



## **Editorial**

### **PENSION REVISION WITH FITMENT BENEFIT BY MERGER OF 78.2% IDA**

The proposal for revision of pension of pre-2007 absorbed BSNL pensioners and those who retired between 1<sup>st</sup> January 2007 and 9<sup>th</sup> June 2013 with fitment benefit by merger of 78.2% IDA seems to be playing a hide and seek game. At times it comes too close for final settlement and then again moves far away. One has to understand the dilemma and the mental agony of the affected pensioners who are really feeling sick of this 'hide and seek' game.

In true sense, those who retired between 01.01.2007 and 09.06.2013 are unlucky that they were not granted the benefit of revised pay fixation w.e.f. 01.01.2007 with fitment benefit by merger of 78.2% IDA along with other employees who retired on or after 10.06.2013 but granted the revised pay fixation. Since both these groups of employees were in service on 1.1.2007, all should have been treated equally and revised pay fixation granted. But this did not happen. Stoic silence of the unions/associations of the serving employees on this discrimination and the over enthusiastic action by some pensioners associations to prove and commit the administration to agree with their stand that the revised pay fixation order is "notional" made the issue more complex. DOT is in its turn took the

opportunity and even asked BSNL to confirm whether it was indeed "notional". This gave management not only to make an attempt to deny the arrears of pension to all the affected pensioners but also deprive of the benefit of refixation of pay with 78.2 % as on 01-01-2007, resultant refixation of pension, enhanced Commutation of pension, enhanced DCRG and Leave encashment to those who retired between 1.1.2007 and 9.6.2013.

Under pressure, DOT moved a proposal in 2014 which finally got the approval of Department of Pension & Pensioners' Welfare and Department of Expenditure for revision of pension with fitment benefit by merger of 78.2% with the condition that cabinet approval may be sought for to implement the proposal. During the process of this proposal, thanks to the same ever overenthusiastic group, again the question of satisfying the pension liability on 60:40 ratio was raised. But DOE, based on the inputs given by DOT, found no problem with this present arrangement between DOT and BSNL and cleared the proposal vide its No. 582/EV/2014 on 15.10.2014. But in the year 2015, when DOT was to prepare the Cabinet Note, once again all the hell broke down. The draft cabinet note was first sent to all the

concerned Ministries. But when other Ministries had no problem, DOE is said to have asked for some clarifications. Some people, as earlier, attributed this to the same 60:40 liability order and in order to prove them always right were harping only on this point but never bothered to tell the administration that this point was already examined by DOE who finally cleared the proposal in October 2014 and therefore this could not be the reason to delay the final cabinet note. Then in October 2015, during the discussion in the meeting of SCOVA, the DOT was asked to send the reply to DOE by 31.10.2015. Thereafter, DOT was reported to have decided to prepare the final cabinet note in which it wanted to address the points raised by DOE besides sending a reply to DOE. DOT was also said to have obtained the approval of the competent authority in this regard.

But all on a sudden, it is being said that the cabinet note has been sent to the Ministry of Law. This is where another doubt arises. According to laid down procedure being followed from time immemorial, once final cabinet note is prepared after incorporating the views/comments of the concerned Ministries, the note goes straight to the Cabinet Secretariat and there is no practice to send final cabinet note to the Law Ministry. Therefore, the very purpose of sending the stated cabinet note may be with some other purpose.

We are trying to ascertain the facts, so that we need not report the movement of file but know the contents and take appropriate actions to reach our goal.



#### **INCREASE IN IDA W.E.F. 1.1.2016**

According to calculations based on All India Consumer Price Index for Industrial Workers, IDA is to be increased w.e.f. 1.1.2016 by 4.5% for CPSEs where last pay revision was implemented w.e.f. 1.1.2007 and by 7.6% where last pay revision was implemented w.e.f. 1.1.1997. Department of Public Enterprises is expected to shortly issue the final orders on the matter.

