

**AIBSNLPWA
E Journal 14**

**September-October
2021**

PENSIONERS' PATRIKA



**HOW LONG THE SUPER SENIOR
SHOULD WAIT FOR JUSTICE?
TO SETTLE THE PENSION ANOMALY?**

HOW LONG?



GS WRITES

Dear Friends,

This is the 14th issue of our Ejournal. In 2020 we issued printed journal in January and March and then we were forced to stop printing the Patrika due to countrywide lockdown. But, during April-December 2020, we released ten issues of Ejournal. Again, when we observed some improvement in the condition of corona-created situation we resumed publication of printed Patrika. January-February 2021 and March-April 2021 issues were printed and dispatched. Many copies were returned undelivered as postal delivery was badly affected. District Secretaries who got the bundles could not deliver copies to subscribers as physical meetings were banned. Some of our subscribers suggested to release Ejournal only. Moreover, our senior comrades in Chennai have to go to the printing press two three times, then take the printed copies in a vehicle to Mylapore Post Office for posting. It was not desirable to expose them to risk in the given grave situation. Therefore we issued Ejournal 11 in June 2021, Ejournal 12 in July 2021 and Ejournal 13 in August 2021. This is the Ejournal 14.

According to some experts a third wave of Covid may occur in India but it will not be as devastating as the second one because good number of people who got infected in first and second waves have attained immunity and large number of people have taken the vaccination. A recent report in Indian Express says: *Having failed to adequately prepare for the second wave of coronavirus infections, officials and health authorities are now routinely warning people of the possibility of a third wave. It started earlier this month with the Principal Scientific Advisor Dr. K Vijaya Raghavan calling the third wave "inevitable" even though its timing could not be predicted. Vijaya Raghavan added a caveat two days later, saying a third wave could be avoided through "strong measures", but several others have issued similar warnings in the last couple of weeks.*

We have to believe the 'experts' only. All options are open to us. As such we hope that our country will come out of the critical situation by end of this year. When the situation improves, no doubt, we shall release the printed journal and post the same to all subscribers.

This issue of Ejournal is "**Pension Anomaly Special**". Details are given in subsequent pages and hence not repeated here. We are quite familiar with the 'negative attitude' of Indian bureaucracy. It is unfortunate that Central Administrative Tribunal, set up for ensuring speedy remedy to legal issues concerning service matters, has immensely failed in our Anomaly Case in getting its order honoured by the Department of Telecom. I still hope that the Department will issue a proper order resolving the anomaly before 6th November 2021, the next date for hearing of our petition of 'Contempt to Contempt. I restrain myself from making further comments.



Editorial

WHERE TO KNOCK FOR JUSTICE?

Chief Justice of India Shri. N.V. Ramana, recently asserted that “..... For the judiciary to apply checks on governmental power and action, it has to have complete freedom. The judiciary cannot be controlled, directly or indirectly, by the legislature or the executive, or else the rule of law would become illusory,” Justice Ramana said while delivering the 17th Justice P.D. Desai Memorial Lecture in New Delhi.

On 5th August 2021, the Supreme Court asked the Central government point-blank to come clean on whether it intends to “close” tribunals across the country by not filling up vacancies that have been pending for years. “The question here is whether you really want these tribunals to continue or do you intend to close them... Is it that the bureaucracy does not want these tribunals?” Chief Justice of India (CJI) N.V. Ramana asked Solicitor General Tushar Mehta. Justice Surya Kant, on the Bench, pointed out that with tribunals defunct and High Courts having no jurisdiction over the areas of law wielded by tribunals, litigants have nowhere to go for justice.

Late Mr. Arun Jaitley, who was a leading lawyer in the Supreme Court and a seasoned parliamentarian, while participating in a debate in Parliament on 5th September 2013 said; “.... *the Desire for post-retirement jobs influences pre-retirement decisions*”. He was in the Opposition then. He became an influential Minister later on. But the system is not changed.

We do not want debate on the issue. We remember the above comments in the light of our recent experience in our Pension Anomaly Case. Judiciary is the last resort for the people, like pensioners, when the political system and the executive turn a deaf ear to their justified pleas.

In the statement of object and reasons on the introduction of the Administrative Tribunals Act, 1985 it was mentioned: “*It is expected that the setting up of such Administrative Tribunals to deal exclusively with service matters would go a long way in not only reducing the burden of the various Courts and thereby giving them more time to deal with other cases expeditiously but would also provide to the persons covered by the Administrative Tribunals speedy relief in respect of their grievances.*” All said and done, history of CAT during the last 35 years gives different story. We are immensely disappointed to see that the Honourable Tribunal fails to ensure implementation of its own orders by the Bureaucracy. The bureaucrats in Sanchar Bhavan do not respect CAT. They do not honour the order from High Court too. In our administrative system, at the top, nobody is accountable or responsible for lapses.

More than 2000 affected pensioners have left this world. The relief cannot be taken to their ashes in Nigambodh Ghat or Nimtala Ghat or resting in some Qabristan.

THE BUREAUCRATS CAN DELAY THE ORDER; BUT THEY CANNOT DENY IT.
The proverb says; “Discretion is better part of valour”.

P S Ramankutty, Editor

HISTORY OF THE PROLONGED LEGAL BATTLE WE WAGED AND WON

- The Anomaly occurred in 2002, with effect from October 2000.
- Discussion went on for 12 years at different levels.
- AIBSNLPWA filed the original petition in 2014.
- CAT gave its first judgement in December 2016.
- DoT did not honor the CAT order.
- AIBSNLPWA filed a Contempt petition
- Anticipating an Appeal by DoT we filed a caveat petition in HC also.
- DoT filed the Appeal in High Court, Delhi in 2017.
- Delhi High Court dismissed the Appeal in January 2020.
- DoT did not honor the High Court order too.
- Hence we revived the contempt Petition.
- CAT disposed Contempt petition in November 2020.
- DoT did not issue any order within the stipulated time.
- AIBSNLPWA filed case for 'contempt to contempt proceedings' in July 2021.
- Petition was taken up on 17th August 2021.
- The Dept. of Telecom that failed to honour the verdict for about five years wanted four weeks time to issue order. It was granted.
- Secretary, Telecom who is going to retire after ten days delayed the matter by asking unwanted queries which are available in the file.
- DoT did not issue order within the time it sought for. Instead, on 20-9-2021, DoT Advocate sought further time for three months. Though our lawyer opposed it vehemently, Hon'ble Tribunal granted time and posted the Contempt Petition to 6-11-2021
- The Tribunal grants time again and again and again to the Department to implements its orders.

The Injustice continued for more than twenty years. Final outcome depended upon the very authority against whom the legal case was filed. Justice delayed is justice denied, everybody admits.

Thanks are due to lawyers S/Shri. Naresh Kaushik, Ranvir Singh and V K Sharma; to Com Roshanlal Kapoor, legal committee member and a petitioner who followed the case scrupulously, intervened whenever necessary, interacted with officers of DoT particularly with DDG (Estt.) & Director (Pension) and coordinated with CHQ and also Com. D Gopalakrishnan, Vice President who very meticulously followed every development with regard to the case and prepared all documents.

How many pensioners are benefitted?

Initially Com. DG quoted the number of affected pensioners as 4230 (BSNL corporate office stated that the affected pensioners are only 237 and later on concurred with Com. DG). The Department of Telecom could not, till this date, intimate the Court actual number of beneficiaries. Even on 20th September 2021 DoT informed the Tribunal that it is collecting data. The authorities can delay it but cannot deny it. BSNL could not collect actual number of pensioners affected by the anomaly. Corporate Office of BSNL issued several letters to Circles asking for the figures. Most of the Circles ignored the letter and reminders. Hence the DoT could not inform the Court the actual number of affected.

Our CHQ sought the details from Circle Units. Since many Circles could not give the feedback to CHQ, we have some rough ideas only.

Some figures, Com. DG could collect, are as:

Tamilnadu: 293,	Chennai TD: 166,
Kerala: 278,	United AP: 261,
Karnataka: 240,	Punjab: 200 (approx)
Maharashtra: 600 (approx)	

Figures received from Assam, Gujarat, MP, Chhattisgarh and Odisha Circles were not complete. DG checked some cases of pensioners retired each month from October 2000 to June 2001 and calculated the benefit that entitled.

After 20 years, since the case was deliberately delayed by authorities, the amount of arrears became 'huge'. It means that Pensioners suffered 'huge' loss for 20 years.

