

Phone No. 080-22243926
Fax No. 080-22110134
Website: www.kptcl.com



Email ID: dgmtkptcl@rediffmail.com

KARNATAKA POWER TRANSMISSION CORPORATION LIMITED

Corporate Identity Number (CIN): U40109KA1999SGC025521

No: KPTCL/B25/FA(A&R)/KCO-21/
6077/2019-20

Corporate Office,
Kaveri Bhavan,
Bangalore-560 009.

Encl:

Dated: 1 FEB 2020

CIRCULAR

Sub : Procedure for Accounting Material value which are identified as scrap during Annual Store Counting

Ref : 1. Circular No. FA(A&R)/KCO-20/6911/2012-13 dated 06.02.2014.
2. Note No. FA(A&R)/KCO-21/6077/2019-20 approved by Managing Director, KPTCL on 24.01.2020.

Hitherto, the value of materials which are identified as scrap/obsolete by the Scrap approval committee are accounted at net realisable value as per above Circular cited under reference(1). Consequent to issue of 'Manual of Delegation of Powers - 2018', as per Sl.No.5.06 of the same, the Superintending Engineer (Ele) has been delegated with full powers with regard to Orders on annual store counting and T&P materials including scrapping of the items and write off of its written down value. Hence, Superintending Engineer (Ele) himself can declare the materials as scrap after completion of annual Store counting.

During the audit of Annual Accounts of KPTCL for 2018-19, Statutory Auditors commented in their Audit Report that Scrap approval committee is not meeting in regular intervals resulting in not effective valuation of scrap materials and non-accounting of value of scrap in the books of accounts.

In light of directions vide Sl.No. 5.06 of Manual of Delegation of Powers – 2018, KPTCL Order No. KPTCL/B25/32515/2012-13 dated 16/10/2012 constituting Scrap Approval Committee stands cancelled. Hence, it is instructed that the values in respect of materials which are declared as Scrap by Superintending Engineer(Ele) consequent to annual Store counting have to be reduced and value of such materials has to be shown in the Accounts at reduced value as per the procedure narrated in above Circular cited under reference(1).

Above instructions shall be scrupulously followed in future in respect of Valuation of items of material stock which are identified as obsolete/scrap by Superintending Engineer (Ele).


Deputy General Manager (Tech)
KPTCL

RECIT-1)
B.S. 1/2/2020
AG
ML
1/2/2020

SE (IT & MIS).
8

Copy to:

1. All the Chief Engineers/ Financial Advisers, KPTCL
2. All the Superintending Engineers/ Controllers, KPTCL,
3. The D.G.M(Personnel), Corporate Office, KPTCL, Kaveri Bhavan,
4. The Superintending Engineer (EI), (IT&MIS), KPTCL, Kaveri Bhavan, Bengaluru - with a request to upload this circular on the website of KPTCL.
5. All the Executive Engineers/DCAs, KPTCL
6. The Executive Engineer/Deputy Controller, HRD Centre, KPTCL, Bengaluru.
7. All the Accounts Officers, KPTCL
8. The Manager (IM), KPTCL, Kaveri Bhavan, Bengaluru.
9. All the Accounts Officers (internal Audit)/AAOs(internal Audit) KPTCL,
10. The Senior Audit Officer, KPTCL, Bengaluru,
11. SPS to Managing Director/ Director(Finance)/ Director(Transmission) and Director (A&HR), KPTCL, Kaveri Bhavan, Bengaluru.
12. PS to Company Secretary, KPTCL, Kaveri Bhavan, Bengaluru.