

MANGALURU ELECTRICITY SUPPLY COMPANY LTD.,



(A Government of Karnataka Undertaking)

CORPORATE OFFICE,
MESCOM BHAVANA,
BEJAI,
MANGALURU - 575 004

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No. SEE(Tech)/EE(Tech)/M1- 1085 A/2019-20/7731-55

Date: 23 DEC 2019

Chief Engineer (Electy),
O & M Zone, MESCOM,
Mangaluru/Shivamogga.

Sir,

Sub: KERC Capital Expenditure guidelines - Reg.

Ref: 1. KERC/M/03/19-20/Vo.V/912 dated 23.10.2019 of Hon'ble Secretary, Karnataka Electricity Regulatory Commission.
2. T.O. e-mail dated: 21.06.2018.

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Hon'ble commission vide letter cited under reference pointed out the following observations made in the final report for Prudence check FY17 and FY18 of MESCOM.

- a) Lack of planning in implementation and poor execution of CAPEX works.
- b) Anomalies in data inputs and lack of documentation of the CAPEX works.
- c) Lack of monitoring system in MESCOM for CAPEX works
 - System of post execution analysis of the works is not in place. No initiative/exercise was found to be taken towards checking the results achieved after the execution and reasons for not achieving the objectives.
 - The field officers are not aware of the relevance /objective of the prudence check exercise or even post execution analysis.

Further it is also stated that **MESCOM has not followed the Capital expenditure guidelines issued by the commission in all respects.**

In this connection the copy of the Capital expenditure guidelines issued by KERC is once again forwarded to Zonal/Circle/Divisional offices through e-mail and It is kindly requested to ensure that the capital expenditure guidelines are followed in all respects while taking up capital works and also to conduct post execution analysis to ascertain the results achieved as per the project objectives.

Yours faithfully,

Superintending Engineer (Elec) (Tech)
MESCOM, Mangaluru.

Copy to:

1. All Superintending Engineer (Ele), MESCOM.
2. Superintending Engineer (Ele) Procurement/Projects/Commercial, Corporate office, MESCOM, Mangaluru.
3. All Executive Engineers (Ele), O&M Division, MESCOM.
4. SPS to MD, PS to DT/CFO.
5. MF/OC.