A NOBLE TASK

During this period of two decades more than 50% of the affected pensioners have left this world without enjoying the fruits of our efforts. Benefits cannot be taken to the burial grounds. Neither we can, nor the Dept can. But their families shall get the arrears. It is the duty of our Circle/District secretaries to identify the beneficiaries, alive or dead. Some may not be members of AIBSNLPWA. Still they should be informed and helped. Family members of the dead may not be knowing the case. So our functionaries should help them properly. It is a difficult task, but it is a noble one.

PENSION ANOMALY CASE:

WE ONLY FOUGHT AND WON IT .

AIBSNLPWA was the first applicant in the case.

**AIBSNLPWA did not collect a single rupee
from the pensioners for fighting the prolonged legal fight.**

It is our Baby

The anomaly occurred in 2002 when the Pay scale of absorbed BSNL staff was converted from CDA pattern to IDA Pattern. Those who retired during October 2000-June 2001 could not complete 10 months in BSNL, in IDA scale. Hence their average basic pay of last 10 months (partly in IDA and partly in CDA as per DoT clarification dated 15/1/2003 even without consulting DoP&PW) was less than those retired from same cadre/grade after July 2001. So these pensioners who retired during October 2000-June 2001 got less pension than their juniors. This anomaly was not taken up seriously by the service unions/associations. Com R L Kapoor who was a member of one of the pensioners' association, then, pleaded with the leadership to take up this issue seriously and suggested for litigation and he even told them that he was willing to share the legal expenses. But they did not show interest.

Com. D Gopalakrishnan, Senior Vice President of **AIBSNLPWA** filed application under RTI on 17-1-2010 asking for number of affected pensioners. To his letter dated 1-10-2011 the DoT replied that only 237 pensioners are affected and attached the list of names also. But DG had list of 1200 people from various Circles. So DG filed an appeal on 16-12-2011 to Chief Information Commission. The then GS of **AIBSNLPWA** Com P. S. Ramanutty wrote a detailed letter with 13 annexures in July 2012 to Secretary, Telecom that more than 4200 pensioners were affected and demanded a solution of the anomaly as done in similar cases occurred during implementation of new scales based on V CPC report vide DoP&PW OM dated 18/10/1999. This letter compelled DoT to reopen the closed file. The CIC conducted an on-line video conference on 31-3-2013. Com. DG and Com. Ramarao attended it on behalf of **AIBSNLPWA**. CIC directed the DoT to supply correct figures. But DoT/BSNL could not collect correct figures despite 13 or 14 letters and reminders to Circles. Later, the authorities admitted that 4230 pensioners (accepting the figures placed by Com. DG) were affected by the anomaly. But they were not prepared to settle the anomaly.

So, the CWC of **AIBSNLPWA** held in April 2014 in Chennai decided to file a case. Com. Chhidu Singh and Com. R L Kapoor (RLK was affected by the anomaly) fixed an advocate Shri Naresh Kaushik. Case was filed by our Association before PB, CAT, Delhi in May

2014. Unfortunately, Com. Chhidu Singh expired on 20-12-2014. Thereafter Com. R L Kapoor took up the responsibility, pursued it. Simultaneously, the new GS of AIBSNLPWA Com. Natarajan has been writing letters after letters to the authorities to solve the issue.; but no avail.

On 16-12-2016 CAT Principal Bench gave its verdict in favour of pensioners. But DoT did not honour the Court verdict within the stipulated time of three months.

AIBSNLPWA filed a caveat petition in Delhi Court to ensure that the HC should not dispose the case, if DoT appeals, without hearing our views. AIBSNLPWA filed a Contempt petition against DoT in CAT also. Then DoT filed a belated appeal in November 2017 before Delhi High Court. Coms Anupam Kaul and R L Kapoor found out another lawyer Shri Ranvir Singh, a retired CGM, to fight our case before Delhi HC because the previous lawyer's demand was very high. Shri Ranvir Singh did his job well. Hon. Delhi HC dismissed the appeal of DoT on 24/1/2020 and directed the DoT to implement CAT order within 8 weeks. DoT did not honour this judgement also.

Then AIBSNLPWA revived the contempt petition, with the help of advocate V.K.Sharma who is known to Com RLK, before PB, CAT, Delhi and Hon. CAT, Delhi on 18/11/2020 ordered the respondents to implement the judgement within 3 months. But, DoT did not bother to honour the judgement within the period i.e. 31/3/2021. So, we filed a petition of Contempt to Contempt proceedings with the help of same lawyer before PB, CAT, Delhi in July 2021. When the petition was taken up by CAT on 17/8/2021 DoT Lawyer sought time of 4 weeks to implement the original order of CAT. Our advocate objected to it but CAT granted time and case was posted to 20-9-2021. But Dot has not honoured its own commitment. On 20-9-2021 DoT sought further time.

Hundreds of pensioners may get arrears more than five lakhs, some may not be our members even. Our District units should understand the efforts taken by AIBSNLPWA CHQ and propogate among the pensioners and improve our membership.

Some beneficiaries may not be alive but they are entitled for "Life Time Arrears" (LTA) which would be paid to his/her legal heir after following the procedures.

We appreciate the work done by Coms R. L. Kapoor and Anupam Kaul who were interacting with our GS and senior VP Com DG often. Kapoorji was asked to follow the file movement and he did that job well.

We thank all the lawyers who pleaded on our behalf.

AGE RELATED ADDITIONAL PENSION, DATE OF EFFECT

Staff Side (JCM) writes to implement Gauhati High Court Verdict for asll

**To
The Secretary, DoiP&PW, New Delhi 110003.**

Sub: Grant of enhanced Pension from the day when the Pensioners enters the age of 80 years i.e. the date after the pensioner complete 79 years.

Ref: Judgment of the Hon'ble Guwahati High Court in Case No.WP (C) 4224/ 2016 Supreme Court in SLP (Civil) Diary No. 18133/2019 decided on 08/07/2019.

Your kind and immediate attention is invited to the above subject. The Hon'ble High Court of Guwahati in its Judgment in the above mentioned Writ Petition dated 15/03/2018 has held that the additional quantum of Pension or Family Pension is available to a retired Judge in case of the first slab from the first day he enter his 80th year, i.e. to say the date after he completes 79 years of age. The Govt. filed an SLP in the Hon'ble Supreme court against the order of Gauhati High Court and the Hon'ble supreme Court dismissed the SLP filed by the Government on 08/07/2019. Therefore the Principle/Law has been established by the Court of Law with regard to the payment of enhanced Pension to the Pensioners/Family Pensioners.

In view of the above it is requested that the Department of Pension and pensioners Welfare may kindly issue necessary orders for payment of the enhanced rate of pension to the Pensioners/Family Pensioners after completion of 79 years i.e. starting from the beginning of 803 year as against the existing Rule/practice of completion of 80/85/90 years etc. Since the Judgment in rem, which has been upheld by the Hon'ble Supreme Court to avoid multiplicity of litigation necessary Govt. orders as requested may please be issued at the earliest. A copy of the Judgment of the Guwahati High Court and Supreme Court referred above is enclosed herewith for your kind ready reference.

Thanking you,

Yours sincerely,

**(Shiva Gopal Mishra)
Secretary**

26-8-2021

AGE RELATED 20% ADDITIONAL PENSION CASE

Some of our members and even some leaders are requesting the CHQ to take up the case on the basis of Hon Gauhati High court judgement dated 15/3/2018 and the SLP filed by the government before the Hon Supreme Court was dismissed on 8/7/2019.

We have not written any letter in this regard because of the following reasons:-

- 1) The case pertains to one retired HC judge Shri Virendra Dutt Gyani.
- 2) The Supreme Court and High court judges are covered by a separate Act called “Salaries and conditions of service Act 1954.
- 3) The petitioner in the above case quoted section 17B of the Act which deals with “Additional quantum of pension or family pension”. It says: *“Every retired judge or after his death, the family, as the case may be, shall be entitled to an additional quantum of pension or family pension in accordance with the following scale:-
From 80 years to less than 85 years - 20% .*
- 4) We are covered under CCS (Pension) Rules, 1972. Rule 49 (2-A) mentions about additional quantum of pension which says: *“ In addition to pension admissible in accordance with sub-rule (2) after completion of 80 years of age or above, additional pension shall be payable to the retired Government servant in the following manner:-
From 80 years to less than 85 years - 20% .*
- 5) In this rule it is very clear that eligibility comes on completion of 80 years of age.
- 6) Claiming the additional quantum of 20% pension from the beginning of 80 years of age Southern Railway Pensioners Association (with HQ at Mangalore) and two others filed a case before Hon CAT, Ernakulam Bench vide OA No 504 of 2009.
- 7) The CAT gave the following order on 28/7/2009 to Secretary, DoP&PW. *“To consider the representations along with the grounds raised in the OA and pass a suitable order within a period of two months from the date of communication of this order”.*
- 8) Accordingly DoP&PW considered and rejected the claim vide it's OM dated 27/8/2009. The order stated: *“a person attains the age of 80 years only when he completes the age of 80 years and not when he completes the age of 79 years”.*
- 9) In the same order there was also a logic argument that **the retirement age of Central Government employees is 60 and allowed to retire on completion of 60 years of age and not on completion of 59 years of age.**
- 10) Anyway JCM staff side secretary has written a letter.

