



## *Editorial*

### **LESSONS ONE MUST LEARN GRACEFULLY**

The strike call given by some BSNL unions/associations, to the disappointment of all stake holders, finally ended with no relief. Those who spearheaded the agitation may perhaps now like to introspect themselves where they committed the mistake and then eventually failed to deliver. As we know that some voices, from within themselves, are being raised now questioning the very conviction and wisdom of the leadership on the priorities fixed on the issues taken up by them. However, we do not like to get into these, since we were neither a party to the agitation nor do we, being the retired employees, have any scope to bargain with the Government – even though every one of us wanted positive solution of the issues that were taken up.

Being the veterans, we however cannot refrain from penning down our feelings on the entire episode. Approach on the main issue of pay scale revision and pension revision, in our opinion, lacked proper understanding and was marred with contradictions. We all know that pay scale revision and pension revision are interconnected. In the language of one Supreme Court Judgement, pay scale revision and pension revision are 'inseparable'. We have time and again elaborately discussed this issue and cited SC

judgments, CPC Report and even Government Orders which allowed pension revision of past pensioners following pay scale revision of the serving employees. In fact, there is no provision in the law or rule for revision of pension even for the retired Government employees. Even CCS(Pension) Rules has no provision for this. Pension revision for them comes only along with the revision of pay scales of the serving employees. This is all because of the Supreme Court judgment in D S Nakara case which attained the finality and has become the law of the land. The essence of this judgment is that there cannot be any disparity between pension drawn by the past pensioners and future pensioners. This only necessitated pension revision after every pay scale revision. Depending heavily on this judgment, the V CPC, for the first-time recommended pension revision for all the past pensioners with same fitment benefit as allowed to the serving employees in their revised pay scales. Since then, the pay scale revision and pension revision have moved together.

It is not that the leadership, which spearheaded the agitation, was not aware of this situation. But, as in the past, they were not ready to accept this reality and unfortunately took a blind approach. Their confusion in the matter of seeking pension

revision for past pensioners became more glaring when they moved with two different and directly opposite approach on pension revision. In one hand, they wanted pension revision as per VII CPC recommendations claiming that they are Government pensioners – even though sub-rule 4 of Rule-37A of CCS(Pension) Rules clearly states that once permanently absorbed in a PSU, the absorbees ceased to be Government servants. Simultaneously on the other hand, they demanded de-linking of pension revision of past pensioners from pay scale revision of the serving employees. Both these moves were directly contradictory to each other. If they were really convinced that they are to get pension revision in accordance with VII CPC, why should they at all ask for de-linking of pension revision from pay scale revision of BSNL employees? The very fact that they had asked for de-linking of pension revision from pay scale revision again confirms that they knew for sure that pension revision has a direct link with pay scale revision – even though they were not ready to admit this in public. With such a negative thought and approach, they lost the pension revision issue – at least for now.

In their attempt to give priority to pension revision, they lost the pay scale revision case also. There is no denial that BSNL has to bear the additional financial burden for pay scale revision – whether there is an affordability clause or not. The Government, in no case, is going to take this financial burden on its shoulder. In this matter, the issue of pension contribution on the basis of actual pay of the absorbed BSNL employees with effect from 01.01.2006, if clinched, could have been a big game changer for revision of pay scales of the BSNL employees. Had this issue been

resolved, BSNL would have received back huge amount that it has already transferred to DOT on this head since 2006. Further, there would have been considerable savings for BSNL in the future years also. This amount would have been enough to change the financial position of BSNL to allow pay scale revision and resolving other issues also. Even for MTNL, Cabinet had approved a DOT proposal in 2013 allowing pension contribution on the basis of actual pay with effect from 01.01.2006 - though for the best reasons known to DOT, this Cabinet decision is yet to be implemented. Unfortunately, the leadership failed to notice this fact and did not pursue the case from this angle and thus allowed DOT to process the issue as a new case for BSNL. Now DOE is said to be sitting over the file. Thus, pay scale revision for the BSNL employees, for the time being, has been allowed to be put on cold storage.

We, however, still firmly believe that pay scale revision and pension revision are not altogether the lost cases. But the leadership needs to be realistic in their approach. They must get the issue of pension contribution based on actual pay with effect from 01.01.2006 for the BSNL employees settled on priority citing the Cabinet decision of December 2013 in respect of MTNL employees. They may even suggest and discuss with BSNL management to identify the areas in which considerable savings are feasible. Armed with the positive outcome of these efforts, the pay scale revision and pension revision can be pursued more vigorously. But, unlike the last occasion, pay scale revision must have to be given the top most priority. Pension revision, however, will automatically follow. Let the overzealous attempt to keep the particular constituency happy with

contradictory approach and sailing on two boats stop at least now. Otherwise, both

the serving employees and the past pensioners will continue to be the victims.

## **GOVERNMENT ANNOUNCES RELIEF TO INDIVIDUAL TAX PAYERS IN INTERIM BUDGET**

Government has announced full tax rebate up to Rs 5 lakh annual income after all deductions and other reliefs, as given below, to individual tax payers for the assessment year 2020-21 (Financial year 2019-20). The Finance Minister has also announced in Parliament that in July next, while presenting the full budget, relief in tax slabs will also be considered.

1. Full Tax rebate upto Rs.5 lakh annual income after all deductions.
2. Standard deduction increased from Rs.40000 to Rs.50000
3. Exempt from notional tax on second self-occupied house
4. Ceiling Limit of TDS u/s 194A increased from Rs.10000 to Rs.40000
5. Ceiling Limit of TDS u/s 194I increased from Rs.180000 to Rs.240000
6. Capital tax Benefit u/s 54 increased from investment in one residential house to residential houses.
7. Benefit u/s 80IB increased to one more year i.e. 2020
8. Benefit given to unsold inventory increased from one year to two years.
9. No change in present tax slabs. If taxable income exceeds (after deductions) Rs.5 lakhs, income above Rs.3 lakhs (for senior citizens) will be taxable as per present slabs.

## **ISSUES TAKEN UP**

**REVIEW OF BSNL MEDICAL POLICY – AIBSNLREA SUBMITS ITS SUGGESTIONS:** BSNL has constituted a Committee to review its existing medical policy so as to make it sustainable irrespective of financial condition of BSNL. Accordingly, it has invited suggestions including introduction of Group Medclaim from the Unions/Associations of its serving employees. AIBSNLREA, has voluntarily submitted some suggestions keeping in view of the interests of the retired employees. In our suggestions for Indoor treatment in Hospitals, we have asked for introduction of a Group Medical-Insurance Scheme with reputed and efficient public sector Insurance Company or Bank which is ready to offer hassle free cashless service for all diseases and implants etc needing hospitalization or day care services. The premium has to be borne by BSNL. We have also suggested that the retired employees be allowed option either for CGHS or the revised BSNL Medical policy incorporating the Group Medical Insurance Scheme. In regard to Outdoor treatment, we have suggested that the existing arrangements under BSNLMRS, except for those opting for CGHS, should continue with certain improvements in regard to reimbursement of claims. We have further suggested that instead of basic pay plus DA, the present basic pension plus DA should be the criteria to determine the annual ceiling limit. Since pension is 50% of the last basic pay, while calculating annual ceiling limit, the basic pension plus DA has to be multiplied by twice the number of days that are allowed for the serving employees