



PUNJAB STATE TRANSMISSION CORPORATION LIMITED

(Regd. Office: PSEB Head Office, The Mall, Patiala-147001)

Chief Accounts Officer, A&R {Compilation} Shakti Sadan, Patiala

Accounts Circular No. 05/2012/PSTCL

To

1. Dy.CE/P&M Circle, PSTCL, Amritsar.
2. Dy.CE /P&M Circle, PSTCL, Jalandhar.
3. Dy.CE /P&M Circle, PSTCL, Ludhiana.
4. SE/P&M Circle, PSTCL, Patiala.
5. Dy.CE /P&M Circle, PSTCL, Bathinda.
6. Dy.CE /TLSC Circle, PSTCL, Patiala.
7. Dy.CE /Grid Circle, PSTCL, Ludhiana.
8. Dy.CE /Civil Works Circle, PSTCL, Jalandhar.

Memo No. 1560/67 /CAO/A&R/20

Dated: 16/11/2012

Sub: Proper maintenance of books of Accounts & allied records and ensuring compliance of provisions of companies Act – 1956 in maintaining various records. Income Tax Act, Service Tax Act, E.S.I. Act, Employees Providing Fund Act and other statutory requirements in the PSTCL.

With the unbundling of erstwhile PSEB, two Companies, namely Punjab State Power Corporation Ltd. and Punjab State Transmission Corporation Ltd. have been incorporated under the Companies Act 1956 w.e.f. 16.04.2010. PSTCL is required to maintain books of Accounts of the Company at the field level as well as at the Corporate level as per provisions of Companies Act including various Accounting Standards. Besides this, PSTCL is required to comply with the provisions of various Acts like Income Tax Act, Service Tax Act, VAT, E.S.I. Act, Employees Provident Fund Act and other statutory/legal requirements. Non-compliance of provisions under various Acts/Rules/Regulations attracts penalties and even prosecution.

Keeping in view the above facts, the Board of Directors of PSTCL in its 6th meeting held on 21.12.2010 at Mohali decided & approved the creation of Circle Level Accounting Units headed by the Accounts Officer in P&M Organization. However, decision of the BODs could not be implemented due to non-availability of Accounts Officers, Supervisory and Supporting Staff. Review of reports of Internal Auditors and Statutory Auditors have however revealed that maintenance of books of accounts and compliance of provisions of various Acts is lacking in the field accounting units. As a result great difficulty is being experienced at the Corporate level in finalizing the accounts of the Company and satisfying various Auditors.

Now with fresh recruitment, Accounts Officers have been posted in all the five Circles in P&M Organization under the Administrative Control of respective Dy.CEs/SEs of the Circles. So, it has been considered desirable that services of the Accounts Officer

posted in the circles should be utilized in the present setup for the time being to ensure that Accounts of the divisions in P&M as well as in the Transmission Organization are properly maintained and compliance of the provisions of various Acts, Rules and Regulations as stated above are complied with by the field level accounting units.

Accordingly the AOs posted at the Circle level & AO/TS are allotted the following work of checking of Accounts/Books of Accounts and to ensure compliance of provisions of various Acts, Rules and Regulations in the Divisional Offices:-

- 1 Proper maintenance of cash book, JV book at divisional/sub-divisional level and maintenance of head wise subsidiary schedules/ledgers in the divisional office by proper posting of each transaction as per requirement of Companies Act.
- 2 Preparation & proper maintenance of Payment vouchers, Receipt vouchers & Journal vouchers for each transaction shown in the books of accounts with proper classification of Account Heads as prescribed in the Accounting manuals.
- 3 Ensure timely preparation & checking of monthly trial balance/accounts before submission of the same to AO/WAD, Patiala by concerned divisional accounting units & authenticate the same regarding correct classification of Account heads & to get correction if any required before submission to AO/WAD, Patiala.
- 4 Test check of establishment payments.
- 5 Maintenance of consolidated Fixed Asset Register (FAR) of the circle as a whole for concerned divisional accounting units & ensure proper maintenance of the same at divisional accounting unit level as per the requirement of Companies Act. The requisite certificate required from concerned divisional accounting units regarding physical verification of fixed assets of concerned division at the end of each financial year for finalisation of Annual Accounts.
- 6 Ensure transferring of value of assets completed during the year from capital work in progress to fixed assets (GH-14 to GH-10) & timely issue of IUT bills for the same for assets transferred to P&M Organisation by the construction divisions to ensure the charging of depreciation during the year from the date of commissioning of assets.
- 7 Ensure charging of correct depreciation of fixed assets as per provisions of Companies Act already intimated to concerned divisional accounting units as per instructions already issued for finalisation of Annual Accounts as & when asset is created and updation of maintenance of depreciation register.
- 8 Pre audit of comparative statement/work order/PO's etc. at circle offices.
- 9 Division wise review of IUT bills/ICT transactions for the circle as a whole for clearance/settlement of these transactions by holding meetings with different divisions for early clearance of the same to minimise the position of understatement of capital expenditure, revenue expenditure & minus balances under fixed assets.
- 10 Budgetary control for the purpose of expenditure incurred by the concerned divisional accounting units under the respective circle.
- 11 Ensure strict compliance of statutory requirement of TDS, VAT, Service Tax, EPF, ESI etc. by different divisional accounting units of the circle like proper

maintenance of statutory record & ensure timely deposit of various Taxes & filing of returns with various statutory authorities.

