



## Editorial

### **MERGER OF 78.2% DA FOR PAY/PENSION FIXATION**

We thank all those who responded to our call for the Campaign for individual Appeal to Hon'ble Prime Minister of India on denial of benefit of the order of DPE for merger of 50% DA effectively amounting to 78.2% for the purpose of benefit of pay fixation w.e.f. 01.01.2007 and non-extending its consequential benefit of revised pension fixation. No doubt that after this campaign, there were some internal movements within Department of Telecommunications, but nothing concrete has come out yet to resolve the issue. There appears to be a feeling in a section of the Officers that the contents of the Presidential Directive dated 10.06.2013 for implementation of the DPE's OM dated 2.4.2009 are not properly penned. But no one is willing to initiate the corrective measures. Therefore, all attention seems to have been concentrated on filing a reply to the queries raised by the Department of Expenditure on its earlier proposal. But how far DoT succeeds in convincing Department of Expenditure, at least to one valid point i.e. the question of giving "notional" benefit w.e.f. 1.1.2007 when neither the IDA pay scales nor the fitment formula were notional, remains a matter of great doubt. Other issue raised by Department of Expenditure regarding bearing the responsibility for additional expenditure, in view of an old Order for shared liability on 60:40 ratio between BSNL and DOT, was in fact already answered earlier. This issue was already examined when the revision of pension of pre-2007 Pensioners was proposed in 2011 following implementation of revised IDA pay scales in BSNL

w.e.f 1.1.2007. Therefore, DOT has now to find an answer how it could give the actual benefit of merger of 78.2% IDA w.e.f. 1.1.2007, when it calls this as "notional".

Meanwhile, in an interesting development, one recent communication from BSNL to Department of Telecommunication in response to a letter from the latter further confirms that DoT was actually considering to extend the "benefit of merger of 50% DR effectively amounting to 78.2% for the purpose of revision of pensionary benefits of BSNL IDA pensioners/family pensioners **w.e.f. 10.06.2013**" only. This reminds us that when we uploaded a news item in our website on the basic concept of DOT's proposal intending to extend the benefit w.e.f. 10.06.2013, someone from "Notional lobby" took extreme pain to explain how the pension and pay will be fixed as on 1.1.2007, but the actual benefit will be available w.e.f. 10.06.2013. When the pensioners themselves are not clear of the issue and ready to compromise with management's action from the day one, there is no surprise that Management will take advantage of the situation and try its best to justify its own inaction.

Despite all the hindrances being created on the matter, we are confident that the affected BSNL pensioners cannot be denied the benefit for long. We shall have to follow up the matter with all the strength that we have under our command for an early and logical solution of this long pending problem.

## **INCREASE IN IDA W.E.F. 1.7.2014**

According to calculations based on All India Consumer Price Index, IDA is to be increased w.e.f. 1.7.2014 by 2.9% for CPSEs where last pay revision was implemented w.e.f. 1.1.2007 and by 4.9% where last pay revision was implemented w.e.f. 1.1.1997.

## **PERSONAL INCOME TAX RELIEF FOR COMMON CITIZENS/SENIOR CITIZENS IN THE ENSUING GENERAL BUDGET 2014-15**

AIBSNLREA has submitted, vide its No. AIBSNLREA/CHQ/2014/11 dated 04.06.2014, a detailed proposal for consideration of the Union Finance Minister Shri Arun Jaitley suggesting to bring about some measures to provide some real relief to the individual tax payers and also the senior citizens. In fact, BJP's Election Manifesto 2014 had assured for providing a non-adversarial and conducive tax environment and rationalized and simplified tax regime. With respect to Senior Citizens, the BJP Manifesto 2014 has also clearly focused on taking care of Senior citizens by proposing to explore ideas like additional tax benefits and higher interest rates. Citing the same and other points, AIBSNLREA prepared its detailed proposal and has written to Union Finance Minister Shri Arun Jaitley with copy endorsed to Shri Narendra Modi, Hon'ble Prime Minister of India requesting to consider the same. We now give the details of the same:-

