



**SHREEMATI NATHIBAI DAMODAR THACKERSEY
WOMEN'S UNIVERSITY**

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Ac/Finance/2012-13/685

Date :- 28-03-2013

Ref. No.
To,

CIRCULAR

1. All Principals of the Colleges conducted by SNTW University.
2. All Directors/Heads/Co-ordinators/In-charge of the University Departments at Churchgate, Juhu & Pune Campuses.

SUB: Grant & Settlement of Advance

It has been noticed that time and again advances are granted to the officials/staff members for various administrative reasons and the said advances in few cases remain unpaid for a long time, though the purpose for which the advance was drawn is over. Further it has also been observed that in most of the cases, the balance unspent amount in cash is also not deposited instantaneously into the University / Institutional Bank Account or the same is being used for expenditure at subsequent event. It is also seen that the adjustment of the advances are generally delayed in many cases due to various reasons, even if the condition to the advance is to settle the same within 15 days. In spite of numerous attempts to reconcile the old advances drawn in the past & reach to the zero pendency, the advance amount still remains outstanding in certain cases due to noncompliance or misplacement of sub vouchers.

2.0 In view of the above, issuance of standard directives for streamlining the process of grant, drawal & settlement of advances was under active consideration, it is therefore directed that henceforth the following guidelines & processes shall govern the grant, drawal & settlement of Advances, in the best financial interest of the S.N.D.T. Women's University.

2.1 The advance in cash will be sanctioned only in the urgent and exceptional circumstances where the sanctioning authority is of the opinion that the cash payments are unavoidable. However all payment to the third parties shall be made as far as possible through cross cheque. Further, where such cash payments are being made it shall be the responsibility of the HoD to ensure that required statutory deductions under various laws are made & also necessary details about payee's PAN & identity are obtained & kept on record.

2.2 The amount of the advance is to be utilised specifically for the purpose for which it was sanctioned & the balance amount, if any, shall be paid immediately through the Challan in to the bank account of the SNTW Women's University / Institution & under any circumstances shall not be permitted to use to defray expenses of any other subsequent event.

2.3 Any advance can be sanctioned maximum one month in advance, however the sanctioned amount of advance shall be permitted to draw if in cash, not more than 7 working days before the date of the event & 15 days in case of payment to the payee by cheque. As far as possible cash payment should be avoided & only in exceptional cases cash advance can be drawn by cheque in the favour of Department/Institution Bank Account, otherwise it is expected that any expense out of advance amounting above ₹ 1000/- shall be incurred by requesting Finance & Accounts Officer for drawal of cheque in the name of respective vendor by the concerned Department.

2.4 It shall be the responsibility of the concerned HoD to protect the financial interest of the SNDT Women's University / Institution while incurring expenditure out of the advance drawn, therefore wherever the due processes of inviting quotations should be strictly adhered to. Further for substantial advance amounts indemnity bond wherever desired to be obtained & advance stamp receipts duly signed by the payee has also to be obtained before disbursement of any payment & shall be preserved in the office record.

2.5 No second advance or subsequent advance will be granted for the same purpose unless the first advance is cleared or bills for the settlement are submitted, however in the urgent circumstances, the second advance may be granted with the specific approval of the higher authority. It shall be the entire responsibility of the concerned HoD to submit settlement claim well within a time.

2.6 All advances shall be sanctioned & drawn in the name of **permanent** staff member of the S.N.D.T. Women's University / Institution & the HoD concerned shall be responsible for clearance of the same within specified time limit or under normal circumstances within 15 days from the date of drawal of the advance. An advance can also be settled in part.

2.7 The unspent cash balance of advance should be refunded to the SNDT Women's University / Institution Bank Account at any time when such amount is no longer required for payment of expenses & need not be held in abeyance till adjustment or settlement of advance in full.

2.8 Any delay in remittance of the said unspent balance of cash out of an advance drawn beyond a period of 2 days, it shall attract the penal interest @18% p.a., which shall be charged on the said balance amount that remain unpaid till the date of final adjustment of the advance in full & the same will be recovered from the Official / Staff member. If the said amount of penal interest is not paid upon notice of demand, the same shall be recovered from the salary payable for the ensuing month & further can be considered as an act of temporary misappropriation which will be dealt accordingly with suitable disciplinary action.

2.9 Any such amount of advance taken & remains outstanding shall be recorded in the Petty Cash Book & cash balance at any point of time should remain in the official Cash Box & not in the personal custody. Further, after drawal of the advance or recoupment of petty cash advance the entry thereof is required to be immediately taken in the Petty Cash Book. If it is noticed at any time during the inspection that the drawal of an advance is not entered in the petty cash book or if the balance amount is not found in the cash box during surprise check, then the same will be considered as indiscipline.

2.10 The Head of Department who have drawn Permanent Advance / Petty Cash Advance should recoup / refund the said advance on or before 25th March without fail & obtain necessary clearance certificate or certificate about receipt of sub vouchers / documents for clearance of such advance, in case of failure to do so, no, further advances shall be granted upon recoupment of said advance unless permitted by the higher authority. Further expenditure if any after the said deposition of advance can be incurred by submission of bill.

2.11 A fresh Permanent / Petty Cash Advance for the ensuing Financial Advance can be drawn in the first week of April by providing proposal in the proforma prescribed along with details of average of 3 years expenses incurred out of advances granted earlier without which no such advance shall be granted.


2.12 The proposal for the grant & drawal of advance shall be submitted strictly a month in advance before the date of event & in the proforma prescribed as per **ANNEXURE - A**.

