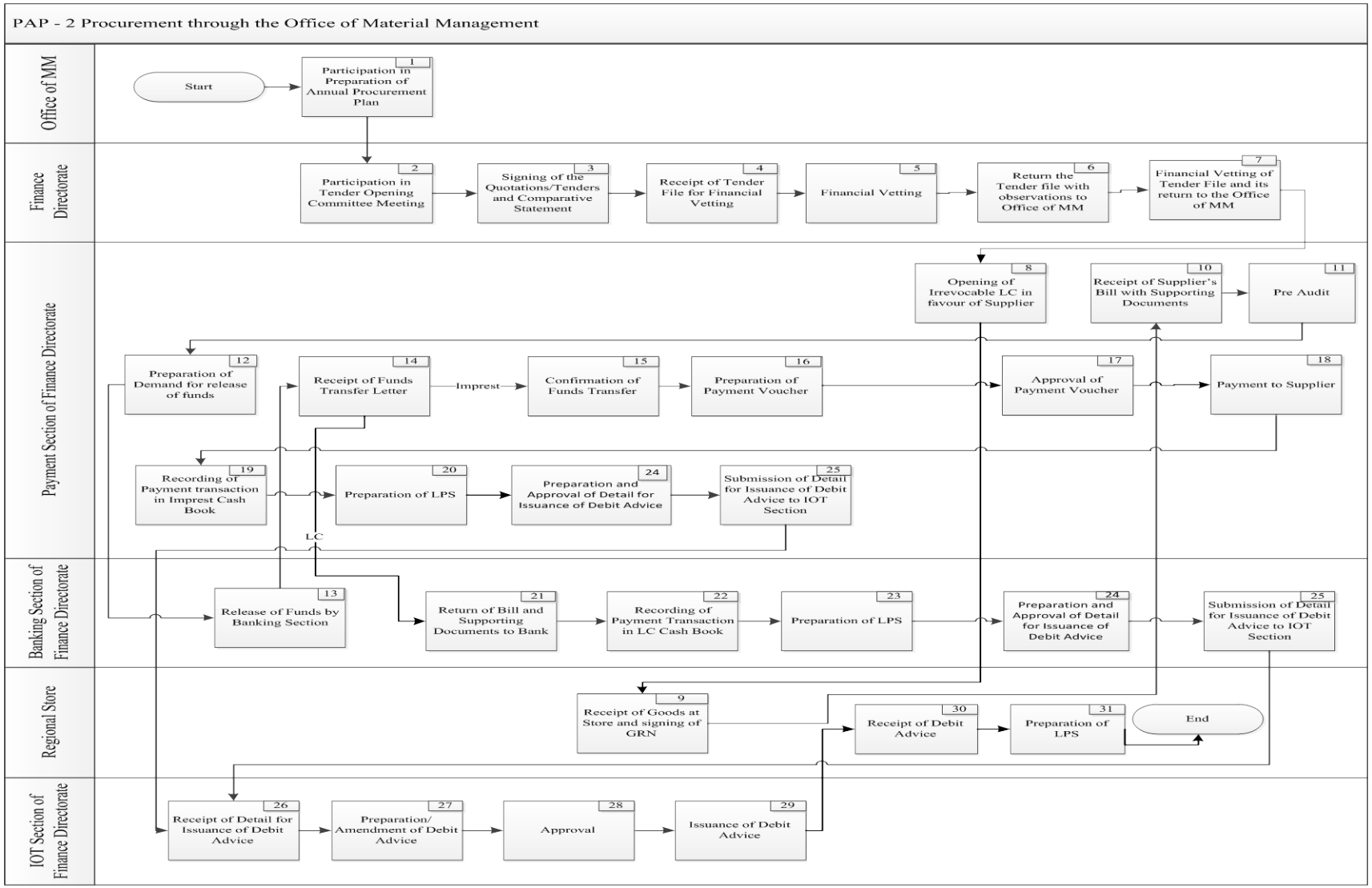
B. Annual Procurement Plan is prepared in consultation with the FD.

C. Tenders are called by the Office of Material Management and a Comparative Statement is signed by the members of the Tender Opening Committee.

D. Financial Vetting of the Tender File is performed in the Finance Directorate.

E. Payment is made after Pre-audit by Payment Section of Finance Directorate either through LC or through Imprest Bank Account after the release of funds by Banking Section of Finance Directorate.

PAP-2.2 Flow Chart



PAP-2.3 Detail of Process Activities

Sr. No	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1	Participation in Preparation of Annual Procurement Plan	a) Annual Procurement Plan is prepared to plan the requirement for procurement of material for coming year. b) In this plan the financial matters such as budgeting, arrangement of funds, financial evaluations are considered and incorporated with the consultation of FD. **[**Refer ***"TRM – 1"*** for details regarding ***Annual Procurement Plan*****]** **[**Refer ***"Volume II, Annexure – 165"*** for the specimen of ***Annual Procurement Plan*****]**	Annual Procurement Plan		Office of MM	
2	Participation in Tender Opening Committee Meeting	The Tenders are called by Office of MM. Competent Authority from Finance Directorate participates in the meetings of Tender Opening Committee, in accordance with financial powers. **[**Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers*****]**			Finance Directorate	DM Accounts (FF)/ DMCA
3	Signing of the Quotations/Tenders	a) The Quotations/Tenders and Comparative Statement are signed by the Members of Tender Opening	Comparative Statement		Finance Directorate	DM Accounts (FF)/ DMCA

	and Comparative Statement	Committee. b) A Tender File is prepared which is sent to the Finance Directorate for financial vetting. [Refer ***"Volume II, Annexure – 55"*** for the specimen of ***Comparative Statement***]				
4	Receipt of Tender File for Financial Vetting	The Finance Directorate receives the Tender File for Financial Vetting from the Office of Material Management.			Finance Directorate	AMA
5	Financial Vetting	a) Financial vetting is performed at the Finance Directorate. This includes the verification of the following major parameters: ➢ Comparative Statement is properly prepared and duly signed by all the Members of the Tender Opening Committee. ➢ Ernest Money and Performance Guarantee as per Tender Requirement. ➢ Technical responsiveness of the supplier on the basis of the Tender Evaluation Report. ➢ Reasonability of Rates as prevailing in the market. ➢ Transparency of the Tendering Process. ➢ Availability of Budget against Source of Funding. ➢ Inclusion in the Annual Procurement Plan. ➢ Approval as per the Book of Financial Powers. ➢ Adherence to the rules and regulations of PPRA.			Finance Directorate	MCA, MF CP&C, FD
6	Return the Tender	a) In case any observations are found in the process of			Finance Directorate	MCA, MF CP&C,

	file with Observations to Office of MM	Financial Vetting, the Tender File is returned to the Office of MM with the observations, approved by the FD. b) The Office of MM rectifies the deficiencies in Tender File and sends it back to the Finance Directorate.				FD
7	Financial Vetting of Tender File and its return to the Office of MM	a) After performing the Financial Vetting, Tender File is returned to the Office of MM. b) MM then proceeds with the process of procurement.			Finance Directorate	MCA, MF CP&C, FD
8	Opening of Irrevocable LC in favour of Supplier	If mode of payment to Supplier is through Irrevocable LC Account then following procedure is followed; a) A request from Supplier for opening of Irrevocable LC is received by the Payment Section of Finance Directorate. b) The form for opening of LC is submitted to the bank and bank opens the LC in the favour of supplier. **[**Refer ***"CTM – 25"*** for details regarding ***opening of LC*****]**			Payment Section of Finance Directorate	
9	Receipt of Goods at Store and signing of GRN	When the goods are received at the Regional Store, GRN is signed and a copy is kept for the Store's record. **[**Refer ***"IMM – 1"*** for details regarding ***receipt of material at regional store*****]** **[**Refer ***"Volume II, Annexure – 85"*** for the specimen of	GRN		Regional Store	

		GRN]				
10	Receipt of Supplier's Bill with Supporting Documents	a) The Supplier's bill with supporting documents are received and duly approved by the Office of MM. b) Office of MM forwards the approved bill with supporting documents to the Payment Section of Finance Directorate for Pre Audit. c) Payment Section of Finance Directorate receives the approved Bill with supporting documents for Pre Audit.			Payment Section of Finance Directorate	AMA
11	Pre Audit	Pre-audit is performed by the Payment Section of Finance Directorate. [Refer ***"PAP – 9"*** for details regarding ***pre audit***]			Payment Section of Finance Directorate	
12	Preparation of Demand for release of funds	a) Payment Section of Finance Directorate prepares Demand for Release of Fund and obtains approval from the FD/CFO and CEO. b) If the funds are required from Distribution Margin Bank Account then a copy of the same is forwarded by the Payment Section to the ESCROW Section for arrangement of funds from Distribution Margin Bank Account. [Refer ***"CTM – 12"*** for details regarding ***arrangement of funds by ESCROW Section***]	Demand for Release of Funds		Payment Section of Finance Directorate	

		[Refer ***"Volume II, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume II, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers***]				
13	Release of Funds by Banking Section	a) Banking Section receives the Demand for Release of Funds from Payment Section of Finance Directorate duly approved by the FD/CFO and CEO. b) In case of arrangement of funds from Distribution Margin Bank Account, Banking Section receives a Pay Order as well from the ESCROW Section. c) Banking Section then releases the funds through Funds Transfer Letter to the Imprest Bank Account(s). d) In case of payment through LC, funds are released to the LC Account. [Refer ***"CTM – 9"*** for details regarding ***release of funds by Banking Section***] [Refer ***"Volume II, Annexure – 42"*** for the specimen of ***Funds Transfer Letter***]	Funds Transfer Letter		Banking Section of Finance Directorate	

14	Receipt of Funds Transfer Letter	If payment to Supplier is to be made through the Imprest Bank Account following procedure is performed; a) Funds are received in the Imprest Account of Payment Section of Finance Directorate from the Banking Section of Finance Directorate. b) A copy of Funds Transfer Letter is received by the Payment Section of Finance Directorate from the Banking Section of Finance Directorate. If payment is to be made through LC Account, continue from Activity # 21. **[**Refer ***"CTM – 13"*** for details regarding ***receipt of funds from Finance Directorate*****]**		1	Payment Section of Finance Directorate	
15	Confirmation of Funds Transfer	Payment Section of Finance Directorate checks the Bank Statement to confirm that the funds are received in the Imprest Bank Account.			Payment Section of Finance Directorate	Cashier
16	Preparation of Payment Voucher	Payment Voucher is prepared by the Payment Section of Finance Directorate for making payment to Supplier. **[**Refer ***"Volume II, Annexure – 4"*** for the specimen of ***Payment Voucher*****]**	Payment Voucher		Payment Section of Finance Directorate	AA
17	Approval of Payment Voucher	Payment Voucher is approved by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA, AO, AMA
18	Payment to Supplier	Payment to Supplier is made by the Payment Section			Payment Section of Finance Directorate	Cashier

		through Cheque.				
19	Recording of Payment transaction in Imprest Cash Book	a) The payment transaction is recorded in the Cash Book of Imprest Bank Account. b) The payment transaction is checked and verified by the Payment Section of Finance Directorate. **[**Refer ***"Volume II, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Payment Section of Finance Directorate	AA, AO, AMA
20	Preparation of LPS	c) LPS of Cash Book is prepared by the Payment Section of Finance Directorate to record the payment transaction. d) After the preparation of LPS, process continues to Activity # 24. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	2	Payment Section of Finance Directorate	AA, AO, AMA
21	Return of Bill and Supporting Documents to Bank	a) If Payment is to be made through LC Account, the Pre Audited bill and Supporting Documents are received from the Payment Section of Finance Directorate. b) These documents are returned by the Banking Section of Finance Directorate to the concerned Bank. c) Concerned Bank processes the payment to the Supplier.			Banking Section of Finance Directorate	AA
22	Recording of	Banking Section of Finance Directorate records checks and	Cash Book		Banking Section of	AA, AO, AMA

	Payment Transaction in LC Cash Book	verifies the payment transaction in LC Bank Account. **[**Refer ***"Volume II, Annexure – 5"*** for the specimen of ***Cash Book*****]**			Finance Directorate	
23	Preparation of LPS	a) LPS of Cash Book is prepared by the Banking Section of Finance Directorate to record the payment transaction. b) After the preparation of LPS, process continues to Activity # 24. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	3	Banking Section of Finance Directorate	AA, AO, AMA
24	Preparation and Approval of Detail for Issuance of Debit Advice(s)	The Detail for Issuance of Debit Advice(s) is prepared and approved by the Payment/Banking Section of Finance Directorate. **[**Refer ***"Volume II, Annexure – 52.1"*** for the specimen of ***Detail for Issuance of Debit Advice*****]** **[**Refer ***"Volume II, Annexure – 52.2"*** for the specimen of ***Detail for Issuance of Debit Advice*****]**	Detail for Issuance of Debit Advice		Payment Section of Finance Directorate/ Banking Section of Finance Directorate	AA, AO, AMA
25	Submission of Detail for Issuance of Debit Advice(s)	The Payment/Banking Section of Finance Directorate submits the Detail for Issuance of Debit Advice(s) to the			Payment Section of Finance Directorate/ Banking Section of	AA

	to IOT Section	IOT Section of Finance Directorate.			Finance Directorate	
26	Receipt of Detail for Issuance of Debit Advice(s)	The IOT Section of Finance Directorate receives the Detail for Issuance of Debit Advice(s).			IOT Section of Finance Directorate	AMA
27	Preparation/ Amendment of Debit Advice(s)	The Debit Advice(s) is prepared / amended by IOT Section of Finance Directorate with the details of payment to Supplier. **[**Refer ***"Volume II, Annexure – 53"*** for the specimen of ***Debit Advice*****]**	Debit Advice		IOT Section of Finance Directorate	AA
28	Approval	The Debit Advice(s) is approved by the IOT Section of Finance Directorate.			IOT Section of Finance Directorate	AA, AO, AMA
29	Issuance of Debit Advice(s)	The Debit Advice(s) is issued to Store by the IOT Section of Finance Directorate.			IOT Section of Finance Directorate	AA
30	Receipt of Debit Advice(s)	The Store receives the Debit Advice(s) from IOT Section of Finance Directorate.			Regional Store	DAO
31	Preparation of LPS	The Store prepares LPS after receiving Debit Advice(s) to update the Supplier Ledger. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS*****]** **[**Refer ***"Volume II, Annexure – 127"*** for the specimen of ***Supplier Ledger*****]**	LPS, Supplier Ledger	4	Regional Store	DAO

PAP-2.4 Journal Entries

1. When funds are received in the Imprest Bank Account from the Banking Section, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
Bank – Imprest Account	***	
A.P Clearing Account		***

2. If the payment is made to the Supplier through the Imprest Bank Account, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
IOT - Debit Advice(s)	***	
* Late Delivery Charges (LD)		***
* Withholding Tax Payables		***
* Security Deposit		***
* Payables to Associated Company – DISCO/GENCO etc.		***
Bank – Imprest Account		***

3. If the payment is made to the Supplier through the LC Bank Account, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
IOT - Debit Advice(s)	***	
* Late Delivery Charges (LD)		***
* Withholding Tax Payables		***
* Security Deposit		***
* Payables to Associated Company – DISCO/GENCO etc.		***
Bank – LC Account		***

4. When Debit Advice(s) is received by the Regional Store against payment made to supplier, the following entry is posted by the Store:

Description	Debit	Credit
Trade Creditors	***	
IOT - Debit Advice(s)		***

* The deductions of LD, Withholding Tax Payables, Security Deposit, Payables to Associated Companies may be applicable as per the Activity of "Pre-audit" as described in Process PAP-09 "Pre-audit and Deductions".

PAP-2.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Cashier	
Payment Section of Finance Directorate	15,18
Accounts Assistant	
Payment Section of Finance Directorate	16,17,19,20,24,25
Banking Section of Finance Directorate	21,22,23,24,25
IOT Section of Finance Directorate	27,28,29
Accounts Officer	
Payment Section of Finance Directorate	17,19,20,23,24
Banking Section of Finance Directorate	22,23,24
IOT Section of Finance Directorate	28
Divisional Accounts Officer	
Regional Store	30,31
Assistant Manager Accounts	
Payment Section of Finance Directorate	10,17,19,20,21,23,24
Banking Section of Finance Directorate	22,23,24
IOT Section of Finance Directorate	26,28
Finance Directorate	4
Deputy Manager Accounts (Field Formation)	
Finance Directorate	2,3
Deputy Manager Corporate Accounts	
Finance Directorate	2,3
Manager Corporate Accounts	
Finance Directorate	5,6,7
Manager Finance Corporate Planning & Control	
Finance Directorate	5,6,7
Finance Director	
Finance Directorate	5,6,7

PAP-2.6 Key Control Matrix

Sr. No	Objective	Risk	Control Activity	Activity Ref. #
1	Financial Vetting of the Tender File is carried out as per the defined parameters.	Inconsistency with the defined parameters may result in non compliance with the Company policy.	MCA, Manager (CP & C) and FD perform the financial vetting of the Tender File in line with the defined parameters and if any observation is found then the file is returned to the Office of MM for correction with the approval of FD.	5
2	For payment purposes, ensure that Purchase Order, Goods Receipt Note, and Supplier's Bills are matched.	Payments may be processed for goods that have not been received or that are priced inappropriately given the purchase order price.	Pre Audit is performed by the Payment Section of Finance Directorate to ensure the appropriateness of payments to suppliers.	11
3	Payment transaction is recorded correctly.	Posting of payment transaction is made incorrectly which may result in non reconciliation of balances and misstatement in financial statements.	In Payment Section of Finance Directorate, LPS to record the payment transaction is prepared by AA, checked by AO and verified by AMA. In Banking Section of Finance Directorate, LPS to record the payment transaction is prepared by AA, checked by AO and verified by AMA.	19,22
4	Supplier Ledger is accurately updated.	Incorrect posting in Supplier Ledger may result in over/understatement of Trade Creditors and may subsequently lead to misstatement of financial statements.	After payment has been made by the Finance Directorate, Supplier Ledger is updated at Regional Store by DAO on the basis of Debit Advice(s) received from the IOT Section of Finance Directorate.	31

PAP-3 Procurement by PMU through Own Resources

PAP-3.1 Descriptive Overview of the Process

A. This process covers the procurement by PMU through own resources.

B. PMU is responsible for the procurement for construction of Grid Systems and major procurement i.e. purchase of Transformers and replacement of GSC lines in case of existing maintenance Lines of GSC Systems.

C. PC 1 is prepared in consultation with the Manager Finance PMU.

D. On the basis of PC 1, an Annual Plan in consultation with MF (PMU) and an Annual Procurement Plan is prepared in consultation with Manager Finance CP&C, MF (PMU) and FD.

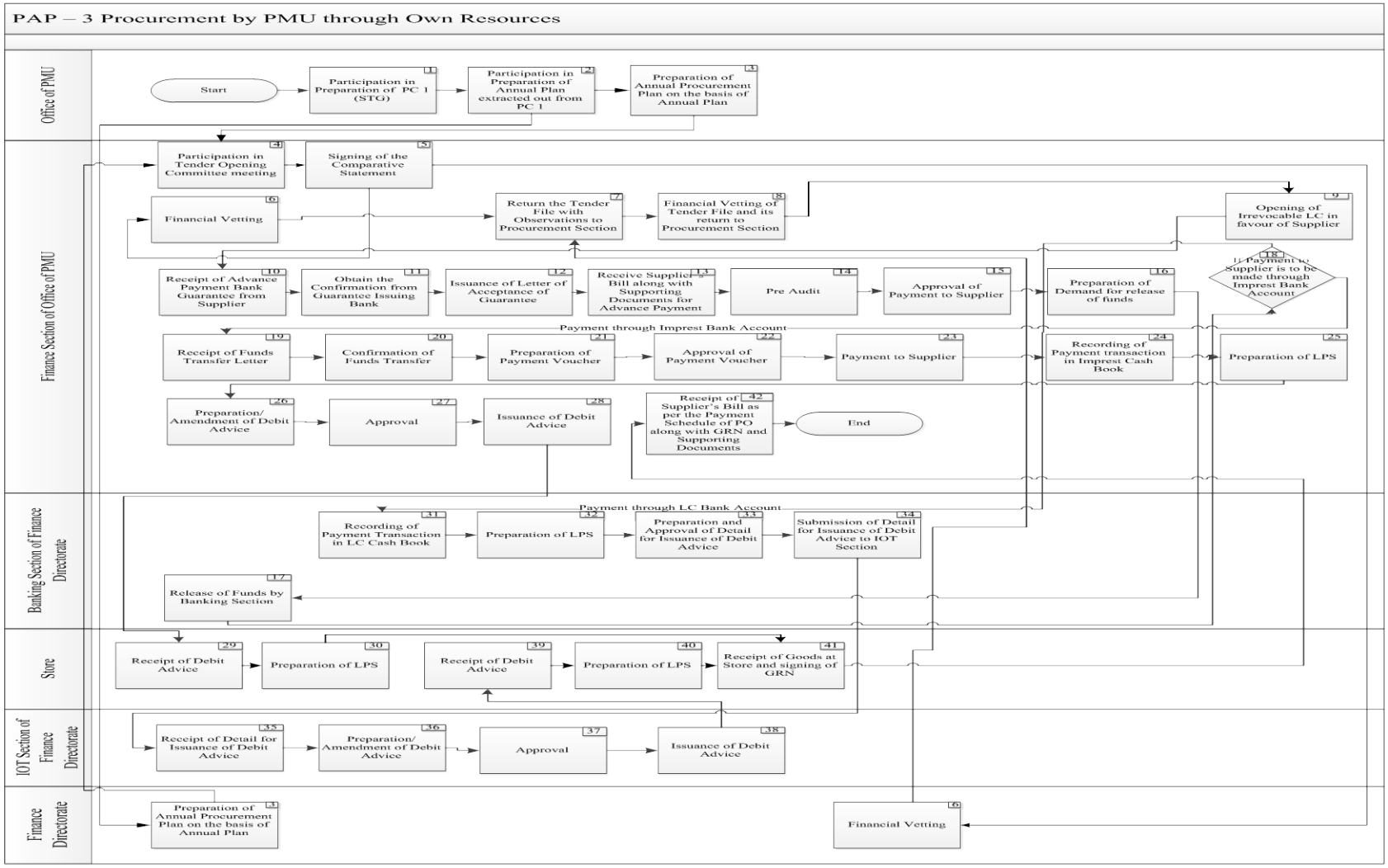
E. Tenders are called by the Office of PMU and a Comparative Statement is signed by the members of the Tender Opening Committee.

F. Financial Vetting of the Tender File is performed by the Finance Section of the Office of PMU and Finance Directorate.

G. Advance Payment Bank Guarantee is received from Supplier.

H. Advance Payment is made after Pre-Audit by the Finance Section of PMU either through LC or through Imprest Bank Account after the release of funds by the Banking Section of Finance Directorate.

PAP-3.2 Flow Chart



PAP-3.3 Detail of Process Activities

Sr.#	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1	Participation in Preparation of PC 1 (STG)	a) PC 1 is the plan of work(s) to be carried out in next five years. b) Financial matters such as budgeting, arrangement of funds, financial evaluations are considered and incorporated in PC 1 with the consultation of Manager Finance PMU. **[**Refer ***"PBF – 3"*** for details regarding ***PC 1*****]**			Office of PMU	
2	Participation in preparation of Annual Plan extracted out from PC 1	a) The Office of PMU extracts Annual plan from the PC 1. b) Financial matters such as budgeting, arrangement of funds, financial evaluations are considered and incorporated in Annual Plan with the consultation of Manager Finance PMU. **[**Refer ***"PBF – 3"*** for details regarding ***Annual Plan*****]** **[**Refer ***"Volume II, Annexure – 164"*** for the specimen of ***Annual Plan*****]**	Annual Plan		Office of PMU	
3	Preparation of Annual	a) Office of PMU and Finance Directorate prepare Annual Procurement Plan on the basis of Annual Plan.	Annual Procurement		Office of PMU, Finance Directorate	

	Procurement Plan on the basis of Annual Plan	b) Annual Procurement Plan involves the identification of sources of funding (own resources or deposit work), details of procurement, budgeting and project wise BOQ details. c) These matters are considered and incorporated in Procurement Plan with the consultation of Manager Finance CP&C, MF (PMU) and FD. **[**Refer ***"TRM – 1"*** for details regarding ***Annual Procurement Plan*****]** **[**Refer ***"Volume II, Annexure – 165"*** for the specimen of ***Annual Procurement Plan*****]**	Plan			
4	Participation in Tender Opening Committee meeting	The tenders are called by the Office of PMU. The Competent Authority, in accordance with the financial powers, from the Finance Section of the Office of PMU participates in the meetings of Tender Opening Committee as a member. **[**Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers*****]**			Finance Section of Office of PMU	DM / MF (PMU)/FD
5	Signing of the Comparative Statement	d) The Competent Authority signs the Comparative Statement, in accordance with financial powers, as a member of the Tender Opening Committee. e) A Tender File is prepared.	Comparative Statement		Finance Section of Office of PMU	DM / MF (PMU)/FD

		[Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers***] [Refer ***"Volume II, Annexure – 55"*** for the specimen of ***Comparative Statement***]				
6	Financial Vetting	a) Financial vetting of the Tender File is performed which includes the verification of the following major parameters: ➢ Reasonability of Rates. ➢ Earnest Money and Performance Guarantee as per Tender Requirement. ➢ Adherence to the rules and regulations of PPRA. ➢ Comparative statement is properly prepared and duly signed by all the Members of the Tender Opening Committee. ➢ Availability of Budget against Source of Funding. ➢ Inclusion in the Annual Procurement Plan. ➢ Technical responsiveness of the supplier on the basis of the Tender Evaluation Report. ➢ Approval as per the Book of Financial Powers. ➢ Transparency of the Tendering Process.			Finance Section of Office of PMU Finance Directorate	AM, DM, MF (PMU) MF CP&C, MCA, FD
7	Return the Tender File with Observations to Procurement Section	a) If all the parameters of Financial Vetting are not fulfilled Finance Section of Office of PMU returns the Tender File with observations to the Procurement Section of the Office of PMU. b) The Procurement Section of the Office of PMU			Finance Section of Office of PMU	MF (PMU)

		rectifies the observations in Tender File and sends it again to the Finance Section of Office of PMU for Financial Vetting.				
8	Financial Vetting of Tender File and its return to Procurement Section	a) After Financial Vetting, Finance Section of Office of PMU returns the Tender File to the Procurement Section of the Office of PMU. b) Procurement Section of the Office of PMU proceeds with the process of procurement.			Finance Section of Office of PMU	MF (PMU)
9	Opening of Irrevocable LC in favour of Supplier	If mode of payment to Supplier is through Irrevocable LC Account then following procedures are performed; a) Request from Supplier for opening of Irrevocable LC is received by the Finance Section of Office of PMU. b) Finance Section of Office of PMU submits the form to the bank for opening of LC and bank opens the LC in the favour of Supplier. **[**Refer ***"CTM – 25"*** for details regarding ***opening of LC*****]**			Finance Section of Office of PMU	
10	Receipt of Advance Payment Bank Guarantee from Supplier	a) The Finance Section of Office of PMU receives the Advance Payment Bank Guarantee from Supplier before making the advance payment, through Procurement Section of PMU. b) Advance payment may be made by the Finance Section of Office of PMU either through Irrevocable LC Account or directly through Imprest Bank Account.	Advance Payment Bank Guarantee		Finance Section of Office of PMU	MF (PMU)
11	Obtain the Confirmation from Guarantee Issuing Bank	The Finance Section of Office of PMU obtains the confirmation of Advance Payment Bank Guarantee from the Guarantee Issuing Bank through a Letter of	Letter for Confirmation of Guarantee		Finance Section of Office of PMU	MF (PMU)

		Confirmation. **[**Refer ***"Volume II, Annexure – 155"*** for the specimen of ***Letter for Confirmation of Guarantee***]				
12	Issuance of Letter of Acceptance of Guarantee	The Finance Section of Office of PMU on receiving confirmation from the bank, issues the Letter of Acceptance of Guarantee to the supplier. **[**Refer ***"Volume II, Annexure – 156"*** for the specimen of ***Letter for Acceptance of Guarantee***]	Letter of Acceptance of Guarantee		Finance Section of Office of PMU	AM, DM, MF (PMU)
13	Receive Supplier's Bill along with Supporting Documents for Advance Payment	Finance Section receives the Supplier's bill along with the supporting documents (as per P.O) duly approved by the Procurement Section of PMU and CE PMU for making Advance Payment.			Finance Section of Office of PMU	MF (PMU)
14	Pre Audit	The Finance Section of Office of PMU performs Pre Audit of the Supplier's bill. **[**Refer ***"PAP – 9"*** for details regarding ***pre audit***]			Finance Section of Office of PMU	
15	Approval of Payment to Supplier	a) A Noting is prepared by the Finance Section of Office of PMU to obtain approval from the CEO for making payment to Supplier. b) The Noting is then forwarded to the CEO for his approval, through CE PMU and FD.	Noting		Finance Section of Office of PMU,	AA,AO, AM, DM, MF (PMU), CE PMU, FD, CEO

		[Refer ***"Volume II, Annexure – 41"*** for the specimen of ***Noting***]				
16	Preparation of Demand for release of funds	a) Finance Section of Office of PMU prepares Demand for Release of Fund and obtains approval from the CEO. b) If the funds are required from Distribution Margin Bank Account then a copy of the same is forwarded by the Finance Section of Office of PMU to the ESCROW Section of Finance Directorate for arrangement of funds from Distribution Margin Bank Account. c) The Finance Section of the Office of PMU sends the Demand for Release of Funds to the Banking Section of Finance Directorate. [Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers***] [Refer ***"Volume II, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume II, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***]	Demand for Release of Funds		Finance Section of Office of PMU	AM, DM, MF (PMU), MCA, FD, CEO
17	Release of Funds	a) The Banking Section of Finance Directorate receives			Banking Section of	

	by Banking Section	the Demand for Release of Funds from Finance Section of Office of PMU duly approved by the CEO. b) In case of arrangement of funds from Distribution Margin Bank Account, Banking Section of Finance Directorate receives a Pay Order as well from the ESCROW Section. c) The Banking Section then releases the funds through Funds Transfer Letter to the Imprest Bank Account(s). d) In case of payment through LC, funds are transferred to the LC Bank Account. **[**Refer ***"CTM – 9"*** for details regarding ***release of funds*****]**			Finance Directorate	
18	If Payment to Supplier is to be made through Imprest Bank Account	If Payment to Supplier is to be made through Imprest Bank Account then continue to Activity # 19 else continue to Activity # 31.			Finance Section of Office of PMU	
19	Receipt of Funds Transfer Letter	If payment to Supplier is to be made through Imprest bank Account then; a) Funds are received in the Imprest Account of the Office of PMU. b) A copy of Funds Transfer Letter is received by the Finance Section of Office of PMU from the Banking Section of Finance Directorate.	Funds Transfer Letter	1	Finance Section of Office of PMU	

		[Refer ***"CTM – 13"*** for details regarding ***receipt of funds from Finance Directorate*****]** **[**Refer ***"Volume II, Annexure – 42"*** for the specimen of ***Funds Transfer Letter*****]**				
20	Confirmation of Funds Transfer	The Finance Section of the Office of PMU confirms that funds are received in the Imprest Bank Account through Bank Statement.			Finance Section of Office of PMU	Cashier
21	Preparation of Payment Voucher	The Finance Section of Office of PMU prepares the Payment Voucher for making payment to supplier. **[**Refer ***"Volume II, Annexure – 4"*** for the specimen of ***Payment Voucher*****]**	Payment Voucher		Finance Section of Office of PMU	AA
22	Approval of Payment Voucher	Payment Voucher is approved by the Finance Section of Office of PMU.			Finance Section of Office of PMU	AO, AM, DM
23	Payment to Supplier	The Finance Section of Office of PMU makes the payment to Supplier through Cheque.			Finance Section of Office of PMU	AM, DM
24	Recording of Payment transaction in Imprest Cash Book	a) The payment transaction is recorded in the Cash Book of Imprest Bank Account. b) The payment transaction is checked and verified by the Finance Section of Office of PMU. **[**Refer ***"Volume II, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Finance Section of Office of PMU	Cashier
25	Preparation of LPS	The Finance Section of Office of PMU prepares LPS of	LPS	2	Finance Section of	AA, AO, AM

		Cash Book to record the payment transaction. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS*****]**			Office of PMU	
26	Preparation/ Amendment of Debit Advice(s)	The Finance Section of Office of PMU prepares/ amends the Debit Advice(s) with the details of payment to Supplier. **[Refer Annexure ''PAP-Anx-12'' for the specimen of Debit Advice]**	Debit Advice		Finance Section of Office of PMU	AA
27	Approval	The Debit Advice(s) is approved by the Finance Section of Office of PMU.			Finance Section of Office of PMU	AA, AO, AM
28	Issuance of Debit Advice(s)	Finance Section of Office of PMU issues the Debit Advice(s) to Store.			Finance Section of Office of PMU	AA
29	Receipt of Debit Advice(s)	Store receives the Debit Advice(s) from Finance Section of Office of PMU			Store	DAO
30	Preparation of LPS	Store prepares LPS after receiving Debit Advice(s) to update the Supplier Ledger. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS*****]** **[**Refer ***"Volume II, Annexure – 127"*** for the specimen of ***Supplier Ledger*****]**	LPS, Supplier Ledger	3	Store	DAO

31	Recording of Payment Transaction in LC Cash Book	If payment is to be made through LC Bank Account then; a) The payment transaction is recorded in the Cash Book of LC Bank Account at the Banking Section of Finance Directorate. b) The payment transaction is checked and verified at the Banking Section of Finance Directorate. **[**Refer ***"Volume II, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Banking Section of Finance Directorate	AA, AO, AMA
32	Preparation of LPS	The Banking Section of Finance Directorate prepares LPS of Cash Book to record the payment transaction. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	4	Banking Section of Finance Directorate	AA, AO, AMA
33	Preparation and Approval of Detail for Issuance of Debit Advice(s)	The Detail for Issuance of Debit Advice(s) is prepared and approved by the Banking Section of Finance Directorate. **[**Refer ***"Volume II, Annexure – 52.1"*** for the specimen of ***Detail for Issuance of Debit Advice***] **[**Refer ***"Volume II, Annexure – 52.2"*** for the specimen of ***Detail for Issuance of Debit Advice***]	Detail for Issuance of Debit Advice		Banking Section of Finance Directorate	AA, AO, AMA
34	Submission of	The Banking Section of Finance Directorate submits the			Banking Section of	AA

	Detail for Issuance of Debit Advice(s) to IOT Section	Detail for Issuance of Debit Advice(s) to IOT Section.			Finance Directorate	
35	Receipt of Detail for Issuance of Debit Advice(s)	The IOT Section of Finance Directorate receives the Detail for Issuance of Debit Advice(s).			IOT Section of Finance Directorate	AMA
36	Preparation/ Amendment of Debit Advice(s)	The IOT Section of Finance Directorate prepares/ amends the Debit Advice(s) with the details of payment to Supplier. **[**Refer ***"Volume II, Annexure – 53"*** for the specimen of ***Debit Advice*****]**	Debit Advice		IOT Section of Finance Directorate	AA
37	Approval	The Debit Advice(s) is approved by the IOT Section of Finance Directorate			IOT Section of Finance Directorate	AA, AO, AMA
38	Issuance of Debit Advice(s)	IOT Section of Finance Directorate issues the Debit Advice(s) to Store.			IOT Section of Finance Directorate	AA
39	Receipt of Debit Advice(s)	Store receives the Debit Advice(s) from Banking Section of Finance Directorate			Store	DAO
40	Preparation of LPS	Store prepares LPS after receiving Debit Advice(s) to update the Supplier Ledger. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***Ledger Posting Summary*****]** **[**Refer ***"Volume II, Annexure – 127"*** for the specimen of ***Supplier Ledger*****]**	LPS, Suppler Ledger	5	Store	DAO

41	Receipt of Goods at Store and signing of GRN	Store receives the goods, signs the GRN and keeps the copy of the same for accounting purposes. **[**Refer ***"IMM – 14"*** for details regarding **receipt of *material at Warehouse*]** **[**Refer ***"Volume II, Annexure – 85"*** for the specimen of ***GRN*]**	GRN		Store	
42	Receipt of Supplier's Bill as per the Payment Schedule of PO along with GRN and Supporting Documents	a) Finance Section of Office of PMU receives the Supplier's Bill as per the Payment Schedule of PO for the remaining amount(s) along with GRN and supporting documents. b) The process activities for the payment of remaining amounts to Supplier (for both of the modes of payment i.e. LC or Cheque as applicable) are the same as described from Activity# 14 to Activity # 40.			Finance Section of Office of PMU	MF (PMU)

PAP-3.4 Journal Entries

1. When funds are received in the Imprest Bank Account of Office of PMU from the Banking Section, the following entry is posted by the Finance Section of Office of PMU:

Description	Debit	Credit
Bank – Imprest Account	***	
IOT – Cash		***

2. When Finance Section of Office of PMU makes payment (advance/ balance) to Supplier through Imprest Bank Account, the following entry is posted by the Finance Section of Office of PMU:

Description	Debit	Credit
IOT – Debit Advice(s)	***	
* Late Delivery Charges (LD)		***
* Withholding Tax Payables		***
* Security Deposit		***
* Payables to Associated Company – DISCO/GENCO etc.		***
Bank - Imprest Account		***

3. When Store receives Debit Advice(s) from Finance Section of Office of PMU against payment to Supplier, the following entry is posted by the store:

a. If the Debit Advice(s) received is for Advance payment to Supplier, the following entry is posted by the Store:

Description	Debit	Credit
Advances to Supplier/ Contractors	***	
IOT – Debit Advice(s)		***

b. If the Debit Advice(s) received is for the balance owed to Supplier, the following entry is posted by the Store:

Description	Debit	Credit
Trade Creditors	***	
IOT – Debit Advice(s)		***

4. When Banking Section of Finance Directorate makes payment (advance/ balance) to Supplier through LC Account, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
IOT – Debit Advice(s)	***	
* Late Delivery Charges (LD)		***
* Withholding Tax Payables		***
* Security Deposit		***
* Payables to Associated Company – DISCO/GENCO etc.		***
Bank - LC Account		***

5. When Store receives Debit Advice(s) from Banking Section of Finance Directorate against payment to Supplier, the following entry is posted by the Store:

a. If the Debit Advice(s) received is for Advance payment to Supplier, the following entry is posted by the Store:

Description	Debit	Credit
Advances to Supplier/ Contractors	***	
IOT – Debit Advice(s)		***

b. If the Debit Advice(s) received is for the balance owed to Supplier, the following entry is posted by the Store:

Description	Debit	Credit
Trade Creditors	***	
IOT- Debit Advice(s)		***

* The deductions of LD, Withholding Tax Payables, Security Deposit, Payables to Associated Companies may be applicable as per the Activity of "Pre-audit" as described in Process *PAP-09 "Pre-audit and Deductions"*.

