

IN THE HIGH Court OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
NOTICE OF MOTION (L) NO.1892 OF 2017
IN
SUIT (L) NO.508 OF 2017

Mahanagar Telephone Nigam Ltd. Applicant/
Ori. Plaintiff

In the matter between

Mahanagar Telephone Nigam Ltd. Plaintiff

Vs.

United Forum of MTNL Unions & Defendants
Associations MTNL, Mumbai & Ors.

Mr. Sandeep Marne for Plaintiff/Applicant.

Mr. A.K. Kaushik for Defendant no.1.

Mr. V.P. Vaidya i/by Mahendra Agvekar for Defendant Nos. 2 and 3.

Mr. Vansh Yadav for Defendant no.4.

Mr. Sanjay Jain for defendant no.5, Department of
Telecommunication (Union of India)

Coram : R.D. DHANUKA, J.

Date : 7th November, 2017

P.C. :

1 Pursuant to an order passed by this Court, the Union of
India, through the Secretary, Ministry of Communication and I.T.,

Department of Telecommunication, Sanchar Bhawan, New Delhi is impleaded as defendant no. 5 to the plaint as well as to the Notice of Motion.

2 Mr. Jain, learned counsel appearing for defendant no.5 states on instructions that on 27th October, 2017, the Government of India, Ministry of Communication and I.T., Department of Telecommunication have issued office Memorandum that the proposal of MTNL for the benefit of 50% D.A. amounting to 78.2% as on 1st January, 2007 to MTNL with the support from Government of India, Department of Telecommunication for the arrears amount and yearly additional liability is being examined by that office. He submits that the Department of Telecommunication has now instructed him to inform the Court that even though considering the financial position of MTNL that the MTNL is not in a position to bear this burden, the demands of recognised union was placed before MTNL Board in it's meeting dated 18th December, 2016 and as per approval of Board, the matter was

brought to the notice of Department of Telecommunication for financial support if the demand of agitating unions are to be fulfilled. It is further instructions of the learned counsel that in the meantime, the Department of Communication by its letter dated 22nd March, 2017 has informed that the MTNL is declared as “Incipient Sick CPSE” and MTNL has to proceed according to guidelines of sick PSUs and therefore, the current issue of payment of IDA @78.2% cannot be dealt with in isolation and a holistic view of overall revival of MTNL is to be taken.

3 The learned counsel further states that the issue of financial support to MTNL by the Department of Telecommunication cannot be decided in isolation and has to be considered jointly with the Department of Public Sector Enterprise. He submits that the proposal for the financial support to MTNL before the Government of India, Department of Telecommunication for the arrears amount and to clear additional liability is not rejected till date and is still under consideration.

4 The Department of Telecommunication, is accordingly directed to take appropriate decision in the matter jointly with Department of Public Sector Enterprise and to communicate its decision to the parties on or before 15th December, 2017. It is expected by this Court that the Department of Communication and Department of Public Sector Enterprise would take appropriate decision within the time granted by this Court by making sincere efforts.

5 In so far as the instructions given to the Counsel by the Department of Telecommunication, vide writing dated 27th November 2017 and the communication dated 30th October, 2017 from the Government of India, Department of Telecommunication is concerned, the same shall be placed on record by filing affidavit within one week from today. The copy of such affidavit shall be served upon the learned advocate appearing for the plaintiff as well as upon the learned advocate representing defendants nos. 1 to 4 simultaneously.

6 In view of these developments, learned counsel appearing for defendant nos.1 to 4 continues the statement made before this Court on 10th October, 2017 till 22nd December, 2017. Parties are at liberty to apply. Place the Notice of Motion on board on 19th December 2017 under the caption of 'ad-interim reliefs'.

7 MTNL is directed to work out the financial implications of the proposal within one week from today. They shall communicate the said order to the Department of Telecommunication and also to defendant Nos. 1 to 4 simultaneously.

(R.D. DHANUKA, J.)