



ALL INDIA BSNL DOT PENSIONERS ASSOCIATION

[Registered No. S/68836/2010]

Central Head Quarters

Dada Ghosh Bhawan, 2151/1, New Patel Nagar, New Delhi - 110 008

E-mail : mail.aibdpa@gmail.com, Website : www.aibdpa.com

General Secretary:

K.G. Jayaraj

+91-9447455633, +91-9946715983

Advisor : V.A.N. Namboodiri

Patron : P.V. Chandrasekharan

President: A.K. Bhattacharjee

AIBDPA/CMD-IT/2021

4th February, 2021

To,

**Shri P.K. Purwar,
CMD BSNL,
Bharat Sanchar Bhawan,
H.C. Mathur Lane,
Janpath, New Delhi -110 001**

Sir,

Sub: - **Notice of Income Tax department to BSNL retirees for levying income tax for the exempted portion of leave earned during government service from leave encashment paid on retirement- intervention sought- req.**

Ref: - **BSNL CO Letter No.1001-04/2011-12/Taxation/BSNL/LE/196 dated 04-05-2012.**

We wish to bring to your kind notice the issue under reference being faced by many BSNL retirees for appropriate action and favourable settlement.

According to the clarification letter of BSNL CO mentioned above, it is crystal clear that the leave earned during government service up to the formation of BSNL on 01-10-2000 and carried forward to BSNL is completely exempt from income tax under section 10(10AA) sub clause 1 of Income Tax Act, 1961 at the time of retirement. And, if such leave during government service is short of 300, then the balance leave earned during BSNL service is taxable subject to the exemption limit of Rs.3,00,000.

The letter further states that the TDS has to be regulated as per the above clarification.

Unfortunately, Centralized Processing Center of the Income Tax department, Bangalore is issuing notices to BSNL retirees under section 154 of the Income Tax Act, 1961, referring their returns filed for the year 2019-20, contrary to the contents of the clarification letter of BSNL dated 04-05-2012. (One of the notices is attached herewith for ready reference) This is causing much hardship and mental agony to the BSNL retirees, as most of them had full 300 leave to their credit at the time of their absorption in BSNL and if at all any short of 300 earned during BSNL service, it is within the limit of exemption of Rs.3,00,000.

Therefore, we fervently request you to kindly do the needful in the matter by taking up the issue with the Income Tax Department to avoid further action in this regard.

With kind regards,

K G Jayaraj

General Secretary

Encl: as above

Copy to: (1) Shri. Arvind Vadnerkar, Director (HR), BSNL , Bharat Sanchar Bhawan, Janpath, New Delhi-110001
(2) Smt. Yojna Das, Director (Finance), BSNL, Bharat Sanchar Bhawan, Janpath, New Delhi-110001
(3) Shri. Y N Singh, GM(Taxation), BSNL CO, Bharat Sanchar Bhawan, Janpath , New Delhi-110001
(4) Shri. A M Gupta, Sr GM(SR), BSNL CO, Bharat Sanchar Bhawan, Janpath, New Delhi-110001