

PUNJAB STATE TRANSMISSION CORPORATION LIMITED

(Regd. Office: PSEB Head Office, The Mall, Patiala-147001)

Chief Accounts Officer, A&R {Compilation} Shakti Sadan, Patiala

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Accounts Circular No. 02/2012/PSTCL

To

1. All ASEs / Sr. Xens / A.O.s PSTCL (Accounting Units only).
2. Accounts Officer/Cash PSTCL/PSPCL Patiala.
3. Accounts Officer / Banking PSTCL / PSPCL Patiala.
4. Accounts Officer / GPF PSPCL Patiala.
5. Accounts Officer / Pension PSPCL Patiala.
6. Accounts Officer / A&R and AO/WM&G PSPCL Patiala.

Memo No. 396/460 /CAO/A&R/32

Dated: 30.03.2012

Subject: Procedure/Mechanism for settlement of transactions made by the different Accounting Units of PSTCL during the financial year 2011-12 relating to GPF, Pension, Gratuity, Leave encashment, LTC and Medical reimbursement for transfer of balances to PSPCL at Head Office level and streamlining the Accounting thereof.

Before Unbundling, the transactions relating to Credits taken and payments made by different Accounting Units relating to GPF, Pension, Gratuity, Leave encashment, LTC etc. are settled / transferred to the head office at the year-end i.e. in the month of March through IUT Bills/U-Cheques. But after unbundling these transactions are not required to be settled/transferred through IUT Bills/U-Cheques at the year-end by different Accounting Units of PSTCL. These transactions are required to be settled through cheques instead of U-Cheques between two corporations.

Last year a mutually agreed procedure was adopted for the financial year 2010-11 for transfer of balances relating to subject cited transactions appearing under different divisions of PSTCL and detailed instructions were issued through Accounts Circular No. 03/2011 of PSTCL for adjustment in the accounts of both the Corporations.

Now PSPCL and PSTCL have again mutually decided that a procedure already adopted for the financial year 2010-11 be followed. So the following procedure/ mechanism be followed for the year 2011-12 provisionally subject to final settlement in FRP by different Accounting units for settlement of the transactions between two Corporations relating to GPF, Pensionary benefits and Leave Salary & Pension Contributions with minor modification i.e. AO/Cash PSTCL Patiala be taken instead of AO/Banking PSTCL Patiala for issue and receipt of U-Cheques as detailed below:-

1. **Regarding Credit taken and payments made in respect of GPF under Account Head 57.120 by the different Accounting Units of PSTCL:**

Accounting Units of PSTCL will prepare Schedules regarding debits made and credits taken during the financial year 2011-12 and submit the same to AO/GPF PSPCL Patiala as per previous pattern. After submission of schedules AO/GPF PSPCL Patiala will issue certificate to the concerned Accounting Units of PSTCL after incorporating the adjusting entries in March 2012 Account. Thereafter AO/Cash PSTCL Patiala will receive U-Cheques from the concerned Accounting Units of PSTCL for Credits taken during the financial year 2011-12 on the basis of certificate/ confirmation issued by AO/GPF PSPCL Patiala after incorporating the entries in March 2012 Account. Similarly AO/Cash PSTCL Patiala will issue U-Cheques to the concerned Accounting Units of PSTCL for debits made during the financial year 2011-12 on the basis of certificate/confirmation issued by AO/GPF PSPCL Patiala after incorporating the entries in March 2012 Account as explained in **Annexure A.**

2. Regarding payments made to retirees on account of Pension, Commuted Pension and Gratuity to Pensioners under Account Code 44.110 / 44.111 / 44.120 / 44.121 / 44.122 / 28.861 / 57.150 (provisions for pension / gratuity and its arrears) by different Accounting Units of PSTCL.

As per transfer scheme notified by Govt. of Punjab, all employees on the date of transfer will be of PSPCL and they will be on deputation or secondment to PSTCL for carrying out the services of the PSTCL. According to Para 6 of this notification, the pensionary liabilities of the employees is to borne by PSPCL. So the payments made to the retirees during the financial year 2011-12 by different Accounting Units of PSTCL on account of Pensionary benefits will required to be transferred the same for adjustment in March 2012 Account.

