

No.26-10/TA-I/2014/1892 to 1942  
GOVERNMENT OF INDIA  
DEPARTMENT OF TELECOMMUNICATIONS  
20ASHOKA ROAD, SANCHAR BHAWAN,  
NEW DELHI-110001.

Dated 16-05-2014

OFFICE MEMORANDUM

**Sub:- Accounting procedure for disbursement of pensionary benefits to all combined service optee absorbed employees of MTNL- reg.**

The competent authority has approved the following procedure for payment of pensionary benefits to all combined service pension optee absorbed employees of Mahanagar Telephone Nigam Ltd. (MTNL) in pursuance of OM No. 42-4/2012-Pen.(T) dated 28-04-2014 (copy enclosed).

2. The Payment of pensionary benefits to all categories of erstwhile employees of the Government (Gr. A, B, C, D) absorbed in MTNL who have opted for pension on combined service will be made by the O/o Pr.CCA Delhi and O/o Pr. CCA Mumbai on behalf of the Government in the same manner as in BSNL w.e.f. 01-10-2000.
3. The Government employees who were absorbed in MTNL and drawing pension as per DOP&PW OM dated 05-07-1989 shall also be brought within the purview of these instructions w.e.f. 01-10-2000.
4. The pensionary benefits will be processed by the O/o Executive Director, MTNL, New Delhi and Executive Director, MTNL, Mumbai as 'Head of Office' and will submit the same to the Pr. CCA office Delhi and Mumbai respectively with the requisite documents for issuing the authorities in the same manner as in the case of BSNL pensioners. Pr. CCA office Delhi and Mumbai will also issue fresh PPOs to the entitled pensioners and process in accordance with Single Window System of pension payment in Department of Telecom (DOT).
5. The budgetary requirements for the disbursements of pensionary benefits to the covered categories of MTNL pensioners will be sought by the O/o Pr. CCA Delhi and Mumbai from the budget division of DOT.

6. The liability of the Government for payment of pensionary benefits shall be limited to the amount arrived at by calculating pensionary benefits of MTNL absorbed employees upon the equivalent pay scales of similarly placed employees in BSNL. In case MTNL scales are higher than the BSNL, the additional liability arising from the same shall be borne by MTNL by making advance payment to Government through O/o Pr. CCA Delhi and Mumbai. The Government liability towards pension would be governed by same formula as is in the case of BSNL specified vide OM No.1-45/2003-B dated 15-06-2006(copy enclosed).
7. MTNL shall make pension contribution to the Government as per FR 116 as is applicable in the case of BSNL with equivalent BSNL pay scales. MTNL shall make pensionary contribution along with advance payment as indicated in Para 6 above to the Government from 01-10-2000 which shall be adjusted against actual payment of pension already made by MTNL.
8. MTNL, Delhi & Mumbai units shall file claims indicating the pension payment made to individual pensioners in the enclosed proforma w.e.f.01-10-2000 onwards to the O/o Pr.CCA Delhi and Mumbai.
9. The verification of the individual claims will be carried out by the Pr.CCA Office Delhi and Mumbai as per para 6 above. These offices will ensure the deposition of due pension contribution in respect of each pensioner by the MTNL units of Delhi and Mumbai as is being done in the case of BSNL pensioners by the prescribed date.
10. It will be the responsibility of the Pr. CCA office Delhi and Mumbai that the additional liability of MTNL towards advance payment is credited to the Government accounts on monthly basis as per para 6 above.
11. The pension contribution payable along with the advance payment payable by MTNL to the CCA offices shall be adjusted against the accumulation arrived at for the actual payment of pension made by MTNL w.e.f.01-10-2000.
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12. The excess amount paid by the MTNL as determined in para 7 above shall remain with the Government, to be adjusted against future liabilities of MTNL towards the Government. This amount will not earn any interest.
13. The audit of the pension vouchers in respect of the pensioners of MTNL will also be carried out by the O/o Pr. CCA Delhi and O/o Pr. CCA Mumbai and records shall be

maintained as in the case of BSNL. Pr. CCA Office Delhi and Mumbai may ensure the processing of the pension cases are in accordance with the rules and regulations stipulated in CCS (Pension) Rules, 1972.

