



**ALL INDIA  
BHARAT SANCHAR NIGAM LIMITED  
EXECUTIVES' ASSOCIATION**

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No. AIBSNLEA/CHQ/Pay Revision Committee/ 2007

Dated 15<sup>th</sup> June, 2007

To,

**Shri Shakeel Ahmed,  
DDG(SR),  
BSNL CO, New Delhi.**

**Subject: *Additional feedback for Wage Revision Committee/ Pay Commission for revision of Pension of BSNL employees.***

Reference: (1) Letter no. BSNL/3-2/SR/2006/14 date 13.3.2007  
(2) Our Letter no. AIBSNLEA/CHQ/Pay Revision Commission/2007 dated 09.04.2007

Sir,

Kindly recall our discussion with you on 11.06.2007 regarding submission of suggestion/views on revision of pension for BSNL executives who retired prior to 31.12.2006. We have proposed a revised draft proposal which is attached herewith for your kind perusal and necessary action in the matter.

With regards,

Yours sincerely,

  
(Prahlad Rai)  
General Secretary

**Revision of Pension for BSNL employees retiring between October 2000 to December 2006 in accordance with revision of IDA scales**

**1. Introduction:-**

Pay Commissions/ Wage revision Committees are periodically constituted to examine various issues such as pay and allowances, retirement benefits, conditions of service, promotion policies, etc. of the Central Government employees/ CPSU Executives/ Employees.

Amongst all the CPSUs, BSNL is the only PSU in which the EX- DOT Employees i.e. Central Govt. Employees opting for BSNL were not given the option/ benefit of Contributory Provident Fund or benefit or that of PRO-RATA PENSION at the time of conversion of Department of Telecom. in to a CPSU.

Instead, while converting the Department of Telecommunications into a CPSU i.e. BSNL with effect from 1<sup>st</sup> October 2000, a provision for Govt. Pension has been made for BSNL employees based on the IDA pay scale and dearness allowance drawn by the Employee at the time of retirement. Their DA component of the pension i.e IDA is being raised periodically in accordance with revision of Industrial D.A.

**2. BSNL – Only PSU covered under Rule 37-A of CCS (Pension) Rules, 1972 for grant of Government Pension:-**

**The pension to the Executives in BSNL i.e. Group A and Group B officers upon their absorption in BSNL, are being paid as per the relevant provisions of Rule 37-A of CCS (Pension) Rules, 1972. Further in respect of BSNL, clause 21 of Rule 37 A of CCS (Pension) Rules, 1972 provides as under:-**

**“Nothing contained in sub-rules (12) to (20) shall apply in the case of conversion of the Departments of Telecom Services and Telecom Operations into Bharat Sanchar Nigam Limited, in which case the pensionary benefits including family pension shall be paid by the Government.”**

### **3. Revision of Pension by Fifth Pay Commission:-**

<b>S.No.</b>	<b>Recommendation (Ref. To paragraph of the Report given in brackets)</b>	<b>Decision of Government</b>	<b>OM issued with no. and date</b>
	<b>1</b>	<b>2</b>	<b>3</b>
(i)	There should not be any ceiling on the amount of pension admissible and the present ceiling on a pension of Rs. 4500/- p.m. should be removed. (133.74)	Accepted to the extent that the ceiling on the amount of pension will be 50% of the highest pay in the Government	45/86/97- P&PW(A)-Part I date 27.10.97 45/10/98- P&PW(A) date 17.12.98.
(ii)	The pension of all the pre-1986 retirees may be updated by notional fixation of their pay as on 1.1.1986 by adopting the same formula as for the serving employees. Thereafter, all the past pensioners who have been brought on the Fourth CPC pay scales by notional fixation of their pay and those who have retired on or after 1.1.1986 can be treated alike regarding consolidation of their pension as on 1.1.1996 by allowing the same fitment weightage as may be allowed to the serving employees. However, the consolidated revised pay of the post held by the pensioner at the time of retirement. (137.14)	Accepted to the extent that pension of all pre 1.1.96 retirees including pre-86 retirees shall be consolidated as on 1.1.1996 as recommended, but the consolidated pension shall be brought on to the level of 50% of the minimum of the revised pay of the post held by the pensioner at the time of retirement.	45/86/97- P&PW(A) dated 10.02.98 45/10/98- P&PW(A) dated 17.12.98
(iii)	Pending revision of the pension of pre-1.1.1986 retirees, the pensioners should be provided immediate relief by authorising pension disbursing authorities to consolidate the pension by adding basic pension, personal pension wherever admissible, dearness relief as on 1.1.1996 on basic pension only, interim relief (I & II) and 20% basic pension. The consolidated pension shall not be less than 50% of the minimum revised pay in the pay scale recommended by the Fifth Central Pay Commission of the post held by the pensioner at the time of retirement. (137.15)	Accepted with the modification that 40% of the basic pension shall be added while consolidating the pension as on 1-1-1996 but the pension consolidated as on 1-1-96 shall be raised to 50% of the minimum of the revised pay of the post held by the pensioner at the time of retirement.	45/86/97- P&PW(A) Part-II date 27.10.99 45/10/98- P&PW(A) date 17.12.98

**4. Need for Revision of Pension for retired BSNL Executives governed by Rule 37-A of CCS (Pension) Rules, 1972:-**

In view of Government Pension granted to BSNL employees based on IDA pay drawn at the time of retirement, it is essential that the issue of revision of Pension be also taken up by the Wage Revision Committee in accordance with Fifth Pay Commission/ Sixth Pay Commission Guidelines.

**5. Proposal for Revision of Pension for retired BSNL Executives governed by Rule 37-A of CCS (Pension) Rules, 1972:-**

Consequent to revision of IDA pay scales by the wage revision Committee for BSNL Executives (proposed to be effective from 01/01/2007) the Pension payable under Rule 37A of CCS Pension Rules to the retired BSNL Executives needs to be revised by allowing the same fitment weightage as may be allowed to the serving employees as recommended by the WAGE REVISION COMMITTEE along with the stipulation that revised Pension shall not be less than 50% of the minimum of the revised pay of the post held by the pensioner at the time of retirement..