



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,



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Background Note

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 28.10.2002 (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

9.1.2009 (**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 24.2.2009 (**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. Bhave, 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)	

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 31.3.2016. 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. 17500-450-22300 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)