

United Forum of Executives and Non-Executives of MTNL
Central Head Quarters, New Delhi

9/c

Ref:

Dated-- 29.7.2009

Memorandum

Respected Sri Manmohan Singh ji,

The United Forum of MTNL is representing working & retired executives and non-executives of Delhi & Mumbai. We are erstwhile DOT employees absorbed in MTNL. Options for absorption were called for by DOT in Nov.1998 for non-executives (Group C&D employees) and in October 2000 for Group A & B officers. At the time of absorption, we had been assured that the pension on superannuation would be paid to us by Govt. as per Govt. pension rules (CCS Pension Rules) and the modalities in this regard will be decided. More than 10 years back, Officers & employees of DOT (department of telecom) were absorbed in MTNL & BSNL. At the time of absorption, there was option of pension as per Govt pension scheme at the time of retirement for the combined service rendered in DOT and MTNL. And it was not only assured in terms and conditions of option that it will be paid by Govt but reply was given in parliament that there will be no discrimination in payment of pension in MTNL/BSNL.

More than 10 years have lapsed, but Govt has not fulfilled its commitment of payment of pension by Govt to MTNL, while Govt is paying to the employees /officers absorbed in BSNL. This is in spite of the fact that MTNL and BSNL are PSUs carved out from the same department i.e DOT to provide the same services of telecom, and the employees/officers absorbed in both PSUs were the employees of same department i.e DOT

But later-on DOT has issued an order where in MTNL was asked to discharge the pension liabilities as an interim measure till the modalities are being decided. The DOT vide letter No.40-29/2002-Pen(T) dated 29th August 2002 had categorically informed that the Finance as well as Pension department are principally agreed and only modalities are to be decided. Later on also same assurance was given to the Parliament vide letter No.38-6/2002-Pen(T) dated 11/08/2003 that there will be no discrimination in MTNL & BSNL as far as payment of pension is concerned.

We would like to bring to your kind notice that payment of pension to the employees/officers absorbed in MTNL is being paid by MTNL from its own fund for last more than 10 years, while it was to be paid by government as in BSNL as per terms and conditions of absorption and many written assurances of DOT. Now after a long period, we understand that DOT has recommended the pension in MTNL at par with BSNL. But we have come to know that it is still pending for the approval of govt.

We also wish to bring to your kind notice that this abnormal delay is not only affecting the uninterrupted payment of pension and other post retirement benefits of retired employees/officers, but also affecting the salary and other benefits of MTNL serving

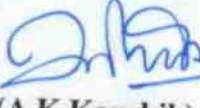
employees, because a huge amount (about 400 Cr) of its profit is being paid for pensionary benefits in addition to about 600 Cr which is paid by MTNL to Govt. as license fee, dividend and tax. Because of this burden, MTNL's financial viability has come under threat and situation has become so worse that MTNL has not implemented the Govt. orders of pay revision while same has been implemented in almost all profit making PSUs. This continuing delay in deciding pension at par with BSNL has created heart burning, resentment, frustration and agitation amongst the 50,000 thousand executives and employees of MTNL.


Moreover, MTNL has paid about 30,000 crore rupees to Govt towards pension contribution, taxes /levies since its formation in 1986. In spite of this fact, MTNL is still being asked to pay pension to its employees for combined service rendered in DOT & MTNL. Pending decision by Govt on MTNL pension issue has compelled MTNL to pay about Rs. 400/ crore towards pension from its salary head in addition to about Rs. 600/- crore towards taxes/ levies. This huge amount of Rs 400/- crore, which is bound to increase every year, has made a deep dent in the profit of MTNL, which has resulted in non implementation of pay revision committee's report in MTNL, while it has been implemented in BSNL and other PSUs. Delayed decision in this respect will take MTNL to red which will create a situation, where not only retired employees will be denied pension, but serving employees will also not get their salary.


We, therefore, request your honour to get the MTNL pension issue resolve at par with BSNL. This kind act at of your honour will not only provide the social security to the employees after the retirement, but will also save the MTNL (Navratana PSU) , which is playing a vital role in the socio-economic development of the country.

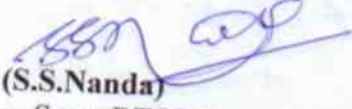
.With Warm regards

Yours' sincerely


(A.K.Kaushik)
Gen Secy, TEAM


V.K.Tomar)
Gen Secy, MEA


(Virjesh Upadhyay)
Gen Secy, MTNLMS


(S.S.Nanda)
Gen. Secy, RTOWA

Shri Manmohan Singh
Hon'ble Prime Minister
Govt. of India.
New Delhi

Copy to:

1. Thiru. A.Raja, Hon;ble Minister of Com &IT, Govt of India
2. Shri Gurudas Kamath, Hon'ble MOC &IT, Govt. of India
3. Shri. K.M.Chandrasekhar, Cabinet Secretary of India
4. Shri.T.K.Nair, Principal Secretary to Prime Minister of India
5. Shri. Siddharth Behrua, Secretary, DOT, Govt. of India
6. Shri. R.S.P.Sinha, CMD, MTNL