



महानगर टेलीफोन निगम लिमिटेड
(भारत सरकार का उद्यम)
**MAHANAGAR TELEPHONE NIGAM
LIMITED**
(A GOVERNMENT OF INDIA ENTERPRISE)

No:MTNL/CO/IRW/21(82)/2015/Pt - 147
Dated: 12.05.2022

Director(Estt.II)
516, Sanchar Bhawan,
Deptt of Telecom
20, Ashoka Road,
New Delhi

Sub: Pension liability of MTNL at equivalent BSNL IDA level of 78.2% w.e.f. 10.06.2013.

Ref: No. 42-04/2012-Pen(T)Vol.II dated 13.01.2022

Sir,

With reference to your letter referred above on the aforesaid subject, point-wise reply is submitted as under:

2(i) Whether all the parameters mentioned in OM No. 42-04/2021-Pen(T) dated 28.04.2014 have been followed in disbursement of pensionary benefits to all the combined service pension optee absorbed employees of MTNL.

- i. The pensionary benefits to all the combined service pension optee absorbed employees of MTNL are being disbursed by respective CCAs and not by MTNL.
- ii. MTNL has been making pensionary contribution to the GoI as per FR-116 as stipulated in the OM No. 42-04/2021-Pen(T) dated 28.04.2014.
- iii. As regards to bearing of additional pension liability due to higher pay scales of MTNL it has already been requested by MTNL to DoT vide letter dated 23-12-2019 that it is not in position to bear the liability on account of pay scale difference after 01-01-2017 and requested to resolve the issue in the spirit of earlier Cabinet decision as sought below:
 - a. DoT continue to pay pension for combined service optee employees, without any bifurcation of liability towards pay scale difference w.e.f. 01-01-2007 on MTNL and without insisting on such contribution from MTNL.
 - b. Alternately DoT to fund MTNL for meeting this additional liability w.e.f. 01-01-2007 till pay scale parity is achieved.

2(ii) Whether MTNL and BSNL have received pay parity as the pay scales of MTNL were higher than the BSNL and the same were to be brought in level with BSNL as per the OM dated 28.04.2014.



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The pay scale parity was expected with revision for BSNL and MTNL pay scales as per 3rd PRC that is due from 01-01-2017 but is not yet implemented.

2(iii) Whether Pension liability has been calculated keeping in mind the revised pay of similarly placed BSNL employees.

- i. As per clarification issued by DoT vide O.M. No. 42-04/2012-Pen(T) (Vol.II) dated 30-01-2015, the decision of calculating the pension cases of MTNL combined service optees who retired on or after June'2013, the pay in the corresponding BSNL IDA Pay Scales w.e.f. 01-01-2007, the rates of IDA to be fixed @68.8% was communicated.
- ii. The revision of Pensionary benefits to the BSNL employees retiring prior to June'2013 taking into account IDA merger @ 78.2% and 30% fitment weightage w.e.f. 01-01-2007 on notional basis and w.e.f. 10-06-2013 on actual basis and for working employees w.e.f. 01-01-2007 was approved by Gol as conveyed by DoT OM No. 40-13/2013-Pen(T) dated 18-07-2016.
- iii. MTNL has been representing that MTNL liability for pension difference on account of difference in pay scales should be computed by taking IDA @ 78.2% on BSNL pay scales for all retirement post 01-01-2007 and for the pre 01-01-2007 retirees, the pending liability should be computed on BSNL Pay scales with 78.2% IDA since the actual pension benefit in the case of BSNL has been extended w.e.f. 10-06-2013.
- iv. **Thus pension liability being calculated by MTNL is not at par with the revised pay of similarly placed BSNL employees.**

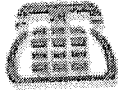
2(iv) Whether the IDA rates are different for the serving and retired employees. If so, what are present IDA rates.

- i. IDA rates for serving employees of MTNL as on 01-01-2022 is 184.1% on the 2nd PRC IDA scales.
- ii. The pension is being disbursed by respective CCAs but it is understood that same IDA rates are applicable for pensioners too. However, the same may also like to be confirmed from respective CCAs.
- iii. The retirees prior to 01.01.2018 have drawn pensionary benefits taking IDA @68.8% while officials retired w.e.f. 01.01.2018 are drawing pensionary benefits taking IDA@73.8% notionally w.e.f. 01.01.2007 with monetary effect from 01.01.2018.

2(v) How MTNL is going to meet the financial liability @ 78.2%.

- i. MTNL has been making pension contribution to the Gol as per FR-116 as stipulated in the DoT OM No. 42-04/2021-Pen(T) dated 28.04.2014 i.e. at the maximum of the respective pay scales.
- ii. Further, the above referred DoT OM stipulates that the arrangement of bearing additional pension liability by MTNL due to higher pay scales of MTNL shall

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continue till next wage revision by which time MTNL and BSNL shall achieve pay scale parity by bringing down the pay scales of MTNL to the level of BSNL pay scales. The pay scale parity was expected with revision for BSNL and MTNL pay scales as per 3rd PRC that is due from 01-01-2017 but is not yet implemented.

- iii. In this regard MTNL has already requested DoT that it is not in position to bear the liability on account of pay scale difference after 01-01-2017 due to difficult financial situation and has requested DoT to resolve the issue in the spirit of cabinet decision.
- iv. Hence no additional financial liability for pensionary benefits @78.2% in respect of combined pension optees of MTNL is anticipated on MTNL.

This issues with the approval of Competent Authority.


12/5/2022
Shama Kaushik
DGM(HR)