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

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

Dated: 23 .03.2020

To
CGM(s)
All Territorial and Non-Territorial Circles

Sub: Instructions regarding Payment of VRS dues

With reference to the cited subject following instructions are hereby issued for compliance by the Circles **on or before 24.03.2020.**

Amount to paid for Ex-Gratia as 1st installment

The payment of Ex-gratia will be done to the VRS Optees, with the budgetary support of the Government of India. The first installment to be paid shall be in proportion to the funds allocated by the Government vis-à-vis the gross provisional amount of ex-gratia that an employee is eligible for. The amount that will be paid to the VRS optees shall be 31.3% of the gross provisional amount of ex-gratia as verified by the circles for each such optee.

Amount to be paid for Leave Encashment:

The amount of Leave Encashment to all categories of employees as verified by the circles shall be released in full.

Loading of amount of Ex-Gratia and Leave Encashment to the payroll:

The amount being paid will be loaded in the Payroll by using BDC (Batch Data Communication). Circle offices can download the payment amounts from SAP and prepare the BDC accordingly. Utmost care may be taken to ensure that such amounts (and in proportion to such amounts for ex-gratia) are only uploaded as has been verified by them.

Posting of recoveries: It is the responsibility of the Circles and their DDOs and must invariably be completed by them on or before 24.3.2020.

Tax Treatment: The tax treatment of Ex-Gratia has already been clarified by the Taxation cell, in letter no. 1001-09/2019-20/Taxation/BSNL/VRS 2019, dated 20.03.2020, which is available on intranet. The relevant configurations for the purpose of TDS calculation shall be implemented by ERP Core Team. There is no change in the TDS treatment of EL Encashment as it was being paid earlier also, in case or normal retirement cases.

Target Date: The target date for completion of the activity is 24.03.2020.

Gratuity in respect of BSNL recruited VRS Optees shall not be processed now.

Operating instructions for ERP:

Since the validation of the VRS payables has already been done, the activities remaining to be carried out are for Sanction, recovery, and payroll generation. Following steps need to be followed for the same:

Step 1- Issuance of Sanction

Circles/Field offices need to generate the Sanctions for the Ex-Gratia and Leave Encashment well in time. The format of Sanction has been configured.

Step 2- Loading of Leave Encashment amount

The amount being paid for Leave Encashment will be loaded in the payroll through BDC.

Step 3- Recoveries from the payout

The amount to be recovered from the employees must be maintained by the circle/field unit in the Payroll upto the amount payable to the employee after TDS. The net payable after all recoveries/deductions should not be negative, otherwise there will be error shown by ERP. The recoverables need to be maintained in March 2020, and if any recoverables are showing in the Feb 2020, the same need to be shifted to March 2020.

Step 4- RT creation with Leave Encashment amount

The Live RT with Leave encashment only has to be created by circle/field units. Thereafter the field units will confirm that the RT is created.

Step 5- Data backup of RT with Leave Encashment

Data backup of RT with Leave Encashment will be taken by central team. This RT is temporary and it must not be posted by any Circle at all.

Step 6- Loading of Ex-Gratia payment in RT

Circle/Field units will maintain amount being paid as Ex Gratia First installment through BDC after confirmation of data backup by central team.

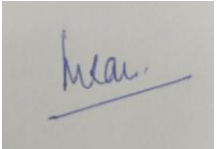
Step 7- Any further recoveries

If there are any further recoverable to be maintained the same can be done such that it gets accommodated within total payout.

Step 8- Rerun (recreation) of RT and creation of Bank File

The RT with Leave encashment & Ex Gratia first installment has to be created again by the circle/field units (data backup is taken of RT with Leave Encashment & Ex Gratia by central team). This RT will be final & need to be posted in FICO. The payouts in this RT will reflect in the Bank File.

For any further queries please refer to ERP HCM Core Team.
This is issued with the approval of competent authority.



**Jagdeep Singh
DGM (CA-II)**

Copy to:

1. Dir HR/ Dir FIN for kind information
2. PGM (ERP) for making necessary configurations available to the circles
3. Sr GM (CBB) / Sr GM (CA)/GM (Establishment)/PGM Personnel for n/a