Therefore for implementation of these provisions, Accounting Units of PSTCL will prepare statements/schedules regarding debits/payments made during the financial year 2011-12 to the retirees /pensioners under the Account Code 44.110 / 44.111 / 44.120 / 44.121 / 44.122 / 28.861 / 57.150 (i.e. provisions for pension, gratuity and its arrear) and submit the same to AO/Pension PSPCL Patiala as per previous pattern. After submission of schedules AO/Pension PSPCL Patiala will issue certificate to the concerned Accounting Units of PSTCL after incorporating the adjusting entries in March 2012 Account. On the basis of certificate/confirmation of AO/Pension PSPCL Patiala, AO/Cash PSTCL Patiala will issue U-Cheques to the concerned Accounting Units of PSTCL for debits made during the financial year 2011-12 after incorporating the entries in March 2012 Account as explained in **Annexure B.**

3. Regarding payments made to retirees on account of Leave encashment under Account Code 75.617 by different Accounting Units of PSTCL:

The Accounting Units of PSTCL will prepare details regarding payments made to the retirees during the financial year 2011-12 on account of leave encashment under Account Code 75.617 and submit the same to AO/Pension PSPCL Patiala along with copy of vouchers for amount paid, if any.

After submission of details/statements AO/Pension PSPCL Patiala will issue certificate to the concerned Accounting Units of PSTCL after incorporating the adjusting entries in March 2012 Account. On the basis of certificate/confirmation of AO/Pension PSPCL Patiala, AO/Cash PSTCL Patiala will issue U-Cheques to the concerned Accounting Units of PSTCL for debits made during the financial year 2011-12 after incorporating the entries in March 2012 Account as explained in **Annexure B**.

4. Regarding payments made to retirees on account of Fixed Medical allowance, LTC to Pensioners and Reimbursement of Medical Expenditure under Account Code 75.861 / 75.863 / 75.873 / 75.874 / 75.875 by different Accounting Units of PSTCL:

The Accounting Units of PSTCL will prepare details regarding payments made to the retirees during the financial year 2011-12 on account of Fixed Medical allowance, LTC to Pensioners and Reimbursement of Medical Expenditure under Account Code 75.861 / 75.863 / 75.873 / 75.874 / 75.875 in two parts i.e. 1st relating to retirees who retired before 16.04.2010 & 2nd relating to retirees who retired after 16.04.2010 and submit the same to AO/A&R PSTCL Patiala & will pass/ incorporate the adjusting entries under GH-28.890 as explained in **Annexure C**.

5. Regarding submission of contribution for pensionary liability and leave salary for all the pensionable employees for the financial year 2011-12 who sent on deputation or secondment for the services of PSTCL during the period when the employee remains on deputation under PSTCL.

As per the provision in PSEB MSR Vol. 1 Part 1, the contribution for pensionary liability and leave salary for the employees for the financial year 2011-12, who sent on deputation or secondment for the services of PSTCL for the period the employee actually worked under PSTCL, is required to be submitted by different Accounting Units of PSTCL to AO/Pension PSPCL Patiala as per monthly contribution rates already mentioned in MSR Vol. 1 Part 1 (copy attached).

For the implementation of these provisions, all Accounting Units of PSTCL will work out the leave salary & pension contribution employee wise for **all the pensionable employees** who remained posted during the financial year 2011-12 including those who retired during this period up to the date of their retirement and submit the same to AO/Pension PSPCL Patiala (as per specimen attached) after incorporating the entries in March 2012 Account as explained in **Annexure D**. **It is again clarified that the above contribution will not be worked out for the non-pensionable employees who are covered under New Pension Scheme i.e. Contributory Pension Fund (CPF) Scheme.**

After submission of details regarding leave salary and pensionary contribution, AO/Pension PSPCL Patiala will issue certificate/confirmation to the concerned Accounting Units of PSTCL after incorporating the adjusting entries in March 2012 Account. On the basis of certificate/confirmation of AO/Pension PSPCL Patiala, AO/Cash PSTCL Patiala will receive U-Cheques from the concerned Accounting Units of PSTCL for amount payable to PSPCL on account of leave salary and pension contribution adjusted during the

financial year 2011-12 after incorporating the entries in March 2012 Account as explained in Annexure D.