**P Gangadhara Rao
General Secretary**

Department of Pension & Pensioners Welfare

OM No 1(8)/2021-P&PW (H)-7468 dated 20-9-2021

Subject: - Submission of Annual Life Certificate

Every Central Government pensioner has to submit **Annual Life Certificate** in the month of November for further continuation of pension. It has been observed that a large number of Central Government pensioners physically visit bank branches for this purpose.

2. Earlier, as a measure to enable an additional exclusive window to very senior pensioners, this Department, vide its OM No. 1/20/2018-P&PW (E), dated 18.07.2019, allowed the pensioners in the age group of 80 years and above, to submit Annual Life Certificate from 1st October onwards, instead of 1st November onwards, every year.

3. The different modes available to a pensioner for submission of Annual Life Certificate are once again summarized for Pensioners' awareness. An Annual Life Certificate can be submitted manually or digitally as per convenience of the pensioner

i. Life certificate can be recorded by Pension Disbursing Banks (PDAs), if the pensioner physically appears before the PDA.

ii. Personal appearance of a pensioner will not be required, if the pensioner submits the life certificate form signed by any 'designated official'. 'In accordance with para 14.3 of the Scheme Booklet issued by CPAO, a pensioner who produces a life certificate in the prescribed form signed by persons specified is exempted from personal appearance. A list of designated officials specified for signing the Life Certificate as per the scheme booklet of CPAO is attached at **Annexure**.

iii. Pensioners can submit Life Certificate online from home through **Jeevan Pramaan Portal**. The process of submission of Digital Life Certificate through "Jeevan Pramaan" may be seen at <https://youtu.be/nNMlkTYqTF8>. UIDAI has provided details of all biometric devices which are permissible for capturing

biometrics of a person. Pensioners may visit the site www.uidai.gov.in to get information of all such devices.

iv. **India Post Payments Bank (IPPB)** of Department of Posts along with Meity have successfully launched the initiative of the Department of Pension & Pensioners' Welfare: **“Doorstep Service for submission of Digital Life Certificate through Postman”** in November 2020. In order to make this facility available across the country, DoPPW roped in the India Post Payments Bank (IPPB) to utilize its huge network of Postmen and Gramin Dak Sevaks in providing doorstep facility to pensioners for submission of life certificate digitally. IPPB is utilizing its national network of more than 1,36,000 access points in Post Offices and more than 1,89,000 Postmen & Gramin Dak Sevaks with smart phones and biometric devices to provide Doorstep Banking Services. For leveraging this facility through Mobile, a pensioner has to download **“Postinfo APP”** from Google Play store. The process of submission of Digital Life Certificate through Postman may be seen at https://youtu.be/cERwM_U7g54.

v. DoPPW was also instrumental in roping in an **Alliance comprising 12 Public Sector Banks which do “Doorstep Banking”** for its customers in 100 major cities of the country under Ease of banking reforms. PSB Alliance has introduced the service for collection of Life Certificates under the umbrella of Doorstep Banking. DSB Agent shall visit the doorstep of Pensioner to render the service. Service can be booked by the pensioner through any of the 3 channels i.e. Mobile App, Website or Toll Free Number.

- Mobile App i.e **“Doorstep Banking (DSB)”** can be downloaded from Google Playstore.
- Pensioners can access through Web Browser I.e <https://doorstepbanks.com/> & <https://dsb.imfast.co.in/doorstep/login>
- Through Toll free Number:- 18001213721, 18001037188

4. All Pension Disbursing Authorities are requested to take note of this OM for compliance and give wide publicity of the same amongst pensioners.

This issues with the approval of the competent authority.

(Annexure in next page)

Annexure

List of persons specified for signing the Life Certificate (para 14.3 of Scheme Booklet by CPAO)

- i. A person exercising the powers of a Magistrate under the Criminal Procedure code;
- ii. A Registrar or Sub-Registrar appointed under Indian Registration Act;
- iii. A Gazetted officer of the Government;
- iv. A Police Officer not below the rank of Sub-Inspector in-charge of a Police Station;
- v. A Postmaster, a departmental Sub-postmaster or an Inspector of Post Offices;
- vi. A Class-I officer of the Reserve Bank of India ,an officer (including Grade II officer) of the State Bank of India or its subsidiary;
- vii. A Justice of Peace;
- viii. A Block Development Officer, Munsif, Tehsildar or NaibTehsildar;
- ix. A Head of Village Panchayat, Gram Panchayat, Gaon Panchayat or an Executive Committee of a Village;
- x. A Member of Parliament, of State legislatures or of legislatures of Union Territory Governments/Administration
- xi. Treasury Officer.

AIBSNLPWA CHQ Letter dated 26-8-2021 on release of frozen IDA

To
The Secretary,
Department of Public Enterprises,
Govt. of India, New Delhi.

Sir,

Sub: Payment of DA to Board level/below Board level executives and nonunionized supervisors following IDA scales of pay in Central Public Sector Enterprises (CPSEs) on 2007 basis.

I, on behalf of AIBSNLPWA representing one lakh BSNL retirees, wish to bring the following matter to your kind notice for immediate action.

During the last one decade, your office has been issuing very promptly and systematically OMs indicating the rate of Industrial DA to be paid to Board level/below Board level executives and nonunionized supervisors following IDA scales of pay in Central Public Sector Enterprises (CPSEs) on 2017, 2007, 1997 and 1992 basis, in the first week of every quarter for which the revised rates are applicable. Hence the Pension Paying Authorities could credit the IDA at the revised rate in the pension accounts of pensioners in the same month itself.

The BSNL retirees, covered by CCS Pension Rules 1972, are paid pension by Government of India directly. As such, their IDR is revised every quarter based on such OMs from your office.

But, I regret to note that your office has not yet issued the Office Memorandum specifying the revised rate of IDA/IDR applicable from 1st July 2021 even though the Government has declared its policy decision to resume payment of DA/IDA to serving staff and retirees in central services and CPSEs. The Labour Bureau of India has released All India Consumer Price Index for Industrial workers for the months of March, April and May 2021 on due dates. As the data is available there should not be any difficulty in calculating the rate IDA/IDR to be effective from First July 2021.

The undue delay has caused avoidable concern in the mind of employees and retirees. Even if the OM is issued now the PDAs will not be able to pay the revised rate of IDR to retirees in the month of August 2021.

I, therefore, request you to kindly cause issuance of OM by your office on the revised IDA/IDR to be paid with effect from 1-7-2021 without any further delay.

Yours faithfully,

Sd/-

P Gangadhara Rao, GS

GS WRITES ON PENSION ANOMALY

To
Secretary (T),
Sanchar Bhawan,
20, Asoka Road, New Delhi – 110001

Email dated 25 /08/2021

Respected Sir,

Sub; Pension anomaly – unambiguous order requested

We understand that the orders for implementing CAT, PB, Delhi judgement dated 16/12/2016 on pension anomaly issue is under process. Our Association is the first applicant in this O.A. We request that the following points may please be covered in the order, to be issued, to avoid any ambiguity and unnecessary clarifications.

a) The pension of those who retired from BSNL (who were absorbed from DoT/DTS/DTO) in the first ten months after 1/10/2000 may be revised at 50% of last ten months average treating the entire period of last 10 months on IDA pay whether notional or actual. Enhanced family pension may also be revised accordingly. This revised pension would be applicable upto 31/12/2006.

b) From 1/1/2007, the pension shall further be revised taking into account
Revised basic pension as on 31/12/2006
Plus 68.8% Dearness Relief
Plus 30% of both
The sum arrived at shall be the revised pension from 1/1/2007 to 9/6/2013

c) From 10/6/2013
Revised basic pension as on 31/12/2006
Plus 78.2% Dearness Relief
Plus 30% of both
The sum arrived at shall be the revised pension from 10/6/2013 onwards.