## **TENSION ON PAYMENT OF PENSION IN BSNL**

A renewed disinformation campaign seems to have again started to establish that the pension of the BSNL pensioners is not secure. An article titled “Known and Unknown facts” to establish this is doing round the corner for the last few months. Following this, we have also received many queries from some disturbed BSNL pensioners. This is not a new development. Earlier also such campaign was launched and we had to counter the same with hard facts. Our Joint Secretary (South) Shri S Ratnasubramanian has again come out with a write up based on rules and facts on the issue which out rightly reject the theory that the pension of BSNL pensioners is not secure. His write up titled as “Is our pension secure?” appears in next page:-

## **Is our pension secure?**

By Shri S.Ratnasubramanian, Dy.G.M. Telecom BSNL (Retd)  
[Joint Secretary (South), AIBSNLREA CHQ &  
Former Organizing Secretary TESA (I) CHQ]

All are aware that recently Chennai was badly affected by torrential rains breaking the record of a century. On 1<sup>st</sup> of December 2015, it was 50 cm rain fall in a single day causing heavy floods and uprooting the people. Many people could move out of their homes to safety by boats only. Apart from the Central and State Governments, many kind hearted men came forward to the rescue of the shattered people and provided them with food and shelter. While Chennai was limping back to normalcy, some miscreants started creating panic in the minds of the Chennaikars by spreading a mischievous propaganda in social media posts that a 245 cm rainfall will downpour on 8<sup>th</sup> and 9<sup>th</sup> December in Chennai and whole of Chennai would be drowned. But there was no such downpour on 8<sup>th</sup> and 9<sup>th</sup>. It was just cloudy or a light rain only. What those miscreants got out of this? A vicious pleasure in creating panic in the minds of those who were already struggling.

2. An article titled as ‘known and unknown facts’ on pension that was circulated with great fanfare, is no different in its intention from the above case. At a time when the BSNL pensioners are struggling to get their pension revised with fitment benefit of merger of 78.2 % DA, the article tries to establish that pension revision with 78.2 % DA or revision of pension in 2017 and even the pension already being received by BSNL absorbed pensioners is not secure. Though the article claims that it was not for creating panic but the intention is quite evident in it. It is certainly not a mere vicious pleasure like those who spread the propaganda of 245 cm rain fall in Chennai, it may be with some more purpose. What these could be? Probably playing to the tunes of some in the establishment who try to deny or delay the revision of pension with fitment benefit by merger of 78.2% DA. It may also be for the reason for not being able to get a good following for themselves, an attempt to reach out to all pensioners to come and join them so that they could get some voice somewhere or could get a wider platform to stand on. Whatever it may be, we are not at all worried over their hidden agenda. We would now analyse the documents stated to have been received through RTI regarding the pension of BSNL pensioners.

3. The article laments that “none understood the jugglery of words and difference between ‘Government will pay’ and ‘Government will pay from its exchequer’”. If the author of the article now thinks that these two separate set of words have different meanings, then let him elaborate what is the jugglery in these two different sets of words. “Government will pay” does not mean that it is to be paid by the Telecom Minister or Finance Minister or Prime Minister. “Government will pay from its exchequer” again does not mean that the exchequer would pay each BSNL pensioner rupee one per month towards pension. Both the terms mean only the same thing i.e.,

the Government will pay the pension from its funds received from the exchequer. Then where from the author of the article finds the risk of pension for BSNL pensioners in these two sets of words?

4. The author, in his article, also states that had the contents of Para 7 of the Cabinet Note to specify the arrangement were known at the time of giving option that there will be a role of BSNL in pension payment apart from pension contribution, nobody would have opted for absorption in BSNL. But in what way a BSNL pensioner is to worry about if the BSNL has a role in pension payment apart from pension contribution, as long as he is assured that his pension will be paid by the Government? Further, is it true that this fact was really unknown to him before he received some information through RTI now? The Sub Rule 21 of Rule 37 A of CCS (Pension) Rules 1972 states that “..... **in the case of conversion of Departments of Telecom and Telecom Operations to Bharat Sanchar Nigam limited .....** **the pensionary benefits including family pension shall be paid by the Government**”. Again the **Sub Rule 22 of Rule 37-A** states that “for the purpose of payment of pensionary benefits including family pension referred to in Sub Rule 21, **the Government shall specify the arrangement and manner including the rate of pensionary contributions to be made by Bharat Sanchar Nigam Limited to the Government and the manner in which the financial liabilities on this account shall be met.**” This is the order of dated 30-09-2000 which made it clear that apart from specifying the arrangement, the rate of pensionary contributions to be made by BSNL will also be specified. Then how is it that this fact was not known to the author of the article when he actually opted for absorption in the year 2003 i.e. after three years since Rule 37-A was notified?

