



ALL INDIA BHARAT SANCHAR NIGAM LIMITED EXECUTIVES' ASSOCIATION

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No. AIBSNLEA/CHQ/Secy(T)/2013

Dated:11.07.2013

To,
Shri M.F. Farooqui,
Chairman TC & Secy(Telecom)
Deptt. Of Telecom
Govt. of India
New Delhi-110001

Sub: Order issued on 78.2 % IDA fixation from 1-1-2007 for BSNL employees – implementation of the order for the retired persons retired before 09-06-2013 is requested.

Ref: 1) DoT Memo No 61-01/2012-SU dated 10-06-2013.
2) Minutes of the 22nd SCOVA meeting held on 19-02-2013 circulated vide F.No 42/1/2013-P& PW (G) dated 04/03/2013.
3) DOT Memo No. 40-17/2008-Pen(T)-Vol III Dated 15.3.2013.

Respected Sir,

DOT vide its memo no. 61-01/2012-SU dated 10-06-2013, has allowed 78.2% IDA fixation from 01-01-2007. The date of effect of this order is 10-06-2013, but no arrears will be paid for such fixation. Which means that pay of the employees will be re-fixed considering 78.2% IDA merger from 1-1-2007 instead of 68.8% IDA merger as was done, and then their pay will be drawn actually as per the new fixation from 10-06-2013. From 1-1-07 to 9-6-2013 calculation for re-fixation for every month will be done but difference of payment will not be paid. This order solves the problems of serving employees and also of the retirees who will retire after 10-06-2013.

But this order dated 10-06-2013, will not help the employees retired before 10-06-2013. This group of retirees are mainly divided into two groups. One who retired before 1-1-2007 i.e. upto 31-12-2006 and other who retired after 1-1-2007 but before 10-06-2013. As per the minutes of the 22nd SCOVA meeting, DOT is committed to extend the benefit of 78.2% merger to pensioners also if it is given to serving employees. Further during informal discussions with this Association also, you have informed that the benefit of 78% IDA merger will be extended to pensioners also and DOT is in the process of issuing necessary orders. In this respect we would like to suggest the following for your kind consideration.

For extending the benefit to pre 2007 pensioners, the position is not much complicated. One pension revision order was already issued vide 40-17/2008-Pen(T)-Vol III dated 15-03-2011 where pension of the pre 2007 retirees were revised by merging 68.8% IDA and necessary fitment formulae. Now this order is to be amended replacing 68.8% IDA merger by 78.2% IDA merger and necessary re-fixation of the pension from 1-1-2007 and payment of revised pension with pension arrears.

But for post 2007 pensioners the situation is different. Before suggesting the solution we like to point out the existing pension fixation rule.

PENSION

- 5.1 A Government servant retiring in accordance with the provisions of the CCS(Pension) Rules, 1972 before completing qualifying service of ten years shall not be entitled to pension but he shall continue to be entitled to service gratuity in terms of Rule 49(1) of the CCS(Pension) Rules, 1972.
- 5.2 Linkage Of full pension with 33 years of qualifying service shall be dispensed with. Once a Government servant has rendered the minimum qualifying service of twenty years, pension shall be paid at 50% of the emolument or average emoluments received during the last 10 months, whichever is more beneficial to him.

EMOLUMENTS

- 4.1 The term 'Emoluments' for purposes of calculating various pensionary benefits other than various kinds of Gratuity shall have the same meaning as in Rule 33 of the Central Civil Services (Pension) Rules, 1972.

And the definition of emoluments is as below as per CCS(Pension) rules 1972,

33. Emoluments

¹[The expression 'emoluments' means basic pay as defined in Rule 9 (21) (a) (i) of the Fundamental Rules which a Government servant was receiving immediately before his retirement or on the date of his death ; and will also include non-practising allowance granted to medical officer in lieu of private practice.]

Footnote: 1. Substituted by G.I., Dept. of P. & P.W., Notification No. 2/18/87-P. & P.W., (PIC), dated the 20th July, 1988. Published as S.O. No. 2388 in the Gazette of India, dated the 6th August, 1988. Takes effect from 1st January, 1986.

²[EXPLANATION. - Stagnation increment shall be treated as emoluments for calculation of retirement benefits.]

Footnote : 2. Inserted by G.I., Dept. of P. & P.W., Notification No. 38/52/90-P. & P.W/A, dated the 5th March, 1991, published as S.O. No. 1294 in the Gazette of India, dated the 11th May, 1991. Takes effect from 1st January, 1986, vide O.M. No. 38/52/90-P. & P.W./A, dated the 31st October, 1990.

NOTE 1. - If a Government servant immediately before his retirement or death while in service had been absent from duty on leave for which leave salary is payable or having been suspended had been reinstated without forfeiture of service, the emoluments which he would have drawn had he not been absent from duty or suspended shall be the emoluments for the purposes of this rule :

Provided that any increase in pay (other than the increment referred to in Note 4) which is not actually drawn shall not form part of his emoluments.

Hence it is clear that vide order no 61-01/2012-SU dated 10-06-2013, the increased pay due to 78.2% IDA fixation, for the employees including those who retired before 10-06-2013 will not be actually drawn till 10-06-2013 as 'no arrears to be paid'. Naturally the last emoluments of the post 2007 pensioners will not change (as pay which is not actually drawn cannot be part of emoluments) resulting in no change of their pension. The solution of this problem can be as below:

- 1) DOT can issue an order allowing payment of the revised pay due to 78.2% fixation only for the month of retirement or one day salary arrears for those who retired between 1-1-2007 and 9-6-2013. In that case their last emoluments drawn will change and accordingly revised LPC could be issued and then pension can also be revised as per the revised LPC. Arrears on other retirement benefits will automatically be there as per existing rules.
- 2) DOT can process for changing the provisions of note-1 below rule 33 of CCS (Pension) rules, 1972 allowing the pay which is revised but not paid also to be part of emoluments. But this process needs approval of many external government departments.
- 3) Any other order from DOT, which allows modification of pension and other pensionary benefits straightway as per 78.2% IDA merger to the pensioners retired between 1-1-2007 to 9-6-2013.

We feel that solution number one is quick logical solution for extending the benefit to post 2007 pensioners and request you to issue necessary order along with the order revising the pension of pre 2007 pensioners as mentioned above.

With Kind regards,

Yours Sincerely
-sd-
(PRAHLAD RAI)
General Secretary

Copy to:

- Sh. S.C. Mishra, Member(Services), DoT, New Delhi-110001
- Smt. Sadhna Dixit, Member(Finance), DoT, New Delhi-110001
- Smt. Rita Teatota, Addl. Secy(T), DoT, New Delhi-110001