

## Yours queries answered - Third Set

**Some of the queries of common interest received for the past few days are answered here for the benefit of the viewers in general and our members in particular.**

**Query :** *I have taken voluntary retirement wef 20-Nov-2003. I am still receiving pension on CDA & has got all arrears of 6th Pay commission. My absorption has been finalised later on, my absorption letter has been issued. & I have received all my salary arrears as BSNL employee. Kindly advise, how my new pension would be fixed.*

*My Current pension in CDA scale is : 19750.(After 6th pay commission fixation). My pension as per my Revised BSNL fixation is Rs: 10425 : With Regards, Harshad Shah, Sent from my BlackBerry@ on Reliance Mobile, India's No. 1 Network. Go for it!*

**Ans:** As per your e mail it seems that you have received CDA pension and it has been revised as per 6th CPC. That means possibly in end of 2008 only. You have not stated in your letter when your absorption was finalised and what was your IDA pay and how you arrived at IDA pension of Rs.10425/-. If you have been fixed in IDA pay scale and revised pension payment order in IDA scale has already been issued to you, then whatever amount is found in revised PPO as IDA pension is your gross pension in IDA. Once your pension has been fixed in IDA and a revised PPO in IDA pension has been issued, you are to forget CDA pension. Please go to our website <http://aibsnlrea.org> and click the pension calculator. Enter the IDA pension given in the final PPO in gross pension box. In a second your revised pension and arrears will appear.

If you still have any query regarding the same, please give the details of your last PPO indicating your IDA pension and commutation.

Note : The reply sent by e mail to Harshad Shah returned as failed and not delivered. He may contact us if he has any further query.

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**Query :** *I Kum R T Haveliwala, has been retired from BSNL in the Month of April 2003. I m getting Rs 5878 as a gross pension. Do I am eligible for the IDA pension which is going to be revised shortly due to the ultimate efforts by your side. If yes what will be my revised rate of pay. Hoping for the early reply from your side. - Thanking you - Regards:- R T Haveliwala*

**Ans:** Any employee absorbed in BSNL and retired from October 2000 to December 2006 and receiving pension is eligible for

revision of pension w.e.f. 01-01-2007. You have not stated your commutation amount. So I have taken it as maximum 40%. Of course what ever may be the commutation the revised pension and arrears will be the same. Only the amount what you actually receive will be different in both in due and drawn. Your revised pension will be Rs 12900/-. I am attaching herewith a pension calculator for you about the arrears you will get up to March 2011.

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**Query :** *Myself DP Sungh. Retired in 2002 June as EE CIVIL Chandigarh. My Gross Pension fixed as Rs .8230 . Does the revised includes DA? If not do we have to add 43.0%? Thanks for entertaining queries..*

**Ans:** Your pre revised gross pension is Rs 8230. Then you might have commuted 40% of it i.e.,Rs.3292/- In that case, your net pension will be Rs.4938/-

Now with the January 2011 DA of 141.5%, you will be receiving Rs.8230 plus Rs 11646 (141.5% DA) - Rs 3292 i.e., Rs.16584/-

The pension revision is w.e.f. 01-01-2007.

In 01-01-2007, the DA was 68.8%.The gross pension was Rs 8230. This is getting revised as Rs 18061 and this will be your revised gross pension w.e.f. 01-01-2007. Again, there is revised DA over the revised gross pension which is 43% as on 01-01-2011. Therefore, you will receive Rs. 18061 + Rs 7767 (43% DA of 18061) - Rs.3292 = Rs.22536/-.

Your arrears from January 2007 to March 2011 will be Rs.250167/-

Log on to AIBSNLREA website <http://aibsnlrea.org> and click Pension Calculator at the top. You will get the pension calculation sheet. Now enter your gross pension in the column shown. The revised pension, month wise due and drawn and arrears will appear instantly.