No. AIBSNLREA/CHQ/2014/11

Dated: June 04 , 2014

To

Shri Arun Jaitley,  
Finance Minister of India,  
Government of India,  
New Delhi 110 001

Subject: **Personal Income tax relief for common citizens/Senior Citizens in the ensuing General Budget 2014-15**

Hon'ble Sir,

Our Association represents the retired (pensioners) Executives of Bharat Sanchar Nigam Limited who had earlier been working in Department of Telecommunication before their absorption in this newly created CPSE. They draw pension from the Government due to their combined service in Government and BSNL under Rule 37-A of CCS (Pension) Rules 1972. They have similar problems like other Government pensioners. Hence, we take this opportunity to

present a brief paper, enclosed herewith, expressing our views on taxation on personal income of general public (below 60 years of age) and also of senior citizens (above 60 years of age).

2. Our submission is in line with BJP's Election Manifesto 2014 **which assured for providing a non-adversarial and conducive tax environment and rationalized and simplified tax regime.** With respect to Senior Citizens, **the BJP Manifesto 2014 has also clearly focused on taking care of Senior citizens by proposing to explore ideas like additional tax benefits and higher interest rates.**

3. We earnestly urge upon you to kindly consider our submissions and extend the much needed relief to the individual income tax payers in general and the senior citizens in particular while drawing the Union Budget for the year 2014-15.

With kind regards,

Yours sincerely,

(S Basu)

General Secretary

*Encl: As stated.*

Copy to:

Shri Narendra Modi,  
Hon'ble Prime Minister of India.

... With earnest request to  
kindly consider our submissions.

**Annexure**

## **PROPOSALS FOR INCOME TAX FOR UNION BUDGET 2014**

***Submitted by***

**All India Bharat Sanchar Nigam Limited Retired Executives' Association  
New Delhi**

**GENERAL PUBLIC (Below 60 Years of age):**

**Individual Income Limit for Taxation (General) :**

The present basic exemption limit is Rs 2 lakhs (for those below 60 years of age). This limit is too low and needs to be increased to Rs 5 lakhs.

**Common Exemptions:**

Deductions from Tax for savings under various clauses 80 C, 80 CCF , 80 D, Interest on House loan, Payment of principal on home loan etc. are allowed with some caps under each head. All these

clauses have separate caps and the deductions total to Rs 3 lakhs only. In the ensuing budget, the total deductions of rupees 3 lakhs may be increased to Rs 5 lakhs and be given without any separate cap for each section. This will benefit in nation building since a person who would not like to or have the necessity to purchase or a build house for himself may invest in NSCs, Govt. bonds and infrastructure Bonds etc to get the tax rebate where his individual investment will turn for nation building. Instead of spending the amount in unproductive items and thereby causing inflation, the money can be pooled to National development where it is a win - win situation.

*The above would also be line with the BJP Manifesto of providing a non-adversarial and conducive tax environment and **rationalized and simplified tax regime.***

### **Taxation of Medical Benefit:**

In the case of employees the medical benefit received from the employers is taxable with a threshold of Rs.15,000/-. This threshold was fixed sixteen years ago in the financial year 1998-99. Now with the medical expenses having steep increase over the years, this may please be increased at least to Rs.50,000/- for the individuals..

### **SENIOR CITIZENS (Above 60 years of age):**

*With respect to Senior Citizens, the BJP Manifesto 2014 has clearly focused on taking care of Senior citizens by proposing to explore ideas like additional tax benefits and higher interest rates. On these lines the following may kindly be considered.*

### **Individual Income Limit for taxation:**

The basic exemption limit for senior citizen above 60 years may be increased from the present Rs 2.5 lakhs to Rs. 6 lakhs.