PAP-3.5 Summary of Responsibilities for Functional Activities

- Office / Section	- Summary of Responsibilities for Functional Activities – Reference No.
Cashier	
Finance Section of Office of PMU	20,24
Accounts Assistant	
Banking Section of Finance Directorate	31,32,33,34
Finance Section of Office of PMU	15,21,25,26, 27,28
IOT Section of Finance Directorate	36,37,38
Accounts Officer	
Banking Section of Finance Directorate	31,32,33
IOT Section of Finance Directorate	37
Finance Section of Office of PMU	15,22,25,27
Divisional Accounts Officer	
Store	29,30 ,39,40
Assistant Manager Accounts	
Banking Section of Finance Directorate	31,32,33
IOT Section of Finance Directorate	35,37
Assistant Manager Finance	
Finance Section of Office of PMU	6,12,15,16,22,23,25,27
Deputy Manager Finance	
Finance Section of Office of PMU	4,5,6,12,15,16,22,23
Manager Corporate Accounts	
Finance Directorate	6,16
Manager Finance Corporate Planning and Control	
Finance Directorate	6
Manager Finance PMU	
Finance Section of Office of PMU	4,5,6,7,8,10,11,12,13,15,16,42
Chief Engineer PMU	
Finance Section of Office of PMU	15
Finance Director	
Finance Directorate	4,5,6,15,16
Chief Executive Officer	
Office of CEO	15,16

PAP-3.6 Key Control Matrix

Sr. No	Objective	Risk	Control Activity	Activity Ref.#
1	Advance payment to Supplier is made after receipt of Advance Payment Bank Guarantee.	Unauthorized Advance payments may be made to the Supplier resulting in financial loss to the company.	MF (PMU) obtains the confirmation of Advance Payment Bank Guarantee from the Guarantee Issuing Bank before making the advance payment.	11
2	For payment purposes, ensure that Purchase Order, Goods Receipt Note, and Supplier's Bills are matched.	Payments may be processed for goods that have not been received or that are priced inappropriately given the purchase order price.	Pre Audit is performed by the Finance Section of Office of PMU to ensure the appropriateness of payments to suppliers.	14
3	Payment transaction is recorded correctly.	Posting of payment transactions is made incorrectly which may result in non reconciliation of balances and misstatement in financial statements.	In Finance Section of Office of PMU, LPS is prepared by AA, checked by AO and verified by AM. In Banking Section of Finance Directorate, LPS is prepared by AA, checked by AO and verified by AMA.	25,32
4	Debit Advice(s) is issued after it is accurately prepared.	Incorrect amount may be posted on the Debit Advice(s), resulting in incorrect recording in the Supplier Ledger.	In Finance Section of Office of PMU, AA prepares, AO reviews and AM approves the Debit Advice(s) before it is dispatched to Store. In IOT Section of Finance Directorate, AA prepares, AO reviews and AMA approves the Debit Advice(s) before it is dispatched to	27,37

			Store.	
5	Supplier Ledger is accurately updated.	Incorrect posting in Supplier Ledger may result in over/understatement of Trade Creditors and may subsequently lead to misstatement of financial statements.	After payment has been made to the supplier, Supplier Ledger is updated at Store by DAO on the basis of Debit Advice(s) received from the Finance Section of Office of PMU / IOT Section of Finance Directorate.	30,40

PAP-4: Procurement by PMU through Donor Agency

PAP-4.1 Descriptive Overview of the Process

A. This process covers the procurement by the Office of PMU through Donor Agency.

B. PMU is responsible for the procurement for construction of Grid Systems and major procurement i.e. purchase of Transformers and replacement of GSC lines in case of existing maintenance Lines of GSC Systems.

C. PC 1 is prepared in consultation with the Manager Finance MF (PMU).

D. Tenders are called by the Office of PMU and a Comparative Statement is signed by the members of the Tender Opening Committee.

E. Financial Vetting of the Tender File is performed by the Finance Section of Office of PMU and Finance Directorate.

F. Letter of Commitment is received from the Donor Agency.

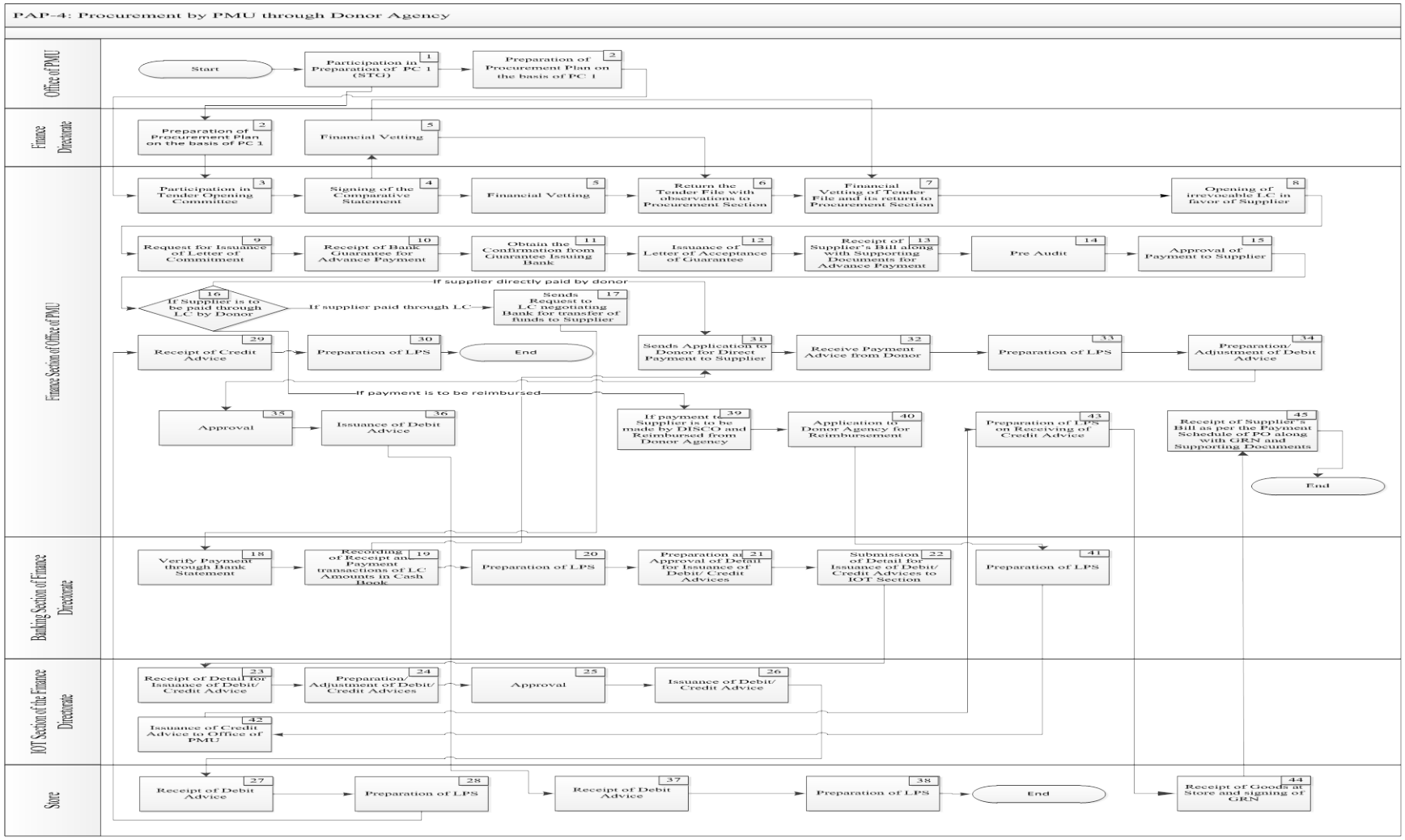
G. Advance Payment Bank Guarantee is received from Supplier.

H. Advance Payment is made after Pre-Audit by the Finance Section of PMU either:

- through LC; or
- through Imprest bank account after the release of funds by Finance Directorate; or

I. Through Direct Payment by the Donor Agency.

PAP-4.2 Flow Chart



PAP-4.3 Detail of Process Activities

Sr.#	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1	Participation in Preparation of PC 1 (STG)	a) PC 1 is the plan of works expected to be carried out in future as per the commitment with the Donor Agency. b) In PC 1, financial matters such as budgeting, arrangement of funds, financial evaluations are considered and incorporated with the consultation of MF (PMU). **[**Refer ***"PBF – 3"*** for details regarding ***PC 1*****]**			Office of PMU	
2	Preparation of Procurement Plan on the basis of PC 1	a) A Procurement Plan is prepared on the basis of PC 1, which identifies the procurement to be carried out during the tenure of agreement with the Donor Agency. b) The Procurement is carried out in phases as agreed in the agreement with the Donor Agency. c) These matters are considered and incorporated in the Procurement Plan with the consultation of MF CP&C, MF (PMU) and FD. **[**Refer ***"Volume II, Annexure – 154"*** for the specimen of ***Procurement Plan*****]**	Procurement Plan		Office of PMU, Finance Directorate	

3	Participation in Tender Opening Committee meeting	The tenders are called by the Office of PMU. The Competent Authority, in accordance with financial powers participates in the meetings of Tender Opening Committee as a member. **[**Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers***]			Finance Section of Office of PMU	DM / Manager Finance PMU/FD
4	Signing of the Comparative Statement	a) The Competent Authority in accordance with financial powers signs the Comparative Statement as a member of the Tender Opening Committee. b) A Tender File is prepared. **[**Refer ***"Volume II, Annexure – 55"*** for the specimen of ***Comparative Statement***]	Comparative Statement		Finance Section of Office of PMU	DM /MF (PMU)/FD
5	Financial Vetting	c) Financial vetting of the Tender File is performed which includes the verification of the following major parameters: ➢ Reasonability of Rates as prevailing in the market ➢ Ernest Money and Performance Guarantee as per ➢ Tender requirement ➢ Adherence to the rules and regulations of PPRA and Donor Agency ➢ Comparative statement is properly prepared and duly signed by all the Members of the Tender			Finance Section of Office of PMU Finance Directorate	AM, DM, MF (PMU) MF CP&C,MCA, & FD

		Opening Committee. ➢ Procurement is within the scope of loan ➢ Inclusion in the Procurement Plan ➢ Technical responsiveness of the supplier on the basis of the Tender Evaluation Report ➢ Approval as per the Book of Financial Powers ➢ Transparency of the Tendering Process				
6	Return the Tender File with observations to Procurement Section	a) If all the parameters of Financial Vetting are not fulfilled, the Finance Section of Office of PMU returns the Tender File with observations to the Procurement Section of the Office of PMU, in case any observations are found in the process of Financial Vetting. b) The Procurement Section of the Office of PMU rectifies the deficiencies in Tender File and sends it back to the Finance Section.			Finance Section of Office of PMU	MF (PMU)
7	Financial vetting of Tender File and its return to Procurement Section	a) After financial vetting, Finance Section of Office of PMU returns the Tender File to the Procurement Section. b) Procurement Section of the Office of PMU proceeds with the process of procurement.			Finance Section of Office of PMU	MF (PMU)
8	Opening of Irrevocable LC in favour of Supplier	If mode of payment is through Irrevocable LC as per the clause of Contract Agreement, following procedures are performed; a) The Finance Section of Office of PMU receives the request from Supplier for opening of Irrevocable LC. b) Finance Section submits the form to the bank for			Finance Section of Office of PMU	

		opening of LC and bank opens the LC in favour of the Supplier. **[**Refer ***"CTM – 25"*** for details regarding ***opening of LC*****]**				
9	Request for Issuance of Letter of Commitment	A request is sent to Donor Agency for issuance of Letter of Commitment to the LC Negotiating Bank. **[**Refer ***"Volume II, Annexure – 157"*** for the specimen of ***Application for Issuance of Commitment Letter*****]**	Request for Issuance of Letter of Commitment		Finance Section of Office of PMU	MF (PMU)
10	Receipt of Bank Guarantee for Advance Payment	The Finance Section of Office of PMU receives the Advance Payment Bank Guarantee from Supplier prior to the Advance Payment to Supplier through Procurement Section of PMU.	Advance Payment Bank Guarantee		Finance Section of Office of PMU	MF (PMU)
11	Obtain the Confirmation from Guarantee Issuing Bank	The Finance Section of Office of PMU obtains the confirmation of Advance Payment Guarantee from the Guarantee Issuing Bank through a Letter of Confirmation. **[**Refer ***"Volume II, Annexure – 155"*** for the specimen of ***Letter for Confirmation of Guarantee*****]**	Letter for Confirmation of Guarantee		Finance Section of Office of PMU	MF (PMU)
12	Issuance of Letter	The Finance Section of Office of PMU issues the Letter of	Letter of		Finance Section of	AM, DM, MF

	of Acceptance of Guarantee	Acceptance of Guarantee to the supplier after confirmation from the Bank. **[**Refer ***"Volume II, Annexure – 156"*** for the specimen of ***Letter for Acceptance of Guarantee*****]**	Acceptance of Guarantee		Office of PMU	(PMU)
13	Receipt of Supplier's Bill along with Supporting Documents for Advance Payment	The Finance Section of Office of PMU receives the Supplier's bill along with the supporting documents (as per Contract Agreement) duly approved by the Procurement Section of PMU and CE (PMU) for Advance payment.			Finance Section of Office of PMU	MF (PMU)
14	Pre Audit	Finance Section of Office of PMU performs the Pre Audit as per the clauses of Contract Agreement. **[**Refer ***"PAP – 9"*** for details regarding ***pre audit*****]**			Finance Section of Office of PMU	
15	Approval of Payment to Supplier	a) A Noting is prepared by the Finance Section of Office of PMU to obtain approval from the CEO for payment to Supplier. This Noting is forwarded to the CEO, through CE PMU and FD. b) The funding Donor Agency is also mentioned on the approval.	Noting		Finance Section of Office of PMU,	AO, AM, DM, MF (PMU), C.E (PMU), F.D, CEO

		[Refer ***"Volume II, Annexure – 41"*** for the specimen of ***Noting***]				
16	If Supplier is to be paid through LC by Donor	a) If Supplier is to be paid through LC, the process continues to Activity # 17. b) If Supplier is to be paid directly by the Donor, the process continues to Activity # 31. c) If Supplier is to be paid by DISCO and payment is to be reimbursed from Donor, the process continues to Activity # 39.			Finance Section of Office of PMU	
17	Sends request to LC negotiating Bank for transfer of funds to Supplier	The Finance Section of Office of PMU sends request to Donor for transfer of funds to LC Account. [Refer ***"Volume II, Annexure – 158"*** for the specimen of ***Request for Transfer of Funds to Donor***]	Request of Transfer of Funds to Donor		Finance Section of Office of PMU	AM, DM, MF (PMU)
18	Verify Payment through Bank Statement	a) The Donor Agency directly provides the funds to LC negotiating Bank for payment to supplier as per Letter of Commitment. b) The banking Section of Finance Directorate verifies payment to supplier through LC bank account, from Bank Statement.			Banking Section of Finance Directorate	AA
19	Recording of Receipt and	Banking Section of Finance Directorate records the receipt and payment transactions of LC amounts in Cash Book.	Cash Book		Banking Section of Finance Directorate	AA, AO, AMA

	Payment transactions of LC Amounts in Cash Book	[Refer ***"Volume II, Annexure – 5"*** for the specimen of ***Cash Book***]				
20	Preparation of LPS	Banking Section of Finance Directorate prepares LPS, posts entry in Cash Book to record the transaction in LC Bank Account. [Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	1	Banking Section of Finance Directorate	AA, AO, AMA
21	Preparation and Approval of Detail for Issuance of Debit/ Credit Advice(s)	The Detail for Issuance of Debit/ Credit Advice(s) is prepared and approved by the Banking Section of Finance Directorate. [Refer ***"Volume II, Annexure – 52.1"*** for the specimen of ***Detail for Issuance of Debit Advice***] [Refer ***"Volume II, Annexure – 52.2"*** for the specimen of ***Detail for Issuance of Debit Advice***]	Detail for Issuance of Debit/ Credit Advice		Banking Section of Finance Directorate	AA, AO, AMA

		[Refer ***"Volume II, Annexure – 159"*** for the specimen of ***Detail for Issuance of Credit Advice*****]**				
22	Submission of Detail for Issuance of Debit/Credit Advice(s) to IOT Section	Banking Section of Finance Directorate submits the Detail for Issuance of Debit/ Credit Advice(s) to IOT Section.			Banking Section of Finance Directorate	AA
23	Receipt of Detail for Issuance of Debit/ Credit Advice(s)	IOT Section of Finance Directorate receives the Detail for Issuance of Debit/ Credit Advice(s).			IOT Section of Finance Directorate	AMA
24	Preparation/Adjustment of Debit/ Credit Advice(s)	IOT Section of Finance Directorate prepares/ amends Debit/ Credit Advice(s). **[**Refer ***"Volume II, Annexure – 53"*** for the specimen of ***Debit Advice*****]** **[**Refer ***"Volume II, Annexure – 21"*** for the specimen of ***Credit Advice*****]**	Debit Advice, Credit Advice		IOT Section of Finance Directorate	AA
25	Approval	The Debit/Credit Advice(s) is approved by the IOT Section of Finance Directorate			IOT Section of Finance Directorate	AO. AMA
26	Issuance of Debit/ Credit Advice(s)	c) IOT Section of Finance Directorate issues the Debit Advice(s) to Store for the payment made to supplier. d) IOT Section of Finance Directorate issues Credit Advice(s) to Finance Section of Office of PMU for the receipt of funds from Donor.			IOT Section of Finance Directorate	AA

27	Receipt of Debit Advice(s)	The Store receives the Debit Advice(s) from IOT Section of Finance Directorate.			Store	AA
28	Preparation of LPS	The Store prepares LPS on receipt of Debit Advice(s) to update the Supplier Register. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Store	AA, AO, AMA
29	Receipt of Credit Advice(s)	The Finance Section of Office of PMU receives Credit Advice(s) from IOT Section of Finance Directorate.			Finance Section of Office of PMU	AA
30	Preparation of LPS	Finance Section of Office of PMU prepares LPS on receipt of Credit Advice(s) to record the loan from the Donor Agency. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	3	Finance Section of Office of PMU	AA, AO, AM
31	Sends Application to Donor for Direct Payment to Supplier	If the Supplier is to be paid directly through the Donor, the Finance Section of Office of PMU sends Application to Donor for making Direct Payment to Supplier's Bank Account. Details of Bank Account of supplier are dispatched with this application. **[**Refer ***"Volume II, Annexure – 160"*** for the specimen	Application for Direct Payment		Finance Section of Office of PMU	AM, DM, MF (PMU)

		of ***Application for Direct Payment***]				
32	Receive Payment Advice from Donor	The Finance Section of Office of PMU receives Payment Advice from Donor Agency as confirmation of direct payment to supplier. However, the method of confirmation of payment may vary from Donor to Donor.	Payment Advice		Finance Section of Office of PMU	MF (PMU)
33	Preparation of LPS	The Finance Section of Office of PMU prepares LPS to record the loan from Donor Agency after direct payment is made to the Supplier from Donor Agency. [Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	4	Finance Section of Office of PMU	AM
34	Preparation/Adjustment of Debit Advice(s)	The Finance Section of Office of PMU prepares/ amends Debit Advice(s). [Refer ***"Volume II, Annexure – 53"*** for the specimen of ***Debit Advice***]	Debit Advice		Finance Section of Office of PMU	AA
35	Approval	The Debit Advice(s) is approved by the Finance Section of Office of PMU.			Finance Section of Office of PMU	AA, AO, AM
36	Issuance of Debit Advice(s)	The Finance Section of Office of PMU issues Debit Advice(s) to Store.			Finance Section of Office of PMU	AA
37	Receipt of Debit	The Store receives the Debit Advice(s).			Store	DAO

	Advice(s)					
38	Preparation of LPS	The Store prepares LPS on receipt of Debit Advice(s) to update the Supplier's Register. [Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	5	Store	DAO
39	If payment to Supplier is to be made by DISCO and reimbursed from Donor Agency	a) In case where payment to supplier is to be made by DISCO and is reimbursed from Donor Agency, the DISCO makes payment from its own resources and the amount paid to supplier is to be reimbursed from Donor. b) The process for payment made by DISCO is mentioned in Process PAP-3 (Procurement by PMU through Own Sources).			Finance Section of Office of PMU	
40	Application to Donor Agency for Reimbursement	Where the DISCO has made payment to Supplier from its own sources following procedures are performed; a) An Application for Reimbursement is dispatched to the Donor Agency after making payment to supplier through own resources. b) This application is dispatched with the approval of FD. Detail of the Bank Account in which funds are to be deposited is also provided. c) Bank Statement and Payment Receipt Certificate are dispatched along with the Application as evidences of payment to supplier.	Application to Donor Agency for Reimbursement		Finance Section of Office of PMU	AM, DM, MF (PMU), CE PMU, FD

		[Refer ***"Volume II, Annexure – 161"*** for the specimen of ***Application to Donor Agency for Reimbursement***]				
41	Preparation of LPS	The Banking Section of Finance Directorate passes the entry to record the receiving of funds from Donor. [Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	6	Banking Section of Finance Directorate	AA, AO, AMA
42	Issuance of Credit Advice(s) to Office of PMU	a) The Banking Section of Finance Directorate prepares and approves the Detail for Issuance of Credit Advice(s). b) The Banking Section of Finance Directorate submits the detail for issuance of Credit Advice(s) to IOT section. c) The IOT Section of Finance Directorate prepares and approves the Credit Advice(s) which is issued to the Finance Section of Office of PMU.			IOT Section of Finance Directorate	
43	Preparation of LPS on receiving of Credit Advice(s)	The Finance Section of Office of PMU prepares the LPS on receiving of Credit Advice(s) from Finance Directorate to record the reimbursement of payment from Donor Agency.	LPS	7	Finance Section of Office of PMU	AA, AO, AM

		[Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]				
44	Receipt of Goods at Store and signing of GRN	On receiving the goods, Store prepares the GRN and keeps the copy of the same for accounting purposes. [Refer ***"Volume II, Annexure – 85"*** for the specimen of ***GRN***]	GRN		Store	DAO
45	Receipt of Supplier's Bill as per the Payment Schedule of PO along with GRN and Supporting Documents	a) The Finance Section of Office of PMU receives the Supplier's Bill as per the Payment Schedule of PO for the remaining Amount(s) along with GRN and Supporting Documents. b) The process activities for the payments of remaining amount(s) to Supplier are same as described from Activity # 14 to Activity # 43.			Finance Section of Office of PMU	MF (PMU)

PAP-4.4 Journal Entries

1) When payment is made to supplier through LC Account by the Donor Agency, in the Finance Directorate the following entries are posted by the Banking Section of Finance Directorate:

a. On recording of Receipt of funds from Donor Agency in LC Bank Account the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – LC Account	***	
IOT – Credit Advice(s)		***

b. On recording of Payment to Supplier from LC Bank Account the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
IOT – Debit Advice(s)	***	
Bank – LC Account		***

2) When Store receives the Debit Advice(s) from the Finance Directorate the following entry is posted by the Store:

a. If the Debit Advice(s) received is for Advance payment to Supplier, the following entry is posted by the Store:

Description	Debit	Credit
Advances to Supplier/ Contractor	***	
IOT – Debit Advice(s)		***

b. If the Debit Advice(s) received is for the balance owed to Supplier, the following entry is posted by the Store:

Description	Debit	Credit
Trade Creditors	***	
IOT – Debit Advice(s)		***

3) When Office of PMU receives the Credit Advice(s) from Finance Directorate, the following entry is posted by the Finance Section of Office of PMU:

Description	Debit	Credit
IOT – Credit Advice(s)	***	
Loan from Donor		***

4) When direct payment is made to supplier by the Donor Agency, the following entry is posted by the Finance Section of Office of PMU:

Description	Debit	Credit
IOT- Debit Advice(s)	***	
Loan from Donor		***

5) When Store receives the Debit Advice(s) from the Office of PMU, the following entry is posted by the Store:

a. If the Debit Advice(s) received is for Advance payment to Supplier, the following entry is posted by the Store:

Description	Debit	Credit
Advances to Supplier/ Contractor	***	
IOT – Debit Advice(s)		***

b. If the Debit Advice(s) received is for the balance owed to Supplier, the following entry is posted by the Store:

Description	Debit	Credit
Trade Creditors	***	
IOT – Debit Advice(s)		***

6) After reimbursement from Donor in the designated Bank Account of Finance Directorate, the following entry is posted by the Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Imprest Account	***	
IOT – Credit Advice(s)		***

7) On receiving of Credit Advice(s) from Finance Directorate for receipt of reimbursement from Donor in the designated Bank Account of Finance Directorate, the following entry is posted by the Finance Section of Office of PMU:

Description	Debit	Credit
IOT – Credit Advice(s)	***	
Loan from Donor		***

PAP-4.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Banking Section of Finance Directorate	18,19,20,21,22,41
IOT Section of Finance Directorate	24,26
Finance Section of Office of PMU	29,30,34,35,36,43
Store	27,28
Accounts Officer	
Banking Section of Finance Directorate	19,20,21,41
IOT Section of Finance Directorate	25
Finance Section of Office of PMU	15,30,35,43
Store	28
Divisional Accounts Officer	
Store	37,38,44
Assistant Manager Accounts	
Banking Section of Finance Directorate	19,20,21,41
IOT Section of Finance Directorate	23,25
Store	28
Assistant Manager Finance	
Finance Section of Office of PMU	5, 12,15,17,30,31,33,35,40,43
Deputy Manager Finance	
Finance Section of Office of PMU	3,4,5, 12, 15,17,31,40
Manager Corporate Accounts	
Finance Directorate	5
Manager Finance Corporate Planning and Control	
Finance Directorate	5
Manager Finance PMU	
Finance Section of Office of PMU	3, 4, 5,6,7,9,10,11,12,13,15,17,31, 32,40,45
Chief Engineer PMU	
Finance Section of Office of PMU	15,40
Finance Director	
Finance Directorate	3,4,5,15,40
Chief Executive Officer	
Office of CEO	15

PAP-4.6 Key Control Matrix

Sr. No	Objective	Risk	Control Activity	Activity Ref. #
1	For payment purposes, ensure that Purchase Order, Goods Receipt Note, and Supplier's Bills are matched.	Payments may be processed for goods that have not been received or that are priced inappropriately given the purchase order price.	Pre Audit is performed by the Finance Section of Office of PMU to ensure the appropriateness of payments to suppliers.	14
2	Payment transactions are recorded correctly.	Posting of payment transactions is made incorrectly which may result in non reconciliation of balances and misstatement in financial statements.	In Banking Section of Finance Directorate, LPS is prepared by AA, checked by AO and verified by AMA.	20
3	Debit Advice(s) is issued after it is accurately prepared.	Incorrect amount may be posted on the Debit Advice(s), resulting in incorrect recording in the Supplier Ledger.	In IOT Section of Finance Directorate, AA prepares, AO reviews and AMA approves the Debit Advice(s) before it is dispatched to Store. In Finance Section of Office of PMU, AA prepares, AO reviews and AM approves the Debit Advice(s) before it is dispatched to Store.	25,35
4	Credit Advice(s) is issued after it is accurately prepared.	Incorrect amount may be posted on the Credit Advice(s), resulting in incorrect recording of the liability.	In IOT Section of Finance Directorate, AA prepares, AO reviews and AMA approves the Credit Advice(s) before it is dispatched to the Finance Section of Office of PMU.	25
5	Supplier Ledger is accurately updated.	Incorrect posting in Supplier Ledger may result in over/understatement of Trade Creditors and may subsequently lead to misstatement of financial statements.	After payment has been made to the supplier, Supplier Ledger is updated at Store by DAO on the basis of Debit Advice(s) received from the Finance Section of Office of PMU / IOT Section of Finance Directorate.	28,38

PAP-5: Procurement of Services (Head Office Level)

PAP-5.1 Descriptive Overview of the Process

A. This process covers the hiring of professional services i.e. engagement of consultants, hiring of services from skilled personnel etc.

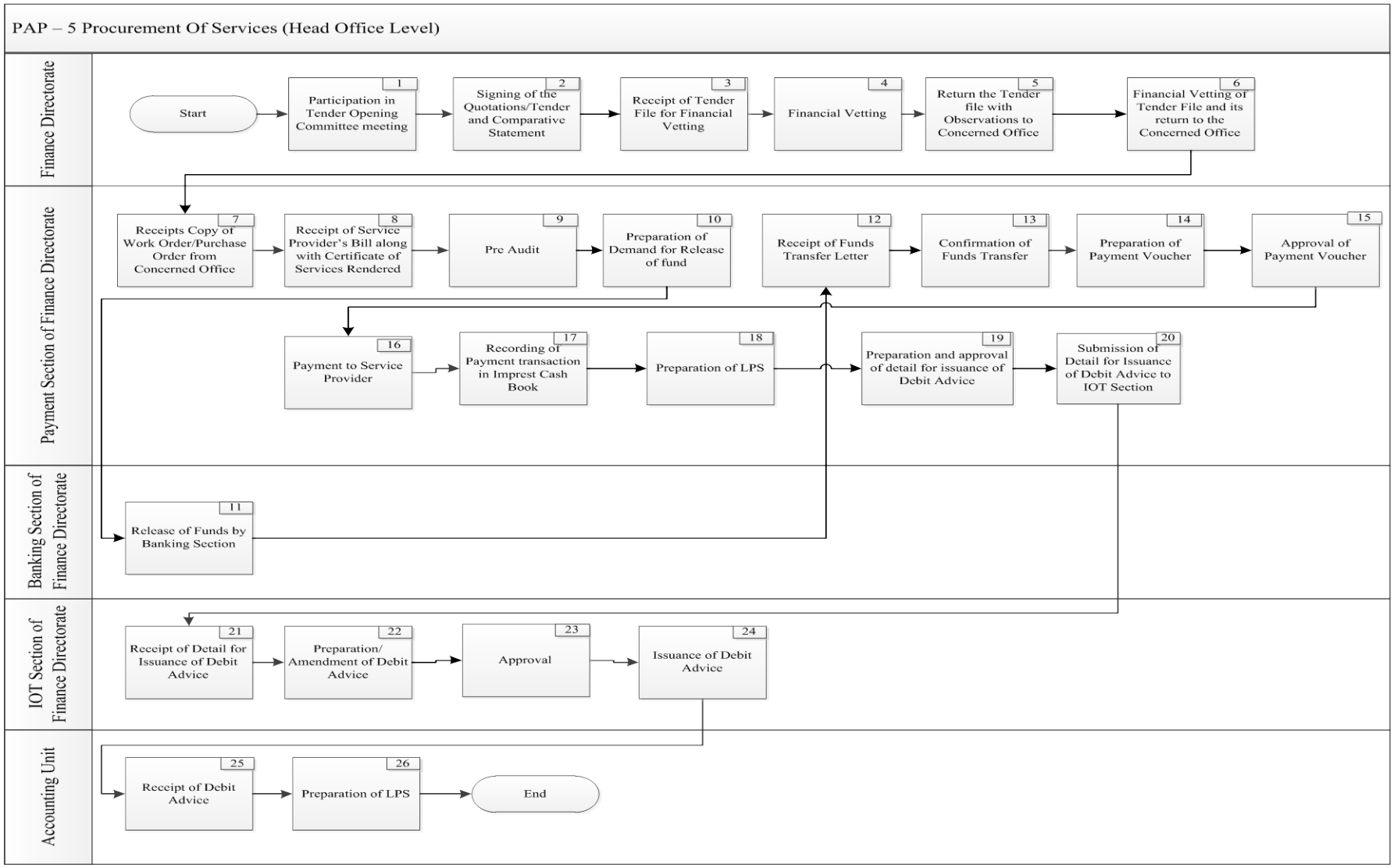
B. Approval for hiring the services is granted by the Competent Authority in accordance with financial powers.

C. Quotations/Tenders are received by the Concerned Office and a Comparative Statement is signed by the members of the Tender Opening Committee.

D. Financial Vetting of the Tender File is performed by the Finance Directorate.

E. Work Order is received by the Payment Section of Finance Directorate from the Concerned Office, and payment is made after Pre-Audit either through LC or through Imprest bank account after the release of funds by Finance Directorate.

PAP-5.2 Flow Chart



PAP-5.3 Detail of Process Activities

Sr. No	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office Section	Responsibility
1	Participation in Tender Opening Committee meeting	a) The concerned Office requests the Competent Authority at Finance Directorate for approval for hiring of Service Provider. b) The Competent Authority at Finance Directorate grants approval for hiring the services from Service Provider to the concerned Office, in accordance with financial powers. c) The Quotations/Tenders are received by the concerned office in Head Office such as HRD/Manager MM/Director General IT/ etc. d) After the approval, the Competent Authority, in accordance with financial powers, participates in the meetings of Tender Opening Committee. **[**Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers*****]**			Finance Directorate	DM Accounts (FF), DMCA
2	Signing of the Quotations/Tender and Comparative Statement	a) The Quotations/Tenders and Comparative Statement are signed by the Members of Tender Opening Committee. b) A tender file is prepared at the concerned office. **[**Refer ***"Volume II, Annexure – 55"*** for the specimen of	Comparative Statement		Finance Directorate	DM Accounts (FF), DMCA

		***Comparative Statement*]**				
3	Receipt of Tender File for Financial Vetting	The Finance Directorate receives Tender File for Financial Vetting from the concerned Office.			Finance Directorate	AMA
4	Financial Vetting	a) Financial vetting is performed at the Finance Directorate. This includes the verification of the following major parameters: ➢ Comparative Statement is properly prepared and duly signed by all the Members of the Tender Opening Committee. ➢ Earnest Money and Performance Guarantee as per Tender Requirement ➢ Competency of the Service Provider on the basis of the Tender Evaluation Report ➢ Reasonability of Rates as prevailing in the market ➢ Transparency of the Tendering Process ➢ Availability of Budget against Source of Funding ➢ Inclusion in the Annual Procurement Plan ➢ Approval as per the Book of Financial Powers ➢ Adherence to the rules and regulations of PPRA.			Finance Directorate	MCA, MF CP&C, FD
5	Return the Tender file with Observations to Concerned Office	a) In case any observations are found in the process of Financial Vetting, the Tender File is returned to the concerned office such as HRD/Manager MM/Director General IT etc. b) The concerned office removes the deficiencies in Tender File and sends back to Finance Directorate for Financial Vetting.			Finance Directorate	MCA, MF CP&C, FD
6	Financial Vetting of Tender File and its	a) After performing the Financial Vetting, Tender File is returned to the concerned offices such as			Finance Directorate	MCA, MF CP&C, FD

	return to the Concerned Office	HRD/Manager MM/Director General IT etc. b) The concerned office proceeds with the acquisition of service.				
7	Receipts Copy of Work Order/Purchase Order from Concerned Office	a) The Work Order/Purchase Order is issued to the Service Provider by the concerned office. b) The Payment Section of Finance Directorate also receives the copy of Work Order/Purchase Order from concerned offices such as HRD/Manager MM/Director General IT etc.			Payment Section of Finance Directorate	AMA
8	Receipt of Service Provider's Bill along with Certificate of Services Rendered	Payment Section receives the Service Provider's Bill along with the Certificate from the concerned office, confirming that the services are rendered by the Service Provider.			Payment Section of Finance Directorate	AMA
9	Pre audit	Pre-audit is performed by the Payment Section of Finance Directorate. **[**Refer ***"PAP – 9"*** for details regarding ***pre audit*****]**			Payment Section of Finance Directorate	
10	Preparation of Demand for Release of fund	a) Payment Section of Finance Directorate prepares Demand for Release of Fund and obtains approval from the CEO. b) If the funds are required from Distribution Margin Bank Account then a copy of the same is forwarded by the Payment Section to the ESCROW Section for arrangement of funds from Distribution Margin Bank Account. **[**Refer ***"CTM – 12"*** for details regarding ***arrangement of***	Demand for Release of Funds		Payment Section of Finance Directorate	

		funds by ESCROW Section] [Refer ***"Volume II, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume II, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers***]				
11	Release of Funds by Banking Section	a) The Banking Section receives the Demand for Release of Funds from Payment Section of Finance Directorate duly approved by the CEO. b) In case of arrangement of funds from Distribution Margin Bank Account, the Banking Section receives a Pay Order as well from the ESCROW Section. c) The Banking Section then releases the funds through Funds Transfer Letter to the Imprest Bank Account(s). [Refer ***"CTM – 9"*** for details regarding ***release of funds***] [Refer ***"Volume II, Annexure – 42"*** for the specimen of ***Funds Transfer Letter***]	Funds Transfer Letter		Banking Section of Finance Directorate	
12	Receipt of Funds Transfer Letter	a) Funds are received in the Imprest Bank Account of Payment Section of Finance Directorate.		1	Payment Section of Finance Directorate	-

		b) A copy of Funds Transfer Letter is received by the Payment Section of Finance Directorate from the Banking Section of Finance Directorate. **[**Refer ***"CTM – 13"*** for details regarding ***receipt of funds from Finance Directorate***]				
13	Confirmation of Funds Transfer	Payment Section of Finance Directorate checks the Bank Statement to confirm that the funds are received in the Imprest Bank Account.			Payment Section of Finance Directorate	Cashier
14	Preparation of Payment Voucher	Payment Section of Finance Directorate prepares Payment Voucher for making payment to Service Provider. **[**Refer ***"Volume II, Annexure – 4"*** for the specimen of ***Payment Voucher***]	Payment Voucher		Payment Section of Finance Directorate	AA
15	Approval of Payment Voucher	Payment Voucher is approved by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA, AO, AMA
16	Payment to Service Provider	Payment Section makes payment to Service Provider through Cheque.			Payment Section of Finance Directorate	Cashier
17	Recording of Payment transaction in Imprest Cash Book	The payment transaction is recorded in the Cash Book of Imprest Bank Account. The payment is checked and verified by the Payment Section of Finance Directorate. **[**Refer ***"Volume II, Annexure – 5"*** for the specimen of	Cash Book		Payment Section of Finance Directorate	AA, AO, AMA

		Cash Book]				
18	Preparation of LPS	Payment Section of Finance Directorate prepares LPS of Cash Book to record the payment transaction. [Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Payment Section of Finance Directorate	AA, AO, AMA
19	Preparation and Approval of Detail for Issuance of Debit Advice(s)	If Service Provider is hired by other Accounting Unit and the payment is made on its behalf, the following procedures are performed; a) Payment Section of Finance Directorate prepares the Detail for Issuance of Debit Advice(s). b) This Detail for issuance of Debit Advice(s) is approved by the Payment Section of Finance Directorate. [Refer ***"Volume II, Annexure – 52.1"*** for the specimen of ***Detail for Issuance of Debit Advice***] [Refer ***"Volume II, Annexure – 52.2"*** for the specimen of ***Detail for Issuance of Debit Advice***]	Detail for Issuance of Debit Advice		Payment Section of Finance Directorate	AA, AO, AMA
20	Submission of Detail for Issuance of Debit Advice(s) to IOT Section	The Detail for Issuance of Debit Advice(s) is submitted to IOT Section by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA
21	Receipt of Detail for Issuance of Debit Advice(s)	The IOT Section of Finance Directorate receives the Detail for Issuance of Debit Advice(s)			IOT Section of Finance Directorate	AMA

22	Preparation/ Amendment of Debit Advice(s)	The Debit Advice(s) is prepared / amended by IOT Section of Finance Directorate with the details of payment to Supplier. **[**Refer ***"Volume II, Annexure – 53"*** for the specimen of ***Debit Advice*****]**	Debit Advice		IOT Section of Finance Directorate	AA
23	Approval	The Debit Advice(s) is approved by the IOT Section of Finance Directorate.			IOT Section of Finance Directorate	AA, AO, AMA
24	Issuance of Debit Advice(s)	The IOT Section of Finance Directorate issues the Debit Advice(s) to the concerned Accounting Unit.			IOT Section of Finance Directorate	AA
25	Receipt of Debit Advice(s)	The Concerned Accounting Unit receives the Debit Advice(s).			Accounting Unit	DAO
26	Preparation of LPS	LPS is prepared to record the accounting impact of Services expense. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	3	Accounting Unit	DAO

PAP-5.4 Journal Entries

1. When funds are received by the Payment section of finance Directorate from the Banking Section of Finance Directorate, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
Bank – Imprest Account	***	
IOT - Cash		***

2. When the payment is made to the Service Provider the following entry is posted by the Payment Section of Finance Directorate:

a. If the services are received at HO, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
Services Expense	***	
* Late Delivery Charges (LD)		***
* Withholding Tax Payables		***
* Security Deposit		***
* Payables to Associated Company – DISCO/GENCO etc.		***
Bank – Imprest Account		***

b. If the services are received by Other Accounting Unit and payment is made by Payment Section of Finance Directorate, the Debit advice(s) is issued to the Accounting Unit and following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
IOT – Debit Advice(s)	***	
* Late Delivery Charges (LD)		***
* Withholding Tax Payables		***
* Security Deposit		***
* Payables to Associated Company – DISCO/GENCO etc.		***
Bank – Imprest Account		***

3. When the Debit Advice(s) is received by the Accounting Unit against the payment made to the Service Provider by Finance Directorate, the following entry is posted by the Accounting Unit:

Description	Debit	Credit
Accounts Payable	***	
IOT – Debit Advice(s)		***

* The deductions of LD, Withholding Tax Payables, Security Deposit, Payables to Associated Companies may be applicable as per the Activity of "Pre-audit" as described in Process PAP-09 "Pre-audit and Deductions".

