

PUNJAB STATE POWER CORPORATION LIMITED
(O/O The Chief Accounts Officer/WM&G, P.S.P.C.L. Patiala)

Accounts Circular No. 01
Year 2011

To

1. All Sr.Xens / REs in PSPCL & PSTCL (Accounting Units Only)
2. All Accounts Officers in PSPCL & PSTCL

Memo No: 31/526 /WM&G/CAC-37 Dated : 07.01.2011

Sub: Opening of new account code for the interest payable under Micro, Small and Medium Enterprises Development Act 2006.

In view of the provisions contained in Micro, Small and Medium Enterprises Development Act 2006, the following Account codes are added under Main Account code **83.7 “Interest and other Finance Charges relating to previous years”** in the booklet “Chart of Accounts” (Commercial Accounting Systems Vol., 1 Part 1) as under:-

<u>Account code</u>	<u>Account Head</u>
83.701	Interest payable under the Micro, Small and Medium Enterprises Development Act 2006. <u>Explanation</u> The interest paid on delayed payments to various suppliers as per awards given by the Micro, Small and Medium Enterprises Facilitation Council shall be charged to this account code.
83.710	Interest and other finance charges (Misc.) <u>Explanation</u> Interest and other finance charges of miscellaneous nature pertaining to previous years shall be debited to this account code.

Accounts Officer/WM&G
PSPCL Patiala.

Endst.No: 527/997 /CAO/WM&G/A-130 Dated: 07.01.2011

Copy of the above is forwarded to the following for information & further necessary action:-

1. DGP/V&S, Patiala.
2. All EIC/CEs
3. All CAOs/CA/FA&CAOs/FA.
4. All Dy.CEs/SEs/.
5. All Dy.CAOs/Dy.CAs/Dy.FAs .
6. RAO, Patiala.

Accounts Officer/WM&G,
P.S.P.C.Ltd., Patiala.

CC:-

1. PS to CMD (PSPCL/PSTCL)
2. PS to Directors (Power Com./Transco.)

PUNJAB STATE POWER CORPORATION LTD.
CHIEF ACCOUNTS OFFICER
(WM&G SECTION)

Accounts Circular No. 02
Year: 2011

To

1. All Sr.Xens / REs in PSPCL & PSTCL (Accounting Units Only)
2. All Accounts Officers in PSPCL & PSTCL

Memo No: 1282/1779/CAO/WM&G/CAC-37
Dated : 16.2.2011

Subject: Opening of new account codes under Group Head 44 "Staff related liabilities & provisions" & 83 "Prior period Expense/losses to account for arrear of Pay, Leave encashment, Pension and Gratuity".

In view of the recommendations of the 5th pay commission the pay scales and pension have been revised as per Finance Circular No.15/09 and 18/09 amended to date respectively. Due to this revision the pay, pension, gratuity, leave encashment etc. have been revised and the arrears of the same are due w.e.f.1.1.2006 or from the date of option. PSEB has been now unbundled into two corporations namely PSPCL & PSTCL. Therefore the liability of the arrear pertaining to the period of the Erstwhile PSEB is required to be created.

In view of the above following account codes are opened under main account code 44 "Staff related liabilities and provisions" and 83.5 "Employees Cost relating to previous years" in the booklet "Chart of Accounts" (Commercial Accounting Systems Vol-I, Part-I) as under:-

<u>Account Code</u>	<u>Account Head</u>
44.111	Provision for arrear of Gratuity due to revision of pay scale
44.121	Provision for arrear of Pension due to revision of pay scale
	44.122 Provision for arrear of Commutation of Pension due to revision of pay scale
44.311	Provision for arrear of Pay due to revision of pay scale

Explanation

These accounts will reflect the provision made in respect of arrear of gratuity, pension, commutation of pension and pay pertaining to previous years. Actual payment shall be debited to these accounts.