After incorporating all the above entries by receiving and issuing U-Cheques (as mentioned sr. no. 1 to 5 above), AO/Cash PSTCL Patiala will transfer the consolidated figures/amounts to AO/Banking PSTCL Patiala by receiving and issuing U-Cheque(s) for each item (with consolidated amount) for settlement of Inter Corporation Transaction amount with PSPCL.

Apart from the above, the following Accounts Codes/Heads which have already added in booklet of "Chart of Accounts" (Commercial Accounting System Vol. 1 Part 1) through Accounts Circular No. 03/2011/PSTCL dated 14.06.2011 are as under:-

Account Code	Account Head
28.886	Inter Corporation Transaction – GPF
28.887	Inter Corporation Transaction – Payment made on account of Pension, Commuted Pension and Gratuity to retirees.
28.888	Inter Corporation Transaction – Payment made on account of Leave encashment.
28.889	Inter Corporation Transaction – Amount Receivable on account of leave salary and pensionary contribution.
28.890	Inter Corporation Transaction – Payment made on account of Fixed Medical allowance, LTC to Pensioners and Reimbursement of Medical Expenditure.
46.948	Inter Corporation Transaction - GPF
46.949	Inter Corporation Transaction – Amount Payable on account of Pension, Commuted Pension and Gratuity to retirees.
46.950	Inter Corporation Transaction – Amount Payable on account of Leave encashment.
46.951	Inter Corporation Transaction – Amount payable on account of leave salary and pensionary contribution.
46.958	Inter Corporation Transaction – Amount payable on account of Fixed Medical allowance, LTC to Pensioners and Reimbursement of Medical Expenditure.

This issues with the approval of Director/Finance & Commercial, PSTCL.

DA/Annexure A, B, C, D & Specimen
of Leave Salary & Pension Contribution


Accounts Officer/A&R (Compilation),
PSTCL, Patiala.

Endst. No. 461/525


/CAO/A&R/32

Dated: 30.03.2012

Copy of the above is forwarded to the following for information and further necessary action please.

- 1 Chief Engineer/TS PSTCL Patiala.
- 2 Chief Engineer/SLDC PSTCL Patiala.
- 3 Chief Engineer/P&M PSTCL Ludhiana.
- 4 Financial Advisor PSTCL Patiala.
- 5 Chief Accounts Officer PSPCL Patiala.
- 6 All Dy.CEs/SEs under PSTCL.
- 7 All CAOs / CA / FA / Cost Controller under PSPCL.
- 8 All Dy. CAOs / Dy. CAs / Dy. FAs under PSPCL / PSTCL.
- 9 Company Secretary, PSTCL/PSPCL.
- 10 All Accounts Officers under PSPCL.
- 11 Accounts Officer/Corporate Audit, PSTCL, Patiala.
- 12 Accounts Officer/Broad Sheet, PSPCL, Patiala.
- 13 RAO, PSPCL/PSTCL, Patiala.
- 14 ✓ SE/IT, PSPCL / PSTCL, Patiala for placing the circular on websites of PSPCL/PSTCL.

DA/Annexure A, B, C & D.


Accounts Officer/A&R (Compliance),
PSTCL, Patiala.

CC

- 1 Sr. PS to Director/F&C, PSTCL, Patiala.
- 2 Sr. PS to Director/Finance, PSPCL, Patiala.
- 3 Dy. Secy. to Director/Technical, PSTCL, Patiala.
for kind information of Directors please.

