

ALL INDIA BHARAT SANCHAR NIGAM LIMITED RETIRED EXECUTIVES' ASSOCIATION

Central Headquarters

111, New Ashiana Apartments, Plot-10, Sector-6, Dwarka New Delhi-110 075

E-mail: gensecaibsnlrea@yahoo.com

President: P. D. Shukla Ph.: 0522-2414477 (M) 09450457648 General Secretary : S. Basu Ph.: 011-25073969 (M) 09868092995

Financial Secretary: Hari Ram
Ph.: 011-25075541
(M) 09868538189

Dated: 16th September 2013

No. AIBSNLREA/CHQ/2013/45

To Shri Sanjay Kothari, Secretary, Department of Pension & Pensioners' Welfare, New Delhi 110003

Sub: Serious anomalies with legal implications in respect of the stand of Department of Telecommunication regarding "Merger of 78.2% IDA with basic pension benefit to the absorbed BSNL Pensioners" – Action Taken Report sent by DOT for the SCOVA Meeting to be held on 20.09.2013

Ref: Action Taken Report on the Minutes of the 22nd meeting of Standing Committee of Voluntary Agencies (SCOVA) circulated by DOP&PW vide its F No. 42/6/2013-P&PW(G) dated 12th September, 2013.

Sir,

We would like to draw your kind attention to the above referred Action Taken Report on the Minutes of the 22nd Meeting of SCOVA at its Serial No. 11 in regard to the issue of Merger of 78.2% IDA with basic pension benefit to the absorbed BSNL Pensioners wherein DOT's report on the follow up action on the issue has been circulated.

- 2. Department of Telecommunication has stated in its Action Taken Report on this issue submitted to Department of Pension & Pensioners' Welfare that "DOT has issued the benefit of merger of 78.2% IDA with pay of serving employees w.e.f.10.06.2013. For mooting the proposal in respect of pensioners, some inputs were required from BSNL. The inputs had been received from BSNL. The proposal for revision of pension/family pension of pre-2007 and post-2007 BSNL IDA pensioners/family pensioners by allowing the benefit of merger of 50% of DA/DR effectively amounting to 78.2% as on 01.01.2007 w.e.f 10.06.2013 based on the pay revision of BSNL serving employees w.e.f. 10.06.2013 is under consideration."
- 3 In this context we are to state that the DoT's proposal to allow the benefit of revised pay fixation only w.e.f. 10.06.2013, in violation of the Department of Public Enterprises OM No 2(70)/08-DPE(WC)-GL-VII/09 dated 2.4.2009, will create two categories of pensioners among the post-2007 retirees. One section of the employees, who retired/retiring on or after 10.6.2013,

are allowed the revised fitment benefit with merger of 50% DA with Basic Pay effectively amounting to 78.2% w.e.f. 1.1.2007 and other section, who retired between 1.1.2007 and 9.6.2013, being denied the benefit. This amounts to gross discrimination and is unlawful. We are also to state that there was no order for pay revision on 10.6.2013. In fact the order was only in respect of revised fitment in the revised pay scales already implemented in BSNL on 1.1.2007 as terms of the DPE OM No. 2 (70)/08-DPE(WC)GL-XVI/08 dated 26.11.2008,