- 12 Ensure the compliance required under section 43- B of Indian Income Tax Act 1961 by maintaining the relevant records at concerned divisional unit to avoid disallowance of certain expenditure/deductions.
- 13 Ensure compliance of maintenance of works registers – CE-21 (capital & revenue) of different works to see the total expenditure of works posted in Form-27 of divisional accounting units under the respective circle.
- 14 Test check of maintenance & updation of IWAR's and Minor works Register in the Sub Divisions.
- 15 Proper maintenance of Store Accounts & maintenance of store value ledger including reconciliation of store items with respective stores by evaluating GRN, DGRN, SRW, Store Challan, SRs etc. & ensure incorporation of the same in the Monthly Accounts of concerned divisional accounting units.
- 16 Ensure proper maintenance of vehicle log books & proper adjustment of expenditure as per procedure prescribed in Accounting Manual regarding outturn of the vehicles.
- 17 Ensure proper compliance regarding physical verification carried out of all the stock (inventory) under all the stores attached to concerned divisional accounting units under concerned circle as per statutory compliance of the provisions of clause 4 (ii) of Companies Auditors Report Order 2003 (CARO). The requisite certificate of physical verification of stock (inventory) is required at the end of each financial year for the finalisation of Annual Accounts/Balance Sheets as per statutory auditor requirement by showing fast moving, slow moving, dead & obsolete items separately.
- 18 To hold meetings from time to time for guiding the officers/staff in the matter of accounting/statutory compliance of taxes, EPF, ESI, TDS, Service Tax etc.
- 19 Any other functions/duties to be allotted by CAO, PSTCL from time to time.

In addition, the Financial Restructuring Plan (FRP) is in the process of being notified by the State Govt. shortly. As a result, with the segregation of balance sheet of erstwhile PSEB as on 16.04.2010 between PSPCL & PSTCL, the balances under assets and liabilities, current assets & current liabilities, Heads of Accounts appearing in the trial balances of the accounting units, now in the PSTCL as on 16.04.2010 are to be matched/reconciled by all the accounting units of PSTCL. So it will be ensured by Accounts Officers that the balances appearing in the trial balances tally with the books of accounts, sub ledgers of the respective accounting units and the accounts are casted/recasted accordingly by the divisions so as to ensure matching/tallying of figures of the opening balance sheets of PSTCL as on 16.04.2010 and thereafter on 31.03.2011 and 31.03.2012.

The above functions/duties are transitory in nature till the circle level accounting units under the administrative control of respective Dy. CEs/SEs are fully operationalized.

The above jobs along with other related jobs shall be performed by concerned AO/P&M for the divisions under their P&M circle. In addition, AO/P&M Ludhiana and

AO/P&M Amritsar will also look after above jobs for CO&C divisions, Ludhiana and CO&C division Amritsar respectively.

Further AO/TS Patiala will look after above jobs for Grid Construction Division Patiala, TLSC Division Patiala, Civil Works Division Patiala, TLSC Division Mohali and Civil Works Division Mohali.

It is therefore, requested to direct all the officers & staff under your control for the full co-operation to these Accounts Officers for performing the jobs/work mentioned above.

This issues with the approval of Director/F&C, PSTCL.

Dy.Chief Accounts Officer,
PSTCL, Patiala.

Endst. No. 1568/1634 /CAO/A&R-20

Dated: 16/11/2012

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

- 1 EIC/P&M, PSTCL, Ludhiana.
- 2 EIC /SLDC, PSTCL, Patiala.
- 3 Chief Engineer/HR, Planning & IT, PSTCL, Patiala.
- 4 Chief Engineer/TS, PSTCL, Patiala.
- 5 Financial Advisor, PSTCL, Patiala.
- 6 Company Secretary, PSTCL, Patiala.
- 7 All Dy. CAOs / Dy. CAs / Dy. FAs under PSTCL.
- 8 All AOs posted at circle level Amritsar, Jalandhar, Ludhiana, Patiala, Bathinda.
- 9 AO/TS posted in the office of Chief Engineer/TS, PSTCL, Patiala.
- 10 All Sr. Xens./DDOs & other AOs under PSTCL.
- 11 RAO, PSTCL, Patiala.
- 12 SE/IT, PSPCL/PSTCL, Patiala for placing the circular on websites of PSPCL/PSTCL.

Dy.Chief Accounts Officer,
PSTCL, Patiala.

CC:

- 1 Dy. Secretary to CMD, PSTCL, Patiala.
- 2 Dy. Secretary to Director/Technical, PSTCL, Patiala.
- 3 Sr. PS to Director/F&C, PSTCL, Patiala.