83.501	Arrear of Revised Pay due to revision of pay scales (to be operated by Head Office)
83.502	Arrear of Leave Encashment due to revision of pay scale (to be operated by Head Office)
83.503	Arrear of Pensionary Charges due to revision of pay scales (to be operated by Head Office)

Explanation

The arrear on account of revision of pay, leave encashment, pension, gratuity, commutation of pension relating to previous years shall be debited to these account codes per contra credit to respective Account code under Group head 44 at the year end by head office.

83.510	Other Employee Cost
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Note:-

The payment of arrear of leave encashment on account of revision of pay scale shall be charged to existing Account code 44.340.

This issues with the approval of Chief Accounts Officer.

Accounts Officer/WM&G,
PSPCL, Patiala.

Endst. No: 1780/1877 /CAO/WM&G/CAC-37 Dated: 16.2.2011

Copy of the above is forwarded to the following offices of PSPCL & PSTCL for information & further necessary action:-

1. All EIC/CEs
2. All CAOs/CA/FA&CAOs/FA.
3. All Dy.CEs/SEs.
4. All Dy.CAOs/Dy.CAs/Dy.FAs .
5. RAO, Patiala.

**Accounts Officer/WM&G,
P.S.P.C.Ltd., Patiala.**

CC:-

1. PS to CMD (PSPCL/PSTCL)
2. PS to Directors (Power Com./Transco.)

**PUNJAB STATE POWER CORPORATION LTD.
CHIEF ACCOUNTS OFFICER
(WM&G SECTION)**

**ACCOUNTS CIRCULAR NO. 03
YEAR: 2011**

To

1. All Addl.SEs/Sr.Xens / REs in PSPCL
2. All Accounts Officers in PSPCL.

Memo No: 1882/2352 /WM&G/A-63/Vol-XI

Dated: 16.2.2011

Sub: Booking of employees cost to Capital Works for the year 2010-11.

With the introduction of Electricity (Supply) (Annual Accounts), Rules 1985 framed by Govt. of India and made applicable in the Erstwhile PSEB w.e.f 1.4.1986, (now PSPCL) the employees cost are to be charged to works by the concerned Divisions/Accounting Units. To meet the requirement of these rules, the following procedure should be followed: -

1. O&M ACCOUNTING UNITS/ORGANISATIONS

- (a) The employees cost (Work-charged/daily labour) which have exclusively/directly been employed on Capital Works are to be transferred from Group Head 75 by debit to Group Head 14 Capital Works in progress Accounts (Work concerned) per contra credit to Account Code 75.920.
- (b) A portion of regular employees cost equal to 11% of Capital Works Expenditure incurred during the year is to be charged, by debit to Group Head 14 (work-concerned) per contra credit to Account Code 75.930.
- (c) A portion of Head Office employees cost equal to 0.7% of Capital Works Expenditure incurred during the year (without adding 11% as mentioned in para 'b' above) is to be charged by debit to Group Head 14 (work concerned) per contra credit to Account Code 75.935.

2. BOOKING OF EMPLOYEES COST BY ACCOUNTING UNITS (UNDER DS ORGN.) WHERE NO ACTIVITIES RELATING TO O&M ARE CARRIED OUT.

- (a) The employees cost (Work Charged/Daily Labour) which have exclusively/directly been employed on Capital Works are to be transferred from GH-75 by debit to GH-14- Capital Work in progress Accounts (Work concerned) per contra credit to Account Code 75.920 by the concerned division/Accounting Unit.
- (b) Regular employees cost and administration & general expenses of division/sub divisions booked under GH-75 and GH-76.1 by the division are to be capitalized by the concerned Const. Division/Accounting Unit by debit to GH-15.2 (Revenue expenses reclassified- Pending allocation over Capital Works) per contra credit to Account Code 75.910 and 76.9 respectively. This adjustment is to be made every month and where this has not been done, the adjustment be carried out in the account of March.
- (c) The pay and allowances etc. of gazetted establishment i.e Sr.Xen., AEEs & AEs in respect of Const. divn./Accounting Unit for the year will be intimated by .A.O/Pay & Accounts to the concerned divisional office. Divisional office shall account for

this expenditure by debit to Group Head 15.2 per contra credit to Account Code 75.910/76.9 respectively.