PAP-5.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Cashier	
Payment Section of Finance Directorate	13,16
Accounts Assistant	
Payment Section of Finance Directorate	14,15,17,18,19,20
IOT Section of Finance Directorate	22,23,24
Accounts Officer	
Payment Section of Finance Directorate	15,17,18,19
IOT Section of Finance Directorate	23
Divisional Accounts Officer	
Accounting Unit	25,26
Assistant Manager Accounts	
Payment Section of Finance Directorate	7,8,15,17,18,19
IOT Section of Finance Directorate	21,23
Finance Directorate	3
Deputy Manager Accounts (FF)	
Finance Directorate	1,2
Deputy Manager Corporate Accounts	
Finance Directorate	1,2
Manager Finance Corporate Planning and Control	
Finance Directorate	4,5,6
Manager Corporate Accounts	
Finance Directorate	4,5,6
Finance Director	
Finance Directorate	4,5,6

PAP-5.6 Key Control Matrix

Sr. No	Objective	Risk	Control Activity	Activity Ref.#
1	Financial Vetting of the Tender File is carried out as per the defined parameters.	Inconsistency with the defined parameters may result in non compliance with the Company policy.	MCA, Manager (CP & C) and Finance Director perform the financial vetting of the Tender File and if any observation is found then the file is returned to the Office of MM for correction with the approval of Finance Director.	4
2	Payment Transaction is recorded correctly.	Posting of payment transaction is made incorrectly which may result in non reconciliation of balances and misstatement in financial statements.	In Payment Section of Finance Directorate, LPS to record the payment transaction is prepared by AA, checked by AO and verified by AMA.	18
3	Expense is appropriately recorded	Inappropriate recording of expense may result in over/under statement of expenses.	Service expense is recorded at the Accounting Unit after receipt of Debit Advice(s) from the IOT Section of Finance Directorate.	26

PAP-6: Purchase of Electricity from CPPA

PAP-6.1 Descriptive Overview of the Process

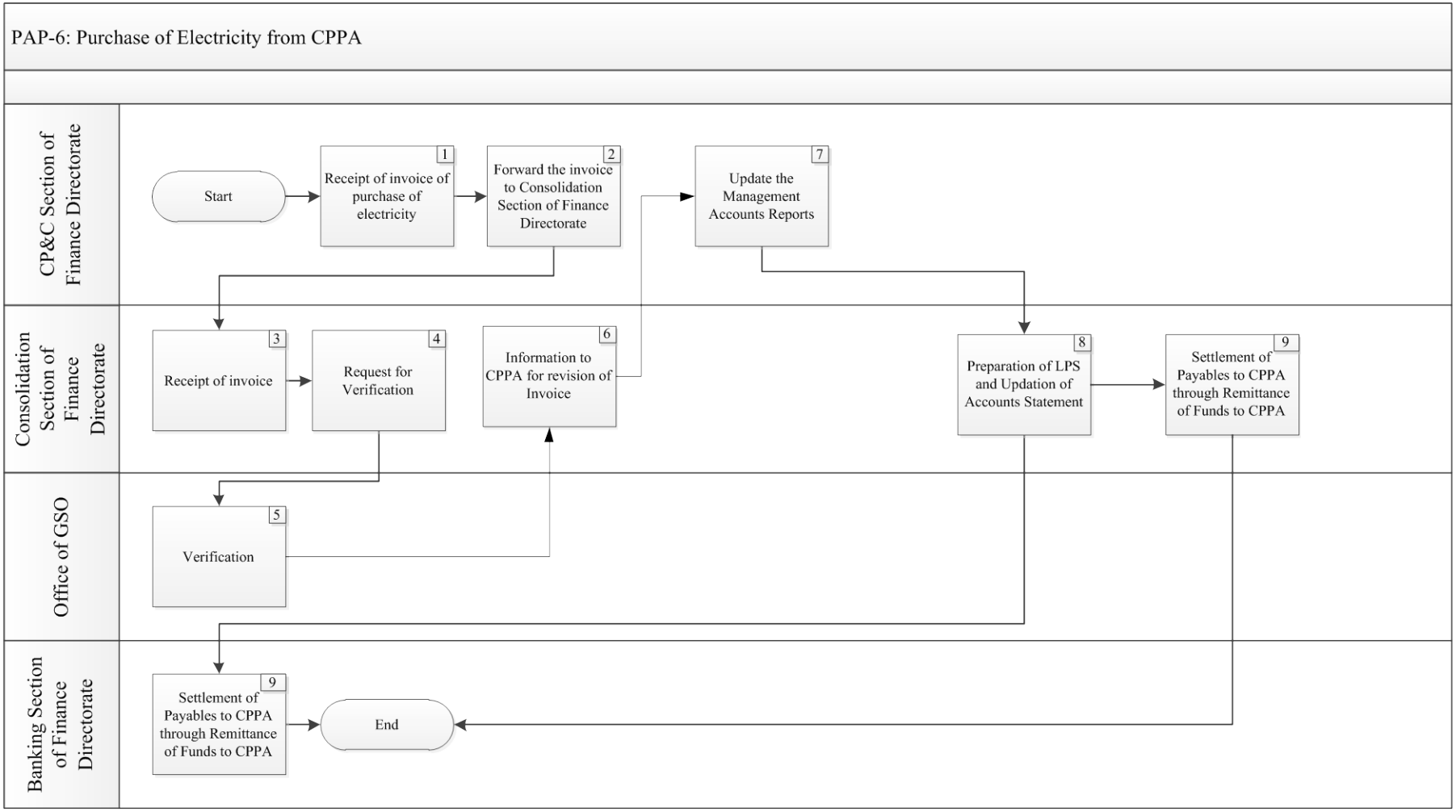
A. This process covers the purchase of electricity from CPPA.

B. Invoice from CPPA is received and verified by the CP&C Section of Finance Directorate.

C. After verification of invoice, the Management Accounts Report is updated by the CP&C Section of Finance Directorate.

D. Funds are directly remitted from the Revenue Bank Accounts on daily basis to the designated Bank Accounts of CPPA.

PAP-6.2 Flow Chart



PAP-6.3 Detail of Process Activities

Sr. No	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1	Receipt of Invoice of purchase of electricity	The CP&C Section of the Finance Directorate receives the Invoice of Purchase of Electricity from CPPA.			CP&C Section of Finance Directorate	DM CP&C
2	Forward the invoice to Consolidation Section of Finance Directorate	CP&C Section of the Finance Directorate forwards the invoice to Consolidation Section of Finance Directorate.			CP&C Section of Finance Directorate	AA
3	Receipt of invoice	Consolidation Section of Finance Directorate receives the Invoice of Purchase of Electricity from CP&C Section.			Consolidation Section of Finance Directorate	AMA, DM R&CA, MCA
4	Request for Verification	The Consolidation Section writes a letter to Manager GSO through the Office of CSD for the verification of number of units invoiced by CPPA [Refer ***"Volume II, Annexure – 162"*** for the specimen of ***Letter for Verification to Manager GSO***]	Letter for Verification to Manager GSO		Consolidation Section of Finance Directorate	AMA,DM R&CA, MCA
5	Verification	Manager GSO verifies the number of units invoiced and informs his observations/ findings to MCA.			Office of GSO	Manager GSO
6	Information to CPPA for revision of Invoice	If any differences are found following procedures are performed; a) The Consolidation Section informs the CPPA about any difference during verification and requests for the revision of the invoice. b) The revised invoice is obtained from CPPA.	Letter to CPPA		Consolidation Section of Finance Directorate	AMA, DM R&CA, MCA

		[Refer ***"Volume II, Annexure – 163"*** for the specimen of ***Letter to CPPA*****]**				
7	Update the Management Accounts Reports	The CP&C Section of the Finance Directorate updates: a) The Monthly Sales Tax Return, b) Monthly Income Statement with units invoiced, SBU Income Statement, and c) Monthly Management Accounts **[**Refer ***"Volume II, Annexure – 12"*** for the specimen of ***Monthly Management Accounts*****]**	Monthly Management Accounts		CP&C Section of Finance Directorate	AA, AO, AMA, DM CP&C, MF CP&C
8	Preparation of LPS and Updating of Accounts Statement	The Consolidation Section prepares the LPS to record the Payables to CPPA with the amount of invoice received. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	1	Consolidation Section of Finance Directorate	AA, AO, AMA
9	Settlement of Payables to CPPA through Remittance of Funds to CPPA	a) As per the instructions of PEPCO, Funds are directly remitted from the Revenue bank accounts on daily basis to the designated bank accounts of CPPA. b) A statement of remittance is prepared on daily and monthly basis by Banking Section of Finance Directorate. c) Account Statement of CPPA and Receivables/ Payables Reconciliation Statement are prepared/ updated by Consolidation Section of Finance		Entry for settlement of Payable to CPPA is mentioned in Process CTM-7	Banking Section/ Consolidation Section of Finance Directorate	

		Directorate. d) A Statement of Variance Analysis is also prepared at the end of every year to reconcile the units billed by the CPPA and verified by GSO. **[**Refer ***"CTM – 7"*** for details regarding ***settlement of payables to CPPA*****]**				

PAP-6.4 Journal Entries

1. When the Invoice is received from CPPA, the following entry is posted by the Consolidation Section of Finance Directorate:

Description	Debit	Credit
Purchase of Power	***	
Payables to Associated Company - CPPA		***

PAP-6.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Corporate Planning & Control Section of Finance Directorate	2,7
Consolidation Section of Finance Directorate	8
Accounts Officer	
Corporate Planning & Control Section of Finance Directorate	7
Consolidation Section of Finance Directorate	8
Assistant Manager Accounts	
Consolidation Section of Finance Directorate	3,4,6,8
Corporate Planning & Control Section of Finance Directorate	7
Deputy Manager Regulatory & Corporate Affairs	
Consolidation Section of Finance Directorate	3,4,6
Deputy Manager Corporate Planning & Control	
Corporate Planning & Control Section of Finance Directorate	1,7
Manager Finance Corporate Planning & Control	
Corporate Planning & Control Section of Finance Directorate	7
Manager Corporate Accounts	
Consolidation Section of Finance Directorate	3,4,6
Manager Grid System Operations	
Office of GSO	5

PAP-6.6 Key Control Matrix

Sr. No	Objective	Risk	Control Activity	Activity Ref.#
1	Invoice for purchase of electricity from CPPA is verified and properly recorded.	Improper verification may result in over/under recording of Payables to CPPA.	Manager GSO verifies the number of units invoiced by CPPA and informs his observations/ findings to MCA. DM R&CA inform the CPPA about any difference during verification and request for the revision of the invoice with the approval of MCA.	5
3	Payable is recorded properly.	Incorrect recording of payable may result in over/under statement of liability.	The Consolidation Section of Finance Directorate prepares LPS to record payable to CPPA. LPS is prepared by AA, checked by AO and verified by AMA.	8

PAP-7 Purchase of Electricity from SPPs/N-CPP

PAP-7.1 Descriptive Overview of the Process

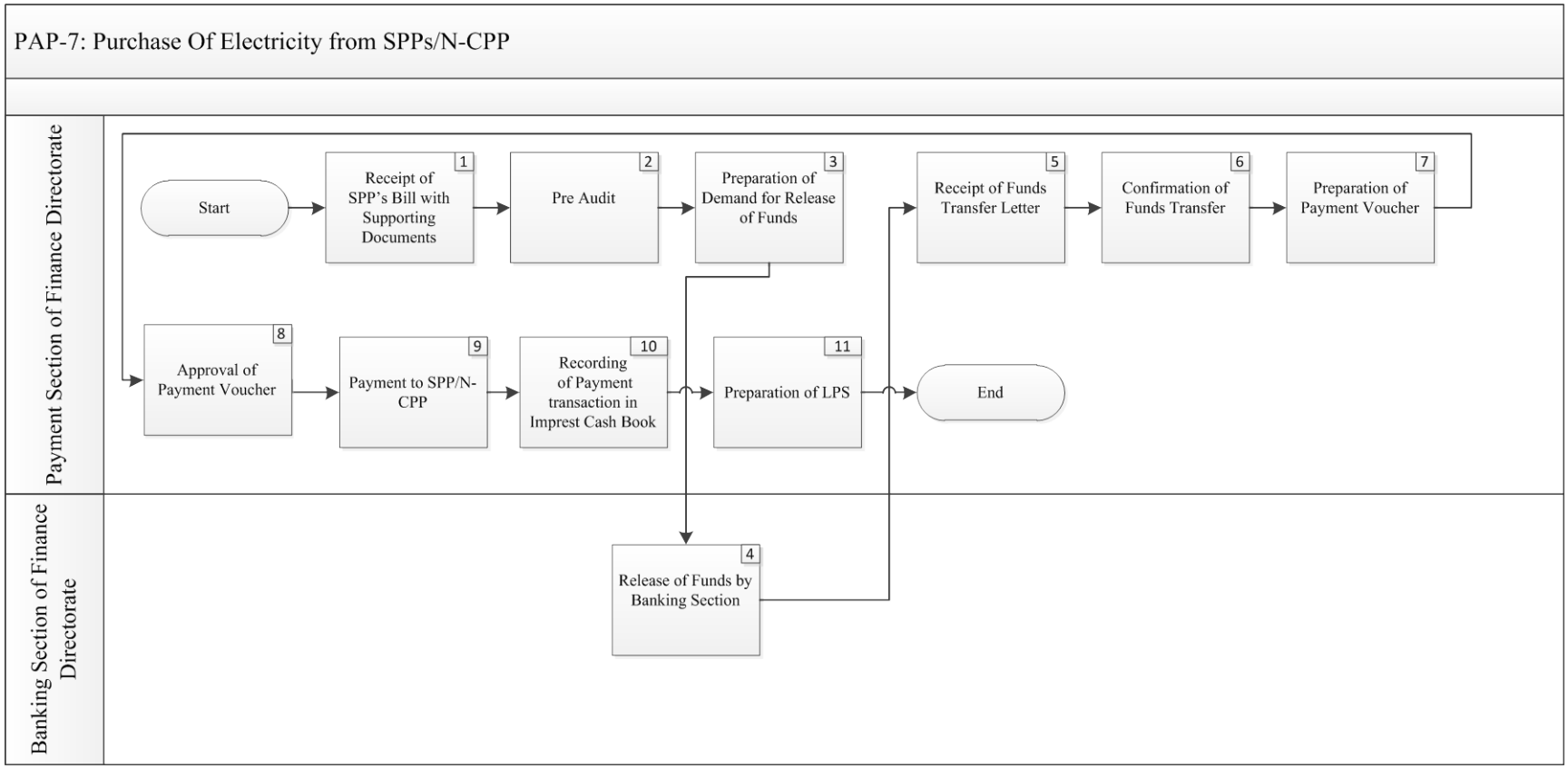
A. This process covers the purchase of electricity from SPPs/N-CPP.

B. Approved bill from SPP/N-CPP is received by the Payment Section of Finance Directorate.

C. Payment is made after Pre Audit and release of funds from the Banking Section of Finance Directorate.

D. Payment for the cost of electricity is made to SPPs/N-CPP by DISCO on behalf of CPPA because a Single Buyer Model for purchase of Electricity is followed in Pakistan.

PAP-7.2 Flow Chart



PAP-7.3 Detail of Process Activities

Sr.No	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1	Receipt of SPP's/N-CPP Bill with Supporting Documents	Payment Section of Finance Directorate receives the SPP's/N-CPP Bill along with the supporting documents.			Payment Section of Finance Directorate	AMA
2	Pre Audit	Payment Section of Finance Directorate performs Pre Audit after receiving Bill and Supporting Documents. **[**Refer ***"PAP – 9"*** for details regarding ***pre audit*****]**			Payment Section of Finance Directorate	
3	Preparation of Demand for Release of Funds	a) Payment Section of Finance Directorate prepares Demand for Release of Fund and obtains approval from the CEO. b) If the funds are required from Distribution Margin Bank Account then a copy of the same is forwarded by the Payment Section to the ESCROW Section for arrangement of funds from Distribution Margin Bank Account. **[**Refer ***"CTM – 12"*** for details regarding ***arrangement of funds by ESCROW Section*****]** **[**Refer ***"Volume II, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds*****]**	Demand for Release of Funds		Payment Section of Finance Directorate	AA, AO, AMA, DMCA, MCA, FD, CEO

		[Refer ***"Volume II, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers***]				
4	Release of Funds by Banking Section	a) The Banking Section receives the Demand for Release of Funds from Payment Section of Finance Directorate, duly approved by the CEO. b) In case of arrangement of funds from Distribution Margin Bank Account, Banking Section receives a Pay Order as well from the ESCROW Section. c) The Banking Section then releases the funds through Funds Transfer Letter to the Imprest Bank Account(s). [Refer ***"CTM – 9"*** for details regarding ***release of funds***] [Refer ***"Volume II, Annexure – 42"*** for the specimen of ***Funds Transfer Letter***]	Funds Transfer Letter		Banking Section of Finance Directorate	
5	Receipt of Funds Transfer Letter	a) Funds are received in the Imprest Account of Payment Section of Finance Directorate from the Banking Section of Finance Directorate. b) A copy of Funds Transfer Letter is received by the Payment Section of Finance Directorate from the Banking Section of Finance Directorate.		1	Payment Section of Finance Directorate	

		[Refer ***"CTM – 13"*** for details regarding **receiving of funds from Finance Directorate]**				
6	Confirmation of Funds Transfer	Payment Section of Finance Directorate checks the Bank Statement to confirm that the funds are received in the Imprest Bank Account.			Payment Section of Finance Directorate	Cashier
7	Preparation of Payment Voucher	Payment Voucher is prepared by the Payment Section of Finance Directorate for making payment to SPP/N-CPP. [Refer ***"Volume II, Annexure – 4"*** for the specimen of ***Payment Voucher***]	Payment Voucher		Payment Section of Finance Directorate	AA
8	Approval of Payment Voucher	Payment Voucher is approved by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA, AO, AMA
9	Payment to SPP/N-CPP	Payment to SPP/N-CPP is made by the Payment Section through Cheque.			Payment Section of Finance Directorate	Cashier
10	Recording of Payment transaction in Imprest Cash Book	a) The payment transaction is recorded in the Cash Book of Imprest Bank Account. b) The Payment is checked and verified by the Payment Section of Finance Directorate. [Refer ***"Volume II, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Payment Section of Finance Directorate	AA, AO, AMA
11	Preparation of LPS	Payment Section of Finance Directorate prepares LPS of	LPS	2,	Payment Section of Finance Directorate	AA, AO, AMA

		Cash Book to record the payment transaction. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***] **[**Refer ***"AFR – 3"*** for details regarding ***adjustment of Receivables from Associated Company- CPPA***]				

PAP-7.4 Journal Entries

1. When funds are received in the Payment Section of Finance Directorate from Banking Section of Finance Directorate, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
Bank – Imprest Account	***	
A.P Clearing Account		***

2. When the payment is made to the SPP/N-CPP, the following entry is posted by the Payment Section of Finance Directorate:

Description	Debit	Credit
Receivables from Associated Company - CPPA	***	
Bank – Imprest Account		***

PAP-7.5 Summary of Responsibilities for Functional Activities

- Office / Section	- Summary of Responsibilities for Functional Activities – Reference No.
Cashier	
Payment Section of Finance Directorate	6, 9
Accounts Assistant	
Payment Section of Finance Directorate	3,7,8,10,11
Accounts Officer	
Payment Section of Finance Directorate	3,8,10,11
Assistant Manager Accounts	
Payment Section of Finance Directorate	1,3,8,10,11
Deputy Manager Corporate Accounts	
Payment Section of Finance Directorate	3
Manager Corporate Accounts	
Payment Section of Finance Directorate	3
Finance Director	
Finance Directorate	3
Chief Executive Officer	
Office of CEO	3

PAP-7.6 Key Control Matrix

Sr.No	Objective	Risk	Control Activity	Activity Ref.#
1	Funds are demanded for authorised and valid transaction only.	Funds may be requested for unauthorised transactions resulting in cash flow problems in future.	Demand for Release of Funds is prepared in Payment Section of Finance Directorate which is approved by CEO before release of funds.	3
2	Payment transaction is recorded correctly.	Posting of payment transaction is made incorrectly which may result in non reconciliation of balances and misstatement in financial statements.	In Payment Section of Finance Directorate, LPS to record the payment transaction is prepared by AA, checked by AO and verified by AMA.	11

PAP-8 Procurement of Material from Other DISCOs (On Advance Payment Basis)

PAP-8.1 Descriptive Overview of the Process

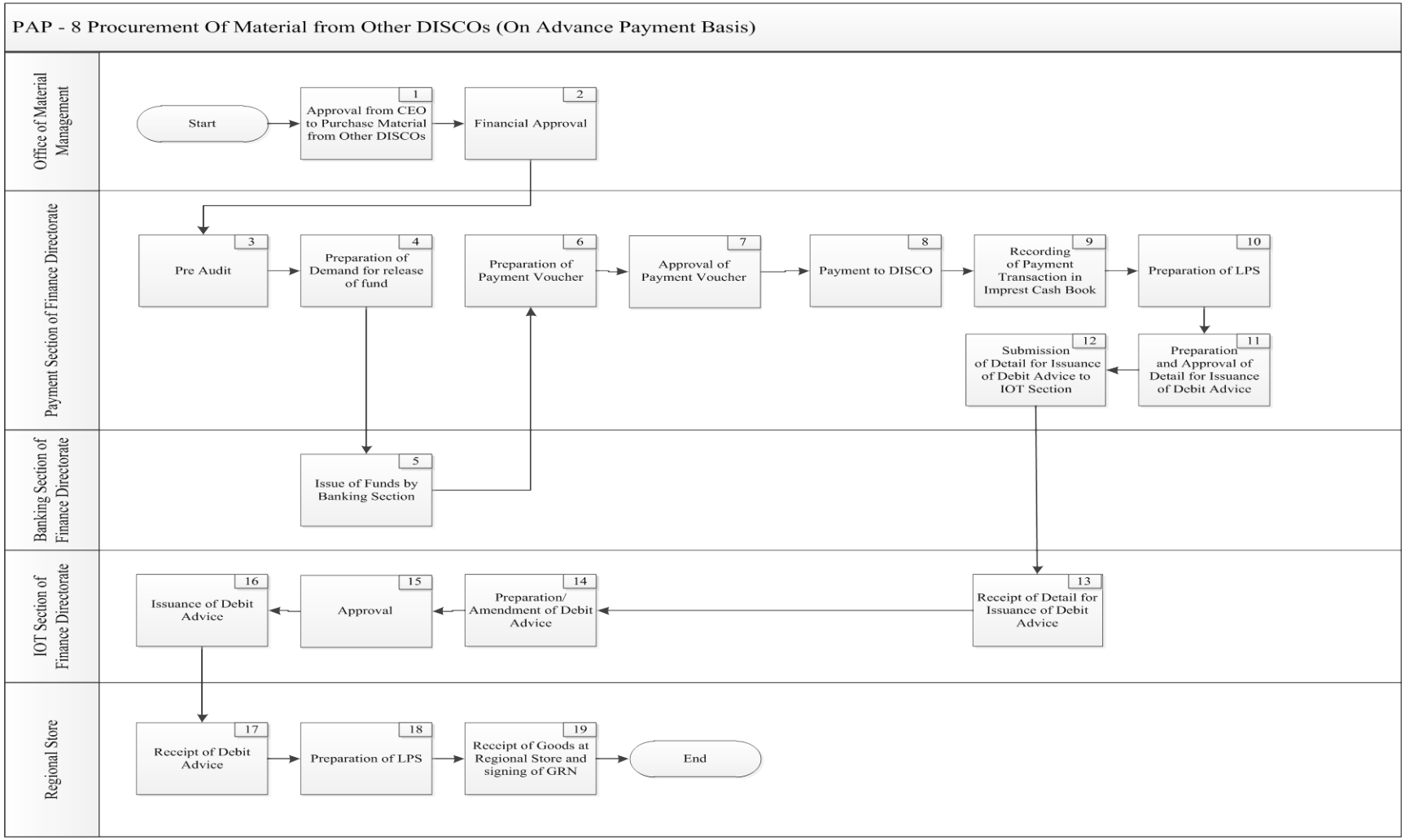
A. This process covers the purchase of Material from other DISCOs.

B. In case of emergency requirement, any material can be procured from other DISCOs.

C. Purchase of material from concerned DISCO is approved by CEO.

D. Payment is made after Pre Audit and release of funds from the Banking Section of Finance Directorate.

PAP-8.2 Flow Chart



PAP-8.3 Detail of Process Activities

Sr.No	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1	Approval from CEO to Purchase Material from Other DISCOs	a) The Office of MM obtains approval from CEO for purchase of material from other DISCO. b) The approval from CEO is obtained on a Noting Sheet. c) Allocation of Material Letter is received from the concerned DISCO. The unit rate of the item to be purchased is mentioned on the Allocation of Material Letter. d) The Noting Sheet is attached with the Allocation of Material Letter.			Office of MM	Manager MM ,CEO
2	Financial Approval	The Office of MM grants Financial approval on the Noting Sheet.			Office of MM	Manager MM
3	Pre Audit	Payment Section of Finance Directorate receives Noting Sheet after the approval from CEO and Financial Approval from Manager MM and performs the Pre audit. **[**Refer ***"PAP – 9"*** for details regarding ***pre audit*****]**			Payment Section of Finance Directorate	
4	Preparation of Demand for release of fund	a) Payment Section of Finance Directorate prepares Demand for Release of Fund and obtains approval from the CEO. b) If the funds are required from Distribution Margin Bank Account then a copy of the same is forwarded by the Payment Section to the ESCROW Section for	Demand for Release of Fund		Payment Section of Finance Directorate,	

		arrangement of funds from Distribution Margin Bank Account. **[**Refer ***"CTM – 12"*** for details regarding ***arrangement of funds by ESCROW Section***] **[**Refer ***"Volume II, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] **[**Refer ***"Volume II, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***]				
5	Issue of Funds by Banking Section	a) Banking Section receives the Demand for Release of Funds from Payment Section of Finance Directorate duly approved by the CEO. b) In case of arrangement of funds from Distribution Margin Bank Account, Banking Section receives a Pay Order from the ESCROW Section. c) Banking Section then releases the funds through Funds Transfer Letter to the Imprest Bank Account(s). **[**Refer ***"CTM – 9"*** for details regarding ***release of funds***] **[**Refer ***"Volume II, Annexure – 42"*** for the specimen of ***Funds Transfer Letter***]	Funds Transfer Letter	1	Banking Section of Finance Directorate	-

		[Refer ***"Volume II, Annexure – 191"*** for ***Book of Financial Powers***]				
6	Preparation of Payment Voucher	Payment Section of Finance Directorate prepares Payment Voucher for making payment to the concerned DISCO. [Refer ***"Volume II, Annexure – 4"*** for the specimen of ***Payment Voucher***]	Payment Voucher		Payment Section of Finance Directorate	AA
7	Approval of Payment Voucher	The Payment Voucher is approved by the Payment Section of Finance Directorate.			Payment Section of Finance Directorate	AA, AO, AMA
8	Payment to DISCO	The Payment Section of Finance Directorate makes Advance payment to DISCO through Cheque.			Payment Section of Finance Directorate	Cashier
9	Recording of Payment Transaction in Imprest Cash Book	a) The payment transaction is recorded in the Cash Book of Imprest Bank Account. b) The payment is checked and verified by the Payment Section of Finance Directorate. [Refer ***"Volume II, Annexure – 5"*** for the specimen of ***Cash Book***]	Cash Book		Payment Section of Finance Directorate	AA, AO, AMA
10	Preparation of LPS	The Payment Section of Finance Directorate prepares LPS of Cash Book to record the payment transaction. [Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Payment Section of Finance Directorate	AA, AO, AMA
11	Preparation and	The Detail for Issuance of Debit Advice(s) is prepared and	Detail for		Payment Section of	AA, AO, AMA

	Approval of Detail for Issuance of Debit Advice(s)	approved by the Payment Section of Finance Directorate. **[**Refer ***"Volume II, Annexure – 52.1"*** for the specimen of ***Detail for Issuance of Debit Advice*****]** **[**Refer ***"Volume II, Annexure – 52.2"*** for the specimen of ***Detail for Issuance of Debit Advice*****]**	Issuance of Debit Advice		Finance Directorate	
12	Submission of Detail for Issuance of Debit Advice(s) to IOT Section	The Payment Section of Finance Directorate submits the Detail for Issuance of Debit Advice(s) to the IOT Section of Finance Directorate.			Payment Section of Finance Directorate	AA
13	Receipt of Detail for Issuance of Debit Advice(s)	The IOT Section of Finance Directorate receives the Detail for Issuance of Debit Advice(s).			IOT Section of Finance Directorate	AMA
14	Preparation/ Amendment of Debit Advice(s)	The IOT Section of Finance Directorate prepares the Debit Advice(s). **[[**Refer ***"Volume II, Annexure – 53"*** for the specimen of ***Debit Advice*****]**	Debit Advice		IOT Section of Finance Directorate	AA
15	Approval	The Debit Advice(s) is approved by the IOT Section of Finance Directorate.			IOT Section of Finance Directorate	AA, AO, AMA
16	Issuance of Debit Advice(s)	The IOT Section of Finance Directorate issues the Debit Advice(s) to Store.			IOT Section of Finance Directorate	AA
17	Receipt of Debit Advice(s)	The Regional Store receives the Debit Advice(s).			Regional Store	AO, AA, AMA

18	Preparation of LPS	The Regional Store prepares LPS to update the Receivable from Associated Company by debiting the concerned DISCO. **[**Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS*****]**	LPS	3	Regional Store	AO, AA, AMA
19	Receipt of Goods at Regional Store and signing of GRN	On receiving the goods, Regional Store signs the GRN and keeps a copy for accounting purposes. **[**Refer ***"IMM – 2"*** for details regarding ***receipt of material at Regional Store from other DISCO*****]** **[**Refer ***"Volume II, Annexure – 85"*** for the specimen of ***GRN*****]**	GRN		Regional Store	

PAP-8.4 Journal Entries

1. When funds are received by the Payment section of finance Directorate from the Banking Section of Finance Directorate, the following entry is posted by Banking Section of Finance Directorate:

Description	Debit	Credit
Bank – Imprest Account	***	
A.P Clearing Account		***

2. When the payment is made to the DISCO, the following entry is posted by Payment Section of Finance Directorate:

Description	Debit	Credit
IOT – Debit Advice(s)	***	
Bank – Imprest Account		***

3. On the time of receiving of Debit Advice(s) by Regional Store, the following entry is posted by the Regional Store:

Description	Debit	Credit
Receivable from Associated Company – DISCO	***	
IOT – Debit Advice(s)		***

PAP-8.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Cashier	
Payment Section - Finance Directorate	8
Accounts Assistant	
IOT Section of Finance Directorate	14,15,16
Payment Section of Finance Directorate	6,7,9,10,11,12
Regional Store	17,18
Accounts Officer	
IOT Section of Finance Directorate	15
Payment Section of Finance Directorate	7,9,10,11
Regional Store	17,18
Assistant Manager Accounts	
IOT Section of Finance Directorate	13,15
Payment Section of Finance Directorate	7,9,10,11
Regional Store	17,18
Manager Material Management	
Office of MM	1,2
Chief Executive Officer	
Office of CEO	1

PAP-8.6 Key Control Matrix

Sr.No	Objective	Risk	Control Activity	Activity Ref.#
1	Payment transaction is recorded correctly.	Posting of payment transaction is made incorrectly which may result in non reconciliation of balances and misstatement in financial statements.	In Payment Section of Finance Directorate, LPS to record the payment transaction is prepared by AA, checked by AO and verified by AMA.	10
2	Supplier Ledger is accurately updated.	Incorrect posting in Supplier Ledger may result in over/understatement of Trade Creditors and may subsequently lead to misstatement of financial statements.	Payment to other DISCO is made in Advance. After the payment has been made, a Debit Advice(s) is dispatched to Store by IOT Section of Finance Directorate. The Debit Advice(s) is prepared by AA, checked by AO and verified by AMA. The account of 'Receivable from Associated Company-DISCO' is updated at the store by DAO after receipt of Debit Advice(s) from the IOT Section of Finance Directorate.	18

PAP-9 Pre-Audit and Deductions

PAP-9.1 Descriptive Overview

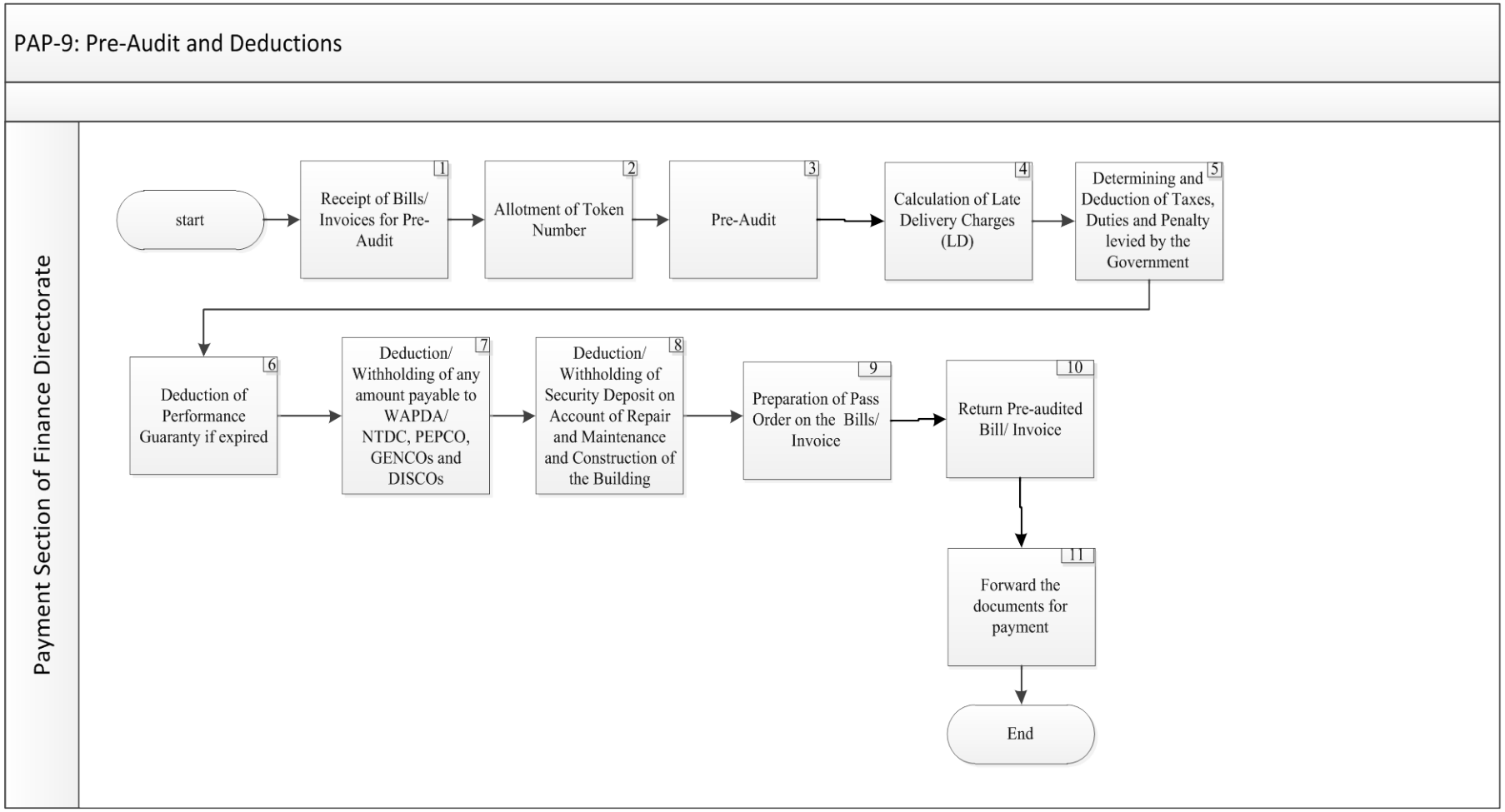
A. This process covers the pre-audit and deductions made by the Payment Section of Finance Directorate.

