



राष्ट्र हित

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All India Graduate Engineers & Telecom Officers Association

Central Headquarter, New Delhi

(A Recognised Association of BSNL Executives)

(Affiliated to BMS)



Regn. no. HR/019/2018/02138

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Dated 08.08.2024

To,
Shri Jyotiraditya M. Scindia Ji,
Hon'ble Minister of Communications,
1st Floor, Sanchar Bhawan,
New Delhi 110001.

Subject: Request for kind consideration and directing the BSNL/DoT for implementation of 30% (SAB) Superannuation benefit to the Direct Recruits of BSNL as per the recommendation of 2nd PRC (Pending to be implemented since 01.01.2007) - reg

Respected Sir,

We introduce ourselves as the recognized association of BSNL representing the aspirations of executives of BSNL and an affiliate of Bhartiya Mazdoor Sangh, the largest trade union of India.

We take this opportunity to request for your kind intervention for directing BSNL/DoT for implementation of 30% Superannuation benefit to the Direct Recruits of BSNL as per the recommendation of 2nd PRC pending to be implemented since 01.01.2007 (In fact Pension scheme was to be incorporated after formation of BSNL from 01.10.2000) which has been kept pending for years. The Details of the issue is as stated below:

Implementation of 30% Superannuation benefit to the Direct Recruits of BSNL as per the recommendation of 2nd PRC

This is a recommendation which was not implemented by BSNL after its formation wherein it was categorically stated that BSNL will form its own pension scheme and thereafter as a part of recommendation of 2nd PRC benefits (extension of 30% SAB to BSNL Recruits including formation of PRMB (Post-Retirement Medical Benefits) fund trust as done with Gratuity, GTI etc towards BSNL Recruits under defined contribution scheme).

Detail of the Issue:

- After the inception of BSNL from DOT, the Government of India and Recommendation of 2nd PRC, Department of Public Enterprises, Ministry of Heavy Industry & Public Enterprises, Government of India issued order vide following reference Letter No.:
 - 1) OM dated 30/09/2000 of Ministry of Personnel Public Grievances and Pension **(Annexure-1)**
 - 2) 2(70)/08-DPE(WC)-GL-XVI/08 dated 26/11/2008 **(Para-12 Annexure-2)**
 - 3) 2(70)/08-DPE(WC)-GL-VII/09 dated 02/04/2009 **(Para-ii of Annexure-3)**

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Ministry of Personnel Public Grievances and Pension department issued order vide annexure 1 in respect of BSNL employee's pension scheme under Rule 37A. The sub-rule 21, 22 and 23 of the OM under annexure 1 specifies the pension scheme in respect of BSNL employees. Sub-rule 21, 22 clarifies the provision regarding pension contribution to the employees absorbed in BSNL from DOT and Sub-rule 23 clearly stated that BSNL shall devise its own pension scheme in respect of Direct Recruits of BSNL.

Further recommendation of 2nd PRC with respect to Superannuation Benefits of the executives recruited by CPSUs state the following:

30% of Basic plus IDA would be allowed as Superannuation Benefits, which may include Contributory Provident Fund, Gratuity, Pension and Post-superannuation Medical Benefits. No other superannuation benefit shall be granted outside the said 30% ceiling.

To manage said fund CPSE should, with the approval of the Administrative Ministry: -

- Either make their own schemes,
- Or operate through Insurance companies.

The Superannuation Benefits shall be under the Defined Contribution Scheme.

The Pension and Post-superannuation Medical Benefits can be extended to those executives, who superannuate from the CPSE on putting 15 years of service.

- Despite clear-cut provisions **for the Superannuation Fund Scheme in the gazette notification of BSNL formation as well as in the recommendations of 2nd PRC, no such provision was made by BSNL for its direct recruit employees** when the recommendations of 2nd PRC were implemented in BSNL. After a sustained persuasion of almost a decade thereafter, finally BSNL started a superannuation fund with a defined contribution scheme of 3% in the year 2016 and thereafter it was raised to 5% in the year 2017. **Thus, total defined contribution in respect of BSNL Recruits is around 22% and a shortfall of 8% still exists.** Further the delay in implementation not only caused a loss of fund contribution of 10 years if calculated from 1.1.2007 and loss of fund contribution of 16 years if counted from 1.10.2000 i.e. year of formation of BSNL.
- Such is the precarious condition of BSNL recruits that if some unfortunate happening occurs to any BSNL Recruited employee, all that his/her dependents get as pension is Rs. 6 to 7 thousand per month while the similarly placed other set of employees in BSNL are fully secured in terms of their defined pensionary benefit of 50% of basic plus DA at the time of parting from organisation. BSNL management has always been comparing defined benefits to defined contribution which is completely wrong as BSNL Recruit's Benefits are governed by DPE Guidelines which are mostly based on defined contribution schemes while those absorbed from DoT gets defined benefits. This defined contribution must be implemented in totality just as the defined benefits which is being implemented in totality by BSNL.
- **2nd PRC committee clearly states in page number 127 to 129 of chapter-6 that if company doesn't have sufficient fund to implement all the benefits as recommended then first, basic and retirement benefits should be extended in totality then only perks & allowances can be given.** But BSNL extended retiral benefits and even perks/allowances to other set of employees but did not cover the retiral benefits of BSNL Recruited Employees in totality which must have been done before extending perks and allowances if BSNL states non-affordability as the reason. Even 30% fitment was given but the pay scales and Superannuation Benefits to the BSNL recruits were never extended in totality.

BSNL management's is trying to compare defined benefits with defined contribution. **The**

Defined Contribution can never be compared with Defined Benefits as Defined Benefit remain same irrespective of contribution while in the defined contribution scheme, benefit depends completely on the contribution made by the organization and BSNL has skipped this contribution since 01.10.2000. Only in the year 2016, they started with a meager contribution.

An increase in SAB contribution positively affects almost 90% of the BSNL Executives and 50% of the non-executives and the financial implication is also minimum in implementing this and will not have any appreciable affect on liquidity of BSNL and will result in greater profitability in terms of motivation, efficiency, belongingness and sense of gratitude towards Government of India.

We request for intervention of your kind self for directing BSNL Management for resolving the above residual issue of 2nd PRC which are pending to implemented since 1.1.2007 as a part of recommendation of 2nd PRC and in fact since 01.10.2000 as a part of the recommendation of the GoI during BSNL Formation.

We request your good self to direct BSNL to take cognizance of the issue raised above and issue firm directions for strict implementation of the provisions as stated above.

Thanking You Sir,

With Regards

**Sd/-
(Ravi Shil Verma)
General Secretary**