

TAMIL NADU TRANSMISSION CORPORATION LIMITED
ACCOUNTS BRANCH

144, Anna Salai,
Chennai – 600 002.

Circular Memo No. CFC/INDAS/FC/Accts/TR/AC/TR/F.BS. Emp cost
Instn/2021-22/. /D.No.85/2023 dated24.01.2023

Sub:- TANTRANSCO - Annual Statement of Accounts 2021-22 Employee
Cost instruction issued-Reg.

Ref:- 1. CircularMemoNo.CFC/INDAS/FC/Accts/DFC/BS/F.BS2021-22/
ERPF-53/D.No.167/2022 dt.27.07.2022
2. CircularMemoNo.CFC/INDAS/FC/Accts/DFC/BS/F.BS/2021-22/
Addl. Instructions./D.No.181/2022 dt.02.08.2022

1.0) In ERP all the employees are configured under TANGEDCO. Hence, employees' related transactions of TANTRANSCO; (which have not been actually transacted in TANGEDCO) are booked in the TANGEDCO books. In order to remove those entries from TANGEDCO and account the same in TANTRANSCO's books instructions were issued vide 27.7.2022 and 02.08.2022.

In the entry proposed, the following were omitted/misclassified.,

- a. Net Salary Liability
- b. Recoveries
- c. Intercompany head was accessed instead Interunit head for the payment of salary made from HQRS.

2.0) Further, on review of the TANTRANSCO circles, it is understood that some of the circles have posted the entries as per the above said instructions. Hence, in order to book properly the employee expenditure, Liability, Recoveries, Remittance and Net Salary payment in the books of TANTRANSCO, entries are to be posted in the following scenarios.,

- (i) If entries are not posted as per the above said instructions
- (ii) If entries are posted as per the above said instructions
- (iii) If entries are posted without tallying with Actual Pay bill.

3.0) Entries for the above three scenarios for booking the employees related transactions in the books of TANTRANSCO, the following entries are proposed.

As the entries are to be proposed through FB50, JV GL (process GL/Legacy GL shall not be accessed) shall be accessed for all the entries proposed except for Net Salary payment for the month of Apr'21. In respect of Net Salary payment for the month of Apr'21 alone Legacy GL can be operated since liabilities would have been created in FY 2020-21.

A. Category I:

If no entry is passed for employee cost as per the instruction as per circular memo.No.CFC/INDAS FC/Accts/ DFC/BS/F.BS2021-22/ERPF-53/D.NO.167/2022 dt.27.07.2022 then, **(If no entry is proposed based on KSB1 report)**

Period :- Apr'21 to Mar'22

(i) For Booking Employee Expenditure and Liability :-

Gross salary A/c Dr
(Applicable 4030XXXX GLs A/c)
To
Net Salary GL A/c Cr
Recoveries GL A/c Cr
(Applicable 2080XXX and 2030XXX GLsA/c)
(The above recoveries shall include all the recoveries including those towards GPF, CPS, FSFS etc)

(ii) For Remittance of Recoveries (Other than Net Salary)

Recoveries A/c Dr (Excluding GPF/CPS)
(All Recoveries GL A/c)
To
Outgoing bank GL A/c Cr.
(Drawing bank GL 1161002 to 1162052 of TANTRANSCO circle)

(iii) (a) Net Salary Payment entry for the period April'21 to Dec'21 (paid month):

(i) In GCC, P&C, and Nodal Circle:

Net Salary GL A/c Dr
To
Outgoing bank GL A/c (drawing bank of respective circle) Cr

(ii) Non-Nodal Circle and HQRS: -

When Net salary is paid by TANGEDCO for the employees deputed to TANTRANSCO.

Net Salary GL A/c Dr.
To
Payable to TANGEDCO A/c (2070202) Cr.

(iii) (b) Net Salary Payment entry for the period Jan'22 to Mar'22 (paid month)

(i) HQRS:

The payment of Net Salary was made from HQ TANTRANSCO drawing bank account directly to all the employees deputed to TANTRANSCO. Hence, the below journal entry shall be passed in the books of accounts,

Inter unit account A/c(2090136)Dr.
To
Outgoing bank GI A/c Cr.

(ii) Circles:

As net salary payment directly made by HQRS for the Liability booked in the respective circle, the following journal shall be passed.

Net Salary GL A/c Dr.
To
Inter unit account (2090136)A/c Cr.

2.Category II:

If actual expenditure as per pay bill is reconciled with KSB1 report and entry proposed as per circular memo.No.CFC/INDAS FC/Accts/DFC/BS/F.BS2021-22/ERPF-53/D.NO.167/2022 dt.27.07.2022 and CircularMemoNo.CFC/INDAS/FC/Accts/DFC/BS/F.BS/2021-22/ Addl. Instructions./D.No.181/2022 dt.02.08.2022, the following entries shall be passed for booking Expenditure, Liability, Remittance and Net Salary payment.

