

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL,
CHANDIGARH BENCH, CHANDIGARH

CP NO.060/0001/2017
IN
O.A.060/00361/2015

Surinder Kumar and another ... Petitioners

Versus

Shri Anupam Srivastva and others
... Respondents

I N D E X

Sl No	Particulars of Documents	Dated	Page
1.	Affidavit	30.10.2017	1-4
2.	Annexure R-2/1 (Order)	28.03.2017	5-6
3.	Annexure R-2/2 (5-Letters)	03.04.2017 01.05.2017 12.06.2017 16.08.2017 11.09.2017	7-17
4.	Annexure R-2/3 (Proposal)	06.06.2016	18-22

Place : Chandigarh.
Dated : 30.10.2017

(D.R. SHARMA)

Advocate

Counsel for the respondents No.1 & 2

/

IN THE CENTRAL ADMINISTRATIVE TRIBUNAL
CHANDIGARH BENCH

CP NO. 060/0001/2017

in

O.A. NO. 060/00361/2015

Surinder Kumar and Another ... Petitioners

Versus

Shri Anupam Srivastva and others

...Respondents

Compliance Affidavit of Sh. R.C.
Hooda, working as Chief General
Manager, Haryana Telecom Circle,
BSNL, Ambala Cantt.

I, the above named respondent no. 2, do
hereby solemnly affirm and state as under:

Reply on Merit:

1-7. That the contents of these paras of the
Contempt petition needs no reply.



8-9. That in reply to these paras of the Contempt petition it is submitted that the deponent has highest regard to the orders passed by this Hon'ble Tribunal and cannot dare to violate the orders passed by this Hon'ble Tribunal. It is submitted that in compliance to the order dated 22.8.2016 passed by this Hon'ble Tribunal, the respondent no. 3 vide Presidential Order dated 28.3.2017 has approved the following Scales:

Pre-revised Scale

Revised Scale

Rs. 9850-250-14600

Rs.16400-40500

Rs. 11875-300-17275

Rs.20600-46500

Further, the pay scales of Rs. 18850-40500 and Rs. 22800-46500 has been allowed on personal basis to the Executives who have been absorbed/appointed/ promoted in pre-revised E1A (Rs. 9850-250-14600) and E2A (Rs. 11875-300-17275) scales respectively. A copy of the order dated 28.03.2017 is enclosed as **Annexure R-2/1**.

On examination of the Presidential Order dated 28.03.2017 issued by DOT, BSNL vide letters dated 03.04.2017, 01.05.2017, 16.08.2017 and 11.09.2017 has again requested to consider various justifications for grant of E2/ E3 pay scales for

JTO/ SDE respectively, which was residual issue of 2nd PRC. Further, DOT's Presidential Order does not appear to be in accordance with DPE guidelines, as the approved scales on personal basis are intermediary pay-scales. Reply from DOT on CMD BSNL's DO letter dated 11.09.2017 in this regard is awaited.

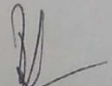
If DOT's Presidential Order is implemented, this will only reduce the pay of employees (already fixed Rs. 19020 Basic Pay) by Rs. 170/- w.e.f. 01.01.2007. As such, the applicants are found not entitled to any benefit consequential to the DOT's Presidential Order dated 28.03.2017.

It may, thus, be seen that the Orders dated 22.08.2016 passed by this Hon'ble Tribunal has been duly complied with. However, subsequently BSNL has requested the respondent no. 3 to reconsider its decision. The answering respondents have not disobeyed the order dated 22.08.2016 passed by this Hon'ble Tribunal. Copy of the letters dated 03.04.2017, 01.05.2017, 12.06.2017, 16.08.2017 and 11.09.2017 are enclosed as Annexure R-2/2 (Colly). Copy of the proposal dated 06.06.2016 is enclosed as Annexure R-2/3.

10-13. That in reply to these paras of the Contempt Petition it is submitted that in view of the submissions made above the deponent respectfully submits that no willful/intentional contempt has been made out against the answering respondent. The deponent, therefore tenders unqualified apology for delay and prays for discharging the answering respondent.

PLACE: AMBALA

DATED: 30/10/2017


DEPONENT

मुख्य महाप्रबन्धक/Chief General Manager
भारत संचार निगम लिमिटेड/B. S. N. L.
हरियाणा दूरसंचार परिमण्डल/Haryana Telecom Circle
अम्बाला छावनी/Ambala Cantt-133001

VERIFICATION

Verified that the contents of para 1 to 13 of the above affidavit of mine are true and correct to my knowledge based on official record. No part of it is false and nothing relevant has been kept concealed therein.

PLACE: AMBALA

DATED: 30/10/2017


DEPONENT

मुख्य महाप्रबन्धक/Chief General Manager
भारत संचार निगम लिमिटेड/B. S. N. L.
हरियाणा दूरसंचार परिमण्डल/Haryana Telecom Circle
अम्बाला छावनी/Ambala Cantt-133001

No. 61-2/2016-SU
Government of India
Ministry of Communications
Department of Telecommunications

Sanchar Bhawan, New Delhi-110001
Dated 28th March, 2017

ORDER

In exercise of the powers conferred by the Article 143 of Articles of Association of the Bharat Sanchar Nigam Limited (BSNL) and in continuation of this Department's Presidential Order No. 61-01/2009-SU dated 27.02.2009 conveying the approval of pay scales, fitment formula, DA guidelines and other relevant issues as per the Department of Public Enterprise (DPE) O.M. No. 2(70)/08-DPE (WC) dated 26.11.2008, and with reference to the BSNL proposal for grant of replacement scales for pre-revised E1A, E2A pay scales for JTOs, SDEs and equivalent cadres, the President is pleased to approve the settlement of E1A and E2A pay scales in BSNL as follows:

A. The pay scale of JTO/JAOs cadre may be revised in the scale of 16400-40500 in the following manner:

(i) Pay of absorbed appointees in the cadre of JTO/JAOs drawing pay in the scale of 9850-14600 may be revised in the scale of 18850-40500 as personal to the incumbent to continue the benefit granted to them in the pre-revised E1 scale.

