

महानगर टेलीफोन निगम लिमिटेड

(भारत सरकार का उद्यम)

निगम कार्यालय

MAHANAGAR TELEPHONE NIGAM LIMITED

(A GOVERNMENT OF INDIA ENTERPRISE)

CORPORATE OFFICE

No. MTNL/CO/Pers/Leave Rules/2009/Vol-IV

Dated: 09.11.2009


To

Executive Director
MTNL
Delhi/Mumbai

Sub: MTNL Sabbatical Scheme 2009.

The Board of Directors of MTNL in the 252nd Meeting held on 30th October 2009 have approved the MTNL Sabbatical Scheme 2009, copy of which is enclosed herewith for wide publicity among Employees of your unit, please and other necessary action as deemed fit.

The above Scheme will be effective from 30.10.09.



(M.K. Saxena)
DGM (HR)

Encl: As above

Copy to:-

1. CMD, MTNL
2. Director(Tech.)/Director(Fin.)/Director (HR)
3. CVO, MTNL
4. GM (A), MTNL Delhi/Mumbai
5. Company Secretary, MTNL,CO- to treat this as ATR
6. DGM(P) MTNL CO
7. Sr. Manager (P-I), Manager (P-II), DE (Coord.), Mgr(Legal), CO
8. DE (Admn.), MTNL CO: for displaying on all notice boards

203-DGM(P)
13.11.09

MTNL "SABBATICAL" SCHEME 2009

1.0. **Objective of the scheme:**

- 1.1. To encourage employees to avail leave for personal reasons, self renewal, and enhancement of expertise/knowledge and with minimal risk, as a tool for manpower rationalization and to achieve cost reduction by the company.
- 1.2. To provide opportunities to employees to voluntarily seek employment elsewhere or take up self-employment to utilize/enhance their professional and technical expertise.

2.0. **Scope of the scheme**

The Scheme is applicable only to all the regular employees of MTNL. Those employees who are already on lien/deputation with other companies are not permitted to avail Sabbatical Scheme. Similarly, this scheme is not applicable to those employees who are on deemed deputation/deputation with MTNL.

3.0. **Eligibility**

- 3.1. Company Employees who have completed ten years of service on the date of application and permanent, are eligible. For this purpose past service i.r.o. of those employees who have joined MTNL from other PSUs through proper channel, and are working in a regular scale, shall also be counted. However officers who have joined at induction level and are getting stipend, their past service and their training/stipend period shall not be counted for this purpose.

4.0. **Scheme**

- 4.1. Under this scheme, an employee can be granted leave of absence for a period of one year to five years. In case the leave applied by the employee initially is for a period of less than five years, further extension may be allowed subject to the condition that the total leave period does not exceed the maximum period of five years. Extension of leave beyond five years shall not be granted under any circumstances.

5.0. **Benefits**

- 5.1. The benefits under the Sabbatical leave shall be subject to income tax as per Income-Tax Act/Rules.
- 5.2. During the period of Sabbatical, the employee will not be eligible for any payment to which he would have been eligible had he not gone on sabbatical

5.3. The period of absence under Sabbatical shall **not** be reckoned as "service" for the purpose of Gratuity etc. but the said period of absence shall not be treated as break in service. In other words, the "Sabbatical" will have the same effect of "DIES NON WITHOUT BREAK IN SERVICE" in the Government. The period will also not count towards resting period for the purpose of time bound promotions also. Post based promotions accruing during the period, if any, will be given effect after joining only without loss of seniority and without right for claiming any pay anomaly.

6.0. **Notice**

An employee will be required to give one month's notice in writing prior to joining after Sabbatical leave. The employee will have the option to rejoin during the course of his Sabbatical Leave after fulfilling the stipulated one month's notice but not during the first six months. In case an employee does not wish to rejoin, he/she will have to submit his/her resignation and no notice period will be insisted upon.

In the case of those employees covered under CCS (Pension) Rules 1972 and are provided with voluntary retirement provision therein, stipulated notice shall be served to the parent company. In such cases, terminal benefits will be settled as if the employee resigned/ retired the company on the date of leaving on Sabbatical.

7.0. **Competent Authority**

The Competent Authority to approve cases of Sabbatical leave will be as follows:

- | | | |
|------|-----------------------------------|---|
| i) | Non-Executives | ED in consultation with concerned CGM in units/Director in consultation with concerned GM in C.O. |
| ii) | Executives up to E-7 grade | CMD, MTNL |
| iii) | Executives in E-8 grade and above | Board of Directors, MTNL |

8.0. **Agreement**

An employee opting for Sabbatical Leave shall apply for leave in the format at Annexure I. The employee shall also execute an agreement as per format at Annexure II, on non-judicial stamp paper in accordance with the terms and conditions of the scheme before the grant of Sabbatical.