14. The pensionary benefits may be booked under Major Head 2071 as mentioned in the table below, under the relevant detailed 'Heads of Account' proposed for MTNL pension payment:

S.No.	Head of Account	Description
1.	MH 1275 00 800 04 00	Advance payment by MTNL for the additional liabilities of pensionary benefit to the employees of MTNL
2.	MH.2071 01 101 01 03	IDA MTNL-pension
3.	MH.2071 01 102 01 03	IDA MTNL- Commuted value of pension
4.	MH.2071 01 104 01 03	IDA MTNL- Gratuities
5.	MH.2071 01 105 02 03	IDA MTNL- Family Pension
6.	MH 8447 00 101 05 00	Accumulation of pension payments made by MTNL.

a) The total accumulation of excess pension payments made by MTNL w.e.f.01-10-2000 onwards shall be arrived at and credited to "MH 8447-00-101-05-00; Accumulation of pension payments made by MTNL."

b) Every month liability of the MTNL towards pension payments shall be adjusted by deducting from MH 8447-00-101-05-00 and crediting the same to MH 1275 00 800 04 00. This arrangement shall continue till the total credit lying under MH 8447 is wiped out.

c) After the adjustment of the credit balances lying under MH 8447-00-101-05-00, the advance payment made by MTNL shall continued to be booked under MH 1275 00 800 04 00 as mentioned in Sl. no. 1 of the table above.

15. The pension contribution w.e.f.01-10-2000 shall also be booked under MH 0071-01-101 and adjusted against the accumulation lying under the MH 8447-00-101-05-00 till the total credit lying under MH 8447 is wiped out. There after the pension contribution shall be received from MTNL monthly, will continued to be booked under MH 0071-01-101.

Encl:- AA

*U. B. Singh*

Director(Accounts-I)

Tele:23036511

e-mail: [dir-acs1-dot@nic.in](mailto:dir-acs1-dot@nic.in)

To

1. DDG (Estt.), DOT, New Delhi.
2. DDG (FEB), DOT, New Delhi
3. DDG (TPF), DOT, New Delhi with the request to monitor the annual pension liability of the Government in respect of MTNL pensioners which would be the same as in the case of BSNL as specified vide letter no. 1-45/2003-B dated 15-06-2006(copy enclosed) and in the same manner as is being done in the case of BSNL pensioners.
4. Pr. CCA, Mumbai
5. Pr.CCA, Delhi
6. DDG (Accounts), DOT, New Delhi.
7. CMD, MTNL

Copy for information to:-

1. PPS to Member (Services)
2. PPS to Member (Finance)
3. PPS to Advisor (F)
4. PPS to AS (T)
5. JS (T)/JS (A)
6. All Principal CCAs/CCAs
7. Director (IT), DOT, New Delhi with the request to upload the OM on the DOT website under the link to the TA Section

Details of Pension paid by MTNL for the month...

S/no	PPO number	Name of Pensioner	DOR/DOD	Amount of total MTNL Pension	Amount of Govt liability towards Pension	Amount of MTNL liability towards Pension
1						
2						
3						
4						
5						
so on						
<b>Total</b>						

Monthly Consolidation for the month October 2000

Amount

- (a) Amount of total MTNL pension
- (b) Amount of Govt liability towards pension
- (c) Amount of MTNL liability towards pension
- (d) Amount excess paid by MTNL (Equivalent to Govt portion)
- (e) Amount of PC for the month
- (f) Net amount excess paid by MTNL for the month (d) minus (e)

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- (g) Excess paid by MTNL for previous months
- (h) Total excess paid by MTNL till current month (f)+(g)

Dated 28.04.2014

OFFICE MEMORANDUM

The issues relating to disbursement of pensionary benefits to all the combined service pension optee absorbed employees of Mahanagar Telephone Nigam Limited (MTNL) have been considered by the Government and the following has been decided:

(a) Payment of pensionary benefits to all categories of the erstwhile employees of the Government (Group A, B, C & D) absorbed in MTNL who have opted for pension on combined service will be made by the Government in the same manner as in BSNL with effect from 01.10.2000. Accordingly, amendment to include the word "and Mahanagar Telephone Nigam Limited" after the word "Bharat Sanchar Nigam Limited" in the sub-rules 22 to 24 of Rule 37-A of CCS (Pension) Rules, 1972 has been notified by DoP&PW vide G.S.R. No. 138 (E) dated 03/03/2014 (Copy enclosed).

