



Editorial

REVISION OF BASIC PENSION WITH FITMENT BENEFIT OF MERGER OF 50% DA EFFECTIVELY AMOUNTING TO 78.2% DA

Now that Department of Expenditure has partially cleared the DOT's proposal on the above issue, Department of Telecommunication in all likelihood is expected to shortly move a Cabinet Note to get the proposal in modified form approved by the cabinet. Before we discuss further on the matter, we should know what DOT had actually proposed and what Department of Pension & Pensioners' Welfare had to say on it. We should also know what the Department of Expenditure

has actually agreed and where it disagreed.

DOT had actually proposed "... extending the benefit of merger of 50% DA w.e.f. 1.1.2007 effectively amounting to 78.2% for the purpose of fitment in respect of Pre-2007 BSNL pensioners/family pensioners retired prior to 01.01.2007 and Post-2007 BSNL pensioners/family pensioners retired during the period from 01.01.2007 to 09.06.2013, the following proposal is required to be considered:

A. For Pre-2007 BSNL IDA Pensioners/family pensioners

The pension/family pension of pre-2007 BSNL IDA pensioners/family pensioners will be consolidated with effect from 1.1.2007, by adding together:-

- (i) Existing pension/family pension including commuted portion of pension, if any;
- (ii) Dearness relief (IDA) @ 78.2% of basic pension/family pension;
- (iii) Fitment weightage @ 30% of the sum of existing pension/family pension and dearness relief (IDA) thereon.

The amount so arrived at will be regarded as consolidated pension/family pension with effect from 01.01.2007. The actual benefits to this effect will be given only with effect from 10.06.2013 and no arrears will be paid upto 09.06.2013.

B. For Post-2007 BSNL IDA pensioners/family pensioners retired from 1.1.07 to 09.06.13

The pay of these category of the absorbees will be revised notionally by allowing the benefits of merger of 50% DA w.e.f. 1.1.2007 effectively amounting to 78.2% for the purpose of

fitment. As Rule 33 & Rule 34 of CCS(Pension)Rules, 1972 don't permit for calculation of pensionary benefits including pension and family pension on the basis of notional pay fixation, Department of Pension and Pensioners' Welfare may advise/clarify as to how to calculate the pensionary benefits on notional IDA pay. However, revised pension to this effect will be paid only with effect from 10.06.2013. To give parity between absorbees retiring/retired after 01.01.2007, it would be appropriate to allow this category of BSNL pensioners/family pensioners for payment of the difference of pensionary benefits viz. DCRG, Commuted Value of Pension, Leave encashment due to notional IDA pay revision."

Department of Pension & Pensioners' Welfare, when consulted by Department of Telecommunication, initially conveyed its "No objection" to the proposal. But it had to give a modified view of the proposal when Department of Expenditure asked specific comments on its following observation: "In respect of BSNL retirees between 1.1.2007 and 9.6.2013, the revision of pension has been proposed on the basis of revised notional pay. Further, on the basis of this revised notional pay, it has been proposed to revise DCRG, leave encashment, and commuted value of pension. Therefore, the precedent where pension has been revised on the basis of notional pay and further benefit of such revision has been allowed in DCRG, commuted value of pension and leave encashment may please be intimated." Department of Pension & Pensioners' Welfare then clarified that "... The benefits of DCRG and commutation of pension to those who retired during the period from 1.1.2007 to 9.6.2013 would be admissible based on their emoluments/pension during that period. Since these IDA pensioners do not get any actual benefit of increase in pay/pension during the period 1.1.2007 to 9.6.2013, they would not get increase in the amount of DCRG and commutation of pension on this account. They would also not be getting any arrears of pension from the period 1.1.2007 to 9.6.2013." In support of

this views, DOP&PW has referred to the similar view taken in the case of staff belonging to organize departments whose pay scales were upgraded on notional basis w.e.f. 1.1.96 with actual payment being made from 19.2.2003.

Department of Expenditure has finally cleared 'the proposal for extension of benefits of merger of 50% DR amounting to 78.2% for the purpose of revision of pensionary benefits in respect of (i) Pre-2007 pensioners & (ii) pensioners retired between the period 01.01.2007 to 09.06.2013, with effect from 10.6.2013'. DOE has further advised DOT to seek the approval of the cabinet to the proposal. In regard to the proposal for revision of gratuity and leave encashment for BSNL employees retired between 1.1.2007 and 09.6.2013 based on notional pay and payment of arrear thereof, DOE has referred to the above views of DOP&PW on the same issue and did not agree to the said proposal.