(ii) Employees appointed to the cadre either by direct recruitment or on promotion and who are placed in the pay scale of 9850-14600 similar to the absorbed employees shall also be accorded the same pay scale, i.e. 18850-40500 as personal to the incumbent.

(iii) With immediate effect, new appointments to the cadre by direct recruitment or by promotion shall be in the E1 IDA scale 16400-40500.

B. The pay scale of SDE/AO cadre may be revised in the scale of 20600-46500 in the following manner:

(i) Pay of absorbed appointees in the cadre of SDE/AOs drawing pay in the scale of 11875-250-17275 may be revised in the scale of 22800-46500 as personal to the incumbent to continue the benefit granted to them in the pre-revised E2 scale.

(ii) Employees appointed to the cadre either by direct recruitment or on promotion and who are placed in the pay scale of 11875-17275 similar to the absorbed employees shall also be accorded the same pay scale, i.e. 22800-46500 as personal to the incumbent.

(iii) With immediate effect, new appointments to the cadre by direct recruitment or by promotion shall be in the E2 IDA pay scale 20600-46500.

....2/-

Signature of CMD, BSNL
Pl. send along
with draft letter to
W-2

--- 2 ---

2. BSNL has to bear additional financial implications on account of any pay revision arising from this order, from its own resources and no budgetary support will be provided by the Government.

3. All instructions/guidelines issued by DPE in this regard from time to time may be scrupulously followed by BSNL.

4. This has the concurrence of Internal Finance Division of DoT vide Dy.No. 689/M(F)/2017 dated 27.02.2017.

5. This order is effective with immediate effect.

58/3/17
(Pawan Gupta)
Director (PSU-I)
Tel. 2303 6019

To

Shri Anupam Shrivastava
Chairman & Managing Director
Bharat Sanchar Nigam Limited
Bharat Sanchar Bhawan, Janpath
New Delhi-110001

with reference to BSNL letter No. 1-50/2008-PAT (BSNL) dated 09.01.2009.

Copy to:

1. Secretary (T), DoT
2. Member (F)/ Member (T)/ Member (S), DoT
3. AS(T)/ JS(T), DoT
4. DDG (B&PEF)/ DDG(Estt.)/ DDG(Accounts)/ DDG(SU)

Copy also to:

Joint Secretary
Department of Public Enterprises
Public Enterprises Bhawan
Block No 14, CGO Complex
Lodhi Road, New Delhi.

2

7
12, भारत संचार भवन, हरिश् चन्द्र माधुर लेन,
नई दिल्ली - 110001
312, Bharat Sanchar Bhawan, H.C. Mathur Lane,
Janpath, New Delhi-110 001
दूरभाष कार्यालय/Ph.: +91-11-2373 4070
फैक्स/Fax : +91-11-2373 4072
ई-मेल/E-mail : dirhrd@bsnl.co.in

ANNEXURE - R-2/2

भारत संचार निगम लिमिटेड
(भारत सरकार का उद्यम)
BHARAT SANCHAR NIGAM LT
(A Government of India Enterprises)

सुजाता तपन रे
निदेशक (एच.आर.)
Sujata T. Ray
Director (HR)

D.O. No. 1-13/2015-PAT(BSNL)

Dated: 03.04.2017

Dear Sh. Sivasailam,

Please refer to DOT Order No. 61-2/2016-SU dated 28.03.2017 with reference to BSNL's proposal for revised pay scales effective from 01.01.2007 for JTOs and SDEs. As per DOT's order, the pay scale of JTOs and SDEs has been revised in the scale of Rs. 16400-40500(E1) and 20600-46500 (E2) in replacement of 9850-14600 (E1A) and 11875-17275 (E2A). However, the same order also states that the pay of absorbed appointees, appointed by direct recruitment or by promotion and drawing pay in the scale of Rs. 9850-14600 and in Rs. 11875-17275/- may be revised in the scale of Rs. 18850-40500 and Rs. 22800-46500 on personal basis. New appointments to these cadres shall be in the scale of Rs. 16400-40500 and Rs. 20600-46500 respectively. As per this order, there are two scales for the cadre of JTOs viz., Rs. 16400-40500 and Rs. 18850-40500 and similarly for SDEs viz. Rs. 20600-46500 and Rs. 22800-46500/- which is not permissible as per DPE OM dated 24.12.2012 (Annexure- I).

2. In this regard, I would also like to draw your kind attention to the Presidential order No. 61-6/2002-SU dated 28.7.2003 (Annexure-II) where by DOT conveyed to BSNL that in respect of executives appointed by BSNL in CDA scale (Rs. 6500-10500) for JTOs / JAOs on or after 01.10.2000, the executives will be deemed to have been appointed in the corresponding IDA scale (Rs. 9850-14600 (E1A)). The decision conveyed now vide DOT order dated 28.3.2017 is in conflict with the earlier decision conveyed vide order dated 2.7.2003, since direct recruitment of JTO / equivalent cadre has now been ordered to be made lower than the scale of Rs. 9850-14600 (E1A).

3. It is relevant to inform that BSNL's earlier proposal dated 09.1.2009 referred to in DOT's order dated 28.3.2017 was for revision of equivalent pay scales for E1A (Rs. 9850-14600) and E2A (Rs. 11875-17275) into the scale of Rs. 18850-40500 and Rs. 22800-46500 w.e.f. 01.01.2007. This proposal had been rejected twice by DOT initially on 24.01.2011 and finally on 18.07.2014 after consultation with DPE. It was stated that DPE vide OM dated 02.04.2009 has clarified that there is no justification for introducing intermediary pay scales and if there have been any aberrations they need to be corrected. It was also clarified that every officer has to be fitted in the



भारत संचार निगम लिमिटेड
(भारत सरकार का उद्यम)
BHARAT SANCHAR NIGAM LTD.
(A Government of India Enterprises)

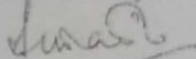
corresponding new scales. In fact, DOT itself had not agreed to the proposal of introduction of intermediary pay scales in BSNL for the reasons indicated in their communication to DPE.

