



PUNJAB STATE TRANSMISSION CORPORATION LIMITED
Chief Accounts Officer, A&R {Compilation} Shakti Sadan, Patiala

Accounts Circular No. 05/2011/PSTCL

To

All Addl. SEs/Sr. Xens/AOs under PSTCL
(Accounting Units only)

Memo No. 1690/1749/CAO /A&R
Dated: 05.07.2011

Subject: Accounting of Capital Expenditure incurred on 66KV lines and 66KV sub stations on behalf of PSPCL by PSTCL and recovery of 20% of cost of such capital works executed as establishment cost.

PSTCL has been executing 66 KV works both lines and sub stations on behalf of PSPCL. PSPCL has agreed for reimbursement of the cost of such capital works executed along with 20% of the claim amount towards establishment cost on provisional basis subject to truing up after availability of actual cost of work done by respective Construction/Grid/TLSC Divisions of PSTCL. Accordingly PSPCL has been reimbursing the amount on the basis of claims submitted by Chief Engineer/TL both for transmission lines and Sub Station works being nodal agency.

It has come to the notice that the capital expenditure incurred on 66 KV works (both lines and sub stations) has been booked under GH-14 (Capital Work in Progress) by the respective Construction/Grid/TLSC Divisions of PSTCL instead of GH - 28.8 (Inter Corporation Transaction – Amount recoverable from PSPCL on account of capital expenditure incurred on 66KV works (both lines & sub stations) on behalf of PSPCL).

Therefore, all such respective Accounting units should pass reverse entries under GH-14 (Capital Work in Progress) by charging to correct GH - 28.891 (Inter Corporation Transaction – Amount recoverable from PSPCL on account of Capital Expenditure on 66KV capital works (lines & sub station) on behalf of PSPCL) for the expenditure incurred during 2010-11 in March 2011 account. Similar entries should be passed for expenditure incurred during 2011-12. In future it should be taken care that such type of capital expenditure should be booked directly to GH -28.891 (Inter Corporation Transactions – Amount recoverable from PSPCL on account of Capital Expenditure on 66KV capital works (lines & sub station) on behalf of PSPCL)

Apart from the above, it has also come to notice that no accounting is being done by any accounting unit regarding recovery of 20% of cost of such capital works executed as establishment cost recoverable from PSPCL. Chief Engineer/TL, PSTCL, Patiala is just adding 20% to the cost of such capital works at the time of submission of claims to Chief Engineer/RE & APDRP, PSPCL, Patiala. Moreover recovery of this 20% as establishment cost is a reduction in total employee cost of these Construction Divisions to be capitalized to other different works.

Therefore, it is decided that all such accounting unit should pass an accounting entry by debiting GH-28.892 (Inter Corporation Transactions – amount recoverable from PSPCL on account of establishment cost incurred on 66KV capital works (both lines & sub stations) per contra credit to GH-75.940 (Recovery/Reimbursement from PSPCL on account of establishment cost) for the 66KV capital works (both lines & sub stations) executed on behalf of PSPCL during 2010-11 in March 2011 account. Similar accounting entries should be made in 2011-12 on monthly basis. In spite of that, while capitalizing the employees cost, it may also be taken care that total employees cost GH- 75 (Debit) (including terminal benefits covered under 75.860 & 75.870) to be capitalized should be reduced by that 20% amount credited to 75.940. So that net employee cost could be capitalized on all other capital works except 66KV works executed on behalf of PSPCL.

The following New Accounts Codes/Heads are added/opened in the booklet of “Chart of Accounts” (Commercial Accounting System Vol. 1 Part 1).

Account Code	Account Head
28.891	Inter Corporation Transaction – Amount recoverable from PSPCL on account of Capital Expenditure incurred on 66KV works (lines & sub station) on behalf of PSPCL
28.892	Inter Corporation Transaction – amount recoverable from PSPCL on account of establishment cost incurred on 66KV capital works (both lines & sub stations) executed on behalf of PSPCL .
75.940	Recovery/Reimbursement from PSPCL on account of establishment cost for the 66KV capital works (both lines & sub stations) executed on behalf of PSPCL.

This issues with the approval of Director/Finance & Commercial, PSTCL.

Accounts Officer/A&R (Compilation),

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- 1 Er. in Chief/Sub Station, PSTCL, Patiala.
- 2 Chief Engineer/TL, PSTCL, Patiala.
- 3 Chief Engineer/P&M, PSTCL, Ludhiana.
- 4 Chief Engineer/SO&C, PSTCL, Patiala.
- 5 Financial Advisor, PSTCL, Patiala.
- 6 CAO/A&R, PSPCL, Patiala.
- 7 All CAOs / CA / FA / Cost Controller under PSPCL.
- 8 All SEs under PSTCL.
- 9 Dy. CAO/A&R, PSPCL, Patiala.
- 10 All Dy. CAOs / Dy. CAs / Dy. FAs under PSPCL / PSTCL.
- 11 Company Secretary, PSTCL/PSPCL.
- 12 All Accounts Officers under PSPCL.
- 13 Accounts Officer/Broad Sheet, PSPCL, Patiala.
- 14 RAO, PSPCL/PSTCL, Patiala.
- 15 SE/IT, PSPCL / PSTCL, Patiala for placing the circular on websites of PSPCL/PSTCL.

