

United Forum of Unions & Associations of MTNL, Mumbai

•Affiliated Unions & Associations•

Telecom Executives Association of MTNL, Mumbai	#	MTNL Executives Association, Mumbai
MTNL Karmachari Front, Mumbai	#	MTNL Workers Union, Mumbai
Retired Telecom Officers Welfare Association, MTNL, Mumbai	#	MTNL Pensioners' Welfare Association, Mumbai
Sanchar Union of Non Executives of MTNL	#	Bharatiya Mahanagar Telephone Nigam Employees Union
All India SC/ST Employees Welfare Association	#	MTNLSC/ST Executives Association, Mumbai
MTNL Republic Employees Union, Mumbai	#	MTNL Karmachari Union, Mumbai
MTNL SC/ST Employees Welfare Association, Mumbai	#	MTNL Staff Union, Mumbai

9-A, Shree Sandesh Rajashri Shahu Maharaj Marg, Andheri (E), Mumbai - 4000069

No: UFUA/MTNL/MBI/DoT-RLC/2012-13

Date: 24.1.2013

To:

**The Conciliation Officer &
Dy. Chief Labour Commissioner (Central), Mumbai**

Sub: Rejoinder to the submission of MTNL, CO and DoT submitted in CP held on 22.11.2012

Ref: 1) MTNL/CO/IRW/2(135)2012/ Pt/355 dated 20.11.2012

2) No: 25-17/2008-SR dated 20.11.2012 along with brief note of Under Secretary DoT

Respected Sir,

It is clear and evident from the submission of the DoT that they are actively considering creation of single trust for payment of pension to all categories of MTNL absorbees on the recommendation of MTNL Management submitted to you during conciliation proceedings held on 22.11.2012. In view of the pendency of conciliation proceedings on the demands put up by the United Forum and which is very much the subject matter of the Industrial Dispute before your good self, your kindness may kindly intervene and pass the order as deemed fit. We hereby offer our written submission on the submission of MTNL CO and on the brief note of DoT before you on 22.11.2012 in support of our demands.

The recording of Conciliation Proceedings held on 16.10.2012 before RLC (C) Mumbai	Reply of MTNL CO vide No MTNL/CO/IRW/2(135)2012/ Pt/355 dated 20.11.2012 AND Reply of DoT vide letter No: 25-17/2008-SR dated 20.11.2012 along with brief note of Under Secretary (STS) DoT submitted before RLC Mumbai on 22.11.2012	Our reply/rejoinder to MTNL CO's submission dated 20.11.2012 and also to DoT's note under signature of Under Secretary(STS) DoT during Conciliation Proceeding held before RLC (C) Mumbai on 22.11.2012 submitted by United Forum Mumbai to RLC (C) Mumbai on 24.1.2013
Representatives of Local MTNL Mgt submitted that MTNL has issued office order dated 1.10.2012 regarding revision of combined IDA Pensioners/Family Pensioners of MTNL retired prior to revision of pay on 1.1.2007. Copy made available to the representatives of United Forum. The representatives of united forum submitted that the revision of	[Reply by MTNL] 1. BSNL & MTNL are two separate PSUs having individual identity as per law. Financial circumstances of BSNL & MTNL are also independent. Hence keeping in view the financial constraints of MTNL, the orders for revision of pension of combined IDA pensioners/Family pensioners of MTNL, retired prior to revision of pay on 1.1.2007, was issued and <u>no further revision in the orders can be considered at this stage.</u> (<u>Emphasis</u> is ours)	What we want is that the MTNL should follow the guidelines given in DoTs' letter No 40-17/2008-Pen(T)-Vol.III dated 15.3.2011 signed by DDG(Estt) in true spirit in all respect. Further, we demand that the payment of arrears due to revision of pension should not be linked up with the financial position of MTNL and payment of arrears be made immediately so that the pensioners/family pensioners can make use of it when needed most at their fag end of life.

