

A.P.S.R.T.C.

O/o the VC & MD(AUDIT WING)
Head Office;MSRD:HYD-20.

No.DY.CAO(TA&I)/Spl.PDL/30(25)/08-AD.

Date: 07.08.2008.

ACCOUNTS CIRCULAR NO.6/2008, DT.07.08.2008

Sub: INTERNAL AUDIT - Misappropriation of Corporation Funds - Altering "Yourselves" Cheque to "Self" Cheque in respect of payment of Professional Tax-Precautions to be taken in writing Cheques - Reiteration of Instructions - Regarding.

Ref: 1. Chapter No.12 of Accounts Manual, 2004.
2. FA's Lr.No.B&F/FA/5(294)/2005-06-FD.Dt.15.09.2005.
3. B&F/F4/5(294)/2005-06-FD, dt.05.11.2005.

In the references cited instructions have been issued to exercise certain checks and follow the procedures in writing the Cheques scrupulously.

. In spite of giving instructions, still certain incidents are taking place misappropriating Corporation Funds by altering "yourselves" cheques as "self" cheque. Action was also taken on the senior Assistant and the Unit officer of a depot recently.

The following guidelines are reiterated to all the drawing officers for implementation while signing the Cheques and getting paid vouchers post audited regularly to control the financial irregularities.

1. All the Cheques should be affixed with "A/C Payee and not negotiable" rubber stamp.
2. Verify the cheque with counter foils and CIR and ensure that all entries i.e Date. Amount and Payee name are the same.
3. Verify whether the cancellations of crossings are for withdrawal of cash for Disbursements only in respect self Cheque.
4. No over writings and alterations in the name of the payee and the amounts are to be made in Cheques. In case any alterations are required then such Cheques shall be cancelled by affixing CANCELLED stamp and a fresh Cheque shall be written incorporating the required modifications. Such cancelled Cheques must be firmly stapled to the counter foils.
5. Good quality transparent celluloid sticking tape should be pasted on the name of the payee and also on the figures, so that no alteration / over writing can be made.
6. Reverse carbon may be used while writing Cheques, so that the details of the payee and the amount would be recorded on the back side of the Cheque.

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7. While writing "yourselves" Cheques, to pay column should be written as follows:

- Yourselves (as per challans)
- Yourselves (as per DD Requisition)
- Yourselves (as per Bank intimation letter)

The challans, DD Requisition and Bank intimation letter invariably enclosed to the Cheques and must be signed by the drawing officer only. This aspect should be given utmost care, since it is noticed that some of the Unit Officers are not taking care while signing yourselves Cheques.

8. Enfacement is to be crossed to signify drawal of cheque to avoid double drawal.

9. All the drawing officers shall ensure to get the paid vouchers post audited regularly without allowing than into arrears duly maintaining the vouchers serially numbered, giving cheque number reference on the pay order or bills, obtaining acquaintances and ensuring filing of vouchers and receipts along with pay orders. Further, action is also required to be taken on the irregularities pointed out in the Audit Reports..

10. It is also reported that the Depot Managers are resorting to cancellation of "Account Payee Crossings" indiscriminately which shall be avoided

11. Depot Managers shall not cancel the "Account payee" crossing under/any circumstances except for "self cheques". Such self cheques should be drawn by the D.C. authorized in this behalf.

12. Unit Officers shall also ensure scrutiny of Bank scrolls and Bank Reconciliation Statements periodically to ensure that no omissions, irregularities, unconnected debits / credits shall exist.

All the Drawing and Disbursing Officers are advised to adhere to the above guidelines in addition to the instructions contained in Accounts Manual, 2004 on the subject of Paid Vouchers vide Chapter No. 10, Page Nos. from 194 to 205.

Violation of the above instructions will be viewed seriously.


CHIEF AUDITOR

To
All the Depot Managers,
ATMs DBS(VSP)/MGBS(HYD).
All EEs & All AOs / Dy.CAOs,
All Regional Managers for information.
Copy to CCE/HO for information.
Copies submitted to ED(Zones), FA, CAO, for favour of information Please
Copy to CM(HRD) for inclusion in the Index.