4. In view of non-approval of DOT & DPE to revised E1A and E2A pay scales, BSNL reconsidered the matter and revised its proposal and sought DOT approval for grant of E2 and E3 pay scales replacing the intermediary pay scales of E1A and E2A w.e.f. 01.01.2007. However, at this stage, when BSNL after prolonged consultation with all stakeholders have proposed E2 and E3 pay scale, DOT has now ordered for continuance of Rs. 18850-40500 (on personal basis) for the cadres of JTOs / JAOs and scale of Rs. 22800-46500 (on personal basis) for the cadres of SDEs / AOs. Furthermore, the scale of JTOs and SDEs have been downgraded from E1A / E2A to E1 / E2 respectively. This has created situation of demoralization and demotivation of junior cadres.

5. As you know, BSNL is currently in revival mode and the young executives are playing a pivotal role in the revival. Lowering the pay scales would perhaps lead to industrial unrest. I would, therefore, impress upon you to kindly use your good offices to ensure that the proposal of BSNL for grant of E2 and E3 pay scales in replacement of pre-revised E1A and E2A pay scales is reconsidered and approved in order to arrest the grave discontent in the organization.

With regards,

Yours sincerely,


[Sujata T. Kay]

To

Shri N Sivasailam,
Additional Secretary (T),
Department of Telecommunications,
New Delhi

भारत संचार भवन, हरीश चन्द्र माथुर लेन,
दिल्ली-110001, भारत
कार्यालय : +91-11-23372424
: +91-11-23372444
ईमेल : cmdbsnl@bsnl.co.in
Bharat Sanchar Bhawan, H.C. Mathur Lane,
Janpath, New Delhi - 110 001, India
Ph. : +91-11-23372424
Fax : +91-11-23372444
E-mail : cmdbsnl@bsnl.co.in



संचार निगम लिमिटेड
(भारत सरकार का उद्यम)
भारत SANCHAR NIGAM LTD.
(A Government of India Enterprises)

अनुपम श्रीवास्तव
अध्यक्ष एवं प्रबन्ध निदेशक
ANUPAM SHRIVASTAVA
Chairman & Managing Director

D.O. No. 1-13/2015-PAT (BSNL)

Dated: 1st May, 2017.

Respected Sir,

I am writing this letter to bring to your kind notice an extremely important HR issue of BSNL requiring your immediate attention. The issue concerns DoT's Order dated 28.3.17 regarding replacement pay scales for BSNL executives effective from 01.01.2007 for the pre-revised scales E1A (Rs. 9850-250-14600) and E2A (Rs. 11875-300-17275). DoT's order which is not as per the BSNL Management's recommendation, has led to widespread discontent among executives and industrial unrest in BSNL. I wish to explain the issue and its background in the following paras as per the discussion held on 27.4.17 in DoT.

2. At the time of absorption in BSNL, DOT vide its letter No. 61-6/2002 SU dated 28.7.2003 notified pay scales in industrial DA (IDA) pattern for BSNL employees. Prior to 28.7.2003, JTOs and SDEs were recruited/promoted by BSNL/DoT in the CDA scale of Rs. 6500-10500 and Rs. 7500-12000 respectively. JTO & SDE level (and equivalent officers) were placed in the IDA pay-scale of Rs. 9850-250-14600 and Rs. 11875-300-17275. These scales are termed as E1A & E2A because these are not standard (E0 to E9) executive scales prescribed by DPE, but they fall in-between the standard scales of E1 & E2, E2 & E3 respectively. However, it is important to mention that these intermediate pay scales were allowed by DoT for BSNL with the specific approval of the DPE. It was also stated in the DoT letter under reference that "1.2.....in respect of executives appointed by BSNL in CDA pay scales on or after 01.10.2000 the executives will be deemed to have been appointed in the corresponding IDA pay scale." The CDA and the corresponding IDA pay-scales approved by DOT in 2003 are reiterated below:

Grade of Executive	CDA scale in Govt.	IDA scale in BSNL approved by DoT
JTO & equivalent	6500-200-10500	9850-250-14600
SDE & equivalent	7500-250-12000	11875-300-17275

3. In BSNL, the Recruitment Rules for different equivalent executive cadres were framed in 2001 & 2002 with the approval of BSNL Board and the pay scale for JTOs were mentioned as 'IDA pay scale in BSNL corresponding to the CDA scale of Rs. 6500-200-10500'. Similarly, 'IDA pay scale in BSNL corresponding to the CDA scale of Rs. 7500-250-12000' was mentioned for SDE and equivalent. Accordingly, in terms of para 1.2 of the DOT letter dated 28.7.2003 the scales of Rs. 9850-250-14600 (E1A) and Rs. 11875-300-17275 (E2A) have been given to the absorbed as well as directly recruited executives.

Contd...2/-

पंजीकृत एवं निगमित कार्यालय : भारत संचार भवन, हरीश चन्द्र माथुर लेन, जनपथ, नई दिल्ली-110001

भारत संचार निगम लिमिटेड, भारत संचार भवन, H.C. Mathur Lane, Janpath, New Delhi-110001

4. Based on 2nd Pay Revision Committee (PRC) recommendations, DoT issued Presidential directive to BSNL vide letter dated 27.2.2009 for replacement of E0 to E9 scales & mentioned that E1A & E2A pay scale replacement will be dealt later. BSNL Board recommended revised E1A & E2A scales to DoT on 9.1.2009. In response, DOT conveyed its disagreement to the proposed intermediary revised scales initially on 24.01.2011 and finally on 18.7.2014 after consultation with DPE and in accordance with the instructions contained in DPE OM dated 02.04.2009 that there is no justification for introducing intermediary pay scales and every officer has to be fitted in to the corresponding new scales notified by DPE.

5. Keeping in view DOT's directions and the need for finalization of revised pay scales, the Management Committee of BSNL Board recommended to DoT vide letter dated 6.6.16 for replacement of E1A & E2A intermediary pay scales with the standard pay scales E2 & E3 w.e.f. 01.01.2007. BSNL satisfies the affordability clause as on 1.1.2007.

