

UNITED FORUM OF UNIONS & ASSOCIATIONS OF MTNL
(Mumbai wing)

Constituent Unions & Associations

Telecom Executive Associations of MTNL(Team)**MTNL SC/ST Executive Association**
MTNL SC/ST Welfare Associations**MTNL Workers Union** Sanchar Union of Non Executives**
MTNL Republican Employees Union Mumbai**MTNL Karmachari Union**
Bharatiya Mahanagar Telephone Nigam Employees Union**
Retired Telecom Officers Welfare Association(RTOWA)**
MTNL Pensioners Welfare Association(MPWA)**

Shri. J. S. Yadav	Shri. H. S. Upadhyay	Shri. S.M. Sawant	Smt. J. Sonawadekar	Shri. P. K. Kulkarni
Chairman	Vice Chairman	Convener	Jt. Convener	Treasurer
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No. UF-Mumbai/2019/

dated at Mumbai the 05th Nov'2019

To

Shri. Anshu Prakash
Chairman DCC & Secretary (T)
Sanchar Bhavan, New Delhi-100001

Respected Sir,

Sub:- Clarity required on Terms and conditions of VRS Scheme.

The VRS is set in motion as a part of implementation of revival plan of BSNL and MTNL. Target of number of employees for VRS also is set. The scheme is said to be attractive. But the terms of the package in comparison to earlier MTNL VRS in 2005 and 2006 are not attractive but restrictive. The terms of VRS need to be clarified in respect of the following issues. Positive decision on these issues will ensure successful achievement of VRS target.

1. Effect of 3rd PRC :-

On implementation of 3rd PRC, there will be increase in pay, pensionary benefits, commutation, leave encashment and ex-gratia. The increase in the commutation amount is significant. Due to merger of IDA to arrive at revised pay, the minimum increase in commutation amount is about 2.2 times to those employees who retire after the date of effect. Now the question is whether the VRS pensioners will be entitled to the benefits of revised pay? An assurance is needed that the VRS pensioners will be entitled to all the benefits of revised pay, pensionary benefits including commutation and arrears of ex-gratia on implementation of 3rd PRC.

2. Commutation :-

In the MTNL VRS in 2005 and 2006 the commutation was absolute on the date of VRS. But according to the present VRS terms, the VRS pensioners are eligible for commutation on the date of superannuation or 01/02/2025 whichever is earlier. This means that if a VRS pensioner unfortunately dies after VRS but before the date of normal superannuation or 01/02/2025, the nominee will not get

commutation amount. It is requested that VRS pensioners should be eligible for commutation on the date of VRS, may be with deferred payment.

3. Ex-Gratia amount to pro rata pension optees. :-

In the earlier VRS of 2005 and 2006 the ex-gratia calculation was same for all employees regardless of their pension option. As per the present terms, the ex-gratia for pro-rata optees is worked out based on notional pension instead of actual pension resulting in restricting their ex-gratia to 75%. If actual pension is considered the pro rata pension optees will get ex-gratia a little more than 75%. As per the terms of VRS, the MTNL recruited employees are entitled to 100% of ex-gratia. On the same analogy those pro rata pension optees who get nil pro rata pension should also get 100% and other pro rata pension optees may get ex-gratia between 75% to 100% depending upon their amount of pro rata pension. Restricting their ex-gratia based on notional pension is unfair. There may be about 3500 pro rata pension optees (Delhi and Mumbai together) who are eligible for VRS and their response to VRS will be positive if their actual pension is considered in the ex-gratia calculation.

4. Assurance to pay Leave encashment and early starting of pension payment :-

At present MTNL takes about six months to pay leave encashment to the retirees on superannuation. On acceptance of VRS of about 15000 employees, the burden on MTNL to pay leave encashment will be huge. MTNL does not give any assurance as to when the Leave Encashment of VRS retirees will be paid. DoT should give an assurance that Leave Encashment will be paid by MTNL within a month from the date of VRS. Similarly the payment of pension which becomes due from the next day to VRS should start at least within 3 months from the date of VRS. An assurance is required in this regard.

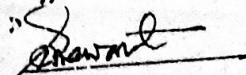
5. All time bound promotions which are due up to VRS date should be given before VRS date.
6. Salary up to Jan'2020 and all the other dues should be paid before the VRS date.
7. Retention of MTNL/BSNL quarters should be allowed till the date of superannuation on payment of normal license fee.
8. Staggering of ex-gratia in two instalments spreading over two financial years is stated to be for the tax benefits. Whether the total exemption for both financial years together will be Rs.10 lakhs ? If not, it is requested to take up the issue with taxation authorities.

The positive response on all the above issues will encourage the employees to opt for VRS.
With high regards,

Yours faithfully,



J.S. Yadav
Chairman UF



S.M. Sawant
Convenor UF

Copy to

1. Member (S) / Member (Fin) office of DoT New Delhi
2. DDG (Estt) / Director (PSU Affairs) / Director PSA & MTNL
3. CMD MTNL / ED MTNL Mumbai