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<p>pension matter, <u>MTNL should follow the revision of pension order issued by DoT dt 15th March, 2011 which has been implemented by the Management of BSNL</u>. It is further submitted that <u>the arrears payment of Pension (Revision) which should not be linked up with Financial position of MTNL</u>. (<u>Emphasis</u> is ours)</p>		
<p>The representative of Joint Forum further submitted that <u>the Payment of Pension should be paid by the DoT/Govt as it is being paid to the BSNL Pensioners</u>. The MTNL and BSNL are the PSU of DoT why discriminations? (<u>Emphasis</u> is ours)</p>	<p>[Reply by MTNL] 2. The issue of payment of pension by DoT/ Govt. absorbess is to be decided by the Govt. It is well known to the United Forum of Unions & Associations of Mumbai that MTNL has done lot of exercise on this issue through a duly constituted committee, which has also consulted the Recognised unions and representatives of United Forum of Unions & Associations at Delhi and Mumbai before submitting a report to DoT. A report has already been submitted to DoT and <u>the concern of Unions and Associations has also been submitted to DoT</u>. MTNL management on its part, is vigorously following the matter with DoT/ Govt as currently the pension is being paid to MTNL retirees from the income of MTNL. (<u>Emphasis</u> is ours)</p>	<p>The action on the part of MTNL Management suggesting / giving roadmap on 28.9.2012 to create a single trust for all categories of absorbess with Government guarantee under Rule 37-A of CCS(Pension)Rules 1972 in MTNL which is under consideration of DoT is in naked violation of assurances/ commitments made by MTNL Management and DoT so far down the years. It may be recalled that the MTNL Corporate Management assured as follows, as conveyed through the Minutes of the meeting between the representatives of United Forum and MTNL Mgt on 23/07/2012 at Jeevan Bharti Building, New Delhi :</p> <p style="text-align: center;"><i>“The sentiments of the employees as expressed during the meetings i.e., the employees are not agreeable to the formation of Pension Trust at all, had already been communicated to DOT and shall be reiterated again.”</i></p> <p>So when MTNL Management is aware of the sentiments and the firm stand of the United Forum and also assured to convey the same once again to DoT, then how MTNL Management had given suggestion/ roadmap for formation of single trust for payment of pension /family pension. It is important that the present regime of MTNL Mgt, unlike</p>

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		its predecessors, has come out as hands in glove with DOT to deprive MTNL absorbees of their legitimate pension to be paid by DOT as in BSNL. <u>WE STRONGLY PROTEST AGAINST THE ACTION OF MTNL MGT OF RECOMMENDING TRUST FOR PAYMENT OF PENSION.</u>
	<p>[Reply by DoT]</p> <p>1. MTNL was established on 1.4.1986 by converting erstwhile Delhi and Mumbai Telephone of DoT into a Public sector undertaking to manage and control Telecom Services in the two Metropolitan cities viz Delhi and Mumbai. The officers and staff working in DoT in Delhi and Mumbai were transferred en-masse to MTNL.</p>	<p>1. The MTNL came in to existence on 1.4.1986 vide order No 1-116/85-NCG dated 25.2.1986 without giving any option for the employees and were transferred en-masse on deemed deputation without deputation allowance vide Sub Para (iii) of Para 5 of the said order.</p> <p>2. Vide Sub Para (ix) of Para 5 of the said order the MTNL Corporate Office was to finalise the Terms and Conditions of absorption which was not done till 1998 for Group C & D with date of absorption w.e.f. 1.11.1998 and till 2002 for Group A & B with date of absorption w.e.f. 1.10.2000. The absorption process of Gr A ITS officers is still inconclusive.</p> <p>3. Vide Sub Para (xv) of Para 5 of the order the pensionary benefits will be determined in accordance with Department of Pension and Pensioners' Welfare O.M.No.4(8)-85-P&PW dated 13.1.1986 circulated vide letter No.36-9/86-NB/T dated 18.2.1986.</p> <p>As per the decision in JCM National Council the Govt issued an O.M No. 4/18/87-P&PW (D) on 5.7.1989 further modifying O.M.No.4(8)-85-P&PW dated 13.1.1986.</p>
	<p>2. The option for absorption in MTNL were called for in two phases. In the first phase, the option for Group 'C' and 'D' were called for with effect from 01.11.1998 as per DoP&PW's OM dated 5.7.89. As per the O.M. pensionary benefits to the absorbed employees with combined service benefits would be paid from the pension fund, to be created and operated by MTNL as per DoP&PW's OM dated 05.07.1989 read with O.M.</p>	<p>The plain reading of OM No. 4/18/87-P&PW(D) dated 5.7.89 gives unmistakable impression that it would be the Government's responsibility to make the payment of pension to the employees who opt to be governed by the pensionary benefits available under the Government scheme of pension. This fact was accepted and acknowledged by Addl Secretary (P) of DoP&PW on 11.6.2004 in file noting regarding inadequacy of</p>