- (d) The expenditure booked under Account Code 15.2 as per b&c above shall be distributed on the works expenditure in the ratio of expenditure incurred during the year by debit to GH-14 (Work concerned) per contra credit to Account Code 15.2.
- (e) As regards expenditure (employees cost and administration and general expenses) of Circles/Design Directorate and CE offices, regular employees cost equal to 1% of the capital works expenditure incurred during the year (without adding the charges as indicated in sub para b,c & d above) shall be debited to GH-14 (work concerned) per contra credit to Account Code 75.930 on advalorem basis.
- (f) In addition a portion of head office employees cost equal to 0.7% of Capital Works expenditure incurred during the year (without adding the charges as indicated in the sub para (b to e) shall be charged to GH-14 (work concerned) per contra credit to Account code 75.935.

3. ACCOUNTING UNITS UNDER CONSTRUCTION ORGANISATIONS (OTHER THAN THERMAL PROJECTS).

- (a) The employees cost (work charged/daily labour) which have exclusively/directly been employed on Capital Works are to be transferred from Group Head- 75 by debit to Group Head 14-Capital Works in progress Account (work concerned) per contra credit to Account Code 75.920 by the concerned division/Accounting Unit.
- (b) Regular employees cost and Administration and General expenses of Divisions/Sub-divisions booked under Group Head-75 and 76.1 by the division

is to be capitalized by the concerned Const. Division /Accounting Unit by debit to Group Head 15.2 (Revenue expenses re-classified-Pending allocation over Capital Works) per contra credit to Account code 75.910 and 76.9 respectively. This adjustment is to be made every month and where this has not been done, the adjustment be carried out in the Account of March.
- (c) The Pay & Allowances etc. of gazetted establishment i.e Sr. Xen, AEEs & AEs in respect of Const. Division/Accounting Unit for the year will be intimated by the A.O/Pay & Accounts to the concerned Divisional Office by 10th April. The Divisional Office will account for this expenditure by debit to Group Head 15.2 per contra credit to Account Code 75.910/76.9 respectively.

The expenditure booked under Account Code 15.2 as per para a, b & c shall be distributed on the works expenditure in the ratio of expenditure incurred during the year by debit to Group Head- 14 (work concerned) per contra credit to Account Code-15.2.

- (d) As regards the expenditure (employees cost and administration and General Expenses) of Const. Circle Design Directorates and CE office, the percentage at which the expenses are to be booked to the Capital Works will be intimated by the Dy. CAO or the Sr. Xen(Works) concerned, where no Dy.CAO is posted. On receipt of the intimation from the Dy.CAO/Sr.Xen (Works) the expenditure on account of establishment of Circles, Design Directorates and CE Office shall be debited to the Group Head 14 (work concerned) per contra credit to Account Code 75.930. To work out the percentage at which the expenses are to be booked to Capital Works, following procedure shall be followed by the Dy.CAO/Sr.Xen (Works) concerned.

The expenditure(Employees Cost and Administration & General Expenses) of the concerned Const. Circle, Design Directorate and CE's office (from April to February as per Trial balance and for March, as compiled by the concerned Divisions and other adjustments if still to be carried out) shall be as ascertained from the concerned offices of Chief Engineer otherwise from the following office(s): -

- (i) The division in regard to expenses of Circle(s) including Pay & Allowances of non-gazetted employees.
- (ii) AO/Cash in regard to Pay & Allowances of non –gazetted employees of Design Directorates and CE office(s).
- (iii) AO/Pay & Accounts for pay and allowances of Gazetted Estt. of Circle(s), Design Directorate(s) & CE/Office(s).
- (iv) And other offices concerned where the expenditure is being booked.