Procedure for transfer of balances for the year 2011-12 by different Accounting Units of PSTCL to AO/GPF PSPCL Patiala										
Sr. No.	Transaction	PSTCL						PSPCL		
		Entries by different Accounting Units			Entries by AO/Cash PSTCL			Entries by AO/GPF PSPCL at Head Office		
		When entry is passed	Debit	Credit	When entry is passed	Debit	Credit	When entry is passed	Debit	Credit
1	Regarding Credit taken in respect of GPF (deduction made at the time of payment of salary)	Every month on payment of salary	GH-75 (Salary)	GH-57.120 (GPF)	-	-	-	-	-	-
2	Regarding payments made (debits) raised in respect of GPF Advance	Every month when any Advance is made	GH-57.120 (GPF)	GH-24.401 (Cheque Issued Account)	-	-	-	-	-	-
3	For transfer of Credits taken during the year 2011-12 in respect of GPF at the time of submission of schedules and U-Cheque issued to AO/Cash PSTCL Patiala in March 2012 Account .	In March 2012 Account	-	(-) GH-57.120 (GPF)	In March 2012 Account	GH-37000(U-Cheque Account)	GH 46.948 ICT-GPF	In March 2012 Account	GH-28.886 (ICT-GPF)	GH-57.120 (GPF)
			-	(+) GH-37000 (U-Cheque issued Account)						
4	For transfer of debits made during the year 2011-12 in respect of GPF at the time of submission of schedules and U-Cheque received from AO/Cash, PSTCL, Patiala in March 2012 Account through JV/TEO and U-Cheque.	In March 2012 Account	(-) GH-57.120 (GPF)	-	In March 2012 Account	GH-28.886 ICT-GPF	GH-37000 (U-Cheque Account)	In March 2012 Account	GH-57.120 (GPF)	GH-46.948 ICT-GPF
			(+) IUT-36	-						
			GH-37000 (U-Cheque Account)	IUT-36						

Procedure for transfer of balances for the period 2011-12 by different Accounting Units of PSTCL to AO/Pension PSPCL Patiala

Sr. No.	Transactions	PSTCL						PSPCL		
		Entries by different Accounting Units			Entries by AO/Cash, PSTCL			Entries by AO/Pension, PSPCL at Head Office		
		When entry is passed	Debit	Credit	When entry is passed	Debit	Credit	When entry is passed	Debit	Credit
1	Regarding payments made (debits) raised in respect of Provision for Pension, Commuted Pension and Gratuity.	Every month when Payment is made	GH-44.110/44.111/ 44.120/44.121/ 44.122/28.861/ 57.150	GH-24.401 (Cheque Issued Account)	-	-	-	-	-	-
2	Regarding payments made (debits) raised in respect of Leave encashment.	Every month when Payment is made	GH-75.617	GH-24.401 (Cheque Issued Account)	-	-	-	-	-	-
3	For transfer of Debits raised during the year in respect of Pension, Commuted Pension and Gratuity at the time of submission of Statements/Schedules to AO/Pension PSPCL Patiala and U-Cheque received from AO/Cash PSTCL Patiala in March, 2012 Account through JV/TEO and U-Cheque.	In March, 2012 Account	{-}GH- 44.110/44.111/ 44.120/44.121/ 44.122/28.861/ 57.150 (+) IUT-36 GH 37000 (U-Cheque issued Account)	- IUT-36	In March, 2012 Account	GH-28.887 (ICT- Pension & Gratuity)	GH 37000 (U- Cheque issued Account)	In March, 2012 Account	GH-44.110/44.111/ 44.120/44.121/ 44.122/28.861/ 57.150	GH-46.949 (ICT- Pension & Gratuity)
4	For transfer of Debits raised/payments made during the year in respect of Leave encashment paid to retirees at the time of submission of details to AO/Pension PSPCL Patiala and U-Cheque received from AO/Cash PSTCL Patiala in March, 2012 Account through JV/TEO and U-Cheque.	In March, 2012 Account	{-}GH-75.617 (+) IUT-36 GH 37000 (U-Cheque issued Account)	- IUT-36	In March, 2012 Account	GH-28.888 ICT- Leave encashment	GH 37000 (U- Cheque issued Account)	In March, 2012 Account	GH-75.617	GH-46.957 ICT- Leave encashment

**Procedure for transfer of balances for the year 2011-12 by different Accounting Units of PSTCL to AO/Pension
PSPCL Patiala**