6. Dir.(HR), BSNL has given a detailed presentation to DoT on 10.2.2017 in which an alternative proposal was given which entails that the standard pay scales of E3 to E6 approved by DoT will remain unaltered.

7. However, DoT vide its Order dated 28.3.2017 (copy enclosed) DOT has prescribed replacement scales for pre-revised E1A and E2A as under:

<u>Pre-revised scale</u>		<u>Revised scale</u>
Rs. 9850-250-14600 (E1A)	→	Rs. 16400-40500 (E1)*
Rs. 11875-300-17275 (E2A)	→	Rs. 20600-46500 (E2)#

*Rs. 18850-40500 and #Rs. 22800-46500 on personal basis to executives absorbed /appointed/promoted in pre-revised E1A and E2A scales.

8. As can be seen, DoT has downgraded the scale of JTO & SDE equivalent level officers in BSNL. This has led to dissatisfaction and unrest among the BSNL executives. The Executive Associations are on path of agitation against DoT's decision. The infirmities in DoT order are as follows:

- i) The IDA scales for JTOs & SDEs were approved by DOT in consultation with DPE at the time of absorption. As per the terms & conditions of absorption, these scales were above E1 scale of Rs. 8600-250-14600 and E2 scale of Rs. 10750-300-16750/- respectively. However, with the presidential order dated 28.03.2017, the scale of JTOs & SDEs are downgraded to E1 and E2 scale. The fixation of pay at Rs. 18850-40500/- in respect of JTOs /equivalent on personal basis in the scale of Rs. 16400-40500/- is only a fixation method but the scale stands downgraded from E1A to E1. Similarly, scale of SDE equivalent grades is downgraded from E2A to E2.

Contd...3/-

- (ii) DR JTOs in BSNL were appointed in E1A scale prior to DOT letter of July 2014 and in E1 scale subsequently in the absence of non-finalization of revised pay scale. With the above order, one set of JTOs will be placed in revised E1 scale (16400-40500) while others in 18850-40500 on personal basis. Also, those promoted in the Departmental promotion examinations LICE will get placed in E1. As a result of this, there will be pay discrimination between officers in the same grade performing same set of duties & responsibilities.
- (iii) DoT order of downgrading pay scales of JTO & SDE level executives in BSNL has led to widespread unrest, discontentment and frustration among BSNL employees.
- (iv) Downgrading of the scale of the entry level executive cadre (JTO & equivalent) will also adversely affect retention of existing talent in BSNL and attracting fresh recruitment from market.

9. I would also like to mention here that as per para 17 of the DPE Pay revision OM dated 26.11.2008, the Board of Directors of each CPSE are required to consider the proposal of pay revision based on their affordability to pay and submit the same to the Administrative Ministry / Department for approval. The concerned Administrative Ministry has to then issue the Presidential Directive with the concurrence of FA. The presidential directive issued vide DOT order dated 28.3.2017 is not as per the proposal of BSNL Management and therefore needs to be reviewed.

10. As you are aware, BSNL is making committed efforts towards revival of the company in face of fierce competition from Private Players. Any attempt towards demotivation of the executive cadres would have severe implications on the company's health. In view of this, I request for your immediate personal intervention for reconsideration of DoT's order and convey Govt approval for grant of E2 and E3 scales w.e.f. 1.1.2007 in replacement of E1A & E2A scales for JTO/SDE and equivalent grades.

With regards,

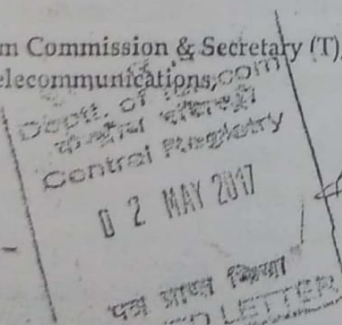
Yours sincerely,

[Anupam Shrivastava]

Encl: As above.

To

Shri P. K. Pujari,
Chairman Telecom Commission & Secretary (T),
Department of Telecommunications, Govt of India,
New Delhi



No. 1-13/2015-PAT(BSNL)

To

Sh. Pawan Gupta
Director (PSU-I),
Department Of Telecommunications,
New Delhi

Sub: Proposal for grant of replacement scales for pre-revised E1A, E2A pay scales for JTOs, SDEs & equivalent cadres w.e.f. 01.01.2007.

Sir,

I am directed to refer your letter No. 61-2/2016-SU dated 19.05.2017 on the above cited subject and submit the following information / para-wise comments to your letter referred above:

- (i) The proposal for revision of existing E1A and E2A pay scales w.e.f. 01.01.2007 is the pending item of pay revision under 2nd PRC. As per para 3 of DPE OM dated 26.11.2008, the affordability for implementation of pay revision has been defined in terms of additional outgo by such revision, which for a period of 12 months should not result in more than 20% dip in profit before tax(PBT) for the year 2007-08 of a CPSE. BSNL was in profit during 2007-08 and the financial outgo for the present proposal for revision of E1A and E2A pay scales is within the prescribed limit as provided in DPE guidelines. It is also relevant to point out that all other BSNL employees got benefit of 2nd PRC like 30% fitment and 78.2% IDA neutralization. The benefit of revised scales is not extended to only one set of executives.

Financial year	Income in Cr.	Profit in Crores (before TAX)
2007-08	38054	4451

Financial implication of the proposal for replacement of E1A/E2A with E2/E3 scales with effect 1.1.2007 is as follows:

- Pay & allowances by BSNL: Recurring annual financial implication of Rs. 38 Crores will be there on account of Pay & allowances.
- Pension contribution by BSNL: Total financial outgo on account of increase in pension contribution for period from 01.01.2007 upto 31.03.2016 is around Rs. 157 Crores. Annual recurring expenditure on Pension Contribution payable to DOT will be Rs. 06 Crores.
- Pension liability of Govt.: As already stated in BSNL letter dated 21.06.2016, with regard to pension arrears to be paid from 01.01.2007 to 31.12.2016, there would not be any additional pension liability in respect of BSNL executives



retired during the said period. This is due to the reason that there would not be any increase in pay and, therefore, also in the pension in respect of the absorbed employees as they are already drawing pay higher than the minimum of the pay scale.

