



All India Graduate Engineer Telecom Officers Association

(An Association of DR Graduate Engineers / Account Officers of BSNL)

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No. GS/AIGETOA/100

Dated 02-02-2015

To

Sh. Anupam Shrivastava

The Chairman & Managing Director, BSNL

Bharat Sanchar Bhavan

Janpath, New Delhi

Subject: Negotiation for quantum of superannuation benefit in respect of Direct Recruits in pretext of financial constraints is not only the violation of Rules, Guidelines, CPSE norms and Company memorandum but also highly discriminative and illegal -Reg.

Respected Sir,

Your kind attention is invited towards inordinate delay in deciding the superannuation benefit in respect of Direct Recruits in pretext of negotiating quantum which is complete violation of CPSE norms and company memorandum. It is needless to mention that as per CPSE norms and company memorandum benefits of board and below board level executives is decided by the GoI through Department of Public Enterprises (DPE) and CPSE board has to approve these benefits within the rules and guidelines laid down by DPE. This association would like to reiterate following rules and guidelines in this regard for your kind consideration:

1. Government of India has amended the CCS pension rule-1972 and inserted Rule-37A to extend the pensionary benefits to BSNL employees. Followed by the said amendment all the absorbed employees in BSNL were extended government pensionary benefits and sub-rule (22) of Rule-37A specify the arrangement and manner including rate of pensionary contributions to be made by BSNL to the Government and the manner in which financial liabilities on this account shall be met. In the same amendment under sub-rule-23 of Rule-37A, it is clearly mentioned that BSNL shall devise its own pension scheme and make arrangement for funding and disbursing the pensionary benefits to the employees recruited by BSNL after it's formation.
2. Cabinet decision is very much clear that pay scale of two CPSE working under same sector cannot be different but IDA pay scale of BSNL is put one scale lower than MTNL just to compensate the pensionary benefits extended to BSNL employees. BSNL has already extended the pensionary benefits in totality and disbursing contribution for the same but yet to devise it's own pension scheme in respect of employees recruited by BSNL itself. **BSNL must devise it's own pension scheme in respect of BSNL recruited employees and difference amount of pay between MTNL and BSNL must be deposited towards this scheme w.e.f. 01-10-2000.**

3. Followed by 2nd PRC, DPE has ordered that ceiling limit of superannuation benefits shall be 30% which includes defined contribution towards EPF, Gratuity, Post Retirement Medical benefits and pension scheme.
4. DPE order in respect extending benefits to CPSE executives followed by 2nd PRC w.e.f. 01-01-2007 was based on 20% PBT of financial year 2007-08 and not on current or any other years. Apart from this, 2nd PRC duly approved by Government has also clarified the stages of implementation of various benefits. Perks & allowances cannot be extended before extending the retiral benefits in case CPSEs is not in the position to afford the 2nd PRC recommendations due to financial constraints.
5. BSNL has not only extended the pension contribution in totality as recommended by sixth pay commission in respect of absorbed executives (around 2.5 lakhs employees) but also extended some portion of perks and allowance to all the executives as well as non-executives and hence it cannot deny to extend the superannuation benefits in totality i.e. 30% of Basic Pay + IDA in respect of BSNL recruited executives who are hardly 12000 in number.
6. **Sir, it is a well established fact that when the money is scarce, any house hold buys essential items and then goes for the luxuries. Similarly, in BSNL, to maintain the current luxury, retired life of the executives who are going to serve for 30-35 years of their precious time in this PSU, cannot be compromised. In fact it is the responsibility of Government owned PSU to ensure at par retired life of its employees vis-à-vis others. Hence if at all, there is a financial constraint, the superannuation benefits to around 35 thousands (Executives+ Non-Executives) in totality should be extended first before extending the perks like professional up gradation allowance and if needed, the perks may be withdrawn for extending the superannuation benefits in totality.**

Sir, in view of the facts mentioned above there is no question of negotiating the quantum of superannuation benefits in pretext of financial constraints which is not only the violation of Rules, Guidelines, CPSE norms and company memorandum but also highly discriminative and illegal.

This association requests your good self to kindly intervene to expedite the process to finalize the industrial pension scheme in respect of direct recruits in totality and as per the rules and guidelines mentioned above. Your praiseworthy act in this regard will not only secure the retired life of employees but also boost their current moral and attract loyalty.

Sincerely Yours

(R P Shahu)
General Secretary

Copy to:

1. Director (HR), BSNL, for kind consideration please.
2. Director (CFA), for kind consideration please.
3. ED (Finance), BSNL for kind consideration please.