9.0. **Settlement of Dues**

9.1. An employee who has availed House Building Advance from the Company and the same is still outstanding is required to mortgage the house/flat/land through procedure as prescribed in the relevant rules before proceeding on Sabbatical, if the same has not been submitted earlier.

9.2 After proceeding on Sabbatical, it will be the sole responsibility of the employee to ensure timely payment of the monthly dues positively on the 1st day of every month. If the 1st day is a closed holiday, it shall be ensured that payment is made on the last day of the previous month. The employee can deposit post dated cheques also for the whole period of Sabbatical. The employee shall also give an undertaking that his/her Gratuity will be released only after repayment/settlement of the entire amount of Dues/Advances, including HBA, along with interest thereof.

9.3. If an employee has availed Conveyance Advance, Computer Advance or any other Advance, he shall repay the entire outstanding amount including interest, before proceeding on Sabbatical.

9.4. As per Clause 24 (a) of Rules for Allotment of MTNL residences 2005, the employee shall be allowed to retain the Govt./Departmental Accommodation, if allotted to him, for a period of two months on payment of normal license fee.

Thereafter, as per Clause 24 (b) of Rules for Allotment of MTNL residences 2005, the employee shall be allowed to retain the Govt./Departmental Accommodation as follows:

Period	Rate
From 2 months Upto 4 months	Double License Fee
From 4 months Upto 6 months	4 times License Fee
From 6 months Upto 8 months	6 times License Fee
Beyond 8 months	Market Rate

9.5 During the period of Sabbatical leave, the Company will have the right to evict the employee, as per the rules of the Company, after giving due notice to the employee.

10.0. Under the relevant clauses of Conduct, Discipline and Appeal Rules / Standing Orders, sanction of the Competent Authority shall be deemed to have been granted to engage directly or indirectly in any trade or business or undertake any other employment. The employee can also take up any overseas assignment. However, the employee cannot take up a job in any Government / Public Sector Undertakings / Autonomous bodies etc. The employee should periodically inform the company about his/her whereabouts/contact address & No., so that he/ she can be contacted, if required.

11.0. The employees opting for Sabbatical are not allowed to join any MTNL Joint Ventures, Subsidiaries, units etc. The employee is not allowed to have any business dealing with MTNL; individually or as an employee of a firm during the period he is on Sabbatical.

- 12.0 Employees who take up employment during Sabbatical, in other organizations in telecom sector and allied services, or in any such organisation which has official dealing with MTNL/is a competitor of MTNL, shall seek prior permission from MTNL. This is necessary in view of business ethics so as to avoid conflict of business interests. Violation of this condition will attract disciplinary proceeding against the employee.
- 13.0 Any employee who has been granted Sabbatical shall not represent the company under any context and shall not in any way act or deal in any manner prejudicial to the interests of the Company.
- 14.0 The employee shall not take part in elections for holding any public positions viz. Councilor, MLA, MP etc. during the period of sabbatical even the organization where he is working permits to do so. In case he/she opts to do so, he/she has to take prior permission of competent authority.
- 15.0 Those employees who remain absent unauthorisedly without fulfilling the conditions under the Sabbatical Scheme shall not be considered for taking advantage of the provisions of the scheme if they apply later. Their absence will be dealt with relevant rules of the company on the subject.
- 16.0 Only those employees who are clear from all disciplinary and vigilance angles shall be granted Sabbatical leave.
- 17.0 If, the employee fails to report for duty within 10 days or fails to resign from the services of the Company, on the expiry of the Sabbatical period it shall be deemed that he/she has abandoned the services of the Company, without any notice to the employee and be dealt with accordingly.
- 18.0 For the purpose of calculating the terminal benefits in the event of his/her resignation from the services of the Company, the Sabbatical period shall not be (Ref. 5.3) considered as break in service and it will be treated as continuous service for the purpose of calculating Gratuity without including the Sabbatical period.
- 19.0 On termination/completion of Sabbatical and reverting back to the services of the company, pay and allowances of the employee shall be in the same grade/category. After re-joining, the employee shall be fixed at the same basic pay which he /she were drawing prior to his/her proceeding on Sabbatical Leave. The sabbatical period will not count for annual increments.
- 20.0 On rejoining from Sabbatical, the Management reserves the right to post the employee in any unit/department/area according to requirements.

- 21.0. The employee is liable to be proceeded, in accordance with relevant disciplinary rules, if he/she fails to comply with any of the conditions as stipulated in the Scheme.
- 22.0. In the event of death of an employee during the period of Sabbatical, the same will be considered as death while in service and his terminal benefits will be settled back on the status on the date of proceeding on Sabbatical.
- 23.0. The Management reserves its right for accepting/rejecting applications under the scheme, which will be subject to the needs/requirements of the Company.
- 24.0. The CMD, MTNL reserves the right to extend/limit the period of operation of the scheme or to withdraw and re-introduce the scheme, and to modify/alter/amend the scheme in any manner without any notice and without assigning reasons thereof.