### **Senior Citizen's Savings Scheme:**

The Senior Citizens' Savings Scheme in Post Offices was introduced during the earlier BJP rule under Shri Atal Bihari Vajpayee so that the senior citizens who make their living by the interest earned from their accumulated savings or terminal benefits during their life time are not put to hardship by reduction of bank interest rates. This provided an interest rate of 9 % p.a. Subsequently banks have increased their deposit rates and is currently offer at 9.5 %. Hence the Senior Citizens' Scheme may be improved as under:

- (i) Increasing the maximum ceiling on deposit from Rs 15 lakhs to Rs 30 lakhs.
- (ii) Increase the interest rate from 9 % to 10 %
- (iii) The interest received from senior citizens Scheme should be tax free.

### **Rate of Interest at Bank deposits:**

Banks provide an additional interest rate of 0.5 % on the deposit of senior citizens. With the escalation in cost of living, the senior citizens who are not in any gainful employment find it very much difficult to meet their livelihood. Hence the banks may be asked to provide an additional interest of 1 % above the basic rates on the deposits by the Senior citizens.

### **Exemption for the medical benefits received by the Senior Citizens**

A pensioner gets his pension in the evening of his life. His pension is already half of the pay being drawn by him. Rather with no perks like HRA etc, it is still less than 50 % of what was being drawn by him. Whereas the expenses do not become less in anyway. He is above 60 years in age. A host of diseases attack him and he has to spend a lot for his medicines. In some departments/PSUs the pensioners are also given medical benefit. Many senior citizens suffer from perennial diseases like diabetes, Hyper tension, heart, kidney ailments for which they have to constantly take medical treatment which need not be necessarily be as an in-patient, but the expenditure many a times far exceed the actual medical benefit being given. Since the pension received is also treated as salary, he gets covered by the same clause for taxation from individuals regarding medical benefits received from his past employer. So to tax his medical benefit which is not an income for him in reality is causing great hardship to the senior citizens and it is a double jeopardy for a person ailing at old age. Since extending medical benefit is a social security, the taxation on medical allowance or medical reimbursement received by the senior citizens needs to be totally exempted. The BJP Manifesto 2014 has correctly aimed at to reduce the out of pocket spending on health care. Many senior citizens already spend more than the actual medical benefit given by their past employer. The medical reimbursement is not an income in reality at the hands of the receiver. Hence to tax the same is a further burden on the senior citizens. Hence the medical allowance or reimbursement provided by the past employer to the pensioners who are senior citizens should be tax free when they are not in any gainful employment.

### **Exemption on Pension:**

Pension received from his past employer is treated as salary and is taxable. A pensioner who retires on superannuation is over 60 years in age and hence called as a senior citizen. He has to meet his expenses only from the pension that he receives as in most of the cases he does not have any employment opportunity at this age or any additional income. The pensioners of today are those who entered service in the early days of free India. They contributed their youth to the nation building in their own sphere when the salary was too meager as compared to today and even in that salary they would have paid income Tax over their entire service since the exemption limits were also very low and with higher taxation slabs and the Tax being deducted at source. Now at the evening of their life they are receiving their pension just to make out a living when

they have no more capability to work. Now, it is for the nation to take care of them. The nation pays old age pension for the elderly citizens who do not have any source of income. The pensioners receive pension for their past employment. As they had paid a good amount as tax while they were in service, the pension now being drawn by them should be treated as a social security.

When a person is in employment the local bodies like Municipal Corporation levy professional tax which is based on his salary. But when a person retires and receives pension, professional tax is not levied on him. Very like that the pension received by the senior citizens should not be treated as salary and be totally exempt from Income Tax.

The amount so collected as Income Tax out of the pension of the senior citizens may be very small. But it makes the senior citizen to file a tax return at the old age. The number of returns will be large and this would increase the workload of the Income Tax department whereas the tax collected would be small when the pensioner is not in any gainful employment.

So if a pensioner is not in gainful employment, the pension received by him should be tax free.

