PENSIONERS' CHAMPION

Monthly Journal of
KARNATAKA POSTS AND TELECOMMUNICATIONS
PENSIONERS' ASSOCIATION (R)

(KSR Act 1960, REG. No. 1069/98-99)
(FORMERLY RMS PENSIONERS' ASSOCIATION)

Registered as "A Wholly Charitable Trust" U/S 12A of I.T. Act 1961

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Silver Jubilee Year 2019-2020

25 years in the Service of Pensioners

Income Tax

General Budget 2020-2021
Changes in Personal Income Tax rates which will come into effect from 1st April, 2020

[Financial year 2020-2021 — Assessment year 2021-2022]

The Finance Minister presenting the Union Budget for the year 2020-21 on 1st February 2020, stated that, in order to provide significant relief to the individual taxpayers and to simplify the Income-tax law, it is proposed to bring a new and simplified personal income tax regime wherein income tax rates will be significantly reduced for the individual taxpayers who forgo certain deductions and exemptions.

(contd page 2)

Proposed tax rates for the financial year 2020-2021 and the existing tax rates

Total Income (Rs)	Proposed Tax Rates - Financial year 2020-2021 (New Tax regime)	Existing tax rates - Financial year 2019-20 (Old Tax Regime)		
		Age less than 60 years	Age 60 years or more but less than 80 years	Age 80 years or more
Up to 2,50,000	Nil	NIL	NIL	NIL
From 2,50,001 to 5,00,000	5%	5%	Up to 3,00,000 - **NIL** 3,00,001 to 5,00,000 - 5%	Nil NIL
From 5,00,001 to 7,50,000	10%	20%	20%	20%
From 7,50,001 to 10,00,000	15%	20%	20%	20%
From 10,00,001 to 12,50,000	20%	30%	30%	30%
From 12,50,001 to 15,00,000	25%	30%	30%	30%
Above 15,00,000	30%	30%	30%	30%

The tax calculated on the basis of the above rates will be subject to health and education cess of 4%.

Tax rebate of Rs 12,500 available under section 87A for individuals having total income upto Rupees 5 lakh will continue

Under the new regime, an individual shall be required to pay tax at the reduced rate of 10% for income between 5 Lakh and 7. 5 Lakh against the current rate of 20%.

For income between 7.5 Lakh and 10 Lakh will pay at the reduced rate of 15% against the current rate of 20 %. Similarly for the income between 10 Lakh and 12.5 Lakh the taxpayer will pay at the reduced rate of 20% against the current rate of 30%.

The income between 12.5 Lakh and 15 Lakh will be taxed at the reduced rate of 25% against the existing rate of 30 %. Incomes above 15 lakh will be continued to be taxed at the rate of 30%.

Those earning up to 5 lakhs shall not pay any tax either in the old regime or in the new regime.

In the new tax regime, substantial tax benefit will accrue to a taxpayer depending upon exemptions and deductions claimed by him/her. For example, a person earning Rs. 15 lakh in a year and not availing any deductions will pay only Rs. 1,95,000 including education cess as compared to Rs.2,73,000 including cess in the old regime. Thus the tax burden shall be reduced by 78,000 in the new regime. The individual would still be the gainer in the new regime even if he/she was taking deduction of Rs.1.5 Lakh under various sections of Chapter VI-A of the Income Tax Act under the old regime.

Around 70 exemptions/deductions of different nature provided under the old regime will be removed under the new simplified regime. The remaining exemptions and deductions will be reviewed further and rationalised in the coming years with a view to further simplifying the tax system and lowering the tax rate.

Individual opting to be taxed under the new tax regime from FY 2020-21 onwards will have to giveup exemptions and deductions which are listed below

