



SANCHAR NIGAM EXECUTIVES' ASSOCIATION

(Only Recognized Executives' Association in BSNL)

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SNEA/CHQ/CMD/2018-21/90

Dated 15.06.2020.

To

Shri. P. K. Purwar,
Chairman and Managing Director,
BSNL, New Delhi.

Sub: Approval of standard Pay Scales of E2 and E3 w.e.f. 01.01.2007 as per 2nd PRC recommendations, replacing the intermediary pay scales of E1A and E2A in view of:

- i) Merger of BSNL and MTNL as per Revival Plan and BSNL & MTNL Pay Scales are to be made equal before merger with revised pay scales of E2 and E3.**
- ii) After VRS, the establishment cost has come down drastically.**

Ref: 1. BSNL proposal for standard pay scales of E2 and E3 dated 06.06.2016.
2. Presidential order issued by DoT vide No: 61-2/2016-SU dated 28.03.2017.

Respected Sir,

This Association is continuously taking up with BSNL management and DoT, the long pending issue of revision of intermediary pay scales of E1A and E2A with standard Pay Scales of E2 and E3 w.e.f. 01.01.2007 as per 2nd PRC recommendations. On 2nd PRC implementation, DPE issued guidelines on 26.11.2008 to replace all the intermediary pay scales with standard Pay Scales and no intermediary pay scales are allowed after 01.01.2007 in any PSU. However, even after the DPE guidelines, BSNL continued to recommend the revision of intermediary pay scales of E1A and E2A with intermediary pay scales of E1A and E2A vide letter No: 1-50/2008-PAT dated 09.01.2009 and subsequent reminders. The BSNL proposal dated 09.01.2009 was rejected by DoT on 24.01.2011 being intermediary pay scales. Lastly, DoT referred the matter to DPE and DPE vide order No: W-08/0002/2014-DPE-(WC) dated 09.07.2014 rejected the BSNL proposal for revised intermediary pay scales of E1A and E2A w.e.f. 01.01.2007. DoT communicated the DPE decision to BSNL vide letter dated 18.07.2014.

Based on this decision of DoT and DPE, BSNL finally modified its earlier proposal dated 09.01.2009 by recommending revision of intermediary pay scales of E1A and E2A by next higher standard pay scales of E2 and E3 w.e.f 01.01.2007. As per Para 17 of DPE O.M. dated 26.11.2008, the Board of each CPSU was required to consider the proposal of pay revision based on their affordability and to submit the same to Administrative Ministry for approval and issuance of Presidential Directive. This decision of BSNL has been sent to DoT on 06.06.2016. BSNL was making huge profits when 2nd PRC recommendations are implemented w.e.f 01.01.2007 and all the employees got the benefit of 2nd PRC with 30% fitment and 78.2% IDA neutralization. So the revision of pay scales to E2 and E3 as recommended by BSNL is fully justified. The chart is self explanatory.

Financial year	Income	Profit in Crores (after TAX)
2005-06	40117	8940
2006-07	39715	7806
2007-08	38053	3009

It is to be noted that all other CPSUs like BHEL, NTPC, ONGC, Coal India, FCI etc operating intermediary pay scales like E1A, E2A, E2B, E3A, E7A, E7B, E7C etc, maintaining basic HR values and sensitivities of their people, switched over to the immediate higher standard pay scales of E2, E3, E4, E8 etc, thus ensuring that no cadre is demoted from a higher scale to a lower scale.

In the case of BSNL, DoT taken a hasty decision, in order to avoid a contempt of court against Secretary, DoT regarding no-approval of the standard pay scales. DoT approved lower pay scales of E1 and E2 replacing the intermediary pay scales of E1A and E2A without consulting even BSNL. This is done by ignoring the BSNL recommendation, Union Cabinet decision and DPE guidelines on 2nd PRC. By this the basic cadres of JTO/JAO and SDE/AO at entry level demoted after their recruitment. There is no rationale in denying the revised pay scales for one set of Executives who joined just after 01.01.2007. This was a unilateral decision of DoT, without the recommendation of BSNL. As per DPE guidelines, the Administrative Ministry has to approve the revised pay scales based on the recommendation of the CPSU, BSNL.

By this retrograde order, the pay of an Executive recruited after 01.01.2007 has come down by atleast Rs 10,000 per month. In the basic pay itself, there is a reduction of Rs 4300.

Pre-revised scale		Revised scale proposed by BSNL on 06.06.2016		Revised scale approved by DoT on 28.03.2017		Difference in Basic pay itself
E1A	9850-250-14600	E2	20600-46500	E1	16400-40500	Rs 4200
E2A	11875-300-17275	E3	24900-50500	E2	20600-46500	Rs 4300

Pertinently, the pay scale of an employee cannot be downgraded except by way of inflicting punishment on him. The effect of Presidential order dated 28.03.2017 is such that the pay scale of employees has been downgraded from E1A to E1 and E2A to E2 without any fault of them.

