



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/CMD/2014

DATED: 29.10.2014

To,

Shri A.N. Rai,
CMD,
BSNL
New Delhi - 110001

Subject: Implementation of 78.2% IDA merger for BSNL pensioners - reg

Respected Sir,

You are aware that after issuance of DoT Memo No. 61-01/2012 – SU dated 10th June 2013, 78.2% IDA merger has been made effective only to the serving employees of BSNL as on 10-06-2013. As the order debars any arrear payment prior to 10-06-2013, the pensioners retired till 09-06-2013 did not get the benefit of this order.

Afterwards DoT has moved an alternate proposal to DoP&PW and to DoE for extending the benefit to the pensioners as below:

- 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.
- 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 there 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.
- 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.

After long wait of one and half years DoE vide its memo no 582/EV/2014 Dated 15-10-2014 communicated 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 Department of Telecom is in process to prepare a fresh cabinet memo as suggested by DoE, as a result the pensioners retired before 10-06-2013 will loose a considerable amount in terms of pension and pensionary benefits, as mentioned below:

- A. **Pre 2007 Pensioners:** They will loose increased pension arrears from 1-1-2007 to 09-06-2013.
- B. **Post 2007 Pensioners:-** They will loose (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 be also 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 and its subsequent decision to pay the arrears, which is very uncertain at this stage. As a result most of the pensioners may not get this withheld amount during their life span at all.

To overcome this situation we have already requested DoT to pay the pension arrears from 1-1-2007 itself to pre 2007 pensioners as a fresh cabinet memo is being processed and the embargo of earlier presidential order dated 10-06-2013 will no more be effective.

For post 2007 pensioners, after clarification of DoE, as mentioned above, it is now clear that they will not get the pensionary benefits unless their last pay drawn is actually revised and paid by BSNL. In this respect, 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. BSNL need not bear any financial burden as the amount they will pay will be paid back in terms of sales. Their pay arrears from 1-1-2007 to the date of retirement (less one month's arrears) may be kept held up as was done for the serving employees and may not be paid till it is paid for the serving employees of BSNL. As in reality no money is paid and the provision is done for the sake of paying pension, there won't be any complications and no one will object to it.

We request to consider the proposal favorably for the sake of the pensioners.

With Regards

Yours sincerely
-sd-
(Prahlad Rai)
General Secretary

Encl: DoE memo no 582/EV/2014 Dated15-10-2014

Copy to:

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

Copy also to:

1. Director (CM) & (Finance), BSNL Board, New Delhi – 110001
2. Director (CFA), BSNL Board, New Delhi – 110001
3. ED (Finance), BSNL CO, New Delhi – 110001
4. GM (Estt)/GM (Pers)/GM (SR) BSNL CO, New Delhi – 110001