B. All payments/claims required to be made by any D&D offices are required to be pre-audited by the Payment Section of the Finance Directorate except for the following payments/claims for which the AMA/DAO of the D&D offices are authorized to carry out the Pre-audit:

- The payments/Claims relating to the Establishment Head such as Pay Allowances, House rent, TA/DA etc.
- The Payments/Claims on the account of medical charges up to Rs. 1,000/-
- The Payments/Claims on the account of repair and maintenance charges up to Rs. 1,000/-
- The Payment/Claims relating to pension, gratuity of employees.
- The Payment/Claims of any kind up to Rs. 50,000 are pre-audited by AMA of PD Construction and GSC circle.

C. The payments/claims up to Rs. 50,000/- are pre-audited by AA, AO and AMA of Payment Section in addition to, DMCA(HQ) in case the payments/claims exceeding Rs. 50,000/-.

PAP-9.2 Flow Chart



PAP-9.3 Detail of Process Activities

Sr.No	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Bills/Invoices for Pre-Audit	Bills/ Invoices are received in the Payment/Pre-audit Section for Pre-audit from the concerned Section/ Accounting Unit.			Payment Section of Finance Directorate	AA
2.	Allotment of Token Number	An individual Token Number is allocated to each Bill/Invoice received in the Payment Section of the Finance Directorate for tracking and record maintenance purposes.			Payment Section of Finance Directorate	AA
3.	Pre-Audit	While performing Pre-audit on the Bills/Invoices, following points are considered as applicable: ➢ While incurring any expense involving the use of Public money, the same prudence will be exercised by the person competent to incur that expenditure as he would use while carrying out the expenditure from his own pocket. ➢ Ensure that Invoice is received from the relevant Department. ➢ Verification of Administrative/Technical Approval where required as per Book of Financial Powers. ➢ The Invoice is accompanied by the required supporting documents. ➢ Ensure that approved budget exists for the particular type of expense. ➢ The expense is approved by Competitive Authority as per Book of Financial Powers.			Payment Section of Finance Directorate	AA, AO, AMA/ DMCA

		➢ The date of the PO should not exceed the date of GRN. ➢ The quantity of goods mentioned on the Invoice should not exceed the quantity of goods mentioned on the GRN. ➢ The number of units, rate per unit and the total amount mentioned on the Invoice should reconcile with amounts and units mentioned on the PO. ➢ The amount claimed on the Invoice can be reduced but cannot be increased. ➢ Ensure that all Government dues like WHT, GST etc, have been deducted from the approved amount of Bill/Invoice. ➢ The general and special clauses of the PO are complied. ➢ The expenditure has been incurred for the same specific purpose as was approved by the Competent Authority. ➢ Check whether the claim is not time barred. In case the claim is time barred, ensure that approval is obtained from Competent Authority before making payment. ➢ The expenditure is classified in the relevant Account. ➢ Ensure that expense is charged in the relevant period. In case of any observations / objections the bill is sent back to the concerned Section / Accounting Unit				

		which rectifies the deficiencies and sends the bill again to the Payment Section of Finance Directorate.				
4.	Calculation of Late Delivery Charges (LD)	The LD will be levied according to the clauses of PO as applicable: ➢ LD shall be charged, if the inspection call is not given by the supplier prior to 15 days of the due date of delivery as per PO and the delivery date (for the purpose of calculating of LD) will be considered the date of completion of the inspection as mentioned in the inspection certificate. However, no LD will be charged, if despite of late call for inspection, the material is delivered on or before the due date. ➢ LD shall also be charged if the goods are not delivered within 20 days from the date of issuance of the inspection certificate and the delivery date (for the purpose of calculating of LD) will be considered the date of issuance of the inspection certificate. ➢ LD will also be charged if during the course of the inspection any delay is caused due to any reason at the part of the supplier as mentioned in the inspection certificate which causes the material to be delivered after the due date .In this case the delivery date (for the purpose of calculating of LD.) will be considered the date of completion of inspection as mentioned in the Inspection Certificate. ➢ The LD shall be charged at the rate of 2% per month or the fraction of the month but up to the maximum limit of 10% of the total price of PO on			Payment Section of Finance Directorate	AA, AO, AMA/ DMCA

		the period beginning from the date which was the due date of delivery of goods till the delivery date.				
5.	Determining and Deduction of Taxes, Duties and Penalties levied by the Government	The Payment Section of Finance Directorate determines the amount of taxes, duties and penalties to be deducted on the payment of Invoice/Bill.			Payment Section of Finance Directorate	AA, AO, AMA/ DMCA
6.	Deduction of Performance Guaranty if expired	During the course of execution of PO/Work Order, if the Performance Guarantee has expired subsequent to the completion of the contract, the Competent Authority accords approval for withholding of amount of Performance Guarantee from the payment of the Invoice/ Bill.			Payment Section of Finance Directorate	AA, AO, AMA/ DMCA
7.	Deduction/Withholding of any amount payable to WAPDA/ NTDC, PEPCO, GENCOs and DISCOs	On the request of WAPDA/ NTDC, PEPCO, GENCOs and other DISCOs, the DISCO deducts or withholds the requested amount from the payment of Bills/Invoice of Suppliers and remits the same to them, in lieu of loss incurred by those entities from the same Supplier.			Payment Section of Finance Directorate	AA, AO, AMA/ DMCA
8.	Deduction/Withholding of Security Deposit on Account of Repair and Maintenance and Construction of the Building	In case the Work Order is pertaining to repair, maintenance and construction of building, 10% Security Deposit is deducted and withheld till the successful execution of the work. The amount withheld is released after one year of the successful execution of contract.			Payment Section of Finance Directorate	AA, AO, AMA/ DMCA
9.	Preparation of Pass Order on the Bills/ Invoice	After the Bill/Invoice is pre-audited a Pass Order is stamped on the bill mentioning total amount of the bill, all the deductions and the Account code.	Pass Order		Payment Section of Finance Directorate	AA, AO, AMA/ DMCA

		[Refer ***"Volume II, Annexure – 24"*** for the specimen of ***Pass Order*****]**				
10.	Return Pre-audited Bill/ Invoice	Payment Section of Finance Directorate returns the Pre-audited Bill/ Invoice to concerned Section/Accounting Unit.			Payment Section of Finance Directorate	AA
11.	Forward the document for payment	The Pre-audited Bill/Invoice is forwarded to the concern Department for payment			Payment Section of Finance Directorate	AA

PAP-9.4 Journal Entries

None

PAP-9.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Payment Section of Finance Directorate	1,2,3,4,5,6,7,8,9,10,11
Accounts Officer	
Payment Section of Finance Directorate	3,4,5,6,7,8,9
Assistant Manager Accounts/ Deputy Manager Corporate Accounts	
Payment Section of Finance Directorate	3,4,5,6,7,8,9

PAP-9.6 Key Control Matrix

Sr. No	Objective	Risk	Control Activity	Activity Ref. #
1	Pre Audit is performed after the verification of supporting documents.	Failure to perform the Pre Audit properly may cause unauthorized payments.	The pre-audit is performed by AA, checked by AO, and approved by AMA/ DMCA	3

PAP-10 Payment to (RRK) Resident Representative Karachi on account of procurement of Imported Material

PAP-10.1 Descriptive Overview of the Process

A. This process covers the payments made to Regional Representative Karachi (RRK).

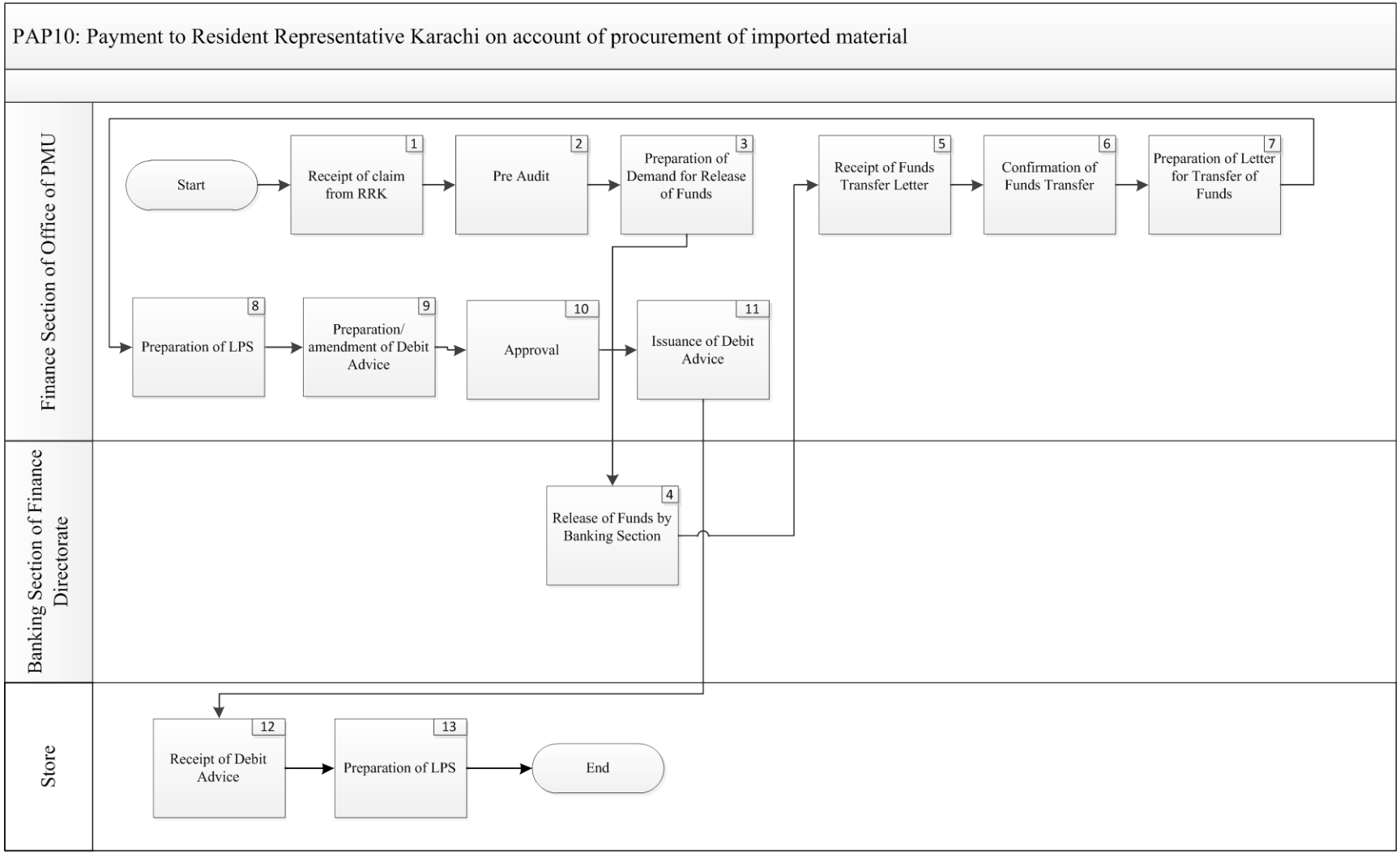
B. Resident Representative Karachi is an agency of WAPDA responsible for clearance of imported material from Customs, which is purchased by DISCOs.

C. RRK sends claim to DISCO for Custom Duties, Income Taxes and overheads charged by RRK.

D. Funds are provided by Finance Directorate for payment of claims.

E. Finance Section of Office of PMU makes payment to RRK and sends Debit Advice(s) to store.

PAP-10.2 Flow Chart



PAP-10.3 Detail of Process Activities

Sr.#	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1	Receipt of Claim from RRK	Finance Section of Office of PMU receives Claim from RRK for Custom Duties, Income Taxes, and overheads charged by RRK.			Finance Section of Office of PMU	AA
2	Pre Audit	Finance Section of Office of PMU performs Pre Audit after receiving Claim. [Refer ***"PAP – 9"*** for details regarding ***pre audit***]			Finance Section of Office of PMU	
3	Preparation of Demand for Release of Funds	a) Finance Section of Office of PMU prepares Demand for Release of Fund and obtains approval from the CEO. b) The Finance Section of the Office of PMU sends the Demand for Release of Funds to the Banking Section of Finance Directorate. . [Refer ***"Volume II, Annexure – 25.1"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume II, Annexure – 25.2"*** for the specimen of ***Demand for Release of Funds***] [Refer ***"Volume II, Annexure – "*** for the specimen of	Demand for Release of Funds		Finance Section of Office of PMU	AM, DM, MF (PMU), CE(PMU) , FD, CEO

		***Book of Financial Powers*]**				
4	Release of Funds by Banking Section	a) The Banking Section of Finance Directorate receives the Demand for Release of Funds from Finance Section of Office of PMU duly approved by the CEO. b) The Banking Section then releases the funds through Funds Transfer Letter to the Imprest Bank Account of Office of PMU. **[**Refer ***"CTM – 9"*** for details regarding ***release of funds*]** **[**Refer ***"Volume II, Annexure – 42"*** for the specimen of ***Funds Transfer Letter*]**	Fund Transfer Letter		Banking Section of Finance Directorate	
5	Receipt of Funds Transfer Letter	a) Funds are received in the Imprest Account of the Office of PMU. b) A copy of Funds Transfer Letter is received by the Finance Section of Office of PMU from the Banking Section of Finance Directorate.		1	Finance Section of Office of PMU	
6	Confirmation of Funds Transfer	The Finance Section of the Office of PMU confirms that funds are received in the Imprest Bank Account through Bank Statement.			Finance Section of Office of PMU	Cashier
7	Preparation of Letter for Transfer of Funds	a) A Letter for Transfer of Funds is prepared by Manager Finance in the Finance Section of Office of PMU for transfer of funds to the Bank Account of RRK from the Imprest Bank Account of Office of PMU. b) This letter is accompanied by a cheque.	Funds Transfer Letter		Finance Section of Office of PMU	MF PMU, CE PMU

		c) This Letter for Transfer of Funds is duly signed by Manager Finance and Chief Engineer PMU and dispatched to Bank by MF PMU. [Refer ***"Volume II, Annexure – 42"*** for the specimen of ***Funds Transfer Letter***]				
8	Preparation of LPS	The Finance Section of Office of PMU prepares LPS of Cash Book to record the payment transaction. [Refer ***"Volume II, Annexure – 20"*** for the specimen of ***LPS***]	LPS	2	Finance Section of Office of PMU	AA, AO, AM
9	Preparation/ Amendment of Debit Advice(s)	The Finance Section of Office of PMU prepares/ amends the Debit Advice(s) with the details of payment to RRK. - [Refer ***"Volume II, Annexure – 53"*** for the specimen of ***Debit Advice***]	Debit Advice		Finance Section of Office of PMU	AA
10	Approval	The Debit advice(s) is approved in the Finance Section of Office of PMU.			Finance Section of Office of PMU	AA, AO, AM
11	Issuance of Debit Advice(s)	Finance Section of Office of PMU issues the approved Debit Advice(s) to Store.			Finance Section of Office of PMU	AA
12	Receipt of Debit Advice(s)	Store receives the Debit Advice(s) from Finance Section of Office of PMU.			Store	DAO
13	Preparation of LPS	Store prepares LPS after receiving Debit Advice(s) to update the supplier Ledger. [Refer ***"Volume II, Annexure – 20"*** for the specimen of	LPS, Supplier Ledger	3	Store	DAO

		LPS] [Refer ***"Volume II, Annexure – 127"*** for the specimen of ***Supplier Ledger***]				

PAP-10.4 Journal Entries

1. When funds are received in the Imprest Bank Account of Office of PMU from the Banking Section, the following entry is posted by the Finance Section of Office of PMU:

Description	Debit	Credit
Bank – Imprest Account	***	
IOT – Cash		***

2. When the payment is made to the RRK by Finance Section of Office of PMU, the following entry is posted by the Finance Section of Office of PMU:

Description	Debit	Credit
IOT – Debit Advice(s)	***	
Bank – Imprest Account		***

3. When the Debit Advice(s) is received by the store, the following entry is posted by the Store:

Description	Debit	Credit
Advance to Supplier	***	
IOT – Debit Advice(s)		***

PAP-10.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Cashier	
Finance Section of Office of PMU	6
Accounts Assistant	
Finance Section of Office of PMU	1,8,9,10,11
Accounts Officer	
Finance Section of Office of PMU	8,10
Divisional Accounts Officer	
Store	12,13
Assistant Manager Finance	
Finance Section of Office of PMU	3,8,10
Deputy Manager Finance	
Finance Section of Office of PMU	3
Manager Finance PMU	
Finance Section of Office of PMU	3,7
Chief Engineer PMU	
Finance Section of Office of PMU	3,7
Finance Director	
Finance Directorate	3
Chief Executive Officer	
Office of CEO	3

PAP-10.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Payment transaction is recorded correctly.	Posting of payment transaction is made incorrectly which may result in non reconciliation of balances and misstatement in financial statements.	In Finance Section of Office of PMU, LPS to record the payment transaction is prepared by AA, checked by AO and verified by AM.	8
2	Debit Advice(s) is issued after it is accurately prepared.	Incorrect amount may be posted on the Debit Advice(s), resulting in incorrect recording in the Supplier Ledger.	In Finance Section of Office of PMU, AA prepares, AO reviews and AM approves the Debit Advice(s) before it is dispatched to Store.	10

Accounting and Financial Reporting (AFR)

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1 Introduction

1.1 Objective

Financial reporting is the management process of providing strategic, financial and operational information to understand how a business is performing. It involves collecting, transforming, delivering relevant, timely and accurate information to all stakeholders inside and outside the organization to provide insight into how the expectations have been met.

1.2 Scope

This document covers all the aspects of the Accounting and Financial Reporting at different Accounting Units of the DISCO. This document describes each Process of Accounting and Financial Reporting, which includes; Descriptive Overview of the process, Flow Chart of all the process activities, Journal Entries and their references with the process activities, Job Descriptions of persons responsible for performing activities and key control matrices to ensure that the process activities are in line with the Standard Policies and Procedure of the DISCO.

All the Accounting and Financial Reporting activities in DISCO are covered under following Processes:

Process ID	Process Name
AFR - 1	Maintaining and Updating the Chart of Accounts
AFR - 2	Recording of Accounting Transactions, IOT Adjustments and Preparation of Trial Balance
AFR - 3	Preparation of Financial Statements
AFR - 4	General Ledger Closing and Subsequent Adjustments
AFR - 5	Internal Reporting
AFR - 6	External Reporting
AFR - 7	Approval of Annual Financial Statements

2 Policies and Definitions

2.1 General Policies

The financial statements are being prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of Companies Ordinance, 1984. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Standard Board as are notified under the provisions of the Companies Ordinance, 1984. Wherever, the requirements of the Companies Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of Companies Ordinance, 1984 or the requirements of the said directives shall prevail. (Annual Audited Financial Statements)

The financial statements are presented in Pakistan Rupees which is also the DISCOs functional currency. (Annual Audited Financial Statements)

The accounting year starts on 1 July and ends on 30 June each year.

General Ledger (GL) is closed at the end of each month. All Accounting Units are required to submit their Trial Balance to the Compilation Section of the Finance Directorate.

Financial Statements are prepared under the historical cost convention except for the employee retirement benefits and the foreign currency transactions (as stated in the notes to the Annual Audited Financial Statements). In Financial Statements, except for the cash flow statement, all the transactions are accounted for on accrual basis. (Annual Audited Financial Statements)

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. (Annual Audited Financial Statements)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision effects only that period, or in the period of revision and future periods if the revision affects both current and future periods. (Annual Audited Financial Statements)

The areas where various assumptions and estimates are significant to DISCO's financial statements or where judgments were exercised in application of accounting policies are as follows:

- Employees' retirement benefits
- Taxation
- Useful Life and residual value of fixed assets
- Provision for doubtful debts
- Provision for slow moving items
- Provision

Definitions

2.1.1 Statement of Cash Flow

The statement of cash flows analyses changes in cash and cash equivalents during a period. Cash and cash equivalents comprise cash on hand and demand deposits, together with short-term, highly liquid investments that are readily convertible to a known amount of cash and that are subject to an insignificant risk of changes in value. Guidance notes indicate that an investment normally meets the definition of a cash equivalent when it has a maturity of three months or less from the date of acquisition. Equity investments are normally excluded, unless they are in substance a cash equivalent (e.g. preferred shares acquired within three months of their specified redemption date). Bank overdrafts which are repayable on demand and which form an integral part of an entity's cash management are also included as a component of cash and cash equivalents (IAS 7.7, 7.8).

2.1.2 Accounting Policies

Accounting policies are the specific principles, bases, conventions, rules and practices applied by an entity in preparing and presenting financial statements (IAS-8.5)

2.1.3 Accounting Estimates

A change in accounting estimate is an adjustment of the carrying amount of an asset or a liability, or the amount of the periodic consumption of an asset, that results from the assessment of the present status of, and expected future benefits and obligations associated with, assets and liabilities. Changes in accounting estimates result from new information or new developments and, accordingly, are not corrections of errors (IAS-8.5).

2.1.4 Related Party

A party is related to an entity if:

- Directly, or indirectly through one or more intermediaries, the party:

(a) Controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);

(b) Has an interest in the entity that gives it significant influence over the entity; or

(c) Has joint control over the entity;

- The party is an associate (as defined in IAS 28 Investments in Associates) of the entity;
- The party is a joint venture in which the entity is a venturer (see IAS 31 Interests in Joint Ventures);
- The party is a member of the key management personnel of the entity or its parent;
- The party is a close member of the family of any individual referred to in (a) or (d);
- The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred above.
- The party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity (IAS 24.9)

2.1.5 Provisions

A provision is a liability of uncertain timing or amount.

A provision should be recognized when and only when:

- An entity has a present obligation (legal or constructive) as a result of a past event;
- It is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation. The Standard notes that it is only in extremely rare cases that a reliable estimate will not be possible.(IAS 37.14)

2.1.6 Contingent Liability

A contingent liability is:

- A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or
- A present obligation that arises from past events but is not recognized because:
    - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
    - The amount of the obligation cannot be measured with sufficient reliability. (IAS 37.10)

2.1.7 Contingent Asset

The Standard defines a contingent asset as a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. An example is a claim that an entity is pursuing through legal processes, where the outcome is uncertain. (IAS 37.10)

2.1.8 Ledger Posting Summary (LPS)

LPS is a type of document which shows the total for the month of each Head of Account to be inserted in the General Ledger.

2.2 General accounting guidelines

2.2.1 Underlying Assumptions

Accrual Basis:

In order to meet their objectives, financial statements are prepared on the accrual basis of accounting. Under this basis, the effects of transactions and other events are recognized when they occur (and not as cash or its equivalent are received or paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate. (Framework for Preparation & Presentation of Financial statements)

Going Concern:

The financial statements are normally prepared on the assumption that an entity is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the entity has neither the intention nor the need to liquidate or curtail materially the scale of its operations; if such an intention or need exists, the financial statements may have to be prepared on a different basis and, if so, the basis used is disclosed. . (Framework for Preparation & Presentation of Financial Statements)

2.2.2 Presentation of Financial Statement IAS –1

General purpose financial statements:

General purpose financial statements (referred to as 'financial statements') are those intended to meet the needs of users who are not in a position to require an entity to prepare reports tailored to their particular information needs.(IAS 1.7)

Complete set of Financial Statements:

A complete set of financial statements comprises:

- a statement of financial position as at the end of the period;
- a statement of comprehensive income for the period;
- a statement of changes in equity for the period;
- a statement of cash flows for the period;
- notes, comprising a summary of significant accounting policies and other explanatory information; and
- a statement of financial position as at the beginning of the earliest comparative period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements.(IAS 1.10)

Frequency of Reporting:

An entity shall present a complete set of financial statements (including comparative information) at least annually. When an entity changes the end of its reporting period and presents financial statements for a period longer or shorter than one year, an entity shall disclose, in addition to the period covered by the financial statements:

- The reason for using a longer or shorter period, and
- The fact that amounts presented in the financial statements are not entirely comparable. (IAS 1.36)

Disclosures:

Disclosure of Accounting Policies:

An entity shall disclose in the summary of significant accounting policies:

- The measurement basis (or bases) used in preparing the financial statements, and
- The other accounting policies used that are relevant to an understanding of the financial statements.(IAS 1.117)

Disclosure of judgments:

An entity must disclose, in the summary of significant accounting policies or other notes, the judgments, apart from those involving estimations, that management has made in the process of applying the entity's accounting policies that have the most significant effect on the amounts recognized in the financial statements. (IAS 1.122)

Other Disclosures:

In addition to the distributions information in the statement of changes in equity (see above), the following must be disclosed in the notes: " the amount of dividends proposed or declared before the financial statements were authorized for issue but not recognized as a distribution to owners during the period, and the related amount per share. (IAS 1.137)

2.2.3 Statement of Cash Flows (IAS-7)

Cash flows must be analyzed between operating, investing and financing activities. (IAS 7.10)

2.2.4 Changes in Accounting Policies, Estimates and Errors IAS-8

Retrospective Application:

When a change in accounting policy is applied retrospectively, the entity shall adjust the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts disclosed for each prior period presented as if the new accounting policy had always been applied. (IAS 8.5)

Prospective Application:

Prospective application of a change in accounting policy and of recognizing the effect of a change in an accounting estimate, respectively, is:

- applying the new accounting policy to transactions, other events and conditions occurring after the date as at which the policy is changed; and
- Recognizing the effect of the change in the accounting estimate in the current and future periods affected by the change. (IAS 8.5)

Disclosures:

Disclosures Relating to Changes in Accounting Policies:

Disclosures relating to changes in accounting policy caused by a new standard or interpretation include:

- The title of the standard or interpretation causing the change
- The nature of the change in accounting policy
- A description of the transitional provisions, including those that might have an effect on future periods
- For the current period and each prior period presented, to the extent practicable, the amount of the adjustment:
- for each financial statement line item affected, and
- for basic and diluted earnings per share (only if the entity is applying IAS 33)
- The amount of the adjustment relating to periods before those presented, to the extent practicable
- If retrospective application is impracticable, an explanation and description of how the change in accounting policy was applied. (IAS 8.28)
- Financial statements of subsequent periods need not repeat these disclosures.
- Disclosures relating to voluntary changes in accounting policy include:

- The nature of the change in accounting policy
- The reasons why applying the new accounting policy provides reliable and more relevant information
- For the current period and each prior period presented, to the extent practicable, the amount of the adjustment:

(a) For each financial statement line item affected, and

(b) For basic and diluted earnings per share (only if the entity is applying IAS 33)

- The amount of the adjustment relating to periods before those presented, to the extent practicable
- If retrospective application is impracticable, an explanation and description of how the change in accounting policy was applied. (IAS 8.29)

Financial statements of subsequent periods need not repeat these disclosures.

If an entity has not applied a new standard or interpretation that has been issued but is not yet effective, the entity must disclose that fact and any and known or reasonably estimable information relevant to assessing the possible impact that the new pronouncement will have in the year it is applied. (IAS 8.30)

Disclosures Relating to Changes in Accounting Estimate:

Disclose:

- The nature and amount of a change in an accounting estimate that has an effect in the current period or is expected to have an effect in future periods
- If the amount of the effect in future periods is not disclosed because estimating it is impracticable, an entity shall disclose that fact. (IAS 8.39, 8.40)

2.2.5 Events after the Reporting Period (IAS 10)

Event after the reporting period:

An event, which could be favourable or unfavourable, that occurs between the end of the reporting period and the date that the financial statements are authorized for issue. (IAS 10.3)

Adjusting event:

An event after the reporting period that provides further evidence of conditions that existed at the end of the reporting period, including an event that indicates that the going concern assumption in relation to the whole or part of the enterprise is not appropriate. (IAS 10.3)

Non-adjusting event:

An event after the reporting period that is indicative of a condition that arose after the end of the reporting period.

- Adjust financial statements for adjusting events – events after the balance sheet date that provide further evidence of conditions that existed at the end of the reporting period, including events that indicate that the going concern assumption in relation to the whole or part of the enterprise is not appropriate. (IAS 10.8)
- Do not adjust for non-adjusting events – events or conditions that arose after the end of the reporting period. (IAS 10.10)
- If an entity declares dividends after the reporting period, the entity shall not recognize those dividends as a liability at the end of the reporting period. That is a non-adjusting event. (IAS 10.12)

Going Concern Issues Arising After End of the Reporting Period:

An entity shall not prepare its financial statements on a going concern basis if management determines after the end of the reporting period either that it intends to liquidate the entity or to cease trading, or that it has no realistic alternative but to do so. (IAS 10.14)

Disclosure:

Non-adjusting events should be disclosed if they are of such importance that non-disclosure would affect the ability of users to make proper evaluations and decisions. The required disclosure is (a) the nature of the event and (b) an estimate of its financial effect or a statement that a reasonable estimate of the effect cannot be made. (IAS 10.21)

A DISCO should update disclosures that relate to conditions that existed at the end of the reporting period to reflect any new information that it receives after the reporting period about those conditions. (IAS 10.19)

2.2.6 Related Party Disclosures IAS-24

Disclosures:

Relationships between parents and subsidiaries:

Regardless of whether there have been transactions between a parent and a subsidiary, an entity must disclose the name of its parent and, if different, the ultimate controlling party. If neither the entity's parent nor the ultimate controlling party produces financial statements

available for public use, the name of the next most senior parent that does so must also be disclosed. (IAS 24.16)

Management compensation:

Disclose key management personnel compensation in total and for each of the following categories:

- Short-term employee benefits
- Post-employment benefits
- Other long-term benefits
- Termination benefits
- Share-based payment benefits

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity. (IAS 24.9)

Related party transactions:

If there have been transactions between related parties, disclose the nature of the related party relationship as well as information about the transactions and outstanding balances necessary for an understanding of the potential effect of the relationship on the financial statements. These disclosures would be made separately for each category of related parties and would include:

- The amount of the transactions
- The amount of outstanding balances, including terms and conditions and guarantees
- Provisions for doubtful debts related to the amount of outstanding balances
- Expense recognized during the period in respect of bad or doubtful debts due from related parties (IAS 24.18, 24.19)

2.2.7 Provisions, Contingent Liabilities and Contingent Assets (IAS 37)

Contingent liabilities:

An entity should not recognize a contingent liability. An entity should disclose a contingent liability, unless the possibility of an outflow of resources embodying economic benefits is remote. (IAS 37.19)

Contingent assets:

An entity should not recognize a contingent asset. A contingent asset should be disclosed where an inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate. (IAS 37.20)

Measurement of Provisions:

The amount recognized as a provision should be the best estimate of the expenditure required to settle the present obligation at the balance sheet date, that is, the amount that

an entity would rationally pay to settle the obligation at the balance sheet date or to transfer it to a third party. This means:

- Provisions for one-off events (restructuring, environmental clean-up, settlement of a lawsuit) are measured at the most likely amount. (IAS 37.40)
- Provisions for large populations of events (warranties, customer refunds) are measured at a probability-weighted expected value. (IAS 37.39)
- Both measurements are at discounted present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. (IAS 37.45 and 37.47)

In reaching its best estimate, the entity should take into account the risks and uncertainties that surround the underlying events. (IAS 37.42)

If some or all of the expenditure required settling a provision is expected to be reimbursed by another party, the reimbursement should be recognized as a separate asset, and not as a reduction of the required provision, when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The amount recognized should not exceed the amount of the provision. (IAS 37.53)

In measuring a provision consider future events as follows:

- forecast reasonable changes in applying existing technology (IAS 37.49)
- ignore possible gains on sale of assets (IAS 37.51)
- consider changes in legislation only if virtually certain to be enacted (IAS 37.50)

Re-measurement of Provisions

- Review and adjust provisions at each balance sheet date
- If outflow no longer probable, reverse the provision to income. (IAS 37.59)

Disclosures:

Reconciliation for each class of provision: (IAS 37.84)

- Opening balance
- Additions
- Used (amounts charged against the provision)
- Released (reversed)
- Unwinding of the discount
- Closing balance

For each class of provision, a brief description of:

- Nature
- Timing
- Uncertainties
- Assumptions

- Reimbursement, if any (IAS 37.85)

2.2.8 Financial Instruments

Financial Assets:

Company classified its financial assets as Available for Sale (AFS) and Loans and Receivables. The classification depends on the purpose for which the financial assets were acquired.

- Available for Sale (AFS): AFS financial assets are non-derivative that are either designated in this category or are not classified in any other category. They are included in the non-current assets unless management intends to dispose of the investment within twelve months of the balance sheet date.
- Investments classified as AFS are initially measured at cost, being the fair value of consideration given. At subsequent reporting dates, these investments are measured at fair value of consideration given. At subsequent reporting dates, these investments are measured at fair value (quoted market price), unless fair value cannot be reliably measured. Unrealized gain and losses arising from changes in the fair value are included in the fair value reserve in the period in which they arise.
- Loans and Receivables: Loans and receivables are non-derivative assets with fixed or determinable payment that are not quoted in an active market. They are included in current assets, except for maturities greater than twelve months after the balance sheet date, which are classified as non-current assets. Loan and receivables comprise trade debts, advances, deposits prepayments and other receivables, cash & cash equivalents except for the finances under mark-up arrangements.

Financial Liabilities:

All financial liabilities are recognized at the time when the DISCO becomes a party to the contractual provisions of the instrument.

A financial liability is de-recognized when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability and the difference in the respective carrying amounts is recognized in the profit and loss account.

Offsetting of financial assets and liabilities:

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the DISCO intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

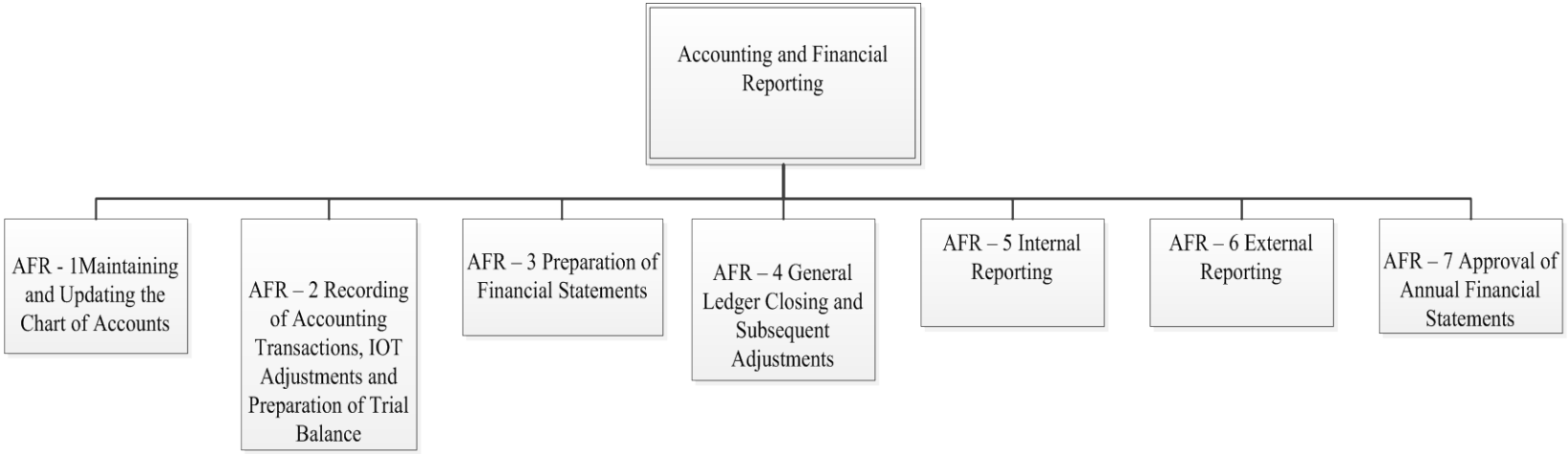
2.2.9 Foreign currency transactions and translation

All monetary assets and liabilities in foreign currencies are translated into Pak Rupee at exchange rates which approximate those prevailing at the balance sheet date. Transactions in foreign currencies are translated into rupees at the spot rate. All non-monetary items are

translated into rupees at exchange rates prevailing on the dates of transaction or on the date when fair values are determined.

