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**No. AIBSNLEA/CHQ/PM/T/2017**

**DATED: 22.06.2017**

To

**Shri Narendra Modi ji**  
Hon'ble Prime Minister  
Government of India  
South Block  
New Delhi

**Subject:** Non-implementation of the recommendations of the 7<sup>th</sup>.CPC to the erstwhile DOT Employees who were absorbed in MTNL/BSNL and since retired and are drawing Pension under CCS(Pension) Rules,1972 as amended from time to time.

Hon'ble Sir,

**BACKGROUND OF THE CASE**

In pursuance of Government's decision on the recommendation of the 7<sup>th</sup> CPC, DOP&PW vide its OM No.38/37/2016-P&PW (A)(ii) dated 04/08/2016 issued instructions for revision of pension of pre-2016 pensioners/family pensioners w.e.f 01/01/2016. As per para 2.1 of the said OM, " These orders shall apply to all pensioners/family pensioners who were drawing pension/family pension before 01/01/2016 under the the Central Civil Service (Pension) Rules,1972." Further as per para 7(a) of the said OM, "Where the Government servants on permanent absorption in public sector undertakings/ autonomous bodies continue to draw pension separately from the Government, the pension of such absorbees will updated in terms of these orders." These orders have further indicated that even the restored one-third commuted portion of pension of those fortunate absorbees who could enjoy the benefits as one time lump sum terminal benefits equal to 100% of their pension at the time of absorption shall also be regulated albeit a separate orders will be issued.

2. The plain reading of the said OM leads to an understanding that the erstwhile CG employees of DOT who were permanently absorbed in BSNL/MTNL and who were drawing pension/family pension before 01/01/2016 under the Central Civil Services (Pension) Rules, 1972 as amended from time to time shall also be covered under the provisions of this OM for the revision of their pension and family pension, particularly because their all other pensionary benefits used to be regulated in the same way and under the same rules as that of the CD pensioners.

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3. While revision of pension/family pension of BSNL/MTNL is denied under the recommendations of 7<sup>th</sup> CPC as accepted by the Government and as clarified subsequently by DOT, the 3<sup>rd</sup> PRC has already denied to consider the issue of revision of pension/ family pension of BSNL/MTNL despite representations from the various pensioners' organizations to the said Committee. It is also apparent that the representations of various pensioners' organizations, unions and associations of the employees to the Cabinet Secretary during the session of the Empowered Committee and thereafter on this issue have not been taken into cognizance and thereby there is a stark silence about this issue from all corridors.

4. The obvious question is, therefore, how and when will there be revision of pension of the pensioners of BSNL/MTNL?

### **PERTINENT FACTS RELATED TO THE PENSION OF BSNL/MTNL**

(1). BSNL/MTNL pensioners who were Government servants for the most part of their service are covered under CCS (Pension) Rules, 1972. The liabilities of paying pension/ family pension and all other related dues fully lies with the Government under statutory provisions, and the same is debited to Civil Service Estimates.

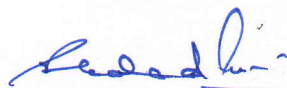
(2) 3<sup>rd</sup> PRC has opined that the pension matters of BSNL/MTNL are not subjected to their consideration as "Retirees of BSNL/MTNL are different from other CPSE retirees." There is a contributory pension scheme unlike BSNL/MTNL, Their payment of gratuity is covered under Gratuity Act, 1972. Therefore, the prospect of revision of pension of BSNL/MTNL retirees should not be impacted by 3<sup>rd</sup> PRC recommendations that affect pension revision directly/indirectly. Rather the issue of the pension revision of the retirees of BSNL/MTNL shall be guided by the formulations recommended by the 7<sup>th</sup> CPC as accepted by the Government of India.

(3) Except revision of pension all other pensionary benefits of BSNL/MTNL pensioners and family pensioners including eligibility of pension at various stages, mode of pension calculation, enhancement of gratuity and lower / upper limit of pension/family pension etc. etc are as per recommendations of the Central Pay Commission. Nothing is hindered by the phenomenon like our retiring on IDA Pay. Only exception is our pension revision. Why?

### **CRUX OF THE PROBLEM IN DECIDING THE ISSUE OF REVISION OF PENSION OF BSNL/MTNL RETIREES**

The crux of the problem is:

(1). As often said, the issue of pension revision is linked with pay revision. But guidelines for pay revision of CG employees and the employees of BSNL/MTNL are not same. The recommendations of CPC as accepted by the Government of India are mandatory to ensure uniform applicability of the pay revision of all CG employees across the board. But the issue of pay/wage revision of BSNL/MTNL employees are subjected to the recommendations of 3<sup>rd</sup> PRC as accepted by the Government of India. The formulations/guidelines thus prescribed do not ensure mandatory and uniform revision of pay/wages of all employees of all PSUs. It varies from PSU to PSU depending on some other factors including "affordability", profit and loss account etc etc.