## IMPORTANT ORDERS

**19.06.2014: RECTIFICATION OF ANOMALY IN PENSION OF BSNL EMPLOYEES RETIRED WITHIN TEN MONTHS OF THE ABSORPTION IN BSNL W.E.F. 1.10.2000:** We had reported in this website vide posting dated 15.06.2014 that DoP&PW had asked Department of Telecommunication to send some additional information as back as on 28.02.2014 to further examine the above issue. We also reported that Department of Telecommunication did not respond to the request of the DoP&PW and accordingly we solicited the kind intervention of Hon'ble Minister of Communications & IT, Law & Justice vide our letter No. AIBSNLREA/CHQ/2014/14 dated 14.06.2014. Now BSNL has issued one circular quoting from the official note of the DoP&PW to the field units vide its No. 40-27/2011-Pen(B)/(Misc) dated 18.06.2014 and enclosing a letter received on 07.05.2014 from Department of Telecommunication on the subject and has asked the field units to supply the requisite information. The Note from DoP&PW was received in DoT on 28.02.2014 and it took two and half months for DoT just to write a letter to BSNL to supply the required information. BSNL, on its part, took more than five weeks thereafter just to call for the information from the field units. This is how the issues related to the pensioners are dealt both in DoT and BSNL. However, it satisfies us that our suggestion to consider the CDA pay drawn earlier to absorption period be treated notionally as IDA pay to resolve the anomaly is being considered in the proposal. *[To access the BSNL's Circular letter, posting dated 19.06.2014 may be viewed]*

**18.06.2014: DEPARTMENT OF TELECOMMUNICATION CIRCULATES REVISED UPDATED FORMS FOR SUBMISSION BY THE RETIRING GOVERNMENT SERVANTS AT THE TIME OF FINALISING THEIR PENSION:** Department of Telecommunication has since circulated, vide its No. 40-20/2011-Pen (T) dated 12.06.2014, the revised and updated relevant forms to be submitted by

the retiring Government servants before eight months of their retirement at the time of finalizing their pension. *[To access the DoT's letter, posting dated 19.06.2014 may be viewed]*

## ISSUES TAKEN UP

**CREATION OF AN EFFECTIVE MECHANISM FOR SPEEDY AND TIME BOUND DISPOSAL OF PENDING DISCIPLINARY/VIGILANCE CASES AGAINST THE PENSIONERS:** Highlighting the agonizing problems of a section of the pensioners who continuously suffer for years due the prolonging disciplinary/vigilance cases against them, AIBSNLREA urges Shri Narendra Modi, Hon'ble Prime Minister of India to kindly advise the concerned Ministry/Ministries to devise a special mechanism and a monitoring system for time-bound disposal of disciplinary/vigilance cases against the retiring/retired employees. It also pleads that in no case, the settlement of the cases be delayed for more than a year. *[To know details of the letter, posting dated 17.06.2014 in this website may be viewed]*

**NON SETTLEMENT OF THE CASE FOR REMOVAL OF ANOMALY IN THE FIXATION OF PENSION TO DOT EMPLOYEES ABSORBED IN BSNL WHO RETIRED BETWEEN 01.10.2000 AND 31.07.2001:** The above issue was last discussed in the 24th Meeting of SCOVA wherein it was informed that a proposal on the matter received from Department of Telecommunication was under examination in Department of Pension & Pensioners' Welfare. It was also informed that "response of D/o P&PW will be communicated to Deptt. of Telecommunications at the earliest". It has now been confirmed that DoP&PW had asked for some additional information from Department of Telecommunications on 28.02.2014 to examine the case further. But DoT has so far not provided the same. In this background, AIBSNLREA now takes up the matter with Shri Ravi Shankar Prasad, Minister of Communications & IT, Law & Justice urging him for his kind intervention "so that Department of Telecommunication send the requisite information to Department of Pension & Pensioners' Welfare without any further delay and get the issue settled at the earliest". *[To know details of the letter, posting dated 15.06.2014 in this website may be viewed]*