ANNEXURE-I

APPLICATION FOR AVAILING SABBATICAL LEAVE

(Application must be forwarded through proper Channel
to the authority specified in Clause 7.0 of the rules.)

1. FULL NAME/ DESIGNATION : _____
(STAFF NO.)
2. EMPLOYEE NO. : _____
3. UNIT/DIVISION : _____
4. SECTION : _____
5. PAY SCALE/PAY : _____
6. DATE OF ENTRY : _____
INTO PRESENT GRADE
7. DATE FROM WHICH THE : _____
APPLICANT WILLING
TO PROCEED ON SABBATICAL :
10. PERIOD OF SABBATICAL : _____
REQUIRED

DATE

SIGNATURE

ENCL.: Copy of latest Payslip is enclosed

ANNEXURE-II

(Format of Agreement to be executed on non-judicial stamp paper of Rs.-----)

THIS AGREEMENT entered into on the _____ Day of Two Thousand and Nine.

BETWEEN : MAHANAGAR TELEPHONE NIGAM LIMITED
A Company incorporated under the Companies Act, 1956
Represented here in by its Officer Shri-----

(hereafter referred to as the 'COMPANY' which expression shall, whenever the context so requires or admits mean and include its successors and assigns) of the ONE PART;

AND : Shri _____ Employee No. _____
Aged _____ Years, Son/Daughter/Wife of _____ residing at _____

(hereinafter referred to as the "EMPLOYEE", which expression shall, whenever the context so requires or admits mean and include his heirs, executors, administrators and assigns) of the OTHER PART;

WITNESSES AS FOLLOWS

- I. Whereas the Company has introduced a Scheme known as "SABBATICAL LEAVE SCHEME" with an intention of rationalizing manpower as also to encourage employees voluntarily take up self-employment or to take employment elsewhere for a certain number of years, in the event of their deciding to rejoin duty;
- II. Whereas the Employee herein is working as _____ and has expressed his/her intention to avail the benefit of the said Scheme which is more fully detailed in the Annexure hereto and has agreed to abide by the same;
- III. Now this Agreement witnesses that in pursuance of the above and in consideration of the convenience of both parties, the parties hereto have agreed as under:

- 1) That the employee agrees that he/she shall abide by the Sabbatical terms and conditions detailed in the Sabbatical Leave Scheme circulated vide No. _____ dated _____ and subsequent amendments/additions thereof. It is agreed that the said Sabbatical Leave Scheme shall form a part of this agreement also.
- 2) That the employee having gone through the terms and conditions of the Scheme has accepted all the terms and conditions of this Agreement and he/she has agreed to comply with, fulfill and follow all the terms and conditions mentioned therein.
- 3) That during such leave, the employee will not be entitled to any benefits like **pay and allowances, medical reimbursement, LTC, Bonus (PLI) etc.**
- 4) That under the Scheme, the employee is eligible to be employed with other organizations, or be self-employed or take up any vocation etc.

That in the event of his /her taking up employment, he/she undertake to declare the value of such benefits availed from MTNL, to the other employer and get the income-tax due there on deducted from such employer.

Further, that in the event of his/her taking up self-employment, or doing a business etc., he/she will include the value of such benefits in his/her taxable income.

- 5) The Company agrees to grant the Sabbatical from----- to-----, of _____ years, in accordance with the request of the employee, which shall not, however, exceed a maximum period of five years.
- 6) The employee agrees to furnish herewith his/her correct address, contact no., for future correspondence with the company and undertakes to keep the company informed as and when there is change in his/her address, contact no..
- 7) It has further been agreed that in the event of the employee failing to report to duty within 10 days of the expiry of the Sabbatical leave, it would be deemed that the employee has left the Company on his/her own free will and volition and that the Company shall be entitled to take action in accordance with the terms and conditions of the Scheme.
- 8) The Company agrees that it shall faithfully abide by the terms and conditions of the Scheme introduced by it and extend all benefits to the employees in terms thereof.
- 9) In the event of any disputes or differences in respect of this matter, the Courts situated at Mumbai/Delhi as the case may accordingly the place from where proceedings on Sabbatical, shall have jurisdiction to entertain any litigation of proceedings.

- 10) In case employee is arrested or involved in any criminal case during the period of sabbatical leave, company shall take appropriate action against employee under CDA Rules and standing orders as the case may be on his joining.

In witness whereof both the parties above named have executed this Agreement in the presence of the Witnesses at testing hereunder:

Witnesses:

1.

For : Mahanagar Telephone Nigam Limited

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Company

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Employee