

## TURNING THE SEARCH LIGHT

### 37 A and VRS 2019

1. What is the subject matter for 37 A of CCS Pension Rules 1972?

'Conditions for payment of pension on absorption consequent upon conversion of a Government Department into a Public Sector Undertaking' is the subject matter.

2. How many conditions or Sub Rules in it?

There are 27 sub rules

3. How many of them applicable to BSNL absorbed employees?

Barring 13-21 other 18 rules are applicable to BSNL absorbed employees

4. What is the rule that assures Pension formula/ calculation at the time of retirement?

Sub Rule 8 assures pensionary benefits (including commutation, gratuity, family pension ) on the basis of combined service for the absorbed employee at the time of retirement. The calculation of the amount of pension is as that of CG employee retiring on that day.

5. What is sub rule 9 then?

The pension of an employee under sub-rule (8) shall be calculated on fifty percent of emoluments or average emoluments, whichever is more beneficial to him.

6. Dearness relief as per IDA pattern?

Yes, SR 10 assures that. In addition to pension or family pension, as the case may be, the employee who opts for pension on the basis of combined service shall also be eligible to dearness relief as per industrial Dearness Allowance pattern.

7. Which rule assures Pension Payment by Govt for absorbed employees on retirement?

Rule 22 (old 21) assures that the pensionary benefits including family pension shall be paid by the Government.

8. Whether any absorbed employee can go on VR as per 37 A ?

Yes. Com O P Gupta fought for that and SR 12 was inserted ( old 11 A). A Permanent Government servant absorbed in a Public Sector Undertaking or a temporary or quasi-permanent Government servant who has been confirmed in the a Public Sector Undertaking subsequent to his absorption therein, shall be eligible to seek voluntary retirement after completing ten years of qualifying service with the Government and the Public Sector Undertaking taken together, and such person shall be eligible for pensionary benefits on the basis of qualifying service.

9. Is there any other rule speaking VR or Voluntary retirement benefits on terms?

Sub rule 27 speaks about that. But that is a safeguard measure as envisaged in the SR 26 , only under the condition Govt disinvests its equity to the extent of 51 % or more. The specified safeguards as assured in SR 26 shall include option for voluntary retirement or continued service in the undertaking or voluntary retirement benefits on terms applicable to Government employees or employees of the Public Sector Undertaking as per option of the employees and assured payment of earned pensionary benefits with relaxation in period of qualifying service, as may be decided by the Government.

10. Whether VRS 'for reduction of staff Cost' as one of the conditions finding any place in 37 A rules?

NO. VR on terms is spoken nowhere except as a measure of safeguard if at all disinvestment to the extent of 51 % or more taking place (refer SR 26 and 27)

11. Then BSNL VRS 2019 does not find a part of 37 A?

The BSNL VRS scheme is part of revival plan approved by cabinet on 23-10-2019 but not within the purview of all the 27 conditions of 37 A

12. Whether DOT Om dt 29-10-19 communicating cabinet decisions is speaking 37 A?

The DOT OM is silent on that.

13. Whether BSNL VRS 2019 is mentioning 37 A ?

Yes. It is mentioning 37 A.

The para 6.1.c Payment of Exgratia to combined service pensioners absorbed in BSNL under rule 37 A. Here it identifies the employee as the one absorbed under rule 37 A.

para 6.2 Speaks about terminal benefits. 6.2. a The employee retiring under the scheme shall be entitled to Pension/ FP, as applicable, w.e.f the date following the effective date of VR and shall be authorized as per Procedure. Here there is no mention of 37 A rules.

Again 37 A is mentioned in 6.2.b I payment of deferred Gratuity to employee who opted for Combined service pension and were absorbed under rule 37 A. Here the employee is identified as absorbed employee under 37 A. 37 A is used to identify the employee differing from DR employee.

Para 6.2.c is speaking about 'eligibility of commutation' on attaining age of 60 years / 1-2-2025. Here no mention of 37 A either to identify the employee or about eligibility of pensionary benefit including commutation as that of SR 8. But mention of relaxation of rules of 1981 is there. But copy of the modified rules not in public domain.

14. It seems that BSNL VRS 2019 Scheme and its Paras of annexure 1 are not within the ambit of 37A rules. BSNL/MTNL CMD is vested with powers in case of doubt or ambiguity over the meaning/ interpretation of any of the terms of this scheme. If any such interpretation comes from the desk of CMD (by his explicit statements) for clearing the doubts regarding 37 A implications on VRS optees ,

than One should be thankful for rendering his conscious duty while sending  
80000 people from the service of the company that he heads , of course thro VRS  
2019 terms.

15-11-2019 13.00 hrs