Petty Cash Guidelines

Record Management

1. Cash book maintenance & closing of daily balances.
2. Signature of PCA on daily closing balance at the end of day
3. Daily Cash Report to be sent to SM Accounts/CFO/MD by Mail
4. Hard Copy Filing of Daily Cash Report with sign of PCA
5. Fortnightly review of Advance Float Given and Remark made in Advance Register
6. Unadjusted advance more then 45days float intimated to accounts department immediately for further recovery from employee from their any payment due
7. Once in an month advance float to be closed it will stop misuse of company funds & its diversions
8. Following form to be preprinted
    a. Cash Delivery Form
    b. Cash Receiving Form
    c. Reimbursement Settlement Form
    d. Petty Cash Request Letter
9. Weekly cash verification by Sr Manager Accounts & Monthly cash verification by CFO & their report to be sent to MD
10. Daily Weekly Cash Book Reconciliation with cash balance in tally
11. Daily/Weekly cash book entry updation in tally
12. Marking of cash book entries as “Entered” if entered in tally.

Limitation on Petty Cash Payment

1. Maximum payment to 1 person in one day will be 19999/-
2. Petty cash payment should not be made or used for
    a. Salary Payments
    b. Purchase without PO if more than 5000
    c. Loan to staff
    d. Advertisement
    e. Capital Expense
    f. Professional Payment
    g. Sub Contractor Payment
    h. Expenses on which TDS is applicable

Petty Cash Shall be used for

1. Travelling & Conveyance
2. Repair & maintenance if bill is less than 19999/-
3. Fooding expenses
4. Staff welfare less than 10000/-
5. No payment shall be made unless it is approved by relevant authority with approved limit