Pr.CCAs/CCAs may have the required data in the systems about the absorbed employees who retired in the first 10 months after 1/10/2000. They are also aware whether the Retirees are alive or not. Pr.CCAs/CCAs may be directed to revise the pension suo moto to such pensioners. In the event of death of such pensioners, Life Time Arrears (LTA) may be paid if there is a nomination as per “Arrears of Pension (Nomination) Rules, 1983. In the absence of nomination, LTA may be paid to the legal heirs of the deceased pensioner.

Comparative IDA pay scale to corresponding CDA pay scale may be annexed for ready reference.

Model pension revision table may also be attached for illustration. Pr.CCAs/CCAs may be directed to implement the order within a month (because the number of beneficiaries is only around 4,000 in the entire country) from the date of receipt of this order.

FROZEN DA WILL B E COUNTED FOR GRANT OF GRATUITY , LEAVE ENCASHMENT

**Department of Expenditure
O M No. 1(5)/E.V/2020
Dated 7th September, 2021**

Sub.: Central Government employees retired during the period from January, 2020 to June, 2021 – calculation of Gratuity and Cash payment in lieu of Leave – regarding.

The undersigned is directed to refer to this Ministry's O.M. No.1/1/2020-E.11(B) dated 23.04.2020, read with O.M. No.1/1/2020-E.II(B) dated 20.07.2021, in regard to payment of Dearness Allowance (DA) during the period from 01.01.2020 up to 30.06.2021 and to say that in terms thereof while the rate of DA during the said period shall remain at 17% of basic pay, the same has been enhanced to 28% of basic pay subsuming additional instalments arising on 01.01.2020(4%), 01.07.2020 (3%) & 01.01.2021(4%) payable w.e.f. 01.07.2021.

2. As per the existing provisions contained in Central Civil Services (Pension) Rules 1972, DA on the date of retirement or death is reckoned as emoluments for the purpose of calculation of gratuity. Also, as per the existing provisions contained in CCS (Leave) Rules 1972, pay admissible on the date of retirement plus DA on that are reckoned for the purpose of calculation of cash payment in lieu of leave.

3. In view of the provisions of the aforesaid orders of this Ministry dated 23.04.2020 and 20.07.2021, calculation of gratuity and cash payment in lieu of leave in respect of Central Government employees who retired on or after 01.01.2020 and up to 30.06.2021 are required to be made based on the rate of DA at 17% of basic pay.

4. Keeping in view that gratuity and cash payment in lieu of leave are one-time retirement benefits admissible to employees on retirement and employees who retired during the period from 01.01.2020 to 30.06.2021 have been allowed lesser amount than what would have been calculable but for the aforesaid orders of this Ministry dated 23.04.2020 and 20.07.2021, the matter has been considered sympathetically with a view to allowing the same to such employees.

5. Accordingly, the President is pleased to decide that in respect of Central Government employees who retired on or after 01.01.2020 and up to 30.06.2021, the

amount of DA to be taken into account for calculation of gratuity and cash payment in lieu of leave will be deemed to be as under:

Employees retiring during the period	Percentage for CDA
From 01.01.2020 to 30.06.2020	21% of basic pay
From 01.07.2020 to 31.12.2020	24% of basic pay
From 01.01.2021 to 30.06.2021	28% of basic pay

- 6. All other conditions as stipulated in CCS (Pension) Rules 1972 and the orders of Department of Pension & PW vide O.M. No.7/5/2012-P&PW(F)/B dated 26.08.2016 in respect of employees borne on National Pension System (NPS) and CCS (Leave) Rules 1972, shall continue to be applicable while calculating gratuity and cash payment in lieu of leave respectively.**
- 7. In their application to the persons belonging to India Audit and Accounts Department, these orders are issued under Article 148(5) of the Constitution and after consultation with the Comptroller and Auditor General of India.**
- 8. Hindi version will follow.**

Sd/-

(Annie G. Mathew)

Addl. Secretary to the Govt. of India

**GS WRITES ON PAYMENT OF GRATUITY,
LEAVE ENCASHMENT
TAKING FROZEN IDA ALSO INTO ACCOUNT**

Email Dated 8/9/2021

To Shri Anshu Prakash,
Secretary (Telecom), New Delhi-110001

Sir,

Sub: Payment of Gratuity and Leave encashment to Absorbed BSNL employees who retired between 1/10/2020 and 30/6/2021 & who are covered under CCS (Pension) Rules, 1972 – reg

Ref: Ministry of finance (Department of Expenditure)
OM No.1(5)/E.V/2020 dated 7 th September 2021

The retirement benefits for absorbed BSNL employees are being paid by Gol in accordance with CCS (Pension) Rules, 1972. As per these rules, the retirees are entitled for Gratuity and Leave encashment on the basis of basic pay and IDA at the time of retirement. But due to pandemic, as an economy measure, Industrial Dearness Relief was frozen at 159.9% by the Government from 1/10/2020 to 30/6/2021 to the absorbed BSNL employees. As a consequence the absorbed employees who retired from BSNL during this period got less gratuity and leave encashment because the IDA was frozen at 159.9%.

DPE issued orders on 2/8/2021 for payment of IDA @ 170.5% from 1/7/2021. According to this order, the IDA %age was as follows:

1/10/2020 to 31/12/2020 : 165.4%
1/1/2021 to 31/3/2021 : 171.7%
1/4/2021 to 30/6/2021: 170.5%

The above referred DoE order dated 7/9/2021 clearly stated that the frozen DA also should be taken into account for payment of Gratuity and Leave encashment in respect of Central Govt. employees who retired between 1/1/2020 and 30/6/2021. Similarly, absorbed BSNL employees who retired between 1/10/2020 and 30/6/2021 are also entitled for Gratuity and Leave encashment taking into account the frozen IDA as mentioned above.

We seek your kind intervention for issuing necessary order in this regard.

Thanking you
Yours faithfully,

P Gangadhara Rao, GS

THE ANOMALY: HOW IT OCCURRED? HOW IT IS TO BE SOLVED?

In the next page we are giving a typical case of Pension Anomaly. Two Group D officials were working in same Cadre, same Pay Scale and same office. Both opted for BSNL. Both were absorbed in BSNL with effect from 1-10-2000. Both were granted pension in CDA pattern as IDA scales were not implemented at that time. Senior Mr. Periasamy retired on 31-1-2001 and the Junior Mr. Chinnasamy retired on 31-7-2001. Both earned their last annual increment in January 2001. Senior got the benefit of that increment for one month while the junior got the benefit for 7 months. Still the senior got Rs 20 more in their original basic pension (in CDA) because he was drawing Rs 100 more than the other in basic pay when retired.

In 2002, the IDA Pay was introduced for Non-Executive staff in BSNL, with retrospective effect from 1-10-2000. At that time, the above mentioned two officials were granted same IDA Pay scales. Consequently their pension was also revised at 50% of last Ten months' average basic pay. Mr. Periasamy, the senior was in IDA Scale for 4 months and in CDA scale for 6 months whereas the junior was in IDA scale for all the ten months. When the last ten months' basic pay was taken for re-fixing pension the senior got Rs. 622 less than his junior. There started the anomaly. Later on in 2011, Pension was revised with 68.8% IDA. Then the difference in pension became more. In 2013 the pension was revised again with 78.2% IDA and the loss of senior official became Rs 1441 per month in basic pension. If we calculate the total pension with 170.5% IDA the loss is Rs 3898 per month. It is a big loss for a retired Group D employee.

That is why AIBSNLPWA took up the case and fought a legal battle for seven years. The Principal bench of CAT accepted our plea and gave its judgement on 16th December 2016.

If the CAT order is implemented the Senior official, Mr. Periasamy, will get Rs 74 more in basic pension than his junior Mr. Chinnasamy. With that increase in pension the senior will get Rs 200 more per month in total pension with IDA of 170.5%. He is entitled to arrears of Rs. 5.58 lakh also.