Pre-revised scale		Pay scale proposed by BSNL on 2nd PRC		Pay scale approved by DoT on 28.03.2017		Pre-revised scale equivalent to the scale approved by DoT on 28.03.2017	
9850-14600	E1A	20600-46500	E2	16400-40500	E1	8600-14600	E1
11875-17275	E2A	24900-50500	E3	20600-46500	E2	10750-16750	E2

Cadre	Pay scale as on 31.12.2016		Pre-revised Pay scale as on 01.01.2007 as per DoT order	
JTO equivalent	9850-14600	E1A	8600-14600	E1
SDE equivalent	11875-17275	E2A	10750-16750	E2

DoT issued the PO on wrong footing without fully understanding the history:

Over the last three decades, DOT, recognizing and taking full cognizance of the strategic significance of the basic cadre of JTO, uplifted the cadre of JTO in a very big and unthinkable way, first in 1986 by upgrading its scale from 1400-2300 to 1640-2900, and the second one in 1996, a historic and incredible upliftment of the cadre from Group C to Group B with upgradation of pay scale also. Both these historical breakthroughs of the cadre of JTO came about after a very comprehensive work study conducted by IIM Bangalore, National Productivity Council and the 5th CPC. During BSNL absorption, the pay scales of E1A and E2A are approved as part of settlement with the service Association, SNEA (erstwhile TEOA). Initially the JTO/JAO and SDE/AO equivalent cadres were recruited /promoted by DoT and BSNL in the CDA pay scales of Rs 6500-200-10500 and Rs 7500-250-12000 respectively.

The corresponding IDA pay scales, equivalent to the CDA pay scales approved by DoT and DPE in the Presidential Order No: 61-6/2002-SU dated 28.07.2003 is given below.

Existing CDA scale	Corresponding IDA scale
6500-200-10500	9850-250-14600 (E1A)
7500-250-12000	11875-300-17275 (E2A)

These equivalent IDA scales are applicable uniformly for BSNL absorbees as well as BSNL Direct rect. This is specifically stated in the PO issued by DoT dated 28.07.2003. E1A, E2A, E3, E4, E5 and E6 pay scales were extended to the Executives in BSNL, with the prior approval of DoT and DPE. Other CPSUs like BHEL, NTPC, ONGC, Coal India, FCI etc. also operated intermediary pay scales of E1A, E2A, E2B, E3A, E7A, E7B, E7C, E9A etc prior to 2nd PRC.

The unilateral decision of demotion of the basic cadres by lowering the pay scales was opposed tooth and nail by the Association. Thereafter BSNL management requested DoT to review the said PO dated 28.03.2017 and reconsider BSNL proposal for grant of E2 and E3 scales w.e.f. 01.01.2007 as replacement of E1A and E2A scales. Several reminders also sent by BSNL to DoT.

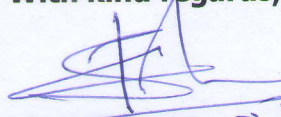
During the discussion on Revival plan also, this important issue was discussed couple of occasions with DoT. Since the standard pay scales of E2 and E3 recommended by BSNL are not approved by DoT so far, the JTO/JAOs recruited by BSNL are working in the provisional pay scales for more than 14 years, incurring huge financial loss. The young JTO/JAOs recruited by BSNL through All India competitive Examinations are getting demoralized from the day one due to the lowering of pay scales and demotion of the cadres.

Now BSNL Revival plan is approved by the Govt of India on 23.10.2019. BSNL and MTNL merger and VRS are part of the BSNL Revival plan. More than 50% of BSNL employees took VRS and the establishment cost has come down drastically. Discussion on BSNL and MTNL merger is already initiated. But merger can take place only after BSNL and MTNL pay scales are made equal. For that purpose, BSNL pay scales of E1A and E2A are to be revised to E2 and E3.

The annual financial implication on implementation of the E2 and E3 pay scales is worked out as just Rs 46 Crores. BSNL is ready to bear Rs 46 Crores per year.

We request your goodself to take up with DoT on top most priority to approve the BSNL proposal for standard Pay Scales of E2 and E3 w.e.f. 01.01.2007, replacing the intermediary pay scales of E1A and E2A. We believe that highest priority of BSNL and DOT at this critical hour should be to ensure that the growth momentum of BSNL is accelerated by motivating the young Executives, not decelerated.

With kind regards,


(Sebastin. K) 15/06/2020

Copy to: 1. Shri. Anshu Prakash, Secretary, DoT for kind intervention pl.

2. Shri P. K Sinha, Member(Fin), Digital Commission, for info and n/a pl.
3. Smt Anita Praveen, Addtl Secretary, DoT for info and n/a pl.
4. Shri Navneet Gupta, Joint Secretary(Admn), DoT for info and n/a pl.
5. Shri Aravind Vadnerkar, Director(HR), BSNL Board for info and n/a pl.
6. Shri Saurabh Tyagi, Sr GM(Estt), BSNL CO for info and n/a pl.