

JE-7

PUNJAB STATE TRANSMISSION CORPORATION LTD.

Departmental Accounts Examination-2023(2nd Session)

Category- JE(Electrical) Paper- I Roll No.....

(Work Accounts)

Time allowed: 3 hours

Max.Marks : 100

Note: All questions are compulsory

- Q.1** a) Discuss about the Material Estimate Control Register. **10**
b) Distinguish between Contributory Work and Deposit Work. **10**
- Q.2** a) Write down the accounting treatment of expenditure incurred in case of contributory work. **10**
b) What are supervision charges and discuss its accounting treatment. **10**
- Q.3** a) Mention the Group Heads of below mentioned Account Names.
i) CGST
ii) Income tax deducted at Source(Employees)
iii) Income tax deducted at Source(Contractor)
iv) Life Insurance Premium
v) Labour Cess **5 X 2=10**
- b) Mention the description of below mentioned Group Heads.
i) 46.101
ii) 76.190
iii) 62.930
iv) 14.541
v) 75.190 **5 X 2=10**
- Q.4** a) State the accounting for the dismantlement of the Transformers. **10**
b) Distinguish between Supplementary Estimate and Revised Estimate. **10**
- Q.5** a) Distinguish between Repair & Maintenance and Replacements. **10**
b) Describe the contents to be mentioned in the Small Measurement Book. **10**

ANSWER KEY
Category- JE(Electrical) Paper- I
(Work Accounts)

Q1 a) Material Estimate Control Register

- Where Initial Works Register (IWR) is not maintained i.e. in case of minor works, a **Material Estimate Control Register** is maintained for each sanctioned estimate/work.
- The cumulative quantity and value of material received in respect of major material items and cumulative value of petty material items vis-à-vis sanctioned requirements.
- The register shall also indicate consumption and balance of material in hand both with regard to the quantity and value on last day of each month/financial year or on completion of work
- This Register shall be maintained by the sectional officer/Junior Engineers and other authorised officials for all the minor works under capital/revenue accounts.
- AE/AEE shall sign the estimated quantity and value entered in the register in token of check.
- JE/Works shall update the register on receipt of material so as to show the material actually drawn for each material item against sanctioned estimate.
- After Completion of work, JE/Works shall enter the consumption of material in the register with reference to the entries in the Measurement Book.
- Unused material which is returned to store through SRW shall be entered in the register as Minus Receipts.

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Q1 b)

	CONTRIBUTORY WORK	DEPOSIT WORK
1.	Construction Works undertaken by PSTCL on behalf of the consumers such as /Government Department, other Boards and local Bodies etc which will become the property of the PSTCL and will be maintained as such by the PSTCL.	Construction Works undertaken by PSTCL on behalf of the consumers such as /Government Department, other Boards and local Bodies etc. which will remain the property of the agency or person for whom the work is undertaken
2.	Departmental charges will be levied on the cost of estimate i.e. cost of material and labour @ 16%	Departmental charges will be levied on the cost of estimate i.e. cost of material and labour @ 27.5%
3.	In case work is carried out on the land of Consumer, there shall be Transfer Deed signed by the consumer for transfer of property to the PSTCL.	There is no need of Transfer Deed in case of Deposit Work.
4.	The amount received is credited to the GH 47.309 in books of accounts	The amount received is credited to the GH 47.305 in books of accounts.
5.	The work after completion shall be maintained by PSTCL.	The work after completion shall be maintained by Consumer.

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Q2 b)

- The Supervision Charges are charged by PSTCL from the consumer on whose behalf execution of work is done by PSTCL at the consumer's request.
- These are charged @27.5% in case of Deposit works and @ 16% in case of contributory work shall be charged every month on the total cost of work or as prescribed by corporation from time to time.

Accounting Treatment of Supervision Charges

These charges are charged to revenue head with a corresponding debit to the capital account.

For booking of Supervision Charges (Monthly adjustment)

GH 14	Dr	XXX
GH 62	Cr	XXX

The departmental charges @ 16% in case of contributory work shall be charged every month on the total cost of work or as prescribed by corporation from time to time.

These charges are charged by the PSTCL to the consumer and PSTCL issues taxable invoice for these charges to the consumer as and when these are booked to revenue account of PSTCL.

Q.3 a) Group Heads of below mentioned Account Names.

- i) CGST - 46.991**
- ii) Income tax deducted at Source(Employees) - 44.401**
- iii) Income tax deducted at Source(Contractor) - 46.923**
- iv) Life Insurance Premium - 44.409**
- v) Labour Cess - 46.953**

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b) Description of below mentioned Group Heads.

- i) 46.101- Security| Earnest money in cash**
- ii) 76.190- Miscellaneous Expenses**
- iii) 62.930- Other incomes**
- iv) 14.541- T|Fs and equipments etc.above 100 KVA**
- v) 75.190- Expenses for engagement of manpower through outsourcing agencies**

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Q4 a) The accounting for the dismantlement of the Transformers is as follows:

- The cost of the dismantled transformer alongwith the accumulated depreciation is required to be withdrawn from GH-10/12 and transferred to GH-15 "Assets not in use", through Inter Unit Transfers. The following entry shall be passed by the P&M Distribution Divn. concerned.