In the above background, Department of Telecommunication is to prepare a Cabinet Note and send it to the Cabinet Secretariat seeking the approval of the Cabinet. The Cabinet Note has to incorporate the views of all concerned Ministries on the proposal which are also to be duly approved by the respective Ministers. In the present case, the views of Department of Expenditure

duly approved by the Finance Minister is already available. But it is not so in case of Department of Pension & Pensioners' Welfare. It is not also sure whether DOT would seek the views of Department of Public Enterprises, since in the case of revision of pension of pre-2007 BSNL pensioners following revision of pay scales of the BSNL employees w.e.f. 1.1.2007 with fitment benefit by allowing merger of

effectively 68.8% DA, DPE did not offer any comment. Once the Cabinet Note is drafted, DOT will consult its own Finance and then seek the approval of Minister of Communications. Considering the various stages of channel of submissions within DOT, the Cabinet Note may finally go to the Cabinet Secretariat by first quarter of next year. Till then we are to keep our fingers crossed.

ACTION ON AIBSNLREA'S REPRESENTATIONS

DOP&PW SEEKS "COMMENTS/ACTION TAKEN" FROM DOT ON AIBSNLREA'S REPRESENTATION AGAINST NON-PAYMENT OF PENSION AND OTHER PENSIONARY BENEFITS TO THE BSNL PENSIONERS WHO RETIRED BETWEEN 10.06.2013 and 31.12.2013 ON THEIR LAST PAY DRAWN FIXED WITH THE BENEFIT OF MERGER OF 78.2% DA – CASE OF PRINCIPAL CCA, MAHARASHTRA CIRCLE, MUMBAI: AIBSNLREA had earlier brought to the notice of Member (Finance), DOT and Director (PP), DOP&PW, vide its No. AIBSNLREA/CHQ/2014/19 dated 28.07.2014, that the Principal CCA, Mumbai was drawing the pension of BSNL pensioners who retired between 10.06.2013 to 31.12.2013 on their last pay drawn wrongly fixed with merger of 68.8% DA, though the same office of Principal CCA had fixed/fixing the pension of those who retired/retiring on or after 1.1.2014 based on their last pay drawn fixed with the benefit of merger of 78.2% DA. The Association also pleaded "... we earnestly request you to kindly intervene in the matter so that the BSNL Pensioners under the jurisdiction of Principal CCA, Maharashtra Circle, Mumbai who retired between 10.06.2013 and 31.12.2013 get their pension re-fixed on the last pay drawn fixed with benefit of merger of 78.2% DA and also all the pension arrears for the above period including the differences in DCRG, Commutation Value of Pension are paid to them immediately. Interest on delayed payment of DCRG, as per rule, may also kindly be ensured." [To read the letter of the AIBSNLREA, posting dated 29.07.2014 in this website may be viewed]. Now, Department of Pension & Pensioners' Welfare, vide their No. 4/5/2014-P&PW (D) dated 07.10.2014, has forwarded the said representation to DOT asking "to send the comments/action taken".

DOP&PW ASKS DOT TO APPRISE IT ON THE ACTION TAKEN ON AIBSNLREA'S REPRESENTATION AGAINST UNJUST DECISION OF DOT TO TRANSFER PENSION LIABILITY IN RESPECT OF THE DOT EMPLOYEES RETIRED PRIOR TO 1.10.2000 IN CDA SCALE ON THE SHOULDER OF BSNL: It may be recalled that AIBSNLREA had taken up the above issue with Minister of Communications & IT with copies endorsed to the Secretary, DOP&PW, Secretary, DOT and others. The Association had pointed out that the Government has now allowed payment of pension/family pension by the Government to the absorbed Employees of Mahanagar Telephone Nigam Limited w.e.f 01.10.2000 and also has exempted MTNL from the

