



**भारतीय प्रतिरक्षा मजदूर संघ**  
**Bharatiya Pratiraksha Mazdoor Sangh**  
(AN ALL INDIA FEDERATION OF DEFENCE WORKERS)  
(AN INDUSTRIAL UNIT OF B.M.S.)  
(RECOGNISED BY MINISTRY OF DEFENCE, GOVT. OF INDIA)

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**REF: BPMS/ DOE / MEETING / 173(8/1/M)**

**Dated: 27.03.2023**

To,

**Dr. T V Somanathan, IAS**  
Secretary, Deptt of Expenditure,  
Min of Finance, Govt of India,  
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**Subject: Introductory/Courtesy meeting with Member, National Council (JCM).**

Sir,

I am grateful to you for sparing a few moments from your busy schedule for introductory/courtesy meeting with the undersigned.

Though it's an introductory/courtesy meeting but I don't want to miss this opportunity to invite your attention towards some of the following major issues which are related to Central Government Employees/Establishments:-

- 1. Scrapping of National Pension System & restoration of Old Pension Scheme:** Every employee whether he belongs to Government industry of any Private Industry dedicates his skill, power and energy to his employer till superannuation or until he lost his capacity to do so and gets remuneration to fulfil his requirements. After superannuation or being incapacitated by whatsoever reasons he becomes unable to serve to get remuneration but his requirement does not end.

Then the onus is on the employer to mitigate the hardships faced by the employee. This social security cannot be measured by solely market related factors. Under Central Govt Sectors, this responsibility was borne by the Govt. as it compiled the CCS (Pension) Rules-1972. Later, Govt. introduced Employees Pension Scheme- 1995 for change over from contributory provident fund to pension scheme.

Now market related factors have compelled the Govt. to deviate to bear its responsibility of social security as an employer. Govt. succumbed to this pressure and introduced New Pension Scheme (Defined Contributory Pension Scheme) applicable to Central Govt Servants who join on or after 01.01.2004.

As per this New Pension Scheme 10% of Basic Pay+ DA is being recovered from the employees as a compulsory deduction and government is also contributing 14% of Basic Pay + DA of the employees. A government servant can exit at or after the age of 60 years and it would be mandatory for him to invest 40 per cent of pension wealth to purchase an annuity which will provide for pension for life time of the employee and his dependent parents/ spouse.

But the abovementioned method lacks of the following benefits required to the employees for their livelihood-

- I) This new system has no minimum guaranteed Pension.
- II) There is no safeguard from price hike in absence of dearness allowance on pension.
- III) No benefit of additional pension on attaining age of 80 years, 85 years, 90 years, 95 years, 100 years.
- IV) No safeguard, in case of missing employees.
- V) Compulsory retirement pension.
- VI) Compensation Pension

From above it is established that the new entrants will not be eligible for Superannuation Pension, Compensation Pension, Compulsory Retirement pension, Compassionate Allowance etc. Any scheme not containing the above benefits is not accepted to the employees.

Introduction of New Pension Scheme/ National Pension Scheme (NPS) for Central Government Employees w.e.f 01.01.2004 has adversely affected the concept of social security provided by the Government and it has put the future as well as retirement security (social security) of the employees at stake in lack of guarantee of minimum pension under the scheme. In place of adopting progressive and dynamic approach for the assets of the society viz retired employees, Govt adopted a retrograde policy with no guaranteed pension, no safeguard from erosion caused by inflation etc. Likewise, other pension schemes also have the many anomalies.

Sir, on the occasion of the election of five states, many political parties has assured the employees in their manifesto that if they come into power, and now the State Govts are implementing the old pension scheme. These events have also aroused the feeling among the Central Government employees that the Central Government should also bring its employees under the Old Pension Scheme. Hence, we demands for **Scraping of NPS and restoring of CCS (Pension) Rules, 1972 (now 2021).**

2. **Enhance the existing benefit of Deposit Link Insurance from Rs. 60,000/- to Rs. 6,00,000 /- under GPF Rules:-** Private sector salaried employees are

very happy to find the fruitful results of efforts of Bharatiya Mazdoor Sangh on enhancing the (i) Maximum assured benefit up to Rs 7 lakh to be paid to the nominee or legal heir of the EPF member if death occurs while in service; (ii) Under EDLI scheme 1976, minimum assurance benefit is of Rs 2.5 lakh in case the deceased member was in continuous employment for 12 months prior to his or her death.