i. Standard deduction
ii. Chapter VI-A deduction (80C,80D, 80E, 80 TTA,80 TTB and so on) (Except Section 80CCD(2) and 80JJA) Deductions allowed up to Rs. 1.5 lakh for savings under GPF, NPS subscription by employee, ELSS, PPF, Insurance Premium etc
iii. Additional Exempiton of Rs. 50,000 for NPS contribution under Section 80 CCD(1B)
iv. Section 80 G Exemption – Donation paid to Charitable Institutions
v. Income Tax Exemption under Section 24 allowed in respect of Interest paid on Housing Loan
vi. Tax on Profession
vii. Interest on housing loan (Section 24)
viii. Leave Travel Allowance
ix. House Rent Allowance
x. Conveyance Allowance / Transport Allowance
xi. Daily expenses in the course of employment
xii. Relocation allowance
xiii. Helper allowance
xiv. Children education allowance
xv. Other special allowances [Section 10(14)]
xvi. Deduction of Rs 15000 allowed from family pension under section 57
xvii. Medical insurance premium under section 80D
xviii. Tax benefits for disability under sections 80DD and 80DDB
xix. Interest paid on education loan will not be claimable-section 80E

The new tax regime shall be optional for the taxpayers. An individual who is currently availing more deductions & exemption under the Income Tax Act may choose to avail them and continue to pay tax in the old regime.

Point to remember while opting for the new tax regime:

Option to be exercised on or before the due date of filing return of income for Assessment year 2021-22.

The income tax exemption /deductions still available in the new regime include:

* Death-cum-retirement gratuity
* Commutations of pensions
* Leave encashment on retirement
* Amount received on Voluntary retirement scheme (VRS) up to Rs 5 lakh
* Employee Provident Fund
* Money received as scholarship for education
* Cash received as awards constituted in public interest
* Short-term withdrawals and maturity amount from the National Pension Scheme
* Deduction under sub-section (2) of section 80CCD (employer contribution on account of employee in notified pension scheme—mostly NPS) and section 80JJAA (for new employment)
* Amount received on maturity of life insurance policy

* Employer's contribution to EPF/NPS account
* Interest received from EPF
* Interest and maturity amount received from PPF
* Interest and payment received from Sukanya Samriddhi Yojana
* Payment received from NPS account

Note: Under the new tax regime, the individuals can opt to pay tax at the reduced rates without claiming the various tax exemptions and deductions. They will have to work out their tax liability under the old and new tax regimes to ascertain which one is more beneficial. While the New Tax Regime seems to be simple and easy to calculate the tax payable in view of removal of several tax exemptions/deductions, there would be some individuals who have already made commitment in recurring tax savings instruments who may still want to avail exemptions and pay tax under the old regime.

Illustrations given below may be of some help in deciding which tax regime to opt for.

A) PENSIONER (Age 60 to 79 years)

Annual Income:

Pension:	6,00,000
Interest on FD:	2,20,000
Income from House property:	1,80,000
Total Income	10,00,000

1)Tax under OLD Tax regime

Deductions:

Standard deduction:	50,000 (Section 16)
Interest on: Deposit:	50,000 (Section 80 TTB)
Savings:	1,50,000 (Section 80- C)
Total deductions	2,50,000

Taxable : Income: 1000000 – 250000 = 750000

Calculation of Tax :

up to 300000:	NIL
For 200000 at 5%:	10000
For 250000 at 20%:	50000
Total:	60000
Cess at 4%:	2400
Total Tax+Cess:	62400

2) Tax under the New Tax Regime

Taxable Income :1000000 (without any deductions)

Tax : up to 2,50,000 :	NIL
From 250000 to 500000 at 5% :	12500
From 500000 to : 750000 at 10%	25000
From 750000 to 100000 at 15%:	37500
Total	75000
Cess at 4%:	3000
Total Tax+Cess :	78000

Option to continue in the old tax regime is beneficial.

IMPORTANT

However, it is to be noted that if the pensioner does not claim any deductions under the sections in chapter VI-A of IT Act (Maximum Rs.1,50,000) then exercising an option for payment of tax under the New Tax regime would be beneficial since the tax payable then under the OLD TAX REGIME works out to Rs.93,600 (including cess)

B) Pensioner Age 80 years and more

Annual Income:

Pension including age-related additional pension:	12,00,000
Interest on FD:	3,20,000
Income from House property:	2,40,000
Total Income	17,60,000

1) Tax under OLD Tax regime

Deductions:

Standard: deduction	50,000 (Section-16)
Interest on: Deposit	50,000 (Section 80 TTB)
Chapter –VI-A: (Savings)	1,50,000 (Section 80-C)
Health Insurance	50,000 (Section 80-D)
Total deductions:	3,00,000