(i) For Booking Employee Expenditure:-

No entry is required since already entry proposed for booking the TANTRANSCO expenditure based on KSB1 report tallying with the actual pay bill.

(ii) For Booking Employee Recoveries &Liabilities:-

Since No entry is provided in the above said circulars, the following entry need to be passed to book the Recoveries and Liabilities.

Expenditure Reimbursable from TANGEDCO Dr.
(1110111 GL A/c)

To

Net Salary Payable GL A/c Cr.

Recoveries GL A/c Cr.

(Applicable 2080XXX and 2050XXX GLs A/c)

(The above recoveries shall include all the recoveries including those towards GPF, CPS, FSFS etc)

(iii) For Remittance of Recoveries (Other than Net Salary)

If the journal entry debiting "Payable to TANTRANSCO (2000)" and crediting "Outgoing bank (3000)" has been already passed as per the above instructions in the books, the following entry shall be passed for clearing the liabilities.

Recoveries GL A/c Dr. (Excluding GPF/CPS)
(Applicable GL 2080XXX and 2050XXX)

To

Receivable from TANGEDCO A/c Cr.
(1110111 GL)

(iv) (a) Net Salary Payment entry for the period April'21 to Dec'21 (paid month):

(i) In GCC, SLDC, P&C, and Nodal Circle:

A. Reverse the entry already passed (as given below) as per the above instructions:

If the below entry is already passed as per the instruction:	Reversal of entry to be passed now (same value to be revised)
1110111 Expenses Reimbursable from TANGEDCO A/c Dr	Drawing bank of Transco circle A/c (outgoing GL) Dr
To Drawing bank of Transco circle A/c (outgoing GL) Cr	TO 1110111 Expenses Reimbursable from TANGEDCO A/c Cr

B. And propose the following journal,

Net Salary Payable A/c Dr.
(GL 2080111 GL)

To

Outgoing Drawing Bank A/c. Cr.
(Applicable GL 1130000 to 1183282)

(ii) Non-Nodal Circle and HQRS: -

Since No entry is provided in the above said circulars, the following entry need to be passed to book When Net salary is paid by TANGEDCO for the employees deputed to TANTRANSCO.,

Net Salary GL A/c Dr.
GL 2080111)
To
Payable to TANGEDCO A/c (2070202) Cr.

(v)(b) Net Salary Payment entry for the period Jan'22 to Dec'22 (paid month):

(i)HQRS:

The payment of Net Salary was made from HQ TANTRANSCO drawing bank account directly to all the employees deputed to TANTRANSCO. Hence, the below journal entry may be reversed as given below,

A. Reverse the entry already passed (as given below) as per the above instructions:

If the below entry is already passed as per the instruction:	Reversal of entry to be passed now (same value to be revised)
1110111 Expenses Reimbursable from TANGEDCO A/c Dr	HQ Drawing bank A/c (3101) Dr
To HQ Drawing bank A/c (3101) Cr	TO Expenses Reimbursable from TANGEDCO A/c Cr

B. And propose the following journal.,

Inter unit account (2090136)A/c Dr.
To
Outgoing bank GI A/c Cr.

(ii)Circles:

As net salary payment directly made by HQRS for the Liability booked in the respective circle, the following journal shall be passed.

Net Salary GL A/c Dr.
To
Inter unit account (2090136)A/c Cr.

Category III:

When entries proposed as per instructions dated 27.07.2022 and 02.08.2022 based on KSB01 without reconciling with actual pay bill, the following journal entry need to be proposed for the **difference amount** as shown below shall be booked in TANTRANSCO (3000) books.,

(a) If actual employee cost incurred is more than the KSB1 report

Gross salary A/c Dr
(Applicable 4030XXX GI)
To
Payable to TANGEDCO A/cCr.
(2070202)

(b) If actual employee cost incurred is less than the KSB1 report

Payable to TANGEDCO A/c Dr
(2070202)
To
Gross Salary A/c
(Applicable 4030XXX GL) Cr.


(V.Savitha)

Chief Financial Controller/INDAS

To

All the Superintending Engineers – GCCs, P&Cs, NCES, SLDCs, Operation Circles ,EDCs& the Financial controllers of TANTRANSCO and TANGEDCO Circles.

Copy to All the Chief Engineers/TANTRANSCO& TANGEDCO

Copy to All the Chief Financial Controller/TANTRANSCO& TANGEDCO

Copy to the Chief Internal Audit Officer/ TANGEDCO

Copy to the Senior Deputy Chief Internal Audit Officer/ TANTRANSCO

Copy to CE/IT (ERP wing)

Copy to the Chief Engineer/Personnel

Copy to the Secretary

Copy submitted to all the Directors/ TANTRANSCO & TANGEDCO

Copy submitted to the Managing Director/TANTRANSCO

Copy to APO/Tamil Development (2copies) for publishing in Gazette

Copy to Stock file.