



# ALL INDIA BHARAT SANCHAR NIGAM LIMITED EXECUTIVES' ASSOCIATION

**Central Headquarters  
New Delhi-110001**

**President**  
**P. Venugopal**  
Mob:09443200177  
E-mail:presidentaibsnlea@gmail.com

**General Secretary**  
**Prahlad Rai**  
Mob:9868278222  
E-mail:gsaibsnlea@gmail.com

**Financial Secretary**  
**T.C. Jain**  
Mob:9868188748  
E-mail:tcjain\_1957@yahoo.co.in

No. AIBSNLEA/CHQ/Chairman (TC)/2014

DATED: 29.10.2014

To

**Shri Rakesh Garg,**  
Chairman Telecom Commission and Secretary (Telecom)  
Sanchar Bhawan  
New Delhi 110001

**Subject: Revision of pension for pre-2007 and post-2007 BSNL pensioners and Family pensioners after Merger of 50% IDA amounting to 78.2% IDA w.e.f. 1-1-2007-reg.**

**Reference: DoT Order No. 61-01/2012 – SU dated 10<sup>th</sup> June 2013 and DoE Memo No. 582/EV/2014 dated 15-10-2014**

**Respected Sir,**

DoT vide the order under reference has allowed 50% IDA merger amounting to 78.2% IDA merger with effect from 1-1-2007 for existing BSNL Employees as on 10-06-2013. But the actual payment was to be made w.e.f. 10-06-2013 onwards and no arrears were to be paid for the period from 1-1-2007 to 09-06-2013.

This order has since been implemented for the serving employees of BSNL as on 10<sup>th</sup> June 2013 but this order has not been implemented for the BSNL Employees retiring prior to 10-06-2013 i.e, EX-DOT Employees retired between 1/10/2000 and 09/06/2013 after absorption in BSNL.

Dept. of Telecom has been processing the case for grant 50% IDA merger amounting to 78.2% IDA merger with effect from 1-1-2007 for BSNL Employees retiring prior to 10-06-2013, over a period of last one year. Now vide the memo under reference, Dept. of Expenditure has asked DOT to seek fresh cabinet approval for extending the said benefit to BSNL employees retiring between 1/10/2000 and 09/06/2013, although 50% IDA merger already stands approved by the Union Cabinet. The DoE's memo further restricted payment of certain pensionary benefits to the pensioners retired between 1-1-2007 to 09-06-2013.

In this connection in the following paragraphs we would like to appraise you about all the developments since last one year in brief and our suggestions for processing the matter again for cabinet approval in such a way that the pensioners do not get deprived.

When the above order dated 10<sup>th</sup> June 2013 was made effective to the serving employees but not implemented for the pensioners who retired between 1-10-2000 to 09-06-2013, the pensioners individually and through their respective Associations/ Unions represented to DoT against this discrimination. After that DoT has prepared the following proposal and sent it to DoP&PW for approval.

- i. For pensioners who retired before 2007 (Pre 2007), the pension will be re-fixed by merging 78.2 % IDA as on 1-1-2007 but actual benefit will be given from 10-06-2013 as the presidential order under reference has disallowed any arrear payment till date of issue of the order. **(This means that increased pension amount will be withheld for pre 2007 pensioners from 1-1-2007 to 09-06-2013)**

- ii. For the pensioners who retired between 1-1-2007 to 09-06-2013 (post 2007), their pay will be notionally re-fixed on their date of retirement by implementing the merger of 78.2% IDA from 1-1-2007, accordingly their pension also will be re-fixed on **notional** last pay drawn but will be paid only from 10-06-2013. As the normal pension rule does not allow fixation of pension on notional pay, approval was sought for as a special case. **(Here also the increased pension from date of retirement to 09-06-2013 was withheld due to restriction in the above mentioned presidential order)**
- iii. Approval was also sought for extending other pensionary benefits like gratuity and leave encashment etc to be calculated and paid based on notional pay last drawn by these post 2007 pensioners.