BSNL has made profit of Rs. 4451 Crores during 2007-08. Therefore, in terms of DPE guidelines, BSNL meets the affordability clause for implementation of the proposed revised standard scales. As mentioned above, the proposal has financial implication of Rs. 157/- Crores and a recurring implication of about Rs. 44 Crores which would not be, therefore, difficult to meet by BSNL.

- ii) The details of direct recruit executives at every grade from E1 to E9 year-wise from 01.01.2007 onwards is attached as Annexure-I. Similar details of DOT absorbed executives are placed as Annexure-II. The percentage of salary as required by DOT in the referred letter is not available.
- iii) The details of executives who are covered by the DOT order dated 28.03.2017 pay scale wise, are provided in the Annexure-III.
- iv) On implementation of the DOT order dated 28.03.2017, the pay scales of the entry level executives of BSNL i.e. JTOs / JAOs etc. will be downgraded from pre-revised E1A (Rs. 9850-14600/-) to revised E1 (Rs. 16400-40500/-). Similarly, the pay scales of SDE and equivalent grades will also be downgraded. These are explained below :

Cadre	Pay scale as on 31.12.2006	Pre-revised pay scale corresponding to Presidential Order dated 28.3.2017
JTO equivalent	Pre-revised 9850-14600	The Pay scale of Rs. 16400-40500/- now granted by DoT corresponds to pre-revised pay scale of Rs. 8600-14600/-
SDE equivalent	Pre-revised 11875-17275	The Pay scale of Rs. 20600-46500/- now granted by DoT corresponds to pre-revised scale of Rs. 10750-16750

This down-gradation of pay scales w.e.f. 1.1.2007 is definitely going to affect the motivation of employees already working the grade JTO/JAO and also the aspiring Non-executives particularly the young DR TTAs comprising of Graduate engineers who see this as an opportunity to go higher up in the organization through DR quota examination.

Further, there would be out flow of direct recruits to other CPSEs like BHEL, NTPC, ONGC etc. as the recruitment at entry level in such organisation is being made at E2/E3 level after 2nd PRC.



v) Vide letter dated 06.06.2016, BSNL had proposed to revise E1A and E2A pay scales by grant of E2 and E3 scale and also for upgradation of E3 to E6 pay scales to E4 to E7 in respect of Sr. SDE, AGM, DGM and SG-DGM cadres. But, DoT conveyed vide letter dated 9.8.2016 that the proposal of BSNL cannot be acceded to. However, considering that E1A & E2A pay scales in BSNL were given in 2003 with due approval of DoT & DPE and revision of these pay scales due from 1.1.2007 is still pending even after passage of ten years because of Govt's decision not to allow intermediary pay scales, BSNL is requesting for E2 & E3 scales in replacement of pre-revised E1A & E2A. Part I of the proposal in BSNL's letter dated 6.6.2016 for replacement of E1A & E2A with E2 & E3 is a residual issue of 2nd PRC and may be approved. The Part II of the BSNL's proposal will be taken up at the time of 3rd PRC.

vi) With the grant of E2 scale in replacement of E1A, there will be simple placement of executive in the revised pay scale. This cannot be treated as up-gradation under BSNL Executive Promotion policy (EPP). In EPP, up-gradations are defined linking with scales as well as grades. The combined residency period in the pre-revised E1A scale and the proposed replacement E2 scale will be considered for the first time bound up-gradation in E3 scale (instead of present arrangement of up-gradation from E1A to E2A). Similarly, for 2nd time bound up-gradation under EPP, the combined residency period in E2A and E3 scale will be considered. Therefore, the question of EPP up-gradation without requisite period of service in the scale will not be attracted in this case. As this is mere replacement of non-standard pay scales of E1A & E2A with the standard pay scales of E2 & E3 in line with DPE guidelines, therefore, no legal or administrative issue are envisaged. Rather, it will be quite helpful in settling the pending court cases including various representations / Grievances on CPGRMS etc. which are being defended by BSNL.

vii) In the erstwhile DoT, the scales in existence for different grade of officers were as under:

- JTO and equivalent grades- Rs.6500-200-10500
- SDE and equivalent grades- Rs. 7500-250-12000
- Sr. SDE and equivalent grades - Rs. 8000-275-13500
(Sr. SDE and Sr. AO are non-functional grades)
- ADG/DE and equivalent grades- Rs. 10000-325-15200
- JAG and equivalent grades- Rs. 12000-375-16500

On corporatization w.e.f 1.10.2000, the officers working there were absorbed in BSNL in the corresponding IDA scale as conveyed vide DoT order no. 61-

Regd. & Corporate Office: Bharat Sanchar Bhawan, H.C. Mathur Lane, Janpath, New Delhi-110001

(216)



6/2002-SU dated 28.7.2003. As per this order, the IDA scales corresponding to the CDA scales are as under:

Existing CDA scale	Corresponding IDA scale
6500-200-10500	9850-14600
7500-250-12000	11875-17275
8000-275-13500	13000-350-18250
10000-325-15200	14500-350-18700
12000-375-16500	16000-400-20800

From the above, it is clear that each designation has a definite link to the pay scale or the grade for that matter.

Further, in BSNL, designation is linked with the substantive post held by the Executive. As per the DOT approved BSNL EPP, two tier promotions are prescribed - (a) time bound up-gradation and (b) post based promotions. With time bound up-gradations, the pay scale is upgraded to the next higher scale after the prescribed qualifying service in the scale. However, with this up-gradation of scale no change of designation takes place. For example, a JTO recruited in E1A scale on grant of time bound up-gradation may be placed in higher scales of E2A, E3 and so on. His designation will, however, change only on his post based promotion to the post of SDE. This arrangement is in accordance with the terms & conditions of absorption of Group-B officers of erstwhile DOT in BSNL w.e.f. 01.10.2000. The terms and conditions of absorption states that 'on absorption in BSNL, the officers will be allowed up-gradation to the next higher pay scale on time bound basis varying between four to six years upto the level of JAG-SC'. As per EPP, the time-bound-up-gradation to next higher scales is personal to the employee and no such data with regard the designations with the corresponding grades, is being maintained.