Central Government employees covered under the General Provident Fund Rules and under GPF Rule 33-B, nominees are entitled to get Rs. 60,000/-. Considering this meager amount of Rs. 60,000/- , employees are genuinely demanding for enhancement of the limit set for Deposit Linked Insurance Scheme 1976 from Rs.60,000/- to Rs.6,00,000/-.

- 3. Enhancement of benefit of Central Government Employees Group Insurance Scheme to Rs. Fifteen Lakh (15,00,000/-) (minimum):-** Central Government Employees Group Insurance Scheme was introduced in Jan 1982 to provide insurance cover to the employees so as to enable their families to get a lump sum amount in the event of employee's death. The scheme also envisages a lump sum payment on cessation of employment. The scheme is wholly contributory and is run on self financing basis. The rates of subscriptions and the insurance cover under this scheme vary for different groups. Subscription under the scheme is apportioned between the insurance fund and the saving fund in the ratio of 30 : 70. The rates of monthly subscription as well as the insurance cover are supposed to be revised periodically.

The present rates of subscription and insurance cover for the different categories of employees are Rs. 15/- and Rs. 15,000/- respectively for the lowest category of government employees since Jan. 1990 (i.e. due to implementation of 4th CPC recommendations). Thereafter, the 5th & 6th CPC, taking in account the erosion in the real value of rupee, recommending enhancing of the rates of monthly subscription, as well as the insurance cover available to various categories of employees under this scheme. The Government has not implemented these recommendation till date. The rates of subscription and the amount of insurance cover not having been revised for almost 32 years, the insurance cover presently available under the scheme has become totally inadequate and an amount of Rs. 15,000/- cannot provide financial support to the family of a deceased group 'D' employees. When the rates of subscription and the insurance cover under this scheme were last revised in 1990, the pay scales recommended by 4th CPC were in vogue and the minimum salary was Rs. 750/-.

Now the minimum salary of Government employees is Rs. 18,000/- as recommended by 7th CPC. Further, the 7th CPC has recommended that monthly subscription should be Rs. 1500/- and the amount of insurance will be

Rs. 15,00,000/-. Central Government should have accepted & adopted these recommendations in favour of employees.

Therefore, the present amount for various categories should be enhanced to rupees 15 lakh as a minimum payment to the lowest cadre, to restore the actual value of insurance cover provided under the scheme.

- 4. Enhancement of Fixed Medical Allowance (FMA):** Fixed Medical Allowance is granted to the Central Government pensioners/ family pensioners residing in areas not covered under Central Government Health Scheme administered by the Ministry of Health & Family Welfare and corresponding health schemes administered by other Ministries/ Departments for their retired employees for meeting expenditure on their day-to-day medical expenses that do not require hospitalization.

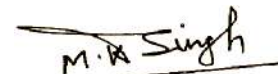
At present, this allowance is being granted @ 1000/- per month to all eligible pensioners/ family pensioners with effect from 01.07.2017. DoP&PW reviews this amount periodically in order to soothe the effect of inflation on Medical Expenditure.

Further, it is worth to mention here that corona pandemic has skyrocketed the expenditure on Medical Treatment. Therefore, pensioners, erstwhile members/ officer bearers of this federation, are approaching this federation with request to do needful for enhancement of Fixed Medical Allowance from existing 1000/- to 5000 per month.

Hence, you are requested to take appropriate action so that above mentioned issues may be resolved amicably.

Thanking you.

Sincerely yours



**(MUKESH SINGH)**

General Secretary/BPMS &  
Member, National Council (JCM)