

APS RTC

O/o the VC & MD Finance Wing

Mushirabad Hyderabad

No C&B/A8/114(l)/95 96/FD

Dated 31 Jul 95

C I R C U L A R

Sub MONTHLY ACCOUNTS Contribution to Depreciation Fund CPK for the
Financial Year 1995 96 Reg

In the Financial Year 1994 95 vide Circular No C&B/A8/114(l)/94-95/FD dated 06 OCT 94 in order to have the performance/profitability of the Depot correctly measured Depot wise CPK was worked out and communicated for adoption in Profit and Loss Account from SEP 94 onwards with reference to the fleet age of vehicles replacement and augmentation programme and volume operated by each depot

The revised system has been accepted generally except in respect of Depots wherein there was variation between the budgeted and actual allotment of vehicles for replacement leading to adoption of higher CPK

Keeping this problem also in view Depot wise CPK on Depreciation has now been worked out for the Financial Year 1995 96 taking into account the following

- (1) the actual fleet position of the Depot as at 31 MAR 95
- (2) Mileage (KMs) actually run by each vehicle in each depot

The Depot wise CPK on Depreciation to be adopted for the year 1995 96 as calculated on the above lines is shown in the Annexure to this Circular

The revised Depot wise CPK will uniformly apply for all the months from the accounts of JUL 95 to SEP 95 The rate of Depreciation to be adopted by each Depot would be revised for the period OCT 95 to MAR 96 taking into account the

actual position from APR 95 to SEP 95 All the Depot Managers/Dy Chief Accounts Officers/Accounts Officers/Regional Managers should note the above change in the Depreciation CPK and ensure implementation of the same from the Accounts of JUL 95 The accounts of APR 95 to JUN 95 need not be recast and the Depreciation already provided will stand good as it is not possible to revise the Account Current However actual position as up to SEP 95 would be taken in to account while revising the CPK for OCT 95 MAR 96

In the case of new Depots opened in the course of one year for which CPK is not fixed till such time the same is worked out by Head Office taking into account the vehicles transferred from existing Depots to the new Depot Depreciation is to be charged in the accounts of that Depot at 90 paise per KM

The above change in CPK has to be adopted compulsorily from JUL 95 onwards to take care of and tally with the total Depreciation as worked out in the Corporation s Budget for 1995 96

It is expected that the revision of the Depreciation once in six months would take care of the imbalances in vehicle replacement/augmentation programme and would also represent reasonably correct picture on the profitability of the Depot

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