Periasamy	Name	Chinnasamy
4000-100-6000 5700-160-8100 1/1/2001	CDA SCALE IDA SCALE Date of Increment	4000-100-6000 5700-160-8100 1/1/2001
31-1-2001	DOR	31-7-2001
4900	Pay on DOR	4800
Apr-Dec: 4800x9=43200 Jan.01 = 4900 = 4900 Total: 48100 Average Pay : 4810 BP in CDA: 2405 Rs. 20 more	Original Basic Pension (BP) calculated in CDA	Oct-Dec: 4700x3=14100 Jan-July:4800X7=33600 Total: 47700 Average Pay : 4770 BP in CDA: 2385
Apr-Sep 4800x6= 28800 Oct-Dec 6980x3= 20940 Jan.01:7140x1= 7140 Total : 56880 Average Pay : 5688 Revised BP: 2844	Revised in 2002 with CDA+ IDA	Oct-Dec 6820x3= 20460 Jan.-Jul 6980x 7 = 48860 Total : 69320 Average Pay : 6932 Revised BP: 3466 Rs 622 more
6589	When revised with 78.2%	8030 Rs. 1441 more
17824.00	Total Pension in August 21	21722.00 Rs 3898 more
<p>Pension of Mr. Periasamy, the senior has to be revised as per CAT Order as</p> <p>Apr-Dec: 6980x9= 62820, Jan.01 = 7140 = 7140; Total : 69960 A.E. := 6996 New Basic Pension: 3498 With 78.2% IDA, Rs. 8104, Rs. 74 more than the Junior</p> <p>With 170.5% IDA = His Total Pension will be 21922 which is Rs 200 More than the Junior.</p>		

POINT to POINT FIXATION WHEN CDA SCALES WERE CONVERTED TO IDA SCALES w.e.f. 1-10-2000

NE 1
CDA: 2550-55-2660-60-3200
IDA 4000 – 120 – 5800

NE 2
CDA: 2610-60-3150-65-3540
IDA 4060 – 125 – 5935

Increment	CDA BP	IDA BP	Increment	CDA BP	IDA BP
	2550	4000		2610	4060
1	2605	4120	1	2670	4185
2	2660	4240	2	2730	4310
3	2720	4360	3	2790	4435
4	2780	4480	4	2850	4560
5	2840	4600	5	2910	4685
6	2900	4720	6	2970	4810
7	2960	4840	7	3030	4935
8	3020	4960	8	3090	5060
9	3080	5080	9	3150	5185
10	3140	5200	10	3215	5310
11	3200	5320	11	3280	5435
12		5440	12	3345	5560
13		5560	13	3410	5685
14		5680	14	3475	5810
15		5800	15	3540	5935

NE 3
 CDA: 2650-65-3300-70-4000
 IDA 4100 – 125 – 5975

NE 4
 CDA: 2750-70-3800-75-4400
 IDA 4250 – 130 – 6200

Increment	CDA BP	IDA BP	Increment	CDA BP	IDA BP
	2650	4100		2750	4250
1	2715	4225	1	2820	4380
2	2780	4350	2	2890	4510
3	2845	4475	3	2960	4640
4	2910	4600	4	3030	4770
5	2975	4725	5	3100	4900
6	3040	4850	6	3170	5030
7	3105	4975	7	3240	5160
8	3170	5100	8	3310	5290
9	3235	5225	9	3380	5420
10	3300	5350	10	3450	5550
11	3370	5475	11	3520	5680
12	3440	5600	12	3590	5810
13	3510	5725	13	3660	5940
14	3580	5850	14	3730	6070
15	3650	5975	15	3800	6200
16	3720	5975	16	3875	6200
17	3790	5975	17	3950	6200
18	3860	5975	18	4025	6200
19	3930	5975	19	4100	6200
20	4000	5975	20	4175	6200
			21	4250	6200
			22	4325	6200
			23	4400	6200

NE 5
CDA: 3050-75-3950-80-4590
IDA: 4550 – 140 – 6650

NE 6
CDA: 3200-85-4900
IDA: 4720 – 150 – 6970

Increment	CDA BP	IDA BP
	3050	4550
1	3125	4690
2	3200	4830
3	3275	4970
4	3350	5110
5	3425	5250
6	3500	5390
7	3575	5530
8	3650	5670
9	3725	5810
10	3800	5950
11	3875	6090
12	3950	6230
13	4030	6370
14	4110	6510
15	4190	6650
16	4270	6650
17	4350	6650
18	4430	6650
19	4510	6650
20	4590	6650

Increment	CDA BP	IDA BP
	3200	4720
1	3285	4870
2	3370	5020
3	3455	5170
4	3540	5320
5	3625	5470
6	3710	5620
7	3795	5770
8	3880	5920
9	3965	6070
10	4050	6220
11	4135	6370
12	4220	6520
13	4305	6670
14	4390	6820
15	4475	6970
16	4560	6970
17	4645	6970
18	4730	6970
19	4815	6970
20	4900	6970

NE 7
CDA: 4000-100-6000
IDA: 5700-160-8100

NE 8
CDA: 4500-125-7000
IDA: 6550 – 185 -9325

Increment	CDA BP	IDA BP	Increment	CDA BP	IDA BP
	4000	5700		4500	6550
1	4100	5860	1	4625	6735
2	4200	6020	2	4750	6920
3	4300	6180	3	4875	7105
4	4400	6340	4	5000	7290
5	4500	6500	5	5125	7475
6	4600	6660	6	5250	7660
7	4700	6820	7	5375	7845
8	4800	6980	8	5500	8030
9	4900	7140	9	5625	8215
10	5000	7300	10	5750	8400
11	5100	7460	11	5875	8585
12	5200	7620	12	6000	8770
13	5300	7780	13	6125	8955
14	5400	7940	14	6250	9140
15	5500	8100	15	6375	9325
16	5600	8100	16	6500	9325
17	5700	8100	17	6625	9325
18	5800	8100	18	6750	9325
19	5900	8100	19	6875	9325
20	6000	8100	20	7000	9325

NE 9
CDA: 5000-150-8000
IDA: 7100 – 200 – 10100

NE 10
CDA: 5500-175-9000
IDA: 7800 - 225 - 11175

Increment	CDA BP	IDA BP
	5000	7100
1	5150	7300
2	5300	7500
3	5450	7700
4	5600	7900
5	5750	8100
6	5900	8300
7	6050	8500
8	6200	8700
9	6350	8900
10	6500	9100
11	6650	9300
12	6800	9500
13	6950	9700
14	7100	9900
15	7250	
16	7400	
17	7550	
18	7700	
19	7850	
20	8000	

Increment	CDA BP	IDA BP
	5500	7800
1	5675	8025
2	5850	8250
3	6025	8475
4	6200	8700
5	6375	8925
6	6550	9150
7	6725	9375
8	6900	9600
9	7075	9825
10	7250	10050
11	7425	10275
12	7600	10500
13	7775	10725
14	7950	10950
15	8125	11175
16	8300	
17	8475	
18	8650	
19	8825	
20	9000	

NE 11
CDA: 6500-200-10500
IDA: 8570 – 245 – 12245

Increment	CDA BP	IDA BP
	6500	8570
1	6700	8815
2	6900	9060
3	7100	9305
4	7300	9550
5	7500	9795
6	7700	10040
7	7900	10285
8	8100	10530
9	8300	10775
10	8500	11020
11	8700	11265
12	8900	11510
13	9100	11755
14	9300	12000
15	9500	12245
16	9700	12245
17	9900	12245
18	10100	12245
19	10300	12245
20	10500	12245

E 1	Increment	CDA BP	IDA BP
CDA: 6500-200-10500		6500	9850
IDA: 9850 – 250 -14600	1	6700	10100
	2	6900	10350
	3	7100	10600
	4	7300	10850
Note:	5	7500	11100
For every two years	6	7700	11350
of stagnation in old	7	7900	11600
scale ,	8	8100	11850
One increment is	9	8300	12100
allowed in new	10	8500	12350
scale, subject to	11	8700	12600
three increments	12	8900	12850
	13	9100	13100
	14	9300	13350
	15	9500	13600
	16	9700	13850
	17	9900	14100
	18	10100	14350
	19	10300	14600
	20	10500	14600

E 2	Increment	CDA BP	IDA BP
CDA:7500-250-12000		7500	11875
IDA: 11875 – 300 – 17275	1	7750	12175
	2	8000	12475
	4	8500	13075
	5	8750	13375
	6	9000	13675
	7	9250	13975
Note:	8	9500	14275
For every two years	9	9750	14575
of stagnation in old	10	10000	14875
scale ,	11	10250	15175
One increment is	12	10500	15475
allowed in new	13	10750	15775
scale, subject to	14	11000	16075
three increments	15	11250	16375
	16	11500	16675
	17	11750	16975
	18	12000	17275