Encl: As above.

Yours faithfully,

[Sheo Shankar Prasad]
Dy. General Manager (Estt.)
Ph. 011-23715155

Issued
21/6/2003
9c

भारत संचार भवन, हरीश चन्द्र माथुर लेन,
नई दिल्ली - 110001
Bharat Sanchar Bhawan, H.C. Mathur Lane,
Janpath, New Delhi-110 001
दूरभाष कार्यालय/Ph.: +91-11-2373 4070
फैक्स/Fax : +91-11-2373 4072
ई-मेल/E-mail : dirhrd@bsnl.co.in



भारत संचार निगम लिमिटेड
(भारत सरकार का उद्यम)
BHARAT SANCHAR NIGAM LI
(A Government of India Enterprises)

सुजाता तपन रे
निदेशक (एच.आर.)
Sujata T. Ray
Director (HR)

D.O. No. 1-13/2015-PAT(BSNL)

Dated: 16.08.2017

Dear Sh. Sivasailam,

Please refer to my DO of even no. dated 03.04.2017 and 26.4.2017 regarding grant of E2 & E3 pay scales in replacement of pre-revised E1A and E2A pay scales for JTOs and SDEs & equivalent executives.

2. In this regard, CMD BSNL has also written to Secretary (T), DOT on 01.05.2017 (copy enclosed) for reconsideration of DOT's order dated 28.3.2017 and to convey Govt.'s approval for grant of E2 & E3 scales w.e.f. 01.01.2007 in replacement of pre-revised E1A and E2A pay scales for JTOs and SDEs & equivalent executives. Subsequently, DOT has sought some additional information / comments from BSNL which have been duly submitted vide BSNL letters dated 12.06.2017 & 05.07.2017 (copies enclosed).

3. In this regard, it is relevant to inform that the DPE has issued notification on 03.08.2017 for revision of pay and pay scales w.e.f. 01.01.2017, as per the recommendations of 3rd PRC Pay scales (copy enclosed). It may be seen that replacement scales for existing standard scales only have been notified by DPE. Therefore, continuation of non-standard scales as approved by DOT vide Order dated 28.3.2017 will again create an anomalous situation during the implementation of 3rd PRC w.e.f. 01.01.2017.

4. In view of above, I would request you to reconsider the decision conveyed vide DOT order dated 28.3.2017 and approve the grant of E2 & E3 pay scales in replacement of pre-revised E1A and E2A pay scales for BSNL executives.

Yours sincerely,

[Sujata T. Ray]

To,

Sh. N Sivasailam,
Additional Secretary (T),
Department Of Telecommunications,
New Delhi

पंजीकृत एवं निगमित कार्यालय : भारत संचार भवन, हरीश चन्द्र माथुर लेन, जंनपथ, नई दिल्ली-110001

Bharat Sanchar Bhawan, H.C. Mathur Lane, Janpath, New Delhi-110001

भारत संचार निगम लिमिटेड
दिल्ली-110001, भारत
कार्यालय : +91-11-23372424
+91-11-23372444
E-mail : cndbani@bsnl.co.in
Bharat Sanchar Bhawan, H.C. Mathur Lane,
Janpath, New Delhi - 110 001, India
Phone : +91-11-23372424
Fax : +91-11-23372444
E-mail : cndbani@bsnl.co.in

भारत संचार निगम लिमिटेड
(भारत सरकार का उद्यम)
BHARAT SANCHAR NIGAM LTD.
(A Government of India Enterprises)

अनुपम श्रीवास्तव
अध्यक्ष एवं प्रबंध निदेशक
ANUPAM SHRIVASTAVA
Chairman & Managing Director

D.O. No. 1-13/2015-PAT(BSNL)
Dated: 11th September, 2017

Respected Madam,

I am writing this letter to bring your kind notice an extremely important HR issue of BSNL requiring your immediate attention. The issue concerns DOT's Order dated 28.3.2017 regarding revision of E1A and E2A pay scales for JTOs and SDEs & equivalent executives. On this issue, I have written a detailed letter on 01.05.2017 (copy enclosed) to the then Secretary(T) for reconsideration of DOT's order dated 28.03.2017 and to convey Govt.'s approval for grant of E2 & E3 scales w.e.f. 01.01.2007 in replacement of pre-revised E1A and E2A pay scales for JTOs and SDEs & equivalent executives.

2. It may be seen that as per the DOT's Order dated 28.3.2017, the pre-revised E1A (Rs. 9850-250-14600) and E2A (Rs. 11875-300-17275) scales of BSNL Executives which were originally approved by DOT vide order dated 28.7.2003, have now been ordered to be revised by lower scales of E1 (Rs. 16400-40500) and E2 (Rs. 20600-46500) w.e.f. 01.01.2007. In addition, the intermediary revised scales of E1A (Rs. 18850-40500) and E2A (Rs. 22800-46500) have been allowed *on personal basis* to executives absorbed / appointed / promoted in pre-revised E1A and E2A scales. This settlement of intermediary scales on personal basis is not in accordance with the DPE guidelines dated 09.07.2014.

3. The above order dated 28.03.2017 of DOT is not in accordance with the BSNL's proposal for grant of E2 and E3 scales w.e.f. 01.01.2007 and is clearly in conflict with DPE norms. BSNL has made the proposal for grant of E2 & E3 scales only after DOT and DPE rejected the BSNL's earlier proposal for grant of revised scales corresponding to the intermediary E1A and E2A scales which were introduced in BSNL by DOT. Moreover, grant of lower scales of E1 and E2 would amount to downgrading of the scales of the executives.

