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410-A/411-A, Swaminarayan Avenue, Near A.E.C. Over Bridge, 132 ft. Ring Road, Naranpura, Ahmedabad - 380013.

Thomas John K
All India President

Dinesh D. Mistry General Secretary

No: BDPA(I)/Pension-Revision/3rdPRC/2021

Dated 11th November, 2021

To:

Hon'ble Shri Ashwini Vaishnav, Minister for Communications, Sanchar House, Ashoka Road, New Delhi 110001.

Sub: Pension Revision for BSNL Pensioners/Workers – Implementation of 3rd P.R.C. Recommendation W.E.F. 01.01.017 – Request thereof.

Hon'ble Sir,

- 1. We are addressing you this letter at such a moment that all the Pensioners are under the cloud of uncertainty over their Pension Revision as there is none to represent their voice in the machinery that is formed by the Corporate Office on 10.11.2021 vide notification No: BSNL/38-1/SR/2016 Date 10.11.2021.
- 2. Time and again, we have represented our case to Hon'ble PM Shri Narendrabhai and Amitbhai Shah and the case which was placed in cold storage since last three years has got some life and a ray of hope.
- 3. Before placing our say before your august Office, we feel to enlighten on the following facts of our say as under:
- A. That BSNL Pensioners were accorded for approval of recommendations of 1st P.R.C. w.e.f. 01.10.2000 at par with working employees simultaneously.
- B. The last pension revision to BSNL absorbed pensioners was granted with 30% fitment, recommended by the 2nd PRC with effect from 01-01-2007. Later they were also granted another pension revision on 78.2% IDA, virtually amounting to 50% IDA merger, but both these revisions were abnormally delayed due to the 60:40 condition, that was stipulated by the central government for payment of pensionary benefits to BSNL absorbed retirees.

However, this condition, was annulled by the government vide order No.40-13/2013-Pen(T) dated 20-07-2016. Therefore, the complete liability of payment of pensionary benefits to BSNL absorbed retirees, including family pensioners, lies with the government as per Rule 37A of CCS(Pension) Rules, 1972.

- C. Accordingly, BSNL Pensioners should have been extended the benefit of Pension Revision for BSNL Pensioners w.e.f. 01.01.2017 with fixation of 15% as recommended by the 3rd P.R.C. As such, the pension revision of BSNL absorbed retirees with effect from 01-01-2017 as per 3rd PRC recommendation has nothing to do with the financial condition of BSNL or the wage revision in BSNL
- D. We should not hiding that fact that prior to that an agitation for Pay Revision had taken place and Shri Manoj Sinha Ji had offered 5% fitment initially on 24.03.2018 and recommending more by DoT and asked the Unions/Associations to withdraw the Three-Day strike.
- E. Due to some inexplainable political reasons, Unions/Associations did not accept the suggestion/proposal and continue the strike. The Result Stiff Stand by Management strike reported fizzle out and Management started its tactics to show their upper hand by delaying payment of the salary of Working Employees.
- F. As the BSNL Services were shown its deteriorating conditions by Print Media, the PMO office intervened and for survival of BSNL and the Cabinet Committee suggested VRS-2019 Scheme reducing staff strength.
- G. All the Unions/Associations were called by the MOC and their consent was unanimously obtained and the scheme was implemented curtailing exchequer's fiscal liability towards salary of Working Employees and 78,000 employees took the benefit of the scheme as they were under the cloud of uncertainty over the future of BSNL itself!!!
- H. Now as per rough estimate, total sanctioned strength is about 71,000 plus (including CGM level), 36,000 plus Executives and 35,000 plus Non-Executives. JTO sanction strength will be about 11,800 and SDE sanction strength will be about 10,700 by year end.
- I. According to Rule 37-A, of CCS Pension) Rules 1972, sub-rule 8, which says pension/family pension shall be calculated at par with C.G. Employee retiring on superannuation. The said rule is silent about Pension revision for C.G. Employees but it is in practice in light of Constitutional Bench of Apex Court judgment delivered on 17.12.1982 in D.S. Nakara case.
- J. It is in practice that whenever the pension of Central Government Employees is revised periodically as Per CPC recommendations, the pension Revision of BSNL absorbed DOT employees is also revised as per recommendations of the P.R.C. Recommendation, i.e. I.D.A. Scale of Pay.
- K. In turn, now as per 3rd PRC recommendations; as they all governed by CCS (pension) Rules 1972 and once upon a time they were C.G. Employees and also conferred status of Govt. Pensioners on retirement, they get their Pension from C.G. i.e., DoT' as per