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(2) Thus the pension revision is secured, certain and clearly defined for the CDA pensioners as their pay revision is secured, mandatory and uniformly defined across the departments. Whereas the revision of pension in BSNL/MTNL is uncertain and unsecured as the pay/wage revision is not mandatory, certain and uniform. This discrepancy arises even though the basic governing rules for the CG pensioners and the pensioners of BSNL/MTNL are the same. In fact, this is the reason why the 3<sup>rd</sup> PRC did not want to consider the issue of pension matters of BSNL/MTNL.

(3) The pension is related to the social security aspects for the CDA pensioners. So it is for the pensioners of BSNL/MTNL as they were basically CG employees absorbed in BSNL/MTNL due to Government's decision of restructuring the Department of Telecom. More over the lump sum benefit of 100% commutation of pension was denied to them at the time of absorption. In fact, that is why the entire pension liabilities are borne by Government of India after due considerations.

(4) For the services rendered after absorption, BSNL and MTNL are paying pension contributions to the Government in the maximum pay scale.

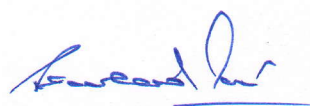
(5) Pension revision is presently linked to pay revision. Pay revision in MTNL and BSNL is being linked to "affordability". But as regards the liabilities of pension/family pension and pensionary benefits in BSNL/MTNL, Government needs to afford, not BSNL/MTNL. Therefore, the pension revision in BSNL/MTNL should not linked to pay/wage revision in BSNL/MTNL.

(6) As already said, pay/wage revision in PSU is dependent on profit and loss scenario of concerned PSU. No exception has been made for BSNL/MTNL in this respect. Without entering into the debate about justification of applying such criteria for the converted PSUs like BSNL/MTNL which has to unalterably bear the burden of long legacy of Government set up – good or bad, one can easily understand that the pensioners of BSNL/MTNL cannot be held captive under this provision so far as their pension revision is concerned. The pensioners have no means to contribute to the productivity of BSNL/MTNL nor can deserve any credit or discredit for the same. Why their pension revision shall be made subjected to such factor directly or indirectly?

### **WAYOUT & OUR SEGGESTIONS**

(1) The only way to come out of this fallacious situation is **TO DELINK THE PENSION REVISION OF THE PENSIONERS OF BSNL/MTNL FROM PAY/WAGE REVISION.** We suggest so out of our considered opinion.

(2) The formula of pension revision recommended by the 7<sup>th</sup> CPC as accepted by the Government of India and implanted for the CD pensioners shall be applied for the revision of pension of BSNL/MTNL also by way applying the same multiplying factor of 2.57 as recommended by the 7<sup>th</sup> CPC from 01/01/2017 for all pensioners who retired before this date. The revision of pension will be carried out independent of fact (a) They retire on ID pay and (b) Whether pay/wage revision has been done or not and if done, to what extent it is done.



**A P P E A L**

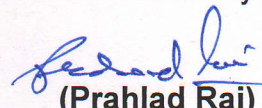
**Hon'ble Sir,**

We represent the working employees, pensioner/family pensioners of BSNL/MTNL. We are now in deep den of insecurity and uncertainty about the prospect of pension revision in BSNL/MTNL. The CDA pensioners whose pension is regulated under the same rule as ours, have already received revised pension w.e.f 01/01/2016. The pensioners of BSNL/MTNL also aspire to get revised pension w.e.f. 01/01/2017. But for your kind and decisive intervention, this may not be possible. The pension revision is already delayed. Therefore, it is our ardent appeal to your good self to direct the concerned Ministry/ Department to examine our appeal and do the needful to ensure justice to this section of senior citizens by way of laying standing provisions for pension revision in BSNL/MTNL for the erstwhile CG employees.

For this, we shall remain ever grateful to your good self.

With kind regards,

Yours faithfully



(Prahlad Rai)

**General Secretary**

**Copy to:**

1. Shri Manoj Sinha Ji, Hon'ble MoS (C) (I/C), Govt. of India, New Delhi – 110001
2. Smt. Aruna Sundararajan, Chairperson TC and Secretary (T), DoT, Govt. of India, New Delhi-110001
3. Shri Anupam Shrivastava, CMD, BSNL, New Delhi-110001