Accounts Officer/A&R (Compilation),
PSTCL, Patiala.

CC

- 1 Sr. PS to CMD, PSTCL/PSPCL, Patiala.
- 2 Sr. PS to Director/Finance & Commercial, PSTCL, Patiala.
- 3 Sr. PS to Director/Finance, PSPCL, Patiala.
- 4 Dy. Secy. to Director/Technical, PSTCL, Patiala.
- 5 Sr. PS to Director/Administration, PSTCL, Patiala.
for kind information of the CMD/Directors respectively.
- 6 PA to Chief Accounts Officer, PSTCL, Patiala.



PUNJAB STATE TRANSMISSION CORPORATION LIMITED
Chief Accounts Officer, A&R {Compilation} Shakti Sadan, Patiala

Accounts Circular No. 04/2011/PSTCL

To

- 1 All ASEs/Sr. Xens PSTCL (Accounting Units/DDOs only)
- 2 All Accounts Officer under PSTCL.
- 3 Accounts Officer/A&R and AO/WM&G, PSPCL, Patiala.

Memo No. 1492/1551/CAO/A&R/20

Dated: 28/06/2011

Subject: Opening of New Account Codes/Heads for Payment to Outsourcing Agency for Engagement of Personnel on Contract basis.

PSTCL has issued work order no. 1 dated 18.01.2011 to M/s Sharma Associates, Chandigarh for providing outsourcing staff. For proper and separate accounting regarding payment to outsourcing agency on account of Personnel engaged on Contract basis, there is a need to create a separate account code under Administration and General Expenses head i.e. GH – 76. Accordingly the following Account Codes/Heads are added the booklet of “Chart of Accounts” (Commercial Accounting System Vol. I Part I) under Group Head - 76 for proper accountal of payment to outsourcing agency for engagement of Personnel on contract basis.

Account Code	Account Head
76.197	Payment to outsourcing agency for engagement of Personnel on Contract basis.

The payment made during 2011-12 (up to June 2011) may also be adjusted under this newly sub head through JV/TEO in June 2011 Account. Similarly payment made during 2010-11 (up to March 2011) is also to be adjusted under this newly opened Account in March 2011 Account.

This issues with the approval of Chief Accounts Officer, PSTCL, Patiala after discussion with Director/Finance & Commercial PSTCL Patiala.

Accounts Officer/A&R(Compilation),
PPSTCL, Patiala.

Endst No.1552/1681/CAO/A&R/20

Dated: 28/06/2011

Copy of the above is forwarded to the following for information and further necessary action please.

- 1 Er. in Chief/Sub Station, PSTCL, Patiala.
- 2 Chief Engineer/TL, PSTCL, Patiala.
- 3 Chief Engineer/P&M, PSTCL, Ludhiana.
- 4 Chief Engineer/SO&C, PSTCL, Patiala.
- 5 Financial Advisor, PSTCL, Patiala.
- 6 CAO/A&R, PSPCL, Patiala.
- 7 All CAOs / CA / FA / Cost Controller under PSPCL.
- 8 All SEs under PSTCL.
- 9 All Dy. CAOs / Dy. CAs / Dy. FAs under PSPCL / PSTCL.
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- 14 SE/IT, PSPCL / PSTCL, Patiala for placing the circular on websites of PSPCL/PSTCL.

Accounts Officer/A&R(Compilation),
PSTCL, Patiala.

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- 3 Sr. PS to Director/Finance, PSPCL, Patiala.
- 4 Dy. Secy. to Director/Technical, PSTCL, Patiala.
- 5 Sr. PS to Director/Administration, PSTCL, Patiala.
for kind information of the CMD/Directors respectively.
- 6 PA to Chief Accounts Officer, PSTCL, Patiala.



PUNJAB STATE TRANSMISSION CORPORATION LIMITED
Chief Accounts Officer, A&R {Compilation} Shakti Sadan, Patiala

Accounts Circular No. 03/2011/PSTCL

To

- 1 All ASEs / Sr. Xens / A.O.s PSTCL (Accounting Units only)
- 2 Accounts Officer / Banking, PSTCL / PSPCL, Patiala.
- 3 Accounts Officer / GPF, PSPCL, Patiala.
- 4 Accounts Officer / Pension, PSPCL, Patiala.
- 5 Accounts Officer / A&R and AO/WM&G, PSPCL, Patiala.

