

# One Rank One Pension: Ethics and Management Implications in Resettlement of Defence Service Veterans in India

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## Abstract

*An estimated 70,000 personnel of the defence services in India are invariably released at a younger age to maintain a youthful profile of the armed forces. These personnel have served the nation during war and peace, and therefore deserve to be resettled for a peaceful life in the civil society. Such veterans who are in the prime of life are deprived of a remunerative career when the socio-economic demands on them are compounding. Ethically, the veterans need to be laterally employed in the civil sector or provided with the means to maintain a decent quality of life. Government of India pays pensions to veterans (ex-servicemen) of army, navy and air force based on various criteria. However, the management policies are neither streamlined nor in tune with the ground realities. For instance, personnel released in the past receive lower pensions compared to those released later, even though all of them have to survive in the same socio-economic conditions. For almost four decades, veterans have been demanding 'One Rank One Pension' (OROP) i.e. equal pensions commensurate with the rank and length of military service, irrespective of the date of release. Even though the Government of India has agreed to OROP in principle, it is yet to be implemented thereby forcing the veterans to resort to protests. This article portrays the ethical and managerial implications of OROP with a pragmatic view.*

## 1. Introduction to Resettlement of Ex-Service Veterans

The armed forces of India are among the largest in the world, which employ almost 14 million personnel in the various arms and cadres. The Indian Army is the second largest in the world and the Indian Air Force (IAF) and Indian Navy are among the top five armed forces globally (Wikipedia, 2013). In order to keep a youthful profile of the forces, more than 55,000 to 70,000 personnel of the army, navy and the air force inevitably relinquish their uniform every year (Kishore, 1991; Rao, 1995; Uppal, 2011). Such personnel who are discharged from the armed forces are called ex-servicemen (ESM) in India. Even though the ex-servicemen of IAF are referred as Air Force Veterans in the current IAF parlance, the awareness and use of the term veterans is yet to

become prevalent in India. Even in the international scenario, in a previous study in the United Kingdom (UK), Dandeker *et al.* (2006) note that “the term veteran does not have a universal meaning; it connotes different things to different people, whether military personnel, national governments, or the general public”. Further, Burdett *et al.* (2012) in a study on UK ex-service personnel concluded that “overall, only half of all veterans in the ex-Service group described themselves as 'veterans'”. Hence, we consider it sensible to use the terms ex-servicemen and veterans on a mutual basis.

The Pocket Oxford dictionary describes the word resettle as “settle again or elsewhere.” Thus resettlement assumes dislocation from settlement. In other words, resettlement as a process concerns itself to the process of seeking a second or

subsequent career after putting in a major part of one's economically productive life to a given employment (Kishore, 1991). In the context of this study, resettlement is not the result of an individual's own choice but due to the conditions of his/her previous service.

Even though the terms resettlement and rehabilitation are used sometimes interchangeably, the two terms cannot be considered as synonyms in the true implications of the actual meanings. Rehabilitation is a related process for which the victim himself/herself is not responsible (Kishore, 1991). An individual who is the subject matter of rehabilitation is a puppet of the fate of circumstances such as victims of congenital disorders, and disasters. On the other hand, resettlement assumes the provision of some additional resources, even though the concerned person is expected to take the first initiative to avail the support extended to him. However, both rehabilitation and resettlement have reference to the past events and to a group of individuals (Kishore, 1991). Therefore, the process of resettlement fits in between settlement and rehabilitation since resettlement is a joint responsibility of the individual and the State.

This study is focused on the Personnel Below Officer Rank (PBOR) released from the Indian armed forces in general and the Indian Air Force in particular. The ex-servicemen are mostly in the age group of thirties or early forties when released from the armed forces. Therefore, it becomes the responsibility of the nation to effectively provide the required services to this dedicated class of individuals in their resettlement. In addition, the ex-servicemen are from well knit organisations and if not managed well, may turn to be a concern for the government and the society for untoward reasons.

On the individual or micro level, since the age of an ex-serviceman is in the late thirties or early forties, one has major responsibilities towards his family. If we consider the average age at marriage as late

twenties or early thirties, most of the ex-servicemen on release from the armed forces have children to educate and then arrange the marriage of their wards. The socio-economic demands are at the peak as the ex-servicemen are released at the prime age of life. The privileges and facilities previously availed by the ex-servicemen while in their uniformed service are partially withdrawn. With meagre pension as their primary source of income, the ex-servicemen face enormous difficulties to make both ends meet. Thus, the problems of resettlement management at the individual family are of two fold. On the one hand, the ex-servicemen need to fulfil enormous responsibilities and on the other they have very limited resources to manage the same.