5. Well, it is true that all these finer details on pension contribution etc were not spelt out prior to absorption. But still was it not provided in the Rules that Government shall specify these? Then why he opted for absorption prior to knowing everything in detail? We have also seen that those who once took pledge that they would give option only when everything is known, were the first to jump and give the undertaking as soon as BSNL ordered payment of advance of Rs.2000/- per month to the executives till absorption takes place. Even while giving final option, they never pressed to know what would be the finer details of the Sub Rule 22. We know well that the author of the article “known and unknown facts” is not an ordinary primary member. He had a long innings as a leader in officers/executive associations and is also the ideologue of a great executive association. Could he not then read in between the lines in Sub Rule 22 and demand that the details of “the manner in which the financial liabilities on this account shall be met” shall have to be made known before inviting option for absorption? Did any others who once asserted that “they would give option only when everything is known” ever wanted to know the details before giving option? Well, this only shows that the author read a lot but understood little.

6. Further, Para (iii) of DOT Secretary's letter dated 15<sup>th</sup> March 2005 to CMD BSNL also reiterates that "the liability on account of pension payable will be that of Government of India." So where is the ambiguity or fear of a BSNL pensioner about his pension?

7. Now in his article the author says that unless the order is annulled, we would not get our pension revised with 78.2% DA. Has he got any official communication or is in possession of any statement by DoT or DoE in this regard? Did he also get the information specifically in any letter form through RTI? If not, is he instigating DoT to put spokes in the revision of pension case? **Further, how it slipped out of his mind that DOE had already cleared the very proposal for revision of pension with fitment benefit of 78.2% DA in October 2014 itself and also advised DoT to seek approval of Cabinet for the same?**

8. Though we also feel that the 60:40 formula as evolved by DOT and asking BSNL to pay the amount exceeding 60% of dividend etc, would hurt BSNL finances and its viability, but it is in no way going to affect the BSNL pensioners from receiving their full pension. A pensioner is not going to receive 60% of pension from Government and rest 40% from BSNL. His full pension is assured as Government's liability. The issue of 60:40 formula is an internal matter between DoT and BSNL and does not alter the pension liability position of the Government. Further this formula vis-à-vis "arrangement" is not permanent. If need be, it can be modified or even annulled depending on the requirement. But the Government's liability to pay pension remains.

9. Then what would happen if at all BSNL is unable to pay or its finances are not viable to pay dividend etc? As would be seen from Para 7 of the said Cabinet Note which states that (which is "known" now only to the author of the article titled "known and unknown facts" after getting it through RTI and was "unknown" to him earlier to his opting for BSNL) **"in the unlikely event of accruals mentioned in this para is found insufficient at any stage in future the general exchequer will need to make good the shortfall in whatever manner it considered feasible"**. Therefore, the Cabinet Note provides that even if there is a shortfall it would be made good by the general exchequer i.e., the Government. Thus, the BSNL pensioners need not to worry how and in what manner the general exchequer i.e, Government is going to make good the shortfall.

