

0/2

MTNL EXECUTIVES' ASSOCIATION

CENTRAL HEAD QUARTERS, NEW DELHI

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

ALL CORRESPONDENCE
TO GENERAL SECRETARY



V.K.TOMAR
General Secretary
Secretary General, NCOA
Res.: 239, Ashoka Enclave Part - I
Faridabad-121003 (Haryana)
Off.: 23314320, Fax.: 23311830
(M) 09868133336, (R) 01292277100

Ref. No.: MEA/CHQ/ M(S) / Pension Contribution

DATE: 20-12-18

To,
The Member (services)
Department of Telecommunication
Sanchar Bhawan, New Delhi - 110001.

Sub: Regarding Pension Contribution to DOT on the maximum of the BSNL Pay Scales.

Sir,

MTNL is under huge financial distress and has reached to a situation where even salary is paid only after taking loans from banks. This situation has come because of govt policies which adversely affected the financial condition of MTNL. There are many policy decisions which are required to be taken for improving the financial health of MTNL.

Your kind attention is invited towards one of such policy decision i.e Pension Contribution which is being paid by MTNL on the maximum of the pay scale with equivalent to BSNL pay scales in the case of combined service optee absorbed employees of MTNL. In this regard following is submitted:-

1. As per the Government's decision conveyed vide Para(e) of DOT OM No. 42-4/2012-Pen(T) dated 28-04-2014 "MTNL shall make pension contribution to the Government as per FR-1165 as is applicable in the case of BSNL with equivalent BSNL Pay Scales".
2. Para 6 of OM Dated 28-04-2014 states, "..... The Government liability towards pension would be governed by the same formulas in the case of BSNL specified vide OM No. 1*45/2003-B dated 15-06-2016(copy enclosed), where it is clearly mentioned in para (iii) that ' Pensionary contribution from BSNL would be made to the Government as per FR-116'.
3. As per the Govt. of India, Dept. of Per. & Trg., OM No. 2/23/2008-Estt.(Pay II), dated 19-11-2009, " Pension Contribution payable during the active period of his foreign service shall be based on the existing basis pay(Pay in Pay B+/and Plus Grade Pay) of the post held at the time of proceeding in foreign service". According to the above OM Dated 19-11-2009, Pension Contribution is based on the length of service and rates of monthly contribution expressed as percentage of actual basic pay plus Grade Pay instead of maximum of Pay Band.
4. In view of above, it is requested that Pension Contribution of MTNL absorbed employees may be regulated as per provisions in DOP&T Order No. 2/34/2008-Estt.(Pay II) dated 19-11-2009 and

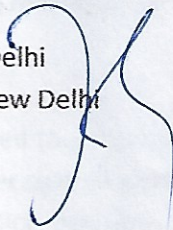
accordingly, the pension contribution may be considered to be calculated and paid to DOT on the actual basic pay and not on the maximum of the scale w.e.f 01-01-2007.

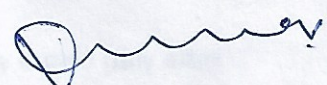
5. Further, it is reported that DOT is in the process of revisiting the Pension Contribution methodology for the maximum to pay drawn in the case of BSNL. Therefore, it is requested that the same way kindly be modified for MTNL also. In addition to this if the Pension Contributions calculated on the basis of drawl, it would do away with the liability on MTNL for pensionary benefits due to the difference between MTNL and BSNL Scale. The present financial condition of MTNL do not permit to bear the additional liability on the account of pension and pensionary benefits due to the difference in BSNL and MTNL scales, however, once the pension contribution is made by the MTNL based on the actual pay drawn w.e.f 01-01-2007 as per MTNL scales, no such liability will be required to borne by MTNL due to difference of pay scales between BSNL and MTNL.

Therefore, in view of the above, it is requested that methodology of calculation of pension may kindly be modified in line with FR-116 based on actual pay drawn in MTNL instead of Maximum of equivalent BSNL pay scales.

Copy to:

1. CMD, MTNL, New Delhi
2. DDG (estt), DOT, Sanchar Bhawan, New Delhi
3. DDG(Accounts), DoT, Sanchar Bhawan, New Delhi



yours Sincerely

(N K. TOMAR)