The financial statements are presented in Pak Rupees, which is the DISCO's functional and presentation currency.

3 Overview of the Process of Accounting and Financial Reporting



Process ID	Process Name	Description of Process
AFR-1	Maintaining and Updating the Chart of Accounts	A. This process covers the activities regarding the maintenance and updating of Chart of Accounts. B. Request for Allocation of New Head of Account is prepared by the Accounting Units and submitted to the Consolidation Section of Finance Directorate. C. Request is reviewed by the Consolidation Section, DMCA, and MCA and approved by the FD. D. After approval, new Head of Account is allocated by the Consolidation Section and COA is updated. E. An Office Order is prepared by the Consolidation Section and sent to the Accounting Units, intimating the allocation of new Head of Account in COA.
AFR -2	Recording of Accounting Transactions, IOT Adjustments and Preparation of Trial Balance	A. This process covers the activities regarding the Recording of Accounting Transactions, IOT Adjustments and preparation of Trial Balance. B. For Payment transactions, the Accounting Unit prepares the Payment Voucher and updates the Cash Book. C. LPS is prepared, verified and approved. D. Posting is made in the General Ledger and monthly IOT adjustments are recorded. E. For the preparation of Trial Balance of Finance Directorate, Concerned Sections provide the Summaries to the Consolidation

Process ID	Process Name	Description of Process
		Section of Finance Directorate. F. Trial Balance is reviewed and approved by the MCA and FD. G. Trial Balances for other Accounting Units are prepared by the Accounting Units themselves.
AFR -3	Preparation of Financial Statements	A. This process covers the Preparation of Financial Statements. B. Accounting Units get their respective Trial Balances verified from the Concerned Sections of Finance Directorate and submit the Trial Balance to the Compilation Section of Finance Directorate. C. Compilation Section verifies the Trial Balances and instructs the Accounting Unit to rectify any error if any is identified. D. Trial Balances are consolidated and monthly, quarterly and annual adjustments are recorded (where applicable) for the preparation of Monthly Financial Statements. E. Monthly Financial Statements are reviewed by the DMCA and MCA and approved by the FD.
AFR -4	General Ledger Closing and Subsequent Adjustments	A. This process covers the activities regarding the General Ledger Closing and Subsequent Adjustments. B. After the submission of Trial Balances by the Accounting Units to the Compilation Section of Finance Directorate, General Ledger is closed by the Consolidation Section of Finance Directorate.

Process ID	Process Name	Description of Process
		C. If any subsequent adjustment is required by the Accounting Unit an Application for Subsequent Adjustment is prepared by the Accounting Unit and submitted to the Consolidation Section. D. After review of Consolidation Section and approval from FD, the subsequent adjustment is recorded by the Accounting Unit. E. If Subsequent Adjustment in the General Ledger is required by the External Auditors or the Consolidation Section, an Application for Subsequent Adjustment is prepared by the Consolidation Section and submitted to the FD for approval. F. After approval from FD, the subsequent adjustment is recorded by the Consolidation Section.
AFR -5	Internal Reporting	A. This process covers the activities regarding the Internal Reporting. B. CP & C Section of Finance Directorate collects financial data from Concerned Departments and reviews it. C. Data is compiled to prepare the Monthly Management Reports which are submitted to the FD for review. D. Monthly Management Reports are reviewed by the FD, CEO and approved by the BOD. E. After review concerned reports are submitted to PEPCO.
AFR -6	External Reporting	A. This process covers the activities regarding the External Reporting.

Process ID	Process Name	Description of Process
		B. External Reports are prepared by the Concerned Departments and submitted to the External Authorities. C. Prior to submission to the External Authorities, the External Reports are sent to MCA for review. D. MCA reviews the External Reports and forwards them to the FD for approval. E. After review, the FD approves the External Reports.
AFR -7	Approval of Annual Financial Statements	A. This process covers the activities regarding the Approval of Annual Financial Statements. B. The Finance Director receives the Board Letter and the Initial Accounts from the External Auditors and gets the issues resolved through the Concerned Departments. C. Initial Accounts are reviewed by the Audit Committee and Notice of Board Meeting is issued. D. Initial Accounts are discussed at the BOD meeting and Notice of AGM is issued. E. Financial statements are approved by the Shareholders and signed off by the BOD.

AFR-1 Maintaining and Updating the Chart of Accounts

AFR-1.1 Descriptive Overview of the Process

A. This process covers the activities regarding the maintenance and updating of Chart of Accounts.

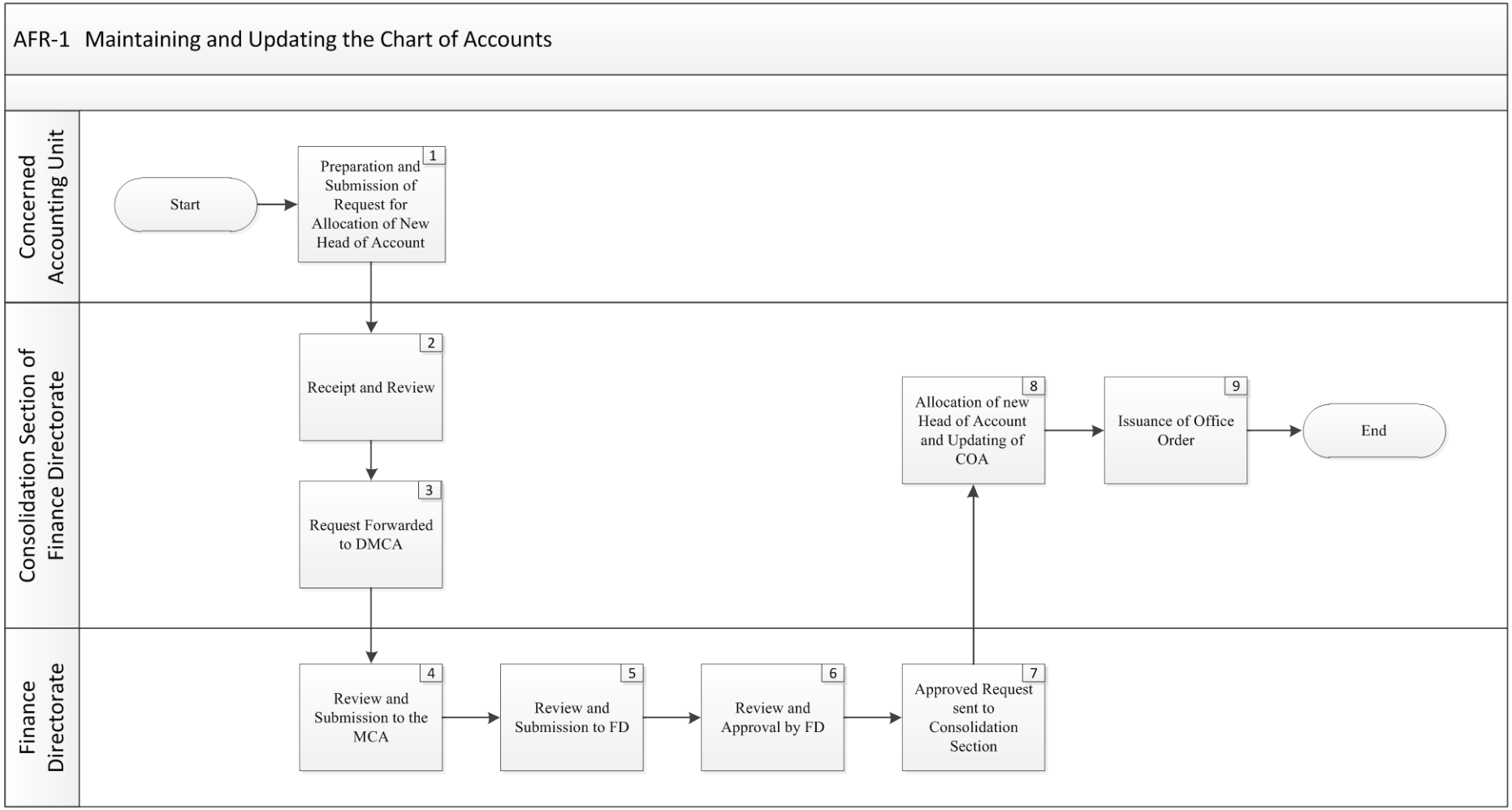
B. Request for Allocation of New Head of Account is prepared by the Accounting Units and submitted to the Consolidation Section of Finance Directorate.

C. Request is reviewed by the Consolidation Section, DMCA, and MCA and approved by the FD.

D. After approval, new Head of Account is allocated by the Consolidation Section and COA is updated.

E. An Office Order is prepared by the Consolidation Section and sent to the Accounting Units, intimating the allocation of new Head of Account in COA.

AFR-1.2 Flow Chart



AFR-1.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation and Submission of Request for Allocation of New Head of Account	Accounting Unit prepares a Request for Allocation of new Head of Account and submits the same to the Consolidation Section of Finance Directorate. [Refer ***"Volume III, Annexure – 1"*** for the specimen of ***Request for Allocation of New Head of Account***]	Request for Allocation of New Head of Account		Concerned Accounting Unit	AA, DAO/AO/AMA
2.	Receipt and Review	Consolidation Section of Finance Directorate receives the Request for Allocation of New Head of Account from Accounting Unit and verifies whether the reasoning for allocation of New Head of Account is valid.			Consolidation Section of Finance Directorate	AMA
3.	Request Forwarded to DMCA	Consolidation Section of Finance Directorate forwards the request to the DMCA for review and approval.			Consolidation Section of Finance Directorate	AMA
4.	Review and Submission to the MCA	DMCA reviews the request and submits it to the MCA for review.			Finance Directorate	DMCA
5.	Review and Submission to FD	MCA reviews the request for Allocation of New Head of Account and submits it to the FD for review and approval.			Finance Directorate	MCA
6.	Review and Approval by FD	FD reviews the request for Allocation of New Head of Account and approves it.			Finance Directorate	FD
7.	Approved Request sent to Consolidation Section	Approved request is forwarded by the FD to the Consolidation Section of Finance Directorate.			Finance Directorate	FD

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
8.	Allocation of New Head of Account and Updating of COA	After receiving the Approved Request from FD, New Head of Account is allocated and COA is updated by the Consolidation Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 2"*** for the specimen of ***Chart of Accounts***]	Chart of Accounts		Consolidation Section of Finance Directorate	AMA
9.	Issuance of Office Order	An Office Order intimating the allocation of New Head of Account in COA is circulated by the Consolidation Section of Finance Directorate to all of the Accounting Units. **[**Refer ***"Volume III, Annexure – 3"*** for the specimen of ***Office Order***]	Office Order		Consolidation Section of Finance Directorate	AMA

AFR-1.4 Journal Entries

None

AFR-1.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Accounting Unit	1
Divisional Accounts Officer	
Concerned Accounting Unit	1
Accounts Officer	
Concerned Accounting Unit	1
Assistant Manager Accounts	
Concerned Accounting Unit	1
Consolidation Section of Finance Directorate	2,3,8,9
Deputy Manager Corporate Accounts	
Finance Directorate	4
Manager Corporate Accounts	
Finance Directorate	5
Finance Director	
Finance Directorate	6,7

AFR-1.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Only appropriate users can change defined Chart of Accounts.	Chart of Accounts may be unintentionally and inappropriately changed by users; changes by unauthorized users may result in inaccurate financial reporting.	The responsibility to initiate, review and approve the change to the chart of accounts is segregated. The Request for Allocation of new Head of Account is initiated by the Concerned Accounting Unit and reviewed by AMA, DMCA and MCA. The request is finally approved by the FD.	1,2,4,5,6

AFR-2 Recording of Accounting Transactions, IOT Adjustments and Preparation of Trial Balance

AFR-2.1 Descriptive Overview of the Process

A. This process covers the activities regarding the Recording of Accounting Transactions, IOT Adjustments and preparation of Trial Balance.

B. For Payment transactions, the Accounting Unit prepares the Payment Voucher and updates the Cash Book.

C. LPS is prepared, verified and approved.

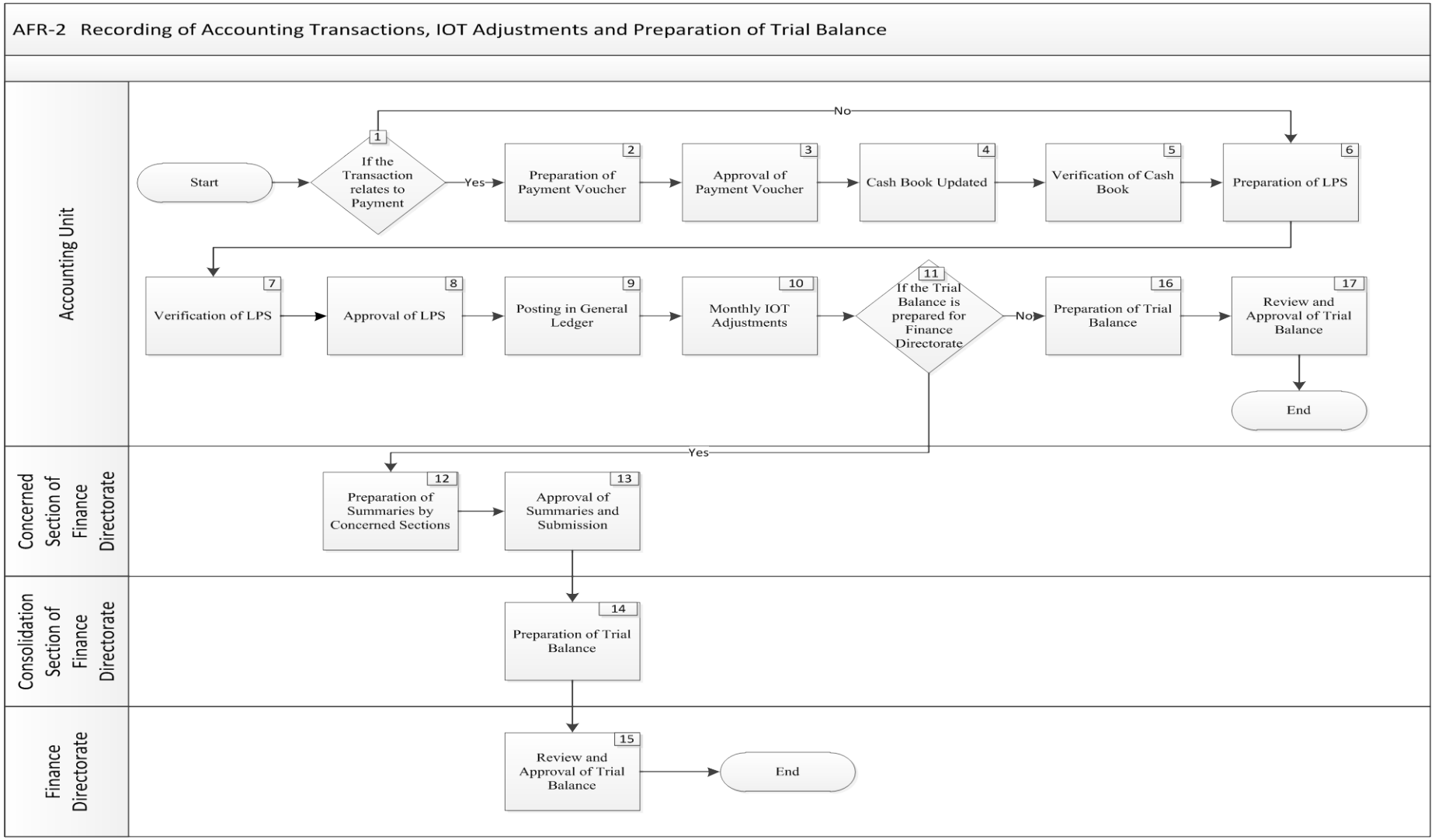
D. Posting is made in the General Ledger and monthly IOT adjustments are recorded.

E. For the preparation of Trial Balance of Finance Directorate, Concerned Sections provide the Summaries to the Consolidation Section of Finance Directorate.

F. Trial Balance is reviewed and approved by the MCA and FD.

G. Trial Balances for other Accounting Units are prepared by the Accounting Units themselves.

AFR-2.2 Flow Chart



AFR-2.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	If the Transaction relates to Payment	If the transaction relates to Payment, continues to Activity # 2, else continues to Activity # 6.			Accounting Unit	
2.	Preparation of Payment Voucher	Payment Voucher is prepared to record the transaction payments through Imprest Cash. **[**Refer ***"Volume III, Annexure – 4"*** for the specimen of ***Payment Voucher*****]**	Payment Voucher		Accounting Unit	AA/AO
3.	Approval of Payment Voucher	Payment Voucher is approved.			Accounting Unit	DAO/AMA, DDO
4.	Cash Book Updated	Cash Book is updated to record the transaction accordingly. **[**Refer ***"Volume III, Annexure – 5"*** for the specimen of ***Cash Book*****]**	Cash Book		Accounting Unit	AA/AO
5.	Verification of Cash Book	Cash Book is verified to ensure the accuracy and completeness of transactions.			Accounting Unit	DAO/AMA, DDO
6.	Preparation of LPS	a) LPS is prepared to record the payment transaction. b) Separate LPS are prepared to record the transactions for the following: ➢ Store Account ➢ SS Cheque			Accounting Unit	AA/AO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		➢ IOT- Debit/Credit Note ➢ Capital Account ➢ Miscellaneous Receipt ➢ Revenue Collection ➢ Security Receipt ➢ Journal Voucher (Adjustments) ➢ Asset Purchase ➢ Depreciation				
7.	Verification of LPS	LPS is verified to ensure its accuracy and completeness.			Accounting Unit	AO
8.	Approval of LPS	LPS is approved.			Accounting Unit	DAO/AMA
9.	Posting in General Ledger	Approved LPS are posted into the General Ledger. **[**Refer ***"Volume III, Annexure – 6"*** for the specimen of ***General Ledger*****]**	General Ledger		Accounting Unit	AA
10.	Monthly IOT Adjustments	Monthly IOT adjustments are recorded into the General Ledger.			Accounting Unit	AA
11.	If the Trial Balance is prepared for Finance Directorate	If the Trial Balance is prepared for Finance Directorate (Including the figures of Office of CEO and MIS Directorate) continue to Activity # 12, else continue to Activity 16.			Accounting Unit	
12.	Preparation of Summaries by Concerned Sections	The following Concerned Sections prepare the Summaries containing the transactions by Finance Directorate, Office of CEO and MIS Directorate:	Summaries		Concerned Section of Finance Directorate	AA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		➢ Banking Section ➢ Payment Section ➢ Cash Section ➢ Pension Section ➢ CP & C Section ➢ Escrow Section ➢ Tax Section ➢ Asset Section ➢ IOT Section ➢ Receivable Payable Section **[**Refer ***"Volume III, Annexure – 7"*** for the specimen of ***Summaries*****]**				
13.	Approval of Summaries and Submission	Summaries are approved and submitted to the Consolidation Section of Finance Directorate.			Concerned Section of Finance Directorate	AMA
14.	Preparation of Trial Balance	Trial Balance for the Finance Directorate (Including the figures of Office of CEO and MIS Directorate) is prepared by the Consolidation Section of Finance Directorate after collecting the Summaries from the Concerned Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 8"*** for the specimen of ***Trial Balance*****]**	Trial Balance		Consolidation Section of Finance Directorate	AO
15.	Review and	Trial Balance for Finance Directorate is reviewed by the			Finance Directorate	MCA, FD

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Approval of Trial Balance	MCA and approved by the FD.				
16.	Preparation of Trial Balance	Trial Balances for other Accounting Units are prepared by the Accounting Units themselves. **[**Refer ***"Volume III, Annexure – 8"*** for the specimen of ***Trial Balance*****]**	Trial Balance		Accounting Unit	DAO/AO
17.	Review and Approval of Trial Balance	Trial Balance for Accounting Unit is reviewed and approved by the AMA and/or the DDO.			Accounting Unit	AMA/DDO

AFR-2.4 Journal Entries

None

AFR-2.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Section of Finance Directorate	12
Accounting Unit	2,4,6,9,10
Accounts Officer	
Consolidation Section of Finance Directorate	14
Accounting Unit	2,4,6,7,16
Divisional Accounts Officer	
Accounting Unit	3,5,8,16
Drawing and Disbursing Office	
Accounting Unit	3,5,17
Assistant Manager Accounts	
Concerned Section of Finance Directorate	13
Accounting Unit	3,5,8,17
Manager Corporate Accounts	
Finance Directorate	15
Finance Directorate	
Finance Directorate	15

AFR-2.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Payment Vouchers are prepared correctly and approved by authorized personnel.	Unauthorized payments may be made resulting in financial loss to the Company.	Payment Voucher is approved by the Competent Authority of the Concerned Accounting Unit.	3
2	Cashbook is accurately prepared and updated.	Incorrect posting in the Cashbook may result in the misstatement of financial statements.	Cashbook is updated on the basis of the approved Payment Voucher. Entry in the Cashbook is verified by the DAO/AMA or DDO of the Concerned Accounting Unit to ensure its accuracy.	4,5
3	LPS are prepared accurately and verified and approved by authorized personnel.	Incorrect and unauthorized LPS may result in the misstatement of financial statements.	LPS is prepared by AA, verified by AO and approved by the DAO/ AMA of the Concerned Accounting Unit.	6,7,8
4	The Trial Balance is accurately prepared.	An inaccurate Trial Balance may result in the misstatements of financial statements.	Trial Balance for Finance Directorate is reviewed by the MCA and approved by the FD. Trial Balance for Accounting Unit is reviewed and approved by the AMA and/or the DDO.	15,17

AFR-3 Preparation of Financial Statements

AFR-3.1 Descriptive Overview of the Process

A. This process covers the Preparation of Financial Statements.

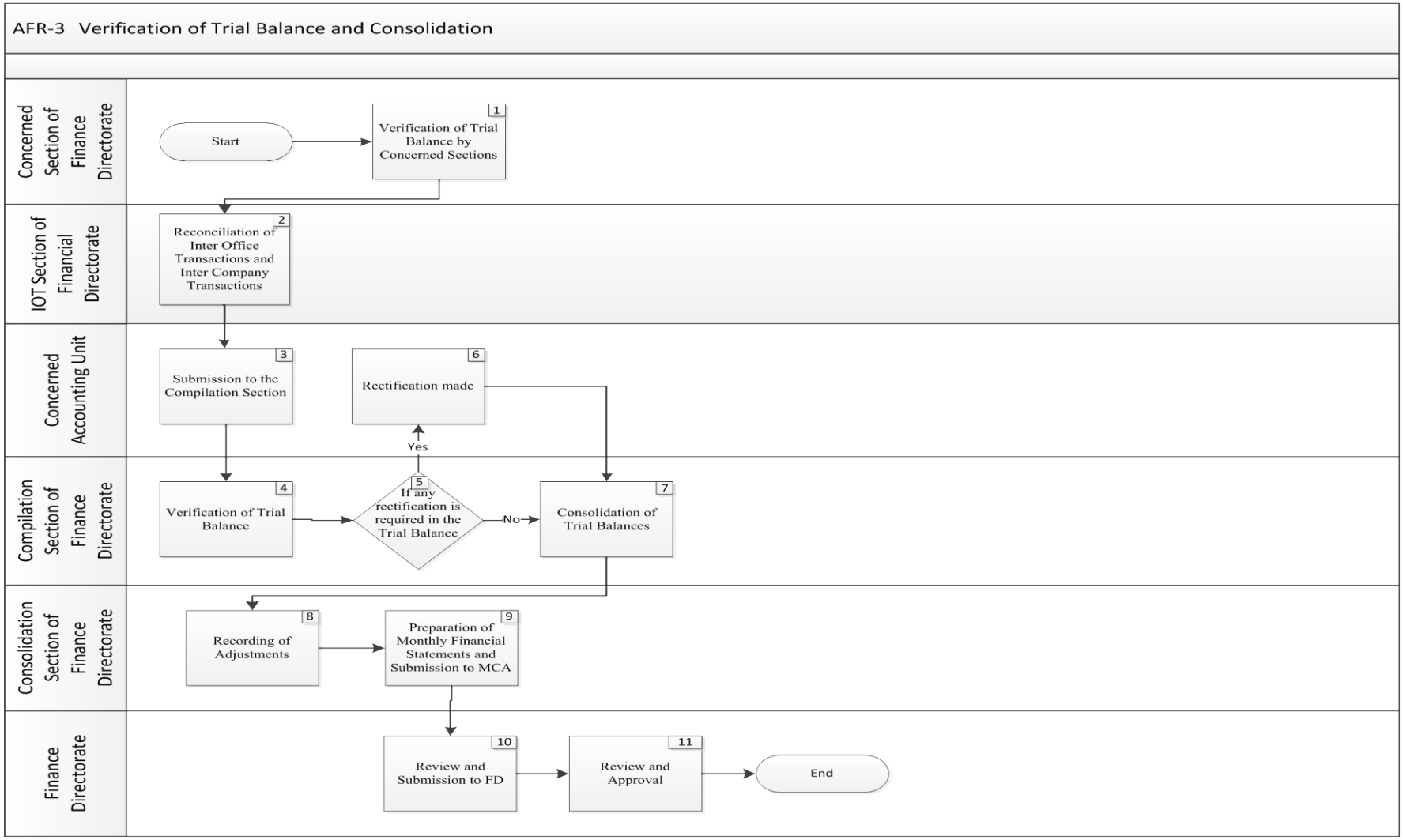
B. Accounting Units get their respective Trial Balances verified from the Concerned Sections of Finance Directorate and submit the Trial Balance to the Compilation Section of Finance Directorate.

C. Compilation Section verifies the Trial Balances and instructs the Accounting Unit to rectify any error if any is identified.

D. Trial Balances are consolidated and monthly, quarterly and annual adjustments are recorded (where applicable) for the preparation of Monthly Financial Statements.

E. Monthly Financial Statements are reviewed by the DMCA and MCA and approved by the FD.

AFR-3.2 Flow Chart



AFR-3.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Verification of Trial Balance by Concerned Sections	Each month the AA/DAO from each Accounting Unit visits the Finance Directorate and gets the Trial Balance verified from the following Sections: ➢ Banking Section ➢ Budget Section ➢ IOT Section ➢ Asset Section			Concerned Section of Finance Directorate	AA,AO, AMA
2.	Reconciliation of Inter Office Transactions and Inter Company Transactions	IOT Section of Finance Directorate verifies the Inter Office Transactions and Inter Company Transactions recorded by the Accounting Units and reconciles the balances with the balance of IOT Register maintained by the IOT Section of Finance Directorate.			IOT Section of Financial Directorate	AA, AO, AMA
3.	Submission to the Compilation Section	After verification of the Trial Balance from Concerned Sections of Finance Directorate, Trial Balance is submitted to the Compilation Section of Finance Directorate along with the Submission Check List. **[**Refer ***"Volume III, Annexure – 9"*** for the specimen of ***Submission Check List***]	Submission Check List		Concerned Accounting Unit	AA
4.	Verification of Trial Balance	Trial Balance is verified to ensure accuracy and completeness of the Trial Balance.			Compilation Section of Finance Directorate	AA, AO, AMA
5.	If any rectification is required in the Trial Balance	If any error is identified in the Trial Balance by the Compilation Section of Finance Directorate and rectification is required, continues to Activity # 6, else Activity # 7.			Compilation Section of Finance Directorate	

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
6.	Rectification made	Rectification is made by the Concerned Accounting Unit and rectified Trial Balance is returned to the Compilation Section of Finance Directorate.			Concerned Accounting Unit	AA, DAO
7.	Consolidation of Trial Balances	Trial Balances of all the Accounting Units are consolidated by the Compilation Section of Finance Directorate.			Compilation Section of Finance Directorate	AO, AMA
8.	Recording of Adjustments	Monthly, Quarterly and Annual adjustments are incorporated by the Consolidation Section of Finance Directorate in the following Head of Accounts (where applicable): ➢ Provision for Doubtful Debts ➢ Spill Over Revenue ➢ Fuel Price Adjustment ➢ Post Retirement Benefits ➢ Other Provisions **[**Refer ***"RNR - 18"*** for details regarding ***spill over revenue***] **[**Refer ***"RNR - 19"*** for details regarding ***fuel price adjustment***] **[**Refer ***"RNR - 20"*** for details regarding ***provision for doubtful debts***] **[**Refer ***"HR – 12"*** for details regarding ***post retirement benefits***]			Consolidation Section of Finance Directorate	AMA, DMRA
9.	Preparation of Monthly Financial	a) Consolidation Section of Finance Directorate prepares the Monthly Financial Statements and presents the	Monthly Financial		Consolidation Section of Finance Directorate	AMA, DMA (FF)

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Statements and Submission to MCA	same to the MCA for review. b) Monthly Financial Statements contain the following: ➢ Profit and Loss Statement ➢ Balance Sheet ➢ Statement of Comprehensive Income ➢ Statement of Changes in Equity **[**Refer ***"Volume III, Annexure – 10"*** for the specimen of ***Monthly Financial Statements***]	Statements			
10.	Review and Submission to FD	MCA reviews the Monthly Financial Statements and submits it to the FD for review.			Finance Directorate	MCA
11.	Review and Approval	FD reviews the Monthly Financial Statements and approves it.			Finance Directorate	FD

AFR-3.4 Journal Entries

None

AFR-3.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Concerned Section of Finance Directorate	1
IOT Section of Finance Directorate	2
Concerned Accounting Unit	3,6
Compilation Section of Finance Directorate	4
Accounts Officer	
Concerned Section of Finance Directorate	1
IOT Section of Finance Directorate	2
Compilation Section of Finance Directorate	4,7
Divisional Accounts Officer	
Concerned Section of Finance Directorate	1
Concerned Accounting Unit	6
Assistant Manager Accounts	
Concerned Section of Finance Directorate	1
IOT Section of Finance Directorate	2
Compilation Section of Finance Directorate	4,7
Consolidation Section of Finance Directorate	8,9
Deputy Manager Regulatory Affairs	
Consolidation Section of Finance Directorate	8
Deputy Manager Accounts (Field Formation)	
Consolidation Section of Finance	9

Directorate	
Manager Corporate Accounts	
Finance Directorate	10
Finance Directorate	
Finance Directorate	11

AFR-3.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Intercompany payable transactions are accurate and complete.	Intercompany payable transactions may not be completely or accurately posted to the general ledger.	IOT Section of Finance Directorate verifies the Inter Office Transactions and Inter Company Transactions recorded by the Accounting Units and reconciles the balances with the balance of IOT Register maintained by the IOT Section of Finance Directorate.	2
2	Financial Statements are free from material misstatements.	Financial Statements contain material misstatements.	Trial Balances of all the Accounting Units are verified by the concerned Sections of the Finance Directorate. After verification, the Trial Balances are forwarded to the Compilation Section along with the Submission Check List to ensure accuracy and completeness of the Trial Balance.	1 3, 4
3	Consolidating entries are made correctly and in a timely manner.	Consolidation entries are inaccurate or inappropriate.	Monthly, quarterly and annual adjustments are made by the Consolidation Section of Finance Directorate.	8
4	Financial Statements are reviewed to ensure they are free from material misstatements.	Financial Statements contain material misstatements.	Prior to approval, Monthly Financial Statements are reviewed by MCA and FD.	10, 11

AFR-4 General Ledger Closing and Subsequent Adjustments

AFR-4.1 Descriptive Overview of the Process

A. This process covers the activities regarding the General Ledger Closing and Subsequent Adjustments.

B. After the submission of Trial Balances by the Accounting Units to the Compilation Section of Finance Directorate, General Ledger is closed by the Consolidation Section of Finance Directorate.

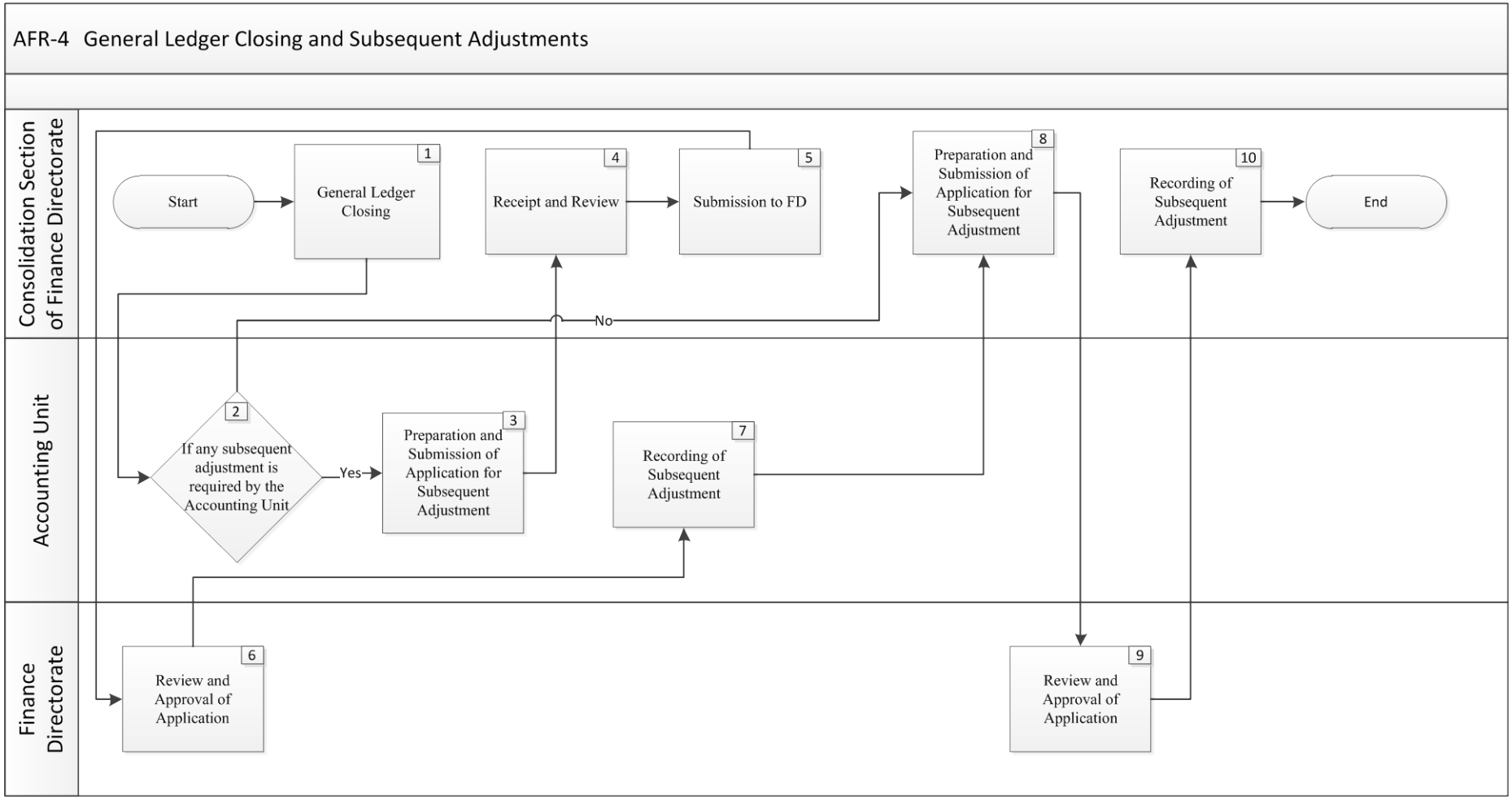
C. If any subsequent adjustment is required by the Accounting Unit an Application for Subsequent Adjustment is prepared by the Accounting Unit and submitted to the Consolidation Section.

D. After review of Consolidation Section and approval from FD, the subsequent adjustment is recorded by the Accounting Unit.

E. If Subsequent Adjustment in the General Ledger is required by the External Auditors or the Consolidation Section, an Application for Subsequent Adjustment is prepared by the Consolidation Section and submitted to the FD for approval.

