

STATUTORY AND OTHER REQUIREMENTS

1 Purpose

The purpose of this procedure is to define a system for planning and controlling activities related to statutory and other requirements in KSPHC.

1.1 Application

This procedure is applicable to commitments to various statutory authorities in the form of statutory obligation, payments and returns.

2.0 Responsibility

Responsibility and authority for various activities of KSPHC are described in the procedure part.

3.0 Terms, explanations, and definitions

- a) **Statutory obligation:** An obligation cast by a formal, written law, enacted by the legislative authority or concerned Departments of the Union Government of India (GOI) or the State Government of Karnataka (GOK) or by the local bodies where KSPHC is operating, to perform certain acts. It could consist of specific procedures to perform certain acts of business, administration or such related process. It may also consist of action to be taken by way of submitting returns in specified or customised formats, within prescribed time limits and may call for payments to be made in discharge.

4.0 Procedure

Statutory obligations may be broadly classified into the following categories. The overall responsibility for compliance against each class of statutory requirement is also indicated:

SI no	Nature of obligation	Primary Responsibility for compliance
1	Personnel administration related non-financial aspects – both compliance and updating requirements in line with revisions of the laws	Managers, Administrative Heads, including AAO and HODs
2	Personnel administration related financial aspects - both compliance and updating requirements in line with revisions of the laws	Financial Managers including FA, CAO, ACA & CA
3	Accounts and all tax related aspects, including VAT, IT, royalty, Cess and Service Tax - both compliance and updating requirements in line with revisions of the laws	FA, CAO, ACA & CA
4	Annual statutory audit aspects - both compliance and updating requirements in line with revisions of the laws	Financial Managers including FA, CAO, and PM (Audit)

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SI no	Nature of obligation	Primary Responsibility for compliance
5	Company Act and other corporate matter related aspects - both compliance and updating requirements in line with revisions of the laws	FA, Company Secretary
6	Construction related statutory aspects – building bye laws, etc - both compliance and updating requirements, including clearance from Ministry of Environment and Forests where warranted or from the concerned Pollution Control Board / Office / Local Body	Technical Managers including Divisional EE, concerned SE, EE (Electrical), and CE
7	Contract related statutory compliance requirements (KTPP Act, Indian Contracts Act, RTI etc)	Project-in-charge, Divisional EE, concerned SE, and CE
8	Inclusion of statutory requirements in the contract document and ensuring contractor's acceptance to comply and updating of such requirements whenever revised	AAO, EE (Contracts)
9	Compliance with sales and service tax requirements in respect of e-commerce services, e-tendering and PMS services	Concerned EE, FA, CAO and ACA
10	Compliance with the RTI Act	CMD, ED and the appointed officers under the Act
11	Motor Vehicle documents, renewals, tax payments and Pollution Under Control Certificates	Fleet Manager (SP - Arms)
12	QMS & EMS Compliances	MR and Chief Coordinator

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4. Statutory Obligation

The Head of Department will maintain a statutory obligation check list which shall contain a list of all statutory requirements, including rates of deductions, last date for remittance, format reference for returns, last date for submission of returns, and the date of last updation of the requirements. Such requirements shall be updated at least once in SIX months and the document shall record the date of last updation and the process adopted for updation. The process of updation may be carried out by visiting the respective websites, departmental circulars or by notifications.

SI No	Responsibility	Activity Description	D / R	D / R Ref
1	CMD, ED, FA, CAO, CA, CS, ACA, PM (Audit)	Conducting audit as per statute requirements, such as Supplementary audit, Property audit, and Internal audit.	D	CAG / AG communication s / notifications
	FA, CAO, CA, ACA, PM (Audit)	Updating requirements in light of revisions	D	Notifications
2	CMD, ED, FA, CAO, CA, CS	Conducting AGM within six months of closure of books of accounts.	D	Annual report
		Conducting meeting of Board of Directors of KSPHC as and when required to seek approval of various measures	D	Board resolutions

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4.2 Statutory deductions and payments

SI No	Responsibility	Activity Description	D / R	D / R Ref
1	FA, CAO, CA, ACA, AS	Deduction of PF contribution as per applicable rules, recorded in the salary register, and remitted within the due date	R	Salary bill / remittance challans
2	FA, CAO, CA, ACA, AS	Deduction and remittance of professional tax, income tax at source from salaries, as applicable, and remittance of the amount within due date	R	Salary bill / remittance challans
SI No	Responsibility	Activity Description	D / R	D / R Ref
3	FA, CAO, ACA, AS, EE (e-com), EE (Contracts)	Deduction and remittance of Income tax and such other statutory levies from Works bill, sales and professional tax, royalty for minerals used in construction	R	Bills and payment schedule
4	FA, CAO, ACA, AS	Recovery of contribution to Contractors' Benevolent Fund, and contribution and remittance as per Construction and Building Workers' Welfare Act	R	Bills and payment schedule

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4. Statutory Returns with PF, PT, ST and IT departments

SI No	Responsibility	Activity Description	D / R	D / R Ref
1.	CMD, FA, CAO, CA, ACA, AAO and AS	Submission of monthly and annual returns in prescribed formats to PF, additions and deletions to the rolls, monthly and annual Professional and Sales Tax returns, quarterly and annual IT returns and advance payment of IT	D	

4. Returns with ROC

SI No	Responsibility	Activity Description	D / R	D / R Ref
1	CMD, ED, FA, CAO, CA, CS	Periodic returns to be submitted to Registrar of Companies	D	

4.5 Annual report to State Government

SI No	Responsibility	Activity Description	D / R	D / R Ref
1	CMD, ED, FA, CAO, CA, CS	Annual report to be submitted to the Government within 30 days of AGM	D	

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Records

Where specifically not indicated, the senior most officer indicated for compliance shall decide the custodian of the record.

Sl no	Name of the record	Authorizing personnel	Custodian	Retention time
1	PF, PT, IT, Royalty, remittance files	CAO	AS	8 years
2	ROC File	CS	AS	8 years
3	Contractor's Benevolent Fund, Labour Welfare Fund	CAO	AS	8 Years
4	PF, IT, PT, ROC periodic returns	CAO	AS	8 years
5	B&CWW Act related files and remittances	CAO	EE (Contracts)	8 years
6	KTPP Act related records	CE	EE (Contracts)	8 Years
7	RTI related records	ED	Concerned PIO	8 Years
8	Application for and Building Licence issued by the Local Governing Body	CMD / ED/ Authorised Officer	EE / AEE	Till handing over

7. Reference

- a) ISO 9001: 2000 Clause Number 7.3.2

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8. Associated documents

- a) Control of Documents – QSP 01
- b) Control of records – QSP 02
- c) Finance Management – QSP 06
- d) Personnel Management – QSP 07
- e) Design & Development – QSP 13
- f) Awarding of Construction Contracts and e-tendering – QSP 17
- g) e-commerce – QSP 27 (Under preparation)
- h) Annexure to QSP 4 – Details of obligations under Corporate MOA and Registrar of Companies

9.0 Revision

Revision “0” – First Issue

10.0 Distribution of procedure

Chief Coordinator – QMS shall issue this procedure to all functional heads and include the procedure in the QMS documents folder uploaded on KSPHC website (<http://www.ksphc.org>).

Forwarded for approval by the Board of Directors by R. Sri Kumar Chairman & Managing Director	
Approved by Top Management Committee	Meeting on 8 Dec 2007
Prepared by MR & CS	