

ANDHRA PRADESH STATE ROAD TRANSPORT CORPORATION

Tel/Fax+91 (40) 27615327
E mail caoapsrtc@yahoo com
No MA1/4(1)/2003 04 AD

1 7 1066 Azamabad Msrd
HYDERABAD 500 020
Dated 28th Jul 03

ACCOUNTS CIRCULAR NO 12 / 2003

Sub ACCOUNTS - Monetary Benefit - Accountal of and Disclosure as Contingent Liability - Reg

Ref (1) Cir NO PD 12/2000 dt 11th Feb 00
(2) Cir No PD 24/2001 dt 12th Mar 01
(3) Accounts Circular No 6 / 2002 dt 22nd Mar 02

Vide Circular cited at (1) orders were communicated to accord approval for payment of following amount in lump sum to the family members of employees died in harness in lieu of providing employment

Periodical of Bills raised on other STUs and PSUs by _____ Region for the month of _____

| Sl No | Division of STU on which Bill is raised | Bill No | Date | HSD Oil Ltrs | Rate per Ltr | HSD Oil Amount | Maintenance | Cost of Stores | Service Charges | Interest | Total Amount |
|-------|---|---------|--------------------|--------------|--------------|----------------|-------------|----------------|-----------------|----------|--------------|
| | STU A. | | | | | | | | | | |
| | | | Total | _____ | | _____ | | | | | _____ |
| | STU-B | | | | | | | | | | |
| | | | Total | _____ | | _____ | | | | | _____ |
| | STU-C | | | | | | | | | | |
| | | | Total | _____ | | _____ | | | | | _____ |
| | STU | | | | | | | | | | |
| | | | Total | _____ | | _____ | | | | | _____ |
| | APTDC Hyderabad | | | | | | | | | | |
| | | | Total | _____ | | _____ | | | | | _____ |
| | | | Grand Total | _____ | | _____ | | | | | _____ |

Reconciliation with MTD 36 Return

Reasons for Difference

Total Quantity of HSD Oil Issues to other STUs and PSUs billed as per the Periodical
 Total Quantity of HSD Oil Issues to other STUs and PSUs as per MTD 36 Return
 Difference

Place
 Date

Dy CAO / AO

| | |
|------------------------------|-----------|
| Class - I Officers | Rs 150000 |
| Class - II Supervisors | Rs 125000 |
| Class - III and IV Employees | Rs 100000 |

Vide Circular cited at (2) orders were communicated fixing a time limit of three years from the date of death of employee for claiming the Monetary Benefit

Vide Circular cited at (3) accountal procedure for booking Provision for Outstanding Expenses at the end of every year was communicated

While finalising Replies to the Draft Audit Report on the Annual Accounts for 2001 02 it is observed that the Audit Parties pointed out several Omissions and Commissions in accountal and disclosure of Contingent Liability for Monetary Benefit Hence the following instructions are reiterated/issued

01 ACCOUNTAL FOR PAYMENTS

At the time of making Monetary Benefit payments all the Accounting Unit Officers shall debit final Expenditure AH 6061* and credit AH Bank during the course of year

02 PROVISION FOR OUTSTANDING EXPENSES

All the Accounting Units shall list out the Monetary Benefit Claims (a) received on or before 31st Mar and (b) pending for disposal on 31st Mar every year assess the liability at rates prevailing on 31st Mar and bring the amount to book as detailed below

- (a) Book the Provision (Dr AH 6061* and Cr AH 1132) in Mar accounts every year
- (b) Reverse the Provision JE in Mar accounts of next year
- (c) Thus in Mar accounts every year two JEs have to be passed the first one for reversing Previous Year Mar JE and the second one for Provision for Outstanding Expenses at the end of the Current Year

*AH 67s for Production Units

In this connection all the Unit Officers are advised to note that the criterion for making provision is receipt and pendency of Claim as on 31st Mar of the year Hence such of those Claims which are rejected or withdrawn on or before 31st Mar should be deleted from the List for the purpose of making provision for Outstanding Expenses

03 CONTINGENT LIABILITIES

With regard to cases relating to employees died in harness on or before 31st Mar and for which Monetary Benefit Claims are not received the possibility of receiving claims at a later date cannot be ruled out So in such cases we have to disclose the amount involved as Contingent Liability

Hence list out names of —

- (a) employees died in harness during the current FY and preceding two FYs
- (b) for which Monetary Benefit Claims are not received on or before 31st Mar

work out the amount of expenditure involved at rates prevailing on 31^t Mar
and include the amount in the List of Contingent Liabilities

It should also be noted that —

(a) amounts relating to cases for which Provision for Outstanding Expenses has already been created and

(b) death cases in which family members have applied for employment

should not be included in the List of Contingent Liabilities

Sd/ (K V Subba Rao)

CHIEF ACCOUNTS OFFICER

To

All the Dy CAOs and AOs

All the EEs and DMs

The ATMs of MGBS and DBS

A P S R T Corporation

Copies to the FA and CA

Copy to the Sr Audit Officer AG RTC Branch