E 3	Increment	CDA BP	IDA BP
CDA: 8000-275-13500		8000	13000
IDA: 13000 - 350 - 18250	1	8275	13350
	2	8550	13700
	3	8825	14050
	4	9100	14400
	5	9375	14750
	6	9650	15100
Note:	7	9925	15450
For every two years	8	10200	15800
of stagnation in old	9	10475	16150
scale ,	10	10750	16500
One increment is	11	11025	16850
allowed in new	12	11300	17200
scale, subject to	13	11575	17550
three increments	14	11850	17900
	15	12125	18250
	16	12400	18250
	17	12675	18250
	18	12950	18250
	19	13225	18250
	20	13500	18250

E 4	Increment	CDA BP	IDA BP
CDA: 10000-325-15200		10000	14500
IDA: 14500 – 350 – 18700	1	10325	14850
	2	10650	15200
	3	10975	15550
	5	11625	16250
	6	11950	16600
	7	12275	16950
Note:	8	12600	17300
For every two years	9	12925	17650
of stagnation in old	10	13250	18000
scale ,	11	13575	18350
One increment is	12	13900	18700
allowed in new	13	14225	18700
scale, subject to	14	14550	18700
three increments	15	14875	18700
	16	15200	18700

E 5	Increment	CDA BP	IDA BP
CDA: 12000-375-16500		12000	16000
IDA: 16000 – 400 – 20800	1	12375	16400
	2	12750	16800
	3	13125	17200
	4	13500	17600
Note:	5	13875	18000
For every two years	6	14250	18400
of stagnation in old	7	14625	18800
scale ,	8	15000	19200
One increment is	9	15375	19600
allowed in new	10	15750	20000
scale, subject to	11	16125	20400
three increments	12	16500	20800

E 6	Increment	CDA BP	IDA BP
CDA: 14300-400-18300		14300	17500
IDA: 17500 – 400 – 22300	1	14700	17900
	2	15100	18300
	3	15500	18700
	4	15900	19100
	5	16300	19500
Note:	6	16700	19900
For every two years	7	17100	20300
of stagnation in old	8	17500	20700
scale ,	9	17900	21100
One increment is	10	18300	21500
allowed in new	11		21900
scale, subject to	12		22300
three increments			

BSNL ORDER on BSNLMRS CARD REVALIDATION

NO. BSNLCO/4/2021-ESTT FIN Dated: 09.08.2021

Subject: Clarification regarding revalidation of BSNL Medical Card & payment of medical cash allowance with /without voucher facility to Retired Employees.reg.

Reference:-

1. This office letter no. BSNLCO/4/2021-ESTT FIN dated 07.07.21

Kindly refer to above referred letter from this office letters on above cited subject. In this regard following clarification is being issued:-

1 . All retirees who have submitted their option for the financial year 2020-21 need not to submit fresh option for FY 2020-21.

2. Fresh option for the current financial year need to be submitted by only those retired BSNLMRS beneficiaries who have not submitted option or re-validated their BSNLMRS card earlier and whose bank account or contact details are changed.

3. However, fresh option form is compulsory only for those retired employees of BSNL Corporate office who have opted of Cash allowance prior to FY 2020- 21 and want to continue CASH ALLOWANCE WITHOUT VOUCHER for FY 2020- 21 onwards.

This is issued with the approval of the Competent Authority.

A STRANGE CLARIFICATION BY BSNL ON CGHS, GRATUITY, TAXATION

BSNL CO Letter No. BSNLCO-TAXN/13(18)/3/2020-TAXATION/4362

Dated:-22-09-2021

To

- 1) The Chief General Managers and IFAs, All BSNL Circles/Units.
- 2) Sr.GM (CA/ERP-FICO/HCM), Corporate Office
- 3) GM (EF/ R&P), Corporate Office

Sub.-: Clarification on taxability of payments made to retired employees and nominees of deceased employees-reg.

The undersigned is directed to intimate that, this office is receiving queries from the various circle on the subject mentioned above. In this connection the para wise replies to the queries raised by circles are as follows:-

Query: Whether reimbursement of CGHS subscription to BSNL absorbed retired employees is to be treated as income of the retired employee? And, if the answer is in affirmative, the head under which it is chargeable.

Reply: As per the proviso to section 17(2) of the Income Tax Act, 1961 any reimbursement by the employer in respect of any insurance premium paid by the employee to effect an insurance on his health or the health of his family under any approved scheme by Central Govt. or IRDA is a tax free perquisite. However, in the absence of clarity on whether reimbursement to BSNL absorbed retired employees on account of CGHS subscription is an insurance premium or not, on a conservative basis, tax may be deducted at source under the head of salary.

Query: Gratuity/Leave encashment payable to Nominee/Legal Heirs of BSNL employee on death while in employment is to be shown as Income of the employee or legal heirs? And the head under which it is chargeable.

Reply:

(i) Gratuity is a payment made by Employer to an Employee in appreciation of the past services rendered by the employee. Gratuity can either be received by:-

- a) The employee himself at the time of retirement.
- b) The legal heir on the event of the death of the employee.

Gratuity received by an employee on his retirement is taxable under the head "Salary" Whereas gratuity received by the legal heir of the deceased employee shall be taxable under the head "Income From Other sources".

As per circular No. 573 dated 21.08.1990, Gratuity payment to a widow or other legal heirs of any employee who dies in active service shall be exempt from income tax.

(ii) Leave salary paid to the legal heir of deceased employee is not taxable as salary. [Letter No. F.35/1/65-IT(B), dated 5/11/1965].

Further, leave salary by a legal heir of the Government employee who died in harness is not taxable in the hands of the recipient [Circulars No.309, dated 3/7/1981].

Query: Medical Reimbursement to the spouse/dependents of the deceased employee is taxable under which head of Income tax.

Reply: As per section 56(1) of the Income tax act, Income of every kind which is not to be excluded from the total income under this Act shall be chargeable to income-tax under the head "Income from other sources", if it is not chargeable to income-tax under any of the heads specified in section 14, in other words, the following conditions must be satisfied before an income can be taxed under the head of "Income from other source" :-

(i) there must be an income.

(ii) such income is not exempt under the provision of the income tax act.

(iii) such income is not chargeable to tax under any first four heads viz., "Income from Salary", "Income from House Property", "Profit and Gains of Business and Profession", and "Income from Capital Gains".

Income from other source is, therefore, a residuary head of income.

In view of the above medical reimbursement to the spouse/dependents of the deceased employee is taxable under the head of "Income from other source" of Income tax.

It is requested to kindly go through the above instructions and contents of the same may be brought to the notice of all concerned for their information and further necessary action.

This issues with the approval of Sr. GM (Taxation).

The replies given by Corporate Office in the above letter are quite contrary to provisions of Income tax Act 1961. Such clarifications have serious consequences. Huge amount will be deducted from pension of many who availed VRS and also many Executives. All of them will have to apply for the refund from Income Tax Department. Hence, General Secretary of AIBSNLPWA has written a letter on the very next day seeking corrigenda. The letter is given in next two pages.

THE LAST DATE FOR FILING INCOME TAX RETURNS IS 31-12-2021

IMMEDIATE ACTION BY OUR CHQ

CHQ EMAIL Dated 23-9-2021

**To
CMD BSNL,**

Copies to : Sr. GM (TAXATION) BSNL & AGM (TAXATION), BSNL

**Sub: Clarification on taxability of payments made to retired employees
and nominees of deceased employees-reg**

Ref: BSNLCO-TAXN/13(18)/3/2020-Taxation/4362 dated 22-9-2021

We sincerely feel that the clarifications issued vide the above referred letter is contrary to the provisions of Incometax Act 1961 and we seek your immediate action for issuing necessary corrigendum.

Reply to the 1st query states “However, in the absence of clarity on whether reimbursement to BSNL absorbed retired employees on account of CGHS subscription is an insurance premium or not, on a conservative basis, tax may be deducted at source under the head of salary”.

Section 80D of Incometax Act 1961 deals with “Deduction in respect of Health Insurance Premia”. 80D (2) (a) states the whole of the amount paid to effect or to keep in force an insurance on the health of the assessee or his family or any contribution made to the Central Government Health Scheme or such other scheme as may be notified by the Central Government in this behalf “.

80D (2) © states “the whole of the amount paid on account of medical expenditure incurred on the health of the assessee or any member of his family as does not exceed in aggregate fifty thousand rupees”.

There is no absence of clarity as stated in the above-referred letter. On the other hand, the Act is without ambiguity to the effect that the contribution made to CGHS is exempted upto Rs. 50,000/-.