The above expenditure so ascertained is to be allocated on percentage basis over the Capital Works expenditure incurred during the year by the concerned Organisation. The percentage shall be worked out and intimated to the concerned Divisions/Accounting Units latest by 18th April for charging the expenditure to the Capital Works. The percentage so fixed shall also be intimated to this office.

- (e) In addition to above, the Const. Divisions/Accounting Units shall also charge a portion of Head Office employees cost equal to 0.7% of Capital Works expenditure incurred during the year (without adding the charges as indicated in para 'b' to 'd' above) by debit to Group Head-14 (Work concerned) per contra credit to Account Code 75.935.

4. THERMAL PROJECTS/PLANTS

- (a) The employees cost (work charged/daily labour) which have exclusively/directly been employed on Capital works are to be transferred from Group Head-75 by debit to GH-14 capital work in progress Accounts (works concerned) per contra credit to Account Code 75.920.
- (b) The employees cost (regular) up to Chief Engineer level which have exclusively been employed on Capital Works is to be transferred from Group Head-75 by debit to Group Head 15.2 (Revenue Expenses re-classified pending allocation over capital works) per contra credit to Account Code 75.910 and then distributed on works in the ratio of works expenditure.

However, in case of plants where regular employees cost could not be identified as exclusively for capital works, a portion of regular employee cost equal to 11% of Capital Works expenditure incurred during the year is to be charged by debit to GH-14 (work concerned) per contra credit to Account Code-75.930.

- (c) A portion of Head Office employees cost equal to 0.7% of Capital Works Expenditure incurred during the year (without adding the cost as indicated in para 'b') is to be charged by debit to Group Head-14 (work concerned) per contra credit to Account Code 75.935.

GENERAL

Calculation in respect of regular employee cost @ 11% or at the rate intimated by Dy.CAO or Sr.Xen (Works concerned and Head Office employees cost @ 0.7% shall be rounded off to the nearest ten rupees. Neither IUT Bills shall be raised nor U-cheques issued against these adjustment.

Under paragraph 2.47 of Basic Accounting Principles & Policies, the Capitalization of assets is to be done on issue of Assets commissioning certificate from the relevant technical authority of the Board. As such capitalization of assets may be done on regular basis after charging H.O prorata charges.

The adjustments are required to be carried out in the Accounts for the month of March.

Copy of the relevant Journal Voucher (J.V) shall be supplied along with the account for the month of March.

This issues with the approval of Chief Accounts Officer PSPCL, Patiala.

Accounts Officer/WM&G,
PSPCL, Patiala.

Endst.No. 2352/2577 /WM&G /A-63/Vol-XI Dated: 16.2.2011

Copy of the above is forwarded to the following officers of PSPCL & PSTCL for information & necessary action please: -

1. All Chief Engineers
2. All CAOs, FA & CAO
2. All Superintending Engineers
3. Chief Auditor, Patiala.
4. All Dy. CAOs/ Dy.CAs, Dy.FAs
5. RAO, Patiala.
6. SE/IT, Patiala.

Dy.CAO/Sr.Xen (Works) in the O/O CE concerned Const., Organization are requested to intimate to the concerned division, the percentage at which employees cost relating to Const. Circle, Design Directorate and CE's office is to be booked to Capital Works following the procedure laid down in para 3(d), under intimation to this office.

**Accounts Officer/WM&G,
PSPCL, Patiala.**

CC:-

1. PS to CMD (PSPCL/PSTCL)
2. PS to Directors (PSPCL/PSTCL)

PUNJAB STATE POWER CORPORATION LTD.
CHIEF ACCOUNTS OFFICER
(WM&G SECTION)

Accounts Circular No. 04
Year: 2011

To

1. All Accounts Officers in PSPCL & PSTCL
2. Principal/TTI, PSPCL, Patiala.

Memo No: 2588/2635 /CAO/WM&G/CAC-37/Vol-XI
Dated:17.2.2011

Sub: Accounting of expenditure of Ombudsman Electricity Punjab, Chandigarh.

