

**Logic of calculation of Arrear Bill – to consider voucher date as reference date
instead of sanction date**

Currently, first time arrear “due to late release of pension” is being calculated from the date of retirement till the month in which other bills (DCRG & Commutation) are paid. Here, Sanction Date (the date on which AO PDA sends the bill to PFMS) was being considered as the date of payment of commutation while doing calculation of Arrears on pro rata basis.

Consequent upon change in logic, the Voucher Date (the date on which AO Cash sends bills to bank in PFMS) will be taken as reference date for calculation of Arrears Bill on pro-rata basis. The Commutation Restoration Date will also be calculated on the basis of the Voucher Date.

Note: Please note that Arrear Bill will be generated **only after** the Voucher Date has been received from PFMS.

The following example explains the change.

| Sl. No. | Action | Current Process | Changed Process |
|----------------|--|----------------------------|----------------------------|
| 1 | DH PDA generates other bills | 02.10.2021 | 02.10.2021 |
| 2 | AO PDA sends the bill to PFMS | 08.10.2021 (Sanction Date) | 08.10.2021 (Sanction Date) |
| 3 | AO Cash sends the bill to bank for payment | 10.10.2021 (Voucher Date) | 10.10.2021 (Voucher Date) |
| 4 | Date of payment of commutation to be taken as. (reduced pension will commence from this date in the Arrear Bill) | 08.10.2021 | 10.10.2021 |
| 5 | Date of restoration of commutation | 08.10.2036 | 10.10.2036 |