



RETIRED TELECOM OFFICERS' WELFARE ASSOCIATION

Reg No: F-37187 (Mumbai) 2008

Corr.Add: A-402, Gayatri Avenue, 90' Road, Thakur Complex, Kandivali East, Mumbai 400101

Email Address: rtowamumbai@gmail.com Website: rtowambi.in

K. JAWAHAR.
PRESIDENT
9969596106.

J.S. YADAV.
GENERAL SECRETARY
9869041090.

VIRENDRA SINGH.
JT. GEN. SECRETARY.
9869271414.

N.V. MAHAJAN
TREASURER
9869431615

RTOWA/Corr/2022-23/18

E-Mail dated 3rd Aug' 2022

To

Shri. Manish Sinha Ji
Member (Finance)
DCC, & CGCA,
Sanchar Bhavan, New Delhi-110001

Respected Sir,

SUB:-Welcome your assumption as Member Finance (DCC) and CGCA

We, the Pensioners of MTNL Mumbai heartily congratulate you and welcome you for assuming the charge of Member (Fin) DCC, to lead the Finance Wing of Department of Telecommunications.

Pensioners of MTNL Mumbai wish you a successful stint as Member (Fin).

Our Association represents the Pensioners of MTNL Mumbai and we request you to cause to assign priority to resolve the following two long pending issues viz.,

1. **Neutralisation of 73.8% IDA** in the fitment of pension notionally on 01/01/2007 but with payment from 01/01/2018 to the MTNL pensioners retired prior to 01/01/2018 to remove the discrimination.
2. **Pension Revision of MTNL /BSNL pensioners** effective from 01/01/2017.

A brief on both the issues is attached.

With high regards,

Yours Sincerely,

(K.JAWAHAR)
President

(J.S. YADAV)
General Secretary

Encl:- Brief of the issues.



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1. Brief of the case for 73.8% IDA neutralisation in the pension of those MTNL pensioners retired prior to 01/01/2018, with notional effect from 01/01/2007 but with payment effect from 01/01/2018. :-

DOT issued orders vide Memo No.11-1/2009-SU-II dated 19/06/2018 for neutralisation of 73.8% IDA increasing it from 68.8% in the fitment of pay of MTNL employees with notional effect from 01/01/2007 but with payment effect from 01/01/2018. These orders are applicable only to the MTNL employees on roll as on 01/01/2018. The pensioners are not covered. Resultantly, the pension of those retired after 01/01/2018 includes this benefit of additional 5% IDA neutralisation and the pension of those retired prior to 01/01/2018 does not include this benefit. Thus these orders are discriminatory and untenable.

Pensioners of MTNL are protesting since then for the last four years to remove this discrimination. **The entitlement of the pensioners retired prior to 01/01/2018 is absolute because such discrimination is not tenable.** No valid reason can be attributed to this abnormal delay of more than four years in extending this benefit to them. The only reason, sorry to say, is bureaucratic. The discriminated pensioners are very senior citizens of age ranging from 65 to 85 and it is pathetic to say that the pensioners are passing away one by one without getting this benefit.

Therefore it is requested to assign highest priority and cause to issue the orders for 73.8% IDA neutralisation in the pension of those MTNL pensioners retired prior to 01/01/2018 notionally from 01/01/2007 and with payment effect from 01/01/2018.

2. BRIEF ON PENSION REVISION ISSUE OF COMBINED SERVICE PENSIONERS OF MTNL AND BSNL :-

Entitlement to Pension Revision as per 7th CPC :-

1. **The pensionary benefits of combined service pensioners of MTNL/BSNL are governed by CCS Pension Rules which govern the pensionary benefits of Central Government pensioners.**
2. The only difference between CDA pension and IDA pension is difference in pay scales and dearness allowance pattern. However Sub rules 15 and 16 of Rule 37 specifically provide for our pension on IDA Pay Scales and dearness allowance on IDA pattern. Moreover pension contribution on maximum of the IDA pay scales is paid by both MTNL and BSNL.
3. Almost all the amendments to CCS Pension Rules are made applicable both to CDA pension as well as IDA pension. For instance all the recommendations of 6th CPC and 7th CPC regarding pensionary benefits except pension revision as per 7th CPC have been made applicable mutatis mutandis to both IDA pension and CDA pension.
4. **In the CCS pension Rules, the term 'Pensionary benefits' nowhere exclude 'pension revision'.**



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5. The pension revision that took effect from 01/01/2007 is primarily in fulfilment of the requirement of pension revision that had arisen as we are governed by CCS pension Rules and also to remove the anomaly of pension of those retired prior to and after 01/01/2007 due to revision of pay.

