

The National Joint Consultative Machinery (JCM)
13-C, Firozshah road, New Delhi -110001

No. NCJCM/BSNL Issues/8th CPC

dated: 25.02.2026

To
Sri Shivagopal Mishra
Secretary, National Council (Staff Side) JCM
13-C, Firozshah Road
New Delhi – 110001

Respected Sir,

Subject: Inclusion of BSNL-absorbed DoT Pensioners in the Terms of Reference of the 8th Central Pay Commission and Grant of Pension Revision at Par with Central Government Pensioners – reg.

1. Background

Bharat Sanchar Nigam Limited was formed on 01-10-2000 as a 100% Government-owned Public Sector Undertaking. At the time of absorption of employees of the Department of Telecommunications (DoT) into BSNL, the Government of India extended statutory and constitutional assurances safeguarding their pensionary rights.

Though the employees ceased to be Central Government servants upon absorption into the CPSU, the following guarantees were explicitly provided:

- Pension would be paid by the Government of India based on combined service in DoT and BSNL.
- Pension would be disbursed from the Consolidated Fund of India.
- BSNL would deposit pension contribution for the BSNL service period at rates fixed by DoT.

To legally secure these assurances, the CCS (Pension) Rules, 1972 were amended and Rule 37A was incorporated with Parliamentary approval. The Rule ensured that BSNL-absorbed employees, though no longer Central Government employees, would receive pensionary benefits at par with Central Government pensioners retiring on the same date.

It was further assured that even in the event of privatization of BSNL, pension liability would remain with the Government of India.

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2. Unique Status of BSNL Pensioners

BSNL-absorbed DoT pensioners constitute a distinct and unique category in India because:

- Their pension is paid by the Central Government.
- Pension is drawn from the Consolidated Fund of India.
- Pension is calculated on IDA pay scales.
- BSNL has already deposited pension contributions.
- No other PSU pensioners receive pension from the Consolidated Fund of India.

Thus, structurally and financially, BSNL pensioners are closer to Central Government pensioners than to CPSE pensioners.

3. Past Government Decisions Establish Responsibility

The Government of India has already acknowledged this position through Cabinet decisions:

- Approval of pension revision on 68.8% DA merger (2011).
- Approval of pension revision on 78.2% DA merger (2013).

Both revisions were granted on IDA scales and paid from the Consolidated Fund of India.

These decisions establish that pension revision of BSNL-absorbed pensioners is a Government obligation independent of BSNL's financial performance.

It is also submitted that:

- No technical resignation was required at the time of absorption, unlike other CPSE absorptions.
- CGHS facilities were extended to BSNL-absorbed pensioners through pay scale mapping.

4. Injustice Faced by Pensioners

Despite statutory guarantees:

- Pension arrears from 01-01-2007 to 10-06-2013 were denied.
- Pension revision due from 01-01-2017 remains pending.
- Pension revision has been incorrectly linked to BSNL wage revision.
- Wage revision was not granted due to BSNL financial losses.

However:

- Pensioners are not connected with BSNL profit or loss after retirement.
- Pension contribution has already been paid by BSNL.
- Pension is funded from the Consolidated Fund of India.

As a result, pensioners have effectively lost arrears for nearly 15 years in the 25-year existence of BSNL.

5. Policy Vacuum Created

The issue has remained unresolved due to institutional shifting:

- The 7th Central Pay Commission referred the matter to DoT.
- DoT shifted it to the Department of Public Enterprises (DPE).
- DPE did not include the matter in the PRC Terms of Reference.
- Courts are presently seized of related matters.

Thus, neither the Central Pay Commission nor the Pay Revision Committees have provided a policy resolution.

Since PRCs deal only with CPSE wages—and no CPSE pension is paid from the Consolidated Fund of India—they cannot provide a permanent solution.

Only the Central Pay Commission can examine:

- Statutory guarantees under Rule 37A.
- Funding source of pension.
- The principle of parity.

6. Justification for Inclusion in the 8th Central Pay Commission

Inclusion of BSNL-absorbed DoT pensioners in the Terms of Reference of the 8th Central Pay Commission is justified because:

1. Pension is paid from the Consolidated Fund of India.
2. Rule 37A guarantees parity with Central Government pensioners.
3. Pension contribution has already been deposited.
4. Pensioners cannot be penalised for BSNL losses.
5. Only the CPC can provide a permanent and policy-level solution.

7. Prayer / Demands

It is therefore humbly requested that the Government of India may:

1. Include the issue of BSNL-absorbed DoT pensioners in the Terms of Reference of the 8th Central Pay Commission.
2. Delink pension revision from BSNL wage revision.
3. Permit notional pay fixation for pension purposes.
4. Grant pension revision at par with Central Government pensioners.
5. Release pending pension arrears as admissible.

8. Conclusion

BSNL-absorbed employees accepted absorption based on solemn Government assurances, statutory guarantees under Rule 37A, and the promise of parity with Central Government pensioners.

Denial of pension revision undermines these guarantees and results in prolonged injustice.

A final, fair, and permanent resolution can only be achieved through comprehensive examination by the 8th Central Pay Commission.

Hence, I request that the Drafting Committee may kindly take up this issue with the 8th CPC, as it is a fully justified and legally sustainable demand.

Thanking you Sir,

Yours sincerely,



(SIVAJI VASIREDDY)
Member, NC JCM