

# HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED

(A State Govt. undertaking)



Registered office:  
(CIN):  
GST No.  
Telephone No.  
Website address:  
Email:



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No. HPSEBL/F&A/Comp-II/Capex (SAP)-2021-22-572-80  
To

Dated:-08/02/22

The Dy. Chief Engineers/Superintending Engineers,  
Op.Circles, Shimla, Rohroo, Rampur, Bilaspur, Hamirpur HPSEB Ltd.,

Subject:- Capital Expenditure against the Misc. Capital works i.e created against Investment Order and non Capitalization thereof.

Sir,

I have been directed by the Worthy Chief Accounts Officer to draw your kind attention towards the huge amount lying pending for Capitalization in respect of works created against investment order/Misc. capital works. From the scrutiny of Misc. Capital Expenditure in SAP(ERP) created through investment order, it has been observed that there is huge amount of Misc. Capital expenditure amounting to Rs.66,19,442/-is still standing unsettled and awaiting further settlement to BH14 i.e CWIP. Moreover an amount of Rs.6,20,61,574/- is also standing in Misc. Capital Works in progress A/c(created through investment order) and not transferred to fixed assets since long. The circle wise position of Misc. Capital works created against investment order is detailed below:-

Sr. No	Name of (OP) Circle	Profit Centre	Misc. CWIP Settled	Misc. CWIP Unsettled	Total	Capitalizaed	Yet to be Capitalized
1	2	3	4	5	6=4+5	7	8=6-7
1	(OP) Circle Shimla	3301*	6,49,13,699	22,66,907	6,71,80,606	1,36,10,486	5,35,70,120
2	(OP) Circle Rohroo	3303*	2,99,531	Nil	2,99,531	Nil	2,99,531
3	(OP) Circle Rampur	3304*	25,89,010	3,33,528	29,22,538	Nil	29,22,538
4	(OP) Circle Bilaspur	3102*	12,50,378	Nil	12,50,378	Nil	12,50,378
5	(OP) Circle Hamirpur	3104*	Nil	40,19,007	40,19,007	Nil	40,19,007
	<b>Grand Total</b>		<b>6,90,52,618</b>	<b>66,19,442</b>	<b>7,56,72,060</b>	<b>1,36,10,486</b>	<b>6,20,61,574</b>

As you are well aware of the fact that as per accounting policy of HPSEB Ltd. and as per company act/accounting standard(INDAS), the expenditure against the Misc. Capital Works should be capitalized at the end of the financial year in which the expenditure incurred and there should be nil balances against the misc. capital works account at the year end. But it is regretted to point out that the Division offices under your control are not following the accounting procedure and no heed is given towards capitalization and for settlement of Misc. Capital works in progress A/c.

It invites audit observations from statutory auditors, RAO as well as non compliance of IND Accounting Standards (INDAS). Instructions have been issued time and again to transfer the amount lying in Misc. CWIP a/c to fixed assets accounts, but despite

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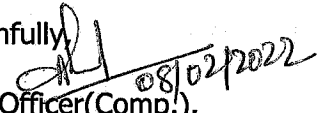
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that no progress seems to be made on this account by the field offices and amount of misc. capital work in progress is still appearing to Rs.6,20,61,574/-.

In view of above, it is requested to direct/Officers/Official under your control to ensure the capitalization of Misc. CWIP A/c completely and nil amount should appear in investment order account. A proper monitoring system on this needs to be involved at circle level for watching the progress in this regard and action taken/compliance report should be submitted to this office on or before 28.02.2022.

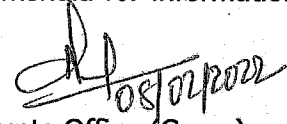
**Please assign it top priority.**

Yours faithfully,

  
Accounts Officer(Comp.),  
F&A Wing, HPSEB Ltd., Shimla-04.

Copy to:-

1. The Superintending Engineer (IT) HPSEB Ltd., Shimla-04 for uploading in HPSEB Ltd. website.
2. The Chief Engineer(South) HPSEB Ltd., Shimla-04 for information and necessary action in the matter please.
3. The Chief Engineer (Central) ) HPSEB Ltd., <sup>Mandi</sup> Dharmshala for information and necessary action in the matter please.

  
Accounts Officer(Comp.),  
F&A Wing, HPSEB Ltd., Shimla-04.

1-11-2022  
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