10. When the proposal for revision of pension with 78.2 % DA is now moving from DoT to DoE and the cabinet, the said article asserts that *"It is crystal clear that till such time the 60% ceiling arrangement exists, no pension revision is possible, be it 78.2% IDA merger or expected pension revision in 2017. At present, due to loss making, the entire collection from BSNL on licence fee etc is less than the required amount for pension payment. From where the additional fund for pension revision will come. DOE will never agree to provide the additional amount from the exchequer till the 60% ceiling decision of cabinet is annulled. Not only the BSNL pensioners, even the CDA pensioners (those who retired before 1-10-2000 and the ITS officers on deemed deputation) who are expecting their pension to be revised as per 7th CPC may also face the similar problem in fund provisioning required for their pension revision."*

11. Don't one feel that this misplaced argument as above would only add to the delay in the decision making in DoT/DoE? Is the author of the article serving the causes of the BSNL pensioners or dancing to the tunes of those who would never like the BSNL pensioners to get any benefit? Is he not trying to stop or delay the movement of files on revision of pension with 78.2 % DA merger? Is he not putting a same side goal? Why should he stop with that? If at all the pension already being paid by the Government to the existing BSNL pensioners is higher than the 60% of DOT's share and for that reason the pension is not secure, how then the DOT is allowing fresh pension to the new pensioners ? How he has not predicted that even those who are retiring now would get no pension? Obviously, in that case his mask would be torn apart on the last day of the same month.

12. The article also claims that the Para 2 of the letter dated 05-01-2009 from Secretary DoT was with the sole purpose to convince ITSA. This is a big 'tamasha' indeed! Any order for payment of pension for similarly placed employees of the same organization cannot be applied to a particular section of the employees. Whatever may be the background of issuing the said letter, it was a letter from the Secretary, DoT and is applicable to all the absorbed employees.

13. The article also refers to a meeting between Secretary DoT and the leaders of ITSA and further states that *"where in it was decided that the Secretary DOT will issue a letter clarifying the provisions of section 21 of rule 37A that even if the money from BSNL become insufficient for pension payment still Government will pay the pension. Surprisingly it was also decided that for this new provision no Cabinet Approval is required"*. This may be surprising to the author but not to the others. What is the surprise in it? Did the Secretary wanted to issue any new provision? In fact, Sub rule 21 of Rule 37 A is quite clear on the issue that "in the case of conversion of Department 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." Thus, an issue which is already covered under the statutory pension Rules, no one needs another Cabinet approval for the same subject. Further, if any attempt is made to seek for Cabinet approval for an issue which is already available in the Rules, do we not call the move as a dilatory tactics?

14. Let us also not forget that CCS (Pension) Rules 1972 is statutory rules and Rule 37-A is a part of it. The Sub Rule 21 of Rule 37-A is in respect of liability of the Government in payment of pension and Sub Rule 22 gives a scope to the Government to decide the manner in which the money can be arranged to pay the pension.

15. In this background, let us consider a typical situation. One Mr.Vivek, who owns a company, has a legal agreement with Mr.Prakash that he would pay Mr.Prakash Rs. 10000/- per month. Mr.Vivek then asks one Mr.Sethu to run his company and pay him his share of money in return. Mr.Vivek also subsequently tells Mr.Prakash that he would pay him the promised money out of the share of dividend from the company which is now being run by Mr.Sethu. Mr.Vivek also asserts that even if there is a shortfall in the payment received from Mr.Sethu, it will be his responsibility to make the payment to Mr.Prakash as promised. Now the company runs in a loss

and Mr.Sethu is unable to pay any dividend to Mr.Vivek. What would Mr.Prakash do now? His agreement is with Mr.Vivek and he has nothing to do with Mr.Sethu. So if Mr.Vivek does not pay Mr.Prakash as agreed earlier, Mr.Prakash can sue Mr.Vivek in a Court of law to get the money as per the agreement. Now what Mr.Vivek can do since he is not getting the dividend? He cannot tell the Court that since he did not receive any money from Mr.Sethu, he is unable to pay. After all, the legal agreement has been entered between Mr.Vivek and Mr.Prakash only. So he himself will have to arrange for the money in whatever manner he can. Here Mr.Vivek is the Government of India, Mr.Prakash is the BSNL pensioner and Mr.Sethu is BSNL. The Government of India by Sub Rule 21 of Rule 37-A has made a statutory provision that it would make payment of the pension of the BSNL pensioners and the liability of pension is with it. The Sub Rule-22, empowers the Government to specify the arrangement and manner in which the financial liabilities on this account shall have to be met. Therefore, God forbids, even if BSNL sinks and makes nil payment to the Government, the pension liability of the Government, which is based on statutory pension rules as per Sub Rule 21 of Rule 37-A, shall not cease to exist.