The crux of the issue is that the personnel are released from the Services with many productive years of life ahead. However, the prospects of a second career in the civil are very limited notwithstanding the efforts taken by the governments. Even though the governments offer age relaxation and reservation to the ex-servicemen in government jobs, such jobs are scarce and only at the lower level (Information Handbook, 2012). Moreover, ex-servicemen who are middle-aged are finding it difficult to compete with the young civilian graduates. On the one hand, ex-servicemen are too experienced to seek entry level jobs and on the other hand, they find it tough to prove their credentials and equivalence for the middle and senior level jobs. Further, except for the mundane security jobs for which the civil society thinks them fit, the chances of getting civilian employment are beyond the reach of average ex-servicemen. As most of the ex-servicemen in the survey were graduates, they aspire for better jobs commensurate with their qualifications.

## **2. The Issue of One Rank One Pension (OROP)**

The Government of India pays only 50% of the Service pay as pension to the ex-servicemen (ESM Guide Book, 2007). It is to be noted that PBOR ex-servicemen were rightly entitled to 70% of the

Service pay as pension, till the third Central Pay Commission implemented in the 1970s, compared to the 30% pension for the civilian retirees of the government. However, the 70% pension was unjustifiably reduced to 50% and the civilian pension was increased at par with that of the ex-servicemen. This was presumably done with the understanding that the benefit of future enhancements of pension (in line with the Service pay) will be passed on to ex-servicemen who were released earlier. However, non fulfilment of this had resulted in disparity in pension among the ex-servicemen released in the past and the present. Therefore, ex-servicemen began to seek equal pensions for peers from the government, which is rightly known as One Rank One Pension (OROP). The issue of meagre pension to the veterans is further compounded by the fact that it is not linked to the cost of living in the relevant socio-economic scenario. A veteran released in the past, say before 20 years, continues to receive pension at the old rates. The Pensionary benefits of ex-servicemen are in line with the Central Pay Commission (CPC) in effect at the time of their release from the armed forces. The pay and allowances of Servicemen have increased with the successive pay commissions which are formed once in every ten years. Thus, the amount of pension, at the rate of 50% of the pay, has also improved over the years for the ex-servicemen released during the successive pay commissions in effect. Consequently, the pension of the ex-servicemen who were released earlier remained at the previous levels, thereby causing disparity and inequality among the ex-servicemen.

Even though the Government of India and the Prime Minister of India have promised OROP to the ex-servicemen, the implementation of OROP is yet to see the light of the day. As per newspaper reports, “The implementation of one rank, one pension has pushed up the Centre's defence pension payments by a record 40 per cent, posing fresh challenges to Union Finance Minister Arun

Jaitley's resolve to keep the Centre's fiscal deficit within the budgetary target of 4.1 per cent of the Gross Domestic Product” (The Hindu, 2014). The Finance Ministry is revising upwards its Budget estimate for the outgo on account of the scheme that benefits nearly 24 lakh pensioners of the armed forces. “At the heart of the problem are bureaucratic disagreements over costs. The finance ministry told a parliamentary committee in 2011 that it would cost Rs 1,300 crore a year while defence ministry pegged annual cost estimates at Rs 3,000 crore. Yet, now that OROP has been approved, the Comptroller of Defence Accounts has reportedly put the bill as high as Rs 9,300 crore per annum” (The Times of India, 2014). The newspaper further reported: “The case for OROP is predicated on military terms of service being much harsher than those for civil services. Most soldiers retire between 35-37 years of age, while officers below brigadier-or-equivalent do so at 54, with limited re-employment options. Civil servants, in contrast, retire at 60” (The Times of India, 2014). The news article further narrates: “Moreover, the Sixth Pay Commission granted the facility of what bureaucrats call 'non-functional upgrade' (NFU) to officers in all-India Group A services. This is a sort of 'pay-promotion', allowing them, under certain conditions, to draw higher pay than their rank, without actually being promoted. As Major Navdeep Singh says, veterans see NFU as a sort of 'OROP by backdoor for civil servants'. Almost all civil servants benefit from this while defence services officers do not, even as their career pyramid is much steeper. Only 0.8% of defence officers make it to the rank of major general after 28 years of service, compared with a much higher rate of civil servants who are eligible to become joint secretaries at 19 years of service” (The times of India, 2014). This raises ethical questions as to the motives of the political policy and bureaucratic management of the governments in India for the last four decades or more.

