

**GOVERNMENT OF WEST BENGAL
FINANCE DEPARTMENT
AUDIT BRANCH**

No. 3962-F

Kolkata, the 29th May, 2006.

MEMORANDUM

Sub: Procedure of dealing with and Accounting for Government Revenue and Deposit Receipts in Divisional Accounts of Works.

Issuance of a clear-cut guideline on the mode of dealing with and accounting for the dues recovered on account of government revenue and deposit from the gross amount of works and work-charged establishment bills has been under consideration of the Government for some time past since it has come to the notice of the Government that in many cases, moneys being recovered by deduction from such bills on account of revenues and deposit receipts are not being deposited to the treasury for incorporation in the Government accounts by the Divisional Offices maintaining works system of accounts. This has caused loss of revenue of the Government on the one hand and contributed to the minus balance in the Group Insurance and Savings Scheme account maintained in the treasury on the other. Now the Government has decided to lay down a suitable procedure to be followed by the Divisional Engineers and the Divisional Accountants/ Divisional Accounts Officers in order to prevent recurrence of such undesirable situations.

I am, accordingly, directed by order of the Governor to prescribe the following procedural guideline for the Works and Forest Divisions :

The Divisional Officer shall-

1. draw LOC cheque(s) for the net amount of the bill(s) required for disbursement ;
2. draw LOC cheque(s) in favour of the Government of West Bengal for the money recovered by deduction from the bill(s) on account of the State Government revenue and GISS subscription and remit the cheque(s) with two copies of challans/schedules prescribed for the remittance for each of revenue/deposit receipts head of account to which the recoveries are to be deposited and accounted for in the treasuries ;
3. draw LOC cheque(s) in favour of the authority of the Central Government for the Central revenue recovered by deduction from the bill(s) and remit the cheque(s) with the required number of challans to the bank in the form prescribed for the purpose by the Central Government;
4. book expenditure for the works and work-charged establishment in the works accounts under the functional head of account complete upto the detailed head for the gross

amount which is equal to the amount of all the LOC cheques drawn against the bill(s) and the amount of internal transfer of the division ;

5. effect recoveries and their remittance under the appropriate head of account and book the transactions in the various registers and schedules as prescribed by the Government in CPWA code and the State Government Rules.

In the pay order en faced in the related bill(i) the net amount shall be passed for payment by issuance of a/c payee or order LOC cheque for disbursement as stipulated in the codal provisions ; (ii) the total amount of revenue and deposit receipts recovered by deduction from the bill shall be passed for payment by issuance of separate order LOC cheque for remittance under the appropriate Government revenue and deposit receipt heads. The amount recovered by deduction from the gross claim of the bill for the Government revenue and deposit receipts other than security deposits shall be remitted to the treasury-link bank with two copies of duly filled challan for each head of account to which the recovery is to be deposited and will be credited under the head of account of "8782- 00-102-002-20-receipts" in the works accounts after drawal of LOC cheque for the amount of the revenue and deposit to be remitted to the bank. The cheque shall be remitted to the bank with two copies of duly filled challan for each head of account to which the recovery is to be deposited. For example, for recovery of P. Tax the challan form prescribed in the P. Tax Act shall be drawn for credit under the head of '0028', for recovery of Sales Tax the challan prescribed for the purpose shall be drawn for credit under the head of '0040', for recovery the treasury-link bank for credit under the head of 8011', for recovery of GPF the account of which is maintained by the AG(A & E), W. B. the challan in 'TR 7' shall be drawn for credit under the head of '8009' and so on. The recovery by deduction from the gross claim of the bill for the central revenue such as Income Tax will be accounted for after drawal of a separate LOC cheque for the amount and remittance of the same to the bank with the income Tax challan prescribed for the purpose by the Income Tax authority. All the LOC cheques drawn shall be entered in the payment side of the works cash book in the bank column. The debit head of account of the bill for which the LOC cheque(s) is (are) drawn shall be entered in the appropriate column in the payment side of the Works cash book.

Sd/- P. K. Guha Roy

OSD & E.O. Special Secretary to
the Government of West Bengal.