16. Now when sued by Mr.Prakash, Mr.Vivek could even declare insolvency. But in this case, being a Government, the Government of India cannot do that and has to pay the pension as per Sub Rule 21 of Rule 37-A of CCS(Pension) Rules 1972 which is a statutory rule. Further for the information of cynics, it should be noted that Pension rules cannot be amended in retrograde affecting the absorbees including the existing pensioners.

17. Para 7 of the said cabinet note as extensively referred to in the article ‘known and unknown facts’ clearly states that “in the unlikely event of accruals mentioned in this para is found insufficient at any stage in future the general exchequer will need to make good the shortfall **in whatever manner it considered feasible**”. Why should then a BSNL pensioner worry about the manner in which ‘it (Government) considered feasible’ to ‘make good the shortfall’, if there is any? In the worst case, though unlikely, this could even be by disinvesting its equity. If the Government disinvests its equity in BSNL and says that it would put part of the money in the pension fund for meeting the pension liability of BSNL pensioners, would a BSNL pensioner ever raise his voice against it (even if that may be due to his ideological views) or keep quite since his pension remains secure.

18. As analysed above, there is no room to feel that the pension of BSNL pensioners is not secure. We do not intend to create unnecessary panic in the minds of any BSNL pensioner for our thriving. The revision of pension with fitment benefit by merger of 78.2% DA and the expected further revision of pension in 2017, once the pay scales of the serving employees are revised, will remain as the reality, so long as the skeptics do not create hurdles in it by such malicious propaganda as they did on the question of whether revision of pension is to be on presumptive CDA scale or IDA scale. We also wish the author of the said article “known and unknown facts” to live over a century and receive his pension with 100% additional pension for crossing 100 years and thrive eating his own words about the safety of BSNL pension. ●

## CONGRATS

Shri Ram Gopal Bajpai, Retd SDE, born on 12.01.1947 and a life member of AIBSNLREA, Kanpur Branch (UP State) has been declared winner of second Dan Black Belt by Taekwonda Federation of India on 30.11.2015 which is affiliated to World Taekwonda, headquartered in South Korea. Congratulations!

### RESPONSE TO AIBSNLREA'S REPRESENTATION

**CCA, NAGPUR RESPONDS TO AIBSNLREA'S REPRESENTATION:** The Controller of Communication Accounts, Nagpur has sent a reply to AIBSNLREA regarding the status of the case for settlement of pensionary benefits of Shri S N Gajbe who retired from Chandrapur SSA of Maharashtra Circle and is a life Member of East Vidarbha Branch, Nagpur. The CCA has also given the details of the pensionary benefits as ordered for him [To read the letter, view posting 30.12.2015 in this website].

### BRANCHES IN ACTION

**AIBSNLREA, UJJAIN BRANCH (MP STATE) HOLDS ITS CONFERENCE:** Ujjain Branch (Madhya Pradesh State) of AIBSNLRERA held its conference on 21.11.2015 and unanimously elected a new set of office bears as follows:- President: Shri K.N. Gupta, Vice President: Shri S.C.Pandey, Branch Secretary: Shri S.R.Pharkya, Asst. Branch Secretary: Shri P.N. Parmar, Finance Secretary: Shri B.C. Kulmi, Executive Committee Members: S/Shri N Dave, C.L. Pawar, P.R. Verma, G.K. Pathan and U.S Khatri.

