

**No.47-63/2022-Pen(T)/part.
Government of India
Ministry of Communication
Department of Telecommunications
(Pension Section)**

513, Sanchar Bhawan, 20 Ashoka Road, New Delhi-01
Dated: 17th Nov., 2022

To,
All Heads of Associations

Sub: Proposal regarding revision of pensionary benefits w.e.f. 01.01.2017 in r/o absorbed BSNL/MTNL employees

Kind reference is invited towards your letter's received from various Associations regarding Record of Discussion of the meeting held on 17.10.2022.

- (i) In this regard it is intimated that copy of Presentation made during the meeting is hereby attached as requested by you.
- (ii) You have stated that nine associations have pointed out that there are judgments from constitutional courts which state that the combined service pensioners who opted for government pension should be treated on par with the C.G. Pensioners.

In this regard it is stated that on absorption, BSNL/MTNL absorbed employees started getting their pay in Industrial Dearness Allowance (IDA) pay scales. As per sub-rule 8 of rule 37A of CCS (Pension) Rules, 1972, these absorbed employees are eligible for pensionary benefits on the basis of the combined service rendered by them (with the Central Government and with BSNL/MTNL) in accordance with the formula for calculation of pension and family pension under CCS (Pension) Rules, 1972 at the time of their retirement from BSNL/MTNL. **The absorbed employees of BSNL/MTNL who retired after 01.10.2000 get pension, and dearness relief thereon, as per IDA pattern.**

Further, various Courts have also observed on similar lines as follows:

In OA No. 021/0012/2017 filed by Shri M.S.S.R Murthy before CAT Hyderabad Bench, the Hon'ble vide CAT observed vide Order dated 10.12.2018 (p.392/c) that *"The applicant cannot seek application of rules selectively, of both Government and BSNL, in order to take advantage of the best among the better of the rules in the two institutions. Being a BSNL employee the applicant cannot compare himself with DoT employee and allege discrimination. One is a Govt. department and the other is a PSU"* and dismissed the OA on merit.

In the Review Application No. 021/02/2019 in OA No. 813/2017 filed by Sh. Murthy before CAT Hyderabad, the Hon'ble CAT vide Order dated 11.01.2019 (p.398/c) observed that *"The applicant having become a BSNL employee his*

pension was naturally drawn based on his pay drawn in BSNL. Had the applicant opted for retirement benefits from DoT, the scenario would have been different! However, since the applicant has opted for combined service, the rules of the game are different” and dismissed the RA on merit.

Appeal filed by Sh.Murthy in Hon'ble HC Hyd is pending with no interim directions.

In OA No.170/00116-134/2018 filed by Shri Vincent Furtado & Ors before Hon'ble CAT, Bangalore Bench, the Hon'ble Tribunal dismissed vide order dated 27.11.2019 (p.567/c) observed that, *“Having elected to be in BSNL, they are now estopped by the implied promise that they had given to by BSNL tenets and to grow on it. If BSNL cannot grow on it, naturally the employees will suffer a little diminishment. At this point of time they cannot turn around and say that the DoT employees may have stolen a march over them. As they have already made their choice, they have to abide by it”* and dismissed the OA on merit.

(iii) As far as pension revision of BSNL/MTNL pensioners on combined service, on the basis of 7th CPC is concerned, it is clarified that the recommendations of 7th CPC are applicable only to Central Govt. employees who are getting pay/ pension on CDA pattern. Rule 37 (5) of CCS (Pension) Rules, 2021 clearly mentions that the permanent absorption of the Government servants, as employees of the public sector undertaking shall take effect from the date on which their options are accepted by the Government and from the date of such acceptance, such employees shall cease to be Government servants and they shall be deemed to have retired from Government service. Therefore, the orders issued by DoP&PW for revision of pension are not applicable to BSNL/ MTNL retired employees.

(iv) On delinking pension revision from pay revision in BSNL/MTNL it is clarified that at present the proposal is to revise the pension by merging Basic+IDA as on 01.01.2017 without any fitment factor for pensioners as well as future retirees, who are working at present. However, as and when pay revision as per 3rd PRC takes place in BSNL/MTNL the same fitment factor which is extended to serving employees will be given to pensioners.

(v) Further, as majority of combined service pensioners are Non-Executives and DPE decides pay scales of executives only, BSNL/MTNL have been requested to provide the pay scales of Non-executives, if decision has been taken, so that total financial implications can be computed before sending the proposal to DoE.

Encls : as above

Leena

17.11.22

(Leena George)

Under Secretary to Govt. of India