In addition, Table 1 illustrates how India compares with other countries with respect to the edge in pay

and pension for military service. While most of the countries including the UK and Pakistan grant the military personnel an edge over the civilian in terms of pay and pension, India finds herself at the bottom with just 50% of pay as military pension. This is in spite of the fact that India still has the hangover of the British legacy in many walks of life, especially in the military. Even Pakistan fares better than India in this regard with better military pay and allowances, and upto 75% pension for ex-servicemen. This assumes further significance as India is supposedly performing better than Pakistan on the economic front. These facts question the existence of ethical willingness on the part of the policy framework in India to strive for mutually beneficial civil-military relations. In a nut shell, "OROP means that every pension-eligible soldier who retires in a particular rank deserves the same pension, irrespective of date of retirement" (The Times of India, 2014). At present, the soldiers, sailors and airmen, and officers who were released earlier receive much lesser pension compared to their equivalents that were recently released.

**Table 1. Comparative View of India's Military Pay and Pension with Other Countries**

**HOW INDIA COMPARES**

COUNTRY	THE EDGE IN SALARY AS SERVICE PAY/SPECIAL ALLOWANCE FOR MILITARY SERVICE	PENSION SCALE WITH EDGE FOR MILITARY SERVICE
US	15-20%	50 to 75% of last pay drawn protected against inflation. For civil services, the scale is 33.75% of pay as pension
UK	10%	Uniform pension as revised irrespective of rank and date of retirement
Australia	AUD 2,608 PA allowance	76.5% of pay
Japan	12-29% on graded scale	70% of pay
France	15%	75% of pay
Pakistan	10-15% and allowances	50-75% of pay with service element military pension
India	Nil	50% of pay and same is depressed by 6 to 24% in respect of Lt Col & below ranks constituting 90% of the manpower strength of the defence forces

**3. Perceptions and Linkages in Resettlement of Veterans**

**3.1. Literature Review**

One of the earlier studies was on *Resettlement Problems of Retired Army Officers* (Singh, 1985) which was done around Poona (Pune) city in

Maharashtra state of India. The second work was on the resettlement of Personnel Below Officer Rank of Indian Army in the Indian states of Haryana & Uttar Pradesh by Kishore (1991). However, both the studies were undertaken two to three decades ago and may not remain fully relevant in the modern times. Another book on *Indian Ex-Servicemen* which was released later elaborated on the issues of concern to ex-servicemen without being empirical (Singh, 2005). The review underlined the significance for conducting this study as there was scarcity of recent research in the domain. It has given rise to many gaps with respect to comprehensiveness, spheres of time, geographical area and coverage of respondent categories. This study is intended to cover these research gaps extensively.

In the ancient and medieval periods in India, the issue of resettlement of ex-servicemen did not arise because a soldier used to serve for full tenure till superannuation (Kishore, 1991). Moreover, in those times, the soldiers were highly honoured and almost lived like aristocrats in the socio-economic setting (Kishore, 1991). This started to take a new trend with the arrival of the East India Company and the British rule in India. The conventional Indian socio-economic structure gradually shifted the choice of work to individual interests and abilities rather than one's inherited socio-economic strata (Kishore, 1991). However, soldiers were the last in the modernisation agenda of the British even though the British Indian army was the backbone of the British rule (Kishore, 1991). With the taking over of the East India Company by the British Empire, a new approach of systematic management of the armed forces was put in place. Indirectly, the soldiers and their family enjoyed safety and security since the British considered the soldiers as their favourite servants.

After the Revolt (First Indian Freedom Struggle) of 1857, the British government introduced the system of pension and retirement in the army mainly to create and maintain a class of loyal natives in the society (Kishore, 1991). Therefore,

the ex-servicemen began to emerge as a distinct socio-economic category and management of resettlement as a distinctive discipline. Subsequently Indian armed forces played major role in the world wars, especially the Second World War, and the British endorsed special status to them. The formation of the Royal Indian Air Force in 1932 by the British rulers involved the natives to a considerable extent. After India attained her independence on August 15, 1947 and the resulting partition of the forces under Indian and Pakistani governments, the purpose and role of the armed forces had undergone tremendous transformation. As already pointed out earlier, most of the personnel of the armed forces of the Indian Union invariably relinquish their uniform at relatively younger age. In contrast to the retirement age for civilian employees of the government, which is pegged at around 58 to 60 or even 65 years in some categories, the services of most of the defence personnel are truncated at a much younger age. A letter from the then Prime Minister of India Mr. P.V. Narasimha Rao (Rao, 1995) to the Chief Ministers of all Indian states and Lt Governors of Union Territories (UTs) began with the words, "As you are aware, majority of the Defence service personnel retire between 35 and 47 years of age as we need to keep the Armed Forces young and fighting fit. Every year approximately 55,000 personnel so retire from the three services." In India, there are about 2,500,000 Ex-Servicemen (including 400,000 widows of the veterans); about 60,000 join this list annually, on retirement (Uppal, 2011).