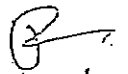
(b) Government employees, who were absorbed in MTNL and drawing pension as per DoP&PW's OM dated 05.07.1989 have also been brought within the purview of these rules with effect from 01.10.2000.

(c) The liability of the Government for the payment of aforesaid pensionary benefits shall be restricted to the amount arrived at by calculating pensionary benefits of MTNL absorbed employees based upon the equivalent pay-scales of similarly placed employees in BSNL. As most of the pay-scales in MTNL are higher than that of BSNL, the additional liability arising from the same shall be borne by MTNL, by making advance payment to the Government.

(d) The arrangement as specified in para (c) above shall 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.

(e) MTNL shall make pension contribution to the Government as per FR-116 as is applicable in the case of BSNL with equivalent BSNL pay scales.

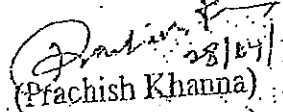
(f) MTNL shall make pensionary contribution as per para (e) above along with advance payment as indicated in para (c) above to the Government from 1.10.2000, which shall be adjusted against actual payment of pension already made by MTNL.

  
28/04/2014

(g) The excess amount paid by the MTNL, determined as per para (f) above, shall remain with the Government, to be adjusted against future liabilities of MTNL towards the Government. This amount will not earn any interest.

(h) The mechanism of settlement including verification, payment of pensionary benefits, pension contribution and advance payment by MTNL towards its portion of liability shall be decided by DoT. Detailed instructions in this regard will be issued separately.

Encl: As above

  
(Prachish Khanna)  
Director (Establishment)  
Tel No. 23712009  
Fax No. 23372302

To,

1. CMD, BSNL
2. CMD, MTNL
3. DDG (Accounts), DoT, New Delhi
4. DDG (FEB), DoT, New Delhi

Copy for Information to:

1. PS to Hon'ble MoC&IT
2. PS to Hon'ble MoSC&IT (D)
3. PS to Hon'ble MoSC&IT (KK)
4. PPS to Secretary (T), DoT
5. PPS to Member (Services)/ Member (Finance)/ Member (Technology), DoT
6. PPS to AS (T)/ JS (T)/ JS (A), DoT

Copy to:

1. DDG (Estt.), DoT, New Delhi
2. All Sr. DDGs/DDGs of DoT, New Delhi
3. All Principal CCAs/CCAs
4. Director (IT), DoT, New Delhi, with a request to upload this O.M. on the DoT website

Copy also for information to:

1. Secretary, DoP&PW, New Delhi
2. Secretary, DoPT, New Delhi

No.1-45/2003-B  
Government of India  
Ministry of Communications and Information Technology  
DEPARTMENT OF TELECOMMUNICATIONS  
Budget Section, Room No.723, Sanchar Bhawan, New Delhi - 110 001.

Dated 15<sup>th</sup> June 2006

To


The Chairman and Managing Director,  
Bharat Sanchar Nigam Limited,  
New Delhi - 110 001.

Sir,

Kindly refer to this office Department's D.O. of even No. dated 15<sup>th</sup> March 2005 regarding the decision of the Government with reference to pension payment.

In this context, it is further stated that:

- (i) The annual pension liability of the Government in respect of employees of DoT/DTS/DTO who retired prior to 01-10-2000 and those who have worked/are working in BSNL on deemed deputation and for those who are absorbed in BSNL shall not exceed 60% of the annual receipts to Government from the following items:-
- (a) Dividend income from MTNL/BSNL
  - (b) Licence Fee from MTNL/BSNL
  - (c) Corporate Tax/Excise Duty/Service Tax paid by BSNL
- (ii) Any amount exceeding (i) above shall be borne by BSNL.
- (iii) Pensionary contribution from BSNL would be made to Government as per FR-116.
- (iv) Employees recruited directly by BSNL on or after 01.10.2000 shall not be covered under this decision.

  
(Annie Moraes)  
DDG (FEB)

Ph.No.2337 2083/2305 6176  
Fax No.2335 6499

Copy to:

DDG (TPF), DoT, Sanchar Bhawan, New Delhi - along with copy of relevant note sheet wherein Chairman (TC) has approved that the task of monitoring annual statements of corporate tax, excise duty/service tax paid by BSNL as also the receipts by DoT viz LF and Dividend may be managed by TPF Wing. Necessary circular may, therefore, be issued in this regard.

Copy to: DDG(Estt.)/DDG(SU)/DDG(A/cs), DoT.