- agreement reached between NDA Govt. headed by Hon'ble Prime Minister Atal Bihari Vajpayee; they are NOW eligible for their Pension Revision w.e.f. 01.01.2017.
- L. A clarification issued by the DoP&PW vide it's No: 4/19/2009-P&PW (D) dated 27.3.2009 to DoT reads "BSNL is the only PSU that has been granted a special dispensation under sub-rule (21) of Rule 37-A of CCS (Pension) Rules, 1972 to the effect that the Pensionary benefits including family pension to the absorbed employees of BSNL is paid by the government. This Department is of the view that the change as per DoP&PW O.M. dated 02.09.2009 as mentioned in Para 2 above are also applicable to IDA Pensioners of BSNL.
- M. All these three P.R.Cs did not have in the terms of reference any provision for pension revision as they were exclusively meant for Employees as all the PSUs have their own Pension Scheme barring BSNL Pensioners.
- N. In BSNL wage revision for BSNL Employees is done after the acceptance of PRC recommendation and through bi-lateral agreement with Unions/Associations and they have no legitimate claim to discuss for Pension Revision for Pensioners as the competent authority is the Govt. of India who through a cabinet note accord its approval for Pension Revision. Thus, BSNL Management and BSNL Unions OR Associations have no role play in the Pension Revision of BSNL Pensioners.
- O. Further, it is the fact that the Pay Revision of BSNL Employees even after the agreement with recognized unions will not be implemented unless the Pay Revision for Executive is finalized. Thus, there will be a stalemate for its implementation as DoT will not give its approval under such circumstances. So, in order to avoid this hurdle, we request you to cause timely publication of Executive Pay Scales on which an understanding has already been reached and likely hurdles can be removed.
- P. Further, it will be pertinent to say that "Liability of payment of pension/family pension to BSNL retirees lies squarely with Government of India as per Cabinet Decision and DoT order dated 20.07.2016 and also the BSNL has paid pension contribution in Cash to the Govt. for the period of their service in BSNL till superannuation on the maximum of their pay scale.
- Q. It may also be noted that consequential to apex court judgment dated 03.05.1990, the DPE has issued orders saying that all employees appointed on or after 01.01.1989 in the PSEs following CDA pattern are deemed to have been appointed on IDA pattern and related scale of pay. As such, BSNL has adopted IDA Pay scales with Pensionary benefit on IDA pattern.
- R. <u>It be kept in view while deciding the pay scales that affordability clause for Pay Reason will not be applicable to BSNL Employees</u>. To supplement our view, we write that as per a special provision contained in Chapter 3 which reads as:
 - "Assessment and Recommendations, Para 3.2 (IV) There are also certain CPSEs which have been formed as an independent Government company under

<u>a statute to perform specific agenda / regulatory functions</u>. The revenue stream of such CPSEs are not linked to profits from the open market competitive scenario but are governed through the fees & charges, as prescribed and amended from time to time by the Government. There is no budgetary support provided by the Government to such CPSEs. In consideration that the impact of the revised compensation structure including

Performance Related Pay) would supposedly form the part of revenue stream for such CPSEs, the Committee recommends that affordability condition shall not be applicable to these CPSEs; however, the implementation of same shall be subject to the approval of Administrative Ministry upon agreeing and ensuring to incorporate the impact of the revised compensation structure into the revenue stream."

The above provision is conditional and applicable to certain PSUs, but BSNL Unions/Associations are it appears deliberately making movement to make the clause applicable to all the PSU which clearly indicates their motive to delay the process and create unrest amongst PSU Workers.

Our submission in light of above:

- 1) We the BSNL Pensioners are due for our Pension Revision w.e.f. 01.01.2017 and for which there is no need to ask consent of the BSNL Corporate Office, as our Pension Contribution has already been collected by the DoT from BSNL on maximum of our Pay.
- 2) <u>The DoT has taken clear stand while accepting and considering proposal of Pension Revision of BSNL Pensioners that the BSNL has no power and no legal authority to say anything in this regard. BSNL can only recommend the pay scale for its employees.</u>
- 3) Now, BSNL Corporate Office has started negotiation with the Unions/Associations and finalize their pay revision and appointed Committee under the Secretaryship of Shri A.K. Sinha, DGM(SR) and first meeting is to take place on 18.11.2021.
- 4) And as we understand, the Recognition Unions apparently instead of showing the way for raising funds for their Wage Revision are reportedly agreeing for Zero Percent Fitment, which is clearly aiming to tarnish the image of Govt. and also to create distance between employees and management (in directly with Govt) with hidden agenda creating unrest amongst Working Employees.
- 4) As such, it is concluded that Authority to revise the Pension of BSNL Pensioners is exclusively rest with the DoT.
- 5) Even the recommendation of 3rd P.R.C. will be implemented for BSNL Employees ONLY WHEN, the DoT gives its approval for BSNL Employees considering the proposal of BSNL Corporate Office; when received.

6) Let us clearly state that BSNL is fiscally viable for Pay Revision of its Employees and there cannot be any arguments denying the benefits to is Employees provided a policy of demonetizing/hiring surplus open land, vacant offices, quarters are implemented with true spirits as in many Cities it has such assets available. To begin with, it should commence from its Head Quarter.

7) In light of above Para, we reasonably feel that placing aside all bias view against its employees/Associations/Unions, the BSNL will herald a new era for its prosperity by motivating its employees by accepting the demand of 15% fitment benefit as recommended by 3rd PRC.

8) We are fully aware of the fact that demand to delink Pension Revision from Pay Revision - though seems attractive – will not be easily viable as to have a decision which will involve other PSUs as well will not be easy case.

IN CONCLUSION

We the BSNL Pensioners seek your support for our Pension Revision with 15% fitment w.e.f. 01.01.2017 and ask the DoT Secretariat to prepare proposal for your approval simultaneously for our Pension Revision, which will be perhaps last-one, as next will be in 2027 and no DoT absorbed employee will be on the role of BSNL.

This will enable the Pensioners their timely Pension Revision simultaneously with Working Employees and buried design of some of the Unions/Associations to exploit the Pensioners to supplement their political design.

With regards,

Yours Sincerely,

(D.D. MISTRY)
General Secretary.

Copy to:

- 1. Hon'ble Shri Narendrabhai Modi, Prime Minister of India, New Delhi.
- 2. Hon'ble Shri Amitbhai Shah, Home Minister, GOI, New Delhi.
- 3. Shri Pravin Kumar Purwar, CMD BSNL, New Delhi.
- 4 Shri K. Rajaraman, Secretary, DoT, New Delhi.
- 5. Shri Jitendra Prasad, MOS, PMO House, New Delhi.