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Corporate Office Taxation Section First Floor Bharat Sanchar Bhawan Janpath, New Delhi-110 001		BHARAT SANCHAR NIGAM LIMITED [A Government of India Enterprise]
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No: 1001-09/2019-20/Taxation/BSNL VRS 2019/3712

Dated: 29.01.2020

To


All concerned CGMs/IFAs/DDOs,
BSNL CO/Circle Office/BAs/SSAs/PAUs

Sub: Tax exemption under Section 10(10C) of the Income Tax Act, 1961 ("the Act") read with Rule 2BA of the Income Tax Rules, 1962 ("the Rule") to BSNL VRS-2019 optees

As all are aware that Section 10(10C) of the Act read with Rule 2BA provides exemption (upto Rs 5 lakhs) to any amount received or receivable by an eligible VRS employee of BSNL upon fulfilling following conditions:

Sl No	Conditions for claiming exemption u/s 10(10C)
i	VRS-2019 applies to an employee who has completed 10 years of service or completed 40 years of age
ii	VRS-2019 applies to all employees including workers and executives of a company, except directors of a company;]
iii	the scheme of voluntary retirement has been drawn to result in overall reduction in the existing strength of the employees
iv	the vacancy caused by the voluntary retirement is not to be filled up nor the retiring employee is to be employed in another company or concern belonging to the same management
v	the amount receivable on account of voluntary retirement of the employee does not exceed the amount equivalent to [1.5 months'] salary for each completed year of service or salary at the time of retirement multiplied by the balance months of service left before the date of his retirement on superannuation
vi	The employee has not availed in the past the benefit of any other VRS

The exemption u/s 10(10C) is a one-time benefit to a BSNL VRS-2019 optee, and if he has availed the exemption earlier, then, he may intimate the same to his DDO before settling his final claim. Similar intimation is to be given in case of (vi) above. If no intimation is provided by the VRS-2019 optee, then, it shall be presumed that the BSNL VRS-2019 optee has fulfilled all the conditions as stated above.


(Y N Singh)
Sr. GM (Taxation)
BSNL CO, New Delhi