

महानगर टेलीफोन निगम लिमिटेड

(भारत सरकार का उद्यम)

निगम कार्यालय

MAHANAGAR TELEPHONE NIGAM LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)
CORPORATE OFFICE



MTNL/CO/RW/22(90) | 18
Dated: 14th May, 2009

OFFICE ORDER

Subj: Revision of Scales of Pay of Board level and below / Board level Executives of MTNL w.e.f. 01.01.2007.

In pursuance of the Presidential Directives issued by the Administrative Ministry vide letter no. 11-1/2009-SU-II dated 13.05.2009 in terms of Ministry of Heavy Industries & Public Enterprises, Deptt. of Public Enterprises O M No. 2(70)08-DPC (WC) dated 26.11.2008, the approval of the Competent Authority is conveyed for adoption of revised Pay Scales in replacement of existing IDA Pay Scales for Board level and below Board level Executives of MTNL, effective from 01.01.2007.

Accordingly, Pay Scales, Dearness Allowance, etc in respect of Board level and below Board level executives of MTNL shall stand revised w.e.f. 01.01.2007 as under.

Grade	Pre-Revised (Rs.)	Revised (Rs.)
	1997 Pay Scales (IDA)	2007 Pay Scales (IDA)
E-1	8600-250-14600	16400-40500
E-2	10750-300-16750	20600-46500
E-3	13000-350-18250	24900-50500
E-4	14500-350-18700	29100-54500
E-5	16000-400-20800	32900-58000
E-6	17500-400-22300	36600-62000
E-7	18500-450-23900	43200-66000
E-8	20500-500-26500	51300-73000
E-9	23750-600-28550	62000-80000
Director (A)	25750-650-30950	75000-100000
CMD (A)	27750-750-31500	80000-125000

Fitment Method:

- (i). A uniform Fitment Benefit @ 5% on Basic Pay + DA @ 68.8% as on 01.01.2007 would be provided to all executives. The aggregate amount would be rounded off to the next Ten Rupees and Basic Pay would be fixed in the Revised Pay Scale.
- (ii). If any extra ordinary increment (s) and /or increase in the pay in respect of executives have been granted with retrospectively effect, which affects the revision of pay as on 01.01.2007, such increment and /or increase in pay will be ignored for the purpose of Fitment/Pay Revision.
- (iii). Where executives drawing pay at two or more consecutive stages in an existing Scale get bunched at one stage in the revised Scale of Pay, then, for every two stages so bunched, benefit of one increment shall be given.

Increment

The annual increment shall be @ 3% of the revised Basic Pay and the same shall be rounded off to the next multiple of Rupees Ten.

Hindi Version Follows

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Stagnation Increment

The rate of Stagnation Increment shall be 3% of the Revised Basic Pay and executives would be allowed to draw maximum three Stagnation Increments, one after every two years, upon reaching the maximum of the Revised Pay Scale provided the executive gets a performance rating of "Good or Above".

Pay Fixation on Promotion

One notional increment equal to the increment being drawn by the executives in the pay scale, before such promotion would be granted and pay fixed in the promoted Pay Scale and rounded off to the next multiple of Rupees Ten.

Dearness Allowance (DA)

100% DA neutralization will be adopted w.e.f. 01.01.2007 for all the executives, who are on IDA pattern of Scales of Pay. Thus, DA as on 01.01.2007 will become zero with link point of All India Consumer Price Index (AICPI) 2001=100, which is 126.33 as on 01.01.2007. The periodicity of adjustment will be once in three month, as per existing practice. The new quarterly DA payable from 01.01.2007 will be as per new DA Scheme as given below.

Effective Date	D A Rate (%)	Effective Date	D A Rate (%)
01.01.2007	0	01.04.2008	6.3
01.04.2007	0.8	01.07.2008	9.2
01.07.2007	1.3	01.10.2008	12.9
01.10.2007	4.2	01.01.2009	16.6
01.01.2008	5.8	01.04.2009	16.9

House Rent Allowance (HRA)

HRA shall be frozen at the level admissible in the 1997 IDA Pay Scale as on 31.12.2006 and shall remain unchanged till further order.

City Compensatory Allowance (CCA)

The payment of CCA stands dispensed with effect from 13.05.2009

GPF/EPF Contribution:

Recoveries towards GPF/EPF contribution shall be made as detailed below.

- (i) Recovery of difference in GPF contribution, wherever applicable, from arrears in case it was recovered less than minimum of 5% of the revised basic pay w.e.f. 01.01.2007.
- (ii) Recovery of arrear of EPF contribution w.e.f. 01.01.2007 (being difference between 12% of revised basic pay & IDA and Pre revised basic and IDA) towards employees' share from arrear wherever applicable.
- (iii) Payment of additional contribution of Employees' share to the tune of difference between 12% of revised Basic Pay and IDA and pre-revised Basic Pay and IDA shall be credited to the EPF Account wherever applicable.


Applicability:

1. This order shall be applicable to MTNL employees who were on the rolls of the Company on 01.01.2007. Employees separated thereafter will be eligible for Pay Revision benefit upto their date of separation. Recoveries and deductions shall be effected on the revised pay for the period upto the date of separation from MTNL. In case where executives have separated

from the Company on or after 01.01.2007 after paying Notice Pay, the quantum of Notice Pay shall be recalculated on the revised pay and recovered from the arrears by way of adjustment.

2. Perks and Allowances which are not covered in this Order shall remain operational as per existing practice till further Order.
3. The pay of non-executive employees, promoted from non-executive category to executive category on or after 01.01.2007 shall be fixed provisionally at the minimum of the corresponding revised scale in the executive grade. On implementation of revised Pay Scales of non-executive category, their pay shall accordingly be re-fixed in the revised pay scale of executives as per normal pay fixation rules.
4. Executives joining the Company on fresh appointment on or after 01.01.2007 shall be deemed to have been appointed in the revised Pay Scales. Their pay shall be fixed in the revised Pay Scale in terms of the conditions contained in offer of appointment as also government guidelines on the subject, if any.
5. Pay in the revised Pay Scales shall be drawn in the salary for the month of May, 2009.
6. Arrears from January, 2007 to April, 2009, if any, shall be computed and released immediately. However, recoveries, if any, shall be effected only after separate orders to this effect are issued from Corporate Office.
7. Excess payment, if any, made as a result of incorrect fixation of pay in the revised scales and in calculation of arrears or detected in the light of discrepancies noticed subsequently shall be recovered forthwith either by adjustment against future payments due to the executives concerned or otherwise.
8. Anomaly, if any, arising out of this order will be addressed separately.
9. In case of any doubt with regard to implementation of any clause (s) of this Office Order, the same shall be referred to Corporate Office with comments of GM (Fin) of the respective Unit duly approved by the concerned ED of the Unit for further examination and needful.

This issues with the approval of the Competent Authority.


(M K Saxena)
DGM (HR)

Distribution:

1. Chairman and Managing Director, MTNL.
2. Director (Tech)/Director (Fin)/Director (HR), MTNL.
3. Executive Director, MTNL Delhi/Mumbai.
4. CVO, MTNL.
5. General Manager (Admin), MTNL Delhi/Mumbai.
6. General Manager (HR), MTNL CO.
7. General Manager (Fin), MTNL Delhi/Mumbai.
8. Company Secretary, MTNL.
9. DGM (A/c & Cash), MTNL CO.
10. Director (PSU-I), DoT w.r.t. letter no. 11-1/2009-SU-II dated 13.05.2009.
11. Director (Audit), P&T Audit, 12th Floor, J.B. Bharti, New Delhi