Memo No. 1236/1300/CAO/Corporate Accounts/A&R/32

Dated: 14.06.2011.

Subject: Revised Procedure/Mechanism for settlement of transactions made by the different Accounting Units of PSTCL during the financial year 2010-11 (17.04.2010 to 31.03.2011) relating to GPF, Pension, Gratuity, Leave encashment, LTC and Medical reimbursement for transfer of balances to PSPCL at Head Office level and streamlining the Accounting thereof.

Reference: In suppression of Accounts Circular No. 01/2011/PSTCL issued on 22.03.2011 by this office.

Before Unbundling, the transactions relating to Credits taken and payments made by different Accounting Units relating to GPF, Pension, Gratuity, Leave encashment, LTC etc. are settled / transferred to the head office at the year end i.e. in the month of March through IUT Bills/U-Cheques. But after unbundling these transactions are not required to settled/transferred through IUT Bills/U-Cheques at the year end by different Accounting Units of PSTCL. These transactions are required to settle through cheques instead of U-Cheques between two corporations.

Now PSPCL and PSTCL have mutually decided through note received vide memo no. 1952/FRP dated 13.06.2011 from the office of Chief Accounts Officer/FRP Cell, PSPCL, Patiala that the following revised procedure/mechanism be followed for the year 2010-11 provisionally subject to final settlement in FRP by different Accounting units for settlement of the transactions between two corporations relating to GPF, Pensionary benefits and Leave Salary & Pension Contributions as detailed below:

1 Regarding Credit taken and payments made in respect of GPF under Account Head 57.120 by the different Accounting Units of PSTCL:

Accounting Units of PSTCL will prepare Schedules regarding debits made and credits taken during the whole year (17.04.2010 to 31.03.2011) and submit the same to AO/GPF, PSPCL, Patiala as per previous pattern. After submission of schedules AO/GPF, PSPCL, Patiala will issue certificate to the concerned Accounting Units of PSTCL after incorporating the adjusting entries in March 2011 Account. Thereafter, AO/Banking, PSTCL, Patiala will receive U-Cheques from the concerned Accounting Units of PSTCL for Credits taken during the whole year 2010-11 on the basis of certificate/confirmation issued by AO/GPF, PSPCL, Patiala after incorporating the entries in March 2011 Account. Similarly AO/Banking, PSTCL, Patiala will issue U-Cheques to the concerned Accounting Units of PSTCL for debits made during the whole year 2010-11 on the basis of certificate/confirmation issued by AO/GPF, PSPCL, Patiala after incorporating the entries in March 2011 Account as explained in **Annexure A.**

2 Regarding payments made to retirees on account of Pension, Commuted Pension and Gratuity to Pensioners under Account Code 44.110 / 44.111 / 44.120 / 44.121/ 44.122 / 28.861 / 57.150 (provisions for pension / gratuity and its arrears) by different Accounting Units of PSTCL.

As per transfer scheme notified by Govt. of Punjab, all employees on the date of transfer will be of PSPCL and they will be on deputation or secondment to PSTCL for carrying out the services of the PSTCL. According to Para 6 of this notification, the pensionary liabilities of the employees is to borne by PSPCL. So the payments made to the retirees during the financial year 2010-11 by different Accounting Units of PSTCL on account of Pensionary benefits will required to be transferred the same for adjustment in March 2011 Account.

Therefore for implementation of these provisions, Accounting Units of PSTCL will prepare statements/schedules regarding debits/payments made during the whole year (17.04.2010 to 31.03.2011) to the retirees /pensioners under the Account Code 44.110 / 44.111 / 44.120 / 44.121 / 44.122 / 28.861 / 57.150 (i.e. provisions for pension, gratuity and its arrear) and submit the same to AO/Pension, PSPCL, Patiala as per previous pattern. After submission of schedules AO/Pension, PSPCL, Patiala will issue certificate to the concerned Accounting Units of PSTCL after incorporating the adjusting entries in March 2011 Account. On the basis of certificate/confirmation of AO/Pension, PSPCL, Patiala, AO/Banking, PSTCL, Patiala will issue U-Cheques to

the concerned Accounting Units of PSTCL for debits made during the whole year 2010-11 after incorporating the entries in March 2011 Account as explained in **Annexure B.**

3 Regarding payments made to retirees on account of Leave encashment under Account Code 75.617 by different Accounting Units of PSTCL:

The Accounting Units of PSTCL will prepare details regarding payments made to the retirees during the whole year (17.04.2010 to 31.03.2011) on account of leave encashment under Account Code 75.617 and submit the same to AO/Pension, PSPCL, Patiala along with copy of vouchers for amount paid, if any.

