



SANCHAR NIGAM EXECUTIVES' ASSOCIATION

KERALA CIRCLE

(Recognised Majority Association of Executives in BSNL)
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No.SNEA/Kerala/2018-19/II/4 dated 21/11/2018

To
The PGM(Finance),
BSNL, Kerala Circle

Sub:- Issues involved in Monthly Settlement of Temporary Advance reg:-

Respected Sir,

We would like to submit following points for your kind consideration. Existing instructions in Kerala Circle stipulate that Temporary Advances are to be approved by BA heads by 20th of the month, payment to be made by CSC by 21st of the month, recipients to do settlement by 25th of the month and BA heads are to approve settlement by last day of the month. There exists high degree of practical difficulty in settlement of temporary advances (TAs) on a monthly basis, if disbursement of TA is made during the last ten days of a month.

This procedure is highly impractical because of the following reasons:

1. First thing is that, even if the SSA head approves a TA on 20th of a month, disbursements of TA are not made by 21st of the month. Many a times the payments are received by field officers on 23rd, 24th and 25th day of the month.
2. TAs is sanctioned for a particular purpose. Only when money is received, expenditure can be incurred and invoice obtained and settlement initiated in SAP. Expecting settlement of the accounts within few days by the TA Holder is not practical as for each purchase/ work many formalities are to be completed before incurring expenditure. Further there is no clerical assistance to the TA holder and the TA holder will have to look into the operational issues as well. Even the financial handbook stipulates a period of one month for settlement of TA.
3. Once the field officer initiates a TA, the system will route it to claim officer, who will check it with hard copy of vouchers. Sometimes the TAs submitted will have to be forwarded back in SAP for the initiator to makes necessary corrections and to resubmit. The genuineness of hard copies is to be verified and accounting correctness is to be ensured.
4. After claim officer approves the TA, the same will be routed in SAP to IFA and SSA head. In SAP it normally takes at least 10 minutes for a TA of 10 vouchers for settlement approval at the SSA head end. Suppose there are 30 TAs (30 is a minimum number for even average SSAs) it will consume 5 hours of SSA head.
5. If availing of GST input credit is taken as the reason for monthly submission, let's point out that, TA amounts to only less than 1% of input credit availment. The gap between invoice date and input availment date is not taken seriously in rest of 99% bills and only in TAs case this gap is taken seriously.

In this circumstance, a time period of at least 18 days are required from the date of disbursement of advance to the date of settlement of advance. **So only if advance is disbursed at least by 12th of the month, settlement can be effected in the same month, otherwise insistence of monthly settlement cannot be justified.** Of course, at times like annual closure of accounts, as done in previous years there is rational in co-operating to settle the advance in the same year. But otherwise monthly settlement is totally impracticable if disbursement is made after 12th of the month.

In this regard, It is kindly requested that necessary suitable instructions may be issued to field units by allowing minimum period of two weeks after disbursement of TA and if the TA are to be settled in the same month then the disbursement of the Advance may be effected at least by 2nd week of each month.

**With warm regards,
Sincerely Yours**



**T.Santhosh Kumar
CircleSecretary, SNEA
Kerala Circle**

Copy to:- CGMT, Kerala Circle