



No. Dir (F)/MSEDCL/Finance/6504/32787

Date : 26.10.2010

**C I R C U L A R**

Sub : **ENSURING EXPENDITURE CONTROL AND AUSTERITY MEASURE.**

A Circular No.Dir(F)/MSEDCL/Finance/25682 dt. 01.08.2009 was issued to ensure the expenditure control by following various measures. There is an immediate need for strict financial discipline to maintain the sustainability of Mahadiscom. To ensure this, following instructions are reiterated with modifications for immediate implementation

**1. Economy in Controllable Experience.**

***a. Local purchases & supplies at field offices.***

- i. Unnecessary purchases shall not be made.
- ii. Chief Engineers shall ensure that the process of e-tendering is followed and orders are placed on the basis of e-tendering only.
- iii. Budget provision is to be followed and orders shall be placed within the Budget only.
- iv. Chief Engineers shall consolidate the zone's requirement and issue the orders from Zonal level or finalize the standard rates for purchases to be made locally for the minimum and absolutely necessary quantities.
- v. Inventory record of local purchases shall be properly maintained and monitored.
- vi. Orders not to be split by Circle/Division in parts.
- vii. Regional EDs will review the inventories in their Circles/Divisions and divert the required quantities as per the needs amongst the Circles & Zones.
- viii. Chief Engineers will arrange to review the temporary and permanent imprest and curtail this to a bare minimum.

Page 1 of 3

**Maharashtra State Electricity Distribution Co. Ltd.**

Prakashgad. Plot No. G-9. Bandra (E), Mumbai - 400 051 ☎ (P) 26474644 (O) 26474211 • Fax 26479941  
Hongkong Bank Bldg., M. G. Road, Fort, Mumbai - 400 001 ☎ (P) 22619499 (O) 22619100 • Fax 22650747  
E-mail : md@mahadiscom.in • Website www.mahadiscom.in

ix. Outsourcing of the contracts will be immediately reviewed and curtailed to absolute necessity.

***b. Need based Constructions / major repairs.***

New Civil Works like Administrative Building, major renovation etc. which require the funding from internal sources should not be taken up except where the work orders have already been placed. Similarly, no major repairs/Civil works shall be undertaken, unless these are absolutely essential & due approval of the Competent Authorities / MERC as required is sought.

***c. Need based expenditure on Air Journey.***

Air journey to the Officers of the level of CE and equivalent only is permissible. If needed in the events of urgencies approval of M.D. will be required for officers below the rank of Chief Engineers.

- (i) Meetings at HO / Field office / any other place shall be attended by the concerned officers without any assistants.
- (ii) Company Guest House or Govt. Rest Houses only be preferred for stay while on tour.

***d. 40% Cut in following expenditure of the present level shall be ensured.***

- i. Office Furniture.
- ii. Expenditure towards Meetings and Entertainment.
- iii. Telephone Bills.
- iv. Legal Expenses.

**2. Ensuring proper demand of Funds by the Field Offices.**

- a. Monthly requirement sent to Distribution Section shall be generated on S-Bill Software duly audited and shall include list of audited vouchers only.
- b. Utilization of funds of previous months shall also be audited and the balances, if any reviewed and reduced from the requisition.
- c. Utilization of funds for the purpose for which the funds were sent.
- d. While recommending for release of funds here-onwards, the C.E. & E.D. concerned at H.O. will keep the instructions in this Circular in view.
- e. No funds will be released beyond Budget provision of the concerned circle

3. All the concerned shall scrupulously follow the above instructions. Any deviation in this regard shall be viewed seriously by the Competent Authorities.

4. Implementation of this Circular will be reviewed in CE's Monthly Review Meeting.

This Circular is issued with the concurrence of Director (Operations) and the approval of the Chairman & Managing Director & comes into force immediately,

  
Director (Finance),  
MSEDCL.

To

All Regional EDs / Zonal CEs / SEs of all Circles, MSEDCL.  
*The concerned will ensure to follow this scrupulously.*

Executive Director (CP) / (Projects) / (HR), MSEDCL, Corporate Office, Mumbai.

All Heads of Departments in Corporate Office, Mumbai.

OSD to MD, MSEDCL.

All General Manager (F&A) / Managers (F&A) at Field Offices, MSEDCL.

Copy f.w.cs.to :-

The Director (Operations) / (Projects), MSEDCL.