Taxable Income:
1760000 – 300000 = 14,60,000

Calculation of Tax :

up to 500000 :	NIL
500000 to 1000000 at 20%:	100000
1000000 to 1460000 at 30%:	138000
Total:	238000
Cess at 4%:	9520
Total Tax+Cess	247520

2) Tax under the New Tax Regime

Taxable Income: 1760000 (without any deductions)

Tax : up to 250000:	NIL
From 250000 to 500000 at 5%:	12500
From 500000 to 750000 at 10%:	25000
From 750000 to 1000000 at 15%:	37500
From 1000000 to 1250000 at 20%:	50000
From 1250000 to 1500000 at 25%:	62500
From1500000 to 1760000 at 30% :	78000
Total	265500
Cess at 4%:	10620
Total Tax+Cess	276120

Option to continue in the old tax regime is beneficial.

IMPORTANT

However, it is to be noted that if the pensioner does not claim any deductions under the sections in chapter VI-A of IT Act (Rs.1,50,000 under section 80-C and Rs.50,000 under section 80-D totally Rs.2,00,000, then exercising an option for payment of tax under the New Tax regime would be beneficial since the tax payable then under the OLD TAX REGIME works out to Rs.3,09,920 (including cess)

Which is more beneficial - New Income Tax Rates 2020 or Old Income Tax Rates ?

Illustrations given above, to some extent, will answer the question. It is necessary that in order to choose between the two sets of Income Tax Rates, the individual tax payer concerned computes the tax payable under the two regimes to see which of the two is beneficial.

Will the proposed new income tax slab rates benefit senior citizens?

The new lower income tax rate regime proposed in the budget 2020, which will come in to effect from 1-4-2020 and applicable from the financial year 2020-21, does not provide higher tax exemption limit for senior citizens aged 60 to79 years and super senior citizens aged 80 years and more, unlike what is available to them in the existing tax regime. As per current income tax laws, the basic income threshold exempt from tax for senior and super senior citizens is Rs. 3 lakh and Rs 5 lakh respectively. This higher exemption limit gives them some tax relief in the existing structure. Such relief (i.e. higher basic income tax exemption limits) is not available in the new tax regime. Therefore, seniors should calculate whether they would pay less tax in the existing or new regime keeping this element in view before opting for the old or new tax regime.

New Tax regime is beneficial for those who do not have tax-saving investments / exemptions and are not willing to make the same. Normally more suitable for low tax bracket earners or senior citizens who would not like to invest in savings so as to have greater liquidity in hand at the old age.

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Charitable function held on 6-2-2020 at the Government Higher Primary School, Yelahanka, Bengaluru

Under the aegis of Karnataka P&T Pensioners' Association, Bengaluru, like every year, a charitable function was organised at 10 a.m. on Thursday, the 6th February 2020 at the Government Higher Primary School, Yelahanka 4th Phase, Bengaluru.

Sri S M Vittal Rao, one of the Founders of the Association and Internal auditor, presided over the function. S/S K B Krishna Rao, Secretary, V.Gopal Jt. Secretary K.R. Anantha Ramu, Treasurer, B Nagaraju EC Member, Kanagamani and A G Doreswamy senior members were present on the dais. Family members of S.M.Vittal Rao, who had organised the event, were also present.

Head Mistress and Teachers of the school were also present along with students studying from 1st to 7th standards. The function started with invocation sung by a group of girl students. Smt. M S Anusuya Devi, Head mistress of the school, welcomed the members of the Association and the students presented them with roses. She praised the Association for arranging an event in the school every year continuously since the last 13 years and for distributing note books, pens and fruits to hundreds of students. She also mentioned that the cash prize of Rs.1000 each given to students securing first 3 places in the final examination of classes 5,6 and 7 encourages them to be competitive in their performance in the examination.

Sri V Gopal, Jt Secretary addressing students advised them to be attentive in their classes and study hard to be successful in their studies. He told them that students of government schools perform better than students of private schools and most of the well known personalities in the fields of literature, Science and medicine had their primary education in government schools and that too in villages.

