



F.No. 500-163 / 2019-20 / CA-III / BSNL

Dated: 26.03.2020

To
CGM(s) and IFAs
All Territorial and Non-Territorial Circles and DGM R&P BSNL CO

Sub: Instructions regarding Payment of VRS dues—Ex gratia

It has been decided with the approval of the competent authority that an ad-hoc payment towards ex gratia shall be released to VRS optees, who's cases stand verified by the respective circles. This step is in view of the SAP processes not being complete as yet while the Government has allotted the funds towards ex-gratia which have to be necessarily utilized within this month.

Accordingly, HCM Core Team has provided the data dump of verified individual wise ex-gratia amount (i.e. those verified by the circles in SAP), based on which calculations have been done in keeping with the quantum of funds allotted by the Government. These calculations have been worked out in the following manner—

- For cases where gross Ex-Gratia amount being paid now (ie 31.3% of Total Gross amount of Ex-Gratia as verified) is under Rs 5 lakhs, there is no incidence of TDS therefore no amount has been withheld.
- For cases where gross Ex-Gratia amount being paid now is exceeding Rs 5 lakhs but upto 10 lakhs withholding amount is @20% on the amount exceeding 5 lakhs.
- For cases where gross Ex-Gratia amount being paid now is exceeding Rs 10 lakhs but upto 20 lakhs withholding amount is @30% on the amount exceeding 5 lakhs
- For cases, where gross Ex-Gratia amount being paid is exceeding Rs 20 lakhs, withholding amount is @ 30% on the amount exceeding 5 lakhs plus "10% (of 30%)" towards surcharge.

A model working is also given below—

Emp	Gross Amt of exgratia to be paid -31.3% of Gross Verified Value	Taxable Ex Gratia Amount (exceeding Rs 5 lakh)	Rate applicable for Basic Withholding	Basic Withholding Amount	Withholding towards surcharge	Total to be Withheld	Net to be paid now
	B	C	[r]	$D = B \times [r]$	$E = 10\% \text{ of } D^*$	$G = D + E + F$	H
AAA	4,50,000	0	0%	0	0	0	4,50,000
BBB	9,50,000	4,50,000	20%	90,000	0	90,000	8,60,000
CCC	16,00,000	11,00,000	30%	3,30,000	0	3,30,000	12,70,000
DDD	25,00,000	20,00,000	30%	6,00,000	60,000	6,60,000	18,40,000
Total	55,00,000	35,50,000		10,20,000	60,000	10,80,000	44,20,000

* Only in case Gross amount payable is more than 20 lakh



It may be noted that computation is primarily the responsibility of the circles; and they are also in position to do the calculations themselves based on the principles given above. Nevertheless, the computations are provided by the central team (excel file) in order to reduce the cycle time for making the ad-hoc payment. It must be noted that the amount that is being withheld is essentially towards the likely TDS incidence and final amounts will only crystallize through SAP only. To this extent the circles must complete the tasks already assigned without any further delay.

The circles may have some queries, considering, the amount being paid is adhoc, that the final calculations have not emerged, that, no recoveries are being done, in making the ex gratia adhoc payment. These issues can be definitively addressed only after SAP processes are complete (likely timeline is end of this month). In the event, the circles have specific reservations in case of certain employees, based on information that they only have at this stage, circles must exercise due diligence in such cases. Circles need to double check that the data files shared with them do not have any cases, where VC has been withheld in the system or otherwise.

Circles must also take care, to not to prepare bank file for such cases, where the sanctions have not been issued. The data prepared and sent from central team is based on the verified data as it existed on 25th March 10 am; so if in any instance the circles have changed data in employee master, the amounts are likely to change. It is also noted that the circles have already done the RT for leave encashment in most cases and also posted the recoveries (as applicable). Thus, it is not expected to have large recoveries from ex-gratia; nevertheless, circles should carry out due diligence in this regard also.

Accounting for the net ad-hoc payment will be done as follows (Using FB50):

1310302 - Employee Payable	Dr
Concerned Operations bank A/c	Cr

In order to process the adhoc payment, circles may prepare the bank files based on the data furnished to them and effect the payment by 27th of March, upon allotment of funds from Corporate Office. In the course of generation of the bank files, circles must validate at least 3-5% of the cases, with reference to the SAP data. Fund requisition to Banking Cell, be placed by circles today. The bank file generated by circles be also shared with HCM and FICO Core Team.

Rest of the Processing in HCM module needs to be completed by circles for the purpose of Ex-Gratia, Leave Encashment and Recoveries in coordination with the HCM core team. It may be noted that the net amount of ex-gratia disbursed on ad-hoc basis needs to be maintained as deduction in wagetype 3MIS - Miscellaneous Deduction (GL4910199) before RT process for ex-gratia is run.

