HIMACHAL PRADESH STATE ELECTRICITY BOARD LIMITED
(A State Govt. undertaking)

Registered office: Vidyut Bhawan, HPSEBL, Shimla-171004(H.P)
(CIN): U40109HP2009SGC31255
GST No. 2 AACCH4894EHZB
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आज़ादी का अमृत महोत्सव

No. HPSEBL/F&A/Mon.Acc./Comp-I/2022- 1297-1320 Dated: 12/01/2022
To

The Chief Engineer (ES),
HPSEBL, Hamirpur (H.P.)

The Chief Engineer (Gen.),
HPSEBL, Sundernagar (H.P.)

The Chief Engineer (PCA)
HPSEBL, Shimla-4.

The Chief Engineer (SO),
HPSEBL, Shimla-4.

The Superintending Engineer,
M&T Circle, HPSEBL,
Bilaspur (H.P.).

Subject **Non posting of accounting entries in the SAP(ERP) after go live dates-Delay in finalization of accounts of the Company.**

Sir,

As you are well aware that the offices under your control have been made SAP live during this financial year by the Chief Engineer (Commercial) vide his letter No.HPSEBL(Sectt)/Comm/ERP/Roll over/Vol-VI/21-1002336 dated 02.08.2021, 1002514 dated 21.09.2021,1002788 dated 30.11.2021, 1002883 dated 18.12.2021 & 1002811 dated 06.12.2021 As per the instructions issued in ibid letter all the accounts related activities are to be done in SAP ERP after the go live date. But during the scrutiny of the Trial balance (CS-I) in respect of offices under your

IT Cell HPSEBL V.B. Shimla

administrative control, it has been observed that the concerned offices are not posting the complete accounts in SAP ERP as per the instructions issued and F&A Wing is not in a position to finalise the accounts of the Company, which are to be finalise on quarterly basis as per the requirement of Companies Act. In case the accounts are not finalised on due dates, there is a provision of huge penalties by the various statutory bodies like ROC, SEBI etc. The Trail balances of your accounting Units ending 31.12.2021 has been gone through and the following shortcomings/irregularities also have been noticed:

1. It has been observed that opening balances in respect of Divisions under your control have not uploaded on the SAP ERP go live date and there exist huge difference against most of the general ledgers. The difference so pointed out has been emailed to the concerned office by the Accounts Officer (Compilation) but the differences are not rectified as yet. Also the complete WBS have not uploaded against the capital works in SAP ERP due to which, it will be very difficult to this office to identify the W.B.S./scheme wise expenditure which are require to be bifurcated immediately.

2. The expenditure booking under Capital/Revenue head of accounts is still lying under the Consumption a/c under head 71 & 73 which is required to be transferred to Capital and Revenue heads 14 & 74 before every month as per the instructions already given.

3. There is Nil Capitalization of capital works into assets during the period upto 12/2021 of FY 2021-22 in SAP (ERP). As the expenditure under Capital works in progress accounts has been accumulated to the tune of Rs.1632 cr Company as a

whole as on 31.12.2021, which seems that the fields units are not capitalising the works completed and put to use as on date. In this context, it is reiterated that due to non-capitalisation of completed and put to use works by the fields Units, the Company is not is a position to take the benefit of depreciation and repair & maintenance of these assets through ARR, which are effecting the liquidity of the HPSEBL very badly. Therefore the competed and put to use works are require to be capitalised in SAP ERP every month by each units and it may be ensured that up to the 31.03.2022, there should be NIL balance under WBS completed and put to use under GL 14- Capital work in progress account.

4. It has been observed that there are huge negative balances under Bank GLs of S/Divisions/Divisions under your control. It is advised to direct the concerned Units under your control to look into the same and ensure that the bank reconciliation should be done properly and the accounting of excess credit/outstanding cheques may be done on monthly basis to ensure the proper classification of every receipt/expenditure. Responsibility should be fixed, in case any of the office is not accounting for such transactions every month and action should be taken as per the instructions already issued from worthy MD in this regard.

5. The advance payment made to the Contractors/suppliers by the divisions under your control have not been cleared so far.

6. Rectification of negative balances appearing under various heads of accounts under current assets and liabilities specifically under GL 22.2 require to be adjusted every month.

7. Non transfer of full amount to head office as per instructions issued from time to time under heads 27101 to 103, 28.261 to 263, 28.361to 363, 44.110,120,130 & CPF balances under GL 57.120,170, 57.180 & 181. 28.621 to 28.624.The instructions issued in this regards shall be implemented in true spirit.

In view of above, it is requested to direct the Sr Executive Engineers in Divisions, SDOs in Sub-Divisions, AOs/AAOs of accounting units and Supdt. (D/A)/JoA (Accounts) in Divisions under their administrative control to ensure that the complete accounting transactions should be posted in the SAP ERP on daily basis and the certificate of complete entries should be submitted by the concerned accounting units to the F&A Wing before 7th of every month enabling F&A Wing to finalise the accounts with in the due dates. They may also be advised to scrutinise the accounts periodically and responsible for posting of complete entries and its correctness in respect of their offices in SAP (ERP).

Yours faithfully,

Sd

Chief Accounts Officer,
F&A wing HPSEBL,
Shimla-04.

Copy to the following for information and n.a. please:

1. The Sr PS to the worthy MD/Director (F&A)/Technical/Civil for the information of worthy MD/Director concerned please.
2. The Chief Engineer (Commercial), HPSEBL, Shimla-4.
3. The Superintending Engineer (IT), HPSEBL, Shimla for information with request to upload the same on the web of HPSEBL.
4. All the Sr AO/AOs in F&A Wing for necessary action.
5. The AO in in Gen and ES Wing of HPSEBL.

6. All the AAO in the O/O CE (PCA/SO) HPSEBL, Shimla-4 & M&T Circle Bilaspur for compliance and regular monitoring of the above shortcomings.

Chief Accounts Officer,
F&A wing HPSEBL,
Shimla-04.