## ALL INDIA BHARAT SANCHAR NIGAM LIMITED EXECUTIVES' ASSOCIATION



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DATED: 08.02.2017

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No. AIBSNLEA/CHQ/CMD/2017

To

Shri Anupam Shrivastava, CMD BSNL, New Delhi - 110001

Subject

Request for extending full quantum of Superannuation benefits to BSNL Direct Recruit Employees w.e.f 01.01.2007 -Reg

## Respected Sir,

We extend our sincere thanks and gratitude to you and your team for getting approved the formation of Superannuation Trust from BSNL Board in its meeting held on 30.01.2017.

But at the same time quantum and date of implementation are also two another important factors associated with this vital issue. The delay in non-Implementation of the directives of full 30% superannuation benefits to directly recruited employees of BSNL is badly affecting the morale and efficiency of our young force.

We once again reiterate that as per DPE OM 26-11-08, CPSEs would allow 30% of Basic Pay as Superannuation benefits, which may include CPF, Gratuity, pension and Post-Retirement Medical Benefits. Further, the DPE OM 2-4-09 corrected the OM dated 26-11-08 by adding DA also with Basic for the ceiling of 30%.

DPE OM dated 24-1-2013, further clarifies that DPE OMs do not provide for mandatory contribution on the part of employees and suggested that employees' contribution to their postretirement benefit would enhance their social security and therefore CPSEs can frame scheme as per their requirement.

As per above, it is concluded that "PSU have to contribute 30% of Basic + DA for Superannuation Benefits". But at present BSNL is making contribution towards EPF (12%), Gratuity (4.5%) and Post-Retirement Medical Benefits (1.5%), which is total 18% which after the approval of DoT for another 3% contribution, will be 21 % only.

Hence, BSNL has to contribute remaining 9% as Superannuation Benefits in respect of Direct Recruits.

Other CPSUs have accorded complete 30% Superannuation Benefits to its employees for example:

- 1. **BHEL**: The allocation Ratios for the said 30 % of Basic plus DA are CPF :12 % Gratuity : 4.81 %, PRMB : 4.50% and **contribution for pension 8.69** %
- 2. NLC Proposals: PF 12 % Gratuity 4.16 % PRMB 3.84 % and for Pension 10%
- 3. COAL India: PF 12 % PRMB 4% Gratuity 4.16% and for Pension 9.84 %
- 4. **Power Grid**: PGCIL has extended 30% superannuation benefit scheme.

Therefore, we would like to submit following points for your kind consideration-

- 1. After DoT approval of additional 3% contribution, BSNL should immediately contribute remaining 9% as Superannuation Benefits in respect of Direct Recruits, to fulfill the limit of full 30% contribution.
- 2. The effective date of implementation of Superannuation benefits of BSNL Recruited Employees must be 01.01.2007 i.e. the date of effect of 2<sup>nd</sup> PRC recommendations otherwise it will be a gross injustice with Direct Recruits.
- 3. We suggest that the employee contribution in this respect should not be taken mandatory.

Sir, we have full hope and faith that an early action definitely will be taken by giving full 30% superannuation benefits to BSNL recruited employees with the date of effect from 01.01.2007.

With kind regards,

Yours sincerely,

Sd/-(Prahlad Rai) General Secretary

## **Copy for kind information to:**

1. The PGM (Estt), BSNL Corporate Office New Delhi-110001