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**Query :** *Namaste. I took VRS on 19.01.2009. My pension was fixed proportionately for the no. of years served. I came to know that cases under Rule 37A are also covered under 50% of the Last Pay drawn. In*

*this connection, I request you to kindly send me(forward) the latest ruling on the subject for which I shall be ever thankful to you. Regards, Sincerely, Madhavi.D*

**Ans :** Rule 37 A is a part and parcel of CCS (Pension) Rules 1972. As the BSNL absorbed are covered under CCS (Pension) Rules 1972, the last pay drawn is applicable for those who retired on or after 01-01-2006.

However you have also stated that you have retired on VRS on 19-01-2009 **and your pension was fixed proportionately for the number of years served.** Kindly send me details of number of years you served including the service in DoT + BSNL. Your last pay drawn, the average of last 10 months' pay, the pay scale in which you retired, and the pension fixation given to you. This may help us to check up your pension fixation and give you the correct guide lines if it is not correct.

Note: No further communication is received from Madhavi.D. The pensioner may kindly give the details asked for to check up for the correctness of his pension fixation.

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**Query :** *I am a absobred BSNL S.D.E.REtired on 31/12/2006 drawing pension in pre revised IDA scale. Thank you very much for providing formula for calculation of pension arreares. I would like to know whether commutation will be permitted after revision of pension. Similarly how new pension is fixed from old pension Thanking you With Regards Mrs S.A.Damle*

**Ans:** Additional Commutation will not be there when your pension is revised w.e.f. 01-01-2007 since the commutation is based on the pension fixed for you which is itself based on the pay you draw last.

If you see the calculation sheet itself you will get the formula at the right hand corner. Your pre revised gross pension plus 68.8 % of DA as on 01-01-2007 is multiplied by 1.3 (since 30% is the fitment benefit).This will be your revised pension. The revised DA which is at present 43% will be added to this. The actual amount commuted by you will be reduced. The balance amount you will receive in hand. This is the calculation and due drawn statement month wise with arrears upto March 2011 given in the sheet.

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**Query :** I retired on 30th November, 2004 as AGM o/o CGMT with Gross Pension of Rs8860/- and Net Pension Rs 5316/-. You are requested to clarify following query:- For Rs 1000/- old Gross Pension, the revised Gross Pension is given as Rs 2195/- and Net Pension as Rs 1795/-. But after commutation of 40% of Rs 2195/-, the Gross Pension should be Rs 1317/- (i.e. Rs 2195 - Rs 878). The Calculation of Net Pension arrived as Rs 1795/- (i.e. New Gross Pension Rs 2195 - Rs 400 the old commutation amount) is not understood: under which ruling it is calculated. What will be the Family Pension for Wife, if the Pensioner death is earlier? - L Srinivasa Rao Rtd. AGM, o/o CGMT, AP Telecom Circle, Hyderabad

**Ans:** I think you are under the impression that there will be another commutation when your pension gets revised w.e.f. 01-01-2007. It will not be.

For a pensioner whose pre revised gross pension is Rs 1000/- commutation Rs 400/ and net pension is Rs 600/. The revised gross pension will be Rs 2195. Commutation is not done on revised gross pension. It remains same as Rs 400/-. Hence the revised net pension will be Rs 2195- Rs 400= Rs 1795/-.

Your gross pension(i.e., before commutation) was 8860/- You had commuted 40% i.e., 3544/- and your net pension is Rs 5316/-.

Now your pre revised gross pension Rs.8860 plus the DA 68.8% gross pension is given a fitment of 30%. which will make the revised gross pension as Rs 19443/-. There will not be any commutation in the revised gross pension. Your commutation is a constant amount will remain the same for 15 years after which it will get restored. Now your revised gross pension will be Rs 19443/- and your commutation remains the same i.e Rs 3544/- and hence your net pension will be Rs 19443 - Rs 3544= Rs 15899. Now you will get the revised gross pension of Rs 19443 plus the revised DA on date 43% on 19443 minus your old commutation amount of Rs.3544/-.

That is the position of pension revision also called consolidation of pension. The same is given in the calculation sheet. When the DoT releases the order shortly you may see the same method illustrated by them.

