

FORUM OF MTNL UNIONS AND ASSOCIATIONS

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MS-54/Forum/2023/73

Date: 22.02.2023

To,

The Chairman cum Managing Director
Mahanagar Telephone Nigam Ltd.
Corporate office, CGO Complex
Lodhi Road, New Delhi-110003



Sub: Suggestions on HR Points related to Merger of MTNL with BSNL.

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Respected Sir,

At the outset, we express our sincere thanks and gratitude to MTNL Management for presentation of **proposal of Operational Merger of MTNL with BSNL** in meeting held on 21st February, 2023 at Conference Room of BSNL Corporate Office.

Before submission of **proposal of Merger of MTNL with BSNL for final approval** to the constituted Government Committee, in the interest of MTNL Non-Executives/Executives, we would like to submit our following viewpoints cum suggestions on HR issues for kind consideration at the time of approval of proposal of **Merger of MTNL with BSNL** please.

- 1 **Choice of Options:** Management is going to propose following 3(Three) choice of options.
 - (a) To absorb in BSNL Service at corresponding BSNL pay scales and terms of condition of BSNL by pay protection of "Gross Salary" in tune of "Personal Pay".
 - (b) VRS irrespective of age.
 - (c) For those, who don't opt for either option (a) or (b) above, policy of Government on closure of PSU applies.

Our Observations/Views/Suggestions on each choice of options:

- 2 (i) **Corresponding existing Pay Scales of BSNL:**
Regarding Non-Executives: As most of the pay scales of MTNL are higher than that of BSNL, issue of "Pay Scale parity" was discussed at the time of "issue of the disbursement of pensioners benefits by the Government in the same manner as in BSNL, to the erstwhile government employees absorbed in MTNL who have opted for combined service pension", that time **FORM H** signed on **03/09/2013**, issue of disbursement of pensionary benefits was settled, but **pay scale parity kept in abeyance.**

As per agreed terms as “BSNL and MTNL shall move towards pay-scale parity at the time of next Pay Revision for the employees”, please refer Clause (v) of FORM “H”, please honour the said agreement.

There is need of “New Pay Scales” which should be approved as per 3rd PRC pattern with **joint consultation of Majority Unions of MTNL & BSNL**, so MTNL Majority unions can take care that **in future MTNL Employees will not be stagnated in new revised pay scales**, so that “**Pay Protection**” does not arise.

Regarding Executives: Pay scales of Executives are already designed and approved by the 3rd PRC/DPE, only need to relax condition of affordability clause.

The MTNL Management also assured in the JNC meeting held on 28th March, 2018 the matter will be submitted to the Board of MTNL to consider for recommendation to DOT for implementation of 3rd PRC scales in MTNL and MTNL Management will further request to DOT that “**AFFORDABILITY CLAUSE**” shall not be applied in case of MTNL being unique since it has a legacy in which erstwhile Government servants have taken absorption at the time corporatization of government department.

Suggestion: MTNL Management should take efforts to convince “Group of Secretaries”/Finance Minister/Minister of Communication **for relaxation of “AFFORDABILITY CLAUSE” and implement 3rd PRC prior to start HR process related to Merger of MTNL with BSNL so “Pay Protection” does not arise.**

- (ii) **Pay protection of “Gross Salary” instead of “Basic Pay”**: Management is going to propose for pay protection of “**Gross Salary**” instead of “**Basic Pay**”.

Due to **acceptance of existing corresponding pay Scales of BSNL** from effective date of 01/10/2000, **Basic Pay of Employees is decreasing.**

Due to **decrease in Basic Pay**, quantum of employee’s terminal benefits such as Pension, Gratuity, Commutation of pension, Leave encashment amount will decrease specific of those employees who have opted for Combined Service Pension as per CCS Pension Rules.

Also, due to **decrease in Basic Pay** quantum of employee’s terminal benefits such as, Gratuity, Leave encashment and EPF Contribution will decrease specific of those employees who have opted for EPS 95 Rules and Direct recruited employees.

Further, span of BSNL Pay Scales are very less compare to MTNL Pay scales, due to this, on revise pay fixation at par with existing BSNL Pay Scales from effective

date of 01/10/2000 almost all employees will be stagnated at **3rd stagnation increment** and further there **will no scope of increment after 3rd stagnation increment.**

MTNL employees have earned Basic pay by virtue of past service or by recruitment at higher scales. **Reducing Basic Pay is against the Norms/Guidelines of GOI, there is no precedence where in the case of a merger of PSU/ Govt. organization where employees were asked to agree on reducing their Basic pay.**

Suggestion: In view of above Basic Pay of MTNL Employees should be protected.