Sri K B Krishna Rao, Secretary, speaking next, said that the Association is celebrating 25th year of its formation and requested the HM and all the teachers to attend the Silver Jubilee celebrations being held on 14-6-2020 with the meritorious students and an invitation would be sent to them informing the venue. Sri B Nagaraju, EC member also addressed the students.

Smt. J. Gangavathamma, Smt. B L Shobha, Smt. S Pushpavathi, Smt. H Manjula, Smt. V S Shilpa and Smt. Krupa Yadav, Teachers actively participated in the function and managed the event.

Groups of students performed folk dance "Kolata" and rendered group songs. A big cake was cut by the students in memory of Anisha, the late granddaughter of Shri Vittal Rao. Note books, pencils and fruits were also distributed to students by the Special Invitees and EC members present. Special gifts were given to some 20 boys and girls, who presented the cultural programmes. Teachers were felicitated with fruits and mementos.

Head Mistress while thanking the association for the help that the association has been extending to the school and the students over the past several years said that the school needs a microphone to be used in congregation of students in events like the one being held now and requested the association to donate one to the school. The Secretary requested the HM to send a formal written request for consideration.

The function ended at 12.30 p.m. with vote of thanks proposed by one of the teachers.

(Photos: Next page)

News from Sister Pensioners Associations

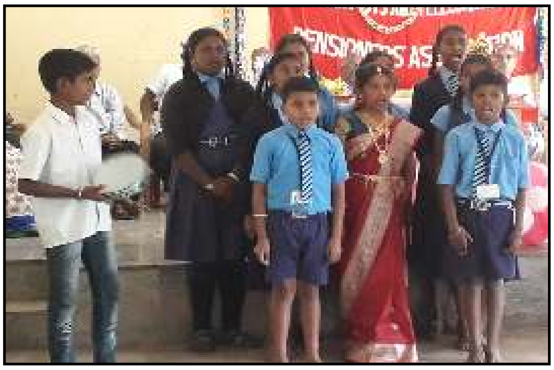
All India Pensioners Association, Ananthapuram

The 37th Annual Pensioners Meeting was held on 19-1-2020 at the premises of Ananthapuram HPO 120 members attended. Sri S.Chandrasekharachari, President of the Association presided. Homage was paid to the members who passed away during the year 2019 by observing a minute's silence. The President in his address spoke about several problems faced by the pensioners. Sri M Chakrapani, Secretary presented the Annual Report and Sri K Venugopal Rao presented the Annual Accounts which were adopted unanimously. Senior members aged 75 and members retired 10 years ago were felicitated.

Charitable Function held on 6.2.2020 in Government Higher Primary School, Yelahanka

Head Mistress addressing

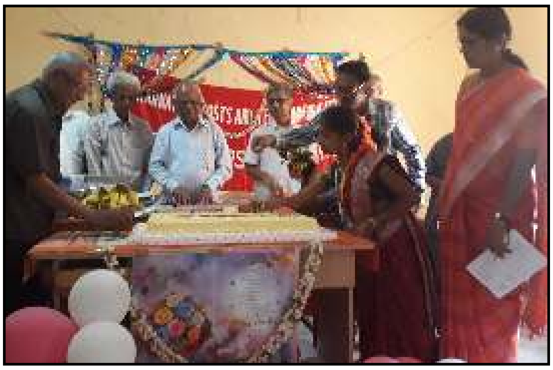
V Gopal Jt. Secretary KP&TPA addressing



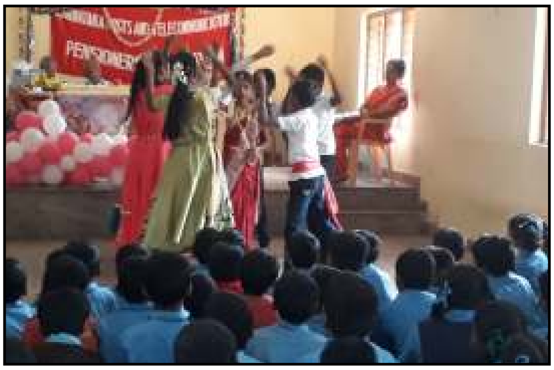
Prayer by Students

Assembly of students

EC Members of the Assn. with Teachers



Cake cutting by Students



Cultural programme 'Kolaata' by students

Distribution of books and fruits to students

Teachers being presented with gifts

Donation for the Building Fund - 42nd List

Sl No.	Name Sri/Smt.	Membership No.	Amount Rs.	Receipt No.	Progressive Total of donation
1404	A.K.Raghothamachar	384	10000	4527	46000
1405	R.Sakthidharan	1945	5000	4529	15000
1406	Theresa Manoharan	2646	5000	4533	
1407	M.R.Venugopalan	1100	1000	4523	2000
1408	G.M.Halvadia	2479	850	4511	11050
1409	R.Thanikachallam	2166	500	4530	3850