Sr. No.	Transactions	PSTCL			PSPCL		
		Entries by different Accounting Units			Entries by AO/Pension PSPCL at Head Office		
		When entry is passed	Debit	Credit	When entry is passed	Debit	Credit
	For adjustments of amount pertaining to 2011-12						
1	Regarding payments made (debits) raised in respect of Fixed Medical Allowance, LTC to Pensioners and reimbursement of Medical Expenditure paid to retirees.	Every month when Payment is made	GH- 75.861/ 75.863/ 75.873/ 75.874/ 75.875	GH-24.401 (Cheque Issued Account)	-	-	-
2	For transfer of Debits raised/payments made during the year in respect of Fixed Medical Allowance, LTC to Pensioners and reimbursement of Medical Expenditure paid to retirees at the time of submission of details to AO/A&R, PSTCL, Patiala in March 2012 Account and onward submission to AO/Pension, PSPCL, Patiala.	In March, 2012 Account	(-)GH- 75.861/ 75.863/ 75.873/ 75.874/ 75.875	-	In March, 2012 Account	GH- 75.861/ 75.863/ 75.873/ 75.874/ 75.875	GH-46.958 (ICT- Fixed Medical All., LTC etc.)
			GH-28.890 (ICT- Fixed Medical All., LTC etc.)	-			

Procedure for transfer of amount for the year 2011-12 relating to Leave Salary and Pension Contribution by different Accounting Units of PSTCL to AO/Pension PSPCL Patiala										
Sr. No.	Transactions	PSTCL					PSPCL			
		Entries by different Accounting Units			Entries by AO/Cash, PSTCL			Entries by AO/Pension, PSPCL at Head Office		
		When entry is passed	Debit	Credit	When entry is passed	Debit	Credit	When entry is passed	Debit	Credit
1	For transfer of amount relating to leave salary and pension contribution for the year 2011-12 relating to employees during the period when employee remains on deputation to PSTCL through JV/TEQ/U-Cheque to AO/Cash PSTCL Patiala on the basis of certificate issued by AO/Pension PSPCL Patiala for detail submitted to him.	In March, 2012 Account	GH-75.860 & 75.870 (Contribution for Pensionary & Other terminal benefits)	GH 37000 (U-Cheque issued Account)	In March, 2012 Account	GH 37000 (U-Cheque issued Account)	GH-46.951 ICT-Leave Salary and Pension Contribution	In March, 2012 Account	GH-28.889 ICT-Leave Salary and Pension Contribution (-)GH-75.860 & 75.870 (Contribution for Pensionary & Other terminal benefits)	-

Note: 75.860

Pension Contributions

75.870

Leave Salary Contributions

Format for Leave Salary & Pension Contribution for the period 2011-12 of pensionable employees deputed to PSTCL and services provided to PSTCL

Sr. No.	Name of Employee & Designation	Leave Salary Contribution							Pension Contribution														
		Period	Months	Basic Pay	Grade Pay	Interim Relief	Rate	Amount	Period	Months	Length of Service	Rate	Maximum of Pay Scale	Grade Pay	Amount								
1	Er. ABC, Sr. Xen	01.07.2011 to 31.03.2012	9	32640	8500	0	11%	40729	01.07.2011 to 31.03.2012	9	15-16	15%	39100	8500	64260								
	DOJ in PSTCL 01.07.2011			Calculation: (32640+8500)x11%x9months=40729												Calculation: (39100+8500)x15%x9months=64260							
	DOJ IN PSEB 15.12.1996			Total												Total							
	Basic Pay Drawing 32640/ Scale 16650/39100 + 8500 Grade Pay			40729												64260							
2	Sh. XYZ, UDC	01.04.2011 to 31.03.2012	12	19110	4000	0	11%	30505	01.04.2011 to 31.03.2012	12	25-26	16%	34800	4000	74496								
	DOJ in PSTCL 01.04.2011			Calculation: (19110+4000) x 11% x 12months = 30505												Calculation: (34800+4000) x 16% x 12months = 74496							
	DOJ IN PSEB 26.04.1986			Total												Total							
	Basic Pay Drawing 19110/ Scale 10900/34800 + 4000 Grade Pay			30505												74496							
3	Sh. PQR, PA	01.07.2011 to 31.08.2011	2	20290	4650	0	11%	5487	01.07.2011 to 31.08.2011	2	>30	18%	34800	4650	14202								
	DOJ in PSTCL 01.07.2011	01.09.2011 to 31.03.2012	7	21040	4650	0	11%	19781	01.09.2011 to 31.03.2012	7	>30	18%	34800	4650	49707								
	DOJ IN PSEB 10.09.1977	Calculation: (20290+4650)x11%x2months=5487							Calculation: (34800+4650)x18%x2months=14202														
	Basic Pay Drawing as on 01.07.2011 = 20290/- 01.09.2011 = 21040/- Scale 10900/34800 + 4650 Grade Pay	Calculation: (21040+4650)x11%x7months=19781							Calculation: (34800+4650)x18%x7months=49707														
				Total				25268					Total		63909								

EXTRACT OF INSTRUCTIONS PROVIDED IN PSEB-MSR Vol. 1
FOR PENSION AND LEAVE SALARY CONTRIBUTION.