Coupled with the problems as stated in the preceding paragraphs, the changing social structure of the nation further stretches the energies of the ex-servicemen. The letter from the Prime Minister of India (Rao, 1995) to the states and UTs rightly observed, "Due to the changing socio-economic conditions in the country, like the breaking down of the joint family system etc., these ex-Servicemen need support both at the Centre and

in the States/Union Territories." Hence, an ex-serviceman in the present conditions cannot count upon the support of his family of origin or close relatives in his endeavour of resettlement. Thus, there is a need for support from organisations and governments to extend all possible guidance and help to resettle the ex-servicemen.

Turning to the international scenario, Burdett et. al (2013) rightly observed that, "The transition from military to civilian life, which involves not only re-entering the labour market but also a broader social process of re-engagement with wider society, affecting around 25,000 members of the UK Armed Forces annually". The authors pointed out that, "There is a paucity of academic research on this subject, including the effects of the UK Ministry of Defence's 'resettlement' package to facilitate Service members' transition to civilian life." The study also pinpointed that, "This package focuses almost entirely on re-employment, with existing measures of its effectiveness limited to labour market outcomes, neglecting the wider aspects of social integration." Further the research noted the intention "to track numerous socio-economic outcomes including: psychological wellbeing, job acquisition and stability, housing situation, financial and legal difficulty, social activity, and relationship satisfaction." Thus, this study involving a wider approach to resettlement including satisfaction with the Pensionary benefits than mere re-employment becomes relevant in the present context.

### 3.2. Theoretical Framework

The existing theories provide various perspectives on the resettlement of veterans of the armed forces (Kishore, 1991). Firstly, the *deprivation and subsequent compensation theory* advocates the responsibility of the government for the cause and effect of resettlement of veterans. The veterans were too young (in their late teens or early twenties) at the time of joining the armed forces to understand the implications of resettlement. Moreover, the veterans tend to compare their

present status with that of their civilian counterparts employed in government and in other sectors. Thus veterans feel deprived of their power and prestige in the present socio-economic setting. Ideally, it should be the responsibility of government to provide the ensuing veterans a compatible civilian job when they are due for discharge from the armed forces (Kishore, 1991). Ex-servicemen have sacrificed their youth for the defence of their nation and therefore they must be adequately compensated towards a comfortable life with their family. At the macro level, effective resettlement of the ex-servicemen is mandatory to keep up the morale of the serving members of the defence forces. If the resettlement of veterans is left to degenerate, the talented youth of the nation may not be motivated to join the armed forces.

Secondly, the prevention of deviant individual/collective behaviour theory highlights the onus of the policy makers and society towards the well being of veterans. The incidents of delinquent behaviour among ex-servicemen are not rare to find from the mass media. Even though such events may occur once in a while, they have an enduring impact in the minds of the citizens on the image of ex-servicemen in general. This is further aggravated by the fact that such deviant behaviour by persons who belong to other sections of the society may not evoke lasting impressions, compared to that of the veterans (Kishore, 1991). Besides, such aggressive behaviour by the veterans may be attributed to their struggle for resettlement coupled with the stress of dislocation in a relatively unfamiliar society. The government is aware of the fact that the ex-servicemen are well trained persons including fire arms training; and the veterans may cause problems if they are not satisfied with their resettlement. Therefore, the government needs to be proactive in addressing the problems of ex-servicemen to prevent any untoward actions by veterans.

On the other hand, the manpower management theory pinpoints the economic loss due to underutilisation of the versatile veterans.

Enormous amount of public money is spent on the recruitment and training of the personnel for the armed forces. Moreover, the release of such well trained personnel from the Services in physically and mentally active and, professionally efficient age leads to colossal waste of national resources (Kishore, 1991). Having slid from the epitome of soldiering to secure the nation, the veterans have to beg assistance from the civil institutions for their resettlement. The ex-servicemen should not have to waste time and effort to justify their capabilities and qualifications for securing a job in the civilian domains.

The central and state governments in India extend various facilities and concessions in the process of resettlement of ex-servicemen (Guide Book, 2011). The civilian society has its own impact on the resettlement of the veterans as the ex-servicemen learn to adjust with the realities of civilian life. Further, the aptness of ex-servicemen as entrepreneurs takes some time to materialise due to the prolonged indoctrination in military life that lacks the flexibility required for entrepreneurship. However, with proper guidance and groundwork, many ex-servicemen are expected to turn into successful entrepreneurs (Maharajan and Subramani, 2014a). The various perspectives or approaches to resettlement are complementary, and need collective efforts for realisation of speedy and adequate resettlement of the veterans (Kishore, 1991).