F. After approval from FD, the subsequent adjustment is recorded by the Consolidation Section.

AFR-4.2 Flow Chart



AFR-4.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	General Ledger Closing	After the submission of Trial Balances by the Accounting Units to the Compilation Section of Finance Directorate, General Ledger is closed by the Consolidation Section of Finance Directorate.			Consolidation Section of Finance Directorate	AMA, DMA (FF)
2.	If any subsequent adjustment is required by the Accounting Unit	If any subsequent adjustment is required by the Accounting Unit continue to Activity # 3, else continue to Activity # 8.			Accounting Unit	
3.	Preparation and Submission of Application for Subsequent Adjustment	Application for Subsequent Adjustment is prepared by the Accounting Unit and submitted to the Consolidation Section of Finance Directorate. **[**Refer ***"Volume III, Annexure – 11"*** for the specimen of ***Application for Subsequent Adjustment*****]**	Application for Subsequent Adjustment		Accounting Unit	AA, DAO/AO, DDO
4.	Receipt and Review	Consolidation Section of Finance Directorate receives the application and reviews the application to verify its reasonableness.			Consolidation Section of Finance Directorate	AMA
5.	Submission to FD	After review, Application for Subsequent Adjustment is submitted to the FD by the Consolidation Section of Finance Directorate for review and approval.			Consolidation Section of Finance Directorate	AMA
6.	Review and Approval of Application	FD reviews the Application for Subsequent Adjustment and approves it.			Finance Directorate	FD
7.	Recording of Subsequent	After approval from the FD, subsequent adjustment is recorded by the Accounting Unit.			Accounting Unit	AA, DAO/AO

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Adjustment					
8.	Preparation and Submission of Application for Subsequent Adjustment	Where Subsequent Adjustment in the General Ledger is required by the External Auditors (In case of necessary Provisions such as, Provision for Doubtful Debt, Provision for Spill Over Revenue, and Provision for Fuel Price Adjustment etc) or the Consolidation Section of Finance Directorate, an Application for Subsequent Adjustment is prepared by the Consolidation Section of Finance Directorate and submitted to the Finance Director. **[**Refer ***"Volume III, Annexure – 11"*** for the specimen of ***Application for Subsequent Adjustment*****]**	Application for Subsequent Adjustment		Consolidation Section of Finance Directorate	AMA
9.	Review and Approval of Application	FD reviews the Application for Subsequent Adjustment and approves it.			Finance Directorate	FD
10.	Recording of Subsequent Adjustment	After approval from FD, subsequent adjustment is made by the Consolidation Section of Finance Directorate.			Consolidation Section of Finance Directorate	AMA

AFR-4.4 Journal Entries

None

AFR-4.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	
Accounting Unit	3,7
Accounts Officer	
Accounting Unit	3,7
Divisional Accounts Officer	
Accounting Unit	3,7
Drawing and Disbursing Officer	
Accounting Unit	3
Assistant Manager Accounts	
Consolidation Section of Finance Directorate	1,4,5,8,10
Deputy Manager Accounts (Field Formation)	
Consolidation Section of Finance Directorate	1
Finance Director	
Finance Directorate	6,9

AFR-4.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Accounting records are closed and reconciled in a timely manner.	Accounting records are not closed and/ or reconciled in a timely manner. Transactions may be posted to an inappropriate period thus misstating the financial records in the interim.	After the submission of Trial Balances by the Accounting Units to the Compilation Section of Finance Directorate, General Ledger is closed by the Consolidation Section of Finance Directorate.	1
2	Adjusting entries are made correctly and in a timely manner.	Adjusting entries are inaccurate or inappropriate.	Application for Subsequent Adjustment is prepared by the Accounting Unit and submitted to the Consolidation Section of Finance Directorate. Consolidation Section of Finance Directorate receives the application and reviews the application to verify its reasonableness. FD reviews the Application for Subsequent Adjustment and approves it.	3 4 5

AFR-5 Internal Reporting

AFR-5.1 Descriptive Overview of the Process

A. This process covers the activities regarding the Internal Reporting.

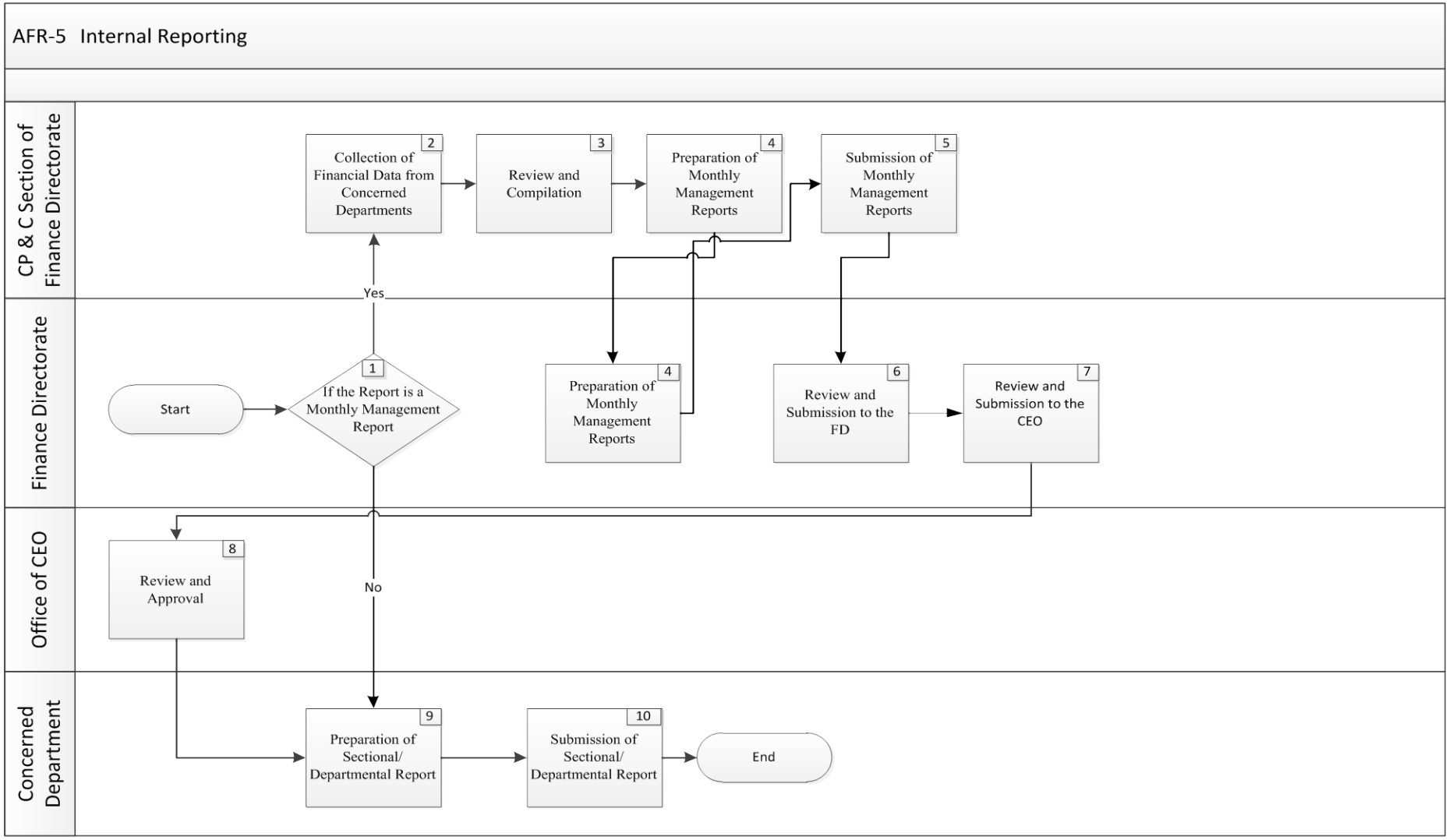
B. CP & C Section of Finance Directorate collects financial data from Concerned Departments and reviews it.

C. Data is compiled to prepare the Monthly Management Reports which are submitted to the FD for review.

D. Monthly Management Reports are reviewed by the FD, CEO and approved by the BOD.

E. After review concerned reports are submitted to PEPCO.

AFR-5.2 Flow Chart



AFR-5.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	If the Report is a Monthly Management Report	If the report is a Monthly Management Report continue to Activity # 2, whereas if the report is a Sectional/Departmental Report, the process continues to Activity # 9.			Finance Directorate	
2.	Collection of Financial Data from Concerned Departments	a) Internal Reports comprise of reports that are prepared by the Concerned Departments periodically and submitted to the DISCO management. b) CP & C Section of Finance Directorate collects the Financial Data from Concerned Departments for the preparation of Monthly Management Reports.			CP & C Section of Finance Directorate	AO, AMA
3.	Review and Compilation	Data collected from Concerned Departments is reviewed for accuracy and completeness and compiled by the CP & C Section of Finance Directorate.			CP & C Section of Finance Directorate	AMA, MF
4.	Preparation of Monthly Management Reports	CP & C Section of Finance Directorate prepares the following Monthly Management Reports: ➢ Monthly Management Accounts • Balance Sheet • Profit and Loss Account • Financial Performance Division Wise	Monthly Management Accounts		CP & C Section of Finance Directorate Finance Directorate	AMA, MF DMA (FF)

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		• Statement showing bank balances • Consumer Growth/Revenue Growth • Category wise units sold • Revenue Target and Collection • T&D Losses • Division wise share in losses/revenue collection • O&M and Capital Expenditure Statements • Physical Targets of Projects and Achievements				
		➢ Division wise Profit and Loss Statements	Division wise Profit and Loss Statement			
		➢ Monthly Flash Report	Monthly Flash Report			
		➢ Monthly Financial Highlights Working Paper	Financial Highlights Working Paper			
		[Refer ***"Volume III, Annexure – 12"*** for the specimen of ***Monthly Management Accounts***] [Refer ***"Volume III, Annexure – 13"*** for the specimen of				

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		Division wise Profit and Loss Statement] [Refer ***"Volume III, Annexure – 14"*** for the specimen of ***Monthly Flash Report***] [Refer ***"Volume III, Annexure – 15"*** for the specimen of ***Financial Highlights Working Paper***]				
5.	Submission of Monthly Management Reports	Monthly Management Reports are submitted to the MCA for review.			CP & C Section of Finance Directorate	MF
6.	Review and Submission to FD	MCA reviews the Monthly Management Reports and submits the same to the FD for review.			Finance Directorate	MCA
7.	Review and Submission to the CEO	FD reviews the Monthly Management Reports and submits the same to the CEO for review and approval.			Finance Directorate	FD
8.	Review and Approval	CEO reviews the Monthly Management Reports and approves it.			Office of CEO	CEO
9.	Preparation of Sectional/Departmental Report	Sectional/Departmental Reports are prepared by Concerned Departments of DISCO periodically.			Concerned Department	AA, AO/DAO
10.	Submission of Sectional/Departmental Report	Sectional/Departmental Reports are submitted to the Concerned Section of Finance Directorate.			Concerned Department	AA, AO/DAO

AFR-5.4 Journal Entries

None

AFR-5.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Officer	
CP & C Section of Finance Directorate	2
Concerned Department	9,10
Assistant Manager Accounts	
CP & C Section of Finance Directorate	2,3,4
Manager Finance	
CP & C Section of Finance Directorate	3,4,5
Deputy Manager Accounts (Field Formations)	
Finance Directorate	4
Manager Corporate Accounts	
Finance Directorate	6
Finance Director	
Finance Directorate	7
Chief Executive Officer	
Office of CEO	8

AFR-5.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	Information collected for the purpose of Internal Reporting is accurate and reliable.	Management Reports may be prepared on the basis of inaccurate information.	Data collected from Concerned Departments is reviewed for accuracy and completeness and compiled by the CP & C Section of Finance Directorate.	3
2	Management Reports are accurate and reliable for the purpose of decision making.	Inaccurate Management Reports may hamper the decision making of the company's management.	MCA reviews the Monthly Management Reports and submits the same to the FD for review. FD reviews the Monthly Management Reports and submits the same to the CEO for review and approval. CEO reviews the Monthly Management Reports and approves it.	6 7 8

AFR-6 External Reporting

AFR-6.1 Descriptive Overview of the Process

A. This process covers the activities regarding the External Reporting.

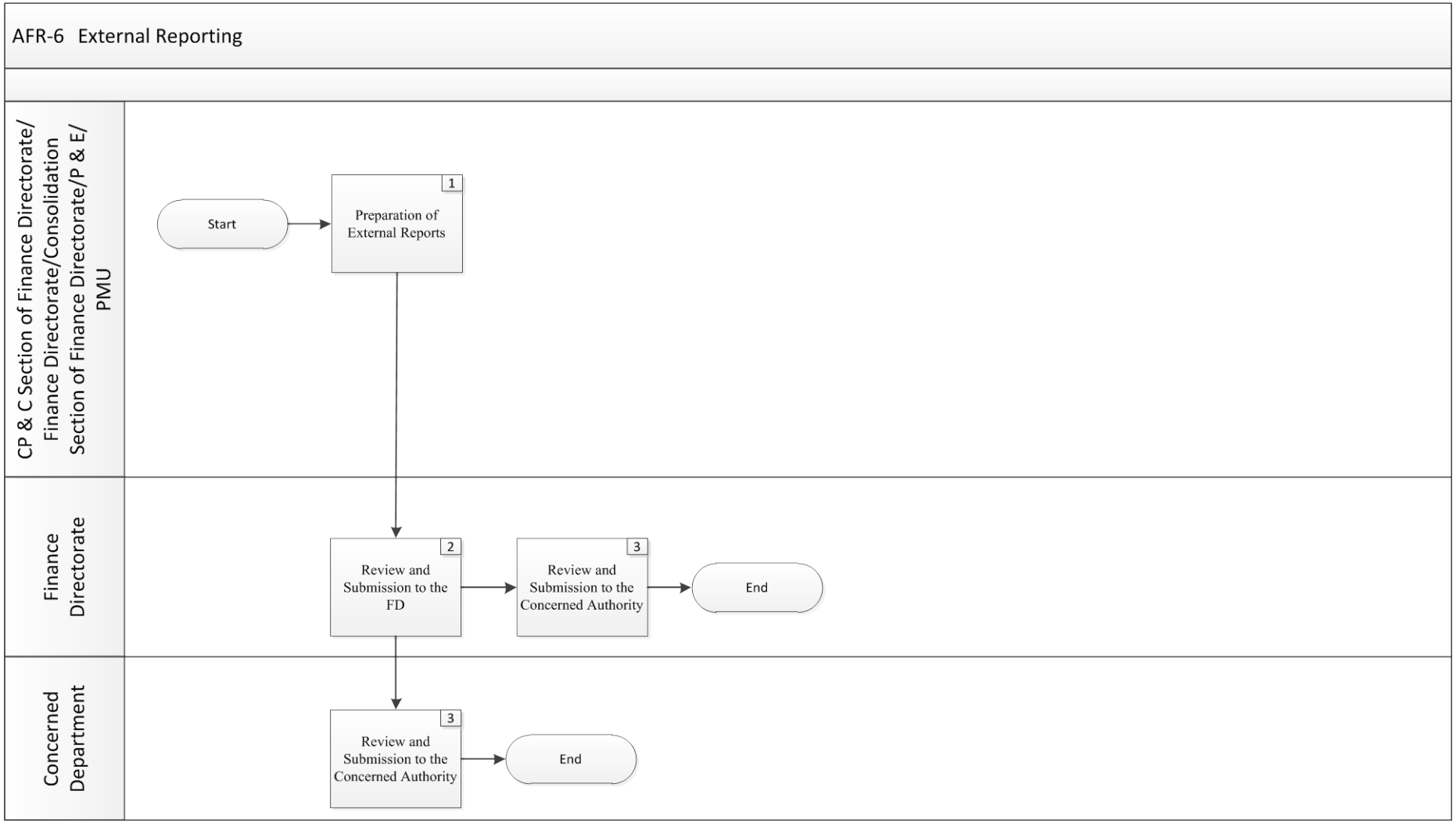
B. External Reports are prepared by the Concerned Departments and submitted to the External Authorities.

C. Prior to submission to the External Authorities, the External Reports are sent to MCA for review.

D. MCA reviews the External Reports and forwards them to the FD for approval.

E. After review, the FD approves the External Reports.

AFR-6.2 Flow Chart



AFR-6.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Preparation of External Reports	a) External Reports comprise of reports that are prepared by the Concerned Departments and submitted to External Authorities. b) The following External Reports are prepared: 1) Monthly Data - Progressive Results: NEPRA vs. Actual (Submitted to PEPCO)	Monthly Data - Progressive Results		CP & C Section of Finance Directorate Finance Directorate	AMA, MF DMA (FF)
		2) Monthly Flash Report (Submitted to PEPCO)	Monthly Flash Report		CP & C Section of Finance Directorate Finance Directorate Consolidation Section of Finance Directorate	AMA, MF DMA (FF) AMA, DMRA
		3) Quarterly Financial Progress Report (Submitted to Donor Agencies)	Quarterly Progress Report		CP & C Section of Finance Directorate	AMA, MF
		4) Tariff Petition (Submitted to NEPRA)	Tariff Petition			

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
		5) PC-1 (Submitted to Mo W&P) 6) Annual Submission of Financial Information in Accordance with Uniform System of Accounts (within six months of the close of Financial Year) [Refer ***"AFR - 5"*** for details regarding ***Monthly Flash Report***] [Refer ***"TRM - 1"*** for details regarding ***Tariff Petition***] [Refer ***"PBF - 3"*** for details regarding ***PC -1***] [Refer ***"Volume III, Annexure – 14"*** for the specimen of ***Monthly Flash Report***] [Refer ***"Volume III, Annexure – 16"*** for the specimen of ***Quarterly Progress Report***] [Refer ***"Volume III, Annexure – 17"*** for the specimen of ***Tariff Petition***]			P & E/PMU	Chief Engineer P & E/PMU
2.	Review and Submission to FD	External Reports are reviewed by the MCA and submitted to the FD for review.			Finance Directorate	MCA

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
3.	Review and Submission to the Concerned Authority	External Reports are reviewed by the FD and submitted to the Concerned Authorities by the Concerned Departments.			Finance Directorate Concerned Department	FD Functional Head

AFR-6.4 Journal Entries

None

AFR-6.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	
Consolidation Section of Finance Directorate	1
CP & C Section of Finance Directorate	1
Deputy Manager Accounts (Field Formation)	
Finance Directorate	1
Consolidation Section of Finance Directorate	1
Deputy Manager Regulatory Affairs	
Consolidation Section of Finance Directorate	1
Manager Finance	
CP & C Section of Finance Directorate	1
Manager Corporate Accounts	
Finance Directorate	2
Chief Engineer P & E/PMU	
P & E/PMU	1
Functional Head	
Concerned Department	3
Finance Director	
Finance Directorate	3

AFR-6.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	All External Reports are complete and accurate.	External Reports may not be accurate.	External Reports are reviewed by the MCA and submitted to the FD for review. External Reports are reviewed by the FD and submitted to the Concerned Authorities by the Concerned Departments.	2 3

AFR-7 Approval of Annual Financial Statements

AFR-7.1 Descriptive Overview of the Process

A. This process covers the activities regarding the Approval of Annual Financial Statements.

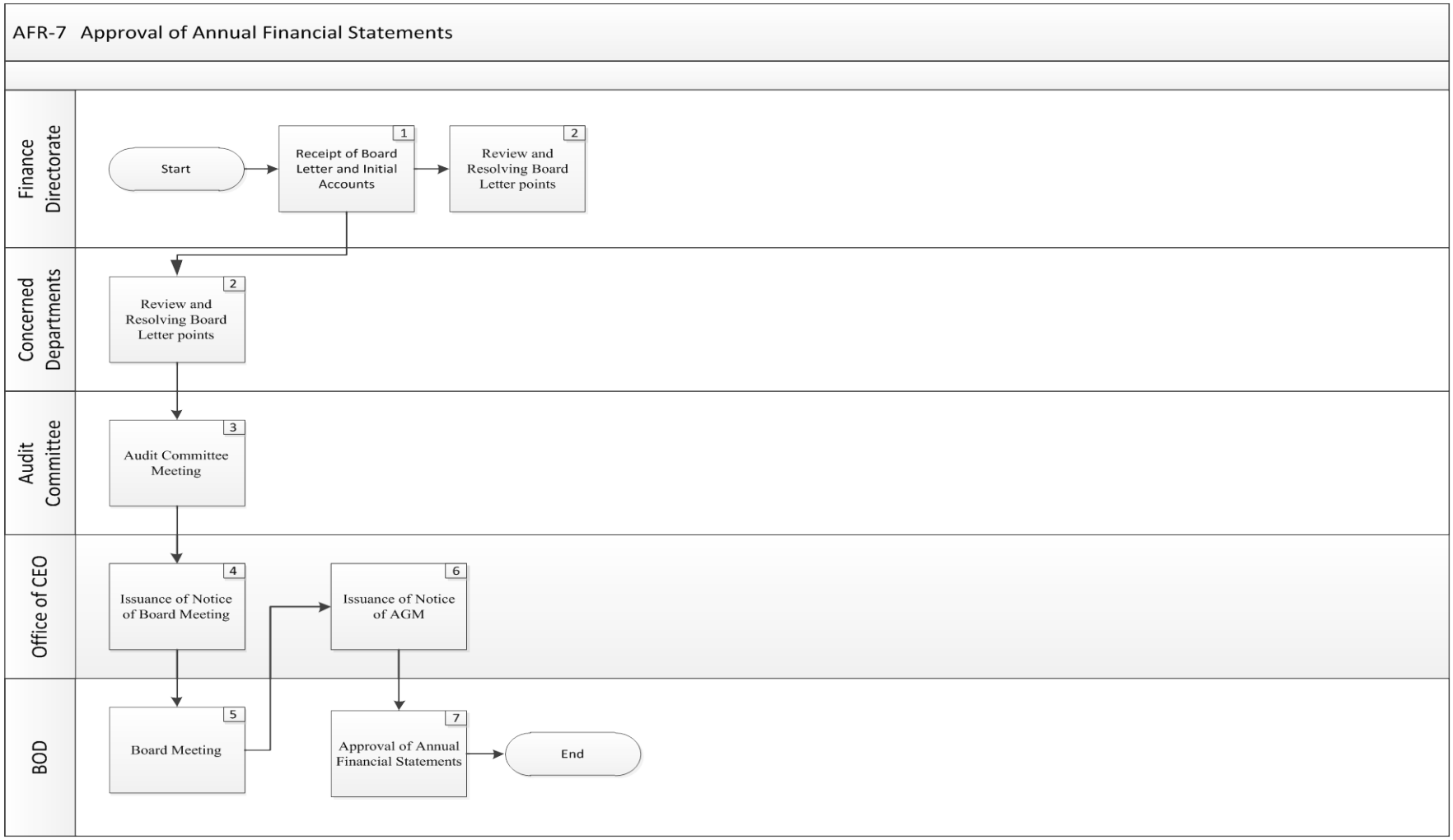
B. The Finance Director receives the Board Letter and the Initial Accounts from the External Auditors and gets the issues resolved through the Concerned Departments.

C. Initial Accounts are reviewed by the Audit Committee and Notice of Board Meeting is issued.

D. Initial Accounts are discussed at the BOD meeting and Notice of AGM is issued.

E. Financial statements are approved by the Shareholders and signed off by the BOD.

AFR-7.2 Flow Chart



AFR-7.3 Detail of Process Activities

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
1.	Receipt of Board Letter and Initial Accounts	a) After conducting Audit, the External Auditors submit the Board Letter and Initial Accounts to the FD. b) FD receives the Board Letter and Initial Accounts.			Finance Directorate	FD
2.	Review and Resolving Board Letter points	FD reviews the Board's Letter points and resolves the outstanding issues, through Concerned Departments.			Finance Directorate Concerned Departments	FD Functional Heads
3.	Audit Committee Meeting	Audit Committee Meeting is held where the Board Letter points are resolved and Initial Accounts are reviewed by the Audit Committee and recommended to the BOD for approval through a Resolution.			Audit Committee	Audit Committee
4.	Issuance of Notice of Board Meeting	Notice of Board Meeting along with the Draft Financial Statements is issued by the Company Secretary, 7 days prior to the date of holding Board Meeting.			Office of CEO	Company Secretary
5.	Board Meeting	a) Board Meeting is held to discuss the Initial Accounts. b) BOD reviews the Initial Accounts and recommends it for the AGM.			BOD	BOD
6.	Issuance of Notice of AGM	Notice of AGM along with Draft Financial Statements is issued by the Company Secretary, 21 days prior to the date of holding AGM.			Office of CEO	Company Secretary
7.	Approval of Annual Financial	Annual Financial Statements are approved by the Shareholders and signed off by the BOD.			BOD	BOD

Sr. #	Process Activity	Description of Process Activity	Output	Ref. of Journal Entry	Office / Section	Responsibility
	Statements					

AFR-7.4 Journal Entries

None

AFR-7.5 Summary of Responsibilities for Functional Activities

Office / Section	Summary of Responsibilities for Functional Activities – Reference No.
Functional Heads	
Concerned Departments	2
Finance Director	
Finance Directorate	1,2
Company Secretary	
Office of CEO	4,6
Audit Committee	
Audit Committee	3
Board of Directors	
BOD	5,7

AFR-7.6 Key Control Matrix

Sr.#	Objective	Risk	Control Activity	Activity Ref.#
1	The Financial Statements are presented to the BOD prior to its consideration in the BOD meeting.	The BOD may not have enough time to be properly acquainted with the financial statements. This may lead to overlooking of important area of decision making.	Notice of Board Meeting along with the Draft Financial Statements is issued by the Company Secretary, 7 days prior to the date of holding Board Meeting.	4
2	Financial Statements are prepared in accordance with the Accounting Standards applicable in Pakistan and the Company's Ordinance 1984.	Failure to comply may result in the imposition of financial penalties on the Company.	Annual Financial Statements are approved by the Shareholders and signed off by the BOD.	7

Summary of Responsibilities for Functional Activities

(Process and Sub Process Wise)

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Store Keeper	Regional Store/ Warehouse	IMM-11	1,18,20
	Regional Store/Warehouse	IMM-26	1
	Warehouse	IMM-14	1,3
	Warehouse	IMM-15	1,5
	Warehouse	IMM-17	6,8,9
	Warehouse	IMM-19	6,8,9
	Warehouse	IMM-20	2,4,8
	Warehouse	IMM-21	4,11
	Warehouse	IMM-23	4,6,10,11
	Warehouse	IMM-24	1,2,7,8
Dairy Clerk	Admin Section of Concerned Accounting Unit	GAA-4	1
	Admin Section of Finance Directorate	GAA-4	1
	Admin Section of Finance Directorate	HRM-8	1
	Admin Section of IT Directorate	GAA-4	1
	Admin Section of Office of CEO	GAA-4	1
Diary Clerk of Concerned AM CS / DM	Accounting Unit	FAM-13	7
Data Control Clerk	Concerned Office of AMCS	RNR-1	7
	Concerned Office of AMCS	RNR-2	2
Head Clerk	Accounts Section of Concerned Accounting Unit	HEM-4	10, 11
	Accounts Section of Concerned Accounting Unit	HRM-6	18
	Admin / Accounts Section of Concerned Accounting Unit	HRM-6	19
	Admin Section of Concerned Accounting Unit	GAA-2	1,2

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Head Clerk	Admin Section of Concerned Accounting Unit	GAA-5	4
	Admin Section of Concerned Accounting Unit	GAA-6	2,4,15
	Admin Section of Concerned Accounting Unit	HRM-6	1, 2, 5
	Admin Section of Concerned Accounting Unit	HRM-7	1, 2, 7
	Admin Section of Concerned Accounting Unit	HRM-8	1 ,2, 4, 5
	Admin Section of Concerned Accounting Unit	HRM-9	1, 2, 3, 7, 8
	Admin Section of Concerned Accounting Unit	HRM-10	1, 2, 8
	Admin Section of Concerned Accounting Unit	HRM-11	1
	Office of Civil Works	PBF-1	2
	Office of Civil Works	PBF-4	1
	Office of D. M (P&I)	PBF-1	2
	Office of Deputy Manager (Ware House)	PBF-1	2
	Office of DM (P&I)	PBF-4	1
	Office of M&T No. 2 East	PBF-1	2
	Office of M&T No. 2 East	PBF-4	1
	Office of M&T No.1 West	PBF-1	2
	Office of M&T No.1 West	PBF-4	1
	Office of SS&T No:1 North	PBF-1	2
	Office of SS&T No:1 North	PBF-4	1
	Office of SS&T No:2 South	PBF-1	2

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Head Clerk	Office of SS&T No:2 South	PBF-4	1
	Offices of Operation Division	PBF-1	2
	Offices of Operation Division	PBF-4	1
	Payment Section of Finance Directorate	HRM-6	18
	Regional Store	PBF-1	2
Sub Division Clerk	Office of Civil Works	PBF-1	2
	Office of Civil Works	PBF-4	1
	Office of D. M (P&I)	PBF-4	1
	Office of DM (P&I)	PBF-1	2
	Office of M&T No. 2 East	PBF-1	2
	Office of M&T No. 2 East	PBF-4	1
	Office of M&T No.1 West	PBF-1	2
	Office of M&T No.1 West	PBF-4	1
	Office of SS&T No:1 North	PBF-1	2
	Office of SS&T No:1 North	PBF-4	1
	Office of SS&T No:1 South	PBF-1	2
	Office of SS&T No:2 South	PBF-4	1
	Offices of Operation Division	PBF-1	2
	Offices of Operation Division	PBF-4	1
Lower Division Clerk	Admin Section of Office of CEO	GAA-1	7,9
	Admin Section of Office of CEO	GAA-5	4
	Admin Section of Office of CEO	GAA-6	2
	Admin Section of Office of CEO	HRM-7	1, 2
	Admin Section of Office of CEO	HRM-8	1
	Admin Section of Office of CEO	HRM-9	1, 2, 3, 7, 8
	Admin Section of Office of CEO	HRM-10	1, 2, 3

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Upper Divisional Clerk	Admin Section of IT Directorate	HRM-7	7
	Admin Section of IT Directorate	HRM-9	7, 8
	Admin Section of IT Directorate	HRM-10	8
	Admin Section of IT Directorate	HRM-3	2, 3, 5
	Admin Section of IT Directorate	HEM-4	6
	Admin Section of IT Directorate	HRM-5	1
	Admin Section of IT Directorate	HRM-6	2, 7
Superintendent	Admin Section of Concerned Accounting Unit	GAA-5	4
	Admin Section of Concerned Accounting Unit	GAA-6	2,4,15
	Admin Section of Concerned Accounting Unit	HRM-3	2, 3, 4, 5, 9
	Admin Section of Concerned Accounting Unit	HEM-4	1, 3, 6
	Admin Section of Concerned Accounting Unit	HRM-5	1
	Admin Section of Concerned Accounting Unit	HRM-6	1, 2, 5
	Admin Section of Concerned Accounting Unit	HRM-7	1, 2, 7
	Admin Section of Concerned Accounting Unit	HRM-8	1 ,2, 5
	Admin Section of Concerned Accounting Unit	HRM-9	1, 2, 3, 7, 8
	Admin Section of Concerned Accounting Unit	HRM-10	1, 2, 8
	Admin Section of Concerned Accounting Unit	HRM-11	1
	Admin Section of IT Directorate	HRM-3	1

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Superintendent	Admin Section of IT Directorate	HEM-4	1
	Admin Section of IT Directorate	HRM-6	1, 5
	Admin Section of IT Directorate	HRM-7	1, 2
	Admin Section of IT Directorate	HRM-8	1, 2, 4
	Admin Section of IT Directorate	HRM-9	1, 2
	Admin Section of IT Directorate	HRM-10	1, 2
	Admin Section of Office of CEO	HRM-6	1, 3, 5
	Admin Section of Office of CEO	HRM-7	3
	Admin Section of Office of CEO	HRM-8	2
Cashier	Accounts Section of Concerned Accounting Unit	GAA-1	15,17,18
	Accounts Section of Concerned Accounting Unit	GAA-4	8,10,11
	Accounts Section of Concerned Accounting Unit	GAA-5	10,12,13
	Accounts Section of Concerned Accounting Unit	GAA-6	9,11,12,18,20
	Accounts Section of Concerned Accounting Unit	HRM-3	14,16,17
	Accounts Section of Concerned Accounting Unit	HRM-5	10,11
	Accounts Section of Concerned Accounting Unit	HRM-6	10,11,13,14,16,19
	Accounts Section of Concerned Accounting Unit	HRM-7	13,15,16,18,19, 20, 22, 23
	Accounts Section of Concerned Accounting Unit	HRM-8	11,13,14
	Accounts Section of Concerned Accounting Unit	HRM-9	14,16,17

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Cashier	Accounts Section of Concerned Accounting Unit	HRM-10	14,16,17
	Accounts Section of Concerned Accounting Unit	HRM-11	9,11,12,13,15,17,19,20,21
	Admin Section of Office of CEO	GAA-3	1
	Admin Section of Office of CEO	GAA-6	4,15
	Admin Section of Office of CEO	HRM-3	1, 2, 3, 9
	Admin Section of Office of CEO	HEM-4	3, 6
	Admin Section of Office of CEO	HRM-5	1
	Admin Section of Office of CEO	HRM-6	2, 7
	Admin Section of Office of CEO	HRM-7	7
	Admin Section of Office of CEO	HRM-8	5
	Admin Section of Office of CEO	HRM-10	8
	Concerned Office of AMCS	RNR-14	2, 3, 4
	Finance Section of Office of PMU	PAP-3	20,24
	Finance Section of Office of PMU	PAP-10	6
	Payment Section - Finance Directorate	PAP-8	8
	Payment Section of Finance Directorate	CTM-17	11,12
	Payment Section of Finance Directorate	GAA-1	15,17,18
	Payment Section of Finance Directorate	GAA-4	8,10,11
	Payment Section of Finance Directorate	GAA-5	10,12,13
	Payment Section of Finance Directorate	GAA-6	9,11,12,18,20
	Payment Section of Finance	HRM-3	14,16,17

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Directorate		
Cashier	Payment Section of Finance Directorate	HEM-4	10,11
	Payment Section of Finance Directorate	HRM-5	10,11
	Payment Section of Finance Directorate	HRM-6	6,10,11,13,14,16,19
	Payment Section of Finance Directorate	HRM-7	13,15,16,18,19, 20, 22, 23
	Payment Section of Finance Directorate	HRM-8	11,13,14
	Payment Section of Finance Directorate	HRM-9	14,16,17
	Payment Section of Finance Directorate	HRM-10	14,16,17
	Payment Section of Finance Directorate	PAP-2	15,18
	Payment Section of Finance Directorate	PAP-5	13,16
	Payment Section of Finance Directorate	PAP-7	6, 9
Head Cashier	Admin Section of Office of CEO	HRM-3	2, 3, 4, 5
Head Clerk/ Superintendent	Admin Section of Concerned Accounting Unit	GAA-1	7,9
Line Superintendent	Accounting Unit	FAM-14	1
	Concerned Sub Division	IMM-8	1
	Division of PDGSC	IMM-18	1
	Office of AET	IMM-22	1
	Office of AET	IMM-18	1
	Sub Division of PDGSC	IMM-19	1

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Sub Operation Division	IMM-4	1
Line Superintendent / Sub Station Officer	Sub Division of PDGSC	IMM-21	1
Lower Division Clerk	Concerned Operation Division	CTM-3	1,2
Assistant	Admin Section of Office of CEO	HEM-4	1
Accounts Assistant	Accounting Unit	FAM-10	5,6,8,16,17,18
	Accounting Unit	FAM-12	2,3,4,5,6,8,9
	Accounting Unit	FAM-13	1,2,3,4,5,6,8,11,13,14,16,17
	Accounting Unit	FAM-14	2,4,5,6,7,11,13
	Accounting Unit	FAM-15	5
	Accounting Unit	CTM-10	1,2,4
	Accounting unit	PAP-1	10,16,17,19,20
	Accounting Unit	AFR-2	2,4,6,9,10
	Accounting Unit	AFR-4	3,7
	Accounting Unit	CTM-13	1,2,3,4
	Accounts Section of Concerned Accounting Unit	GAA-1	12,13,15,17,18,19
	Accounts Section of Concerned Accounting Unit	GAA-2	5,7,8
	Accounts Section of Concerned Accounting Unit	GAA-4	5,6,8,10,11,12
	Accounts Section of Concerned Accounting Unit	GAA-5	7,8,10,12,13,14
	Accounts Section of Concerned Accounting Unit	GAA-6	6,7,9,11,12,13,18,20,21
	Accounts Section of Concerned Accounting Unit	HRM-3	10,11,13,14,16,17,18,19, 20, 22
	Accounts Section of Concerned Accounting Unit	HEM-4	8,12,13,14,16

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Accounts Section of Concerned Accounting Unit	HRM-5	8,10,11,12
	Accounts Section of Concerned Accounting Unit	HRM-6	10,11,13,14,15,16,18,20
	Accounts Section of Concerned Accounting Unit	HRM-7	10,13,15,16,17,18,19, 20, 22, 23, 24
	Accounts Section of Concerned Accounting Unit	HRM-8	8,11,13,14,15,16,17,19
	Accounts Section of Concerned Accounting Unit	HRM-9	11,14,16,17,18,19, 20,22
	Accounts Section of Concerned Accounting Unit	HRM-10	11,14,16,17,18,19,20,22
	Accounts Section of Concerned Accounting Unit	HRM-11	9,11,12,13,15,17,19, 20, 21
	Accounts Section of Concerned Accounting Unit	TAX-5	1,3
	Accounts Section of Finance Directorate	GAA-3	4,6,8,9
	Admin Section of Concerned Accounting Unit	HRM-3	1, 2, 3, 5, 9
	Admin Section of Concerned Accounting Unit	HEM-4	1, 3, 6
	Admin Section of Concerned Accounting Unit	HRM-5	1
	Admin Section of Concerned Accounting Unit	HRM-6	6, 7
	Admin Section of Concerned Accounting Unit	HRM-11	1
	Admin Section of Finance Directorate	GAA-1	7,9
	Admin Section of Finance Directorate	GAA-3	1

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Admin Section of Finance Directorate	GAA-5	4
	Admin Section of Finance Directorate	GAA-6	4,15
	Admin Section of Finance Directorate	HRM-3	1, 2 ,3, 5, 9
	Admin Section of Finance Directorate	HEM-4	1, 3, 6
	Admin Section of Finance Directorate	HRM-5	1
	Admin Section of Finance Directorate	HRM-6	1, 2, 5, 7
	Admin Section of Finance Directorate	HRM-7	1, 7
	Admin Section of Finance Directorate	HRM-8	2, 4, 5
	Admin Section of Finance Directorate	HRM-9	1, 7, 8
	Admin Section of Finance Directorate	HRM-10	1, 8
	Admin Section of IT Directorate	GAA-1	7,9
	Admin Section of IT Directorate	GAA-3	1
	Admin Section of IT Directorate	GAA-5	4
	Admin Section of IT Directorate	GAA-6	2,4,15
	Admin Section of IT Directorate	HRM-3	2, 3, 4, 5, 9
	Admin Section of IT Directorate	HEM-4	3
	Admin Section of IT Directorate	HRM-8	5
	Asset Section – Finance Directorate	FAM-1	17
	Asset Section – Finance Directorate	FAM-2	3
	Asset Section –Finance Directorate	FAM-3	17
	Asset Section of Finance Directorate	FAM-9	4
	Asset Section of Finance Directorate	FAM-4	3
	Asset Section of Finance Directorate	FAM-7	3
	Asset Section of Finance Directorate	FAM-8	5
	Asset Section of Finance Directorate	FAM-15	3,4
	Asset Section of the Finance Directorate	FAM-16	1,2,3,4,5,6