GH 32 (IUT against the Grid S/S Divn. concerned)	Dr	Depreciated Cost
GH 12.541	Dr	Accumulated Depreciation
GH 10.541	Cr	Original Cost

On the basis of GR note prepared by the S&T Store, a U-Cheque for the net depreciated cost is required to be sent to the Accounting Unit in whose books the value of transformer stands.

- The expenditure on replacement of damaged power transformer will be booked under GH-14 'Capital Works-in progress'-A/C Code-14.541
- The cost of dismantlement of power transformer shall be booked to GH-75 for Estt and 77.5 Assets De-Commissioning Costs. Electricity and Octroi Charges are to be debited to GH-76 Administration & General Expenses. The transportation charges incurred for transporting dismantled transformer to Store are required to be charged to revenue account head while those incurred for transporting the new transformer for installation are required to be capitalised.
- On receipt of damaged transformer by the Grid Sub-Station division, the following entry shall be passed

GH 16.511	Dr	Damaged Power Transformer
GH 16.521	Cr	Accumulated Depreciation on Damaged Power Transformer
GH 37 or 46.941	Cr	As the case may be

The repair charges shall be booked under the GH-74. The damaged transformer after repair will be taken on Stock by debit to the Account Head 22.2 per contra debit and credit to the Account Head 16.521 and 16.511 respectively. In Grid S/S Division, the cost of new transformer/repared transformer plus erection and transportation charges will be debited to GH 14 per Contra debit to 22.3/24.403 or 37 as the case may be

- The expenditure incurred for the repair of dismantled transformer is charged to revenue account and should not be charged to the value of transformer. If the dismantled transformer is declared irreparable/beyond economical repairs, the same will be surveyed off after approval of competent Authority. Expenditure incurred on feasibility checking will be charged to GH 76(Revenue Account). On receipt of the survey report, the net depreciated value of the transformer is required to be transferred to Account Head 16.105.

Q4 b)

Supplementary Estimate

Supplementary Estimate will be necessary if execution of a work becomes necessary when the project is still in progress but was not included in the original estimate of the project.

Revised Estimate

- Revised Estimate is prepared if the sanctioned estimate is likely to be exceeded by more than 5% due to increase in the rates or other cause except when supplementary estimate will be required.
- A revised estimate will also become necessary if at any time, either before or during the construction of a work, it is found that the original estimate is excessive for reasons other than the abandonment of a section of a sanctioned project or change from the original proposals.
- When excesses are noticed at an advanced stage of construction of work, the excesses if any, beyond the power of a divisional officer to pass, may be explained in the completion report because submission of revised estimate at this stage will be purposeless.

Q5 a)

	Repair & Maintenance	Replacements
1.	These are the expenses which are of revenue nature and are incurred to maintain the working capacity of machinery or equipment.	These are the expenses which are of capital nature and are incurred to increase the working capacity of machinery or equipment.
2.	They are incurred to maintain the present working capacity of equipment.	These expenses are sometimes incurred to increase or augment the capacity of machinery or equipment
3.	These are not incurred on damaged transformers if it is beyond economical repairs.	Generally damaged transformer is dealt with replacement with healthy transformer.
4.	The repaired transformer is not returned to store.	The dismantled transformer which is replaced is returned to the store.
5.	The repaired transformer is not surveyed off since it remains in use.	The dismantled transformer is surveyed off if it could not be repaired
6.	These are charged to Revenue Account. i.e. GH 74	These are generally capitalised and charged to GH 14
7.	Example: Capital Maintenance of transformers is done to maintain their efficiency and their working condition.	Example: Replacement of damaged transformer with a healthy transformer.
8.	These are not capitalised and are charged to revenue account.	These are capitalised.

Q5 b) The Measurement book is an important record as it is the basis of all accounts of quantities; whether a work done by daily labour, or by the contract, or of materials received which have to be counted or measured.

- i) For large works, a separate measurement book may be set apart.
- ii) Each set of measurements should commence with entries stating:

In the case of bills for the works done.

- Full name of work as given in the estimate
- Situation of work, exact locality
- Name of Contractor
- Number and date of his agreement of work order
- Date of written order to commence work
- Date of Measurement
- Details of job done along with the rate of separate jobs.
- Date of Completion of Work

In case of bills for supply of materials:

- Name of suppliers
- Number and date of his agreement of work order
- Purpose of supply
- Date of written order to commence supplies
- Date of actual commission of supplies
- Date of measurement
- Quantities of material and their rates along with material description

- The measurement book should end with the signatures of the person making the measurements.
- The DDO should ensure to record the PASS ORDER on the SMB while passing the payments for the Work Order or the Material the contents of which have been entered in the SMB.