### 3.3. Objectives of the Study

- To emphasise the need for inclusive resettlement management of ex-servicemen, rather than providing a meagre pension and scarce opportunities for reemployment.
- To bring out the salient features of the demand for One Rank One Pension.
- To evolve suitable suggestions for scientifically managing the resettlement towards inclusive development of the veterans.

#### 4. Research Methodology

This extensive research is both descriptive and conclusive in nature involving study of cross sectional data and longitudinal aspects. This article is part of a comprehensive study on the avenues and quality of resettlement of ex-servicemen in India. This study is unique and probably the first of its kind on resettlement of air force veterans in India. This research has wider implication for the ex-servicemen of Indian armed forces and much relevance for the ex-servicemen of IAF. Further, this study is focused on the ex-servicemen in the category of Personnel Below Officer Ranks (PBORs) who had been released from Indian Air Force. Thus, the results of this research are contemplated to be generalised to the ex-servicemen of India in general and the Air Veterans of the IAF in particular. The ideal circumstances warrant a census on ex-servicemen spread all over India. On the other hand, if sampling is adopted, it demands to be drawn from the ex-servicemen populace representative of the population. This dilemma in sampling was addressed by the researchers with a distinctive design of sampling which judiciously included multi-stage sampling and stratified random sampling, which is representative of the population of interest for this study.

##### 4.1. Sampling Design

Accordingly, the sampling design for this study covered all the relevant aspects into consideration. The universe for this study comprised of the ex-servicemen of Indian Air Force. The sampling frames for the purpose of this research consisted of the PBOR ex-servicemen of the IAF who belong to the districts of Coimbatore and The Nilgiris within the state of Tamilnadu in India. Hence, this study involved two sampling frames one each for the selected districts. Individual ex-serviceman of the districts represented the sampling units for the purpose of this study.

In the first stage, one of the states in the Indian

Union was selected keeping in mind factors such as the population of ex-servicemen, and linguistics and logistical considerations of the researchers. Hence, the state of Tamilnadu was preferred which also housed more than six per cent of the Indian population of ex-servicemen as on September 2008 (ESM Census, 2009). Stage two involved selection of two districts within the state which represent the relatively developed and underdeveloped regions typical of India. Thus, the districts of Coimbatore and The Nilgiris were chosen which represent respectively the industrially developed and underdeveloped areas of Tamilnadu state and in turn the Union of India. Moreover, a massive 16 per cent ex-servicemen population from the state of Tamilnadu belonged to these two districts (ESM Census, 2009).

Further, at stage three, stratified random sampling was adopted for the study because of the need to draw samples from two sampling frames representing the two districts. Thus, this method of sampling involved selection of samples from two sampling frames independently. Towards this purpose, the relevant sample size was determined by means of inferential statistics so as to enhance the representativeness of the samples to the population. Therefore, the results of this research, which are representative at the districts level, are expected to be generalised at the state level, and subsequently to the Indian national level.

##### 4.2. Statistical Determination of Sample Size

It is desirable to determine the required sample size through statistical methods rather than as a rule of thumb. It must be noted that there is no fixed percentage of sample size which is accurate for every population, as the size of the sample does not depend upon the size of the population alone. What is relevant in sampling is the actual number or size of the sample, not the percentage of the population (Watson, 2001). Statistical determination of sample size involves estimation of the underlying goals, requirement of accuracy, and basic knowledge on the population. A representative

sample size depends on the appropriateness of the factors in the process of its determination (Chawla and Sondhi, 2011).

Therefore, the sample size for this research was arrived at through a formula given in the confidence interval approach under inferential statistics (Equation 1). Alternatively, the calculations were performed and confirmed using the professional software 'Raosoft sample size calculator' (Raosoft Inc., 2013). Thus, the appropriate sample size for the study was determined at a total of 400 drawn from the ex-servicemen of the IAF which included 280 from Coimbatore district and 120 from The Nilgiris district. Such determination of sample sizes was made to satisfy the requirement of drawing comparative and collective inferences as necessary.

#### 4.3. Sources of Data

Primary data for the study were collected through personal administration of a well-structured validated questionnaire to ex-servicemen of the IAF. Further in-depth information was also elicited from the respondents through open ended questions and detailed interviews. Also information was gathered from focus groups and meetings of ex-servicemen associations. Secondary data were collected from conventional media like books, handbooks, ex-servicemen guidebooks, and over the internet in the form of articles, guide books, and online discussion forums.