- 4. In fact DoT, vide its OM No.61/01-2012-SU dated 10.6.2013, allowed the benefit of merger of 50% DA effectively amounting to 78.2% as on 1.1.2007 for the purpose of fitment from the date of issue of the order. This Order further states that "no arrears will be paid and the revised fitment on the basis of DPE O.M. dated 2.4.2009 will be paid with prospective effect only".
- 5. As a follow up action, BSNL issued revised fixation tables vide its letter No.1-50/2008-PAT (BSNL) dated 8.7.2013 for re-fixation of pay as on 1.1.2007. In terms of this order, the pay of all those BSNL Employees who were in service on 10.6.2013 have been re-fixed with consequent annual increments of pay of 3%. Only the arrears of the revised pay fixation were not paid up to 9.6.2013. Thus all the employees who were in service on 10.6.2013 have been allowed higher basic pay due to refixation of their pay with the benefit of merger of 50% DA effectively amounting to 78.2% w.e.f 1.1.2007 and grant of consequent annual increments during the past seven years. But the Employees who had been in service on 1.1.2007 but retired before 10.06.2013, though also received the benefit of revised IDA pay scales along with the employees of the earlier category, are being denied the benefit of revised pay-fixation. This has created another serious anomaly.
- 6 Further Department of Public Enterprises, vide its OM No 2(70)/08-DPE(WC)-GL-XVII/09 dated 2.4.2009, at its Para 2(i) of the OM, ordered for revised pay fixation with benefit of merger of 50% DA effectively amounting to 78.2% as on 1.1.2007 w.e.f. 1.1.2007 only i.e. the date on which the revised IDA pay scales were made effective. It did not convey any approval or power to the respective Administrative Ministries/PSUs to decide implementation of the revised pay-fixation benefit from a date subsequent to 1.1.2007. DOT has also not taken any approval separately from the Department of Public Enterprises in this regard. Thus, DoT's decision is arbitrary and illegal.
- 7. Department of Telecommunication, in its OM dated 10.6.2013 has ordered that "No arrears will be paid". When it speaks of "arrears", this can accrue only when its OM dated 10.6.2013 allowing re-fixation of pay with benefit of merger of 50% DA effectively amounting to 78.2% is implemented from a date earlier to the date of issue of the OM dated 10.6.2013 which in this case is 1.1.2007. This confirms a contradiction in DOT's Order itself. Thus, denial of benefit of pay-fixation as per revised fitment benefit to the employees who retired after 1.1.2007 but before 10.6.2013 and also non-payment of arrears thereof is discriminatory and illegal.
- 8. Again, we learned that Department of Telecommunication has taken the decision to deny the benefit of pay arrears on the ground that " in terms of the agreement between BSNL and its unions no arrears are to be paid and the revised fitment on the basis of DPE OM dated 2/4/2009 will be paid only with prospective effect". This is completely untrue. There was no agreement on these lines at all. Actual agreement had been that the actual payment will be made with

prospective effect and arrears thereof will be deferred for the time being and will be paid only when the financial position of the company improves. This agreement also says that "Revision of pay is agreed as per fitment benefit @ 78.2% w.e.f. 1.1.2007." Thus, DOT has purposely twisted the facts to deny the benefits to a section of BSNL employees which are to create several anomalies and invite legal complications.

- 9. Further, in view of the fact as stated at Para 5 above, when the pay-fixation with benefit 78.2% DA for fitment in the revised IDA pay scales have been implemented w.e.f. 01.01.2007 in respect of the employees who were in service and did not retire before 10.06.2013, how the pre-2007 BSNL pensioners can be denied the benefit of revision of pension w.e.f. 1.1.2007 due to revised fitment benefit? In fact this was the issue before the SCOVA for discussion and settlement. But now DOT is trying to twist the issue which is highly irregular and liable to legal scrutiny.
- 10. We are very much dismayed and shocked over such an ill-treatment being met out by DOT to the retired BSNL employees. We would therefore earnestly urge you to kindly advise DOT to end the discrimination and allow the fitment benefit of 50% DA merger effectively amounting to 78.2% w.e.f. 1.1.2007 to all the pre-2007 BSNL Pensioners while re-fixation of their pension and also allow the revised fitment benefit of 50% DA effectively amounting to 78.2% for re-fixation of the pay in the revised IDA pay scales to the BSNL Employees who retired after 1.1.2007 but before 10.6.2013 and re-fix their pension accordingly during the ensuing SCOVA meeting which is scheduled to be held on 20^{th} September 2013.

With kind regards,

Yours sincerely,

(S Basu) General Secretary

Encl: As stated

Copy to:

- Shri M.F.Farooqui, Secretary, DoT
- Shri O P Rawat, Secretary, DPE.
- Shri R.K.Upadhyay, CMD, BSNL
- 4. Shri S C Sharma, DDG (CA), DOT
- 5. Smt Tripti Ghosh, Director (PP), DoP&PW.