

BUREAU OF INDIAN STANDARDS
(Establishment Department)

Manak Bhavan
9, Bahadur Shah Zafar Marg
New Delhi - 110002

Our Ref: Estt. I/LTC Reimbursement

Dated: 5.1.2021

Subject: **Special cash package equivalent in lieu of LTC fare for Central Govt. Employees during the block year 2018-2021**

CIRCULAR

Further to the Circular of even number dated 4.1.2021 on the above-mentioned subject, please find attached the following two OMs consisting clarification regarding queries in respect of Special Cash Package equivalent of LTC Fare for the block 2018-21:

- i) Department of Expenditure (DoE) OM dated 20.10.2020; and
- ii) Department of Expenditure (DoE) OM dated 25.11.2020

2. Any further clarification in the matter may be sought from Finance Department or Establishment Department.


(Sandeep Meena)
Director (Establishment)

Encl: as above

Circulated for information of all through BIS Intranet.

No. 12(2)/2020-E.II(A)
Government of India
Ministry of Finance
Department of Expenditure

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North Block, New Delhi
Dated 19th October, 2020
2020

OFFICE MEMORANDUM

Subject: Clarification regarding queries being received in respect of Special cash package equivalent in lieu of Leave Travel Concession Fare for Central Government Employees during the Block 2018-21.

The undersigned is directed to refer to this Department's O.M of even no. dated 12th October, 2020 and to say that this Department has been receiving queries seeking clarification relating to Special Package equivalent in lieu of Leave Travel Concession Fare for Central Government Employees during the Block 2018-21 announced by the Government. A statement giving answers/clarifications to the queries is attached as annexure to this O.M.

2. This issues with the approval of Secretary (Expenditure).


(S) Naganathan
Deputy Secretary, E.II(A)

All Ministries/Departments of the Government of India

FAQ on LTC Cash Voucher Scheme

<u>S.No.</u>	<u>Queries</u>	<u>Reply</u>
1	Whether the individual employee is required to take leave to avail this LTC- Cash Voucher Scheme? Whether an employee is required to undertake any travel?	An individual need not take leave for this purpose nor undertake any travel. This is a scheme in lieu of LTC travel.
2	If a particular LTC which is meant to be used for the scheme has been partially availed by either self or members of the family, whether this scheme is available and to what extent?	This scheme is applicable to the LTC fare left unutilized during the Block Year as mentioned in the O.M. dated 12.10.2020.
3	If an employee has already exhausted the prescribed limit of leave encashment for LTC, whether he will be eligible for the scheme? Whether an employee can only avail LTC fare without claiming leave encashment	An employee can avail this scheme utilizing the applicable LTC fare without leave encashment. The expenditure should be in accordance with the ratio as prescribed for LTC fare.
4	As per the scheme, an amount of upto 100% leave encashment and 50% of the value of deemed fare is to be paid as an advance to the employee opting for the scheme. It has also been stated that non-utilization / under-utilization of advance is to be accounted for by the DDOs in accordance with extent provisions relating to LTC advance. If an employee spends only the advance amount and makes a claim, how this claim will be regulated?	If as per the calculation suggested in O.M. No. 12(2)/2020-F.IIA dated 12 th October, 2020, the reimbursable amount is less than the advance drawn, this would be treated as under-utilization. However, after calculation of the claim, balance amount, if any may be recovered from the employee.
5	Newly joined Government employees are entitled for three Home Town and one Anywhere in India in a Block of four year. How this will be regulated?	The employee may use any one of the LTC available in a Block Year.
6	As per Special LTC provisions, an employee irrespective of his eligibility can travel by Air to places like Andaman & Nicobar, J&K and North-East under anywhere in India fare. In this case what will be the deemed fare?	The deemed fare has been calculated based on the normal eligibility of an employee and the special packages would not be applicable for this scheme.

Example (1) (without Leave Encashment)

Claiming for family of 4 eligible for economy class air travel.

Fare Value : Rs.20,000 x 4 = Rs.80,000

Amount to be spent for full cash benefit = Rs.80,000 x 3* = Rs.2,40,000

* 3 times of notional airfare (80,000 x 3=2,40,000)

Cash benefit = $\frac{\text{Amount Spent} \times \text{deemed LTC Fare (80,000 in this case)}}{\text{Amount to be spent for full cash benefit}}$

Thus, if an employee spends say Rs.2,40,000 or above, he will be allowed cash amount of Rs.80,000. However, if the employee spends less than Rs.2,40,000, say 1,80,000 then he may be allowed cash amount in the same proportion as illustrated above which comes out Rs.60,000 in this case.

$$\left[\frac{1,80,000 \times 80,000}{2,40,000} = 60,000 \right].$$

Example (2) (without Leave Encashment)

Claiming for family of 4 eligible for Train travel.

