

APS RTC

No CC/98(Admn)/94 95/AD

Office of the FA & CAO  
Mushirabad Hyderabad  
Dated 28 Jun 94

**ACCOUNTS CIRCULAR No 15 / 1994**

Sub RWS & TRS Apportionment of Regional Office expenses of one Region to another Region Reg

Ref Accounts Circular No 11/1988 dated 19 April 1988

As per the existing circular instructions 6% of the value of services of RWS, TRS and Stores transferred from one Region to another Region, are to be charged towards Regional Office expenses. The method of apportionment of Regional Office expenses in addition to the direct costs of RWS, TRS was introduced in order to reflect more correctly the profitability of each Region, in the Regional set-up.

In the re organised set up the control of RWS TRS and Stores have been brought under Zones with production centres requiring to serve the Regions in that particular zone only. After Zonal transfers in this present scenario also is expected to be almost NIL. The valuation for transfer of Units produced by RWS TRS and Stores will be done on the basis of Budgeted costs only and in respect of inter Zonal transfers no additional charges towards service charge are required as such transfers will be minimal and negligible. The difference between Budget costs and actual costs in the year and also need not be transferred in case of inter Zonal transfers. In case at any point of time it is felt by any of the Units that the Budget costs require a revision due to high variation with respect to actual costs the same may be communicated to Costing Cell in Head Office for revision of the same.

In view of the above it is decided to dispense with the existing system of transferring a percentage cost for services rendered. Hence in the Zonal Set-up transfers of services rendered by RWS TRS and Stores are to be made for the Actual despatches at costs applicable and without any additional service charges.

The instructions will be effective from the Financial year 1994-95.

Sd/- (A Krishna Murthy)  
FINANCIAL ADVISER AND  
CHIEF ACCOUNTS OFFICER