

BSNL EMPLOYEES UNION

Recognised Union in BSNL

(Registered Under Indian Trade Union Act 1926. Regn.No.4896)

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BSNLEU/413 (Pension)

29.09.2009

To

Shri Sidhartha Behura,
Secretary, DoT,
Sanchar Bhawan
New Delhi – 110 001

Sub: Revision of pension for BSNL retirees (DoT employees absorbed in BSNL) – req.

Sir,

It is understood that the proposal for merger of 50% IDA for BSNL pensioners retired before 01.01.2007 is dropped by DoT on the ground that there is no authorization to DoT from the Government for doing so and instead, a cabinet memo is under preparation for revising their pension, on the basis of Department of Pension's order no. 4/14/2001-P&PW(D) dated 19.09.2003. In this connection, the following is submitted for your kind consideration:

1. The above order of the Pension Department was issued to settle the problem of revision of pension w.e.f. 01.01.1996 in case of the PSU retirees who had been absorbed in PSU as a result of conversion and had opted for pensionary benefits of combined service in the Central Government and the PSU as per Central Government Rules on their absorption. But it was not issued keeping the situation of BSNL employees also in view, since the question of revising their pension from 01.01.1996 would not arise as there was no BSNL until 01.10.2000. Therefore this order need not be mechanically applied for BSNL employees since BSNL employees are differently placed.
2. As per Rule-37A of CCS (Pension Rules), the BSNL retirees are being paid pension directly by the Government, through CCAs. No other PSU employee is having this provision. For facilitating this payment of pension by Government, the BSNL is paying pension contribution to the Government for the service of the BSNL absorbed employees. Thus the burden of bearing the pension expenditure finally rests with BSNL only, although there is guarantee from the Government for pension payment.
3. The Pension Department's order dated 19.09.2003 prescribes bringing all absorbed employees notionally to equivalent CDA scale and fix pension thereafter on that basis in the CDA scale. But this prescription will bring crisis in the matter of payment of pension for BSNL retirees, since their pension is already being paid on the basis of IDA pay scales, since the formation of BSNL. As per the orders issued by DoT earlier and as per Rule-37A of CCS (Pension) Rules, the absorbed employees are assured of pension on the basis of IDA scales. The Rule-37A was amended vide Pension Department's order dated 25.10.2007 allowing the same method for calculating pension for BSNL retiree on par with a Central Government Employee retired on the same date. Therefore, for any BSNL employee absorbed from DoT and retiring after 01.01.2007 (Date of wage revision

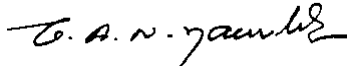
in IDA scales), pension is to be calculated on the basis of IDA pay scale, with calculation procedure being the same as prescribed for Central Government employee. For all absorbed BSNL employees retired after 01.10.2000 to till now, pension is paid on IDA scale and not on CDA scale.

4. If it is to be assured that, pension revision will be done on the basis of equivalent CDA scale, it will be gross discrimination of one set of retirees against another set of retirees and against the law established by the Supreme Court of India in D.S. Nakara case where it clearly told that all pensioners should be of the same class without any discrimination. As per the Government's orders, pension for absorbed BSNL employees has to be paid on IDA scale and not on CDA scale. Therefore sending proposal for revision of pension for BSNL retirees on the basis of CDA scale basing on 19.09.2003 order is irregular and illegal and totally unjustified.

Hence, I request you to kindly cause to issue necessary order, to ensure revision of pension for BSNL retirees on IDA pay scales.

We shall be thankful for considering our request.

Yours faithfully,



[V.A.N.Namboodiri]
General Secretary

Copy to: *The CMD, BSNL, Bharat Sanchar Bhawan, New Delhi – 110001.*