4. Further, DPE has issued notification on 03.08.2017 for revision of Pay and Pay scales w.e.f. 01.01.2017 in respect of Board level and below Board level executives of CPSEs as per the recommendations of 3rd PRC. It may be seen that replacement scales for existing standard scales only have been notified by DPE. Therefore, continuation of non-standard scales as approved by DOT vide Order dated 28.3.2017 will again create an anomalous situation w.e.f. 01.01.2017.

5. As you are aware that BSNL is making sincere efforts towards its revival even in the situation of fierce competition from private players. Any attempt towards demotivation of the executive cadres would have severe implications on the company's health. In view of this, I request for your immediate personal intervention for reconsideration of the DOT's order dated 28.3.2017 and convey the Govt. approval for grant of E2 and E3 scales w.e.f. 01.01.2007 in replacement of pre-revised E1A and E2A pay scales for BSNL executives.

With profound regards,

Yours sincerely,

Smt. Aruna Sundararajan, IAS,
Chairman TC & Secretary (T),
Department of Telecommunications,
Sanchar Bhawan, 20, Ashoka Road,
New Delhi - 110 001

[Anupam Shrivastava]

पंजीकृत एवं नियमित कार्यालय : भारत संचार भवन, हरिश् चन्द्र माथुर लेन, जगन्म, नई दिल्ली-110001
Regd. & Corporate Office : Bharat Sanchar Bhawan, H.C. Mathur Lane, Janpath, New Delhi-110001

No. 1-13/2015-PAT (BSNL)

Dated: 06.06.2016

To,

The Joint Secretary(Administration)
Department Of Telecommunications,
Sanchar Bhawan, 3rd floor,
New Delhi-110 001.

Sub: Proposal for grant of replacement scales for pre-revised E1A, E2A pay scales for JTOs, SDEs & equivalent cadres and up-gradation of E3, E4, E5 & E6 scales in BSNL w.e.f. 01.01.2007.

Sir,

Reference is invited to DOT letter No. 61-6/2002 SU dated 28.7.2003 vide which DOT had approved E1A and E2A pay scale for JTO & SDE (and equivalent officers) respectively in BSNL w.e.f. 01.10.2000.

2. Reference is also invited to DOT letter No. 61-01/2014-SU dated 18.7.2014 wherein DOT informed that DOT/ DPE do not agree to introduction of intermediary scale of pay in 2007 pay revision and thus, proposal of BSNL for revised E1A, E2A pay scales w.e.f. 01.01.2007 are not approved.

3. In the absence of DOT approval for revised replacement IDA pay scale for intermediate pay scales and pressing demand of Associations for finalization of revised pay scales w.e.f. 01.01.2007 for pre-revised E1A & E2A pay scales, the Management Committee of BSNL Board has approved replacement of E1A & E2A intermediary pay scales with E2&E3 pay scales w.e.f. 01.01.2007.

4. Replacement of E1A and E2A pay scales with E2 and E3 scales also has implications for already approved E3, E4, E5&E6 pay scales for Sr. SDE, DE, DGM, DGM (selection grade) officers because of the provisions of the Executive Promotion Policy (EPP) which ensures five time bound promotions in a normal span of an executive career, based on the recommendations of the High Power Committee chaired by the then Addl. Secretary(T), DOT. In view of the above EPP provisions, and also as intermediary scales are not allowed by DPE as per their O.M.s dated 02.04.2009 and 24.12.2012 as conveyed in DOT letter dated 18.07.2014 also, Management Committee of BSNL Board has further deliberated over the issue at length and decided to recommend up-gradation of pay scales of E3, E4, E5 & E6 for Sr. SDE, DE, DGM, DGM-SG to E4, E5, E6&E7 respectively w.e.f. 01.01.2007. A brief note explaining the background of E1A, E2A pay scale

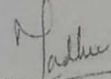
and the administrative need for upgrading the scales from E1 to E6 along with justification therefor is enclosed as Annexure-A & Annexure-B respectively.

5. In pursuance of decision of the Management Committee of BSNL Board, in-principle approval of DOT is requested for -

- (i) Pay scale of JTO & SDE (& equivalent executives) may be revised to E2 and E3 respectively as replacement of pre-revised scale of E1A/ E2A w.e.f. 1/1/2007.
- (ii) The pay scales E3, E4, E5&E6 may be upgraded to E4, E5, E6&E7 w.e.f. 1.1.2007 in respect of cadres of Sr. SDE, AGM, DGM and SG-DGM respectively and appropriate changes may accordingly be approved in the BSNL Executive Promotion Policy.

Encl: Annexure- A & B.

Yours faithfully,



[Madhu Arora]

General Manager (Estt.)

Tel. no. 23734050

Fax. 23734051

Background Note

Annexure-A

1. At the time of incorporation of BSNL, government officers of Department of Telecommunications were transferred in BSNL on as is where is basis w.e.f. 1st October 2000 as per Govt. notification issued by the Secretary (DTS) on 30.09.2000. The terms and conditions offered by Govt. included intermediate pay scales of E1A & E2A to JTO & SDE and equivalent grades on their absorption in BSNL w. e. f. 1st October 2000.

2. DOT vide letter No. 61-6/2002 dated 28.7.2003 (Annexure-I), notified the following IDA Pay scales corresponding to the CDA pay scales w.e.f. 1.10.2000.

S.No.	CDA Scales as on 01.10.2000	IDA pay scales w.e.f. 1.10.2000	Post/Design.
1	6500-200-10500	9850-250-14600 (E1A)	JTO
2	7500-250-12000	11875-300-17275 (E2A)	SDE
3	8000-275-13500	13000-350-18250 (E3)	Sr. SDE
4	10000-325-15200	14500-350-18700 (E4)	AGM
5	12000-375-16500	16000-400-20800 (E5)	DGM

3. Under 2nd PRC, Department of Public Enterprises (DPE) vide its OM dated 26.11.2008 (Annexure-II) notified the revised IDA pay scales from E0 to E9 w.e.f. 01.01.2007 in respect of below Board level Executives of CPSEs. Accordingly, DOT issued Presidential directives for revision of scales vide their letter No. 61-01/2009-SU dated 27.2.2009 (Annexure-III) approving the following revised IDA scale in replacement of existing IDA scales w.e.f. 01.01.2007.