### 5. Analysis, Results and Interpretations

The primary data collected for the study through various data collection methods were meticulously scrutinised to ensure adequacy and accuracy. Then the data were appropriately coded for ease of analysis and entry into statistical software. SPSS (Statistical Package for Social Sciences) was extensively used for classifying, tabulating and analysing the data to draw inferences (Nandagopal

et al., 2007).

*Formula for Determining Final Sample Size:* The optimum sample size is given by the following formula (Watson, 2001). [Figures within square brackets indicate values in respect of Coimbatore and The Nilgiris districts].

$$\text{Optimum sample size required} = \frac{N \left[ \frac{P(1-P)}{A^2} + \frac{P(1-P)}{N} \right]}{R} \quad (1) \quad \text{where:}$$

N = size of population [1148 for Coimbatore district and 231 for The Nilgiris district]

P = estimated variance in population, as a decimal [0.4 (60 per cent : 40 per cent) for Coimbatore district and 0.2 (80 per cent : 20 per cent) for The Nilgiris district]

A = Precision desired, expressed as decimal

[0.05 for 5 per cent used for both the districts]

Z = Value for confidence level of Z statistic [1.96 for 95 per cent confidence level]

R = Estimated response rate, as a decimal [1.0 for 100 per cent].

#### 5.1. Demographic and Service Profile of the Ex-Servicemen

Ex-servicemen of the Indian Armed forces are distinct in terms of their demographic and Service profile. Understanding of this profile of the veterans will help to get the right perspective and to appreciate the nuances in resettlement. Therefore, we present an analysis (Table 2) of the demographic and Service profile of the ex-servicemen.

At first, data on the age of the respondents was analysed and among the total respondents, 39% are in the 51 to 60 years age group, followed by 33% in the 41 to 50 years group and 28% are more than 61 years. Thus the analysis shows that 72% of the respondents belong to the age groups of 41 to 50 years and 51 to 60 years taken together. Therefore, the analysis is in line with the common concern that the personnel of the armed forces are released at relatively younger age. The personnel so released become ex-servicemen whose resettlement is the



subject matter of this study.

The defence forces enrol their recruits at a young age in contrast to other professions. The survey reveals that a whopping 83% of the respondents joined the Indian Air Force at the age of 19 to 20 years. In addition, 8% of the total respondents were enrolled in the IAF at the age of below 18 years and just 9% of them joined the IAF at the age of 21 to 24 years. None of the respondents have joined the IAF in the age of 25 years or more.

On the other hand, age of the ex-servicemen at the time of their release from the armed forces is an important determinant in resettlement. Many of the aspects of resettlement such as a second career and family commitments vary considerably with age. Among the total respondents, 66% were released from the IAF in the age of 40 years or below, 24% between 41 to 50 years, and the rest 10% were released from the air force at the age of 51 years or more. Thus the study revealed that 90% of the respondents were released from air force before the age of 50 years, thereby necessitating a sumptuous pension and resettlement. Further, the study revealed that majority of the respondents was discharged from the air force on completion of their terms of engagement of service at a younger age rather than at the normal superannuation age of around 60 years.

Additionally, the year of release of ex-servicemen from the armed forces is pertinent in the resettlement process as it bears a direct relationship to the amount of terminal benefits on release and pension. As the Pensionary benefits are largely determined by the pay scales as per the Central Pay Commission (CPC) in effect on the date of release, the class intervals are intelligently chosen as the corresponding 10 year periods. This study included ex-servicemen who were released during the last four CPCs. Further, the length of service of the ex-servicemen in the armed forces is proportionately linked to the Pensionary benefits.