**FRESH AGENDA ITEM PERTAINING TO DEPARTMENT OF TELECOMMUNICATION FOR DISCUSSION IN THE PROPOSED 25th MEETING OF SCOVA TO BE HELD IN JULY 2014:** AIBSNLREA requests Department of Pension & Pensioners' Welfare for inclusion of "Non-extension of benefit of pay/pension fixation to the absorbed Group C Employees in BSNL in terms of Para 4 of DOP&PW OM No. 4/18/87-P&PW(D) dated 5.7.1989 to retain CDA pay scale till promotion of retirement whichever is earlier as a fresh agenda item for discussion in the proposed 25th Meeting of SCOVA. *[To know details of the letter, posting dated 12.06.2014 in this website may be viewed]*

**REQUEST TO REVIEW THE TWO OLD ITEMS PERTAINING TO DEPARTMENT OF TELECOMMUNICATIONS IN THE PROPOSED 25th MEETING OF SCOVA:** AIBSNLREA writes to Department of Pension & Pensioners' Welfare for a review of the two old items discussed in the 24th Meeting of SCOVA held in February 2014 and get them settled in the forthcoming meeting to be held in July 2014. *[To know details of the letter, posting dated 08.06.2014 in this website may be viewed]*

**PERSONAL INCOME TAX RELIEF FOR COMMON CITIZENS/SENIOR CITIZENS IN THE ENSUING GENERAL BUDGET 2014-15:** AIBSNLREA has submitted, vide its No. AIBSNLREA/CHQ/2014/11 dated 04.06.2014, a detailed proposal for consideration of the Union Finance Minister Shri Arun Jaitley suggesting to bring about some measures to provide some real relief to the individual tax payers and also the senior citizens. The letter and detailed proposals will be circulated later on. *[To know details of the letter, posting dated 04.07.2014 in this website may be viewed. Otherwise complete details are also available in this e-journal]*

**NON EXTENSION OF THE BENEFIT OF FIXATION OF PAY AND PENSION TO THE GROUP "C" DOT EMPLOYEES ABSORBED IN BSNL WHO OPTED TO RETAIN CDA PAY SCALE TILL THEIR PROMOTION OR RETIREMENT WHICHEVER IS EARLIER AS OFFERED IN THE GENERAL TERMS AND CONDITIONS OF SERVICE FOR ABSORPTION BY THE DEPT OF TELECOMMUNICATION:** AIBSNLREA takes up the above issue with Shri Ravi Shankar Prasad, Minister of Communications & IT, Law & Justice vide its letter No. AIBSNLREA/CHQ/2014/10 dated 02.06.2014 with copy endorsed to Shri Narendra Modi, Hon'ble Prime Minister of India. The Association writes "Since we have failed to get justice from Department of Telecommunication despite our repeated representations for over the years, we now seek for your kind personal intervention so that the above stated provision in the General Terms and Conditions for Service for absorption, offering "an option to retain Government Pay Scale i.e. CDA pay scale till their promotion or retirement whichever is earlier", is allowed even to the absorbed retired Group C & D Employees for giving them their due pay and pensionary benefits". *[To know details of the letter, posting dated 04.06.2014 in this website may be viewed]*

## BRANCHES IN ACTION

**EAST VIDARBHA (NAGPUR) BRANCH OF AIBSNLREA MEETS SR. GENERAL MANAGER TELECOM, NAGPUR:** The representatives of East Vidarbha (Nagpur) Branch of AIBSNLREA comprising of S/Shri N G Talewar, P R Bhujbal, Arun Deshpande, N R Rachkondawar and B M Majumdar met Shri R N Patel, Sr. GMT Nagpur on 24-6-2014. Important issues like inordinate delay in payment of medical bills of BSNL pensioners, recalculation of additional commuted value of pension in respect of the BSNL pensioners retired during 1-1-2007 to 2-9-2008 as per clarification issued by DOT on 10-6-2013, issue of pensioners identity cards in view of guide lines issued by BSNL on 13-05-2013, delay in payment of leave encashment on retirement, posting of dealing assistant in the office of CCA Nagpur were discussed in the meeting. The Association requested Sr. GMT to look into these grievances which are pending for a long time. SR. GMT assured to look into all the issues raised during the discussions for early settlement. He further assured that adequate staff in CCA office, Nagpur will be posted very shortly.