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Assets Section of Finance Directorate	FAM-17	4,5,6,7
	Banking Section – Finance Directorate	FAM-1	2,3,4,6,7,8,9
	Banking Section of Finance Directorate	HRM-11	6
	Banking Section of Finance Directorate	FAM-3	2,3,4,5,6,7,8,9
	Banking Section of Finance Directorate	FAM-18	4,16,17
	Banking Section of Finance Directorate	CTM-1	23
	Banking Section of Finance Directorate	CTM-3	23
	Banking Section of Finance Directorate	CTM-5	9
	Banking Section of Finance Directorate	CTM-6	10,15
	Banking Section of Finance Directorate	CTM-7	1,2,3,4,5,6,7,8,10,12,13,15,16,17,18,19
	Banking Section of Finance Directorate	CTM-9	5,6,7,9,11,13,14,15
	Banking Section of Finance Directorate	CTM-10	5,6,7,9,11,13,15,17,18,20,21
	Banking Section of Finance Directorate	CTM-18	5,6,7,8,9,10,11,12,13,14
	Banking Section of Finance Directorate	CTM-19	13, 27
	Banking Section of Finance Directorate	CTM-23	1,2,3,4,5,6,7,8,9,10
	Banking Section of Finance	CTM-24	2,5,9,10

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Directorate		
Accounts Assistant	Banking Section of Finance Directorate	CTM-25	1,2,3,5,6
	Banking Section of Finance Directorate	CTM-26	6,7,8
	Banking Section of Finance Directorate	PAP-2	21,22,23,24,25
	Banking Section of Finance Directorate	PAP-3	31,32,33,34
	Banking Section of Finance Directorate	PAP-4	18,19,20,21,22,41
	Banking Section of the Finance Directorate	CTM-8	2,3,4,5,6,7,8,9,10,11,12,17,18
	Banking/Imprest Section of Finance Directorate	CTM-29	3
	Budget Section of Finance Directorate	PBF-1	4
	Budget Section of Finance Directorate	PBF-4	3, 9, 11
	Budget Section of Finance Directorate	PBF-5	12, 14
	Budget Section of Finance Directorate	CTM-10	8
	Civil Works Division	FAM-7	4,5,7,11,12,13,14,15,16
	Civil Works Division	FAM-9	6,12,13
	Collecting Office of AMCS	RNR-8	1, 2, 4
	Collecting Office of AMCS	RNR-9	5, 6, 7, 9, 10
	Collecting Office of AMCS	RNR-10	5, 6, 7, 9, 10
	Compilation Section of Finance Directorate	HRM-10	18
	Compilation Section of Finance Directorate	AFR-3	4
	Concerned Field Store	IMM-8	5,7,8,9,10,13,14

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Concerned Accounting Unit	RNR-4	3
	Concerned Accounting Unit	HRM-2	1, 2, 3, 6
	Concerned Accounting Unit	HRM-3	23, 24
	Concerned Accounting Unit	HEM-4	17,18
	Concerned Accounting Unit	HRM-8	20, 21
	Concerned Accounting Unit	HRM-9	23, 24
	Concerned Accounting Unit	HRM-10	23, 24
	Concerned Accounting Unit	TAX-3	4,32,33
	Concerned Accounting Unit	CTM-6	1,2,5,6,7,8,9,10,11,12,13,14
	Concerned Accounting Unit	CTM-21	2,3,4,5,6,7,8,10,11
	Concerned Accounting Unit	CTM-24	9
	Concerned Accounting Unit	AFR-1	1
	Concerned Accounting Unit	AFR-3	3,6
	Concerned Medium Power House	FAM-18	7,8,10,11,13
	Concerned Office	IMM-13	4
	Concerned Office of AMCS	RNR-16	2, 3, 5, 6, 8, 9
	Concerned Office of AMCS	RNR-1	1,2, 9, 10
	Concerned Office of AMCS	RNR-2	20, 21, 23, 24, 25, 26
	Concerned Office of AMCS	RNR-3	1, 2, 10, 11
	Concerned Office of AMCS	RNR-4	4, 6, 7, 8
	Concerned Office of AMCS	RNR-5	1, 4, 5, 6
	Concerned Office of AMCS	RNR-7	1, 2, 3, 4, 5, 6
	Concerned Office of AMCS	RNR-11	6, 7
	Concerned Office of AMCS	RNR-12	5, 6
	Concerned Office of AMCS	RNR-13	7
	Concerned Office of AMCS	RNR-14	6, 8, 9, 10, 11
	Concerned Office of AMCS	RNR-15	1, 3, 5, 7, 8, 14, 15, 17, 19, 20

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Concerned Office of AMCS	RNR-17	2, 4, 5, 6, 7, 8, 15, 16, 17
	Concerned Office of AMCS	TAX-3	14,15
	Concerned Office of AMCS	CTM-1	6,8,10,11,12,18, 19,21
	Concerned Office of AMCS	CTM-2	6,8,12
	Concerned Office of AMCS	CTM-5	4
	Concerned Office of AMCS	CTM-16	21
	Concerned Office of AMCS	CTM-28	4
	Concerned Operation Division	FAM-5	3,4,7,9,10,11,12,13,14
	Concerned Operation Division	FAM-6	2,4,5,6,7,9,13,14,15,16,17,18,19
	Concerned Operation Division	FAM-11	9,10,13,17
	Concerned Operation Division	CTM-3	4,5,6,7,8,10,11,15,16,17,18,19,20,21,22
	Concerned Operation Division	CTM-4	1,2,3,6,8,11,12,13
	Concerned Section of Finance Directorate	AFR-2	12
	Concerned Section of Finance Directorate	AFR-3	1
	Consolidation Section of Finance Directorate	HRM-12	2
	Consolidation Section of Finance Directorate	TAX-3	1,2,7,8,9
	Consolidation Section of Finance Directorate	IMM-12	20
	Consolidation Section of Finance Directorate	IMM-13	14
	Consolidation Section of Finance Directorate	CTM-16	1,2,4
	Consolidation Section of Finance Directorate	PAP-6	8

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Corporate Planning & Control Section of Finance Directorate	PAP-6	2,7
	CP & C Section of Finance Directorate	CTM-19	5,6,7,9,10,15,16,17,18,19,20,21,23,24,25,29,30,31,32,33,34
	CP&C Section of Finance Directorate	FAM-18	15
	Division of GSO	FAM-11	9,10,13,17
	Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	CTM-20	1,2,3,9,10,11,12,13,15,16,17,18
	ESCROW Section of Finance Directorate	CTM-7	20,21,22,23
	ESCROW Section of Finance Directorate	CTM-12	1,2,4,5,6,7,8
	ESCROW Section of Finance Directorate	CTM-14	8,10,12,13,14
	ESCROW Section of Finance Directorate	CTM-15	7,8,9,10
	ESCROW Section of Finance Directorate	CTM-27	2,3,4
	Field Store	IMM-3	10,11,12,13
	Field Store	IMM-4	7,10,11,12,13
	Finance Section of Office of PMU	PAP-3	15,21,25,26, 27,28
	Finance Section of Office of PMU	PAP-4	29,30,34,35,36,43
	Finance Section of Office of PMU	PAP-10	1,8,9,10,11
	GSO Division	FAM-8	17,18,19
	IOT Section	FAM-3	10,11,12,13
	IOT Section – Finance Directorate	FAM-1	10,11,12,13
	IOT Section of Finance Directorate	RNR-3	3, 6, 8, 9
	IOT Section of Finance Directorate	RNR-13	2, 3, 5

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	IOT Section of Finance Directorate	RNR-14	13, 15, 16
	IOT Section of Finance Directorate	RNR-15	22, 24, 25
	IOT Section of Finance Directorate	HRM-3	20, 22
	IOT Section of Finance Directorate	HEM-4	14,16
	IOT Section of Finance Directorate	HRM-8	17,19
	IOT Section of Finance Directorate	HRM-9	19, 20, 22
	IOT Section of Finance Directorate	HRM-10	20, 22
	IOT Section of Finance Directorate	TAX-3	10,12,13,28,29,31
	IOT Section of Finance Directorate	CTM-8	14,15,16
	IOT Section of Finance Directorate	CTM-10	8
	IOT Section of Finance Directorate	CTM-16	17,18,19
	IOT Section of Finance Directorate	PAP-2	27,28,29
	IOT Section of Finance Directorate	PAP-3	36,37,38
	IOT Section of Finance Directorate	PAP-4	24,26
	IOT Section of Finance Directorate	PAP-5	22,23,24
	IOT Section of Finance Directorate	PAP-8	14,15,16
	IOT Section of Finance Directorate	AFR-3	2
	Issuing Field Store	IMM-6	5,6,7,13
	MIS Store	IMM-12	14,16,17,18,19
	MIS Store	IMM-13	7,10,11,12,13
	Office of CE PMU	FAM-2	8
	Office of Deputy Manager (Ware House)	PBF-4	1
	Office of MIS	IMM-12	4
	Office of PDC	FAM-3	14,15,18,19,21,25,27,30,31,33,34,35,36,38,39,41,42,43,44,45

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Office of PDC	FAM-4	4,5,7,11,12,15,16,18,19,20,21,23,24,26,27,28,29,30
	Office of PDC	FAM-11	6,7,11,14,15
	Office of PDGSC	FAM-1	14,15,18,19,21,26,27,28,31,32,34,36,37,39,40,42,43,44,45,46
	Office of PDGSC	FAM-2	4,5,7,12,13,16,17,19,21,22,24,25,27,28,29,30,31
	Office of PDGSC	FAM-8	6,8,10,13 ,16
	Office of PDGSC	FAM-11	6,7,11,14,15
	Other Accounting Unit	RNR-15	9, 10
	Other Office of AMCS	RNR-16	10, 11, 12, 13
	Other Office of AMCS	CTM-1	14
	Other Operation Division	CTM-3	13,14
	Payment Section of Finance Directorate	GAA-1	12,13,15,17,18,19
	Payment Section of Finance Directorate	GAA-3	3
	Payment Section of Finance Directorate	GAA-4	5,6,8,10,11,12
	Payment Section of Finance Directorate	GAA-5	7,8,10,12,13,14
	Payment Section of Finance Directorate	GAA-6	6,7,9,11,12,13,18,20,21
	Payment Section of Finance Directorate	HRM-3	10,11,13,14,16,17,18,19
	Payment Section of Finance Directorate	HEM-4	8,10,11,12,13
	Payment Section of Finance Directorate	HRM-5	5, 8, 10, 11, 12

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Payment Section of Finance Directorate	HRM-6	10,11,13,14,15,16,18,19,20
	Payment Section of Finance Directorate	HRM-7	10,13,15,16,17,18,19, 20, 22, 23, 24
	Payment Section of Finance Directorate	HRM-8	8,11,13,14,15,16
	Payment Section of Finance Directorate	HRM-9	11,14,16,17,18
	Payment Section of Finance Directorate	HRM-10	11,14,16,17,19
	Payment Section of Finance Directorate	TAX-1	21,24,25
	Payment Section of Finance Directorate	TAX-5	1,3
	Payment Section of Finance Directorate	FAM-18	5,6
	Payment Section of Finance Directorate	CTM-13	1,2,3,4
	Payment Section of Finance Directorate	CTM-14	1,2,4,6
	Payment Section of Finance Directorate	CTM-15	1,2,4,6
	Payment Section of Finance Directorate	CTM-16	6,7,9,11,12,13,14,15
	Payment Section of Finance Directorate	CTM-17	4,6,8,10,11,12
	Payment Section of Finance Directorate	PAP-2	16,17,19,20,24,25
	Payment Section of Finance Directorate	PAP-5	14,15,17,18,19,20

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Payment Section of Finance Directorate	PAP-7	3,7,8,10,11
	Payment Section of Finance Directorate	PAP-8	6,7,9,10,11,12
	Payment Section of Finance Directorate	PAP-9	1,2,3,4,5,6,7,8,9,10,11
	PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	CTM-20	6,7,8,19
	Pension Section of Finance Directorate	HRM-11	2, 3, 7, 8,14, 22
	Pension Section of Finance Directorate	HRM-12	8
	Pension Section of Finance Directorate	CTM-11	2,3,4,6,8
	Pension Section of Finance Directorate	CTM-26	2,4
	Receiving Field Store	IMM-6	10,11,12,13
	Regional Store	TAX-3	17,32,33
	Regional Store	IMM-1	4,6,7,8,9
	Regional Store	IMM-2	6,8,9,10
	Regional Store	IMM-3	6,7,14
	Regional Store	IMM-4	14
	Regional Store	IMM-5	3,7,8,9
	Regional Store	IMM-6	14
	Regional Store	IMM-7	3,5,7,9,10, 11
	Regional Store	IMM-8	17,18,19,24,25,26,29
	Regional Store	IMM-9	4,5,6,9,11,12,13
	Regional Store	IMM-10	3,4,5,9,11,12,13

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Regional Store	IMM-11	5,6,7,9,10,11,13,14,21,22,23
	Regional Store	IMM-12	7,10,11,12
	Regional Store	PAP-8	17,18
	Regional Store/ Warehouse	IMM-25	7,8,9
	Regional Store/Warehouse	IMM-26	2,3,5,7,9,10,11,12,13,14,15,16
	Salary Slip Section of Finance Directorate	HRM-1	1, 2, 3, 4, 7
	Salary Slip Section of Finance Directorate	HRM-2	7, 8
	SS&T Division GSO	IMM-11	16,21,22,23
	SS&T Division GSO	IMM-16	6,7
	SS&T Division GSO	IMM-17	15,18,19
	SS&T Division GSO	IMM-18	10,11,12,13
	SS&T Division GSO	IMM-22	5,6,7,12,13,14
	SS&T Division GSO	IMM-23	7,8,9,15,16
	SS&T Division GSO	IMM-24	3,4,5,9,11,12,13
	Store	PAP-4	27,28
	Tax Section of Finance Directorate	TAX-1	3, 4, 5, 9,15,16,18
	Tax Section of Finance Directorate	TAX-2	5,6,9
	Tax Section of Finance Directorate	TAX-3	19,21,27
	Tax Section of Finance Directorate	TAX-5	5
	Warehouse	IMM-11	16,21,22,23
	Warehouse	IMM-14	4,6,7,8,9
	Warehouse	IMM-15	6,8,9,10
	Warehouse	IMM-17	7,10,11,12
	Warehouse	IMM-19	7,10,11,12
	Warehouse	IMM-20	3,5,7,9,10, 11

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Assistant	Warehouse	IMM-21	5,6,7,8,9,14,15,16
	Warehouse	IMM-23	7,8,9,15,16
	Warehouse	IMM-24	3,4,5,9,11,12,13
Accounts Assistant / Commercial Assistant	Concerned Office	CTM-22	1,2,3,4,5,6,7,8
Commercial Assistant	Concerned Office of AMCS	CTM-5	2,3,5, 6,7,8
	Concerned Office of AMCS	RNR-2	1, 3, 4, 5, 6, 8, 9, 10, 12, 13, 14, 15, 16, 17, 19
	Concerned Office of AMCS	RNR-4	5
	Concerned Office of AMCS	RNR-5	3
	Collecting Office of AMCS	RNR-9	1, 2, 3, 4
	Collecting Office of AMCS	RNR-10	1, 2, 3, 4
	Concerned Office of AMCS	RNR-11	1, 2, 3, 4, 5
	Concerned Office of AMCS	RNR-12	1, 2, 3, 4
	Concerned Office of AMCS	RNR-13	8
	Concerned Office of AMCS	RNR-14	1, 2, 3, 4, 5, 10, 11
	Concerned Office of AMCS	RNR-17	1, 3, 10, 12, 13, 14
	Concerned Office of AMCS	CTM-1	1,2,4,5,15,16,17,20,22
	Other Office of AMCS	CTM-1	13
	Concerned Office of AMCS	CTM-2	10,11,13
	Concerned Office of AMCS	CTM-28	1,2,3
Commercial Assistant-Administration	Offices of AMCS	PBF-1	2
	Offices of AMCS	PBF-1	2
	Offices of AMCS	PBF-4	1
	Offices of AMCS	PBF-4	1
Accounts Officer	Accounting Unit	FAM-10	6,8,16,17,18
	Accounting Unit	FAM-13	14,16

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Officer	Accounting Unit	FAM-15	5
	Accounting Unit	IMM-5	1
	Accounting Unit	AFR-2	2,4,6,7,16
	Accounting Unit	AFR-4	3,7
	Accounts Section of Concerned Accounting Unit	TAX-5	3
	Admin Section of Finance Directorate	HRM-8	2
	Admin Section of Finance Directorate	HRM-9	2, 8
	Admin Section of Finance Directorate	HRM-10	2
	Asset Section – Finance Directorate	FAM-1	17
	Asset Section – Finance Directorate	FAM-2	3
	Asset Section –Finance Directorate	FAM-3	17
	Asset Section –Finance Directorate	FAM-4	3
	Asset Section of Finance Directorate	FAM-8	5
	Asset Section of Finance Directorate	FAM-9	4
	Asset Section of Finance Directorate	FAM-15	3,4
	Asset Section of the Finance Directorate	FAM-16	1,2,4,5
	Banking Section – Finance Directorate	FAM-1	3,8
	Banking Section of Finance Directorate	FAM-3	3,8
	Banking Section of Finance Directorate	FAM-18	4,16,17
	Banking Section of Finance Directorate	CTM-7	6,8,10,11,12.17,18
	Banking Section of Finance Directorate	CTM-9	6,7,10,11,14,15
	Banking Section of Finance	CTM-10	6,12,14,17,18,20,21

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Directorate		
Accounts Officer	Banking Section of Finance Directorate	CTM-19	13, 27
	Banking Section of Finance Directorate	CTM-23	3,4,5,8,9,10
	Banking Section of Finance Directorate	CTM-24	3,6
	Banking Section of Finance Directorate	CTM-25	4
	Banking Section of Finance Directorate	CTM-26	7,8
	Banking Section of Finance Directorate	PAP-2	22,23,24
	Banking Section of Finance Directorate	PAP-3	31,32,33
	Banking Section of Finance Directorate	PAP-4	19,20,21,41
	Banking Section of Finance Directorate	CTM-8	4,7,8,10,12
	Banking Section of Finance Directorate	CTM-8	17
	Banking/Imprest Section of Finance Directorate	CTM-29	1,4
	Budget Section of Finance Directorate	CTM-10	8
	Compilation Section of Finance Directorate	HRM-10	18
	Compilation Section of Finance Directorate	AFR-3	4,7
	Concerned Field Store	IMM-8	5,7,8,9,10,13,14
	Concerned Accounting Unit	HRM-8	20, 21

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Officer	Concerned Accounting Unit	HRM-9	23, 24
	Concerned Accounting Unit	HRM-10	23, 24
	Concerned Accounting Unit	CTM-6	3
	Concerned Accounting Unit	CTM-21	4,6,7,9,10,11
	Concerned Accounting Unit	AFR-1	1
	Concerned Accounting Unit / HO	TAX-3	4,33
	Concerned Department	AFR-5	9,10
	Concerned Office	IMM-13	2,4
	Concerned Section of Finance Directorate	AFR-3	1
	Consolidation Section of Finance Directorate	HRM-12	3, 4
	Consolidation Section of Finance Directorate	TAX-3	2
	Consolidation Section of Finance Directorate	IMM-12	20
	Consolidation Section of Finance Directorate	IMM-13	14
	Consolidation Section of Finance Directorate	CTM-16	3
	Consolidation Section of Finance Directorate	PAP-6	8
	Consolidation Section of Finance Directorate	AFR-2	14
	Corporate Planning & Control Section of Finance Directorate	PAP-6	7
	CP & C Section of Finance Directorate	CTM-19	5,6,7,8,9,11,16,20,22,23,24,25,26,30,31,33,34
	CP & C Section of Finance Directorate	AFR-5	2

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Officer	ESCROW Section of Finance Directorate	CTM-12	5,6
	ESCROW Section of Finance Directorate	CTM-14	9,11,13,14
	ESCROW Section of Finance Directorate	CTM-15	9,10
	ESCROW Section of Finance Directorate	CTM-27	3,4
	Field Store	IMM-3	10,11,12,13
	Field Store	IMM-4	7,10,11,12,13
	Finance Directorate	IMM-11	4
	Finance Section of Office of PMU	PAP-3	15,22,25,27
	Finance Section of Office of PMU	PAP-4	15,30,35,43
	Finance Section of Office of PMU	PAP-10	8,10
	IOT Section	FAM-3	12
	IOT Section – Finance Directorate	FAM-1	12
	IOT Section of Finance	CTM-10	8
	IOT Section of Finance Directorate	HRM-8	18
	IOT Section of Finance Directorate	HRM-9	19, 21
	IOT Section of Finance Directorate	HRM-10	21
	IOT Section of Finance Directorate	TAX-3	11,13,30,31
	IOT Section of Finance Directorate	CTM-8	15
	IOT Section of Finance Directorate	CTM-16	18
	IOT Section of Finance Directorate	PAP-2	28
	IOT Section of Finance Directorate	PAP-3	37
	IOT Section of Finance Directorate	PAP-4	25
	IOT Section of Finance Directorate	PAP-5	23
	IOT Section of Finance Directorate	PAP-8	15

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Officer	IOT Section of Finance Directorate	AFR-3	2
	Issuing Field Store	IMM-6	5,6,7,13
	MIS Store	IMM-12	14,16,17,18,19
	MIS Store	IMM-13	7,10,11,12,13
	Office of CE PMU	FAM-2	8
	Office of MIS	IMM-12	2,4
	Office of PDC	FAM-3	15,19,21,27,28,31,33,34,36,43,45
	Office of PDC	FAM-4	5,7,12,13,16,18,19,21,28,30
	Office of PDC	FAM-11	6,7,11,14,15
	Office of PDGSC	FAM-1	15,19,21,28,29,32,34,37,44,46
	Office of PDGSC	FAM-2	5,7,13,14,17,19,22,29,31
	Office of PDGSC	FAM-8	6,8,10,13 ,16
	Office of PDGSC	FAM-11	6,7,11,14,15
	Payment Section of Finance Directorate	HRM-8	12,15,16
	Payment Section of Finance Directorate	HRM-9	15,18
	Payment Section of Finance Directorate	HRM-10	15,19
	Payment Section of Finance Directorate	TAX-1	22,24,25
	Payment Section of Finance Directorate	TAX-5	3
	Payment Section of Finance Directorate	FAM-18	5,6
	Payment Section of Finance Directorate	CTM-13	3,4
	Payment Section of Finance	CTM-14	3,5

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Directorate		
Accounts Officer	Payment Section of Finance Directorate	CTM-15	3,5
	Payment Section of Finance Directorate	CTM-16	6,7,10,12,13,14
	Payment Section of Finance Directorate	CTM-17	2,6,9,11,12
	Payment Section of Finance Directorate	PAP-2	17,19,20,23,24
	Payment Section of Finance Directorate	PAP-5	15,17,18,19
	Payment Section of Finance Directorate	PAP-7	3,8,10,11
	Payment Section of Finance Directorate	PAP-8	7,9,10,11
	Payment Section of Finance Directorate	PAP-9	3,4,5,6,7,8,9
	PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	CTM-20	8,19
	Pension Section of Finance Directorate	HRM-11	3, 4, 5, 7
	Pension Section of Finance Directorate	HRM-12	5, 6, 7, 9
	Pension Section of Finance Directorate	CTM-11	2,3,5,7
	Pension Section of Finance Directorate	CTM-26	3
	Receiving Field Store	IMM-6	10,11,12,13
	Regional Store	TAX-3	17,33

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts Officer	Regional Store	IMM-1	4,6,7,8,9
	Regional Store	IMM-2	6,8,9,10
	Regional Store	IMM-3	6,7,14
	Regional Store	IMM-4	14
	Regional Store	IMM-5	3,7,8,9
	Regional Store	IMM-6	14
	Regional Store	IMM-7	3,5,7,9,10, 11
	Regional Store	IMM-8	17,18,19,24,25,26,29
	Regional Store	IMM-9	4,5,6,9,11,12,13
	Regional Store	IMM-10	3,4,5,9,11,12,13
	Regional Store	IMM-11	5,6,7,9,10,11,13,14,21,22,23
	Regional Store	IMM-12	7,10,11,12
	Regional Store	IMM-25	7,8,9
	Regional Store	IMM-26	2,3,5,7,9,10,11,12,13,14,15,16
	Regional Store	PAP-2	30,31
	Regional Store	PAP-8	17,18
	Store	PAP-3	29,30 ,39,40
	Store	PAP-4	28,37,38
	Tax Section of Finance Directorate	TAX-1	3, 4, 5, 9,15,17
	Tax Section of Finance Directorate	TAX-2	6, 8
	Tax Section of Finance Directorate	TAX-3	21,26
	Tax Section of Finance Directorate	TAX-5	5
Accounts Officer Administration	Office of Finance Directorate	PBF-1	2
	Office of Finance Directorate	PBF-4	1
Divisional Accounts Officer	Accounting Unit	FAM-14	2,5,6,7,10,11,12,13
	Accounting Unit	FAM-10	6,8,16,17,18
	Accounting Unit	FAM-12	1,2,3,4,6,7,8,9

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Divisional Accounts Officer	Accounting Unit	FAM-13	1,2,3,5,6,8,11,13,14,16,17
	Accounting Unit	FAM-15	1,2,5
	Accounting Unit	IMM-5	1
	Accounting Unit	CTM-10	1,2
	Accounting unit	PAP-1	1,2,4,6,7,10,11,14,16,17,18,19,20
	Accounting Unit	PAP-5	25,26
	Accounting Unit	AFR-2	3,5,8,16
	Accounting Unit	AFR-4	3,7
	Accounting Unit	CTM-13	1,3,4
	Accounts Section of Concerned Accounting Unit	GAA-1	16,19
	Accounts Section of Concerned Accounting Unit	GAA-2	6,8
	Accounts Section of Concerned Accounting Unit	GAA-4	9,12
	Accounts Section of Concerned Accounting Unit	GAA-5	11,14
	Accounts Section of Concerned Accounting Unit	GAA-6	10,13,19,21
	Accounts Section of Concerned Accounting Unit	HRM-3	11,13,15,18,19, 21
	Accounts Section of Concerned Accounting Unit	HEM-4	9, 12, 13, 15
	Accounts Section of Concerned Accounting Unit	HRM-5	9, 12
	Accounts Section of Concerned Accounting Unit	HRM-6	12,15,17,20
	Accounts Section of Concerned	HRM-7	14, 17, 21, 24

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Accounting Unit		
Divisional Accounts Officer	Accounts Section of Concerned Accounting Unit	HRM-8	12,15,16,18
	Accounts Section of Concerned Accounting Unit	HRM-9	15,18,19,21
	Accounts Section of Concerned Accounting Unit	HRM-10	15,18,19,21
	Admin Section of Concerned Accounting Unit	GAA-4	3
	Admin Section of Concerned Accounting Unit	GAA-6	16
	Admin Section of Concerned Accounting Unit	HRM-3	2, 3, 4, 6, 7
	Admin Section of Concerned Accounting Unit	HEM-4	2, 4, 5
	Admin Section of Concerned Accounting Unit	HRM-5	2
	Admin Section of Concerned Accounting Unit	HRM-6	3, 4, 8
	Banking Section of Finance Directorate	CTM-6	10
	Civil Works Division	FAM-7	5,7,12,15,16
	Civil Works Division	FAM-9	6,8,12,13
	Collecting Office of AMCS	RNR-8	3
	Collecting Office of AMCS	RNR-9	6, 8, 10
	Collecting Office of AMCS	RNR-10	6, 8, 10
	Concerned Accounting Unit	RNR-4	1, 2, 3
	Concerned Accounting Unit	HRM-2	4, 5
	Concerned Accounting Unit	HEM-4	17,18

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Divisional Accounts Officer	Concerned Accounting Unit	CTM-6	3,6,7,9,10,11,12,13
	Concerned Accounting Unit	CTM-24	11,12
	Concerned Accounting Unit	AFR-1	1
	Concerned Accounting Unit	AFR-3	6
	Concerned Division	IMM-8	2
	Concerned Division of PDC	FAM-3	29,32
	Concerned Division of PDC	FAM-4	14,17
	Concerned Division of PDC	FAM-11	2,4
	Concerned Division of PDGSC	FAM-1	30,33
	Concerned Division of PDGSC	FAM-2	15,18
	Concerned Division of PDGSC	FAM-11	2,4
	Concerned Medium Power House	FAM-18	7,8,10,11,13
	Concerned Office	IMM-13	2
	Concerned Office	CTM-22	4,7,8
	Concerned Office of AMCS	CTM-16	20,21
	Concerned Office of AMCS	RNR-1	2, 3, 5, 10
	Concerned Office of AMCS	RNR-2	2, 6, 8,11,13,14,15,18,19, 20, 21, 23, 24, 25, 26
	Concerned Office of AMCS	RNR-3	2, 10, 11
	Concerned Office of AMCS	RNR-4	6, 8
	Concerned Office of AMCS	RNR-5	2, 4, 6
	Concerned Office of AMCS	RNR-7	2, 3, 4, 5, 6
	Concerned Office of AMCS	RNR-11	6, 7
	Concerned Office of AMCS	RNR-12	5, 6
	Concerned Office of AMCS	RNR-13	6, 7
	Concerned Office of AMCS	RNR-14	7, 9, 10, 11
	Concerned Office of AMCS	RNR-15	3, 5, 6, 8, 12, 13, 15, 18, 20

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Divisional Accounts Officer	Concerned Office of AMCS	RNR-16	4, 6, 9
	Concerned Office of AMCS	RNR-17	2, 4, 7, 8, 16, 17
	Concerned Office of AMCS	TAX-3	15
	Concerned Office of AMCS	CTM-1	4,5,6,7,9,10,16,17,18,19,20,21
	Concerned Office of AMCS	CTM-2	2,3,5,6,9,10,11,12,13
	Concerned Office of AMCS	CTM-5	3,4,5,6,7
	Concerned Office of AMCS	CTM-28	3,4
	Concerned Operation Division	FAM-3	46,47
	Concerned Operation Division	FAM-4	31,32
	Concerned Operation Division	FAM-5	3,4,7,9,10,11,12,13,14
	Concerned Operation Division	FAM-6	2,4,5,6,7,9,13,14,15,16,17,18,19
	Concerned Operation Division	FAM-11	8,9,10,16,17
	Concerned Operation Division	CTM-3	4,5,6,7,9,10,16,17,18,19,20,21
	Concerned Operation Division	CTM-4	2,5,6,9,10
	Concerned Section of Finance Directorate	AFR-3	1
	Division of GSO	FAM-11	8,9,10,16,17
	Division of GSO Circle	FAM-1	47,48
	Division of GSO Circle	FAM-2	32,33
	Division of PD Construction, GSC Circle, Field Stores, Cashier at Office of CEO	CTM-20	2,11,12,14,16,17
	Division of PDGSC	IMM-18	2,5
	Division of PDGSC	IMM-19	2
	Division of PDGSC	IMM-21	2
	GSC Division	FAM-8	14,15
	GSO Division	FAM-8	17,18,19

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Divisional Accounts Officer	Office of Civil Works	PBF-1	2
	Office of Civil Works	PBF-4	1
	Office of D. M (P&I)	PBF-1	2
	Office of D. M (P&I)	PBF-4	1
	Office of Deputy Manager (Ware House)	PBF-1	2
	Office of Deputy Manager (Ware House)	PBF-4	1
	Office of M&T No. 2 East	PBF-1	2
	Office of M&T No. 2 East	PBF-4	1
	Office of M&T No.1 West	PBF-1	2
	Office of M&T No.1 West	PBF-4	1
	Office of SS&T No:1 North	PBF-1	2
	Office of SS&T No:1 North	PBF-4	1
	Office of SS&T No:2 South	PBF-1	2
	Office of SS&T No:2 South	PBF-4	1
	Offices of AMCS	PBF-1	2
	Offices of AMCS	PBF-4	1
	Offices of Operation Division	PBF-1	2
	Offices of Operation Division	PBF-4	1
	Operation Division/ Construction Division	IMM-4	2,4
	Other Accounting Unit	RNR-15	9, 10
	Other Office of AMCS	RNR-16	11, 13
	Other Office of AMCS	CTM-1	12,13,14
	Other Operation Division	CTM-3	12,13,14
	Payment Section of Finance Directorate	CTM-13	1

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Divisional Accounts Officer	Payment Section of Finance Directorate	GAA-1	16,19
	Payment Section of Finance Directorate	GAA-4	9,12
	Payment Section of Finance Directorate	GAA-5	11,14
	Payment Section of Finance Directorate	GAA-6	10,13,19,21
	SS&T Division GSO	IMM-11	15,16,21,22,23
	SS&T Division GSO	IMM-16	3,5,6,7
	SS&T Division GSO	IMM-17	2,4,15,17,18,19
	SS&T Division GSO	IMM-18	2,5,8,10,11,12,13
	SS&T Division GSO	IMM-23	7,8,9,12,14,15,16
	SS&T Division GSO	IMM-22	2,5,6,7,12,13,14
	SS&T Division GSO	IMM-24	3,4,5,9,11,12,13
	Store	PAP-10	12,13
	Warehouse	IMM-11	15,16,21,22,23
	Warehouse	IMM-14	4,6,7,8,9
	Warehouse	IMM-15	1,2,6,8,9,10
	Warehouse	IMM-17	7,10,11,12
	Warehouse	IMM-19	7,10,11,12
	Warehouse	IMM-20	3,5,6,7,9,10, 11
	Warehouse	IMM-23	7,8,9,12,14,15,16
	Warehouse	IMM-24	3,4,5,9,11,12,13
	Warehouse	IMM-25	7,8,9
	Warehouse	IMM-26	2,3,5,7,9,10,11,12,13,14,15,16
	Warehouse	IMM-21	5,6,7,8,9,14,15,16
Concerned Deputy Manager	Admin Section of Office of CEO	HEM-4	2

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Concerned Deputy Manager Construction	Concerned Division of PDC	FAM-3	16
Concerned Manager Operations	Admin Section of Concerned Accounting Unit	HRM-9	5, 6
Senior Manager Material Management	Office of MM	IMM-25	5
Regional Manager	Office of M&T No.1 West	PBF-1	3
	Office of M&T No. 2 East	PBF-1	3
	Office of M&T No.1 West	PBF-4	2
	Office of M&T No. 2 East	PBF-4	2
Regional Store Manager	Regional Store	PBF-1	3
	Regional Store	PBF-4	2
Assistant Manager – Administration	Admin Section of Concerned Accounting Unit	HRM-10	6
Assistant Manager Accounts	Accounting Unit	FAM-10	6,8,16,17,18
	Accounting Unit	FAM-12	1,2,3,4,6,7,8,9
	Accounting Unit	FAM-13	1,2,3,5,6,8,11,13,14,16,17
	Accounting Unit	FAM-14	2,5,6,7
	Accounting Unit	FAM-14	9
	Accounting Unit	FAM-15	1,2,5
	Accounting Unit	IMM-5	1
	Accounting Unit	AFR-2	3,5,8,17
	Accounts Section of Concerned Accounting Unit	GAA-1	16,19
	Accounts Section of Concerned Accounting Unit	GAA-2	6,8
	Accounts Section of Concerned Accounting Unit	GAA-4	9,12

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	Accounts Section of Concerned Accounting Unit	GAA-5	11,14
	Accounts Section of Concerned Accounting Unit	GAA-6	10,13,19,21
	Accounts Section of Concerned Accounting Unit	HRM-3	11,15,18,19, 21
	Accounts Section of Concerned Accounting Unit	HEM-4	9,12,13,15
	Accounts Section of Concerned Accounting Unit	HRM-5	9, 12
	Accounts Section of Concerned Accounting Unit	HRM-6	12,15,17, 20
	Accounts Section of Concerned Accounting Unit	HRM-7	14, 17, 21, 24
	Accounts Section of Concerned Accounting Unit	HRM-8	12,15,16,18
	Accounts Section of Concerned Accounting Unit	HRM-9	15,18,19,21
	Accounts Section of Concerned Accounting Unit	HRM-10	15,18,19, 21
	Accounts Section of Concerned Accounting Unit	HRM-11	10,16
	Accounts Section of Concerned Accounting Unit	TAX-5	3
	Accounts Section of Finance Directorate	GAA-3	5,7,9
	Admin Section of Concerned Accounting Unit	HRM-6	8
	Asset Section – Finance Directorate	FAM-1	17
	Asset Section – Finance Directorate	FAM-2	3

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	Asset Section –Finance Directorate	FAM-3	17
	Asset Section of	FAM-4	3
	Asset Section of Finance Directorate	FAM-8	5
	Asset Section of Finance Directorate	FAM-9	4
	Asset Section of Finance Directorate	FAM-15	3,4
	Asset Section of the Finance Directorate	FAM-16	1,2,4,5
	Assets Section of Finance Directorate	FAM-17	4,5,6,7
	Banking Section of Finance Directorate	FAM-1	5,6,8
	Banking Section of Finance Directorate	CTM-18	1,2,3,7,9,10,13,14
	Banking Section of Finance Directorate	FAM-3	5,8
	Banking Section of Finance Directorate	CTM-7	6,8,10,12,14.17,18
	Banking Section of Finance Directorate	CTM-9	1,4,6,7,10,12,14,15
	Banking Section of Finance Directorate	CTM-10	6,10,12,17,18,20,21
	Banking Section of Finance Directorate	CTM-19	13, 27
	Banking Section of Finance Directorate	CTM-23	3,4,8,9
	Banking Section of Finance Directorate	CTM-24	1,3,4,6,11,13
	Banking Section of Finance Directorate	CTM-25	4
	Banking Section of Finance Directorate	CTM-26	5,7,8