liability of payment of pension contribution in respect of DOT Employees retired prior to 1.10.2000. On the other hand, BSNL has unjustifiably been ordered to make the contribution for the same set of retired DOT employees. AIBSNLREA had submitted to MOC&IT “..... we earnestly appeal to your kind self to intervene in the matter so that Department of Telecommunication review its existing order No. 1-45/2003-B dated 15.06.2006 and No. 40-12/2007-Pen (T) dated 05.01.2009 and exempt Bharat Sanchar Nigam Limited from shouldering the pension liability of the DOT employees retired prior to 1.10.2000 in CDA scale as has been done in the case of Mahanagar Telephone Nigam Limited” [To read this letter, view the posting dated 30.07.2014 in this website]. In response to our representation, now Department of Pension & Pensioners’ Welfare, GOI, vide their No. 4/5/2014-P&PW-(D) dated 7th October, 2014, has forwarded our said representation dated 30.7.2014 to Department of Telecommunications and has asked to apprise it of the action taken in the matter. [To read the DOP&PW’s letter, posting dated 20.10.2014 in this website may be viewed]

PENSION ADALAT

Controller of Communication Accounts, Karnataka Circle has issued a Notice for holding Pension Adalat, requesting the DOT/BSNL Pensioners to submit their representations on the grievances to be taken up for settlement. These representations are to reach the CCA on or before 22.11.2014. [To read the Notice, please view posting dated 24.10.2014 in this website]

ISSUES TAKEN UP

AIBSNLREA TAKES UP WITH MINISTER OF STATE FOR (PP) THE ISSUE OF NON-SETTLEMENT OF THE CASE FOR REMOVAL OF ANOMALY IN PENSION OF ABSORBED BSNL PENSIONERS WHO RETIRED BETWEEN 1.10.2000 AND 31.07.2001: AIBSNLREA has taken up the above issue, now under discussion in the meetings of SCOVA, with Minister of State for (PP). The Association has expressed its concern that the DoP&PW is examining the case from the financial implication angle instead of as a case of principle for fixation of basic pension. While urging the Minister to personally intervene in the matter, the Association has submitted that “...If the authorities really intend to resolve the matter, this issue needs to be considered on the basis of principle and not on financial implication angle”. [To read the letter, posting dated 18.10.2014 in this website may be viewed].

AIBSNLREA WRITES TO PRIME MINISTER TO INTERVENE IN THE MATTER OF INORDINATE DELAY IN INTER MINISTERIAL CONSULTATION ON THE PROPOSAL FOR ALLOWING FITMENT BENEFIT OF MERGER OF 50% DA EFFECTIVELY AMOUNTING TO 78.2% IN THE BASIC PENSION OF ABSORBED BSNL PENSIONERS: AIBSNLREA has since sent a representation to Prime Minister urging him to intervene in the above issue. The Association urges “.... it is our humble prayer to you to kindly intervene the matter and advise Department of Expenditure (Ministry of Finance) to expeditiously settle the issue so that the affected absorbed BSNL pensioners/family pensioners get their legitimate dues”. [To read the letter, posting dated 15.10.2014 in this website may be viewed].

DOE'S RESPONSE TO DOT'S PROPOSAL FOR REVISION OF PENSION

No. 587/EV/2014
Government of India
Ministry of Finance
Department of Expenditure

.....
New Delhi, the 15th October, 2014

OFFICE MEMORANDUM

Subject: Revision of pension/family pension of pre-2007 retirees BSNL IDA pensioners/family pensioners who retired prior to 01.01.2007 and post 2007 BSNL IDA pensioners who retired between 01.01.2007 and 9.6.2013 by allowing the benefit of merger of 50% DA/DR effectively amounting to 78.2%.

The undersigned is directed to refer to Department of Telecommunications' ID No.40-13/2013-Pen(T) dated 11th July, 2014 on the above subject.

2. The proposal for extension of benefits of merger of 50% DR amounting to 78.2% for the purpose of revision of pensionary benefits in respect of (i) Pre-2007 pensioners & (ii) pensioners retired between the period 01.01.2007 to 09.6.2013, with effect from 10.6.2013 is supported. However, DOT is advised to seek the approval of the Cabinet for the same.

3. In so far as the proposal for revision of gratuity and leave encashment for BSNL employees retired between 1.1.2007 and 09.6.2013 based on notional pay and payment of arrear thereof is concerned, DOPPW have observed that since IDA pensioners do not get any actual benefit of increase in pay/pension during the period between 1.1.2007 to 9.6.2013, they would not get increase in the amount of DCRG and commutation of pension on this account. Accordingly this proposal is not agreed to.

This issues with the approval of Finance Minister.


