

CIRCULAR No: 35

No.Accts/B1/Pdl/2011-12

Dated: 17.03.2012

Sub: APSCSCL- Finance &IA Section-Cash Management-Indents
placed by districts – Diversion of Funds for other purposes-Reg
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The system of collecting Indents for placing the funds on day to day basis in order to facilitate the District Offices to determine the priorities & placing the indents to Head Office for release of funds based on actual day to day needs and also to avoid blocking up of funds in the district offices. Accordingly, the District offices are furnishing Indents for expenditure head wise such as Purchases, Transportation, IKP Commission charges etc and in turn the Head Office is releasing the funds to the District offices on the same day itself with in hours of time in order to facilitate the District offices to release the payments obtaining approval from competent authority for the purposes for which indents are placed by obtaining funds from Head Office. This arrangement is made in order to utilize the funds based on the priorities by placing the funds, reviewing the funds position on day to day basis and managing the funds more effectively and thus saving the cost of money at its best.

It is ascertained on review of Indents placed by districts and amount released to district offices, some of the districts are not utilizing the funds for the purpose for which they have obtained the funds from Head Office. It is a clear and severe deviation to the envisaged procedure thus doing so, the very purpose for which indenting procedure is victimized. .

It is aware of the fact that the Corporation is meeting its operational expenses / Working capital obtaining Cash credit from RBI at higher rate of interest on month to month basis and compelled to incur huge interest charges to the tune of Rs.190 Crores approximately on Cash Credit utilization during the financial year 2011-12.

In light of the above facts, the District Offices are advised to determine the priorities considering prevailing conditions before indenting for funds on day to day basis and also releasing the payments on various grounds for the purposes for which it is indented / obtained funds from Head office .If any deviation in releasing of funds for the purposes other than the actual purpose for which meant for will be viewed seriously. In cases where payments are to be made other than the purposes placed in the Indent in the extraordinary circumstances, approval may be obtained from Head Office before releasing the payments scrupulously.

All the District Offices are advised to adhere to the above instructions and co-operate.


General Manager(Finance)

To,
All the District Manager,
APSCSCL