2.13 It shall be binding on the Finance & Accounts Section to issue acknowledgement for the receipt of sub vouchers in support of clearance of the advance drawn at the first instance in **ANNEXURE - B** & shall subsequently issue advance clearance / adjustment certificate within 15 days from the date of receipt of such proposal for adjustment of an advance. The University Accountant & the person looking after the said work shall be personally responsible for maintaining proper record of advances granted & settled & also liable for any laps in the said regard or any delay in the adjustment of said proposal.

3.0 In view of the provision of the Account code and standard guidelines herein above, it is therefore obligatory on the part of the concerned Head of the Department to initiate the proposal for the grant & drawal of an advance strictly in the proforma prescribed as per **ANNEXURE - A** & without which no advance generally be permitted to be sanctioned or drawn at the level of S.N.D.T Women's University, Department, Centre, Institution.

4.0 All the concerned Head of the Departments/Institutions/Centres are therefore requested to kindly note these guidelines & also bring these instructions to the notice of staff working under the control.

This circular is issued with the concurrence of Competent Authority.


Virendra Jadhavrao
Finance & Account Officer
S.N.D.T. Women's University

Copy submitted to:-

1. Hon. Vice-Chancellor, S.N.D.T. Women's University, Mumbai - 400 020.
2. Hon. Pro.Vice-Chancellor, S.N.D.T. Women's University, Mumbai - 400 020.

Copy for information :-

1. The Registrar, S.N.D.T. Women's University, Mumbai - 400 020.
2. The Director, B.C.U.D., S.N.D.T. Women's University, Mumbai - 400 020.
3. The Controller of Examination, S.N.D.T. Women's University, Mumbai - 49.
4. The University Librarian, S.N.D.T. Women's University, Mumbai - 400 020.

Copy for Finance & Accounts Section record :-

1. Finance & Accounts Section - Standing Order File.

ANNEXURE - A
PROFORMA FOR SANCTION & DRAWAL OF AN ADVANCE

Subject:- Proposal for Grant of Administrative Approval for Drawal of Advance

PROPOSAL OUTWARD No.		DATE	
NAME OF THE DEPARTMENT		DEPARTMENT CODE	
PURPOSE OF ADVANCE & REASONS WHY PAYMENT CAN'T BE MADE BY CHEQUE AFTER THE EVENT			
ESTIMATED EXPENSES ₹		DATE OF REQUIREMENT OF ADVANCE FOR PAYMENT	
AMOUNT OF ADVANCE REQUIRED IN ₹ IN WORDS		AMOUNT OF ADVANCE IN ₹ IN FIGURES	
DATE OF SETTLEMENT OF ADVANCE			
DETAILS OF PREVIOUS OUTSTANDING ADVANCE (DATE OF DRAWAL & OUTSTANDING ADVANCE AMOUNT)			
PARTICULARS OF ADVANCE REQUIREMENT:			
Sr. No.	Particulars of Items of Expenditure	Estimated Expenses	
		In Cash ₹	In Cheque ₹
	TOTAL ₹		

CERTIFICATES

- I have confirmed that the said expense are reasonably worked out & for incurring of the said expenses the drawal of an advance in cash/cheque is very much necessary.
- I further undertake to adjust the advance within 15 days of drawal & also to refund the unspent balance immediately after the purpose is over.
- I am aware that any delay may attract penal interest @18% p.a.
- I confirm that the laid down due procedure shall be followed while incurring of the expenses & the required statutory deductions shall be made & necessary details of payees identity along with payees receipt shall be obtained on record. Wherever necessary I will ensure obtaining of indemnity bond from the payee to safeguard the financial interest of the SNTD Women's University/ Institution.

APPLICANT
(Name & Designation)

REMARKS OF THE SANCTIONING AUTHORITY/FINANCE & ACCOUNTS DEPARTMENT

I do / do not approve the sanction of Advance of ₹

HoD/Principal/Director
(Name & Designation)

Accountant

AFO/DFO

FAO

REGISTRAR

ANNEXURE - B
PROFORMA OF ACKNOWLEDGEMENT FOR SETTLEMENT OF ADVANCE

Subject:- Acknowledgement for Settlement of Advance

PROPOSAL INWARD No.		DATE	
NAME OF THE DEPARTMENT		DEPARTMENT CODE	
PURPOSE FOR WHICH ADVANCE WAS SANCTIONED			
ACTUAL EXPENSES ₹		DATE OF DRAWAL ADVANCE	
AMOUNT OF ADVANCE DRAWN IN ₹ IN WORDS		AMOUNT OF ADVANCE DRAWN IN ₹ IN FIGURES	
RECEIPT No. & DATE OF REFUND UNSPENT CASH BALANCE		AMOUNT OF UNSPENT CASH IN ₹	
DETAILS OF FULL/PART SETTLEMENT OF ADVANCE			
PARTICULARS OF SUB VOUCHERS SUBMITTED FOR SETTLEMENT OF ADVANCE			
Sr. No.	Particulars of Items of Expenditure	Actual Expenses	
		In Cash ₹	In Cheque ₹
	TOTAL ₹		

CERTIFICATES

1. I have confirmed that the said sub vouchers for the aforesaid expenses in reference to the advance drawn are verified by me & confirm that the said expenditure is incurred after following the due process. Further where ever necessary arithmetical corrections are made.
2. I further confirm that the advance settlement claim is presented within 15 days of drawal or delayed by days.
3. I have verified that the cash unspent balance has been deposited immediately after the event with in the time line / not with in the time line & therefore for the delay attract penal interest @18% p.a. which works out to Appx. ₹ .
3. I confirm that the said advance adjustment proposal will be scrutinized & decision will be taken within 15 day.

DATE

UNIVERSITY ACCOUNTANT