Reply to the 2nd query states “Gratuity received by an employee on his retirement is taxable under the head ‘Salary’ whereas gratuity received by the legal heir of the deceased employee shall be taxable under the head ‘Income from Other sources”.

In this regard, may we draw your kind attention to Section 10 of Incometax Act 1961. Chapter III of the Act deals with "Income which do not form part of Total Income".

Section 10(1) of the Act states *"any death-cum-retirement gratuity received under the revised Pension Rules of the Central Government or, as the case may be, the Central Civil Services (Pension) Rules, 1972, or under any similar scheme applicable to the members of the civil services of Union or holders of posts connected with defence or of civil posts under the Union...."*

It is a fact that BSNL absorbed employees are getting gratuity in accordance with CCS (Pension) Rules, 1972. It is also a fact that Gol is paying the gratuity to them. In effect, the retirement benefits including gratuity is as per CCS (Pension) Rules, 1972 as it is applicable to C.G. employees.

CBDT Notification No. S.O. 1213(E) dated 8/3/2019 states *"In exercise of the powers conferred by sub-clause (iii) of clause (10) of section 10 of the Incometax Act, 1961 The Central Government, having regard to the maximum amount of any gratuity payable to employees, hereby specified twenty lakh rupees as the limit for the purposes of the said sub-clause in relation to the employees who retire or become incapacitated prior to such retirement or die on or after the 29th day of March, 2018 or whose employment is terminated on or after the said date"*.


So, gratuity received upto Rs.20 lakhs, does not form part of 'Total Income'.

In view of the above clear provisions of the Act, we request you to immediately issue necessary corrigendum with a copy to us.

Thanking you

Yours faithfully,

Copy: Sr. GM (Taxation)


P. Gangadhara Rao, **
General Secretary.

DPE ORDER ON PAYMENT OF FAMILY PENSION , GRATUITY Etc

OM No. TA-3-6/3/2020-TA-III/CS-4308/61

Department of Expenditure

Dated: 02/08/2021

Subject: Payment of family pension, death gratuity and other dues to the family on death of a Government servant during service -reg.

Reference is invited to Department of Pensions & Pension Welfare's OM NO I/11/2021-P&PWE dated 03.06.2021 (copy enclosed) regarding the subject above.

All the Pr. CCAs/CCAs/CAs (ICs) of the respective Ministries/Departments are requested to ensure strict compliance of the said OM. It Is also incumbent on all concerned to ensure that the family pension and other dues in respect of the deceased employees in such cases are released to their families on priority basis, without looking at the maximum time limit prescribed in the CCS (Pension) Rules and CGAs OM issued dated 19th Feb 2021 in this regard for processing such cases.

It is also to be ensured that the provisional family pension may continue to be paid for the month in which claim is received by PAO from Head of Office and till the period PPO is prepared and dispatched to CPAO in such a manner that disbursement of family pension to the family pensioner for the succeeding month is commenced by the bank without any disruption in continuous receipt of family pension at any point of time. Therefore, PAO shall indicate the date from which the family pension Is authorized in the PPO to be paid by the Bank.

PROMPT SETTLEMENT/DISPOSAL OF GRIEVANCES FROM PENSIONERS.

DOP&PW OM No. 173/2021-DoP&PW (coord) E7179 dated 6-8-2021.

Subject:- Guidelines for timely and qualitative disposal of Pensioners' Grievances-reg.

The undersigned is directed to say that the Department of Pension & Pensioners' Welfare (DoP&PW) has provided a single window interface for all Central Government pensioners to register their grievances pertaining to any of the Central Government Ministry/Department/Organization, which is thereafter forwarded on-line to the concerned Ministry/Department/ Organization for redressal through the CPENGRAMS Portal.

2. In 2019, Pensioners' grievance redressal system was expanded with the objective to provide easy access to pensioners who are living in remote areas and have no proper access to the Internet for registration of their grievances or not conversant with online technology. Accordingly, an Integrated Grievance Cell & Call Centre was inaugurated on 20th June, 2019 for pensioners enabling pensioners to register their grievance by calling on the toll free number 1800-11-1960. The Call Centre Executives register the grievance on CPENGRAMS, after taking inputs from pensioners, and thereafter it is forwarded to the concerned Ministry/ Department/Organization online for redressal. Department of Pension & Pensioners' Welfare also coordinates with different Ministries/Departments to resolve the grievances of the elderly pensioners and keep the pensioners informed about the progress of their grievances till disposal through *this* online system CPENGRAM.

3. The purpose of grievance redressal machinery is not only to allow easy access of Govt Machinery for pensioners but also disposal of the grievances expeditiously while maintaining the quality in redressal of the grievances. Keeping in view of the above objective, DoP&PW has put in place a system of holding regular review meetings with Ministry/ Department/ Organization having large pendency of

grievances. In order to ensure quality in disposal of Grievances, DoP&PW is periodically analyzing closed Grievances and re-registering cases, wherever it is observed that Grievances were closed by the offices without taking appropriate final action. Though time and again specific guidelines/instructions have been issued to the Ministries, a need is felt to consolidate all instructions/guidelines and revise the time limit for redressal of grievances specially for the priority target groups i.e. family pensioners and super-senior pensioners in order to promote good governance and to ensure that the pensioners /family pensioners get their rightful entitlements.

All Ministries/Departments are advised to follow the guidelines given below for redressal of the Grievances -

i. In accordance with the Central Civil Services (Pension) Rules, 1972, every office is responsible for pension sanction, revision and payment of retirement benefits to its employees. Therefore, every grievance related to pension and other retirement benefits shall be redressed by the concerned office from where the employee retired or served before his/her death.

ii. Every grievance shall be disposed of within the ambit of extant rules. In case of a grievance falling outside the ambit of rules, a speaking order shall be issued indicating the rule position.

iii. All Ministries/Departments/Organizations shall strictly adhere to the time limit of 45 days to resolve the pensioners' grievances. If the grievance pertains to a family pensioner/super-senior pensioner (aged 80 years and above) the deadline to resolve the grievance shall be 30 days.

iv. Every grievance shall be closed only after its final resolution. If a grievance pertains to subordinate/attached office, the case may be forwarded by the Ministry/ Department to the concerned office but it should not be closed until final action is taken. The responsibility lies with the concerned Ministry/ Department to follow up the matter with subordinate/ attached units for final resolution. Every Nodal Officer should undertake a weekly review of pending grievances in the portal.

v. The grievance shall not be closed for the want of any documents from the pensioner/family pensioner. The office may contact the concerned pensioner on the mobile number or email as available in the CPENGRAM Portal in

order to ensure speedy and satisfactory disposal of grievances.

vi. Ministry/Department/Organization shall dispose of the grievances after indicating that it is 'Accepted' or 'Rejected' or 'Partially Accepted.' In case grievance is disposed of in favour of pensioner, the option 'Accepted' shall be indicated. In other cases, a speaking order shall be passed giving reasons for rejection/partial acceptance and also uploaded in the portal.

vii. Re-registered cases should be disposed of by Appellate Authorities nominated in every Ministry/Department/Organization for the purpose.

viii. Ministries/Departments/Organizations shall identify core grievance prone areas and streamline their systems to eliminate root cause of grievances. Cases delayed beyond the dead-line should be analysed and addressed promptly.

4. All the Ministries/Departments are requested to bring the above instructions to the notice of the all concerned under their administrative control for compliance.

AIBSNLPWA SETTLES YET ANOTHER FAMILY PENSION CASE, LONG PENDING

AIBSNLPWA could settle a seven years old Family Pension case of Odisha. One Gobardhan Meher, SDE, was issued a charge sheet by CGM, Odisha on 25/11/2006. He was allowed to retire provisionally on 31/10/2008. He got provisional pension from 1/11/2008 but Gratuity was withheld. He died on 17/1/2014. Till his death no enquiry was conducted. On 11-5-2015 CGM, Odisha asked for succession certificate from Sita Meher.

Chief Vigilance Officer, BSNL C.O. vide his letter dated 8/1/2016 intimated CCA, Odisha that Family Pension can be considered only after closing Disciplinary Proceedings and C.O has sought clarification from DoPT through DoT on the issue. (It is a pity that even CVO does not know that the charges are abated once the official dies). On 28/11/2019 CGM, OR sought clarification from BSNL C.O. His wife Sita Meher sent representations for FP on 24/3/2021 and 15/4/2021. On 17/5/2021 CCA, Odisha requested CGM, BSNL to take steps to close disciplinary proceedings.

