

APS RTC

No B&F/F1/65(6)/90-FD

O/o the VC & MD Finance Wing
Mushirabad Hyderabad
Dated 30 Jul 91

ACCOUNTS CIRCULAR NO 10 / 1991 92

Sub ECONOMY - Suggested Economy measures in all Wings of the Corporation-
Reg

Ref VC & MD's Accounts Circular No 21/1990 dt 10 OCT 90

The ever increasing cost of operations not keeping pace with revision of fares has been adversely affecting our profitability All our hopes of turning the gloomy prospects after revision of fares by about 20% in MAY 90 were belied by various external factors in the traumatic year 1990 In the Current year 1991-92 too we had to cut Bus services in the peak month of MAY 91 due to disturbances following the assassination of former Prime Minister

Recapitulating very elastic traffic demand to fares charged, of repeated Central Governments policy to privatise the PSUs, mounting debt servicing cost and our Corporate objective of providing economic transport service all the Managers of the Corporation are requested to strain every nerve of theirs to improve profitability by optimum resource utilisation, improving earnings and increasing productivity and practise cost control measures duly mustering our Employees' fullest cooperation for bettering our lot

It is therefore decided to institute the following cost control measures to begin with

1) STORES & LUBRICANTS

The cost on Stores & Lubricants per day per bus held has gone up from Rs 60/- in APR and MAY 90 to Rs 94/- in APR and MAY 91 i e , by over 50% Apart from price escalation excess consumption of Stores & Lubricants over and above prescribed norms is responsible for such steep increase in cost Hence utmost care is required in optimum use of Stores & Lubricant to minimise expenditure

2) TYRES & TUBES

All our efforts should be made to improve Tyre life by proper usage and following guidelines provided by MED from time to time

3) FILLING UP OF VACANCIES

Vacancies (except Drivers & Conductors) in all Departments need not be filled up until further orders from Corporate Office

4) TOOLS & PLANTS

All the Unit Managers are required to refrain from seeking sanctions for augmentation of existing Furniture & Fixtures and Plant & Machinery Sanction in exercise of the delegated powers shall be accorded for replacement of existing items only after their full life is exhausted Proposals for initial supply and augmentation for existing as well as new Units shall be submitted to the ED(A)/ED(E) as the case may be Further Air Conditioners (except for Computer Rooms) Electronic Typewriters and Xerox Machines shall not be procured TVs and VCRs shall not be purchased except for Training Colleges

5) DISPOSAL OF SCRAP

All Scrap Vehicles/Spares/Obsolete items which are un serviceable shall be sent to Stores Department for auctioning them and realising the amounts in time to ease our liquidity position and reduce finance cost All Sr Engineers (Works) and Depot Managers should undertake "Operation clean up" of their Units and send every bit of scrap within one month to Regional Stores for disposal

6) HSD OIL

The use of HSD Oil for other than topping up of Vehicles shall be avoided Moya Oil shall be adequately stocked and used for cleaning purpose So also steps shall be taken in TRS to use Coal fired Boiler mstead of oil fired boiler wherever it is practicable

7) TRAINING

Managers/Supervisors/Staff shall not be drafted for any Seminars and Refresher Courses under vestibule training programmes (except for computerisation activity) by Professional Institutes Private Organisations, Private Agencies etc Training courses covering a period of one week or above shall be conducted by Transport Academy or by Training Schools of APSRTC as usual Training Programmes organised Transport Academy and Training Schools by outside agency on package programmes may be minimised and if they have to be arranged it shall be done only with prior permission of VC & MD and concurrence of FA & CAO In other words wherever they are organised internal Faculty shall be drafted profusely

8) AIR / TRAIN TRAVEL

All Air and I Class AC Train travel for all Managers including HODs/RMs (except Chairman/VC&MD/EDs and FA & CAO) is totally banned Managers including HODs/RMs shall travel by APSRTC Buses, if the distance is less than 300 KMs HODs/RMs may perform journey by II tier AC if the travel is for more than 300 KMs Other Managers may travel is I Class if the travel is more than 300 KMs

9) TELEPHONES

The expenditure on Telephones shall be within the budgetary limit allotted to each Unit phone. The concerned RM/CM(P) shall communicate to each Unit Manager Phone-wise allotment so as to contain the expenditure within the limit. The Unit Manager shall maintain a register to record Phone-wise Budget allotment, the expenditure incurred and the balance amount left for each phone monthly. Excess expenditure beyond the budget shall be recovered from the concerned Unit Manager. The responsibility of communicating the budget allotment lies with Regional Manager in case of Region and with CM(P) in case of Corporate Office. For the year 1991-92, CM(P) has communicated phone-wise budget allotment in respect of Head Office Units vide O.O. No. OS2/411(4)/91 Dy. M(P) I dated 25 JUL 91. STD connection to the phones other than the ones permitted by the VC & MD shall be disconnected. No uneconomic sanction shall be accorded for electronic equipment and appendage for Telephones.

10) LUNCH

In meetings, provision of lunch shall be banned and only snacks/tea or coffee shall be served and total expenditure per head per day shall not exceed Rs 15/ (Rupees fifteen only). Only in monthly RMs meeting, working lunch may be served.

11) MISCELLANEOUS EXPENDITURE

Miscellaneous Expenditure shall be restricted to the barest minimum. A list of items of expenditure falling under "Miscellaneous Expenditure" at Annexure "A" which was annexed to Accounts Circular No 21/1990 dated 10 OCT 90 cited at reference.

12) RENOVATIONS

All Renovations to Managers' Rooms and Cabms should be completely shelved till JUN 92.

13) STATIONERY

The expenditure on Stationery is found to be rising continuously. Hence all the Managers are required to economise the use of Stationery by all types of austerity measures.

14) INAUGURATIONS

Avoid extravagance and restrict the expenditure within the limits specified in Cir No PD-79/88 dated 19 AUG 88.

Sd/ (HJ Dora)
Vice-Chairman & Managing Director