We Welcome the Following Newly Enrolled Members

	Name (Smt./Sri)	Designation & Office in which last worked	Type & No.
1	B.Anuradha	Asstt.General Manager, O/o DGM, BGTD, Bangalore	LM 2958
2	K.G.Shanmugam	Divisional Engineer, BSNL, Bangalore	LM 2959
3	Ganesh Devaru Hegde	Sorting Assistant, MACP III, Bangalore PSO	LM 2960
4	M.B.Shivalingaiah	Asstt. Postmaster, Basavanagudi HO, Bangalore	LM 2961
5	P.Muralidhar	Chief Accts. Officer, ADA, Bangalore	ALM 2962
6	V.S.Ramamurthy	Office Supdt., O/o CPMG, Bangalore	LM 2963
7	P.C.Shivashankara	Telecom Technician, D.O.T., BSNL, Bangalore	LM 2964
8	C.Padmavathi	MTS, Bangalore City RMS, Bangalore	LM 2965
9	Prakash.K.Bhandari	Office Assistant, O/o SRM 'Q' Division, Bangalore	LM 2966

LM: Life Member ALM: Associate Life Member

Donation to the Association

1. V.Gopal 2157 10000 4521

ALL INDIA CONSUMER PRICE INDEX

Month	CPI Base 2001=100	12 Months' Total	Monthly Ave.	% increase over 261.42
				7th CPC
Jan 19	307	3557	296.42	13.39
June 19	316	3673	306.08	17.08
Dec 19	330	3809	317.41	21.42

Expected DA/DR w.e.f. 1.1.2020: 21%
(4% increase over July 2019 rate of 17%)

BSNL IDA

From 1-1-2020 : 157.3%
(5.3% increase over October 2019 rate of 152%)

Central Government Holiday in MARCH 2020

1. Ugadi: 25th March, Wednesday

8th March- International Women's Day

Also known as the United Nations (UN) Day for Women's Rights and International Peace

Women's Day 2020 Theme— "I am Generation Equality: Realizing Women's Rights"

KP&TPA extends warm greetings on the occasion

New Pension System (NPS)

One Time Option for Coverage of CCS (Pension Rules) 1972 in place of NPS for employees selected before 01.01.2004 but joined after 01.01.2004

Government of India, Department of Pension and PW,
OM No. 57/04/2019-P&PVW/(B) dated 17 February, 2020

Coverage under Central Civil Services (Pension) Rules, 1972, in place of National Pension System, of those Central Government employees whose selection for appointment was finalized before 01.01.2004

Extract of some paragraphs

The undersigned is directed to say that consequent on introduction of National Pension System (NPS) vide Ministry of Finance (Department of Economic Affairs) Notification No. 5/7/2003-ECB & PR dated 22.12.2003, all Government servants appointed on or after 01.01.2004 to the posts in the Central Government service (except armed forces) are mandatorily covered under the said scheme. The Central Civil Services (Pension) Rules, 1972 and other connected rules were also amended vide Notification dated 30.12.2003 and, after the said amendment, those rules are not applicable to the Government servants appointed to Government service after 31.12.2003.

2 . Representations have been received in this Department from the Government servants appointed on or after 1.1.2004 requesting for the benefit of the pension scheme under Central Civil Services (Pension) Rules, 1972 on the ground that their appointment was delayed on account of administrative reasons or lapses. Similar references have been received from Ministries/Departments seeking advice of this Department on the question whether the Government servants who were appointed on or after 1.1.2004 could also be extended the benefit of pension scheme under CCS (Pension) Rules, if their appointment was delayed beyond 31.12.2003 on account of administrative reasons and the delay in appointment was beyond the control of the said Government servants.