**AIBSNLREA, GUJARAT STATE BRANCH HOLD ITS GENERAL BODY MEETING:** Gujarat State Branch of AIBSNLREA held its GB meeting and Diwali get together on 16-12-2015 at Ahmedabad Medical Association Hall in Ahmedabad. The meeting started with lightening of lamp followed by prayer by Shri B.C.Chauhan. President Shri P.B.Parmar welcomed all the participants, and informed about the activities of the Association during last six months. The House observed silence in memories of flood victims of Taminadu and also the departed members and family members of the Association. Joint secretary (West) CHQ Shri B.M.Bhavasara addressed house emphasizing the need of association of pensioners and increase of its membership. State Secretary Shri A.B.Patel addressed gathering and gave brief report on issues of the members taken up with administration by the State Branch and CHQ. He gave latest information on the issue of pension revision with fitment benefit by merger of 78.2% IDA and Pension anomaly case of pensioners who retired during first ten months of formation of BSNL etc. Shri D.M.Patel Vice President gave details on 7th CPC and 3rd PRC. The meeting concluded with vote of thanks proposed by Shri R.M.Nayi Asst. Finance Secretary. The meeting was followed by a dinner. Total 230 members attended this meeting and 20 new members were got enrolled. The magazine AIBSNLREA News, Gujarat Issue no. 6 was also published on this occasion.

**AIBSNLREA, WEST BENGAL STATE BRANCH HOLD GB MEETING:** A General Body Meeting of AIBSNLREA, West Bengal State Branch was held at Kolkata CTO Auditorium at 1PM of 10<sup>th</sup> December 2015. The members from Kolkata city and far off districts of West Bengal most enthusiastically joined the meeting



and the number of participants exceeded 260. The meeting was presided over by a presidium consisting of Sri S.K.Maitra and Sri S.C.Roy. One minutes' silence was observed to pay tribute to four departed members and a resolution of condolence was adopted by the House. State Secretary's report containing all the relevant issues was placed by the State Secretary Shri S.R.Palit. Many members participated in the discussions and highlighted some issues including medical facilities. They also countered the rumours on stated uncertainty of BSNL Pensions as propagated by some vested interested persons. State Secretary in his reply touched all the points and elaborately explained the background of creation of BSNL, Protection of Pension of the absorbees as guaranteed under Rule 37A of CCS (Pension) Rules 1972 and also our long battle for revision of Pension for pre 2007 retirees on IDA scale. He also asserted that there is no imminent threat to the BSNL pensioners. The House deliberated the issues with rapt attention and maintained pin drop silence till the end of the meeting. 15 new members enrolled their names in the meeting. A one page wall calendar for 2016 was published and distributed to the members who were present in the meeting. It was also announced that the members who could not be present, may collect the calendar from the Association Office on 22<sup>nd</sup> December/5<sup>th</sup> January 2016 at 3 PM. The meeting ended with a vote of thanks to the chair.

**NEW BRANCH OF AIBSNLREA FORMED AT SANGRUR (PUNJAB STATE):** In a meeting of the retired BSNL Executives of Sangrur SSA held on 08.12.2015, a new branch of AIBSNLREA has been formed at Sangrur (Punjab). Seven members had attended the meeting. The members had expressed their anxiety due to non-settlement of revision of pension with the fitment benefit of merger 78.2% IDA. Shri P K Jindal, who was elected as Branch President, apprised the members about the actions taken by the CHQ to settle various problems of BSNL pensioners. The Meeting also unanimously elected the following office bearers:- Branch President: Shri P K Jindal, Retd DGM, Vice President: Shri Resham Lal, Retd DGM, Branch Secretary: Shri Gurmail Singh, Retd SDE, Asst. Branch Secretary: Shri Didar Singh, Retd. SDE, Financial Secretary: Shri V K Mittal, Retd AGM, Organizing Secretary: Shri B S Sidhu, Retd DET. The meeting ended with vote of thanks to all the members and office bearers.

## STATEMENT OF PAYMENTS RECEIVED DURING DECEMBER 2015

**Wardha Branch** (Maharashtra State) has deposited Rupees Two thousand (Rs 2000.00) only in CHQ's S/B Account with Syndicate Bank on 15.12.2015 towards CHQ quota for ten (10) new life members.

**Shri Mukunda Debnath**, Retired DE, ETR, Shillong, now residing in Bangaluru has deposited Rupees Five hundred fifty (Rs 550.00) only in CHQ's S/B Account with Syndicate Bank on 29.12.2015 to get enrolled as the Life Member of the Association.

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**Edited and published by Shri S.Basu, General Secretary, AIBSNLREA**