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	<p>dated 01.06.2000. As per Rule 37-A of CCS(Pension) Rules, 1972, the pensionary benefits to those absorbed with combined service benefits would be paid from the Pension Fund/Trust, to be created and operated by the Government. (Emphasis is ours)</p>	<p>security of Pension provided pre-30.9.2000 absorbee in MTNL (Page 49). The file noting reads inter-alia as follows :-</p> <p><i>"It is even feasible to take a view that under OM of 5.7.89, it would be Government's responsibility to make actual payment to such employees who opt to be governed by pensionary benefits available under the Government scheme of pension."</i></p> <p>The said file noting further underlines the reason and basis of the doubt of MTNL absorbess about the actual intention of the Government behind the move of formation of FUND and not Trust as follows:-</p> <p><i>"4. As has been pointed out in the note, the basic reason for the MTNL agitation appears to be the issue of OM dated 1st June, 2000, which for the first time, indicated the requirement of a creation of a pension fund with the ultimate responsibility of payment of pension to the transferred employees. This gives rise to a doubt that the Government is passing on its responsibility (under OM of 1989) to a pension fund."</i></p> <p>It is to be noted that in pursuance of D.O.P&PW OM. No. 4/14/2000-P&PW(D) dated 01/06/2000, DoT issued OM No.40-19/2000-PEN (T) dated 21st Nov'2000 directing MTNL to create a Pension Fund. This OM was challenged in the High Court of Bombay in WP 2929 of 2001. The prayer was DoT's OM dated 21/11/2000 should not be implemented and the Govt should abide by the Presidential orders dated 23/02/2001 for permanent absorption of erstwhile DoT Gr C&D employees in MTNL. Hon'ble High Court Bombay passed orders on 16/04/2002 that the Govt shall abide by the Presidential orders dated</p>
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		<p>orders for absorption "he/she will be eligible to receive the pensionary benefits available under the Govt at the time of his/her retirement/death from MTNL in accordance with the Central Govt rules in force at that time." The Presidential orders do not say anything about the Pension payment by MTNL from a Pension Fund or Pension Trust. Therefore, creation of Pension Fund or Pension Trust for payment of pension may amount to contempt of court.</p> <p>Similarly the order No.MTNL/30-111/ HRD/2000-2001 dated 4.9.2003 conveying the OM No. 400-23/2003-STG III dated 29.8.2003 of Ministry of Communication, Dept of Telecom which contains the Terms and Conditions for absorption of Group B Officers through its Annexure A which read inter alia</p> <p>"5. Payment of Pension: <i>It will be regulated in accordance with OM No. 4/18/87- P&PW(D) dated 5.7.1989 and OM No. 4/42/91-P&PW(D) dated 31.3.1995 as amended from time to time.</i></p> <p><i>The issue of Payment of Government Scheme of Pension to be made by Government is pending for the want of notification from Ministry of Finance."</i></p> <p>The last sentence of the above term expresses categorically that pension will be paid by the Government for which efforts are on.</p> <p>In view of all those stated above, WE ARE STRONGLY OPPOSED TO FORMATION OF TRUST TO DISCHARGE THE PENSIONARY LIABILITY OF ERSTWHILE DoT EMPLOYEES ABSORBED IN MTNL.</p>
	<p>3. The matter regarding payment of pensionary benefits by the Government to the absorbed employees in MTNL has been pending since 2000. i.e., after the issue of notification of Rule-37A in CCS (Pension) Rules, 1972. On formation</p>	<p>The OM No.4/14/2000-P&PW(D) dated 1.6.2000 was issued just three month prior to the promulgation of Rule 37-A of CCS(Pension) Rules, 1972 directing the PSUs which has adopted Government Scheme of Pension to form FUND and not Trust</p>

