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**BHARAT SANCHAR NIGAM LIMITED EXECUTIVES' WELFARE ASSOCIATION
CENTRAL HEAD QUARTERS, NEW DELHI**

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NO.AIRBSNLEWA/CHQ/2024/Secy/

Dated 29th May, 2024

To,

**The Cabinet Secretary
Government of India
New Delhi – 110001**

Respected Sir,

Sub: Memorandum on BSNL/ MTNL Pensioners issues for consideration by the New Government – regarding;

We, AIRBSNLEWA majority association representing the BSNL Pensioners would like to submit this memorandum on issues related to the BSNL / MTNL Pensioners and Family Pensioners for favour of your kind favourable and sympathetic consideration please.

- 1. Revision of pension for BSNL/MTNL Pensioners:** Pension revision from 1.1.2017 is not done for BSNL/MTNL Pensioners and the Government is adamant in refusing the same that unless the serving staff are given wage increase pension revision to the pensioners cannot be granted. The serving staff also denied any wage increase in the name of loss to BSNL/MTNL. The Pensioners of BSNL/MTNL are tortured because of the stand of the Government and the suffering is too much due to the trend of inflation. The Government should come forward to update the pension by 15% immediately with effect from 1.1.2007 and render justice to the BSNL / MTNL pensioners.

In this regard; it is reliably learnt that DoE Officers have gone through the DoT file of some proposals in the case of Pension Revision of BSNL / MTNL Pensioners and they are of the opinion that DoT should send only one concrete proposal to DoP&PW, instead of multiple options and on such proposal DoP&PW will take a policy decision in consultation with DoE.

On the issue of pension revision, five years ago, DoP&PW vide it's letter dated No.4/02/2019-P&PW (D)/40504 dated 08.03.2019 has requested DoT that, the issues raised in the representation dated 12.02.2019 from Committee of BSNL / MTNL Pensioners' Associations (CBMPA) may be examined by DoT, and the comments of DoT thereon, may be sent to this Department along with the clarifications sought in this Department's ID note dated 14/01/2019". In addition, the following information was also called for by DoP&PW in the said letter;

- What would be the formula for revision of pension of those retired prior to 01.01.2017.
- What would be the financial implications on pension revision as per that formula.
- How it is proposed to resolve the anomaly in pension of those retired after 01.01.2017 in view of BSNL/MTNL's un affordability for pay revision.

However, inspite of several requests by our pensioners Associations also, DoT has not responded to the letter dated 08.03.2019 of DoP&PW.

Hon. PBCAT, New Delhi on 20.9.2023 has given a clear judgment which should be the basis for the proposal. Hence, it is requested that your goodself may kindly intervene in the matter and expedite the implementation of PBCAT New Delhi Judgement and revise the pension of BSNL / MTNL pensioners with immediate effect please.

The judgement is mentioned as under for ready reference:

“In view of the elaborate discussion above, the OA stands allowed. The competent authority amongst the respondents is directed to forthwith revise the pension and family pension wherever applicable, strictly in accordance with the relevant rules and the entitlement governing pension to various sets of employees of the Central Government, maintaining strict parity. It is clarified that the benefits of revision of pension and family pension as notified by the Central Government on the recommendations of the Pay Commission, shall stand extended in favour of the applicants, analogous to the revision of such pension in case of Central Government pensioners.”

DoT, instead of implementing the above judgement preferred to file a writ petition in the Hon. High Court, New Delhi and denying justice to the senior citizens.