**AKOLA BRANCH HELD GB MEETING:** Akola Branch (Maharashtra State) of AIBSNLREA held its General Body Meeting on 01.06.2014. The members discussed on the ongoing developments pertaining to the BSNL pensioners. The issue of submitting individual appeal to the Prime Minister and Minister of Communications & IT, Law & Justice on merger of 78.2% IDA for fixation of pay/pension also came up for discussions. The Branch Secretary Shri Ashok Nema reported that

the Branch has now registered additional 14 new life members – thus raising the life membership strength of the Branch to 35.

**KOLHAPUR BRANCH OF AIBSNLREA HOLDS QUARTERLY GENERAL BODY MEETING:** Kolhapur Branch (Maharashtra State) of AIBSNLREA held its quarterly General Body meeting on 8th June 2014 in the Conference Hall at Kolhapur Telephone Bhavan with Vice-President Shri Nanjagud and later on with Shri L M Godi on the Chair. Forty eight (48) members attended the meeting and two (2) more new life members joined the Association. The President welcomed all. The House expressed happiness and voiced congratulatory notes on Shri Narendra Modiji becoming the Prime Minister of India. The house also condoled the sad demise of Maharashtra Leader Shri Gopinathi Munde, Union Minister for Rural Development and observed two minutes silence in memory of the departed Leader. Then Branch Secretary Shri D K Joshi informed the House that our Association has launched e-House Journal."SECOND INNINGS" for the use of the members to get all the information at one place. Members welcomed the contents of the Journal and expressed thanks to the GS. He also informed the House about the recent actions taken by the Association for early settlement of 78.2% IDA merger issue and revision of pension of both categories of affected pensioners. Other information on option for CGHS benefit for BSNL Pensioners, DOP&PW's recent communication for settling the grievance of pensioners within two months etc reported and discussed. The members raised the issue regarding fixation of pension for those who retired between 10-6-2013 to 31-12-2013, it was informed that CCA MBI is to settle the issue at the earliest with reference to the assurance given by PCCA in the Pension Adalat held in Nagpur. Shri Vinayak Paluskar, a Retired IDBI Bank Officer was invited to give a lecture on "Science of STARS and their effect on the Human beings". Shri P S Kulkarni, Asst Secretary, introduced him to the House and then Shri Paluskar presented a very informative lecture on the subject. He gave in depth information in relation to the Cosmology, Astrology and Astronomy. Then Shri Ashok Kulkarni, a Social Worker gave information on the Tour and Travel to Andaman-Nicobar for groups of persons. Shri Paluskar was also felicitated with presentation of a bouquet and a book. Shri O H Chillal from Sangli, who joined the Association as a new life member on the day, donated Rs.10000/- to the Branch apart from normal the charges of Rs. 1550/- being taken at the time of admission. The meeting was followed by a Lunch sponsored by Shri V K Bokil, a Life Member of the Branch in connection with the marriage of his daughter solemnized in Pune.

**GB MEETING OF AIBSNLREA, BAREILLY BRANCH:** General Body meeting of AIBSNLREA, Bareilly Branch was held on 10.05.2014. State Secretary of U.P.State Branch Shri R.S Arora attended the meeting. The members expressed their concern over the delay in settling the issue regarding merger of 78.2% IDA for fixation of basic pension, payment of medical claim without voucher, granting medical advance etc. Three new members were enrolled in the branch.

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#### **GUJARAT STATE BRANCH OF AIBSNLREA REGAINS ITS NUMBER ONE POSITION IN LIFE MEMBERSHIP STRENGTH**

Gujarat State Branch of AIBSNLREA has now registered a total Life Membership strength of six hundred (600) and in the process regained its number one position on the basis of the strength of total life membership compared to other State Branches. Maharashtra State Branch now occupies the second position with 542 Life members.

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## **Govt mulling hike in income tax exemption limit from Rs 2 lakh to Rs 5 lakh**

TNN | Jun 13, 2014, 07.38PM IST

NEW DELHI: The Narendra Modi government may increase the income tax slab limit for exemption from Rs 2 lakh to Rs 5 lakh, CNN-IBN reported quoting its sources on Friday.