(Vivek Ashish)

Under Secretary to the Government of India

To,
Department of Telecommunications
[Shri S.C. Sharma, DDG(Estt.)]
Sanchar Bhavan, New Delhi-110001

Copy to DoP&PW, (Shri Harjit Singh, DS), Lok Nayak Bhavan, New Delhi


(Vivek Ashish)

Under Secretary to the Government of India

IMPORTANT ORDERS/INSTRUCTIONS

UTILIZATION OF UNCLAIMED DEPOSITS IN PPF AND POST OFFICE SAVINGS SCHEMES FOR THE BENEFIT OF SENIOR CITIZENS: AIBSNLREA had earlier reported that the Government has constituted a high level Committee to suggest utilization of unclaimed deposits in PPF and Post Office Saving Schemes for the benefit of senior citizens (view posting dated 04.09.2014 and the e-journal "Second Innings", October 2014 for details). Now the Committee has asked for the suggestions from all concerned on utilization of these unclaimed deposits to be submitted by 15th November, 2014 for consideration of the Committee. [To read the letter, posting dated 17.10.2014 in this website may be viewed].

REVISION OF IDA W.E.F. 1.10.2014 FOR CPSEs WHERE LAST PAY REVISION WAS IMPLEMENTED W.E.F. 1.1.1997: Department of Public Enterprises has issued orders revising IDA w.e.f 1.10.2014 from 223% to 234.5% for CPSEs where last pay revision was implemented w.e.f. 1.1.1997. [To read the order, posting dated 10.10.2014 in this website may be viewed].

REVISION OF IDA W.E.F. 1.10.2014 FOR CPSEs WHERE LAST PAY REVISION WAS IMPLEMENTED W.E.F. 1.1.2007: Department of Public Enterprises has issued orders revising IDA w.e.f 1.10.2014 from 91.3% to 98.1% for CPSEs where last pay revision was implemented w.e.f. 1.1.2007. [To read the order, posting dated 10.10.2014 in this website may be viewed].

BRANCHES IN ACTION

AMBALA BRANCH OF AIBSNLREA HOLD GENERAL BODY MEETING: A General Body meeting of Ambala Branch (Haryana State) of AIBSNLREA was held on 18th Oct.2014 under the chairmanship of Shri P.C. Chauhan, President of the Branch. Shri J.C. Gupta, Branch Secretary addressed the members and gave information on the latest position of merger of 78.2% DA with basic pay/pension. The President greeted all the members and their families on the happy occasion of Diwali and wished all happiness and good wishes for them. 4 new life members were enrolled making the total strength of the Branch to 46.

UDAIPUR BRANCH OF AIBSNLREA DONATES FOR THE RELIEF WORK OF J&K FLOOD VICTIMS: Members of Udaipur (Rajasthan State) Branch of AIBSNLREA collected among themselves Rupees Eleven thousand only for the relief work of J&K flood victims and deposited the amount in the Prime Minister's National Relief Fund account in SBI, Udaipur on 08.10.2014.

RAIPUR BRANCH OF AIBSNLREA HELD ITS GENERAL BODY MEETING: Raipur Branch (Chattishgarh State) of AIBSNLREA held its General Body meeting on 08-10-2014. S/Shri P.Z. Choradia, Branch President and G.P. Pande, Branch Secretary addressed the members and gave information on the latest position of merger of 78.2% IDA with basic pension. Some other issues concerning the pensioners were also discussed. The Branch has enrolled 22 new life members taking the total membership of the branch to 52.

AMRAVATI BRANCH OF AIBSNLREA HELD ITS BI-MONTHLY GENERAL BODY MEETING:
Amravati Branch (Maharashtra State) of AIBSNLREA held its bi-monthly General Body Meeting on 5th October 2014. Branch Secretary Shri Vijay Dakhode apprised the members about the latest status of the issue regarding fitment benefit for merger of 78.2% IDA with basic pension of BSNL pensioners. He also gave a brief report on other issues.

STATEMENT OF PAYMENTS RECEIVED DURING OCTOBER 2014

Delhi South West Branch has deposited Rupees five hundred fifty (Rs 550/-) only to CHQ for one additional life member.

Raipur Branch (Chattishgarh State) has deposited Rupees four thousand four hundred (Rs 4400.00) only in CHQ's Syndicate Bank Account on 7.10.2014 as quota for 22 new life members.

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