2. **Extension of Court Judgements to all Similarly placed pensioners / family pensioners.** It is a settled principle of law that where there are similarly situated persons, the govt. should unilaterally grant the same relief to all similarly placed personnel. Once a pension or service related issue has attained legal finality, it should be extended to all similarly placed personnel and they should not be forced to seek similarly relief by approaching the courts. This causes loss of peace of mind of the elderly pensioners and financial drain of their hard earned money. Once the court has finalised an issue affecting the pensioners, the Govt. must resist going into appeal to higher courts.
3. **Grant of Notional Increment to 30th June and 31st December retirees:** Many Courts including the Supreme Court had directed that notional increment to be granted and pension refixed for the 30th June and 31st December retirees. These pensioners had worked for the entire 12 months and for the convenience of Government only the date of increments was changed into 1st July and 1st January after 1.1.2006 and 1.1.2026 respectively. There is no justification to deny the benefit in the name of fundamental rules to the BSNL / MTNL Pensioners. Some State Governments like Tamil Nadu had already amended the FR of State Government Employees to grant the notional increments. The OMs issued by various departments of the Central Government differs funnily whereby some grant the facility to all, while some other grant from the date of Judgement, while others restrict it to litigants. The DOPT is not coming forward to release its own OM. The Chairman of SCOVA also desired and directed the DOPT to consult the Attorney General early in the matter. NCCPA requests the Government to early change the FR to grant the notional increment to all retired and retiring on 30th June and 31st December.
4. **Commutation of pension period:** The fixation of Commutation Factor (CF) is done as per Central Civil Services (Commutation of Pension) Rules, 1981 (Last Amended Date: 06/06/2013). The said rules requires revisit on the issue as in last decade lot of changes have occurred in interest rates, mortality rate life expectancy. The LIC table of 94-96 is being used with interest rate of 8% and is effective from 2.9.2008. LIC ultimate table validity expired on 31.03.2013 and hence, the LIC table 94-96 is not a valid w.e.f. 1.4.2013. Instead of re-constructing the said table on every 5 years, still the same LIC table of 94-96 is used for commutation of pension to the retirees retiring even today. Due to changes in RBI repo rate, market interest rates, life expectancy and mortality as is being done for the CGIES and GPF rates, which are being revised every Quarter of a year, the LIC table also needs revision.

The Institute of Actuaries of India has revised the mortality tables every eight years ie 2005, 2013 & 2021. However, the commutation table has not been reconstructed after 2008 and needs to be revised immediately with retrospective effect from 1.4.2013 and 1.4.2021. The policy of the Central Government towards its employees who have rendered their Services for the Nation building for more than 35 years, should be sympathetic towards its employees and they should look after the welfare of employees and particularly pensioners as a model employer, the concept of profit making for central government on these sensitive issue should not be the criteria for fixing the commutation factor and restoration of commuted value of pension. The methodology used in computing the Commutation Factor (CF) is also not correct. The important issue is recovery period of 15 years is improper as the recovery is completed within 10 years and 8 months. Hence, it should have been 10 years and 8 months instead of 15 years recovery period as interest is recovered in 2.66 years. Hence deep study on this subject is required by the Central Government to protect the interest of its employees and pensioners who have served Nation for more than 35 years.

Improper fixation of commutation factor has resulted in loss of 16.5% less commutation amount received by Employees. Those employees who have retired on 1.1.2005, for them Commutation tables one table - 1 is effective from 1.3.1971, – till 1.1.2006 with an interest rate of 4.75 %. Age 60 years, next birthday falls on 61 years, Commutation Factor (CF) is 9.81. Those who have retired on 1.1.2008, second commutation table-2 which is effective from 2.9.2008 till now, with an interest rate of 8 % p.a. Age 60 years, next birthday falls on 61 years, Commutation Factor (CF) is 8.194 The lowering of commutation

factor from 9.81 to 8.194 from the age of 61 years as next birthday has resulted in reduction of commuted amount to the extent of 16.5%.

The commutation table is being prepared on the grounds of four parameters like Interest rates, Life expectancy, Mortality rate and Period of recovery by the LIC of India prepared in the year 1994. The fixation of Commutation Factor (CF) is based upon the Table, based on LIC (94-96) Ultimate Tables and based upon rate of interest of 8% and the mortality factor is published by the Institute of Actuaries of India (IAI) in the year 2005. The mortality rate has been reducing year by year and life expectancy has been increasing year after year. The interest rates also vary from year to year. The recovery is completed within 10 years and 8 months as the interest is recovered in 2.66 years, hence 15 years recovery period not logical. The interest rate for fixation of Commutation Factor (CF) is 8% is very high as compared to GPF rates of 7.1 % after 2020 and other government rates on deposits, instead of that actually RBI repo rate should have been adopted. The RBI repo rate was at 6.5% as of Dec 2008 and started declining from 2019 onwards to 4% and once again in 2023 it is 6.5 %. Between 2019 to 2023 we had very low interest rates, but central government charged 8% for its pensioners instead of 6%, especially after the year 2020. The mortality factor is published by the Institute of Actuaries of India which shows risk factor of just 1% and life expectancy is 80 years as per Census department.