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	Banking Section of Finance Directorate	PAP-2	22,23,24
	Banking Section of Finance Directorate	PAP-3	31,32,33
	Banking Section of Finance Directorate	PAP-4	19,20,21,41
	Banking Section of Finance Directorate	CTM-8	7,8,10,12
	Banking/Imprest Section of Finance Directorate	CTM-29	2,4,5
	Budget Section of Finance Directorate	PBF-1	1, 4, 5, 16, 17, 20
	Budget Section of Finance Directorate	PBF-4	4, 6, 9, 11
	Budget Section of Finance Directorate	PBF-5	12, 14
	Budget Section of Finance Directorate	CTM-10	8
	Compilation Section of Finance Directorate	HRM-10	18
	Compilation Section of Finance Directorate	AFR-3	4,7
	Concerned Field Store	IMM-8	14
	Concerned Sub Division	FAM-14	3
	Concerned Accounting Unit	HRM-2	5
	Concerned Accounting Unit	HRM-3	24
	Concerned Accounting Unit	HEM-4	18
	Concerned Accounting Unit	HRM-8	21
	Concerned Accounting Unit	HRM-9	24
	Concerned Accounting Unit	HRM-10	24
	Concerned Accounting Unit	CTM-6	3
	Concerned Accounting Unit	CTM-21	4,6,7,9,10,11

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	Concerned Accounting Unit	CTM-24	13
	Concerned Accounting Unit	AFR-1	1
	Concerned Accounting Unit / HO	TAX-3	4,33
	Concerned Operation Division	FAM-11	13
	Concerned Section of Finance Directorate	AFR-2	13
	Concerned Section of Finance Directorate	AFR-3	1
	Consolidation Section of Finance Directorate	RNR-18	1, 2, 3, 4
	Consolidation Section of Finance Directorate	RNR-19	6, 9
	Consolidation Section of Finance Directorate	RNR-20	1, 2, 4, 5
	Consolidation Section of Finance Directorate	HRM-12	3, 4
	Consolidation Section of Finance Directorate	TAX-3	2
	Consolidation Section of Finance Directorate	IMM-13	14
	Consolidation Section of Finance Directorate	IMM-25	4
	Consolidation Section of Finance Directorate	CTM-16	3
	Consolidation Section of Finance Directorate	PAP-6	3,4,6,8
	Consolidation Section of Finance Directorate	AFR-1	2,3,8,9
	Consolidation Section of Finance Directorate	AFR-3	8,9

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	Consolidation Section of Finance Directorate	AFR-4	1,4,5,8,10
	Consolidation Section of Finance Directorate	AFR-6	1
	Corporate Planning & Control Section of Finance Directorate	PAP-6	7
	CP & C Section of Finance Directorate	TRM-1	1, 2, 3, 12, 13, 14, 15, 16, 21, 33, 34, 40
	CP & C Section of Finance Directorate	PBF-2	16, 19
	CP & C Section of Finance Directorate	PBF-6	4, 5
	CP & C Section of Finance Directorate	CTM-19	5,6,8,9,11,14,16,20,22,26,28,30,31,33,34
	CP & C Section of Finance Directorate	AFR-5	2,3,4
	CP & C Section of Finance Directorate	AFR-6	1
	CP&C Section of Finance Directorate	RNR-6	8, 12, 14
	CP&C Section of Finance Directorate	RNR-19	1, 2, 3, 4, 7
	CP&C Section of Finance Directorate	FAM-18	14,15
	CP&C Section of Finance Directorate	CTM-27	1
	Division of GSO	FAM-11	13
	ESCROW Section of Finance Directorate	CTM-7	21,22,23
	ESCROW Section of Finance Directorate	CTM-12	5,6
	ESCROW Section of Finance Directorate	CTM-14	9,11,13,14
	ESCROW Section of Finance Directorate	CTM-15	9,10
	ESCROW Section of Finance Directorate	CTM-27	3,4

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	Finance Directorate	FAM-4	
	Finance Directorate	PAP-2	4
	Finance Directorate	PAP-5	3
	IOT Section	FAM-3	12
	IOT Section – Finance Directorate	FAM-1	12
	IOT Section of Finance Directorate	PAP-4	23,25
	IOT Section of Finance Directorate	PAP-3	35,37
	IOT Section of Finance	CTM-10	8
	IOT Section of Finance Directorate	RNR-3	4, 7, 9
	IOT Section of Finance Directorate	RNR-13	1 , 2, 4
	IOT Section of Finance Directorate	RNR-14	12, 14, 16
	IOT Section of Finance Directorate	RNR-15	21, 23, 25
	IOT Section of Finance Directorate	HRM-3	21
	IOT Section of Finance Directorate	HEM-4	15
	IOT Section of Finance Directorate	HRM-8	18
	IOT Section of Finance Directorate	HRM-9	19, 21
	IOT Section of Finance Directorate	HRM-10	21
	IOT Section of Finance Directorate	TAX-3	11,13,30,31
	IOT Section of Finance Directorate	CTM-8	13,15
	IOT Section of Finance Directorate	CTM-16	16,18
	IOT Section of Finance Directorate	PAP-2	26,28
	IOT Section of Finance Directorate	PAP-5	21,23
	IOT Section of Finance Directorate	PAP-8	13,15
	IOT Section of Finance Directorate	AFR-3	2
	MIS Directorate	TAX-3	18
	Office of CE PMU	FAM-2	8
	Office of PD (GSC)	PBF-4	1

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	Office of PDC	FAM-3	15,19,21,27,31,33,34,36,37,40,43,45
	Office of PDC	FAM-4	5,7,12,16,18,19,21,22,25,28,30
	Office of PDC	FAM-11	3,5,6,7,11,14,15
	Office of PDGSC	FAM-1	15,19,21,28,32,34,35,37,38,41,44,46
	Office of PDGSC	FAM-2	5,7,13,17,19,20,22,23,26,29,31
	Office of PDGSC	FAM-8	6,7,8,10,13,16
	Office of PDGSC	FAM-11	3,5,6,7,11,14,15
	Office of PDGSC	IMM-19	4
	Payment Section of Finance Directorate	GAA-1	16,19
	Payment Section of Finance Directorate	GAA-3	3
	Payment Section of Finance Directorate	GAA-4	9,12
	Payment Section of Finance Directorate	GAA-5	11,14
	Payment Section of Finance Directorate	GAA-6	10,13,19,21
	Payment Section of Finance Directorate	HRM-3	11,15,18,19
	Payment Section of Finance Directorate	HEM-4	9,12,13
	Payment Section of Finance Directorate	HRM-5	9, 12
	Payment Section of Finance Directorate	HRM-6	12,15,17, 20
	Payment Section of Finance	HRM-7	14, 17, 21, 24

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Directorate		
Assistant Manager Accounts	Payment Section of Finance Directorate	HRM-8	12,15,16
	Payment Section of Finance Directorate	HRM-9	15,18
	Payment Section of Finance Directorate	HRM-10	15,19
	Payment Section of Finance Directorate	TAX-1	22,23,24,25,26
	Payment Section of Finance Directorate	TAX-5	3
	Payment Section of Finance Directorate	CTM-13	3,4
	Payment Section of Finance Directorate	CTM-14	3,5
	Payment Section of Finance Directorate	CTM-15	3,5
	Payment Section of Finance Directorate	CTM-16	7,10, 12,13,14
	Payment Section of Finance Directorate	CTM-17	6,9,11,12
	Payment Section of Finance Directorate	PAP-2	10,17,19,20,21,23,24
	Payment Section of Finance Directorate	PAP-5	7,8,15,17,18,19
	Payment Section of Finance Directorate	PAP-7	1,3,8,10,11
	Payment Section of Finance Directorate	PAP-8	7,9,10,11

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	CTM-20	8,19
	Pension Section of Finance Directorate	HRM-12	5, 6, 7, 9
	Pension Section of Finance Directorate	CTM-11	1,2,3,5,7
	Pension Section of Finance Directorate	CTM-26	1,3
	Regional Store	PBF-1	3
	Regional Store	PBF-4	1
	Regional Store	TAX-3	17,33
	Regional Store	IMM-1	4,6,7,8,9
	Regional Store	IMM-2	2,3,6,8,9,10
	Regional Store	IMM-3	5,6,7,14
	Regional Store	IMM-4	14
	Regional Store	IMM-4	14
	Regional Store	IMM-5	3,7,8,9
	Regional Store	IMM-6	14
	Regional Store	IMM-7	3,5,6,7,9,10, 11
	Regional Store	IMM-8	17,18,19,24,25,26,29
	Regional Store	IMM-9	4,5,6,9,11,12,13
	Regional Store	IMM-10	3,4,5,9,11,12,13
	Regional Store	IMM-11	1,4,5,6,7,9,10,11,13,14,21,22,23
	Regional Store	IMM-25	7,8,9
	Regional Store	PAP-2	30,31
	Regional Store	PAP-8	17,18
	Regional Store/Warehouse	IMM-26	2,3,5,7,9,10,11,12,13,14,15,16

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Accounts	Salary Slip Section of Finance Directorate	HRM-1	6
	Salary Slip Section of Finance Directorate	HRM-2	7
	Store	PAP-3	29,30,39,40
	Store	PAP-4	28,37,38,44
	Tax Section of Finance Directorate	TAX-1	2,3,4,5,6,7,8,9,10,11,12,13,,17,19,27,28
	Tax Section of Finance Directorate	TAX-2	6
	Tax Section of Finance Directorate	TAX-3	20, 21, 24, 26
	Tax Section of Finance Directorate	TAX-5	5
	Pension Section of Finance Directorate	HRM-11	3, 4, 5, 7
Assistant Manager Accounts / Deputy Manager Accounts	Concerned Office	CTM-22	4,7
Assistant Manager Accounts/ Deputy Manager Corporate Accounts	Payment Section of Finance Directorate	PAP-9	3,4,5,6,7,8,9
Assistant Manager Administration	Admin Section of Office of CEO	HRM-7	5, 6
	Admin Section of Office of CEO	HRM-8	3
	Admin Section of Office of CEO	HRM-9	6
Assistant Manager Civil Works Division	Civil Works Division	FAM-9	6
Assistant Manager Corporate Accounts	Banking Section of Finance Directorate	CTM-10	14
	PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	CTM-20	4
Assistant Manager Customer	Accounting Unit	FAM-10	6,8,16

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Services			
Assistant Manager Customer Services	Accounting Unit	CTM-10	3
	Collecting Office of AMCS	RNR-8	3
	Collecting Office of AMCS	RNR-9	8, 10
	Collecting Office of AMCS	RNR-10	8, 10
	Concerned Accounting Unit	RNR-4	2
	Concerned Accounting Unit	CTM-6	3
	Concerned Office of AMCS	RNR-1	2, 3, 6, 10
	Concerned Office of AMCS	RNR-2	2, 8, 11, 18, 20, 21, 23, 24, 25, 26
	Concerned Office of AMCS	RNR-3	2
	Concerned Office of AMCS	RNR-5	2, 4
	Concerned Office of AMCS	RNR-7	2, 3, 4
	Concerned Office of AMCS	RNR-11	7
	Concerned Office of AMCS	RNR-13	7
	Concerned Office of AMCS	RNR-14	7, 9
	Concerned Office of AMCS	RNR-15	3, 6, 8, 13, 15, 18, 20
	Concerned Office of AMCS	RNR-16	4, 7, 9
	Concerned Office of AMCS	RNR-17	8, 17
	Concerned Office of AMCS	TAX-3	15
	Concerned Office of AMCS	CTM-1	4,5,7,21
	Concerned Office of AMCS	CTM-2	1,2,3,6,9,10
	Offices of AMCS	PBF-1	3
	Offices of AMCS	PBF-4	2
	Other Office of AMCS	RNR-16	11
Assistant Manager Field Store	Concerned Field Store	IMM-8	6,12
	Field Store	IMM-3	9
	Field Store	IMM-4	6,8

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Field Store	Issuing Field Store	IMM-6	3
	Receiving Field Store	IMM-6	9
Assistant Manager Finance	Finance Section of Office of PMU	PAP-3	6,12,15,16,22,23,25,27
	Finance Section of Office of PMU	PAP-4	5, 12,15,17,30,31,33,35,40,43
	Finance Section of Office of PMU	PAP-10	3,8,10
Assistant Manager Human Resource	Admin Section of Concerned Accounting Unit	GAA-1	10
	Admin Section of Concerned Accounting Unit	GAA-4	3
	Admin Section of Concerned Accounting Unit	GAA-5	2,3,5
	Admin Section of Concerned Accounting Unit	GAA-6	16
	Admin Section of Concerned Accounting Unit	HRM-3	2, 3, 4, 6, 7
	Admin Section of Concerned Accounting Unit	HEM-4	2, 4, 5
	Admin Section of Concerned Accounting Unit	HRM-5	2
	Admin Section of Concerned Accounting Unit	HRM-6	3, 4
	Admin Section of Concerned Accounting Unit	HRM-7	8
	Admin Section of Concerned Accounting Unit	HRM-8	3, 6
	Admin Section of Concerned Accounting Unit	HRM-9	9
	Office of PD (GSC)	PBF-1	2
Assistant Manager Operations	Concerned Operation Sub Division	FAM-5	1,6,8
	Concerned Operation Sub Division	FAM-6	3

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Assistant Manager Operations	Division of PDGSC	IMM-19	3
	Sub Operation Division	IMM-4	1
Assistant Managers Account	Regional Store	IMM-12	7,10,11,12
	Consolidation Section of Finance Directorate	IMM-12	20
Resident Engineer (RE)	C Type Store	IMM-17	14
	Concerned Medium Power House	FAM-18	1,3
Sub Engineer	Accounting Unit	FAM-14	1
Assistant Engineer Transmission/Resident Engineer	C Type Store	IMM-16	2
Sub Station Operator	Office of Resident Engineer	IMM-18	1
	Office of RE	IMM-22	1
Executive Engineer (XEN)	Concerned Small Power House	FAM-18	1,3,11,12
Deputy Manager Ware house	Warehouse	IMM-14	2,5
Deputy Manager	Accounting Unit	FAM-10	6,8,16
	Accounting Unit	FAM-14	9,10,12
	Office of Civil Works	PBF-1	3
	Office of Civil Works	PBF-4	2
	Office of D. M (P&I)	PBF-1	3
	Office of D. M (P&I)	PBF-4	2
	Office of Deputy Manager (Ware House)	PBF-1	3
	Office of Deputy Manager (Ware House)	PBF-4	2
	Office of Deputy Manager Chief Auditor	PBF-1	3
	Office of Deputy Manager Chief Auditor	PBF-4	2

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Deputy Manager	Office of SS&T No:1 North	PBF-1	3
	Office of SS&T No:1 North	PBF-4	2
	Office of SS&T No:1 South	PBF-4	2
	Office of SS&T No:2 South	PBF-1	3
	Office of Training Centre	PBF-1	3
	Office of Training Centre	PBF-4	2
	Payment Section of Finance Directorate	TAX-1	24
	Tax Section of Finance Directorate	TAX-1	9,14, 17,19
	Tax Section of Finance Directorate	TAX-2	7
	Tax Section of Finance Directorate	TAX-3	22,23,24,26
Deputy Manager (B&T)	Banking Section of Finance Directorate	CTM-18	3,7,9,10,13,14
	Banking/Imprest Section of Finance Directorate	CTM-29	2,4
Deputy Manager Accounts	Office of PMU	PBF-4	1
	Concerned Accounting Unit	CTM-24	11
Deputy Manager Accounts (B&T)	Banking Section of Finance Directorate	CTM-24	4
Deputy Manager B&T	Banking Section of Finance Directorate	CTM-8	10
Deputy Manager Accounts (Field Formation)	Banking Section of Finance Directorate	CTM-7	6
	Banking Section of Finance Directorate	CTM-9	10
	Consolidation Section of Finance Directorate	AFR-3	9
	Consolidation Section of Finance Directorate	AFR-4	1

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Deputy Manager Accounts (Field Formation)	Consolidation Section of Finance Directorate	AFR-6	1
	Finance Directorate	PAP-2	2,3
	Finance Directorate	PAP-5	1,2
	Finance Directorate	AFR-5	4
	Finance Directorate	AFR-6	1
Deputy Manager Administration	Admin Section of Office of CEO	GAA-1	2,6,8,10
	Admin Section of Office of CEO	GAA-3	2
	Admin Section of Office of CEO	GAA-4	3
	Admin Section of Office of CEO	GAA-5	2,3,5
	Admin Section of Office of CEO	GAA-6	3,16
	Admin Section of Office of CEO	HRM-3	6, 7
	Admin Section of Office of CEO	HEM-4	5
	Admin Section of Office of CEO	HRM-5	2, 3
	Admin Section of Office of CEO	HRM-6	4, 8
	Admin Section of Office of CEO	HRM-7	5, 6, 8
	Admin Section of Office of CEO	HRM-8	3, 4, 6
	Admin Section of Office of CEO	HRM-9	6, 9
	Admin Section of Office of CEO	HRM-10	4, 6, 7, 9
	Office of CEO	PBF-1	2
	Office of CEO	PBF-4	1
	Office of PMU	PBF-1	2
Deputy Manager Civil Works	Civil Works Division	FAM-7	2,5,7
	Civil Works Division	FAM-9	2,3,5,6,8
Deputy Manager Construction	Concerned Division of PDGSC	FAM-2	2
	Concerned Division of PDC	FAM-4	2
Deputy Manager Corporate	Admin Section of Finance Directorate	GAA-1	10

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Accounts			
Deputy Manager Corporate Accounts	Admin Section of Finance Directorate	GAA-3	2
	Admin Section of Finance Directorate	GAA-4	3
	Admin Section of Finance Directorate	GAA-5	2,3,5
	Admin Section of Finance Directorate	GAA-6	3,16
	Admin Section of Finance Directorate	HRM-3	6, 7
	Admin Section of Finance Directorate	HEM-4	2, 5
	Admin Section of Finance Directorate	HRM-6	3, 4, 8
	Admin Section of Finance Directorate	HRM-7	8
	Admin Section of Finance Directorate	HRM-8	3, 6
	Admin Section of Finance Directorate	HRM-9	9
	Admin Section of Finance Directorate	HRM-10	9
	Banking Section of Finance Directorate	FAM-1	8
	Banking Section of Finance Directorate	FAM-3	8
	Consolidation Section of Finance Directorate	CTM-16	3
	CP & C Section of Finance Directorate	CTM-19	8,22
	ESCROW Section of Finance Directorate	CTM-14	9
	Finance Directorate	PAP-2	2,3
	Finance Directorate	PAP-5	1,2
	Finance Directorate	AFR-1	4
	Office of CE PMU	FAM-1	22
	Office of Finance Directorate	PBF-1	2
	Office of Finance Directorate	PBF-4	1
	Payment Section of Finance	CTM-14	5

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Directorate		
Deputy Manager Corporate Accounts	Payment Section of Finance Directorate	CTM-15	5
	Pension Section of Finance Directorate	HRM-11	4, 5
Deputy Manager Corporate Accounts (B&T)	Banking Section of Finance Directorate	CTM-10	12,14
	Banking Section of Finance Directorate	CTM-24	3,6
Deputy Manager Corporate Accounts (Field Formation)	Banking Section of Finance Directorate	CTM-9	12
Deputy Manager Corporate Accounts (Head Quarter)	Pension Section of Finance Directorate	CTM-11	7
	Pension Section of Finance Directorate	CTM-26	3
Deputy Manager Corporate Planning & Control	Corporate Planning & Control Section of Finance Directorate	PAP-6	1,7
Deputy Manager Disposal	Office of Material Management	IMM-11	8,17
Deputy Manager Finance	Finance Section of Office of PMU	PAP-3	4,5,6,12,15,16,22,23
	Finance Section of Office of PMU	PAP-4	3,4,5, 12, 15,17,31,40
	Finance Section of Office of PMU	PAP-10	3
Deputy Manager Finance (Tariff)	CP & C Section of Finance Directorate	TRM-1	12, 13, 14
Deputy Manager Grid System Construction	GSC Division	FAM-8	4
Deputy Manager Grid System Operations	GSO Division	FAM-8	18
Deputy Manager GSC Division	Concerned Division of PDGSC	FAM-1	16
Deputy Manager Information Technology	Admin Section of IT Directorate	HRM-5	2

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Deputy Manager MIS Directorate	MIS Directorate	RNR-1	8
Deputy Manager Operations	Accounting Unit	CTM-10	3
	Admin Section of Concerned Accounting Unit	HRM-9	5, 6
	C Type	IMM-23	6
	Concerned Division	IMM-8	3
	Concerned Accounting Unit	CTM-6	3
	Concerned Operation Division	FAM-5	1,5
	Concerned Operation Division	FAM-6	9
	Concerned Operation Division	CTM-4	9,10,11,12,13
	Division of PDGSC	IMM-18	3,6
	Division of PDGSC	IMM-19	3
	Division of PDGSC	IMM-21	3
	Office of Operation Divisions	PBF-1	3
	Office of Operation Divisions	PBF-4	2
	Operation Division/Construction Division	IMM-4	3,5
	SS&T Division GSO	IMM-11	1,19
	SS&T Division GSO	IMM-16	4
	SS&T Division GSO	IMM-17	3,5,16
	SS&T Division GSO	IMM-18	3,6
	SS&T Division GSO	IMM-22	3
	SS&T Division GSO	IMM-23	5,13
	SS&T Division GSO	IMM-24	10
Deputy Manager Regional Store	Regional Store	IMM-1	2,5
	Regional Store	IMM-2	4,7
	Regional Store	IMM-3	3

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Deputy Manager Regional Store	Regional Store	IMM-5	4, 5
	Regional Store	IMM-7	4,8
	Regional store	IMM-8	16
	Regional Store	IMM-9	2,10
	Regional Store	IMM-10	1,10
	Regional Store	IMM-11	1,19
	Regional Store	IMM-12	8,9
	Regional Store	IMM-26	4
	PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	CTM-20	5
Deputy Manager Regulatory and Corporate Affairs	Consolidation Section of Finance Directorate	PAP-6	3,4,6
	Consolidation Section of Finance Directorate	RNR-20	2
Deputy Manager Regulatory Affairs	Consolidation Section of Finance Directorate	AFR-3	8
	Consolidation Section of Finance Directorate	AFR-6	1
Deputy Manager Tariff	CP&C Section of Finance Directorate	RNR-6	3, 8, 11, 12
Deputy Manager Warehouse	Warehouse	IMM-11	1,19
	Warehouse	IMM-15	2,4,7
	Warehouse	IMM-17	8
	Warehouse	IMM-19	8,9
	Warehouse	IMM-20	4,8
	Warehouse	IMM-23	5,6,13
	Warehouse	IMM-24	10
	Warehouse	IMM-25	2,6

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Warehouse	IMM-26	4
Deputy Manger Operations/Assistant Manager Customer Service	Accounting unit	PAP-1	17
Manager	Accounting Unit	FAM-10	6,8,16
	Office of Deputy Manager Chief Auditor	PBF-1	2
	Office of Deputy Manager Chief Auditor	PBF-4	1
	Office of MM	FAM-10	13
Manager Administration	Admin Section of Office of CEO	GAA-1	1,4
	Admin Section of Office of CEO	HRM-7	5
	Admin Section of Office of CEO	HRM-8	3
	Admin Section of Office of CEO	HRM-9	5
	Admin Section of Office of CEO	HRM-10	4, 6, 7
Manager Civil Works Division	Civil Works Division	FAM-9	6
Manager Corporate Accounts	Admin Section of Finance Directorate	GAA-1	10
	Admin Section of Finance Directorate	GAA-4	3
	Admin Section of Finance Directorate	GAA-5	2,3,5
	Admin Section of Finance Directorate	GAA-6	3,16
	Admin Section of Finance Directorate	HRM-3	7
	Admin Section of Finance Directorate	HEM-4	2, 5
	Admin Section of Finance Directorate	HRM-5	3
	Admin Section of Finance Directorate	HRM-6	4, 8
	Admin Section of Finance Directorate	HRM-7	8
	Admin Section of Finance Directorate	HRM-8	3, 6
	Admin Section of Finance Directorate	HRM-9	9
	Admin Section of Finance Directorate	HRM-10	9

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Manager Corporate Accounts	Banking Section of Finance Directorate	CTM-9	10,12
	Consolidation Section of Finance Directorate	CTM-16	3
	Consolidation Section of Finance Directorate	PAP-6	3,4,6
	ESCROW Section of Finance Directorate	CTM-12	3
	ESCROW Section of Finance Directorate	CTM-14	11
	Finance Directorate	PAP-2	5,6,7
	Finance Directorate	PAP-3	6
	Finance Directorate	PAP-4	5
	Finance Directorate	PAP-5	4,5,6
	Finance Directorate	AFR-1	5
	Finance Directorate	AFR-2	15
	Finance Directorate	AFR-3	10
	Finance Directorate	AFR-5	6
	Finance Directorate	AFR-6	2
	Pension Section of Finance Directorate	HRM-11	4, 5
	Pension Section of Finance Directorate	CTM-11	7
	Pension Section of Finance Directorate	CTM-26	3
Manager Finance	CP & C Section of Finance Directorate	PBF-1	5,10,11,13,15,18
	CP & C Section of Finance Directorate	PBF-4	6,10
	CP & C Section of Finance Directorate	PBF-6	5, 9
	CP & C Section of Finance Directorate	AFR-6	1

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Manager Finance	CP & C Section of Finance Directorate	TRM-1	1, 12, 13, 14, 16, 21, 28, 33, 34, 40
	CP & C Section of Finance Directorate	PBF-2	1, 4, 9, 10, 12, 14, 17
	CP & C Section of Finance Directorate	PBF-3	3, 4
	CP & C Section of Finance Directorate	PBF-5	4, 5, 7, 8, 13
	CP & C Section of Finance Directorate	AFR-5	3,4,5
	CP&C Section of Finance Directorate	RNR-6	2, 3, 10, 15
	CP&C Section of Finance Directorate	CTM-14	5, 7, 9, 11
	Office of CE PMU	FAM-1	22
	Office of CE PMU	IMM-23	3
	Office of PMU	PBF-1	3
	Office of PMU	PBF-4	2
Manager Finance (CP&C)	Banking Section of Finance Directorate	CTM-24	3,4,6
	Banking Section of Finance Directorate	CTM-8	10
	Banking Section of Finance Directorate	CTM-10	12,14
	Banking Section of Finance Directorate	CTM-18	3,7,9,10,13,14
	Banking Section of Finance Directorate	CTM-25	4
	Banking/Imprest Section of Finance Directorate	CTM-29	2,4
	Corporate Planning & Control Section of Finance Directorate	PAP-6	7
	CP & C Section of Finance Directorate	CTM-19	2,3,4,8,11,22,26
	CP&C section of Finance Directorate	CTM-15	5
	CP&C Section of Finance Directorate	TAX-1	14,17,19

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Manager Finance (CP&C)	CP&C Section of Finance Directorate	TAX-3	24
	CP&C section of Finance Directorate	CTM-12	3
	Finance Directorate	PAP-3	6,16
	Finance Directorate	PAP-4	5
	Finance Directorate	PAP-2	5,6,7
	Finance Directorate	PAP-5	4,5,6
Manager Finance PMU	Finance Section of Office of PMU	PAP-3	4,5,6,7,8,10,11,12,13,15,16,42
	Finance Section of Office of PMU	PAP-4	3, 4, 5,6,7,9,10,11,12,13,15,17,31, 32,40,45
	Finance Section of Office of PMU	PAP-10	3,7
Manager Grid System Operations	Office of GSO	PAP-6	5
Manager GSO	Office of Manager GSO	IMM-23	2
Manager Human Resource	Admin Section of Office of CEO	HRM-6	4
Manager Information Technology	Admin Section of IT Directorate	HEM-4	2
	Admin Section of IT Directorate	HRM-6	3
Manager Internal Audit	Finance Directorate	RNR-6	4
Manager Management Information Systems	Office of MIS	IMM-12	3,5
	MIS Store	IMM-12	15
Manager Material Management	Office of MM	PAP-8	1,2
Manager MIS	MIS Store	IMM-13	8,9
Manager Operations	Concerned Operation Circle	FAM-5	1
Drawing and Disbursing Officer	Accounting Unit	AFR-2	3,5,17
	Accounting Unit	AFR-4	3
	Accounts Section of Concerned Accounting Unit	GAA-1	10,16,19
	Accounts Section of Concerned	GAA-2	6

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Accounting Unit		
Drawing and Disbursing Officer	Accounts Section of Concerned Accounting Unit	GAA-4	9,12
	Accounts Section of Concerned Accounting Unit	GAA-5	11,14
	Accounts Section of Concerned Accounting Unit	GAA-6	10,19,21
	Accounts Section of Concerned Accounting Unit	HRM-3	15
	Accounts Section of Concerned Accounting Unit	HEM-4	9
	Accounts Section of Concerned Accounting Unit	HRM-5	9
	Accounts Section of Concerned Accounting Unit	HRM-6	12,17
	Accounts Section of Concerned Accounting Unit	HRM-7	14, 21
	Accounts Section of Concerned Accounting Unit	HRM-8	12
	Accounts Section of Concerned Accounting Unit	HRM-9	15
	Accounts Section of Concerned Accounting Unit	HRM-11	10,16
	Admin Section of Concerned Accounting Unit	GAA-2	3
	Admin Section of Concerned Accounting Unit	GAA-4	3
	Admin Section of Concerned Accounting Unit	GAA-5	2,3,5
	Admin Section of Concerned Accounting Unit	GAA-6	3,16

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Drawing and Disbursing Officer	Admin Section of Concerned Accounting Unit	HRM-3	6, 7
	Admin Section of Concerned Accounting Unit	HEM-4	2, 5
	Admin Section of Concerned Accounting Unit	HRM-5	3
	Admin Section of Concerned Accounting Unit	HRM-6	4, 8
	Admin Section of Concerned Accounting Unit	HRM-7	8
	Admin Section of Concerned Accounting Unit	HRM-8	3, 6
	Admin Section of Concerned Accounting Unit	HRM-9	9
	Admin Section of Concerned Accounting Unit	HRM-10	9,15
	Concerned Accounting Unit	HRM-2	5
	Payment Section of Finance Directorate	GAA-1	16,19
	Payment Section of Finance Directorate	GAA-4	9,12
	Payment Section of Finance Directorate	GAA-5	11,14
	Payment Section of Finance Directorate	GAA-6	10,19,21
Competent Authority	Concerned Office of AMO	RNR-17	11
	Concerned Accounting Unit	CTM-21	1
Chief Engineer P & E/PMU	P & E/PMU	AFR-6	1
Chief Engineer P&D	Office of CE P&D	FAM-5	1
	Office of Chief Engineer P&D	FAM-3	1

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Chief Engineer Planning and Development	Office of Chief Engineer P&D	FAM-1	1
	Office of Chief Engineer P&D	CTM-8	1
Chief Engineer Planning and Engineering Department	Office of Planning & Engineering Department	PBF-3	1, 2
Chief Engineer PMU	Finance Section of Office of PMU	PAP-3	15
	Finance Section of Office of PMU	PAP-4	15,40
	Finance Section of Office of PMU	PAP-10	3,7
Chief Engineer Project Management Unit	Office of Project Management Unit	PBF-3	1, 2
General Manager Technical	Office of CEO	PBF-6	6, 9
	Office of CEO	PBF-3	5
	Office of GM Technical	IMM-7	1
	Office of GM Technical	IMM-20	1
All Functional Head	Concerned Department	TRM-1	18, 28, 30, 31, 33, 36, 38, 42
Technical Director	P&E Department	TRM-1	4, 6, 9
Customer Services Director	Customer Services Department	TRM-1	8, 9
	Finance Directorate	RNR-6	4
	Office of Customer Service Directorate	CTM-12	3
Director Commercial	Office of Director Commercial	RNR-16	1
Director General Human Resource	HR Department	TRM-1	7
Director General Information Technology	MIS Directorate	RNR-6	4
	Admin Section of IT Directorate	GAA-1	10
	Admin Section of IT Directorate	GAA-3	2
	Admin Section of IT Directorate	GAA-4	3
	Admin Section of IT Directorate	GAA-5	2,3,5
	Admin Section of IT Directorate	GAA-6	3,16

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Director General Information Technology	Admin Section of IT Directorate	HRM-3	6, 7
	Admin Section of IT Directorate	HEM-4	4, 5
	Admin Section of IT Directorate	HRM-5	3
	Admin Section of IT Directorate	HRM-6	4, 8
	Admin Section of IT Directorate	HRM-7	8
	Admin Section of IT Directorate	HRM-8	3, 6
	Admin Section of IT Directorate	HRM-9	9
	Admin Section of IT Directorate	HRM-10	9
Human Recourse Director	Admin Section of Office of CEO	HRM-6	4
	Admin Section of Office of CEO	HRM-10	6
	Admin Section of Office of CEO	HRM-8	3
	Office of CEO	PBF-1	3
	Office of CEO	PBF-4	2
Operations Director	O&M Distribution	TRM-1	5, 9
	T&G Department	TRM-1	5, 9
Project Director	Concerned Accounting Unit	CTM-6	3
	Office of PD (GSC)	PBF-1	3
	Office of PD (GSC)	PBF-4	2
	PD Construction Circle, GSC Circle, Regional Store, Payment Section of Finance Directorate	CTM-20	5
Project Director Construction	Office of PDC	FAM-3	19,21
	Office of PDC	FAM-4	5,7
Project Director Grid System Construction	GSO Division	FAM-8	18
	Office of CE PMU	FAM-2	8
	Office of PDGSC	FAM-1	19,21
	Office of PDGSC	FAM-2	5,7

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Project Director Grid System Construction	Office of PDGSC	FAM-8	2,3,6,7,8,10
	Office of PDGSC	IMM-19	5
Disposal Committee	C Type Store	IMM-22	11
	Regional Store	IMM-8	23
	Regional Store/ Warehouse	IMM-25	3
	Warehouse	IMM-21	13
Finance Director	Admin Section of Finance Directorate	HEM-4	2
	Admin Section of Finance Directorate	HRM-6	4
	Admin Section of Finance Directorate	HRM-8	3
	Banking Section of Finance Directorate	HRM-11	6
Functional Head	Concerned Department	PBF-2	2, 3
	Concerned Department	PBF-5	1, 2, 3
	Concerned Department	PBF-6	3, 6, 9
	Concerned Department	AFR-6	3
	Concerned Departments	AFR-7	2
Finance Director	Finance Directorate	TRM-1	17, 31, 35
	Finance Directorate	PBF-2	5, 9, 17, 18
	Finance Directorate	PBF-3	4
	Finance Directorate	PBF-4	2, 6, 7, 10
	Finance Directorate	PBF-5	7, 8, 13
	Finance Directorate	PBF-6	5, 9
	Finance Directorate	RNR-6	4
	Finance Directorate	PAP-2	5,6,7
	Finance Directorate	PAP-3	4,5,6
	Finance Directorate	PAP-4	3,4,5,40
	Finance Directorate	PAP-5	4,5,6

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Finance Director	Finance Directorate	PAP-10	3
	Finance Directorate	AFR-1	6,7
	Finance Directorate	AFR-4	6,9
	Finance Directorate	AFR-5	7
	Finance Directorate	AFR-6	3
	Finance Directorate	AFR-7	1,2
	Finance Directorate	AFR-2	15
	Finance Directorate	AFR-3	11
	Office of Finance Directorate	CTM-16	3
	Office of Finance Directorate	PBF-1	3, 6, 10, 18, 19
	Office of Finance Directorate	TAX-1	17,19
	Office of Finance Directorate	TAX-3	24
	Office of Finance Directorate	CTM-9	10,12
	Office of Finance Directorate	CTM-10	12
	Office of Finance Directorate	CTM-12	3
	Office of Finance Directorate	CTM-14	5, 9, 11
	Office of Finance Directorate	CTM-18	3
	Office of Finance Directorate	CTM-19	2,3,11,26
	Office of Finance Directorate	CTM-24	3,4,6
	Office of Finance Directorate	CTM-26	3
	Office of Finance Directorate	CTM-15	5
	Office of Finance Directorate	CTM-29	2,4
	Office of the Finance Directorate	CTM-11	7
Chief Executive Officer	Admin Section of Office of CEO	HRM-7	5
	Admin Section of Office of CEO	HRM-8	3
	Admin Section of Office of CEO	HRM-10	6
	Banking Section of Finance	HRM-11	6

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
	Directorate		
Chief Executive Officer	Office of CEO	IMM-11	3
	Office of CEO	CTM-11	7
	Office of CEO	TRM-1	18, 22, 23, 28,30, 31, 36, 39
	Office of CEO	PBF-2	6
	Office of CEO	PBF-6	2, 7, 9
	Office of CEO	RNR-6	4, 6
	Office of CEO	GAA-1	5
	Office of CEO	TAX-1	19
	Office of CEO	TAX-3	24
	Office of CEO	CTM-16	3
	Office of CEO	CTM-18	3
	Office of CEO	CTM-19	3,11,26
	Office of CEO	CTM-24	3,4
	Office of CEO	CTM-26	3
	Office of CEO	CTM-29	2
	Office of CEO	PAP-3	15
	Office of CEO	PAP-4	15
	Office of CEO	PAP-8	1
	Office of CEO	PAP-10	3
	Office of CEO	AFR-5	8
	Office of CEO	CTM-10	12
	Office of CEO	FAM-18	2
	Office of CEO	PBF-1	7
	Office of CEO	PBF-3	5, 8
	Office of CEO	PBF-4	8
	Office of CEO	PBF-5	9

Designation	Office/Section	Process/Sub-Process	Summary of Responsibilities for Functional Activities – Reference No.
Company Secretary	Office of CEO	AFR-7	4,6
Rent Assessment Board	Admin Section of Office of CEO	GAA-1	3
Verification Committee	Office of CEO	IMM-11	2
Audit Committee	Audit Committee	AFR-7	3
Finance Committee	Finance Committee	TRM-1	19, 37
	Finance Committee	PBF-1	8
	Finance Committee	PBF-2	7
	Finance Committee	PBF-3	6
	Finance Committee	PBF-5	10
Board of Directors	Board Of Director	CTM-19	1,3
	Board Of Director	CTM-24	4
	Board Of Director	TRM-1	20,38
	Board Of Director	PBF-1	9, 14
	Board Of Director	PBF-2	8, 13
	Board Of Director	PBF-3	7
	Board Of Director	PBF-5	11
	Board Of Director	PBF-6	1, 8
	Board Of Director	HRM-10	6
	Board Of Director	AFR-7	5,7