

PUNJAB STATE POWER CORPORATION LIMITED

O/o Chief Accounts Office /WM&G, The Mall Patiala

Accounts Circular No.7

Year: 2013

To

1. All Addl. SE/Sr.Xen/REs in PSPCL
2. All Accounts Officers in PSPCL

Memo. No. 2678/2878/CAO/WM&G/CAC-37 Date 27.05.2013

Subject: Accounting Procedure for transfer of GPF subscription & repayment of refundable advances and payment of advances as well as final payments to the employees, to/from GPF Trust.

With unbundling of Punjab State Electricity Board into two corporations i.e. Punjab State Power Corporation Limited and Punjab State Transmission Corporation Limited and its registration under Companies Act 1956, it was mandatory to create trust for managing GPF, Pension and Gratuity benefits. Accordingly, Board of Directors of PSPCL in its 15th meeting held on 11.11.2011 approved the creation of Trusts.

In view of the above decision, the GPF Trust has been formed. Thus, the following procedure shall be adopted for the accounting of subscription, repayment of advances, payment of refundable & non-refundable advances and final payments.

A new account code is added in the booklet of Chart of Accounts (Commercial Accounting Systems Vol.,1 Part 1) under main account code 57.1 Staff Reserve Funds:-

Account Code

57.127

Account Head

Provident Fund Trust (Payments)

EXPLANATION

All the payments on account of refundable and non refundable advances and final payments made to the employees shall be debited to this account code. When the reimbursement is received by the office of FA from the GPF Trust, this account code shall be credited.

The explanation to account code 57.126 –Provident Fund Trust opened vide Accounts Circular No. 19/2011 (Memo. No.12751/52/CAC-37/Vol.11 dated 27.12.2011) may be read as under please.

EXPLANATION

The GPF subscription as well as repayment of refundable advance deducted from the pay of the employees shall be credited to this account code. When such amount is transferred by the office of FA to GPF Trust, this account code shall be debited.

A. Subscription and repayment of GPF Advances:

1. DDOs/AO Centralized Pay instead of crediting the amount of subscription and repayment of advances of GPF to account code 57.120 shall credit the amount to account code 57.126-Provident fund Trust.
2. On the basis of salary ledger/ abstract, AO Centralized Pay/ DDOs shall demand the funds for the amount of subscription and repayment of advances of GPF deducted from the salary along with the demand for salary payment.
3. The office of FA, on the basis of demand raised, shall make payment of GPF subscription and repayment of advances to AO/GPF Trust directly and send location wise detail of amount to AO/GPF Trust by debiting the amount to Account Code 57.126-Provident fund-Trust whereas the funds for salary payment shall be released to respective DDOs.
4. The payment of GPF subscription by the office of FA to AO GPF Trust shall be made on the day of payment of salary to the employees.
5. DDO on the day of salary payment shall transfer the amount of GPF subscription and repayment of advances credited to account code 57.126 to the office of FA by issue of U-Cheque on line giving minus credit to account code 57.126 and credit to 37.000 through U-Cheque cashbook.
6. AO GPF Trust shall receive location code wise detail of amount received and reconcile with location wise and employee wise amount shown in the salary package under account code 57.126 and after satisfying himself, will post in the respective account of the employees on line.
7. The responsibility of excess /less payment, if any, transferred to GPF Trust shall rest with the Divisional Officer/Office In charge/DDO.

B. Payment of Advances :

1. The refundable, non-refundable advances & final payments will be made by the respective DDOs as is being done previously.
2. DDOs will demand the funds for payment of GPF advances / final payments separately from the office of Financial Advisor on day to day basis and will

ensure that the payment to the employees has been made on the date of receipt of funds from the office of FA.

3. The DDO while making the payment on account of GPF Advances/final payment to the employees shall debit the amount to account code 57.127 - Provident fund Trust (Payments) and will enter the cheque number and date in the salary package in debit schedule immediately.
4. DDO while drawing salary of the following month, also certify that the amount demanded for the payment of GPF advances has been paid to employees and balance if any has been surrendered to FA.
5. The office of FA, on the basis of funds released, shall lodge the claim with AO/GPF Trust and receive the payment thereof under account code 57.127- Provident fund Trust (Payments).
6. DDO shall receive the U-cheque from the office of FA for the amount debited to account code 57.127- Provident fund Trust (Payments) on account of payment to advances and final payments at the month end.

DDOs shall transfer the amount standing in Account Code 57.120 (Debit and Credit) to AO GPF within a period of 2 months.

C. Treatment of GPF subscription and advances given by PSTCL and other departments, i.e BBMB, UT etc

1. The subscription received from deputationist and PSTCL shall be received by AO/GPF Trust along with employee wise schedule (hard and soft copy) for posting in the respective accounts of the employees.
2. PSTCL will make payment of GPF Advances taken by employees under their control and shall lodge the claim with the GPF Trust.
3. In case of employees on deputation with BBMB and other departments, AO/Cash will make payment to Non Gazetted employees after observing usual formalities and AO/Pay & account to Gazetted employees as is done previously.

The above procedure shall be effective from the pay for the month of May 2013 and for payment of advances as well as final payments from 1.6.2013

This issues with the approval of Director/Finance.

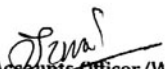
DA/Accounting Entries


Accounts Officer /WM&G
PSPCL Patiala

Endst.No. 2879/3179 /CAO/WM&G/CAC-37 Dated: 27.05.2013

Copy of the above is forwarded to the following for information & necessary action please:-

1. All Engineer-in-Chief/ Chief Engineers in PSPCL
2. All CAOs, FA , FA& CAO in PSPCL& PSTCL
3. All Dy.Chief Engineers/Superintending Engineers in PSPCL
4. Chief Auditor PSPCL Patiala.
5. All Dy. CAOs, Dy.CAs, Dy.FAs in PSPCL & PSTCL
6. RAO, Patiala.
7. SE/IT, Patiala for placing the circular on web site.


Accounts Officer/WM&G,
PSPCL, Patiala.

CC:-

1. PS to CMD (PSPCL/PSTCL)
2. PS to Directors (PSPCL/PSTCL)

Accounting Entries

Sr.no.		Particulars	Enteries by	Debit	Credit
Subscription and repayment of refundable advances					
1	Cash Book	Deduction of GPF subscription from the pay of the employees	DDOs	Respective Account Code under Main Account Code 75 or specific account code prescribed	Account Code 57.126-Provident Fund Trust
2	Cash Book	For transferring amount AO/GPF Trust	The office of FA	Account Code 57.126 Provident Fund Trust	Account Code 24.401
3	U cheque Cash Book	Transferring the amount of subscription to FA office	DDOs		(Minus) Account Code 57.126 Account code 37.000
4	U cheque Cash Book	Receipt of the amount of subscription in FA office	The office of FA	Account code 37.000	Account Code 57.126 Provident Fund Trust
Payment of advances and final payments					
1	Cash Book	Payment of GPF advances and final payments to employees	DDOs	Account Code 57.127-Provident Fund (Payments) Trust	Account Code 24.401
2	U cheque Cash Book	Receipt of the amount of payment from the office of FA	DDOs	(Minus) Account Code 57.127-Provident Fund (Payments) Trust Account code 37.000	
3	U cheque Cash Book	For transferring amount to DDO	The office of FA	Account Code 57.127-Provident Fund (Payments) Trust	Account code 37.000
4	Cash Book	Receipt of amount from AO/GPF Trust	The office of FA	Bank account	Account Code 57.127-Provident Fund (Payments) Trust