## ALL INDIA BHARAT SANCHAR NIGAM LIMITED EXECUTIVES' ASSOCIATION



Central Headquarters New Delhi-110001

General Secretary **Prahlad Rai** 

M.: 9868278222 E-mail: gsaibsnlea@gmail.com Financial Secretary

T. C. Jain

M.: 9868188748 E-mail: fsaibsnleachg@gmail.com

DATED: 03.07.2017

No. AIBSNLEA/CHQ/MOF/2017

President

S. Sivakumar

M.: 9486102121

E-mail: presidentaibsnlea@gmail.com

To.

Shri Arjun Ram Meghwal, Minister of State for Finance, Govt. of India New Delhi - 110001

Subject:

Methodology of calculation of pension contribution in respect of employees of DoT absorbed in BSNL – our submissions regarding.

Hon'ble Sir,

On the subject cited above, we would like to bring to your kind notice that-

- 1. As per sub-rule 23 of Rule 37-A of the CCS (Pension) Rules,1972 the DoT / Government has specified the rate of pension contribution in respect of both categories of employees viz, those absorbed in BSNL and those who are on deemed deputation in BSNL vide letter number 1-45/2003-B dated 15.03.2005.
- 2. The pay taken into account for pension contribution in 2000 (based on maximum of the pay as DOPT OM dated 15.05.2000) underwent change in the pay in 2009 (based on the existing basic pay i.e. the pay in the pay band plus grade pay as per DOPT OM No. 2/34/2008-Estt (Pay II) dated 19.11.2009) in case of CDA scale employees. For example the pension contribution in respect of a Govt officer on deemed deputation to BSNL has been deducted on the actual basic pay i.e. Rs. Rs 76,600/-and not on the maximum of the pay scale i.e. Rs.79,000/- (Pay scale 67,000/-79,000/-) under 6<sup>th</sup> CPC and even under 7<sup>th</sup> CPC pay scales, pension contribution of the said Govt. officer was deducted on actual basic pay i.e. Rs. 2,05,100/- and not on the maximum of the pay scale i.e. Rs. 2,22,100/- (Pay scale 1,82,200/- 2,24,100/-).

However, in respect of IDA pattern employees absorbed in BSNL, the pension contribution even after issuance of DOPT OM dated 19.11.2009 continued to be deducted on maximum of the pay scale.

3. The said DOPT OM dated 19.11.2009 was duly endorsed to BSNL vide DoT letter number 7-45/2008/TA-1 dated 07.12.2009 and there are incumbents working on the same post both in CDA and IDA pay scale in BSNL e.g. a Govt officer working on deputation in BSNL are working on the post of CGM / GM and officers absorbed in BSNL are also working on the post of CGM / GM.

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4. There is an apprehension in some quarters that after applicability of 2009 OM of DOPT, the basic pay will get changed to lower pay. In the regard, it is submitted that the basic pay will not get changed to lower pay even after applicability of DOPT OM dated 19.11.2009 since this OM has not changed the pay of the employees but only changed the criteria of calculation of pension contribution payable in respect of a Government servant during the active period of his foreign service which shall be based on the existing basic pay (Pay in the pay band plus grade pay) after 01.01.2006 instead of earlier criteria according to which it was based on the maximum of the pay prior to 01.01.2006.

Further, if a different criteria for DoT employees absorbed in BSNL is adopted, it will be against the spirit of Pension Rule 37 (A) as maintaining parity on pension and all issues related to pension is the very essence and foundation on which Rule 37 (A) was introduced in CCS Pension Rules specially for BSNL.

## Hon'ble Sir,

When, the pension is to be fixed on actual basic pay like Govt Employees, the contribution also should be based on actual basic pay considering that the span of pay scale were elongated in 2<sup>nd</sup> and 3<sup>rd</sup> PRC also like 6<sup>th</sup> and 7<sup>th</sup> CPC. The general principle for monthly pension contribution is that it is designed to secure an employee the pension he would have earned, had he remained in service under the Government without being transferred on deputation (or absorption in case of BSNL absorbed employees). This may be appreciated that the pension contribution should be the same for the same Govt pension if any DoT employees goes on Foreign Service to other organization or gets absorbed in BSNL.

In view of the above, we request your kind honour to kindly intervene in the matter and direct Department of Expenditure to review the methodology of calculation of pension contribution in respect of absorbed employees of BSNL as applicable to Govt. employees on deputation.

With kind regards,

Encl: As above

Yours Sincerely

(PRAHLAD RAI)
General Secretary

## Copy for kind information and intervention in the matter to:

- 1. The Secretary, DoE, Govt. of India, New Delhi
- 2. The Secretary, DoT, Govt. of India, New Delhi
- 3. The Secretary, DoPT, Govt. of India, New Delhi
- 4. The Secretary, DoP&PW, Govt. of India, New Delhi
- 5. The CMD, BSNL, New Delhi-110001
- 6. The Director (HR/Finance), BSNL Board, New Delhi-110001