According to the report, the finance ministry has asked for a report from the income tax department to decide over the possibility of exemption in tax slab. CNN-IBN quoted its sources as saying that the Central Board of Direct Taxes ( CBDT) is likely to submit a report by June 20.

In another decision which could have a far reaching effect, the government is also considering to raise tax exemption limit on home loans and health insurance premium, the report said.

The health insurance premium is likely to be raised by Rs 5000, it added.

## **Union government to review national policy on senior citizens**

By PTI | 13 Jun, 2014, 08.08PM IST

HYDERABAD: The central government is in the process of reviewing its national policy for senior citizens and is prepared to make changes to suit current needs, Union minister of social justice and empowerment Thaawar Chand Gehlot said here on Friday.

Delivering the address at the 12th global conference organized by the International Federation of Aging, he said that the union government is committed to the safety and well being of elderly people in the country.

"We are reviewing the policy. We will make changes if necessary to meet present requirements," Gehlot said.

According to him, in India, as per the 2011 census, the population of senior citizens who are more than 60 years old, is 10.4 crore, which is 8.6 per cent of the population. The figure is expected to reach 17.3 crore or 12.4 per cent of the total population by 2016, he said.

"In order to improve the quality of life of senior citizens, the Union ministry of social justice and empowerment has adopted a multi-pronged strategy which includes formulation of a national policy on older persons, enactment of the Maintenance and Welfare of Parents and Senior Citizens Act 2007," he said.

He said the NPOP envisages state support to ensure financial and food security, healthcare, shelter, as well as protection of life and property in order to improve the quality of the lives of senior citizens.

## **Finance ministry may double tax exemption limit under 80C to Rs 2 lakh**

PTI | Jun 30, 2014, 04.58 PM IST

NEW DELHI: Seeking to boost household savings, the finance ministry is considering doubling the exemption limit for investments by individuals in financial instruments to Rs 2 lakh. Presently the investments and expenditures up to a combined limit of Rs 1 lakh get exemptions under Sections 80C, 80CC and 80 CCC of the Income-Tax Act.

Sources said the revenue department is assessing the burden on the exchequer in case of increase in the benefit limit. The announcement is expected in the Budget. The budget for 2014-15 will be presented by finance minister Arun Jaitley in the Lok Sabha on July 10.

There have been demands from bankers and insurers to hike the tax exemption limit from Rs 1 lakh per annum to encourage household savings.

### **CHQ QUOTA RECEIVED FROM THE BRANCHES DURING JUNE 2014**

**\*Guwahati (Assam) has deposited Rupees Five hundred fifty (Rs 550.00) only in the Savings Bank Account of the Central Headquarters with Syndicate Bank on 02.06.2014.**

**\*An amount of Rupees three thousand (Rs 3000.00) only has been deposited at Lucknow in the Savings Bank Account of the Central Headquarters with Syndicate Bank on 03.06.2014. Details wanted.**

**\*Akola (Maharashtra) Branch has deposited Rupees Two thousand Eight hundred (Rs 2800.00) only in the Savings Bank Account of the Central Headquarters with Syndicate Bank on 06.06.2014 for additional 14 Life Members.**

**\*Dhanbad (Jharkhand) Branch has sent a Demand Draft for Rupees Two hundred (Rs 200.00) only, since en-cashed on 06.06.2014, as the quota for additional 1 Life Member.**

**\*Hubli (Karnataka) Branch has deposited Rupees One thousand Four hundred (Rs. 1400.00) only in the Bank Account of the Central Headquarters with Karur Vysya Bank on 11.06.2014 for additional 7 members.**

**\*Gujarat State Branch has sent a Cheque for Rupees Twenty thousand (Rs 20000.00) only, since en-cashed on 24.06.2014, as the quota for additional 100 Life Member.**

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Edited and published by Shri S Basu, General Secretary, AIBSNLREA