4. The matter has been examined in consultation with the Department of Personnel & Training, Department of Expenditure and Department of Legal Affairs in the light of the various representations/references and decisions of the Courts in this regard. It has been decided that in all cases where the results for recruitment were declared before 01.01.2004 against vacancies occurring on or before 31.12.2003, the candidates declared successful for recruitment shall be eligible for coverage under the CCS(Pension) Rules, 1972. Accordingly, such Government servants who were declared successful for recruitment in the results declared on or before 31.12.2003 against vacancies occurring before 01.01.2004 and are covered under the National Pension System on joining service on or after 01.01.2004, may be given a **one-time option** to be covered under the CCS(Pension) Rules, 1972. This option may be exercised by the concerned Government servants **latest by 31.05.2020.**

5. Those Government servants who are eligible to exercise option in accordance with para-4 above, but who do not exercise this option by the stipulated date, shall continue to be covered by the National Pension System.

6. The option once exercised shall be final.

7. The matter regarding coverage under the CCS (Pension) Rules, 1972 based on the option exercised by the Government servant shall be placed before the appointing authority for consideration in accordance with these instructions. In case the Government servant fulfils the conditions for coverage under the CCS (Pension) Rules, 1972, in accordance with these instructions, necessary order in this regard shall be issued latest by **30 September,**

2020. The NPS account of such Government servants shall, consequently, be closed w.e.f. **01st November, 2020.**

8. The Government servants who exercise option to switch over to the pension scheme under CCS (Pension) Rules, 1972, shall be required to subscribe to the General Provident Fund (GPF). Regarding accountal of the corpus in the NPS account of the Government servant, Controller General of Accounts (CGA) has furnished the following clarification vide letter No. 1(7)(2)/2010/cla./TA III/390 dated 14.11.2019:

(Ruchir Mittal)
Deputy Secretary to the Government of India

CGHS

Government of India Ministry, of Health & Family Welfare Department of Health & Family Welfare EHS Section O M No. 4-24 / 96-C&P/ CGHS (P)/ EHs Dated: the 1st January 2020

Eligibility of Permanently Disabled Son of a CGHS Beneficiary to avail CGHS facility

In terms of the Office Memorandum of even number dated 07.05.2018, unmarried permanently disabled and financially dependent sons of CGHS beneficiary suffering 40 % or more of one or more disabilities as specified in the O.M. will continue to avail CGHS facility even after attaining the age of 25 years. However, the son above the age of 25 years, in cases where disability has occurred after attaining the age of 25 years, is at present not considered as dependent for availing medical facilities under CGHS as per extant policy.

2. The matter has been engaging the attention of this Ministry for quite some past. It has now been decided that such son(s) above 25 years, in cases where the disability has occurred after attaining the age of 25 years can be considered as dependent for availing medical facilities under CGHS, subject to fulfilment of all other conditions as mentioned in the O.M. dated 07.05.2018.

3. This issues with the approval of Competent Authority

Rajeev Attri,
Under Secretary to the Govt. of India

BSNL Sanction of Provisional Pension to VRS retirees

GoI, MINISTRY OF COMMUNICATIONS, DEPARTMENT OF TELECOMMUNICATIONS O M No. 1/Misc/Pen/Issues/BSNL/DDG (Accounts)/2019-Part(I)/ 566+597 dated 14-02-2020

Pension Processing for BSNL and MTNL VRS 2019 – SAMPANN and FMS

The Pension processing for BSNL and MTNL VRS 2019 retirees is being done in SAMPANN and FMS. The progresses have been reviewed and in many cases pension papers in BSNL remain to be generated and many cases have not been received in CCA offices physically. In view of the volume of retirees and delay in receipt of physical records, it is anticipated that issue of regular PPO may take time.

Therefore, the approval of competent authority is hereby conveyed, as special dispensation, for payment of provisional pension (50% of Last Pay Drawn + applicable dearness relief) for all BSNL and MTNL VRS 2019 retirees (combined service optees) starting 1.2.2020 for a period of five months or till issue of PPO, whichever is earlier. Also, all concerned are directed to take necessary action for issuing PPO before 31st May 2020.