**Table 2. Demographic and Service Profile of Ex-Service Veterans (n = 400)**

Profile of the Ex-Servicemen	Number of Veterans	Percentage
<b>Age of veterans (years)</b>		
50 and less	132	33.0
51 to 60	156	39.0
61 and more	112	28.0
<b>Age at enrolment</b>		
Below 18 years	32	8.0
19 to 20 years	332	83.0
21 to 24 years	36	9.0
<b>Age at release (years)</b>		
35 years or below	96	24.0
36 to 40 years	168	42.0
41 to 50 years	96	24.0
51 years or more	40	10.0
<b>Nature of discharge</b>		
Terms of contract	376	94.0
Superannuation	24	6.0
<b>Year of release from IAF</b>		
2006 and after	76	19.0
1996 to 2005	152	38.0
1986 to 1996	112	28.0
1985 and before	60	15.0
<b>Number of years of Service</b>		
Upto 15 years	100	25.0
16 to 20 years	188	47.0
21 to 30 years	72	18.0
31 years and more	40	10.0
<b>Rank at release</b>		
Air Craftsman / Leading Air Craftsman	8	2.0
Corporal	20	5.0
Sergeant	256	64.0
Junior Warrant Officer	68	17.0
Warrant Officer / Master Warrant Officer	48	12.0
<b>Monthly Pension (in Rupees)</b>		
Less than 7,000	32	8.0
7,001 to 10,000	200	50.0
10,001 to 15,000	112	28.0
More than 15,000	56	14.0
<b>Qualification</b>		
Secondary School	56	14.0
Senior Secondary / PUC / ITI	80	20.0
Graduate / Diploma	156	39.0
Post Graduate	108	27.0

Related to the length of service of an ex-serviceman is the rank held at the time of release from the Indian Air Force. The service rank is associated with various means of resettlement including Pensionary benefits, amount of monthly pension. As per the promotion policies of the Indian Air Force in vogue, after completing 20 years of service, mostly the personnel become ex-servicemen in the rank of Sergeant. Among the respondents, 2% were Aircraftsman / Leading Aircraftsman in the Air Force, 5% were Corporals, 64% served as Sergeants, 17% held the rank of Junior Warrant Officers, and the rest 12% were Warrant Officers / Master Warrant Officers. Thus

the study showed that most of the respondents were Sergeants in the Indian Air Force.

The year of release of an ex-serviceman, number of years of reckonable service, rank held during atleast the last nine months/on discharge, the Group in which served, eligible pay scale and the last pay drawn all have a bearing on the amount of monthly pension. The pension provides the ex-servicemen for the sustenance of life albeit not at a respectable standard of living. Among the total Respondents, 8% get a pension of below Rs.7000, 50% receive between Rs.7001 to 10000, 28% get between Rs.10001 to 15000 and the rest 14% obtain more than Rs.15000. Thus the study revealed that majority of the respondent draw a meagre pension between Rs.7001 to 10000 per month.

Regarding the qualifications at the time of discharge, 14% of the respondents were with Secondary School level education, 20% of them were with Higher Secondary/PUC/ITI, 39% were Graduate Degree or Diploma holders and the rest 27% were with Post Graduation or higher qualifications. Thus the study revealed that most of the respondents were Graduates/Diploma holders at the time of discharge from the Indian Air Force.

### 5.2. Satisfaction Level of the Ex-Servicemen with Pension Disbursement

Further, the survey also measured the satisfaction level of ex-servicemen on pension disbursement on a five point Likert scale. It is to be noted that this response pertains to the regularity of receipt of pension, not the quantum of pension. Most of the respondents were drawing their pension from the Public Sector Banks. As depicted in Table 3, the study revealed that most of the respondents are satisfied with the pension disbursement with the exception of 10% of ex-servicemen.

**Table 3. Satisfaction Level of Ex-Servicemen with Pension Disbursement**

Satisfaction Level		Number of Respondents	Percentage of Ex-servicemen	Cumulative Percentage
1	Highly Dissatisfied	12	3.0	3.0
2	Dissatisfied	4	1.0	4.0
3	Neutral	24	6.0	10.0
4	Satisfied	268	67.0	77.0
5	Highly Satisfied	92	23.0	100.0
Total		400	100.0	

## 6. Discussion

As the questionnaire for this research was constructed ab-initio and fine tuned for the study, the validity tends to be good with a reliability score above 0.8 Cronbach's Alpha (Tavakol and Dennick, 2011). An earlier study in India by Singh (1985: 89) on resettlement problems of retired army officers reiterated that, "It has been reported by the majority (84.28 per cent) that they have not benefitted from the existing facilities" in resettlement. Further, Singh (2005) outlined, in India "Government agencies responsible for resettlement are lacking powers & out dated." In addition, Uppal (2011) rightly pointed out that, "A large number of these ex-servicemen are living in remote areas and unaware of the facilities available to them." A recent study in India revealed that the ex-servicemen face many problems in resettlement including financial difficulties (Maharajan and Subramani, 2014b).

As per a news article appeared in The Hindu (2014), "The armed forces pensions bill for the first six months of the current fiscal, from April to September, has turned out to be about Rs. 8,000 crore higher than for the corresponding period last year. Mr. Jaitley had provided only Rs. 1,000 crore for whole year towards the scheme in the Budget he presented on July 10. The Finance Ministry is revising upwards its Budget estimate for the outgo on account of the scheme that benefits nearly 24 lakh pensioners of the armed forces". However, the modalities of implementation of OROP are yet to be ironed out.