The family pension being received by a family pensioner as on 31-12-2006 will also be consolidated with the same fitment formula. The revised family pension will be = (pre revised family pension + 68.8% DA on that) x 1.3. Since there is no commutation in family pension, the terms gross pension and net pension are not used. We have not given a pension arrears table for family pension. Because some more factors are involved in it individual to each pensioner/family pensioner. Pension received by the pensioner, family pension fixed, upto which date the enhanced family pension is allowed as given in the Pension payment order etc are required to be considered. Because the enhanced family pension depends upon the date of death and the age of the employee/pensioner, so it is not possible to work out the arrears uniformly for everybody as these will differ. However if any family pensioner gives the details of above which have been given in the pension payment order, I will work out and send the calculation sheet.

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**Query:** *I AM A TELECOM EMPLOYEE ABSORBED IN BSNL WEF 1-10-2000. I RETIRED AS CAO ON 31-5-2006. MY PENSION WAS INITIALLY FIXED @ Rs.9000/- PER MONTH. MY PAY IS REFIXED WITH EFFECT FROM 09-03-2005 , ON GIVING ME HIGHER SCALE OF PAY. OF Rs.16000-400-20800 ,UNDER TIME BOUND PROMOTION POLICY. I WAS DRAWING @ Rs.17,650/- IN THE SCALE OF S.14500-350- 18700/- AS ON 9-3-2005. MY PAY WAS FIXED AT Rs.18400/- WEF 9-3-2005 IN THE HIGHER SCALE WITH DNI ON 1-3-2006.HENCE MY LAST PAY DRAWN AS ON 31-5-2006 IS Rs.18800/- . MY AVERAGE 10 MONTHS PAY IS: 18400 X 7 + 18800 X 3 = 185200/10 = 18520/- AVERAGE OF 10 MONTHS PAY WAS Rs.18520/- MY PENSION WAS FIXED AT Rs.9260/- WEF 1-06-2006 I HAVE COMMUTED Rs.3704/- (40%). MY GRATUITY WAS LIMITED TO 3.5 LAKHS.*

*NOW I GOT THE PENSION AND PENSION ARREARS FIGURES FROM AIBSNLREA WEBSITE. KINDLY HELP ME BY GUIDING ME ON THE FOLLOWING :*

- 1)WHETHER I AM ENTITLED FOR REFIXATION OF PENSION BASED ON LAST PAY DRAWN INSTAED OF AVERAGE OF 10 MONTHS PAY UNDER VI PAY COMMISSION REPORT ACCEPTED ?*
- 2) WHETHER I AM ENTITLED FOR BALANCE OF DCRG TAKING INTO ACCOUNT MAXIMUM LIMIT IS RAISED TO 10 LAKHS UNDER VI PAY COMMISSION REPORT. = H SHESHAGIRI KAMATH, RETIRED BSNL CAO, KARNATAKA CIRCLE, BANGALORE*

**Ans:** Since you have retired after 01-01-2006, you are eligible to get your pension refixed based on last pay drawn as per on 6th CPC recommendation and accepted by the

Government. Now your gross pension will be Rs 9400/-. That is Rs.140/- more. In this you may commute 40 % if you so desire. I.e., 56/-. But the commutation factor which was 9.81 (at the age of 61 in next birthday) has been reduced to 8.194. So you will get commutation amount of Rs.56 x 12 x 8.194 = Rs.5506/-. If you so desire you may commute the additional amount or may not commute. You have an option which you have to give to your AO/CCA.

The DCRG limit will be maximum 10 lacs for those who retire after 01-01-2006. So You will get Rs 18800 + 58.9% DA 11073= Rs.29873 x 16.5 =492905. (I have assumed you had full service of 33 years). You have already got Rs 350000/- Hence balance DCRG for you will be Rs 492905-Rs 350000 = Rs.142905/-.