Summing up, as per sub rules 14,15 and 16 of Rule 37 of CCS Pension Rules 2021 the IDA pensioners are entitled to all the "pensionary benefits" as if they are government pensioners. "Pensionary benefits" do not exclude "pension revision". Therefore our entitlement to pension revision arises from the CCS pension rules. The CCS Pension Rules is the subject matter of CPCs. Hence IDA pensioners are entitled to all the benefits of the recommendations of CPCs regarding pensionary benefits including revision of pension.

Fitment factor for pension revision :-

Now on revision of CDA Pension on 01/01/2016, the revision of IDA pension has become due with effect from 01/01/2017, on the date on which new IDA series starts after 10 years from the date of last revision. Now the question is which fitment factor should be applied viz the fitment factor derived from the 7th CPC or the fitment factor of 3rd PRC for revision of pay of the employees.

The fitment factor for pay revision may be any one of the following percentages viz., 5%, 10% or 15%. The derived fitment factor for pension revision as per 7th CPC is "adding 32% on basic pension" which works out to be the "multiplication factor of basic pension by 2.515" which is "14.58% on basic pension plus IDA on 01/01/2017". This 14.58% is little less than the maximum fitment factor of 15% for the pay revision. **Though it is little less it is on sound basis as it is as per 7th CPC and it will be the solution to all the future revisions that may arise. Therefore we demand that the fitment factor for pension revision should be 14.58% on basic pension plus IDA on 01/01/2017 or in other words multiplication factor of 2.515 on basic pension as derived from the 7th CPC fitment multiplication factor.**

Solution to remove the anomaly :-

Anomaly arises between the pension of those retired prior to and after 01/01/2017 if pension revision takes place but pay revision does not take place or if different fitment factor is applied for pension revision and pay revision. To remove this anomaly the following two suggestions are given based on the principle that a benefit to which an employee is entitled to should not be taken away merely due to passage of time.

Suggestion 1 :- Let us assume that pension revision has taken place on 01/01/2017 with 7th CPC fitment factor. Employees are entitled to get their pension revised on 01/01/2017 if they had retired prior to 01/01/2017. This entitlement to pension revision should not be taken away from them if they retired after 01/01/2017.. Applying this principle, the pension of those retired / retiring after 01/01/2017 may be revised with the same multiplication factor of 2.515 after working out their pension on actual pay drawn by them in 2nd PRC pay scale on the date of retirement.



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Suggestion 2:-It is a slight variation of Suggestion 1 mentioned above.. Let us assume that pension revision has taken place on 01/01/2017 with 7th CPC fitment factor. Employees are entitled to get their pension revised on 01/01/2017 if they had retired prior to 01/01/2017. Extending this principle, **the revised pension on 01/01/2017 of an employee, assuming that he had retired in Dec'2016 should be "preserved"**. The pension on actual pay on his retirement after 01/01/2017 should not be less than this "preserved pension". The retirees after 01/01/2017 may be given an option to choose either the pension on actual pay on retirement or the "preserved pension" i.e, the revised pension on 01/01/2017 had the employee retired in Dec'2016. This solution holds good for ever and even after pay revision with any (5% or 10% or 15%.) fitment factor.

Our Association requests that invoking the provision under rule 66(1) of CCS Pension Rules 2021, concrete proposals for revision of pension of combined service pensioners of MTNL and BSNL should be sent to DoP&PW at the earliest.

On revision of CDA pension with effect from 01/01/2006, the revision of IDA pension had become due with effect from 01/01/2007 as the new series of IDA started from 01/01/2007. The fitment factor for revision of pension as per 6th CPC is different from the fitment factor for pay revision as per 2nd PRC. If different fitment factors were applied to revision of pay and pension, then anomaly would have arisen with adverse effect on pension of those retired prior to 01/01/2007. Therefore to avoid such anomaly the fitment factor of pay revision was applied for pension revision also. **It is not a rule that pay revision fitment factor should be applied to pension revision. It is a solution to remove the anomaly with the approval of cabinet, but the entitlement to pension revision on 01/01/2007 flowed from our pension being governed by CCS Pension Rules.**

J.S. Yadav
General Secretary
RTOWA Mumbai