S.No.	Existing	Revised
1	8600-250-14600 (E1)	16400-40500
2	10750-300-16750 (E2)	20600-46500
3	13000-350-18250 (E3)	24900-50500
4	14500-350-18700 (E4)	29100-54500
5	16000-400-20800 (E5)	32900-58000
6	17500-400-22300 (E6)	36600-62000
7	18500-450-23900 (E7)	43200-66000
8	20500-500-26500 (E8)	51300-73000
9	23730-600-28550 (E9)	62000-80000

4. However, revised pay scales corresponding to E1A and E2A pay scales operative in BSNL were not notified by DOT. Since these old pay scales were specially approved by DPE/DOT for BSNL only at the time of absorption, BSNL sent a proposal to DOT on

21
2.1.2009 (Annexure-IV) for the approval of the following revised IDA pay scales corresponding to the old pay scales:

Rs. 9850-250-14600 >> Rs. 18850-40500
Rs. 11875-300-17250 >> Rs. 22800-46500

5. In the Presidential directives issued on 27.2.2009, DOT informed that the proposal of BSNL on E1A, E2A shall be dealt separately. Therefore, BSNL decided to fix the pay of the Executives in pre-revised E1A and E2A provisionally in the revised pay scale of E1 and E2 respectively.

6. In the meantime, on the issue of introduction of intermediary pay scales to correspond with existing pay scales, DPE in its OM dated 2.4.2009 (Annexure-V) conveyed the decision that there will be no change in the ten pay scales of below Board level posts, as indicated in OM dated 26.11.2008 and there is no justification for introducing intermediary pay scales. Further, if there have been any aberrations, they need to be corrected and every officer has to be fitted into the corresponding new scale.

7. As Executive Associations raised demands for settlement of the issue, BSNL requested DOT to again take up the matter with DPE as the E1 and E2A scales had been implemented in BSNL after express approval of DOT. In reply, DOT vide letter No. 61-01/2014-SU dated 18.7.2014 (Annexure-VI), informed that DPE is in agreement with the views of DOT that there is no scope to introduce intermediary scales of pay w.e.f. 1.1.2007 in light of DPE guidelines. In view of the non-approval of revised E1A and E2A pay scales, Management Committee of BSNL Board has approved replacement of pre-revised E1A and E2A pay scales by revised E2 and E3 pay scales w.e.f. 1.1.2007 in respect of JTO and SDE level officers.

8. With the up-gradations of E2A scale for SDE to E3 scale w.e.f. 1.1.2007, both SDE & Sr. SDE will be in same E3 scale. As per the Executive Promotion Policy (EPP) implemented in BSNL after the recommendations by a High Power Committee chaired by the then Addl. Secretary (T), DOT Sh. Y.S. Bhawe, five time bound financial up-gradations from E1A → E2A → E3 → E4 → E5 → E6 have been provided to BSNL executives

Executive Promotion Policy (EPP) – Time bound promotion policy in BSNL			
S.N.	IDA scales w.e.f. 01.10.2000	Revised scales w.e.f. 01.01.2007	Residency period
1	9850-250-14600 (E1A)	Not finalized	4-6 years
2	11875-300-17275 (E2A)	Not finalized	5 years
3	13000-350-18250 (E3)	24900-50500 (E3)	5 years
4	14500-350-18700 (E4)	29100-54500 (E4)	5 years
5	16000-400-20800 (E5)	32900-58000 (E5)	5 years
6	17500-400-22300 (E6)	36600-62000 (E6)	

22

keeping in view the spirit of the EPP to provide time bound financial up-gradation to its executives, Management Committee of BSNL Board has also approved up-gradation of pay scales of Sr. SDE, DE, DGM(selection grade) from E3, E4, E5 & E6 to E4, E5, E6 & E7 pay scale respectively w.e.f. 01.01.2007.

9. On account of up-gradation of Executive pay scales as recommended by the Management Committee of BSNL Board, as per the existing rules/ instructions, there would be additional Pension Contribution payable by BSNL to DOT, which has been estimated to be approximately Rs. 315 Crores for the period from 01.01.2007 upto 31.3.2018. The same will be paid to DOT after the approval of the up-graded pay scales. Further, there will be recurring annual implication of Rs. 27 Crores on account of increase in Pension contribution payable to DOT. Due to up-gradation of these pay scales, there will be additional annual implication of Rs. 38.6 Crores (approx.) on account of increased pay & allowances in respect of directly recruited employees appointed after 1.1.2007 in the grades of JTO/ JAO and DGM. Management has decided that the arrears of pay from 01.01.2007 and up to the date of approval will not be payable. In respect of absorbees, repercussions on account of wages will be nil.

10. As the existing revised scales w.e.f. 01.01.2007 will be replaced by one step higher scales, these scales will be required to be replaced by the up-graded scales in the EPP in terms of approval of Management Committee of BSNL Board as stated in para 8 above, as per following:

S.No.	Post (grade)	Existing scales w.e.f. 01.01.2007	Proposed revised pay scales w.e.f. 01.01.2007
1	JTO	Not finalized	20600-46500 (E2)
2	SDE	Not finalized	24900-50500 (E3)
3	Sr. SDE	24900-50500 (E3)	29100-54500 (E4)
4	AGM	29100-54500 (E4)	32900-58000 (E5)
5	DGM	32900-58000 (E5)	36600-62000 (E6)
6	DGM- SG	36600-62000 (E6)	43200-66000 (E7)

In this regard, it is relevant to inform that the scale of SG-JAG was notified by DOT at the time of absorption of Group 'A' officers initially as Rs. 17500-400-22300 vide DOT letter dated 24.3.2005 (Annexure-VII) but subsequently DOT modified it with the scale of Rs. 18500-450-23900 vide DOT letter dated 26.08.2008 (Annexure-VIII) as under:

DOT letter dated	Grade	CDA Scale in DOT	IDA Scales for BSNL
24.3.2005	DGM-SG	14300-400-18300	17500-400-22300 (E-6)
26.08.2008			18500-450-23900 (E-7)