



# PUNJAB STATE TRANSMISSION CORPORATION LIMITED

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

Corporate Identity Number: U40109PB2010SGC033814

O/o Chief Financial Officer, Shakti Sadan, Patiala

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## Accounts Circular No. 3/2016/PSTCL

To

1. Chief Engineer/HR, S&D and IT, PSTCL, Patiala.
2. SE/S&D Circle, PSTCL, Patiala.
3. Addl. SE/ S&D, PSTCL, Patiala.
4. AO/S&D, PSTCL, Patiala.
5. Addl. SE/Sr. Xen, TLSC Division, Patiala.
6. Addl. SE/Sr. Xen, TLSC Division, Jalandhar.
7. Addl. SE/Sr. Xen, Grid Const. Division, Jalandhar.
8. Addl. SE/Sr. Xen, Civil Works Division, Jalandhar.
9. Addl. SE/Sr. Xen, Grid Const. Division, Moga.
10. Addl. SE/Sr. Xen, P&M Division, Lalton Kalan.
11. Addl. SE/Sr. Xen, CO&C Division, Ludhiana.
12. AO/CPC, PSTCL, Patiala.

Memo No.668-79/CFO/A&R-20

Dated: 28.04.2016

**Subject: Instructions regarding accounting of different stores under the control of CE/HR, S&D and IT on the basis of re-structuring of manpower approved by BOD vide o/o no. 225/SE/HR&Admn./L/P-336 dated 22.03.2016 issued by SE/HR&Admn.**

On the basis of re-structuring of manpower approved by BOD vide office order no. 225/SE/HR&Admn./L/P-336 dated 22.03.2016 issued by SE/HR&Admn., the control of all the stores attached with different divisions (Construction, P&M and CO&C) has been transferred to SE/S&D under the control of CE/HR, S&D and IT instead of CE/TS or CE/P&M.

One no. post of AO/S&D has been created under the administrative control of SE/S&D for the purpose of accounting of all the stores of PSTCL. For the purpose of accounting and other administrative functions of the stores, the following procedure shall be followed by SE/S&D Circle Accounting Unit:

1. SE/S&D Circle will be separate Accounting Unit.
2. Separate Location Code will be issued by the o/o AO/A&R, Patiala to SE/S&D Circle Accounting Unit.
3. AO/S&D will be DDO under the administrative control of SE/S&D for S&D circle accounting unit for disbursement of various payments of S&D organisation along with accounting of all the stores regarding receipt & issue of material and for different incidental expenditure relating to different stores, establishment and contingency expenditure of offices thereof to be incurred.
4. The physical charge of all the stores will be handed over to Sr. Xen/S&D under the administrative control of SE/S&D, by the incharge of present divisions having stores along with list of each item of store with value and quantity upto 31.05.2016 so that SE/S&D Circle will start proper functioning w.e.f. 01.06.2016.
5. After transferring the control of all the following stores of Construction, P&M and CO&C, the balances appearing under different sub-heads of GH 22 (GH 22.1 to 22.8), duly tallied with the list of different items of stock lying in the stores on the date of transfer (Material Code wise) will be transferred by the respective

6. accounting divisions (presently controlling these stores) to AO/S&D (newly created S&D Circle Accounting Unit) by issuing IUT Bills and receiving U-cheques for proper accounting :

Sr. No.	Name of present Store	Name of Division presently Controlling the store	Name of New Store
(i)	AEE/S&T (TLSC), Ablowal	TLSC Division, Patiala	AEE/Store, Ablowal
(ii)	AEE/S&T (TLSC), Jansher	TLSC Division, Jalandhar	AEE/Store, Jalandhar
(iii)	AEE/S&T (Grid Const.), Jalandhar	Grid Const. Division, Jalandhar	
(iv)	AEE/ Civil Store, Jalandhar	Civil Works Division, Jalandhar	
(v)	AEE/S&T (Grid Const.), Moga	Grid Const. Division, Moga	AEE/Store, Moga
(vi)	AEE/P&M Store, Sahnewal	P&M Division, Lalton Kalan	AEE/P&M Store, Sahnewal
(vii)	AEE/CO&C Store, Ludhiana	CO&C Division, Ludhiana	AEE/ CO&C Store, Ludhiana

7. After receiving the balances of different stores along with lists of different items of stock lying in the stores (as stated above), AO/S&D (DDO of SE/S&D Circle Accounting Unit) should account for the receipt and issue of each item of material in the different stores in its monthly account on following basis:

Sr. No.	Event/Transaction	Debit	Credit
<b>Monthly Entries:</b>			
1	For actual receipt of material (on the basis of GRNs made in the different stores by the AEE/Stores)	GH - 22.201 to 22.239 (Material Purchase Account)	GH – 42.1 & 42.2 and 43.1 & 43.2 (Liability for supply of Material –Capital and O&M)
2	Issue of U-Cheque- For IUT Bill received from AO/CPC regarding payment made to suppliers (Centrally) for receipt of material at their stores	GH – 42.1 & 42.2 and 43.1 & 43.2 (Liability for supply of Material –Capital and O&M)	GH – 37.000 (U-Cheque Blank Code Account) (through U-Cheque Cash Book)
3	Issue of U-Cheque – for Supplementary/Additional IUT Bill received from AO/CPC regarding Price Variation (PV) etc. and adjustment of the same be also got incorporated in store records in the value of concerned item lying in the store on that date	GH – 42.1 & 42.2 and 43.1 & 43.2 (Supplementary/Additional Liability for supply of Material –Capital and O&M due to Price Variation etc.)	GH – 37.000 (U-Cheque Blank Code Account) (through U-Cheque Cash Book)

4	For issue of material and raising of IUT Bills to different divisions (on the basis of SRs received in the different stores)	GH – IUT 31 (Material)	GH – 22.301 to 22.339 (Material Issue Account)
5	Receipt of U-Cheques from different divisions against IUT bills raised as per Sr. No. 4	GH – 37.000 (U-Cheque Blank Code Account) (through U-Cheque Cash Book)	GH – IUT 31 (Material)
6	Material returned by different divisions to the Stores under S&D organisation (on the basis of SRWs received in the different stores)	GH – 22.401 to 22.419 (Material Transfer Inward)	GH – 46.941 (Credit awaiting IUT Bill)
7	Issue of U-Cheque for clearance of IUT Bill received as per Sr. No. 6	GH – 46.941 (Credit awaiting IUT Bill)	GH – 37.000 (U-Cheque Blank Code Account) (through U-Cheque Cash Book)
<u>Entries at Year-end:</u>			
8	For calculation of Closing Stock through Material Stock Account GH – 22.6	GH – 22.301 to 22.339 (Material Issue Account) GH – 22.601 to 22.639 (Stock Account) (Difference)	GH - 22.201 to 22.239 (Material Purchase Account) GH – 22.401 to 22.419 (Material Transfer Inward)
Notes: –			
<ol style="list-style-type: none"> <li>Opening Stock under GH-22.601 to 22.639 + Addition/Subtraction in Stock Account during the year GH-22.601 to 22.639 as per Sr. No.8 i.e. difference during the year is total closing stock at the year-end which should be tallied with store balances.</li> <li>Transfer of material from one job to another job outside the accounting unit or within the same accounting unit should be avoided as per instructions already contained in Chapter 23 of Material Accounting Manual. Only in case emergency it should be made with the approval of concerned Chief Engineer and the same be routed through Stores i.e. AO/S&amp;D.</li> <li>At the time of valuation of GRN by the concerned AEE/Stores, it should be kept in view that various components of cost of material like ex-works price, freight and insurance etc. mentioned in the PO and statutory levies like excise duty, CST, VAT etc. have been taken into account as per the rates applicable at the time of supply of material as shown in the invoice so that GRN is neither over-valued nor under-valued.</li> </ol>			

4. As per the policy of inventory adopted by PSTCL, each item of issue of material/inventory should be valued/issued at weighted average cost basis.

8. Apart from the above, the other transactions routed through Cash/Bank relating to incidental expenditure of stores and establishment and contingency expenditure of offices thereof to be incurred under the S&D organisation should also be booked to concerned Heads of Accounts as per Chart of Accounts as usual and to be incorporated in the monthly account along with above-mentioned store transactions by AO/S&D as DDO of SE/S&D Circle Accounting Unit.
9. AO/S&D should also incorporate the entries relating to disposal of stores as per prevailing instructions.
10. **AO/CPC will make the following entries:**