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	<p>of BSNL, in the year 2002, <u>DoT after due consultation with DoP&PW, DoP&T and Ministry of Finance had made a commitment to the effect that the payment of pensionary benefits including family pension to the Government employees absorbed in MTNL shall be paid by the Government vide DoT's letter No. 40-29/2002 dated 29.8.2002.</u> (Emphasis is ours)</p>	<p>for payment of pension for their employees. The MTNL has not adopted Government Scheme of Pension for its recruited employees and therefore the MTNL has not created any fund. However, the commitment of the then MOC&IT was communicated to CMD, MTNL by Director (Estt) vide letter No. 40-29/2002 dated 29.8.2002 is yet to be fulfilled by the DoT/Government.</p>
	<p>4. On the basis of the commitment, the employees of MTNL/MTNL association have started demanding for fulfilment of the Assurances from 2002 onwards. During 2004, due to the differences of opinion among the Central Government concerned Departments, the matter was referred to the Committed of Secretaries (COS) for resolving the issues/opinions. Thereafter, the matter was considered by <u>the COS at its meeting on 14.12.2004 but had not accepted the demand, clearly stating that the issue regarding payment of pensionary benefits of MTNL employees was well settled and did not merit a review at this stage.</u> (Emphasis is ours)</p>	<p>How the Committee of Secretaries (COS), a group of bureaucrats, can take a decision against the written commitment after due consultation with DoP&PW, DoP&T and MOS) F⁹ F given as per the directives of MoC&IT ? These written commitments were given in and outside the parliament communicated vide DoT's letter No. 40-29/2002 dated 29.8.2002 of Director (Estt), DoT addressed to CMD, MTNL and vide Letter No.38-6/ 2002-Pen (T) dated 11/08/2003 of Under Secretary (STP) in response to unstarred question No. 241 during 197th Session of Rajya Sabha.</p>
	<p>5. While conveying the recommendation of the COS to MTNL, <u>They had been asked to set up the Pension Fund/Trust vide DoT's letter No. 40-14/2003-Pen(T) dated 23.8.2005.</u> However, due to stiff resistance from the staff/MTNL Association, the Pension Fund could not be created so far and they have continuously been demanding for fulfilment of the commitment/assurance made in the year 2002. (Emphasis is ours)</p>	<p>The Copy of letter No. 40-14/2003-Pen(T) dated 23.8.2005 may kindly be made available to us so as to enable us to give our comment on it. However, we continue to demand that the commitment/assurance made by the MoC&IT/DoT/ Govt. be fulfilled and we stress upon the payment of pension should be made by the Government.</p>
	<p>6. The matter was again discussed in a high level meeting held under the chairmanship of Hon'ble MOC&IT on 6.12.2007 and it was decided that a Note for the cabinet may be put up. <u>Accordingly, a cabinet note was prepared with the proposal that the absorbed employees of MTNL may be given similar treatment in the matter of payment of the pensionary benefits as available to the absorbed</u></p>	<p>It is important to note that COS which was constituted at one point of time on this issue at the instance of the PMO, kept its meeting inconclusive with the remark that it could meet again on getting fresh inputs from the nodal departments/ministries. The said meeting could not be held till date in the absence of the response from the Department of Expenditure as</p>

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	<p><u>employees of BSNL and accordingly, the sub-rules 21 to 23 of Rule 37-A of CCS(Pension)Rules, 1972 may suitably be amended to include MTNL alongwith BSNL.</u> The aforesaid Cabinet Note was submitted to the Cabinet Secretariat, which also included the views/comments of Department of Pension and Pensioners' Welfare, Department of Expenditure and Department of legal affairs on the issue, the PMO desired that the differences of opinion may be resolved in the COS for placing the matter before the Cabinet. <u>The meeting of the COS was held on 23.7.2009. The COS has desired the DoT to get the views of Department of Legal Affairs on certain issues.</u> When the matter was referred to the Department of Legal Affairs they asked for fresh views of the nodal departments on the subject before tendering their legal advice. <u>Accordingly, fresh view of Department of Pension and Pensioners' Welfare has since been received whereas reply of Department of Expenditure is still awaited.</u> (Emphasis is ours)</p>	<p>stated in the DoT's submission.</p> <p>The DoT should take effective steps to hold the inconclusive meeting of the COS since 23.7.2009 to sort out this issue instead of taking precipitatory action for creation of Pension Trust which MTNL absorbees feel as an insecured provision of pension and for that they resist it.</p> <p>The Secretary DoT take initiative as directed by the then MOS(C&IT) in a meeting called by him in his cabin on 28.05.2011 at New Delhi and get the desired reply from the Dept of Expenditure. Also, Secretary DoT take a fresh move with COS for suitable amendment to sub rule 21 to 23 of Rule 37-A of CCS(Pension) Rules, 1972 to include MTNL along with BSNL as assured that there will not be any distinction in regard to payment of pensionary benefits between the two sets of erstwhile DoT employees, one seeking absorption in MTNL and other in BSNL. It was also decided by the MOC&IT that the employees of MTNL will be given the same treatment as available to the employees of BSNL.</p>
	<p>7. Meanwhile, the status of the case regarding payment of pensionary benefits to MTNL absorbed employees was <u>reviewed by Hon'ble MOC&IT on 5th June, 2011.</u> <u>Considering the fact that disparity in pay scales of MTNL and BSNL, favouring MTNL, was one of the many reasons for non acceptance of the demand by Government so far, he directed MTNL to discuss with MTNL Staff representatives of they were willing to accept lower pay scales, as operative in BSNL.</u> (Emphasis is ours)</p>	<p>The most impractical proposition like equalizing the pay scales of MTNL and BSNL by reducing the pay scales on MTNL side at this stage was brought in only to deny the legitimate pension to MTNL absorbees. If Govt/DoT is honest and sincere about such parity, this could have been done at the time of 2nd Wage revision w.e.f 1.1.2007. But that was not done. How can MTNL absorbees be denied secured pension and equal treatment vis-à-vis BSNL on this account ?</p> <p>The impracticability of equalisation of Pay scale of MTNL with BSNL pay scale by lowering MTNL pay scale at this stage was very well understood by MTNL management and recommended that <u>"the matter of pay scale parity with BSNL will be</u></p>