Director (Accounts - 1)

Our Readers Write

Glad to know that our association is celebrating its Silver Jubilee. I am proud of being one of the members.

Selfless service, Honesty and Integrity, noble thoughts and deeds of the founders of the association, consciously carried forward by the former and the present executive committee has increased the credibility of the association. The working style of the EC, most transparent, has attracted large number of pensioners and over the years, the membership has increased from 200 to 3000.

Hearty congratulations!

N Ramaiah LM 1174

APPEAL FOR DONATIONS FOR THE BUILDING FUND

We appeal to our Members who **have not yet paid** their contribution to the building fund to consider remitting their donation to facilitate provision of a lift to the new building. 42nd list of donors is published in this issue.

Donation to be remitted by ***crossed cheque*** payable **to** "**Karnataka P&T Pensioners' Association".**

Cheques may please be sent to: K.R.Anantha Ramu, No 1158, 7th Main, 7th Block, HMT Layout, Vidyaranyapura, Bengaluru-560097. (Mob: 9448477129)

Health Insurance Scheme

In the meeting of the Co-ordination Committee of Central Government Pensioners' Associations, Karnataka, (CCCGPA) held on 28-12-2019 at the office of Karnataka Income Tax Pensioners Association in which representatives of the Pensioners' Associations of Autonomous/ Statutory Bodies were also present, the draft Health Insurance Proposals published on the website of the National Coordination Committee of Central Government Pensioners Associations (NCCPA), New Delhi was discussed and it was unanimously decided to request NCCPA to incorporate in the draft proposal of the Health Insurance Policy that it shall also cover Pensioners of Autonomous/ Statutory Bodies of Central Government whose pension and others benefits are in accordance with CCS (Pension) Rules, 1972 and also in accordance with KVIC Employees Pension Regulations, 1984, besides covering pensioners of Central Government residing in Non-CGHS areas and who are not covered under Central Government Health Scheme.

A revised draft of the Health Insurance Proposal finalised in the meeting after taking into account the suggestions made by the affiliates was sent to the Secretary General, NCCPA for favourable consideration and submission to the Government.

HEALTH INSURANCE PROPOSAL

* The proposed Health Insurance Scheme shall include all the pensioners/family pensioners of Central Government residing in non-CGHS areas and all the pensioners/family pensioners of all the Autonomous/Statutory Bodies of Central Government who are drawing pension and other benefits as per the CCS (Pension) Rules, 1972, as amended from time to time and the Government of India Rules and Regulations and other orders thereon and their spouses also, irrespective of age. In other words, there shall not be any age restriction.
* In case spouse is not alive, the coverage is limited to pensioners only.
* In case pensioner is not alive, coverage is provided to the spouse, who is a family pensioner.
* The annual premium payable by a pensioner/family pensioner will be equivalent to 75% of the Fixed Medical Allowance per annum. This premium shall be for both pensioner and his or her spouse.
* The annual premium payable is the same for all pensioners/family pensioners irrespective of age.
* The sum insured shall be Rs.15 lakhs for a premium of Rs.9000/- per annum and the policy coverage shall be the same for all the beneficiaries under the Scheme.
* The insurance premium payable will automatically increase as and when the Fixed Medical Allowance payable to the pensioners/family pensioners is enhanced by the Government. In such case, sum insured or coverage should also be increased proportionately.
* The Scheme is mandatory for the Central Government pensioners/family pensioners residing in non-CGHS areas and for the pensioners/family pensioners of Autonomous/Statutory Bodies of Central Government who are drawing pension and other benefits as per CCS (Pension) Rules, 1972. This Scheme shall not cover those Central Government pensioners/ family pensioners who are covered under Central Government Health Scheme and they will be continued under CGHS.
* The Scheme shall cover all pre-existing diseases as on the date of issue of Health Policy. There will be no medical examination. There will be no waiting period for availing the facilities under the Scheme and the policy will commence from the very next day of issue of policy.
* Under this Scheme, the insured would get cash-less treatment facilities anywhere

in India in the pre-approved hospitals/ nursing homes.

