

File No. E-42368/BSNLCO-CA/12/1/2021-CA-ERP-FICO

Dated: 06/04/2026

Circular No. CA-491

To,

The Chief General Manager,  
All BSNL Circles

Sub: Accounting Guidelines for transfer of proportionate share of manpower expenses, rental and electricity charges from BSNL to BTCL- reg.

Reference: Memorandum of Understanding between BSNL and BTCL dated 04.06.2025

1. BSNL Tower Corporation Limited (BTCL) was incorporated as fully owned subsidiary company of BSNL on 04.01.2018. BTCL plans to carry on non-telecom activities, which were/are being carried out by its holding company like Execution of External Work as Project Management Consultancy for clients such as State Government, PSU Banks, Autonomous bodies etc. BTCL has no establishment of its own so far and does not have any employee or infrastructure of its own for the execution of these projects.

2. BSNL with its wide network of office across the country, have skilled personnel and necessary infrastructure, which can be efficiently used for supervision and execution of the projects handled by BTCL.

3. BSNL will charge proportionate share of Employee Cost, Rental and Electricity Charges which used for the purpose of execution of work of BTCL in following manner:

- A. Employee Cost is to be charged based upon proportionate share of actual payroll along with all directly attributable expenses like travelling and estimated time spent by employees involved in the execution of projects on behalf of BTCL.
- B. Proportionate share of the actual rent paid for the building occupied by those employees and electricity expense incurred thereof is charged by BSNL to BTCL.
- C. Project Management Charges @ 15% of the cost arrived at (A) and (B) above shall be added thereof.
- D. Both parties will maintain accurate records of man power costs and other costs along with allocation methodology used.

4. BSNL will raise invoice to BTCL on quarterly basis for the services rendered as above during a quarter. Invoice will be raised by 10<sup>th</sup> of month succeeding the end of each quarter by the circle concerned.

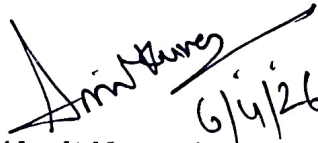


5. For the above purpose, following new GL Codes are allotted:

S. No.	SAP GL	Nomenclature	Primary Grouping (PG)	Secondary Grouping (SG)
1	4930101	Income from BTCL - Employee Cost reimbursed	Other Income	Others
2	4930102	Income from BTCL - Rental Charges reimbursed	Other Income	Others
3	4930103	Income from BTCL - Electricity Charges reimbursed	Other Income	Others
4	4930104	Income from BTCL - Project Management Charges	Other Income	Others

6. Booking of above revenue may be done through T Code FB70 by the concerned circle using existing SAP GL Code for GST purpose. Circles may create the BTCL Customer Code in SAP for this purpose under customer account group Z010 using recon GL 2610753 - Claims Recoverable from BTCL (BSNL Subsidiary).
7. For any clarifications related to tax compliance, circles may approach the Taxation Section, BSNL CO directly. Taxation Section may issue separate guidelines in this regard, if required.

This is issued with the approval of competent authority.

  
(Amit Kumar)  
DGM (CA)  
6/4/26

**Copy for information and necessary action to:**

1. IFAs of all BSNL Circles
2. PGM (BTCL), Corporate Office New Delhi
3. All PGM (F)/Sr.GM (F)/GM (F), BSNL Corporate Office
4. DGM(CSC)/R&P, BSNL Corporate Office