For this you should write to your A.O. (pay disbursing authority) of BSNL where you last received pay. He will work out the revised pension, revised commutation and revised DCRG and send to CCA along with your service book. The CCA will issue revised PPO and send to Bank/PO where you get your pension for further action of drawing pension arrears. The CCA will pay arrears of DCRG and arrears of Commutation amount to you. I am sure you know the procedures.

Of course the DoT order had come way back in August 2009. If you had applied in time, by this time you could have got it. We had published in AIBSNLREA web site then itself highlighting what all benefits a person retiring after 01-01-2006 will get.

Now because you had retired prior to 01-01-2007, the pension arrears table given in AIBSNLREA website is applicable to you. However the orders for pension revision is expected shortly. I do not think your AO/CCA will get your pension revised on last pay drawn before that. Hence initially you may receive your arrears based on Rs 9260/- then you will get second arrears for the balance. If he revises early then it is very good. Therefore, send your representation to your AO immediately for fixing your pension on last pay drawn and for payment of increased DCRG.

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**Query:** *This is with reference to my Father's Retirement from BSNL on 28-02-2003, for which we are searching the orders (revision of pension for pre 2007 retirees IDA Scales) Non Executives issued by BSNL in <http://www.aibsnlrea.org/>. However sir we are not getting the copy of orders issued by BSNL, please help by providing copy of the orders with detail or advise the web site where in we can download the same. Thanking you in anticipation, Thanks & Regards, Sunil 09860604393*

**Ans:** You have stated that your father retired from BSNL on 28-02-2003. Is he receiving pension now? If he is receiving pension, same will be revised w.e.f. 01-01-2007. But the orders for pension revision have not been released so far.

The orders will not be released by BSNL. Though your father retired from BSNL, the pension is given by the Central Govt.i.e. Department of Telecommunication (DoT) CCA cell in your circle.

The pension revision for pre 2007 pensioners is approved by Cabinet in end of January 2011. The DoT has to issue formal orders of revision of pension. The work is going on and the DoT is expected to release the order shortly. When DoT releases the order we will upload the order in AIBSNLREA website. Of course the order will be the same for non executives and executives. Then the CCA of your circle has to issue revised pension payment order to your father and will send a copy to the bank/P.O from where he is drawing pension. A copy of the revised PPO will also be sent to your father. The bank/P.O. will draw revised pension and also the arrears as per the order.

**Query:** *Thanks for providing the calculation chart for the arrears year wise amount to be received for the purpose of Income Tax. I understand if some savings is there during the financial year and not claimed for rebate it may be given in revised IT return. I am submitting my details for ready reference for guide lines and IT calculation to facilitate our members to answer their query pl. Gross pension as on 01-06-06 Rs. 8650/- Housing loan payment Rs.7141/- p.m. w.e.f. Sept 2004 Thanks. R.S.Arora State Secretary AIBSNLREA, Utter Pradesh Lucknow .*

**Ans:** Any arrears of income can be shown in the respective years in which it occurred and relief can be claimed as per Section 89 of Income Tax act. That is why the year wise arrears are shown in our calculation sheet to help you. However the procedure is cumbersome and cannot be explained in small way since it varies for each individual based on which tax bracket he is in to know whether it is any gain

for him or not. The entire IT return for the five years covering January 2007 (F.year 2006-07) till March 2011 (F.year 2010-11) is required to work out for each individual. However a simple logic is that if the tax bracket now with arrears is the same as the tax bracket of the earlier years (say 10% or 20% in all the years) then there is no necessity to claim the relief. If the tax bracket with arrears is higher (say 20%) and the tax bracket in earlier years is lesser (say 10% or no TAX), then only it will be advantageous to calculate the relief and claim the same.

Further Income Tax calculation is to be done individually for every person depending on his various sources of income like pension, bank interest received by him etc. and his savings etc.,

As such you may consult an auditor or chartered accountant for expert opinion on individual cases. Now Income tax dept itself has arranged Tax prepares in their offices for a nominal payment in the Income Tax offices itself.

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