* The Scheme shall cover all expenses to be incurred by the insured during the period of his/her one month of pre-hospitalisation and two-months of post-hospitalisation treatment/diagnosis.
* The Scheme shall cover day care hospitalisation for tests like Angiography or dialysis etc.
* The Government or the Employer shall deduct the premium from the FMA and will remit the same to the Insurance Company.
* The insurance coverage will be similar to a group insurance scheme. The more the number in the group, less will be the premium. Therefore, there will have to be a clause for reduction of premium when the group coverage increases.
* The insured pensioner/family pensioner shall not be treated as a defaulter for non-receipt of the premium on account of administrative lapses on the part of the government or the Employer as the case may be. The Insurance Company may think in terms of penal clauses whereby the employer will have to pay compensation to the Company in case of default
* The assured amount can be increased depending upon the number of pensioners/family pensioners registered in the group.
* The Insurance Company, while submitting the tender, shall indicate the name and address of the hospital in each town/city with whom they propose to enter into agreement.
* All policy holders shall be given identity cards by the Insurance Company which will enable them to get admission and inpatient treatment in the hospitals on cashless basis.
* The Scheme must have a residency period initially for five years and renewed thereafter on fresh terms and conditions which are mutually agreed upon by the Insurer and Insured with the approval of the Government.
* In the case of pensioners/family pensioners suffering from chronic diseases, they shall not be charged any higher premium and those patients will get the post hospitalisation medicines including other health check-ups at cost price.
* The Government as the employer will function as regulator and shall co-ordinate with a view to bring in larger number of policy holders in the Group.
* This policy can be supplemented to any other Health Policy with any insurance company. Claims can be made under both the policies one after another subject to actuals and admissibility.
* As the insurance is covered for both pensioner and spouse, in case spouse is hospitalised, the spouse or the pensioner can claim medical facilities within the sum assured. There shall not be any internal restrictions as regards the utilisation of health benefits from the sum insured covered by the policy.

OBITUARY

Anantharama Shastry, LM 2488, retired Postmaster, Srirangapatna HPO expired on22-12-2019 at the age of 94 years. He is survived by a son.

T G Kuppuswamy LM 177, Retd. From Bangalore City HPO, expired on 28-1-2020 at the age of 88 years. He is survived by a son.

M Balakrishnan LM 1635, ‘Q’Dn Bangarpet expired on31-1-2020 at the age of 86 years.He is survived by 2 sons and 2 daughters.

Y.Krishnaiah, LM 2656, Retd S A MACP-III, Bangalore City RMS, expired on 17-2-2020 at the age of 62 years. He is survived by his wife, a son and a daughter

The Executive Committee of KP&TPA conveys heartfelt condolences to the bereaved families

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BSNL Pension Anomaly Case

Anomaly in fixation of pension of BSNL employees who retired between 1-10-2000 and 31-7- 2001 i.e. within 10 months of formation of BSNL

High Court of Delhi in its judgement dated 24th January 2020 vide Writ petition No.W.P.(C) 10019/2017 and CM APPL. 40921/2017 (Stay) dismisses the petition jointly filed by the Department of Telecommunications (DOT) (Petitioner No.1), the Bharat Sanchar Nigam Limited (BSNL) (Petitioner No.2) and the Department of Pension & Pensioners Welfare (DOPPW)(Petitioner No.3), challenging an order dated 16th December, 2016 of the Central Administrative Tribunal, Principal Bench (CAT) New Delhi vide original application (OA) No. 2173/2014 filed by the All India BSNL Pensioners Welfare Association & others and orders implementation of CAT order within 8 weeks.

CAT, Delhi had ordered calculation of the average emoluments for computation of pension of BSNL retirees who had retired within 10 months of formation of BSNL i.e. between 1-10-2000- and 31-7-2001 taking in to consideration the notional pay in IDA pay scales for the period for which such retirees had drawn pay in the CDA pay scales.

When the order of the CAT is implemented, the pension of about 4300 such BSNL pensioners will be re-fixed at 50% of the average emoluments calculated with reference to their notional pay in IDA pay scales for the period for which their pension was earlier calculated with reference to their pay in CDA pay scales thereby correcting the anomaly in pension that exists between pensioners who retired within 10 months of formation of BSNL and of those who retired with 10 months of service in BSNL.

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