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		<p><u>decided based on the outcome of the next pay/wage revision w.e.f 01.01.2007 or any other date as decided by Govt. for such revision".</u></p> <p>The same has been mentioned in para 8 of DoT note as suggestion number (i) of MTNL. It is to be noted that the date of effect of next pay revision is wrongly mentioned as 1.1.2007 whereas the next pay/wage revision is expected w.e.f 1.1.2017.</p>
	<p>8. The matter was also raised by some Members of Parliaments in the Committee on Petitions and the committee of Petitions at its Oral evidence dated 11.7.2012 had directed CMD, MTNL to explore the possibility of implementing pay scale parity between the employees of BSNL and MTNL and to present a road-map for settlement of Pension issue within a period of two months. In this response, MTNL Management have furnished the suggestion/the Roadmap on this issue on 28.09.2012. <u>The main suggestion of MTNL management is that (i) The matter of pay scale parity with BSNL will be decided based on the outcome of the next pay/wage revision w.e.f 01.01.2007 or any other date as decided by Govt. for such revision (ii) To create a single Trust with Government Guarantee under Rule 37-A Of CCS(Pension)Rules, 1972 for all categories of the absorbees.</u></p> <p><u>Suggestion and roadmap as given by the MTNL for creation of single Pension Trust is under consideration of DoT.</u> (<u>Emphasis</u> is ours)</p>	<p>Almost a little more than 3 months before i.e., on 13.7.2012, the Dy. Secretary to the Govt. of India, DoT informed during the conciliation proceedings before RLC(C) New Delhi as follows :</p> <p><i>" The Dy. Secretary to the Govt. of India, DoT informed that Department is seized of the issue related to payment of Pension to MTNL absorbed employees directly by the Govt. of India. However, she simultaneously pointed out that the issue requires inter-departmental/ ministerial consultations and final approval by the Ministry of Finance. It is expected that the matter could take a period of about two and a half months to be sorted out."</i></p> <p>We believe that the DoT has not certainly misled the conciliation process held on 13.7.2012 with RLC(C) New Delhi. How is then, it takes such about turn ?</p> <p>We are opposed to the payment of pension through Trust as neither the formation of Trust nor the payment of Pension from the Trust was indicated in the Terms and Conditions under which DoT employees exercised their option for absorption in MTNL. Both DoPT OM No. 4/18/87-P&PW (D) dated 5.7.1989 and DoPT OM No:4/42/91-P&PW(D) dated 31.3.95 in accordance to which the pension is supposed to be regulated, have no mention about the provision of Trust. The mention of FUND not Trust was made for the first time in</p>

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June, 2000 vide OM No. 4/14/2000-P&PW(I) dated 1.6.2000 i.e., quite after exercising the option for absorption in MTNL vide Group C&D employees which was just three months prior to the promulgation of Rule 37-A of CCS(Pension) Rule, 1972 on 30.9.2000 and formation of BSNL thereafter on the next day, i.e., 1.10.2000. 167

It must be kept in mind that because of these strong justifications, at least on two occasions, the then Hon'ble Minister (C&IT) committed in writing that there would be no distinction as regards to payment of pensionary benefits between MTNL and BSNL, and Rajya Sabha was also informed accordingly in the form of the answer to a parliament question. These are all matter of records and no amount of bureaucratic jugglery can alter these facts.

The assurance of MoC communicated by the Director (Estt) to CMD, MTNL vide letter No. 40-29/2002-Pen (T) dated 29/08/2002 which states: 217

"The matter was taken up with Department of Personnel and Training and Ministry of Finance. This is to inform you that it has been agreed in principle that the payment of pensionary benefits including the family pension to the Government employees absorbed in MTNL and who have opted for Govt. Scheme of Pension shall be paid by the Govt. The exact modalities in this regard are being worked out by Department of Pension and Pensioner's Welfare".

The assurance of MoC during 197th session of Rajya Sabha to Un-Starred Question No. 241 communicated by the Under Secretary (STP) vide No.38-6/2002-Pen (T) dated : 11/08/2003 which reads as follows:

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"The latest position is that it has been agreed in principle that there should not be any distinction in regard to payment of pensionary benefits between the two sets of erstwhile DoT employees, one seeking absorption in MTNL and other in BSNL. It has also been decided that employees of MTNL be given the same treatment as available to the employees of the BSNL. The exact modalities for implementing the above decision are being worked out by Deptt. of Pension and PW".