After submission of details/statements AO/Pension, PSPCL, Patiala will issue certificate to the concerned Accounting Units of PSTCL after incorporating the adjusting entries in March 2011 Account. On the basis of certificate/confirmation of AO/Pension, PSPCL, Patiala, AO/Banking, PSTCL, Patiala will issue U-Cheques to the concerned Accounting Units of PSTCL for debits made during the whole year 2010-11 after incorporating the entries in March 2011 Account as explained in **Annexure B.**

4 Regarding payments made to retirees on account of Fixed Medical allowance, LTC to Pensioners and Reimbursement of Medical Expenditure under Account Code 75.861 / 75.863 / 75.873 / 75.874 / 75.875 by different Accounting Units of PSTCL:

The Accounting Units of PSTCL will prepare details regarding payments made to the retirees during the whole year (17.04.2010 to 31.03.2011) on account of Fixed Medical allowance, LTC to Pensioners and Reimbursement of Medical Expenditure under Account Code 75.861 / 75.863 / 75.873 / 75.874 / 75.875 in two parts i.e. 1st relating to retirees who retired before 16.04.2010 & 2nd relating to retirees who retired after 16.04.2010 and submit the same to AO/A&R, PSTCL, Patiala & will pass / incorporate the adjusting entries under GH-28.890 as explained in **Annexure C.**

5 Regarding submission of contribution for pensionary liability and leave salary for all the pensionable employees for the financial year 2010-11 who sent on deputation or secondment for the services of PSTCL during the period when the employee remains on deputation under PSTCL.

As per the provision in PSEB MSR Vol. 1 Part 1, the contribution for pensionary liability and leave salary for the employees for the financial year 2010-11, who sent on deputation or secondment for the services of PSTCL for the period the employee

actually worked under PSTCL, is required to be submitted by different Accounting Units of PSTCL to AO/Pension, PSPCL, Patiala as per monthly contribution rates already mentioned in MSR Vol. 1 Part 1 (copy attached).

For the implementation of these provisions, all Accounting Units of PSTCL will work out the leave salary & pension contribution employee wise for **all the pensionable employees** who remained posted during the year 2010-11 (17.04.2010 to 31.03.2011) including those who retired during this period up to the date of their retirement and submit the same to AO/Pension, PSPCL, Patiala (as per specimen attached) after incorporating the entries in March 2011 Account as explained in Annexure D. **It is again clarified that the above contribution will not be worked out for the non-pensionable employees who are covered under New Pension Scheme i.e. Contributory Pension Fund (CPF) Scheme.**

After submission of details regarding leave salary and pensionary contribution, AO/Pension, PSPCL, Patiala will issue certificate/confirmation to the concerned Accounting Units of PSTCL after incorporating the adjusting entries in March 2011 Account. On the basis of certificate/confirmation of AO/Pension, PSPCL, Patiala, AO/Banking, PSTCL, Patiala will receive U-Cheques from the concerned Accounting Units of PSTCL for amount payable to PSPCL on account of leave salary and pension contribution adjusted during the whole year 2010-11 after incorporating the entries in March 2011 Account as explained in **Annexure D**.

Apart from the above, the following New Accounts Codes/Heads which have already added in booklet of "Chart of Accounts" (Commercial Accounting System Vol. 1 Part 1) through Accounts Circular No. 01/2011/PSTCL dated 22.03.2011 with amended form.

Account Code	Account Head
28.886	Inter Corporation Transaction – GPF
28.887	Inter Corporation Transaction – Payment made on account of Pension, Commuted Pension and Gratuity to retirees.
28.888	Inter Corporation Transaction – Payment made on account of Leave encashment.

28.889	Inter Corporation Transaction – Amount Receivable on account of leave salary and pensionary contribution.
28.890	Inter Corporation Transaction – Payment made on account of Fixed Medical allowance, LTC to Pensioners and Reimbursement of Medical Expenditure.
46.948	Inter Corporation Transaction - GPF
46.949	Inter Corporation Transaction – Amount Payable on account of Pension, Commuted Pension and Gratuity to retirees.
46.950	Inter Corporation Transaction – Amount Payable on account of Leave encashment.
46.951	Inter Corporation Transaction – Amount payable on account of leave salary and pensionary contribution.
46.952	Inter Corporation Transaction – Amount payable on account of Fixed Medical allowance, LTC to Pensioners and Reimbursement of Medical Expenditure.

This issues with the approval of Director/Finance & Commercial, PSTCL.
DA/Annexure A, B, C & D.

Accounts Officer/A&R (Compilation),
PSTCL, Patiala.

Endst. No. 1301/1430/CAO/Corporate Accounts/A&R/32 Dated:
14.06.2011

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DA/Annexure A, B, C & D.

Accounts Officer/A&R (Compilation),
PSTCL, Patiala.

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