

MTNL EXECUTIVES' ASSOCIATION

CENTRAL HEAD QUARTERS, NEW DELHI

[Affiliated to National Confederation of Officers' Associations of central Govt. PSUs (NCOA)]



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Ref. No.: MEA/ *CHA / Delhi*

DATE: *16-10-2007*

To,
The hon'ble Minister of communications & IT
Govt. of India
New Delhi.

Subject :- Payment of pension by government for MTNL optees—regarding.

Ref:- 1.DTS NO.400-41/98-STG-III Dated 08-05-2000
2.DOT letter No. 38-6/2002-pen (T) dated 11-08-2003
3.MTNL letter No.MTNL/IRW/21(90)/ Dated 31st Oct, 2002 [Record of discussion with Chairman (TC)]
4. *Depth. of Pension / Pensioners' welfare Notification No. S.O. 1487 (E) dt. 14/10/2005*

Respected Sir,

A kind reference is invited to the above references and also the umpteen numbers of expostulations and entreaties made to government by our association on behalf of absorbed MTNL (group B) officers. At the very outset we would submit to recapitulate the background for our genuine concern and claim for payment of pension by government. As under

1. Government of India had, by enactment through parliament, created MTNL w.e.f 1-4-1986 by entrusting telecom operation of Delhi and Mumbai through a unified telecom license. But practically the company was managed by officials of group D, C, B & A on deemed deputation till 31-10-1998. W.e.f. 1-11-1998 group C & D officials were absorbed in MTNL and at that time government allowed them the option of payment of pro-rata pension for service held in government till 31-10-98 with contributory PF and employees pension scheme under EPF act or MTNL pension with option to continue GPF. In respect of group 'C & D' employees, the 'pension trust' had to be formed and managed by MTNL. Based on the options given by "C & D" employees, the pro-rata pension by government is being paid to the C.P.F optees.
2. Therefore, w. e. f. 1-10-2000 group 'B' officers absorption was got done by government in the years 2003 & 2004. The booklet containing option for absorption with terms & conditions was released vide M.O.C, DOT letter No: 400-41/98-STG-III dtd 8-05-2000 where as options finally were received in the

year 2003 and presidential orders of absorption were issued individually to all the officers. The entire group 'B' officers got absorbed on the basis of terms and conditions of said memo dt 8-5-2000 which contained similar provision of govt pension and PSU pension.

3. Subsequently absorption of group 'A' officers has begun in the year 2005 and in the terms for their absorption, pension on pro-rata basis for govt. service and pension through a pension fund controlled by govt. of India under rule 37A of CCS(pension) rules 1972 was offered by govt.
4. From the above, it is very much ostensible and evident that all the absorbed group 'B' officers of MTNL are to be paid pension by govt. of India and there is no scope to formulate pension trust etc. for their pensionary benefits, while fact is elaborated here under,

(A). As per para I above, govt. allowed group 'C & D' employees pro-rata govt. pension for service rendered under govt. with CPF scheme related PSU pension for service rendered under MTNL separately for CPF optees and for MTNL pension from out of MTNL pension trust to be organized & managed by MTNL for GPF opted 'C & D' employees, albeit, there are persistent demands for payment of pension from govt. account for GPF optees also from group 'C & D' unions, whereas govt. has not provided any scope for group 'B' officers to opt for GPF pension & CPF pension in the option form filled by them though the govt. declared vide para (vii) of annexure B of said letter dtd 8-05-2000 of DOT, which itself is clear that the pension liability is on govt. only.

(B) In respect of group 'B' officers the scope to cover them under pension trust to be organized by MTNL at par with absorbed group 'C' & 'D' GPF optee is not at all there and does not exist abinitio as no option for pro-rata pension with PSU pension for govt held & PSU services was given to them despite the fact of inclusion of para 2(vii) of annexure -B of absorptions terms & conditions. **Similarly the provisions of rule 37A amended in Oct 2005 to facilitate payment of pro-rata pension to group A officers and issuing of absorption orders by DOT. On the contrary govt. of India vide DOT letter no: 38-6/2002-pen(T) dt 11-8-2003 assured the parliament that it was decided to give same treatment as available to employees of BSNL to MTNL employees also in regard to payment of pensionary benefits and according to provisions available to BSNL absorbed group 'B' officers, pension shall be paid by govt. of India only.** As such it is evident from the letter that there is no intention of govt. in the year 2003 to allow group 'B' officers the option to choose between pro-rata govt. pension with PSU pension on CPF line and DOT organized pension with funds released pension under rule 37A and a categorical decision was made to pay pension by govt. only to the group 'B' officers. Initially however govt. was inclined to allow pro-rata govt. pension for the period of service under the govt. till 30-09-2000 to all group 'B' officers as per reply given to the under signed vide letter No. MTNL/IRW/21(90)/dtd