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भारत संचार निगम लिमिटेड
(भारत सरकार का उपक्रम)
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

The accounting of Expense and TDS as well as discharge of TDS will happen through the HCM process only. The amount of ad-hoc payment recovery will be transferred to the employee payable to offset the liability. The accounting entry for the same is as follows:

4910199 - Other Receipt	Dr
1310302 - Employee Payable	Cr

This has been issued with the approval of the competent authority.

Jagdeep Singh
DGM (CA-II)

Copy to:

1. CMD for kind information
2. Dir HR/ Dir FIN for kind information
3. PGM (ERP)/ AGM HCM Core Team for information and necessary action while executing final processes in SAP.
4. AGM FICO Core Team for sharing the data with the circles.
5. Sr GM (CBB) / Sr GM (CA)/GM (Establishment)/PGM Personnel for n/a

Personnel Area / Circle	Ex Gratia 1st Instalment		Net Payable Amount
	Amount	Withholding Amount	
ALTTC	35,920,096	3,769,348	32,150,748
Andaman & Nicobar Telecom Circ	36,200,052	4,747,467	31,452,585
Andhra Pradesh Telecom Circle	2,461,014,850	125,676,620	2,335,338,230
Assam Telecom Circle	796,135,699	68,291,683	727,844,016
Bihar Telecom Circle	755,914,634	33,968,806	721,945,828
BRBRAITT	27,306,146	2,417,421	24,888,725
Broadband Networks	41,433,396	7,137,021	34,296,375
Calcutta Metro District	877,685,406	64,338,540	813,346,866
Chennai Metro District	1,400,093,756	92,900,143	1,307,193,613
Chhattisgarh Telecom Circle	299,525,966	21,691,594	277,834,372
Corporate Office	376,627,467	55,147,319	321,480,148
Eastern Telecom Project (ETP)	89,642,595	7,816,829	81,825,766
Eastern telecom Region (ETR)	315,466,878	26,337,777	289,129,101
Gujarat Telecom Circle	3,197,163,105	184,812,304	3,012,350,801
Haryana Telecom Circle	810,688,172	48,303,845	762,384,327
Himachal Pradesh Telecom Circ	503,774,403	37,121,688	466,652,715
Inspections	154,273,439	23,496,937	130,776,502
ITPC Pune	156,647,854	27,979,882	128,667,972
Jammu & Kashmir Telecom Circle	244,242,073	16,048,052	228,194,021
Jharkand Telecom Circle	364,525,863	14,001,821	350,524,042
Karnataka Telecom Circle	3,300,034,295	225,853,565	3,074,180,730
Kerala Telecom Circle	2,651,396,146	223,705,698	2,427,690,448
Madhya Pradesh Telecom Circle	1,734,172,625	107,948,246	1,626,224,379
Maharashtra Telecom Circle	4,767,498,147	380,266,878	4,387,231,269
NCNGN	41,634,763	7,028,090	34,606,673
NETF	66,809,752	8,410,260	58,399,492
North East - I Telecom Circle	213,689,799	21,077,105	192,612,694
North East - II Telecom Circle	231,625,359	20,595,118	211,030,241
NTP	166,697,649	12,319,218	154,378,431
NTR	520,244,969	38,489,053	481,755,916
Odisha Telecom Circle	782,944,798	65,873,674	717,071,124
Punjab Telecom Circle	1,491,304,159	124,058,435	1,367,245,724
Rajasthan Telecom Circle	1,830,702,397	105,350,656	1,725,351,741
STP	144,970,897	17,210,682	127,760,215
STR	483,003,292	53,524,003	429,479,289
Tamil Nadu Circle	2,760,036,950	192,696,022	2,567,340,928
Telangana Telecom circle	2,695,307,940	165,104,066	2,530,203,874
Telecom Factory Jabalpur	89,350,455	5,448,343	83,902,112
Telecom Factory Kolkata	77,843,277	4,808,461	73,034,816
Telecom Factory Mumbai	78,748,096	3,271,784	75,476,312
UP (E) Telecom Circle	1,590,679,009	69,825,517	1,520,853,492
UP (W) Telecom Circle	1,014,663,920	41,423,939	973,239,981
Uttaranchal Telecom Circle	342,199,723	18,241,318	323,958,405
West Bengal Telecom Circle	817,835,089	55,012,368	762,822,721
WTP	240,727,952	17,242,182	223,485,770
WTR	477,683,477	41,575,337	436,108,140
Grand Total	41,556,086,785	2,892,365,115	38,663,721,670