Sr. No.	Event/Transaction	Debit	Credit
<b><u>Monthly Entries:</u></b>			
1	For Payment/Advance payment to suppliers on behalf of other divisions for the material received in different stores (before transfer of store to AO/S&D) and on behalf of AO/S&D (after transfer of stores)	IUT – 35 Head office Re-imburement Account	GH – 24.401 Disbursement Bank Account
<p>Note: (i) AO/CPC will raise IUT Bill to concerned divisions i.e. divisions presently having stores in respect of payments made on account of material received before the date of transfer of stores to AO/S&amp;D (i.e. for clearance of balance of old Creditors/Suppliers standing in respective Division).</p> <p>(ii) AO/CPC will raise IUT Bill to AO/S&amp;D in respect of payments made on account of material received after the date of transfer of stores to AO/S&amp;D (i.e. for clearance of balance of new Creditors/Suppliers standing in AO/S&amp;D).</p> <p>(iii) AO/CPC will send full details of payment made including deductions (if any) like penalty for late delivery/defective material/adjustment of Security/EMD/Minus Price Variation (PV) etc. as per invoice received alongwith IUT Bill for the proper reconciliation of creditors time to time.</p> <p>(iv) AO/CPC will raise separate IUT Bill to the concerned division or AO/S&amp;D (as the case may be) for any Positive Price Variation (PV) etc. alongwith complete details thereof.</p> <p>(v) AO/CPC will intimate the balance of each supplier (as per PO, invoice received from supplier and U-Cheque received from Division along with difference, if any) to the concerned division or AO/S&amp;D periodically (on monthly basis).</p> <p>(vi) AO/S&amp;D and concerned division (for the creditors standing on the</p>			

date of transfer of stores) will reconcile and tally the balances of suppliers with the details received from AO/CPC.			
2	On receipt of U-Cheque from Concerned Division for Payments/Advance Payments made on their behalf (as per Note (i) of Sr. No. 1)	GH – 37.000 (U-Cheque Blank Code Account) (through U-Cheque Cash Book)	IUT – 35 Head office Re-imbursment Account
3	On receipt of U-Cheque from AO/S&D for Payments/Advance Payments made on their behalf (as per Note (ii) of Sr. No. 1)	GH – 37.000 (U-Cheque Blank Code Account) (through U-Cheque Cash Book)	IUT – 35 Head office Re-imbursment Account

**11. Reconciliation of amount of creditors by AO/CPC with concerned division and AO/S&D:**

- I. AO/CPC will intimate the details of amount paid to each Supplier (monthly basis) as per invoice received and passed against PO and GRNs made at different stores to AO/S&D or concerned division.
- II. Both AO/S&D/concerned Division (for the old creditors) and AO/CPC shall reconcile the balances of creditors which may be differ due to over/under valuation of GRN at any stage. This difference if any, be adjusted/set right in the books and in the value of stores by AO/S&D or concerned division so that the balance of each supplier at the end of the year in the books of AO/S&D should be the same as per amount payable as pending for payment with the record of AO/CPC.

**12. For creating of provision for liability on account of material received during the relevant financial year but payment is not made in the same financial year:**

AO/CPC will provide the details of bills pending as on close of each financial year but not paid, to AO/S&D for creating provision for liability.

This issues with the approval of CMD, PSTCL, Patiala.

*Harmander Singh*  
Accounts Officer/A&R,  
PSTCL, Patiala.

Endst. No. 680-747/CFO/A&R-20

Dated: 28.04.2016

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

1. Engineer-In-Chief/TS, PSTCL, Patiala.
2. Chief Engineer/SLDC, PSTCL, Patiala.
3. Chief Engineer/P&M PSTCL Ludhiana.
4. Financial Advisor PSTCL Patiala.
5. Company Secretary, PSTCL.
6. Chief Auditor, PSTCL, Patiala.
7. All Dy.CEs/SEs under PSTCL.

8. All Dy. CAOs / Dy. CAs / Dy. FAs under PSTCL.
9. All Addl. SEs/Sr. Xens (under PSTCL) (*All other Accounting Units*).
10. All AOs under P & M Circles.
11. RAO, PSTCL, Patiala.
12. SE/IT, PSTCL, Patiala for placing the circular on website of PSTCL.

*Harminder Singh*  
Accounts Officer/A&R,  
PSTCL, Patiala.

CC:

1. Sr. PS to CMD, PSTCL, Patiala for kind information of CMD, please.
2. Sr. PS to Director/F&C, PSTCL, Patiala for kind information of Director, please.
3. Dy. Secy. to Director/Tech., PSTCL, Patiala for kind information of Director, please.
4. Sr. PS to Director/Admn., PSTCL, Patiala for kind information of Director, please.