We demand similar arrangement for payment of pension as per Government Scheme of Pensionary provisions as provided for our counterparts in BSNL. Because, we both are basically DoT recruited Government employees with the similar benefits of secured Government pension and family pension while in DoT. It is the Governments' policy and act that has separated and transferred us to two different organizations, e.g., MTNL and BSNL. It is again the wisdom and sense of priority of the Government that MTNL and BSNL were formed carving out of the same DoT on two different dates i.e., 1.4.1986 and 1.10.2000 respectively. Therefore, this can't and should not be the basis for drastically adverse and unsecured pension provision for MTNL employees vis -a -vis BSNL employees. Most irony is that even though it is purely due to the administrative compulsions that the absorption of different categories of DoT employees were absorbed on different dates in MTNL, quite different kind of pension provisions have been prescribed for them on the basis of date of absorption.

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		<p>In all fairness, the assurances of DoT/Government that “it has been agreed in principle that there should not be any distinction in regard to payment of pensionary benefits between the two sets of erstwhile DoT employees, one seeking absorption in MTNL and other in BSNL” should be honoured in true sense.</p>
<p>The representative of United Forum also submitted that the IDA neutralisation instead of 68.8. % it should have been 78.2 % at the time Pay revision as per DPE order dated 2.4.2009.</p>	<p>[By MTNL]</p> <p>3. As regards point relating to IDA neutralisation with 78.2% it may be mentioned in this regards that <u>the revision of pay with 68.8% IDA of Non-Executive employees has been done after negotiations with the Recognised Unions of MTNL and entering in to Tripartite Agreement under Industrial Dispute Act, 1947 before the Regional Labour Commissioner (Central), New Delhi.</u> Further, present financial conditions of MTNL do not permit for any further upward revision in this regard. (Emphasis is ours)</p>	<p>The Govt. of India issued order for implementation of 2nd pay revision vide No: 2(70)08-DPE(WC) dated 26.11.2008 for implementation of 30 % fitment for schedule A PSUs like MTNL. Further, DPE issued OM No: 2(70)/08-DPE(WC)-GL-VII/09 dated 2.4.2009 for fitment of IDA neutralization @ 78.2 % w.e.f. 1.1.2007 modifying earlier order which was wrongly calculated for IDA neutralisation @ 68.8 %. The MTNL Board had decided to implement 2nd Pay Revision with 30 % fitment with IDA Neutralization @ 68.8% vide Office Order No: MTNL/CO/IRW/22 (90)/09/Exec/261 dt 14/05/2010 for Board Level and Below Board Level Executives and another order was issued on the same date bearing No : MTNL/CO/IRW/22 (90)/07/NE/260 dt 14/05/2010 for Non Executives after having negotiations with recognized Unions of Non Executives with neutralization @ 68.8 % which was mentioned in the tripartite agreement under Industrial Dispute Act, 1947 before the RLC(C) vide No: ND 8(1)/2010-P.A dated 11.5.2010. The relevant portion of the settlement is reproduced below:</p> <p>Para 6.3 of tripartite agreement for pay revision of non executives</p> <p><i>“As and when MTNL Management decides for 78.2% IDA Merger, the same benefit shall be equally extended to both Non Executives as well as Executives of MTNL”.</i></p> <p>It can be concluded from the above paragraph that the Non Executives</p>

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		<p>union have not given up their claim of IDA merger @ 78.2 % rather it is kept open for management to extent the benefit to both Executives and Non Executives of MTNL simultaneously. Further, the executives of MTNL are not party to the said tripartite agreement.</p> <p>Argument of MTNL that financial conditions of MTNL do not permit neutralisation of IDA @ 78.2 % w.e.f 1.1.2007 at this stage is not at all acceptable. The Financial Position of MTNL has not deteriorated due to employees. It is the result of investment in unproductive projects by MTNL Managements such Garuda Services, CBCRM, etc, Investment in non Lucrative foreign markets like Mauritius and Nepal, Investments in non yielding companies like Krishna Valley project, Software Technology Parks etc and finally investment by way of spectrum cost. The borrowings by MTNL to payout the spectrum cost to the tune of more than Rs.11000 Cr which is partly financed by internal accruals and partly financed by Borrowings to the tune of Rs.7000 from Banks resulting in an outflow by way of interest to the tune of Rs.1200 Cr pa plus loss of interest to the tune of Rs.500 Cr pa which otherwise could have accrued to MTNL from the fixed deposits are the reason for the current state of affairs of MTNL. The contribution for pension by MTNL to the tune of Rs.1350 Cr pa including payment of pension to the pensioners is yet another reason which is dragging MTNL in the debt trap and affects viability. The liability of payment of pension to the MTNL Pensioners is of DoT and not of MTNL.</p> <p>Therefore, it is not at all acceptable to the United Forum that they continue to be deprived of due remuneration for an uncertain period under the plea of such so called bad financial position.</p>
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Therefore, your kindself is requested to cause necessary instruction to the DoT and MTNL:

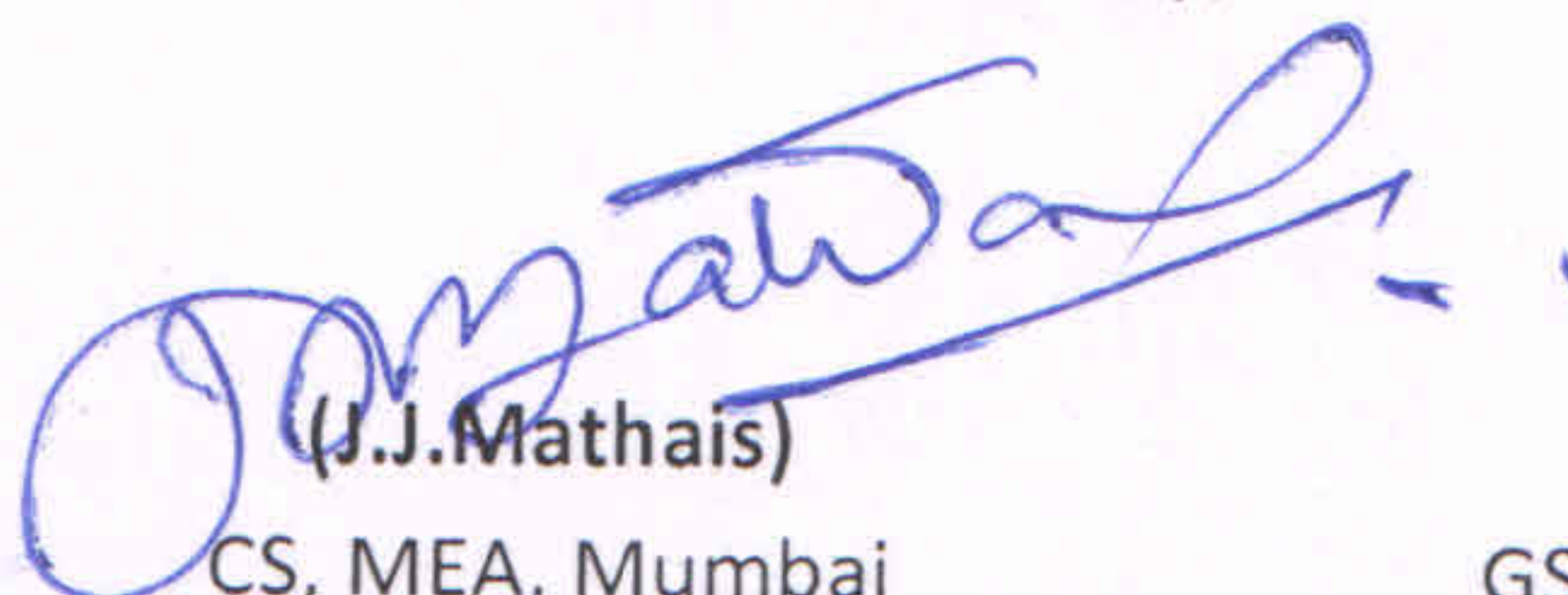
1. To stop the process of creation of pension trust for payment of pension/ family pension to the erstwhile DoT employees absorbed in MTNL as they do not accept the formation of Pension Trust as the Trust is neither secured nor viable and also was not mentioned in the Terms and Conditions for absorption in MTNL as narrated in our rejoinder above.
2. To make all out sincere efforts in convening a meeting of Committee of Secretaries (COS) after getting fresh opinions from the nodal departments/ministries keeping in view the commitment given before RLC, Delhi on 13.7.2012 and also the assurances given by the then MOC&IT in and outside the Parliament so as to finalise the arrangement for payment of pension and family pension to the erstwhile DoT employees absorbed in MTNL is made by DoT as being paid to BSNL pensioners/family pensioners.


During the pendency of RLC proceedings when status quo is to be maintained by MTNL/DoT, they had taken a precipitatory action of forming single trust for all categories of MTNL absorbees and escalated the situation disturbing the industrial peace. Therefore, we request your goodself to direct MTNL/DoT to restrain them from proceeding further with formation of Trust for payment of pension to MTNL pensioners. **If MTNL/DoT continues to go ahead with the formation of trust during conciliation proceedings, the United Forum will resort to trade union action as deemed fit for which the sole responsibility shall lie with MTNL/DoT.**


Thanking you.