Smt. Sita Meher lodged complaint on CPengram on 4/6/2021 and 11/6/2021. Com B N Behera, Circle Secretary of AIBSNLPWA also lodged complaint in CPengram on 18/4/2021, 21/4/2021, 26/5/2021, 29/5/2021 and 3/6/2021. Then, CCA informed Sita Meher and the Circle Secretary vide his letter dated 16/6/2021 about the letter of BSNL CO letter dated 8/1/2016. CCA informed also that without service book and closure of Disciplinary Proceedings it is not possible to settle Family Pension. This issue was taken up in Pension Adalats held on 19/3/2021 and 30/6/2021. A draft appeal to CCA against his letter dated 16/6/2021 preferred by Sita Meher with the help of some advocate was sent to Com. D Gopalakrishnan, CHQ Vice President on 24/6/2021 by Com. Behera. That appeal requested only for Family Pension and not for Gratuity. On 26/6/2021, Com. DG prepared an appeal and sent to Com. Behera with some important documents attached and he sent it to CCA on 27/6/2021. Identical letter was sent by Sita Meher also. The documents included:

- 1) **Disc. Proceedings and criminal proceedings are abated under Secn. 394 of C.R.P C**
- 2) **Madras HC judgement dated 8/11/2019 in WP No.29263 of 2016 which directed the respondents to release the terminal benefits & FP within 12 weeks**
- 3) **BY HC judgement in Hirabai Vs State of Maharashtra which said that Disc. Proceedings would terminate and abate. Between date of suspension and date of death should be treated as service for all purposes**
- 4) **Jharkhand HC judgement dated 1/5/2001 which said that Departmental proceedings can't continue against a dead employee**
- 5) **Jharkhand HC judgement dated 20/1/2016 in WP No.2991/2014 directed to pay the terminal benefits to the family of late Shailendra Kumar**
- 6) **DoPT order dated 20/10/1999 issued under CCS (CCA) Rules, 1965 which said that disciplinary proceedings should be closed immediately on the death of Govt. servant**
- 7) **CAT, Calcutta judgement dated 28/2/2020 in a case between Smt. Kanan Bala Routary VS Secretary, DoT & CMD, BSNL which directed the respondents to pay DCRG and FP within 3 months.**

As a result of all these efforts, CGM Odisha issued cessation of disciplinary proceedings on 28/6/2021 and on 20/7/2021 CGM issued formal Retirement order for late Gobardhan Meher also. On 9/8/2021 CCA issued orders for payment of DCRG Rs.7,30,983 minus excess payment of provisional pension of Rs.1,88,075 and net payable Rs.5,42,908 and the same was credited to her bank SB a/c. PPO is also issued to Smt. Sita Meher showing enhanced Family Pension of Rs.20,715/- from 18/1/2014 to 3/10/2015 and normal Family Pension of Rs.12,429/- p.m. from 4/10/2015 onwards. She is entitled to total arrears of **Rs. 29.60 lakhs with some tax liability on it and a total pension of Rs.33621/- from July 2021 onwards. We are very happy that we could settle this long pending case.**

**Kudos to Com. Bishwanath Behera, Odisha Circle Secretary
for pursuing the case and helping the family pensioner.**



100% FOREIGN DIRECT INVESTMENT IN TELECOM

[ND TV ONLINE NEWS on 16-9-2021]

1. The announcement, made this afternoon by Telecom Minister Ashwini Vaishnaw — is part of the government’s comprehensive package for the telecom sector, which also included a 4-year moratorium for telcos to pay their AGR (Adjusted Gross Revenue), spectrum and unpaid dues.

2. The minister said spectrum user charges will also be rationalised. In other measures expected to ease the cash flow issues being faced by most big telcos, the cabinet decided to rationalise the definition of AGR by excluding non-telecom dues and cancel the penalty clause, the minister added.

3. “Spectrum duration too has been increased from 20 years to 30 years... Spectrum sharing has been allowed and 100 per cent FDI has been approved in the sector in the automatic route. These steps will bring huge investments in the sector, and we all know investments mean jobs,” the minister said.

4. The new FDI rule will apply to all areas of telecom, including the manufacture of infrastructure. Earlier, while 100 per cent FDI was allowed in telecom equipment manufacturing and provision of IT enabled services, only 49 per cent was under the automatic route. The rest required government approval in view of security concerns.

5. The minister also said all Indian firms, including BSNL, MTNL, etc will use India-made technology and infrastructure. “We now aim to not just use it domestically, but become an exporter of these technologies, with an aim for India to be a global player,” he added. Till now a large part of the 3G and 4G technologies were imported.

6. Placing 100 per cent under automatic route has been under consideration since 2017 by the Telecom Commission, the top decision-making body of the Department of Telecom.

7. Firms from neighbouring countries including Pakistan and China, however, will not be allowed to invest under the automatic route.

8. In April last year, the government changed the policy and under the new system companies in any country that shares border with India will have to approach the government for investment.

9. The rules were changed to ensure that no neighbouring country, especially China, takes undue advantage amid the Covid pandemic.

10. FDI in India is allowed under two modes - either through the automatic route, for which companies don’t need government approval, or through the government route, for which companies need a go-ahead from the Centre.

HOW THE PRIVATE COMPANIES ARE BENEFITTED BY THE 'GREAT' TELECOM REFORMS?

“ The four-year moratorium on statutory payouts towards adjusted gross revenue (AGR) and spectrum dues will allow Vodafone Idea defer payments to the tune of Rs 96,000 crore, helping its cash flows and possibly boosting its survival chances significantly, analysts said.”

....[ND TV News]

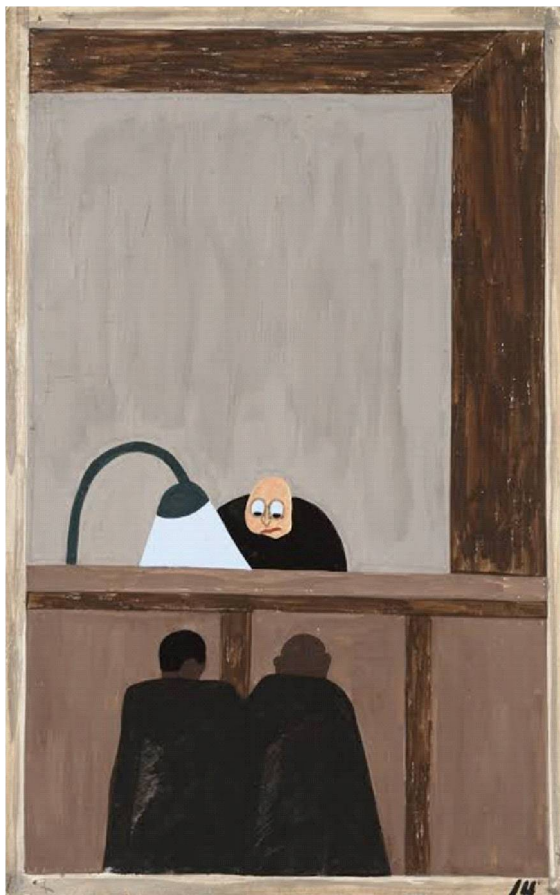
Sunil Bharti Mittal, chairman of Bharti Airtel said on Thursday that the telecom operator will opt for the four-year deferred option for adjusted gross revenue (AGR) and spectrum payments, which will free up Rs 35,000-40,000 crore cash to invest in networks and technology.

.... [ND TV News]

**BSNL, THE SARKARI COMPANY, IS NOT
BENEFITTED BY THE GREAT REFORMS.**

WHERE IS 'RULE OF LAW' ?

**IN 2010 THE DEPARTMENT TOLD
THEY WERE COLLECTING THE DATA.
IN 2021 ALSO THE DEPARTMENT SAYS
THEY ARE COLLECTING DATA!
AND, THE COURT PERMITS IT !!**



**CAT, PRINCIPAL BENCH,
DELIVERED ITS ORIGINAL
JUDGEMENT ON PENSION
ANOMALY ON 16-12-2016.
ABOUT FIVE YEARS AGO.
IT IS NOT YET HONOURED.**

**THE DELHI HIGH COURT
DISMISSED APPEAL FROM
DEPT. OF TELECOM ON
20-1-2020 AND ASKED THE
DEPT. TO IMPLEMENT CAT
JUDGEMENT.
IT IS NOT DONE.**

**MANY OF THE AFFECTED
PEOPLE HAVE DIED.
HOW THE DEPT. WILL
GIVE THEM THE RELIEF?**