

## Yours queries answered - Second Set

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

**Query :** *I thank you for providing [pension calculator](#) on website of AIBSNLREA. I am seeing several calculators on other websites pertaining to various associations of BSNL employees. In all the calculators the amount of commutation is taken as 40% of pre-revised pension. Whereas while working out with the revised pension arrears, the amount of commutation is same as 40% of pre-revised pension and not 40% of revised pension. Would you be kind enough to help us know that this is as per provisions of Pension Rules applicable to us. Also kindly provide us the particulars of such provision so that it could be submitted to our office in case needed by them and to our satisfaction as well.*

**Ans:** What commutation you receive at the time of your retirement is maximum 40 % of your pension. You may opt for a lesser commutation or no commutation. This commuted portion of the pension is multiplied by 12 and then again multiplied by a figure which is called commutation factor which itself is based on your age at the next birth day after your retirement. The remaining portion of the pension is net pension. What you then get monthly is the net pension plus the DA which is a percentage of gross pension. Your commuted pension gets restored after 15 years and after that you get your gross pension plus the corresponding DA. I am sure that you are aware of these.

Now the commutation pension calculated as 40 % of your gross pension at the time of retirement remains the same for ever. Of course even after your retirement if your pension is revised due to retrospective pay revision in your service period (like due to time bound promotion given retrospectively in Oct 2004 etc., ) then since it effects a change in pay drawn while you were in service it effects a change in gross pension and hence there is additional commutation. Except that the commuted pension does not change every time the pension is revised due to revision of pension after your retirement. It remains the same amount (not percentage)that you commuted and it remains for 15 years after which it will get restored.

While the pension is revised on the revision of pay scales for serving employees, the gross pension is revised. The commuted pension amount remains the same and is reduced from the revised gross pension. Then you will start

receiving this revised net pension plus the corresponding DA for the revised gross pension.

This is the position of any pension revision orders. You may see the orders regarding the same in Central Govt. pension orders reg. pension revision for Central Govt. pensioners w.e.f. 01-01-06. The same will be the position when DoT issues orders for revision of pension for BSNL pensioners. This is shown in the table.

The tables are correct. The commutation amount will be the same in both sides- due and drawn. You will not get any additional commutation amount in pension revision.

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**Query:** *Thanks for answering the queries made on the issue. I retired as DGM in JAG scale on 31.10.2000 with a basic pension of Rs.6000/ in CDA scale which is 50% of the minimum basic(i.e.12000/). Since I opted for IDA scales, initially they fixed below Rs.8000/ (on 10 months average pay) and on protest, the same is revised to Rs.8000/ being 50% of the minimum of the IDA scale. I completed around 38 years of service in D.O.T. and one month in BSNL. Am I now entitled to get 50% of the minimum of JAG revised IDA scale? As per table given in the website, the basic pension on IDA scales is to be revised as Rs.17555.20/. Can you kindly clarify on my entitlements?*

**Ans:** If your IDA pay while in service was fixed in DGM scale of 16000-400-20800 (of course fixed retrospectively w.e.f. 01-10-2000 if opted in 2004 when options were called for), then even if your pension calculated on last 10 months' average pay was less than 50 % of the minimum of the pay scale, your pension will be subject to the minimum of Rs.8000/-. It seems from your e mail that you have got the same and you are also receiving it for the past 10 years. Then your revised pension as per the calculator will be 17556/-. This is higher than 50 % of the minimum of the revised IDA scale of Rs 32900-58000 i.e. Rs.16450/-. Since pension once fixed cannot be reduced, your revised pension will be Rs.17556/- and you will also get corresponding revised DA as given in the table. You will be getting the same amount monthly minus the actual amount of commutation that was fixed for you and the arrears as given in the table.

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**Query:** *What will be the Family Pension for Wife, if the Pensioner death is earlier?*

**Ans :** The family pension being received by a family pensioner as on 31-12-2006 will also be consolidated with the same fitment formula.

The revised family pension will be = (pre revised family pension + 68.8 % DA on that ) x 1.3.

The enhanced family pension being received by a family pensioner as on 31-12-2006 will also be consolidated with the same fitment formula.

The revised enhanced family pension will be = (pre revised enhanced family pension + 68.8 % DA on that ) x 1.3.

Since no commutation is allowed in family pension the terms gross pension and net pension are not used.

We have not given a pension arrears table for family pension, because, some more factors are involved in this which differ for each pensioner/family pensioner. Factors like the pension received by the pensioner, family pension amount as fixed, date up to which the enhanced family pension is allowed as given in the Pension Payment Order (PPO) etc are required to calculate arrears etc. Since the enhanced family pension depends upon the date of death and the age of the employee/pensioner, it is not possible to work out the arrears uniformly for everybody as these will differ. However if any family pensioner gives the details as above which would have been given in the pension payment order, we will work out and send the calculation sheet of revised family pension, revised enhanced family pension and arrears .

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