



CIRCULAR NO. CA-411B

No. 500-31/2019-20/CA-I/BSNL/102

Dated:21/04/2020

To

The Chief General Manager
All BSNL Circles

Sub: Accounting Instructions regarding BSNL VRS-2019.

Ref.:- (1) Letter No. 1-15/2019-PAT (BSNL) dated 04/11/2019 issued by Establishment Branch, BSNL Corporate Office

(2) This Office Circular No. CA-411 dated 30/12/2019

(3) This Office Circular No. CA-411A dated 10/01/2020

1. Please refer to Letter under reference along with other letters issued by Establishment Branch from time to time regarding BSNL Voluntary Retirement Scheme-2019 (BSNL VRS-2019) .
2. With reference to above, the following New SAP GL are hereby allotted to book the amount payable for leave encashment, Ex-Gratia, Gratuity to BSNL Recruited employees:-

S.N.	Nomenclature	SAP GL	Remarks
1	Provision for Leave Salary Encashment -VRS	1380149	Provision
2	Provision for Gratuity to BSNL Direct Recruittee (BSNL DR) Employee-VRS	1380150	Provision
3	Provision for Ex-Gratia payment on VRS	1380151	Provision
4	Claim Recoverable from DOT for VRS Ex-Gratia	2610756	Current Assets

Remaining Amount of Ex – Gratia Payble to VRS Optees:-

3. It is to be noted that part payment of Ex-Gratia has already been made to VRS Optees. The proper provision is required to be made in the Financial Year 2019-20 itself for balance amount of Ex-Gratia payable to VRS Optees.
4. Accordingly, BSNL Circles are required to debit the SAP GL-5010132-'Ex-Gratia Payment on VRS' with corresponding credit in SAP GL- 1380151-' Provision for Ex-Gratia payment on VRS' with balance amount of Ex-Gratia payable to VRS Optees (ie towards second/subsequent instalment of Ex Gratia)

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5. Since balance amount of Ex-Gratia is to be reimbursed by DOT, BSNL Circles are required to debit the SAP GL-2610756- 'Claim Recoverable from DOT for VRS Ex-Gratia' with corresponding credit in SAP GL-5010132- 'Ex-Gratia Payment on VRS'.
6. On receipt of Ex-gratia money from DOT at BSNL Corporate Office, concerned Bank GL shall be debited by corresponding credit in SAP GL-1120706- 'Grant in Aids-VRS Ex-gratia'.
7. The amount received centrally at BSNL Corporate Office shall be / has been transferred by R&P Section, BSNL CO to the respective circles through Advice of Credit (ATC) on the basis of inputs received from CBB Section, BSNL Corporate Office by debiting the SAP GL-1120706- 'Grant in Aids-VRS Ex-Gratia' and crediting the remittance SAP GL of concerned BSNL Circle.
8. Concerned BSNL Circles on receipt of ATC for such Grant in Aids shall credit the SAP GL-1120706- 'Grant in Aids-VRS Ex-Gratia' with corresponding debit in the remittance SAP GL of BSNL Corporate Office.
9. Simultaneously, BSNL Circles shall neutralize the amount of balance Ex-Gratia by debiting the SAP GL-1120706- 'Grant in Aids-VRS Ex-Gratia' and crediting the SAP GL-2610756- 'Claim Recoverable from DOT for VRS Ex-Gratia'.

Gratuity Payable to BSNL DR Employees, who are VRS Optees:-

10. BSNL Circles are required to debit the SAP GL-5010313- 'Gratuity to BSNL Direct Recruit (BSNL DR) Employee-VRS' with corresponding credit in SAP GL- 1380150- 'Provision for Gratuity to BSNL Direct Recruit (BSNL DR) Employee-VRS' with eligible Gratuity payable to them as per Administrative Order issued by concerned Section.

Left out cases of VRS Optees , wherein eligible VRS Benefits such as Ex-gratia , Leave Encashment , Gratuity are Payable to them:-

11. There may be some left out/held back cases, wherein no accounting is done for VRS benefits such as Ex-Gratia ,Leave Encashment , Gratuity Payable to VRS Optees in Books of Accounts through HCM Process or otherwise.
12. In such cases, abovementioned SAP GL of Provisions are required to be credited with corresponding debit in concerned expenditure GL's as mentioned in Circular No. CA-411 dated 30.12.2019. It may be noted that the provision will be for the entire amount of Ex-Gratia remaining to be paid, ie irrespective of amount payable in the first/second instalment.
13. In case of left out cases of Ex-Gratia payable to VRS Optees, guidelines mentioned at Para-5 to Para-9 above are also required to be followed.

14. Abovementioned accounting entries regarding Provisions are required to be passed in the March, 2020 period itself .

15. Simultaneously, in the next financial year 2020-21, at the time of payment of eligible benefits to VRS Optees, such as balance amount of Ex-Gratia, Gratuity to BSNL DR Employees, Left out/held back cases of VRS Optees etc., concerned expenditure SAP GL's mentioned in Circular No. CA-411 dated 30.12.2019 are required to be debited with

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credit under concerned SAP GL of Amount Payable to VRS Optees. The payment of eligible VRS benefits shall be made to concerned VRS Optees as per administrative order issued by Nodal Section.

16. In the next financial year 2020-21, provisions made above are required to be reversed by debiting the concerned SAP GLs of Provision with corresponding credit in concerned SAP GLs of expenditure to the extent of settled cases of VRS Optees. It is needless to mention that the requirement of provisions is to be reviewed /revisited at the end of each financial reporting period (interim / annual).
17. The compliance of Tax Laws and accounting entries regarding TDS etc. are required to be ensured by BSNL Circles strictly and clarifications, if any required, may be addressed to Taxation Section, BSNL CO directly.

This issues with the approval of Competent Authority.

Hindi Version shall follow.


(Jagdeep Singh)
DGM (CA-II)

Copy for information and necessary action to:

1. PGM(F)/Sr.GM(F)/GM(F)/DGM(F)/IFAs of all BSNL Circles
2. PGM(F)/Sr.GM(F)/GM(F)/DGM(F), BSNL Corporate Office
3. GM(Establishment) / GM(Rest.), BSNL Corporate Office
4. PGM(ERP), ERP Dev Centre, ALTTC, Ghaziabad
5. GM (CIT), BSNL Corporate Office
6. DGM (CA-ERP) /DGM(R&P)/ DGM(R&P-II/GST), BSNL Corporate Office,
7. RAO, BSNL Corporate Office
8. OL Section, BSNL CO for translation and circulation in Hindi

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