

FAQ's related to CTC – Cost to the company

1. What is the difference between Gross Salary and CTC?

Answer : Gross Salary is sum total of Basic pay, HRA and Allowance/perquisites which is shown under your pay slips.

CTC means: Cost to the company which is sum total of Gross Salary (as mentioned above), Employer part of EPF, ESI, NPS, GMI and Gratuity.

2. Why CTC is not shown under the pay slips?

Answer : Pay slips is a document which shows your net payment credited in your bank account and doesn't includes the Employer part of EPF, NPS,ESI, GMI and Gratuity.

3. How can I view my CTC breakup in Darwin box ?

Answer: CTC information is available under Compensation tab named as CTC proration.

4. Why Employee EPF and Employee ESI is not shown under CTC while its gets deducted from gross salary ?

Answer : As employee EPF and employee ESI is contribution needs to be deposited from employee side, so it can't be part of the CTC.

5. How my Basic salary is determined in the offered CTC?

Answer : Currently, we have different CTC slabs ranges and basic salary is determined according to the CTC range your offer is coming.

6. What is tax-free reimbursement benefits?

Answer : Tax-free reimbursement benefits are certain tax free components which are incorporated in CTC above 12LPA. Currently there are 3 CTC ranges for benefits:

1. 12LPA-20LPA
2. 20LPA-30LPA
3. 30LPA and above

Such benefits, will be automatically added in your CTC according to above ranges.

7. How LTC (Leave Travel concession) amount is calculated under tax-free reimbursement benefits?

Answer : LTC can be maximum to 10% of your Annual Basic. So if your Annual Basic is Rs 6,00,000/- the maximum LTA amount will be Rs 60000/- Annually.

LTC can only be availed twice in a block of four calendar years. The current block of years is from 2022 to 2025.

LTC benefit is only available on travelling tickets in INDIA only. No food and hotel stay is allowed under LTC benefit.

8. What is GMI and why it is added in our CTC?

Answer : GMI is a Group medical Insurance facility provided to employees of Netsmartz Group . It is in addition to gross salary of the employee.

9. What is Sodexo card facility?

Answer : For tax saving, you can avail the Sodexo card facility, an Sodexo card is issued to an employee loaded with amount of Rs 2750 which is tax-free. So, if an employee wants to opt meal card, kindly drop email at team.payroll@netsmartz.com along with their personal email id and contact details for registration under Sodexo.