Yours Sincerely,

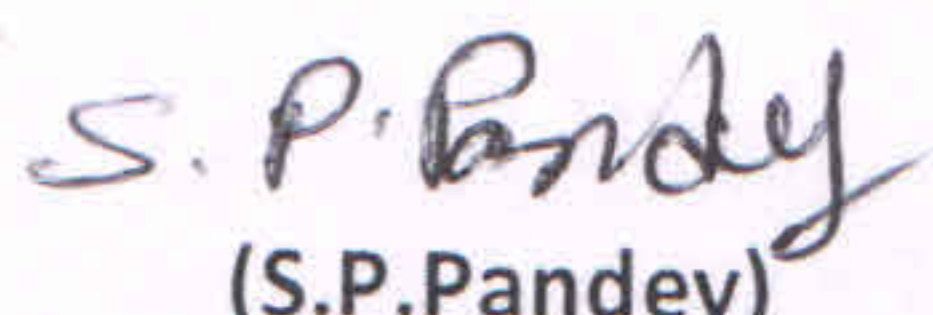

(J.S. Yadav)
CS, TEAM, Mumbai


(J.J. Mathais)
CS, MEA, Mumbai



(Predeep Salve)
GS, MTNL Karmachari Front,



(M.R. Dixit)
AGS, RTOWA, Mumbai



(S.G. Pawar)
G.S, MTNL PWA



(S.P. Pandey)
GS, MTNL Workers Union


(Dina R. Naik)
GS, Sanchar Union of MTNL

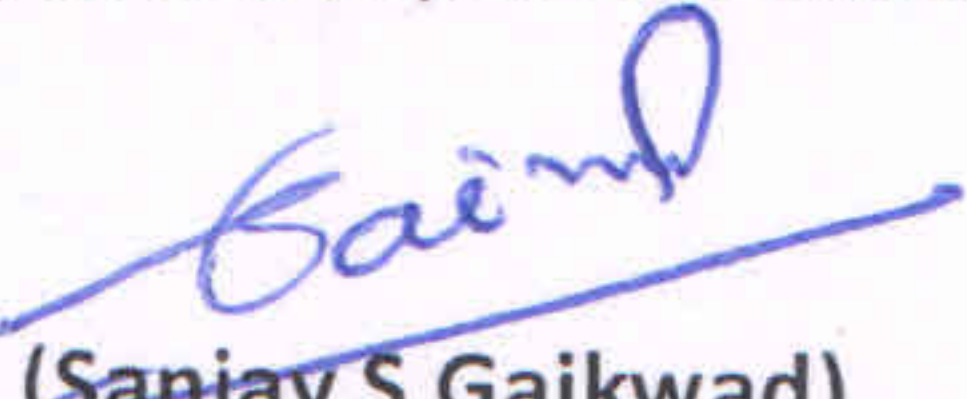

(S. J. Shetty)
GS, MTNL Karmachari Union

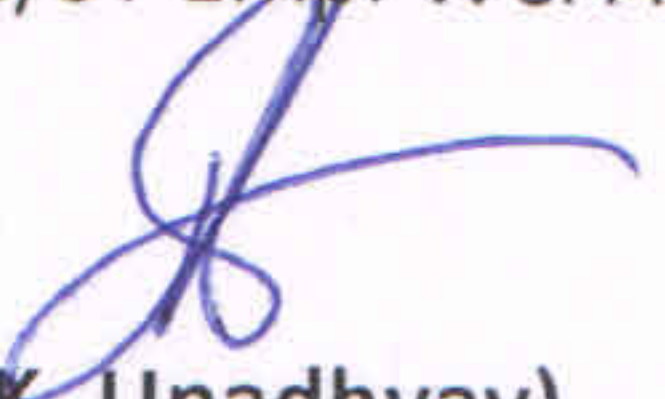

(Dilip Ghaiwat)
GS MTNL Republic Empl. Union



(T.L. Gaikwad)
GS, MTNL SC/ST Exec Assn


(S.D. Kalbende)
GS, AI SC/ST Empl Wel Assn


(Santhosh Kilanje)
CS, Bharatya MTN Empl Union


(Sanjay S Gaikwad)
Prs MTNLMbi SC/ST E. W. Assn


(B.K. Upadhyay)
GS, MTNL Staff Union Mumbai


(R.A. Rajapure)
Convenor, Joint Forum of
BSNL & MTNL Unions & Assns

Copy for kind information and n/a pl.

- | | | | | |
|----------------------|----------------------|----------------------|-------------------|--------------------|
| 1. Hon'ble MO(C&IT), | 2. Hon'ble MOS(C&IT) | 3. Cabinet Secy, GOI | 4. Secretary DoT | 5. Member (S), DoT |
| 6. CLC (C), Delhi | 7. Dy. CLC(C), HQ | 8. CMD, MTNL | 9. Dir (HR), MTNL | 10. Dir(Fin), MTNL |
| 11. Dir(Tech), MTNL | 12. ED, MTNL, MBI | | | |