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1. Rates of monthly contributions for pension payable during active foreign service :-

1		2			
Length of Service		Percentage of the maximum monthly pay of the post in the officiating or substantive grade, as the case may be, held by the officer at the time of proceeding on foreign service or to which he may receive pro-forma promotion while on foreign service in case of :-			
		Class I Board employee	Class II Board employee	Class III Board employee	Class IV Board employee
0-1	years	7	5	5	4
1-2	years	7	6	6	4
2-3	years	8	7	6	5
3-4	years	8	7	7	5
4-5	years	9	8	7	5
5-6	years	10	8	7	6
6-7	years	10	9	8	6
7-8	years	11	9	8	6
8-9	years	11	10	9	7
9-10	years	12	10	9	7
10-11	years	12	11	10	7
11-12	years	13	11	10	8
12-13	years	14	12	10	8
13-14	years	14	12	11	8
14-15	years	15	13	11	9
15-16	years	15	13	12	9
16-17	years	16	14	12	9
17-18	years	16	14	13	10
18-19	years	17	15	13	10
19-20	years	17	15	13	10
20-21	years	18	16	14	11
21-22	year	19	16	14	11
22-23	years	19	17	15	11
23-24	years	20	17	15	12
24-25	years	20	17	16	12
25-26	years	21	18	16	12
26-27	years	21	18	16	13

	Class I Board employee	Class II Board employee	Class III Board employee	Class IV Board employee
27-28 years	22	19	17	13
28-29 years	23	19	17	13
29-30 years	23	20	18	13
over 31 years	23	20	18	14

(Effective from 1-7-1985)

2. Rates of monthly contribution for leave salary payable during active foreign service in respect of Board employees subject to leave regulations in Section II of Chapter VIII shall be at 11 percent of pay drawn in foreign service.

Note 1. In the cases of contract officers governed by the leave terms contained in Appendix 7 to the PSEB M.S.R. Vol 1, Part-II, and who are transferred to foreign service, the leave salary contribution should be recovered at the rates prescribed for Board employees subject to the leave Regulations in Section II of Chapter VIII, respectively.

Note 2. Recovery of leave contribution in respect of joining time taken under regulation 9.1 (b) while proceeding to foreign service should be based on the pay that the Board employee would draw on the assumption of office on foreign service.

3. The following instructions should be observed in the calculation of the amounts of contribution :--

- (i) The term "active foreign service" in paragraphs 1 and 2 above is intended to include the period of joining time which may be allowed to a Board employee both on the occasion of his proceeding to and reverting from foreign service and accordingly contributions are leviable in respect of such periods.
- (ii) "Length of Service" means the total period running from the date from which service for pension commences or is likely to commence.
- (iii) The leave salary contribution for the period of joining time taken by a Board employee in continuation of leave under clause (b) of Regulation 9.1 before reversion from foreign service should be calculated on the pay he was getting immediately before he proceeded on leave.
- (iv) When a temporary Board employee is transferred to foreign service, pension contributions should be recovered as in the case of permanent Board employees.

In such cases the recovery of contributions for leave salary does not present any difficulty, the amounts being calculated on the pay actually drawn in foreign service.

(v) In the case of Board employees mentioned in rule 4.2 of Punjab C.S.R. Volume II, the period which they are entitled to add under that rule to their service qualifying for superannuation pension should be taken into account in reckoning "length of service" for determining the rates of foreign service contribution on account of pension prescribed.

(vi) For purpose of recovery of pension contribution a Board employee on foreign service should be deemed to be a member of the service to which he belongs substantively.

Note : The expression "length of service" occurring in this paragraph, should be taken to mean the entire continuous service of the board employee concerned including temporary service in a pensionable post.