Earlier it was told to us that DoP&PW has approved the proposal and only suggested to take approval of DoE before implementation. But now after seeing the memo issued by DoE to DoT, we realize that DoP&PW has not agreed for payment of Gratuity etc to the post 2007 pensioners based on notional pay last drawn, which DoE has also objected. The Department of Expenditure in the memo replied DoT the following:

- The proposal for extension of benefits of merger of 50% DR amounting to 78.2% for the purpose of revision of pensionary benefits in respect of (i) Pre 2007 pensioners & (ii) pensioners retired between the period 1-1-2007 to 9-6-2013, with effect from 10-06-2013 is supported. However DoT is advised to seek the approval of the cabinet for the same.
- In so far as the proposal of gratuity and leave encashment for BSNL employees retired between 1-1-2007 to 9-6-2013 based on notional and payment of arrears thereof is concerned, DoP&PW have observed that since IDA pensioners do not get any actual benefit of increase in pay/pension during the period 1-1-2007 to 09-06-2013, they would not get increase in the amount of DCRG and commutation of pension on this account. Accordingly this proposal is not agreed to.

Now, if Department of Telecom processes a fresh cabinet memo as suggested by DoE, then the pensioners retired before 10-06-2013 will lose a considerable amount in terms of pension and pensionary benefits, as mentioned below:

- A. **Pre 2007 Pensioners:** They will lose increased pension arrears from 1-1-2007 to 09-06-2013.
- B. **Post 2007 Pensioners:** They will lose (i) Increased pension arrears from date of retirement to 09-06-2013, (ii) Arrears of Pensionary benefits like gratuity, leave encashment, commutation etc. This is over and above the increased pay arrears from 1-1-2007 to their respective date of retirement which will also be held up like other serving employees of BSNL.

This loss is almost permanent, because payment of this withheld amount is directly linked with BSNL paying the pay arrears between 1-1-2007 to 10-06-2013 to its employees. All of us know that this is related to profitability of BSNL which is very-very uncertain at this stage. As a result most of the pensioners may not get this withheld amount during their life span.

#### **OUR PROPOSAL ON PREPARATION OF FRESH CABINET MEMO:**

In the original proposal which is mentioned above, it was proposed that the actual payment would be paid to the pensioners only from 10-06-2013, as because Presidential Order dated 10-06-2013 has restricted any arrear payment. At that time itself we protested and wrote to you that as per the judgment of the apex court Pension and pensionary benefits can not be withheld by executive order as pension and pensionary benefits are considered as **property (Judgment dated 14-08-2013 by supreme court (CA No 6770 of 2013))**. Moreover it is highly unjustified to withhold a part of pension for no offence of the pensioners.

We therefore propose that while processing the fresh cabinet memo, the earlier proposal of DoT may suitably be modified as shown below for payment of whole increased pension amount to the BSNL

pensioners of pre2007 and post2007 because **now a fresh approval of the President of India will be there which will naturally supersede the earlier embargo :**

- **For pre-2007 pensioners**, the revised pension after implementing 78.2% IDA merger should be paid from 1-1-2007 itself instead of 10-06-2013.
- **For post-2007 pensioners**, As both DoP&PW and DoE has objected the payment of gratuity etc on notional pay, suitable action may be taken so that these pensioners get their last pay drawn **actually revised** , which will automatically revise their pension and pensionary benefits as per the normal provision of CCS pension rules 1972. We suggest that **let the revised pay be drawn and paid to these pensioners only for the month of retirement and the pensioners in turn will recharge their BSNL mobile with the exact increased amount paid. In reality there will be only paper transaction but the provision of pension rules will get satisfied.** Their pay arrears from 1-1-2007 to the date of retirement (less one months arrears) may be kept held up as was done for the serving employees and may not be paid if till it is done for serving employees. Since in reality no money is paid and the provision is done for the sake of paying pension, no one will object to it.

**If BSNL/DoT do not agree to this kind of payment and adjustment, then the increased pension be paid from date of retirement itself in place of 10-06-2013.**

We are also proposing the same to the CMD BSNL for his approval and hope that the proposal as mentioned above will be considered favorably by DoT for the sake of the pensioners' benefit.

With Kind Regards,

Yours sincerely  
-sd-  
**(Prahlaad Rai)**  
**General Secretary**

**Copy to:**

1. The Member (S), DoT, Ashoka Road, New Delhi – 110001
2. The Member (F), DoT, Ashoka Road, New Delhi – 110001
3. The Addl. Secretary (T), DoT, Ashoka Road, New Delhi – 110001
4. The Jt. Secretary (T), DoT, Ashoka Road, New Delhi – 110001
5. The DDG (Estt), DoT, Ashoka Road, New Delhi – 110001
6. The Director (Estt), DoT, Ashoka Road, New Delhi – 110001