

Telecom Executives' Association of MTNL

MTNL MUMBAI CIRCLE

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President

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Circle Secretary

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Date : 23.04.2010

To
Shri Gurudasji Kamat
Hon'ble Minister of State for Communication & IT
Union of India.

Hon'ble Minister,

Sub.:- Memorandum on behalf of TEAM, MTNL.

TEAM representing executives in all cadres in MTNL seek your kind intervention for settlement of the following issues.

1. Pension / Family Pension to MTNL Employees at par with BSNL.

We, the erstwhile DOT employees and executives absorbed in MTNL were assured at the time of absorption that Pension and Family Pension will be paid by the Government as per the CCS Pension Rules as applicable to the employees of Central Government. However, Government has not yet issued any notification in this regard although DOT has issued a communication as early as in August- 2002 vide letter No. 40-29/2002-Pen(T) dated 29.08.2002 agreeing in principle that payment of pensionary benefits including family pension to employees absorbed in MTNL will be made by Government.

Government issued an amendment to CCS Pension Rules by introducing Rule 37A for payment of pension by Government for the employees absorbed in BSNL from 01.10.2000. It is unfortunate that Government is taking a long time of about 10 years to bring a similar arrangement for payment of pension in MTNL by Government on par with BSNL. An assurance to the effect that there will be no discrimination between MTNL and BSNL as far as payment of pension is concerned was given to the Parliament vide letter No. 38-6/2002- PEN (T) Dated 11.08.2003.

Sir, It may not be out of place to mention that date of absorption of Executives in MTNL and BSNL from DOT are the same i.e., 01.10.2000. Amendment to Rule 37-A in CCS Pension Rules for payment of pension by Government is also effective from 01.10.2000.

Your kind self might be aware that MTNL is paying all pensionary benefits from its funds for

the last ten years to the employees/ officers absorbed in MTNL whenever they retire from the Company. The pensionary benefits being paid are for the entire service including the service rendered in DOT. This arrangement which is supposed to be temporary has been continuing, causing a burden of more than Rs. 400 crore per annum to MTNL. Even the Provident Fund accumulations of employees/officers as at their date of absorption are being paid by MTNL from its funds when the employees retire. The additional burden is causing a huge dent in the profits of MTNL.

MTNL is paying more than Rs. 600 crore per annum to the government in the form of License Fees, Taxes and Dividend.

Sir, DOT with your due approval has taken up with Government the issue of payment of Pension / Family Pension by Government to absorbed Officers/employees in MTNL. It is understood that the issue is under scrutiny by Department of Expenditure in Ministry of Finance.

Sir, about 50,000 staff/officers and their families shall feel financially secure, if the pension issue is resolved as is happening in BSNL, another PSU in your Ministry.

We, therefore, humbly request you to bestow your kind attention for a favourable decision from Government early.

2. Implementation of 2nd Pay Committee Report in MTNL

The Government had issued Presidential Directive on 26-11-2008 vide letter No.: 2(70)/08-DPE(WC) for implementation of revision of scales of pay for executives with uniform fitment benefit @ 30 % with effect from 01-01-2007. MTNL Board has passed a resolution recommending implementation of the orders of the Government and forwarded it to DOT for approval.

Hon'ble Minister, Sir, we solicit your personal intervention and request your kind self to cause approval from DOT for implementation of revision of pay with 30% fitment.

With Kind Regards,

Yours sincerely
(J.S Yadav)
Circle Secretary
T.E.A.M., Mumbai

- Copy to:
1. CMD,MTNLfor kind information and necessary action.
 2. Director(HR)/(Finance),MTNL... for kind information and necessary action.
 3. ED,MTNL Mumbai ... for kind information.