This is despite the fact that The Supreme Court of

India observed in one of its judgements as early as 9<sup>th</sup> September 2009: “No Defence Personnel Senior in rank can get lesser pension than his junior irrespective of the date of retirement” and “Similarly placed officers of the same rank are to be given the same pension irrespective of the date of retirement” (The Times of India, 2014). During May 2010, the Standing Committee on Defence 2009-10, 7<sup>th</sup> Report recommends holistic implementation of OROP. Moreover, on 19<sup>th</sup> December 2011, the Rajya Sabha Committee on Petitions, 142<sup>nd</sup> report, headed by BJP MP Bhagat Singh Koshiari, recommends OROP implementation. Further, successive governments have announced grant of OROP in the interim budget 2014-15 and the budget of 2014-15. In spite of these pronouncements, OROP is yet to see the light at the end of the long tunnel.

The Prime Minister of India, Narendra Modi, told troops in Siachen, the highest battlefield in the world, “How many decades have passed without OROP. It was in my destiny that it has been fulfilled” (The Times of India, 14.12.2014). The Defence Minister, Manohar Parrikar, repeatedly announced that OROP will be implemented with retrospective effect from April 2014, the government is unwilling to fulfil the demand for announcing a date for implementation. The Prime Minister calls OROP as a “vexed issue” in spite of its accepted definition in the Rajya Sabha.

Many distinguished veterans argue that they are only asking for what was promised to them, pointing to the aphorism of Chankaya, the architect of the Mauryan Empire, who is said to have advised his prodigy Chandragupta Maurya thus: “The day a soldier has to demand his dues will be a sad day for Magadha. From then on you have lost all moral sanctions to be King” (The Times of India, 2014).

## 7. Suggestions and Conclusion

Resettlement of ex-servicemen is a complex socio-economic process involving satisfactory provision of pension and resettlement facilities. Therefore, it

is emphasised that collective efforts need to be undertaken by all stakeholders involved in resettlement of ex-servicemen. The stakeholders include the defence establishment, central and state governments, private sector, corporate, voluntary associations, and the ex-servicemen. Hence, the planning premises must be based on inclusive growth strategies with coordinated efforts by all those concerned with resettlement of veterans.

The government needs to study the issue of One Rank One Pension (OROP) in its entirety and strive for its systematic implementation. The authorities have progressed in this front as there have been attempts to define military pension as a separate category. This is a strategic step as it would check the possibility of similar demands by the paramilitary forces and prevent any legal challenges to OROP. It is no doubt that OROP is a complicated issue as it involves the three wings of the defence services i.e. Army, Air Force and Navy. Moreover, the OROP definition is same rank, same number of years of service, same amount of pension. However, the definition does not make it clear whether it is same number of years of total service or number of years in a particular rank. Further, the eligibility of pension of a particular rank differs with the rules of the pay commissions. For instance, the sixth pay commission grants pension at 50% of the last pay drawn. Previously the pension was based on the rank held for a period of one year or atleast for nine months (Handbook, 2006). Those not fulfilling this criterion are drawing the pension of their previous rank even though other facilities are granted based on their final rank.

Therefore, such anomalies need to be sorted out before a practical scheme of OROP is announced. An alternative suggestion made is towards fixing slabs of pension for each year of service rendered in the last rank and granting OROP accordingly. Further, as revealed in this study 10% of the ex-servicemen are not satisfied with the pension disbursement. Hence, there is a need to further streamline the disbursal of pension through

banks. The efforts in resettlement need to be garnered from the available collective resources.

In a strategic point of view, on their release from the armed forces, the personnel may be laterally placed in suitable civilian employment or arranging for entrepreneurship ventures for the willing ex-servicemen in lieu of a job. This would benefit the ex-servicemen, government and the society on at least three counts. Firstly the ex-servicemen will get continuous employment till their age of superannuation equivalent to that of civilian government employees. The question of resettlement does not arise and there will not be any financial burden of the pension funds. Secondly the government can avail the services of such trained human resources by incurring only a marginal expense on the salary bill. Finally, the economy and the society as a whole will be immensely benefitted as the expertise of the versatile veterans will be utilised to the possible extent for the development of the country. On a pragmatic view, the nation will also maintain a youthful profile of the armed forces in addition to the supplementary benefit of reduction and subsequent elimination of issues like the OROP. Such an action plan will lead the nation towards both a military and economic superpower as per the vision of the former President of India Dr. A.P.J. Abdul Kalam with a win-win situation for inclusive development of all citizens.

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