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Minutes of the Committee on introduction of PSU Cadre Hierarchy and two other Issues First Meeting held on 15-05-2015

In pursuance to BSNL CO, New Delhi's letter no.400-33/2012-Pers.I(Pt), dated 12.05.2015, a reconstituted committee, comprising the management and staff sides, has been drafted to deliberate the issue of PSU Cadre Hierarchy and two other issues. Accordingly, the re-constituted Committee met at 3.00 P.M. on 15-05-2015 in the Conference Hall of 8th Floor Bharat Sanchar Bhawan. The members of the Committee are:

Management side-

- 1. Sh. M.A. Khan, ED(NB)- Chairman of committee.
- 2. Smt. Madhu Arora, GM(Estt.)-Member
- 3. Smt. Smita Choudhary, GM (EF)

Association side-

- 1. Sh. Prahlad Rai, GS, AIBSNEA- Member
- 2. Sh. K Sebastin, GS, SNEA- Member
- 3. Sh. R.P. Sahu, GS, AIGETOA- Member

One Member, Smt. Smita choudhary, GM(EF) was not present in the meeting.

The DGM (Pers.), Sh. Manish Kumar, as the Convenor of the Committee, welcomed the members and placed the issues for deliberation as below:-

- I. Due to non-approval of E-1A and E-2A pay scales by Government, to examine the introduction of E-2 and E-3 pay scales for JTOs SDEs and equivalent cadres.
- II. To examine the introduction of CPSU Cadre Hierarchy vis-a-vis present setup.
- III. To examine the implementation of first time bound promotion uniformly after four years w.e.r. 01-10-2000.

Members were provided with a brief of the case along with the brief of the earlier meeting formed for the same issues(2 Nos) constituted in 2012.

At the outset, the Chairman, Sh. M.A. Khan, ED(NB), welcomed the members and opened the three issues to be deliberated as below:

Issue no.I:- It is understood that as the intermediate pay scales are not applicable under the 2nd PRC, standard pay scales are to be given to JTOs and SDEs. A change in the existing pay scale arrangement affects other issues like pension contribution or EPF contribution etc. Direct recruit JTOs have no pension contribution but EPF. In fitness of things, such changes may not be retrospective in nature. Considering the financial position of the Company, no arrears will be paid. Any change, after the deliberations, will be effective from notification date. In this regard, financial implication is to be discussed before any decision.

Issue no.2:-As executives of the Company set up can work interchangeably as per Deloitte report, the JTOs/SDEs etc., getting higher pay scales may may be designated by higher designation and with higher responsibility. There is no financial implication in this proposal. However, the issue will be discussed. The golden rule of management is to delegate.

Issue no.3:- It is informed that for batches of JTOs (and equivalent) from 1994 to 2000. the first time bound pay upgradation fell after 6 years. Then, for one year, it was 5 years and subsequently, it is 4 years. As the periodicity for first time bound upgradation has varied between 4 to 6 years, the issue can be looked into with details. For any change being proposed after the deliberations, no arrears are to be given. Any changed, if mooted, has to be effective from the date of notification. Financial implication and the option of 4, 5 or 6 years has to be discussed before a decision taken. The happiest people are those who are doing things for others.

Hereafter, the Chairman laid open the floor for discussion by all the members.

Smt. Madhu Arora, GM (Estt) informed that, earlier, the responsibility for Issue I was given to GM (Estt.) Issue no.II was entrusted to Restructuring Cell. It was studied with other PSUs. However, no final agreement came out of the deliberations. It was pointed out that GM (Restg.) may be included. Financial implication is to be discussed.

GS, AIGETOA, contended that DPE decides the pay scale structure. As JTOs were recruited in E1A scale (prior to 2nd PRC), we cannot give a lower scale (E1) to these executives after the implementation of 2nd PRC. They stand to lose in deputation etc. JTOs should be given E2 scale in its replacement. They were given 5 increments by Pillai committee. Performance based appreciation has to be done. Promotion stagnated. Delink with seniority. Court has told 4, 5 and 6 years may be arbitrary. It has to be uniform and so 4 year is recommended.

GS, AIBSNLEA presented his point thus: After formation of BSNL, IDA pay scale were decided by Board. For JTOs, E1A was decided and DPE approved it. When the 2nd PRC notification came, then under the presidential directive it was mentioned that intermediate scales cannot be there. The question is what is the substitute for E1A & E2A. The proposed replacement for E1A and E2A, as submitted by BSNL, was rejected by DoT. Further, the proposal was sent by DoT to DPE. But it was rejected by DPE. So we have to take a decision in replacing the pay scales of E1A and E2A with E2 and E3 respectively. Downgrading of pay scales was not acceptable to the associations. The committee under the chairmanship of Mr. Pillai gave E1+5 increments to JTOs and our JTOs are getting the same. It is injustice.

W.r.t. CPSU Cadre hierarchy, it is stated that non-post based promotion upto selection grade was promised under the terms and conditions of absorption. When I get already the pay scales of higher grade, then I should be given the higher grade designation and responsibility.

First time bound promotion without discrimination should uniformly be given after 4 years. Many courts have directed to make it uniform.

GS, SNEA(I) brought up following points:- GM (EF) is important for the issues under deliberation. The absence of GM (EF) is not correct. Restructuring work is with GM (SR). GM(Pers) knows the subject and he should be a committee member. The grant of E1A and E2A scales was compromise solution during absorption process. There was no restriction in PSUs to have standard pay scales. After 2nd PRC, Government has taken decision that there cannot be any intermediary pay scale. NTPC, ONGC, BEDdo not BHEL have intermediary pay scale and they have replaced them by next higher regular pay scales. If DPE reject E1A and E2A, then the Administration had assured that they will implement the scales of E2 and E3 for JTOs/SDEs equivalents. DPE rejected in July 2014. Upto E4, the multiplying factor is 1.9. Then you have to give only E1. 2700 JTOs are recruited. BSNL gave advertisement that E1A pay scale likely to be revised upward. So E2 must be considered. In promotional avenue, a JTO completing 20 years of service

is not getting promotion due to seniority disputes. Flaws are in RRs. 1000 vacancy in DE cadre are there. Nobody promoted to DGM, More than 800 vacancies are there. It is all due to court cases. Seniority list of SDE is not published since 2004. In Accounts side, all is good. If CPSU cadre hierarchy is implemented, then solution may come. LDCE has created problems. Upto DGM it is demanded. Deloitte told upto AGM you can go ahead.

JTOs recruited from 1994 to 2000 got promotion in 6 years. So uniformity of 4 years is required. The number is about 15000.

Discussions took place after listening to all members and following points came up:-

- Impact on E3 and E4 will also come up. The cascading effect as told by G 1. S AIGETOA to be examined.
- Financial implication has to be seen. All Members may come prepared with 2.
- 3 Pension contribution burden will come. 15% or So.
- Cabinet decision that MTNL will get BSNL pay scales with pension may be 4.
- 5. It is one time measure to be taken.
- Calculation for financial implication will be discussed in next meeting 6 on 28-05-2015 at 3 p.m.

ED (NB) told that inclusion of any member is not in purview of committee. The meeting concluded with thanks to all.

Mohd. Ashraf Khan ED (NB)

Sh. Prahlad Rai **GSAIBSNEA**

Ms. Madhu Arora

GM (Estt)

Sh. K. Sebastin GS SNEA

Smt. Smita Choudhary

on leave.

GM (EF)

Sh. R'P Shahu **GSAIGETOA**

File No. 400-33/2012-Pers-I (Pt.)

Cc: to all members