

Sub.: Verification of cash & bank books / vouchers.

Guidelines for preparation of cash book, bank book, cheques, vouchers, etc., and approval of the same shall be as follows and must be strictly followed.

1. Cash book.
 - a. Accountants must maintain cash book and reconcile cash at the end of each day. Cash book must be verified by Kanaka Rao once a week (Thursday). All cash vouchers must be approved by Kanaka Rao and cash vouchers above limits specified herein shall also be approved by MD (Saturday).
2. Happay card.
 - a. Happay card statement with vouchers/bills must also be approved by accounts managers every Friday. Cash withdrawn through Happay and paid for expenses must be approved by Kanaka Rao as above.
3. Bank Book
 - a. Physical hand written bank book need not be maintained. Bank books must be maintained on daily basis on Tally.
 - b. Every cheque issued or withdrawn shall be accompanied by a voucher prepared in Tally.
 - c. All cheques other than routine cheques being sent to partners must be accompanied by request letter.
 - d. Cheque/csh receipt log book is being maintained. All receipts must be strictly entered in the log book.
4. Bills from purchase & request for payment.
 - a. Accountants must sign the advice for credit for supplier / contractor after thoroughly verifying PO / WO, bill, DC, etc., before giving credit in Tally. In case of bills for RMC, cement blocks and steel - compare bill with site report.
 - b. Similarly request for payment must be thoroughly scrutinized – especially single payment made on behalf of other projects.
 - c. Caution must be exercised to distinguish between payments from the project and the association.
5. Guidelines for making cash payments & approvals for the same is attached herein. All items not specific and mentioned herein – MDs prior approval is required.
6. Guidelines for approval of vouchers by MD. Accountants must place the relevant documents to be approved on top followed by relevant other documents. Do not place tally voucher on top.
 - a. Weekly vouchers where MDs approval is not required.
 - i. Labour payments against credit balance.
 - ii. Building material.
 - iii. Hire charges where job work does not exceed Rs. 15,000/- and on a/c. does not exceed Rs. 25,000/-
 - iv. Payment to suppliers (here MDs approval on advice for credit to supplier must be obtained).

- b. Other payments where MDs approval is not required.
 - i. Happay card payments not exceeding Rs. 5,000/- where local purchase does not exceed Rs. 500/- and cash payment does not exceed Rs. 1,000/-
 - ii. Salaries, salary advances, conveyance, loans to staff, incentives, etc., that have been preapproved by Admin/MD.
 - iii. Utility payments that are preapproved by Admin not exceeding Rs. 5,000/-. Electricity bills exemption upto Rs. 25,000/-.
 - iv. Payments to service providers, security, housekeeping, gardening, crèche teachers, scavengers, etc., that are preapproved by Admin.
 - v. Regular payments for promotional activities like advertisements, hoardings, printing, brochures, flyers, etc., where PO / estimate /agreement is preapproved by MD.
 - vi. Regular payment of rents, reimbursement of expenditure within projects where guideline has been issued/ preapproved.
 - vii. Statutory payments like PF, ESI, IT, GST, VAT, ST, TDS where statement prepared are preapproved by MD.
 - viii. Registration charges and mutation charges where statement prepared are preapproved by MD.
 - ix. Payment to consultants covered by agreement/letters.
 - x. Advance payments preapproved by MD.
- c. Weekly vouchers where MDs approval is required.
 - i. Labour payments where job work exceeds Rs. 3,000/-.
 - ii. Labour payments where departmental charges exceeds Rs. 3,000/-.
- d. Other payments where MDS approval is required.
 - i. Payments which do not look reasonable and are not regular payments.
 - ii. Excessive advance payments.

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Guidelines for making cash payments & approvals for the same – internal memo no. 904/27/a dated 02.04.2018. These limits shall also apply to payments made by cash after withdrawal from Happay card.

1. Following cash expenses of more than Rs. 500/- cannot be made without prior approval of MD.
 - a. Classified ads
 - b. Regular payments for water supply, scavenger, crèche ayya.
 - c. Flex printing
 - d. Purchase of petrol / diesel
 - e. Salary advance
 - f. Gifts
 - g. Travel expenditure
 - h. Photographs
2. Cash payments which can be made with the limits given below. Beyond that approval of MD shall be required. However, approval of respective manager of division / project or admin is required. *(outstanding balance cannot exceed Rs. 5,000/-)
 - a. Recharge of prepaid phone for sales Rs. 1,000/-
 - b. Recharge of prepaid phone for security Rs. 100/-
 - c. Petty cash to project managers* – Rs. 5,000/-
 - d. Petty cash to admin officers* at site – Rs. 5,000/-
 - e. Petty cash to purchase assistants* / managers* / officers* – Rs. 5,000/-
 - f. Petty cash to Promotions – Rs. 5,000/-
 - g. Petty cash to CR – Rs. 5,000/-
 - h. Petty cash to Prabhakar Reddy – Rs. 10,000/-
 - i. Paper insert – detail of no. of paper inserts, project & location must be mentioned – Rs. 10,000/- per week.
 - j. Transport charges – accompanied by PO/WO and approved by purchase manager – Rs. 2,000/-
 - k. Transport charges for hire of DCM with prior approval of purchase manager – Rs. 5,000/-
 - l. Hamali charges as mentioned in PO – Rs. 5,000/-
 - m. Purchase of material by cash – accompanied by original bill and office copy of PO – Rs. 5,000/-
 - n. Testing charges – accompanied by bill approved by project manager – Rs. 1,000/-
 - o. Weightment charges – approved by purchase manager – Rs. 1,000/-
 - p. Purchase through webportals – accompanied by bill and an office copy of PO – Rs. 10,000.-
3. Payment above Rs. 500/- that can be made by voucher to be approved by MD after payment (after approval of Kanaka Rao)
 - i. Incidental expenses with police, garbage, drain cleaning, electricity dept., water dept., etc.
 - ii. Postage & courier
 - iii. Certified copies, ECs, RTI
4. Cash payments for the following cannot be made for any amount without approval of MD. Effort must be made to pay by cheque.
 - i. Staff conveyance

- ii. Bottled drinking water supply
 - iii. Crèche teacher
 - iv. Mid day meals
 - v. News papers and magazines,
 - vi. Payments to consultants like lawyers, architects, legal opinion, surveyors, chartered engineers, etc.
5. Specific guidelines.
- a. Purchase of stamp paper – can be approved by Rambabu & Kanaka Rao. Stamp paper register to be approved by Jaya Prakash once a week. Vineela / Sunil to prepare A3 size pre-printed register.
 - b. Classified ads – prepare DD in advance.
 - c. Sweet boxes – explore possibility of paying by cheque.
 - d. Water tanker – attempt must be made to include in weekly vouchers.
 - e. Tata sky recharge, etc. – pay by happay card.