3. **Important Suggestion:** After introduction of MTNL w. e. f. 1/4/1986, till finalization of all PSU process erstwhile DoT Employees were working on deemed deputation basis in MTNL with Pay Scales & other HR terms & conditions of DoT for several years up to 31/10/1998/01/10/2000. **On the same line till finalization of all aspects of HR issues related to “Merger of MTNL with BSNL”, existing MTNL Employees should be utilized by BSNL on deemed deputation basis with Pay Scales & other HR terms & conditions of MTNL.**

4. **VRS: Suggestions:** Benefits of Voluntary Scheme should be explored in details and it should be take care that there will be no restriction of age criteria.

5. **Regarding choice of option (c): Suggestions:** Those employees who do not opt for VRS & BSNL, **for them policy of Government on closure should be explored in detail. Further opportunity to repatriate them to in DoT or absorption in other PSUs should be opened.**

6. **Regarding Promotion cases:** Please refer a case study enclosed in separate ANNEXURE and **please clarify accordingly and honor suggestion please.**

Seniority and promotion parity of Officers and Employees be maintained with BSNL in true letter and spirit.

7. The Officers, who opt for absorption in BSNL, should be given immunity from transfers for at least 5 years.

8. While absorbing Mktg./HR/Legal stream Officers in BSNL, these Officers should be absorbed in their respective streams.

9. Pension Corpus as per 2nd PRC under 30% corpus for MTNL Employees who get absorbed in BSNL be implemented from the date of formation of Corpus in BSNL.

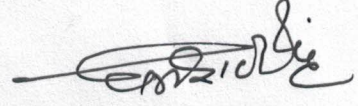
10. Counting of past service of Casual Mazdoors rendered in DOT/MTNL for pension which was already agreed by the DOT on Dated 06th September, 2000 vide No.32-14/2000-SR should be honoured after merger of MTNL into BSNL.

With warm Regards.

Yours Sincerely,



(V.K. TOMAR)
(Chairman & Genl. Secy. (MEA))



(DHARM RAJ SINGH)
(Convener & Genl. Secy. (MTNL-MS))

Copy to:

1. Hon'ble MoC & IT, Govt of India.
2. Chairman DCC & Secretary (T), Government of India.
3. Member Services DOT.
4. Member Finance DOT.
5. Director (HR & EB), MTNL.
6. Executive Director, MTNL, Delhi/Mumbai.
7. General Secretary (BMS), 27-DDU Marg New Delhi.

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ANNEXURE

Promotion Case study on merger as per Management Presentation

Relevant factors	A	B
Date of Appointment	MTNL Employee 14/08/2000	BSNL Employee in same cadre 14/08/2000
Grade as on appointment Date	TOA(G)/NE-6	TOA(G)/NE-6
Next Promotion on Date & Grade	11/05/2002/TTA/NE-8 Due to Examination	11/05/2002/TTA/NE-8 Due to Examination & according to BSNL NEPP this promotion also as treated as 1 st Financial Up gradation.
Next Promotion on Date & Grade	11/05/2007/TTA/NE-9 Due to 1 st Financial Up gradation on completion of 5 years service in NE-8 Scale as per Clause 3(a) of MTNL NEPP	11/05/2009 /TTA/NE-9 Due to 2 nd Financial Up gradation on completion of 7 years service in NE-8 Scale as per BSNL NEPP
Next Promotion on Date & Grade	Due to dispute of Double condition of Clause 4(B)(ii) of MTNL NEPP next promotion not yet ordered	11/05/2017 /TTA/NE-10 Due to 3 rd Financial Up gradation on completion of 8 years service in NE-9 Scale as per BSNL NEPP
Next Promotion on Date & Grade		11/05/2025/ TTA/NE-11 Due for 4 th Financial Up gradation on completion of 8 years service in NE-10 Scale as per BSNL NEPP

This is sample study case:

- As per presentation, it is stated that, **“the inter-se-seniority vis-à-vis their contemporaries, who got absorbed in BSNL w. e. f. 01/10/2000 shall be maintained between the serving employees, till the first promotion (without any relaxation other than prescribed in BSNL RRs). If this results into junior in BSNL in being higher grade, promotion in BSNL/MTNL will be given to them to bring parity as a onetime measure only”.**

- **Please clarify in above case**

(1) If appropriate Junior Case available (Please refer official B in same cadre and same appointment Date). In above case MTNL Employee A above stand on disadvantageous position, in this case, to bring parity, **whether promotion to MTNL official A will be given from Date 11/05/2017 with benefit of fixation and arrears payment? Please clarify.**

P.T.O.

(2) If appropriate Junior Case not available in same cadre and same appointment date, then what will be status of MTNL Employee A above, whether next promotion from NE-9 to NE-10 will be given **on completion of 8 years service in NE-9 Scale** as per BSNL NEPP, computation of service from actual promotion date in NE-9 Date 11/05/2009? **Please clarify.**

Suggestion: If proper Junior not available in BSNL, for next promotion in BSNL, computations of service from actual promotion date in MTNL of respective grade only.