

# FORUM OF MTNL UNIONS & ASSOCIATIONS

**T-28 A, Atul Grove Roads, New Delhi**

**V K Tomar**  
Chairman/ GS, MEA  
9868133336

**Dharamraj Singh**  
Convener/ GS, MTNLMS  
9868136466

To,  
**The Chairman & Managing Director**  
MTNL, Corporate Office  
New Delhi

**Subject:- 30% superannuation benefits to MTNL officers / employees as per 2<sup>nd</sup> PRC recommendation and DPE orders.**

Sir,

Consequent to the acceptance of the recommendations of 2nd pay revision committee for CPSEs, the Department of Public Enterprises has issued various orders on employees benefits, these orders first perspicuously states that all the employees benefits will be on IDA pattern and inter-alia provides for the following benefits to the employees of CPSEs.

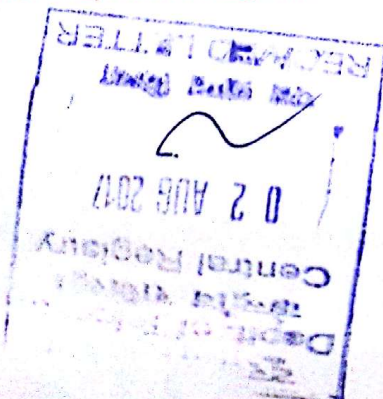
- Basic or serving benefits( Basic + IDA + HR);
- Superannuation benefits (CPA + Gratuity + Post superannuation Medical + pension up to 30 % of Basic + IDA;**
- Perks and allowances up to 50% of Basic
- PRP / Variable up to 40 to 200% of Basic.

As per the para-3 of DPE OM dated 26 / 11 / 2008 in respect of implementation of 2nd PRC, CPSEs shall implement all these benefits subjected to the condition that additional outgo by such revision for period of 12 months should not result in more than 20% dip profit before tax for the financial year 2007-2008 in respect of executives as well as non-unionized supervisory staff taken together.

The notifications cited under the reference suggest that for the purpose of superannuation benefits:-

- 30% of basic + IDA would be allowed as Superannuation Benefits, which may include Contributory Provide Fund, Gratuity, Pension and Post-superannuation medical benefits. No other superannuation benefits will be granted outside said 30% and a fund is to be created for this purpose.**

To manage said fund CPSE should, with the approval of Administrative ministry, either makes their own schemes or operate through Insurance Companies.



**Justification:**

PBT( profit before tax) of MTNL during the financial year 2007-2008 was about 631Cr. and additional out go on implementation of full package of provision in respect of executives for a period of 12 months is much less than 20% of PBT. MTNL should have implemented all the benefits in totality including Perks and Allowances and PRP.

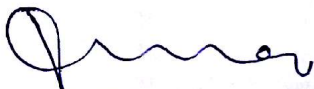
DPE has recommended 30% of (basic + DA) as a superannuation benefit with effect from 01 / 01 / 2007 for those who are not covered any pension scheme for the security penetration life. But MTNL has not implemented yet, there is still short of 12% of overall ceiling of 30% of basic +DA as per 2nd PRC.

Unlike other CPSEs, MTNL/BSNL has different set of employees who are governed by different pension rules. BSNL has created this corpus as per DPE orders for those who are not covered under govt pension scheme after taking DOT approval.

In View of above we request your good self to create a Corpus for superannuation benefits to directly recruited employees of MTNL with 30% basic + IDA.

With Kind Regards,

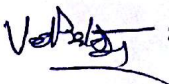
yours sincerely

  
(V K Tomar)

  
( Dharamraj Singh)

**Copy to:**

1. Secretary, DOT for information & n/a pl
2. Addl Secretary, DOT for information & n/a pl
3. Jt Secretary(Adm), DOT for information & n/a pl
4. Member (Finance), DOT for information & n/a pl
5. Member (Services) DOT for information & n/a pl
6. Director (HR), MTNL for n/a pl
7. Director (Finance), MTNL for n/a pl
8. Director (Tech), MTNL for n/a pl



  
MS  
2/8/17