

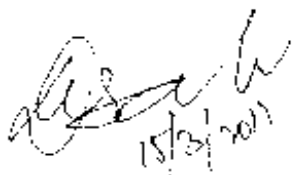
F. No. 40-17/2008-Pen(T)-Vol.III
Government of India
Ministry of Communications & Information Technology
Department of Telecommunications
Sanchar Bhawan, 20, Ashoka Road, New Delhi-110001

Dated the 16th March, 2011

OFFICE MEMORANDUM

Sub: Revision of pension of pre-2007 pensioners/ family pensioners of BSNL

1. The employees of erstwhile Department of Telecom (DoT) who were absorbed in BSNL with effect from 1.10.2000 in accordance with Rule 37-A of CCS (Pension) Rules 1972 and have since retired are being paid pension by the Government in accordance with sub-rule 21 of the said rule.
2. The matter regarding revision of Pension in respect of BSNL IDA Pensioners, who retired during the period from 1.10.2000 to 31.12.2006, pursuant to wage revision in BSNL with effect from 1.1.2007 had been under consideration of the Government of India.
3. The undersigned is directed to convey the decision of Government of India to regulate the pension/ family pension of all the BSNL absorbed pensioners/ family pensioners, who retired during the period 1.10.2000 to 31.12.2006, with effect from 1.1.2007, in the manner indicated in the succeeding paragraphs.
- 3.1. These orders shall apply to all pensioners/family pensioners who were drawing/ entitled to draw pension/ family pension on 1.1.2007 under the provisions of sub-rule 21 of Rule 37-A of Central Civil Services (Pension) Rules, 1972, based upon the combined services rendered in Government and in BSNL.
- 3.2. In these orders:
 - a. Pre-2007 BSNL pensioner / family pensioner means a pensioner/ family pensioner, who, after retirement from BSNL during the period 1.10.2000 to 31.12.2006, was drawing/ entitled to draw pension based upon his combined service in Government and in BSNL, in accordance with sub-rule 21 of Rule 37-A of CCS(Pension) Rules 1972, as on 31.12.2006.


15/3/2011

- b. Existing pension means the basic pension inclusive of commuted portion, if any, as on 31.12.2006, covered under sub-rule 21 of Rule 37-A of the CCS (Pension) Rules, 1972.
- c. Existing family pension means the basic family pension as on 31.12.2006 under sub-rule 21 of Rule 37-A of the CCS (Pension) Rules 1972.

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

- i. The existing pension/family pension, including commuted portion of pension, if any;
- ii. Dearness Relief upto AICPI (IW) average index 126.33 (Base year 2001=100) i.e. @ 68.8% of Basic Pension/ Basic family pension;
- iii. Fitment weightage @ 30% of the sum of existing pension/ family pension and Dearness Relief thereon.

The amount so arrived at will be regarded as consolidated pension/ family pension with effect from 1.1.2007.

4.2. The fixation of pension will be subject to the provision that the revised pension, in no case, shall be lower than fifty percent of the minimum of the pay in the pay scale corresponding to the pre-revised pay scale from which the BSNL pensioner had retired.

4.3. Since the consolidated pension will be inclusive of commuted portion of pension, if any, the commuted portion will be deducted from the said amount while making monthly disbursements.

4.4. The lower and upper ceiling on pension/ family pension shall be Rs. 3500/- and Rs. 45000/- respectively.

4.5. The quantum of pension/family pension available to the old pensioners/ family pensioners shall be increased as follows:

Age of Pensioner/family pensioner	Additional quantum of pension
From 80 years to less than 85 years	20% of revised basic pension/ family pension
From 85 years to less than 90 years	30% of revised basic pension/ family pension
From 90 years to less than 95 years	40% of revised basic pension/ family pension
From 95 years to less than 100 years	50% of revised basic pension/ family pension
100 years or more	100% of revised basic pension/ family pension

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15/3/21

The amount of additional pension will be shown distinctly in the pension payment order. For example, in case where a pensioner is more than 80 years of age and his/ her consolidated pension in terms para 4.1 and 4.2 above is Rs.10,000 pm, the pension will be shown as (i) Basic pension=Rs.10,000 and (ii) Additional pension = Rs.2,000 pm. The pension on his/ her attaining the age of 85 years will be shown as (i) Basic Pension = Rs.10,000 and (ii) additional pension = Rs.3,000 pm.

4.6. The consolidated pension/family pension arrived at as per paragraph 4.1 includes dearness relief of 68.8% of basic pension corresponding to average Index level upto 126.33 (Base year 2001=100) as on 1.1.07, as per orders issued quarterly by Department of Public Enterprises in respect of serving employees, whose pay scales were revised w.e.f. 1.1.1997. Therefore, dearness relief on the consolidated pension/ family pension will be admissible only beyond index average 126.33 (Base year 2001=100) in accordance with the scheme of dearness allowance which is admissible on pay to serving employees of BSNL, i.e. the quarterly IDA rates notified by Department of Public Enterprises. Sixteen such quarterly installments of Dearness Relief on IDA pension due w.e.f. 1.4.07 upto the date of issue of these orders will be paid on the basis of DPE OM issued from time to time in respect of serving employees of CPSEs whose scales were revised w.e.f 1.1.07. A table indicating dearness relief admissible w.e.f 1.4.2007 to 31.3.2011 is as under:

S. No.	IDA effective from	IDA Rates
1.	01-01-2007	0%
2.	01-04-2007	0.8%
3.	01-07-2007	1.3%
4.	01-10-2007	4.2%
5.	01-01-2008	5.8%
6.	01-04-2008	6.3%
7.	01-07-2008	9.2%
8.	01-10-2008	12.9%
9.	01-01-2009	16.6%
10.	01-04-2009	16.9%
11.	01-07-2009	18.5%
12.	01-10-2009	25.3%
13.	01-01-2010	30.9%
14.	01-04-2010	34.8%
15.	01-07-2010	35.1%
16.	01-10-2010	39.8%
17.	01-01-2011	43.0%

4.7. Where the consolidated pension/family pension in terms of paragraph 4 above works out to an amount less than Rs. 3500, the same shall be stepped upto Rs. 3500.