Fare Value : Rs.6,000 x 4 = Rs.24,000

Amount to be spent for full cash benefit = Rs.24,000 x 3* = Rs.72,000

Cash benefit = $\frac{\text{Amount Spent} \times \text{deemed LTC Fare (24,000 in this case)}}{\text{Amount to be spent for full cash benefit}}$

* 3 times of notional trainfare (24,000 x 3=72,000)

Thus, if an employee spends Rs.72,000 or above, he will be allowed cash amount of Rs.24,000. However, if the employee spends less than Rs.72,000 say 48,000 then he may be allowed cash amount in the same proportion as illustrated above which comes out Rs.16,000 in this case.

$$\left[\frac{48,000 \times 24,000}{72,000} = 16,000 \right].$$

No.12(2)/2020/E.II.A
Government of India
Ministry of Finance
Department of Expenditure

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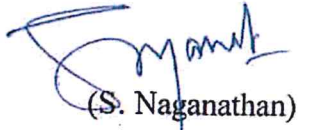
North Block, New Delhi
Dated 25th November, 2020

OFFICE MEMORANDUM

Subject:- Clarification regarding queries being received in respect of Special Cash Package equivalent in lieu of Leave Travel Concession Fare for Central Government Employees during the block 2018-21 (FAQ No.3)

The undersigned is directed to say that this Department has been receiving a number of queries relating to Special Package equivalent in lieu of Leave Travel Concession Fare for Central Government Employees during the block 2018-21 announced by the Government on 12th October, 2020. Two sets of frequently asked questions have already been clarified vide this Department's OM of even no. dated 20th October, 2020 and 10th November, 2020 are available on this Department's website viz. doe.gov.in.

2. A further set of frequently asked questions have been clarified and is attached herewith at Annexure below.
3. This issues with the approval of Secretary (Exp.).


(S. Naganathan)
Deputy Secretary (E.II.A)

All Ministries/Departments of the Government of India

FAQ No.3

Sr. No.	Query	Reply
1.	An employee wishes to avail the special cash package without opting for leave encashment. As per records he has sufficient EL for encashment purpose. Whether an employee can only avail LTC fare without claiming Leave encashment even though he has not exhausted the prescribed limit for leave encashment for LTC.	An employee can avail this scheme utilizing the applicable LTC fare without opting for leave encashment. Leave encashment is optional.
2.	If an employee opts for only deemed LTC fare without the leave encashment and spends less than three times of the deemed fare as has been prescribed to claim reimbursement of the deemed LTC fare, how the reimbursement would be calculated.	The reimbursement in this case would be on pro-rata basis. Since in order to claim the applicable deemed fare, an employee is required to spend three times of the deemed LTC fare, the reimbursement in the case of expenditure less than the prescribed three times would be 1/3rd of the actual expenditure. An illustration of calculation is given at annexure attached below.
3.	Can an employee avail leave encashment for less than 10 days.	The number of days of Leave encashment for LTC (10 days or less than 10 days) is to be in accordance with the relevant provisions of LTC rules.
4.	Will payment of premium of already existing insurance policies be covered under this scheme?	The special cash package envisages just of purchase of goods and services with GST of 12% and above made during the period between 12.10.2020 and 31.03.2021. Payment of premium of existing insurance policies does not fall under this category. However, payment of premium for insurance policies purchased during the period between 12.10.2020 and 31.03.2021 is eligible for reimbursement under the scheme.
5.	If an employee buys a car or any other items or services, whether it is mandatory to submit original bills to DDO as the same may be required for claim the warranty and ownership of the item/service.	No, self attested photocopy would suffice. However, the original bills may be produces on demand for information.
6.	The vouchers/bills to be submitted to avail this scheme on or before the 31 st March 2021. Employees who are due to superannuate (say) on the 31 st December 2020, be required to submit the vouchers/bills before his superannuation i.e. before the 31 st December 2020.	Vouchers/bills should be submitted and settled before the date of superannuation in this case.

7	Whether a single bill of purchase of goods or services is to be submitted or multiple bills can be submitted?	Multiple Bills are accepted. The purchase should have been done from the date of issue of the O.M. till the end of the current Financial Year. The purchase should carry a GST of 12% and above and payment should have been made to digital mode.
8	Whether there is any prescribed format for applying for this scheme.	There is no prescribed format. A simple application conveying the desire of the employee for availing the scheme, if advance is required for the purpose the same is to be mentioned.
9	What are the items which will qualify for reimbursement under this scheme?	Any goods and services which attract GST of 12% and above would qualify. The invoice with GST details should be submitted and payment should have been made through digital mode.
10	An employee having four family members eligible for LTC wants to avail this facility for less than 4 members. Further he wants to avail LTC for rest of the Members later.	As replied to query at S.No. 2, an employee can avail the scheme in partial, i.e. of the LTC of part of the eligible family. Since this is an optional scheme, if the LTC fare of any member of the family has not been utilized for this purpose, those members can avail LTC subject to extent instructions under LTC rules.
11	An employee incurs the expenditure on or before 31/3/2021 on the basis of invoice. Actual product or service received in April, 2021.	The reimbursement is based on production of invoice with details of GST. As far as possible, the claim should be made and settled well before 31 st March, 2021 to avoid any last minute rush and resultant lapse.
12	For digital payment an employee uses credit card of his / her spouse or any family members.	It is clarified that the invoice which is being submitted for reimbursement under the scheme should be in the name of the employee who is availing the scheme.
13	Can services like interior decoration and phone bills be included?	Any service which is having a GST component of more than 12% is permissible.
14	Any limit of number of transaction?	As far as possible, the number of transactions may be limited to a minimum extent to avoid any difficulty / delay.
15	Is it allowed to do purchase from e-commerce platform?	Procurement from e-commerce platform is also permissible provided the relevant invoice / details are submitted.