In the light of above, we the AIRBSNLEWA requests your goodself to kindly intervene in the matter and consider sympathetically and arrange the re-fixation of the commutation factor and tables with retrospective effect from 1.4.2013, and thereafter every five years, and render justice to the Pensioners

5. Restoration of Dearness Allowance withheld during Covid and its payment. Majority of the pensioners are low paid and are worst hit by ever increasing cost of living and mounting expenditure on heal care. It is not fair to punish these pensioners in the fag end of their life by withholding the Dearness allowance. Hence the D/A. for 1.1.2020, 1.7.2020 and 1.1.2021 be restored with immediate effect and the arrear payment be made to the pensioners on priority.

6. ISSUES RELATED TO CGHS:

a) Linkage of CGHS with ABHA: There are lot of difficulties faced by the CGHS beneficiaries which requires immediate attention for its improvement. Instead of attending for improvement of CGHS facilities pending demand from several Pensioners Associations for years, the Central Government tried to further bring deterioration in the condition of CGHS system and thereby adversely affect the interests of beneficiaries of CGHS. The glaring example is the OM (F.No.Z15025/23)/2023/DIR/CGHS (Comp No.8236195) I/3663776/2024 Dated 28.03.2024) issued by the Ministry of Health & FW for mandatory linking of CGHS with ABHA system. The Central Government one year back while desiring the linkage assured the Pensioners that the move is only optional and not mandatory. But issued another OM recently as above declaring the linkage as mandatory. The Pensioners and Family Pensioners were alarmed by this move of Government because the linkage will forfeit the beneficiaries the right to choose the treatment in a private empanelled hospital empanelled by CGHS and force the pensioners to get the treatment from Government Hospital only, one the linking of CGHS with ABHA is completed. Therefore, it is requested to immediately withdraw the above memo with immediate effect.

b) Improvement of CGHS facilities by Opening Wellness Centres in all Districts: The existing CGHS System is having lot of difficulties which needs to be improved immediately. The wellness centres are opened only in selected places and not in all revenue districts of the country. Recently the P&T Pensioners, Air India, BSNL and MTNL pensioners are also added to the CGHS irrespective of the places of their residence, and thereby the beneficiaries are increased in all districts. But the presence of Wellness Centres in selected places force these beneficiaries to travel longer distances to the places of CGHS for taking the treatment. Thus, the diseased senior citizens will have to travel long for consulting CGHS doctors. Moreover, there are no earmarked empanelled hospitals also in their place where they can go and take treatment. The Government should come forward to open wellness centres in all revenue districts or earmark a private hospital till such time in every revenue district for taking treatment by the beneficiaries.

c) Improvement of CGHS facilities by empanelling hospitals in all cities: There are no empanelled hospitals in many cities and the beneficiaries are to travel long for indoor treatment. The difficulties experienced due to the long distance travel by the ailing senior citizens can be well understood by the Government.

