

THE FOOD CORPORATION OF INDIA
HEAD QUARTERS : NEW DELHI

No. Accts/9(24)/93

DT : 10.5.93

CIRCULAR NO. 630/ACCTS.

Reference is invited to Para 4 of Significant Accounting Policies of the Corporation regarding transactions pertaining to Adjustments relating to Previous Years. Some of the Offices have sought for clarifications whether a voucher in respect of number of bills / claims is the criteria for operating Adjustments relating to Previous Years. In this connection, it is clarified that the limit of Rs.1 lakh is restricted to each claim / bill only as clearly stipulated in Headquarters Circular no. 619/Accts. dated 22.1.1993. A voucher either in B.E. 2 and BE-3 may comprise of more than one bill / claim and the voucher value may exceed Rs. 1 lakh whereas the value of individual claims / bill may be less than One Lakh. Therefore, for the purpose of operating this limit of Rs. 1 lakh value of a bill or claim is taken and not the value of voucher comprising several claims / bills. It is further clarified that if the individual bill/claim is less than Rs. 1 lakh, the amount should be booked to relevant Head of Accounts and not to the prior periods in respect of items/expenditure as stipulated in the circulars issued (No. 597/Accts.)

Sd/-
(A.K. CHAKRABORTY)
JOINT MANAGER (A/cs)