31-10-2002. But no amendment to rule 37A was made by govt. to facilitate the same. In any case at no point of time govt. was toying with the idea of asking MTNL to form pension trust by themselves to take care of group 'B' officers pension. Therefore, it is binding on govt. of India to allow payment of pensionary benefits of absorbed group 'B' officers for their entire service including both service held under govt. and under PSU. Therefore the working of modalities for the same may kindly be got expedited.

(C) Notwithstanding the above the govt. while considering the absorption of group 'A' officers made further amendment to rule 37A of CCS (pension) rules 1972 to facilitate payment of pro-rata pension for the absorbed group 'A' officers only in Oct 2005 and its application with retrospective effect from 01-10-2000 to allow group 'A' officers to get pro-rata pension from govt. upto 30-09-2000 and to have a pension trust formed at DOT level as per rule 37A for the payment of pension for service rendered in MTNL w.e.f. 1-10-2000 by group 'A' absorbed officers, is still not made very clear by govt. and the suspended animation in this regard is also to be got resolved. In any case by allowing amendment in Oct 2005 for payment of pro-rata pension to group 'A' absorbed officers of MTNL also, govt. has not indicated its application to group 'B' officers. As such it is very much transparently clear that govt. of India is committed to allow govt. pension to group 'B' absorbed officers as per the existing position.

5. Summering up the above and to submit succinctly the following points emerged out of the existing various stands taken by govt of India at various occasions

- (i) Pro-rata pension with CPF related pension for group 'C & D' CPF opted absorbed officials and MTNL's pension by MTNL's owned & organized pension trust to GPF opted group 'C & D' absorbed employees.
- (ii) Govt. pension from consolidated fund of India for all group 'B' officers absorbed in MTNL at par with BSNL as per govt's decision & assurance to parliament earlier.
- (iii) Pro-rata pension with all pro-rata related benefits without CPF contribution related pension for service held in govt upto 30-9-2000 or 31-10-2005 as the case may be for absorbed group 'A' officers with pension from DOT controlled pension trust for service in MTNL/BSNL w.e.f 1-10-2000 for all group 'A' officers.

This is the shocking and astonishing position where DOT in a most surprising manner has issued a letter No. 40-14/2007-Pers(T) dtd 1-10-2007 asking MTNL to work out modalities for the settlement of pension of DOT employees absorbed in MTNL so that DOT can create a pension fund for group 'A' & B' officers of MTNL alone at DOT level. This stand is not in accordance with the assurance given to parliament by government in 2003

in respect of group 'B' employees and it contradicts entire terms and conditions of absorption etc. And therefore, it is requested to be abrogated and the commitment of govt. in this regard till now needs to be implemented to enable group 'B' absorbed officers to get pension from govt of India. As a number of group 'B' officers have already retired w.e.f 1-10-2000 and MTNL is making provisional pensions to them on DOT' account, the case may be got settled urgently.

With warm regards

Yours sincerely,



(V.K.Tomar)

Copy to :-

1. Chairman Telecom commission, Department of Telecom, Govt. of India with the request to take necessary action in this regard so that MTNL optee Gr'B' officers may get pension from govt. at par with BSNL, as assured by DOT at many occasions .
2. Member (finance), DOT with the request to take n/a in this regard please
3. CMD, MTNL with the request to take up the case with the appropriate authority at DOT and ministry for early settlement of the issue.
4. Director (Finance), MTNL with the request to take n/a in this regard please.
5. Director (Tech)/ for information & n/a please.
6. Director (HR) for information & n/a please.

23/10/01

RECEIVED
TELECOM SECTION
11-10-2000