- d) Opening Office of AD in all States:** The newly formed States like A.P. do not have any office of the Assistant Director so far. Immediate formation of office of AD is very paramount in the state of A.P. Also posting of regular AD where the charge of A.D. is looked after by the AD of other state / Cities is immediately required.
- e) Stopping the proposal of opening of PPP of Wellness Centers:** The recently Secretary of Ministry of Health & PP in its meeting with all Additional Directors of CGHS held on 18.04.2024 has tabled a proposal for running the CGHS Wellness Centres on 'Public Private Partnership'. It indicates the start of privatization of CGHS facilities by the Central Government. The proposal may please be withdrawn immediately.
- f) Filling the posts of doctors and para-medical staff in CGHS wellness centres:** There is acute shortage of doctors and para medical staff in CGHS wellness centres and the process of recruitment of them is having lot of shortfalls, that is why the strength of Doctors and Para-Medical Staff are very less in most of the wellness centres. Special efforts should be made to recruit the Doctors and Para-Medical Staff on war footing level is required to be taken up by the Government.
- g) Shortage Medicines in CGHS Wellness Centres:** The medicines especially the life-saving drugs are not sufficiently available at the wellness centres to distribute to the beneficiaries immediately on prescription. Many medicines are to be locally purchased and the beneficiaries are asked to come again to the wellness centres to collect those medicines after 2 to 3 days. This compels the Pensioners and Family Pensioners to visit the wellness centres twice/thrice and putting the ailing senior citizens into the trouble.
- h) Enhancing the cost of treatment:** The controversy that the cost of variety of treatments and pathological tests was fixed in as far back as in 2014 and not commensurate with the new costs charged by private hospitals forced many such hospitals wriggling out of empanelment. Further, many specialist doctors in empanelled hospitals are not interested to consult and treat CGHS beneficiaries due to the reason of less amount of consultation charges and at the same time they can earn more money by consulting other patients. Despite the claims of the Government in the past, the cost of several treatments was to be revised and the government has taken that effort and is in the process of enhancing the rates. The rates are to be matched with the prevailing rates and a mechanism and to periodically revise and enhance the rates from time to time by consulting with all stakeholders.
- i) Entitlement of Wards:** The Government should not be stingy in allowing the ward entitlement to the CGHS beneficiaries from the back date. The refusal to revise the entitlement of ward from general to semi-private or semi-private to private should be looked into in the background that the beneficiaries are collected at the rates of suggested by an intervening Pay Commission and these new rates are common to old and new pensioners. When the income is for all pensioners, the government should make the expenses also for all pensioners and therefore the ward entitlement must be for all.
- j) Enhancement of FMA Scheme:** FMA rates has been recommended to enhance to Rs.3000/- by the Parliament Standing Committee recommendation is based on current 'after corona' situation. Earlier before the 7th CPC the Pensioners Associations have demanded enhancement to 2000/-. However, there is inordinate delay from the Government in taking a decision on enhancement of FMA. This is very important issue as the out-patient treatment of non-CGHS area-pensioners are badly affected due to this issue.
- 7. Senior Citizen Travel Concession restoration:** During Corona Pandemic the travel concession in Train Journey was withheld by the Indian Railway and even today in the name of profit to Railways the concession is not restored. The travel concession was granted as a measure to grant concession to senior citizens and this Government's action of not restoring the concession is clearly against the interest of senior citizens. Such measure should not be looked into as profit and loss and be considered as a privilege to the senior citizens of the country.
- 8. Grant of Additional Pension benefit to the Pensioner on attaining the age of 80 years:** The Honourable Courts including the Supreme Court had ruled that additional pension of 20% should be granted to pensioners as and when they enter in their 80th year of age. The Government's interpretation of completing the age of 80 as attaining the age was not acceptable to courts. Moreover, the Government had gone to Parliament to revise the FR for Judiciary to deny the benefit of Guwahati High Court verdict to Judiciary. After the High Court and Supreme Court judgments the relevant sub rule 6 of 44 and sub

rule (3) (a) of 50 CCS Pension Rules 2021 needs amendment. It is therefore pertinent to grant the additional pension as and when a pensioner enters the age of 80. NCCPA requests to amend the FR of CG Employees so that they are made eligible to receive the additional pension as and when they enter their 80th year of age. K). Additional Pension from 65 years of age: The Parliament Standing Committee has recommended that the additional Pension may be granted from attaining the age of 65 instead of granting on attaining the age of 80. The recommendation says that on attaining 65 the additional pension @ 5%; on 70 it should be 10%; on 75 it should be 15% and when they attain 80 years the additional pension can be 20% and so on. The Pensioner should enjoy the additional pension as the inflation is robbing the pensioners this happiness. The Government should keep the pensioners at the same living standard as they were under service. Grant of additional pension from the age of 65 can be a step towards this end. NCCPA therefore urges for grant of additional pension from the age of 65 onwards.

This Association is confident that the above issues will receive careful consideration by the New Government on assuming the office after June 4.6.2024. It is not out of place to mention that the Central Government did not pay necessary attention towards BSNL/ MTNL Pensioners and also in improving the CGHS facilities and system and other Pension related issues of the Pensioners and Family Pensioners pending for quite for long time.

We hope that the New Government to assume office after June 4th will seriously consider our issues and take efforts to solve the long pending issues on priority:

With kind regards,

Yours Sincerely



(Prahlad Rai)

**General Secretary
AIRBSNLEWA**

Copy to:

- 1. The Secretary (Pension), Department of Pension & Pensioners' Welfare, Lok Nayak Bhawan, Khan Market, New Delhi-110 003.**
- 2. The Finance Secretary, & Secretary (Expenditure), Ministry of Finance, Department of Expenditure, Room No. 129-A, North Block New Delhi-110 001.**
- 3. The Secretary, Department of Public Enterprises, Ministry of Heavy Industries, Govt. of India, New Delhi.**
- 4. The Secretary, Department of Personnel & Training, Ministry of Personnel, P G and Pensions Government of India, North Block, New Delhi - 110 0013.**
- 5. The Secretary Telecom., Dept. of Telecom., Govt. of India, New Delhi – 110 001.**



(Prahlad Rai)