Asah
15/3/2011

Page-3/5

This will be regarded as pension/ family pension with effect from 1.1.2007. In the case of pensioners who are in receipt of more than one pension, the floor ceiling of Rs. 3500/- will apply to the total of all pensions taken together.

4.8. Cases of BSNL pensioners who are in receipt of any other pension may be referred to this office for issue of orders separately.

5. The annual pension liability of Government in respect of employees retired from DoT prior to 1.10.2000 and those who are working in BSNL on deemed deputation basis or on absorption shall continue to remain within 60% of annual receipts to Government from (i) dividend income from MTNL/BSNL, (ii) License fee from MTNL/BSNL; and (iii) Corporate Tax/ Excise duty/ Service Tax paid by BSNL after this revision. In case it exceeds 60%, excess liability will be borne by BSNL.

6. All administrative offices of BSNL handling preparation of pension papers to the BSNL pensioners are hereby directed to initiate the process of consolidation of pension/ family pension to existing BSNL pensioners/ family pensioners at the consolidated rates in terms of para 4 above immediately, and forward the same to concerned CCA for authorization. A Table showing pre-revised and revised pay scales in BSNL is given in Annexure-I.

7. A suitable entry regarding the revised consolidated pension shall be recorded by the pension Disbursing Authorities in both halves of the Pension Payment Order. An intimation regarding disbursement of revised pension may be sent by the pension disbursing authorities to the Office of CCA which had issued the PPO in the form given at Annexure-II so that the later can update the Pension Payment Order Register maintained by him. An acknowledgement shall be obtained by the Pension Disbursing Authorities from Office of the respective CCAs in this behalf.

8. The consolidated pension/ family pension as worked out in accordance with provisions of Para 4 above shall be treated as final Basic Pension with effect from 1.1.2007 and shall qualify for grant of Dearness Relief on IDA pattern sanctioned thereafter.


10. It shall be the responsibility of the CCAs/ Heads of the Office, etc. from which the BSNL employee had retired or where he was working prior to his demise to revise the pension/ family pension of all BSNL pensioners/ family pensioners with effect from 1st January 2007 in accordance with the provisions mentioned in para 4.1 and 4.2 above and to issue revised Pension Payment Order (PPOs). Action to revise pension/ family pension in terms of these provisions shall be initiated suo-moto by the concerned Heads of Offices. It is emphasized that the Pension Sanctioning Authority, in no case, will ask the BSNL pensioner/ family pensioner to surrender his/ her original Pension Payment Order (PPO) for issuing revised authority. In case, however, the age of pensioner/family pensioner is not available on the PPO/ office records, the same shall be obtained from the pensioner/ family pensioner and indicated in the revised PPO. The authenticity of the age declared by the pensioner/ family pensioner shall be verified by the pension


15/4/2011

Page-4/5

sanctioning authority. It may also be ensured that a copy of the revised PPO should be invariably endorsed to the pensioner/ family pensioner.

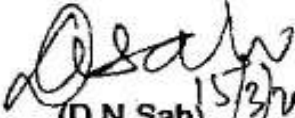
11. It is considered desirable that the benefit of these orders should reach the pensioners as expeditiously as possible. To achieve this objective it is desired that all Heads of offices should ensure that the calculation for revised pension due to the pensioners in terms of para 4.1 and para 4.5 above is forwarded to the concerned CCA by 30th April 2011 who in turn will issue the revised PPO within one month of receipt of cases completed in all respects positively. Payment of pension at revised rates should start from the month of July 2011 and payment of arrears should be completed by 30th September 2011. Concerted efforts should be made by all the authorities concerned to ensure that the revised PPO's are issued, wherever necessary, with the utmost expedition in terms of para 4.1, 4.2 and 4.5 above.


(Shakeel Ahmad) 15.3.11
Dy. Director General (Establishment)
Ph: 23710035

To,
Chairman and Managing Director
Bharat Sanchar Nigam Limited
New Delhi

Copy to:

1. The Cabinet Secretary [Attn: Shri K.L. Sharma, Director (Cabinet)]
2. Secretary, Department of Expenditure
3. Secretary, Department of Pension and Pensioners' Welfare
4. Secretary, Department of Legal Affairs
5. Secretary, Department of Public Enterprises
6. PS to Secretary (T)
7. PS to Members(S)/ (T)/ (F), Telecom Commission
8. DDG(TPF& A/C), DoT, for issuing detailed circular to CCA offices for revision of pension/ family pension as per this order; and to match the liability of government for payment of pension limiting to 60% of receipts as envisaged in para 5 of this order.
9. DDG(FEB)/ Director(Finance)/, DoT


(D.N. Sah) 15/3/11
U.S. (STP)