



MAHAVITARAN

Maharashtra State Electricity Distribution Co. Ltd.
(A Govt. of Maharashtra Undertaking)

CIN : U40109MH2005SGC153645

Director(Finance)/Expenditure Control/3236

Date :

CIRCULAR

F-2 FEB 2015

Sub : Expenditure Control & Austerity Measures – Guidelines issued thereof.

Ref : 1) Circular No. Director(F)/MSEDCL/Finance/2567/25682 dtd. 01/08/2009.
2) Circular No. Director(Finance)/5921 dtd 08/11/2012.

With a view to control the adverse finance position of the company, instructions have been issued from time to time for effective management of available resources and implementation of various austerity measures by the Field Offices. To control the expenditure towards Supply Orders / Work Orders, the powers of Field Chief Engineers were restricted subject to approval from H.O. level.

The matter was discussed in CE's Review meeting held on 21st January, 2015.

In view of the discussions held in the meeting, the Circulars referred at (1) & (2) above are partially modified as under.

The Clause no. (3) of the Circular referred at (1) above and Clause no. (1) of the Circular referred at (2) above is withdrawn subject to following :

- 1) For placing all types of Works / Supply Orders, henceforth, the Field Offices shall follow the financial limits *as per the powers delegated to them vide General Order No. CGM(F&A)/MAHAVITARAN/1604 issued dtd. 04/08/2006.*
- 2) The respective Field Office i.e. Zone/Circle/Division shall observe the budgetary limits for issuing of Works / Supply Orders. The Circle/Division wise Annual Plan shall be prepared by the Zone office covering the Capital Works as well as Repairs & Maintenance Works to be carried out in the ensuing Financial Year. The approval of the said Annual Plan shall be obtained from H.O. well in advance before commencement of the next Financial Year. The last date for submission of Annual Plan to H.O. shall be last day of February month for the next Financial Year.
- 3) Field Offices are authorized to invite tenders & issue work orders for the works included in the approved Annual Plan for that financial year without referring Head Office. Chief Engineer of Zone is authorized to approve work variations to the extent of 10% of approved Annual Plan [For the works not included in the approved Annual Plan] subject to overall financial limits. The total financial limits in the approved Annual Plan shall be strictly followed while placing Supply / Work Orders by the Field Offices and responsibility for any excess expenditure over the approved Annual Plan will be with the concerned Head of Division/Circle /Zone.

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- 4) The Field offices shall follow the instructions issued vide Ltr. No. Director (Finance)/MSEDCL/3040 dtd. 01/06/2013 which are reiterated below :
- A detailed technical estimate to be prepared before processing the procurement /works and the records of the same has to be maintained as prescribed.
 - The instructions issued for following e-Tendering procedure shall be strictly adhered to.
 - In order to avoid the splitting of orders, the work orders shall be placed Division wise after getting the actual requirement of each Sub-division and after proper estimation of the work. No Section wise / Sub-division wise orders shall be placed.
 - The practice of placing confirmatory orders shall be stopped immediately. All the orders for purchase of materials above Rs.-10,000/- and for Works above Rs. 25,000/- shall be placed only after pre-audit. Only in case of emergency and when there is any undue delay in pre-audit, an order may be placed without such pre-audit limited to Rs.10,000/- for purchase of materials and Rs.20,000/- for Works. Even in such cases the orders should be subjected to post audit immediately thereafter.
 - The Tendering process for execution of Capital Works shall be initiated only after the Administrative approval of the Competent Authority as prescribed is obtained and proper financing arrangement is in place.
 - Detail guidelines for tendering and procurement process are being issued separately.

All the concerned are hereby instructed to note the changes as above and implement accordingly with immediate effect.

This Circular will be applicable with immediate effect. Chief Engineer Zones shall ensure that for the F.Y. 2014-15, available Budget shall to be strictly followed. ***For the ensuing F.Y. 2015-16, the Annual Plan shall be submitted to the Chief Engineer (Distribution), 5th Floor, Prakashgad, H.O., Mumbai by 28th February, 2015.***

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

The Circular is made available on company's website i.e. www.mahadiscom.in.


Director (Finance)

Copy f.w.cs.to :

The Director (Operations)/(Projects), MSEDCL, H.O., Mumbai

Copy to :

- The Executive Director (Projects) / (HR), MSEDCL, H.O., Mumbai.
- The Regional Executive Directors, I-Kalyan/II-Pune/III-Nagpur, MSEDCL.
- The Chief Engineer (Dist.), MSEDCL, H.O., Mumbai

He is directed to collect / consolidate the information and communicate the approved Annual Plan to Field Offices before the commencement of next Financial Year.

- The Chief General Manager(C.F.)/(I.A.)/(C.A.), MSEDCL, H.O., Mumbai
- All The Chief Engineers (O&M) Zones, MSEDCL.
- The OSD to Managing Director, MSEDCL, H.O., Mumbai.