In view of the notification dated 26.8.10 issued by Punjab State Electricity Regulatory Commission (PSERC) Chandigarh the following Account Code is added under the Main Account Code 76 - Administration & General Expenses in the booklet of "Chart of Accounts" (Commercial Accounting Systems Vol-I, Part-I) as under:-

Account Code

Account Head

76.196

Expenditure incurred by Ombudsman

Explanation

The debit raised by Ombudsman on account of expenditure incurred and distributed in the ratio/share decided by PSERC shall be charged to this account.

This issues with the approval of Chief Accounts Officer.

Accounts Officer/WM&G,
PSPCL, Patiala.

Endst.No: 2636/2716 /CAO/WM&G/CAC-37/Vol-XI

Dated: 17.2.2011

Copy of the above is forwarded to the following for information & further necessary action:-

1. All EIC/CEs
2. Chief Controller Finance, P.S.P.C.L, Patiala.
3. All CAOs/CA/FA&CAOs.
4. Directors /Research, Chandigarh.
5. All Dy.CAOs/Dy.CAs/Dy.FAs .

Accounts Officer/WM&G,
PSPCL, Patiala.

CC:-

1. PS to CMD (PSPCL/PSTCL)
2. PS to Directors (Power Com./Transco.)

**PUNJAB STATE POWER CORPORATION LTD.
CHIEF ACCOUNTS OFFICER
(WM&G SECTION)**

**Accounts Circular No.05
Year: 2011**

To

1. All Addl.SEs/Sr.Xens
2. All Accounts Officers

Memo No.2794/3201/WM&G/ CAC-37/Vol-XI Dated:09.03.2011

Subject:- Restriction on incurring expenditure on behalf of PSTCL.

Reference:- CAO to Director/Finance, PSPCL, Patiala memo No. 29/69 dated 8.3.11.

To account for the transactions relating to expenditure incurred on behalf of PSTCL and vice versa new account codes 28.881 to 28.885 and 46.946 to 46.947 were opened vide account circular No. 8/2010 (Memo No.3198/3498/CAO/WM&G/CAC-37 Vol. X) dated 07.07.10. But it has been observed that due to this practice heavy amount has been accumulated under these heads.

A meeting regarding Financial Restructure Plan was held on 07.03.2011 in the chamber of Director/Finance wherein Director/Finance, PSTCL and other officers of PSPCL and PSTCL were also present. After detailed discussion and deliberation, it was decided that for proper accountability and accounting of expenditure already incurred by PSPCL on behalf of PSTCL and vice versa after 16.04.2010 must be supplied alongwith, monthly account of February,2011. It has been further decided that in future no expenditure shall be incurred on behalf of PSTCL with immediate effect.

In case, it is considered absolutely necessary to incur the expenditure on behalf of offices of PSTCL the same shall be allowed with the prior approval of Director/Finance.

This issues with the approval of Chief Accounts Officer.

Dy. Chief Accounts Officer/A&R,
PSPCL, Patiala

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Endst.No. 3202/3382 /WM&G /CAC-37/Vol-XI Dated: 09.03.2011

Copy of the above is forwarded to the following officers of PSPCL & PSTCL for information & necessary action please: -

1. All Chief Engineers
2. All CAOs, FA & CAO
1. All Superintending Engineers
2. Chief Auditor, Patiala.
3. All Dy. CAOs/ Dy.CAs, Dy.FAs
4. RAO, Patiala.
7. SE/IT, Patiala.

**Accounts Officer/WM&G,
PSPCL, Patiala.**

CC:-

- 1. PS to CMD (PSPCL/PSTCL)**
- 2. PS to Directors (PSPCL/PSTCL)**