

Representation against the recommendations of M/s Deloitte

The present sanctioned strength of the Accounts and Finance executives is based on the norms set many decades ago i.e. during 1960's. The powers vested with the Heads of Circles for sanction and creation of the posts up to the cadre of Accounts Officers stands withdrawn during 90's.

Thus it is very clear that the strength of the Accounts and Finance cadres had never been reviewed after formation of BSNL whereas the key responsibility areas has been increased many fold.

At the time of evaluation of norms for Accounts and Finance cadres, only two parameters were taken into consideration viz. number of staff working and number of telephone connections working, for sanctioning of posts of JAO and AO.

It is also to bring to notice that recruitments in Group 'D', Group 'C' and clerical cadres, Junior Accountants etc. have been banned since 1984. The major checking works was being done by the Jr. Accountants/Sr. Accountants and clerical staff posted in the Accounts Sections of each office. Due to ban on recruitment in these cadres, promotions of the staff of these cadres to other cadres, retirements etc., strength of these cadres have been reduced drastically.

To make the things clear we have to understand the changes took place before formation of BSNL and after formation of BSNL till date. For the purpose the below table will certainly make it clear:

S. No.	Key responsibility Area	Pre-formation of BSNL a CPSU	After formation of BSNL but pre ERP	Post ERP (ERP to be implemented)
1	Checking of personnel claims	Checked by clerical staff then by JAO	Checked by clerical staff then by JAO	Being an accounting job cannot be assigned to HR personnel hence, checking by JAO/AO cannot be ruled out.
2	Checking of imprest Accounts of JEs/JTOs/SDEs etc.	Checked by clerical staff then by JAO	Checked by clerical staff then by JAO	Being an accounting job cannot be assigned to HR personnel hence, checking by JAO/AO cannot be ruled out.
3	Maintenance, checking and attestation of Service Books	Entry by Clerical Staff and attestation by JAO	Entry by Clerical Staff, attestation by JAO	Being a Central PSU such duties have been assigned to F&A personnel and should not be assigned to other cadre of executives and in ERP module entry by JAO and Attestation by AO cannot be ruled out.
4	Drawl of Pay and Allowances, calculation of arrears, Maintenance of records thereof.	Preparation by clerical staff, checking by JAO/ AO	In HRMS package and clerical assistance has been reduced but role of JAO/AO remained unchanged. Computerization of activity does not have any impact on checking by JAO/AO signing Pass and Pay Order by AO (Cash)	Being a Central PSU such duties have been assigned to F&A personnel and should not be assigned to other cadre of executives and in ERP module entry by JAO and Attestation by AO cannot be ruled out.
5	Fixation of Pay drawing increments.	Pay fixation is approved by AO only.	Pay fixation is approved by AO only.	Pay fixation should be approved by AO only.
6	Planning, Tendering Work, committees	At each SSA level and AOs/CAOs at Circle Head quarters were sanctioned by DoT Head Quarter.	Maximum of the services are provided through AMC and or Revenue Sharing basis. Accounts personnel have a vital role right from start of proposal for planning and tendering to finalization of tender and payment to contractor/vendor and accounting thereof availing Cenvat credit for	Post ERP the role of Accounts personnel cannot be ruled out, but the same has not been taken into consideration by M/s Deloitte

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			Revenue sharing services.	
7	Various Audit related works	Pre BSNL only Inter Check and P&T Audit were conducted and the work was minimum	After formation of BSNL so many audits like Internal Audit, Statutory Audit, Branch Audit, C&AG Audit, Tax Audit, Cost Audit etc. have been introduced. The responsibility of these audits lies on the JAOs/AOs/CAOs/DGM etc.	Post ERP the role of Accounts personnel cannot be ruled out, but the same has not been taken into consideration by M/s Deloitte
8	Financial Advice	Being a Govt. Department each and every proposal having financial implication need financial advice of an Account & Finance personal just below the rank of the authority having powers to approve the proposal.	Same practice has continued in BSNL being a Central Government of India PSU.	After ERP there will be no change in the present practice for which Finance & Account personnel of appropriate level is required to be posted as Internal Financial Advisor. This aspect has not been taken into the consideration by M/s Deloitte. It has been seen in the report that equal number of posts of GMs/DGM/CAOs has not been proposed for IFA.
9	Issue of Cheques	Single signing authority i.e. only AO (Cash)	Dual signing authority i.e. AO (Cash) and IFA or DGM	Dual signing authority concept will have to be continued for which sufficient F&A executives will be required.
10	Maintenance of collection accounts and Reconciliation of Bank balances.	There had been a single account in single bank at SSA Head quarter too, with remittance and drawing facility and only one account required to be reconciled.	After formation of BSNL multiple accounts in multiple banks at multiple stations have been opened which are having direct payment through RTGS, ECS etc. facilities. Each and every transaction requires immediate reconciliation and incorporation in multi accounting systems like Cash and Bank books CDR system etc, that too manually.	The same procedure has to be followed. The number of Area office have been proposed to be centralized but the remittance accounts will still remain at various stations beside the Area Offices and at various banks and likely to be increased many fold for better customer satisfaction. For maintaining the customer satisfaction to the highest level billing complaints cannot be centralized for which Accounts personnel at field offices are very much essential and the post of JAOs/AOs and CAOs cannot be curtailed. This aspect has not been taken

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				into consideration by M/s Deloitte.
11	Preparation and maintenance of various Schedules	Limited schedules were required to be prepared and maintained and reconciled.	After formation of BSNL so many schedules of loans and advances, deduction of taxes, availing of Cenvat credit. EPF GPF, Sales Tax, Service Tax and other taxes and levies etc., are required to be maintained which requires proper checking and time devotion of reconciliation thereof. Extra Accounts personnel of CAO/DGM level also required for annual assessment of various tax authorities.	Various Tax Audit and Annual assessment is a statutory requirement for which sufficient DGMs/CAOs/AOs are invariably required. This aspect has not been taken into consideration.
12	Physical verification of assets	None of this activity was being done and no Account personnel engaged in such jobs.	In the company set up each and every asset either in use or obsolete has to be verified physically and one Executive of AO and CAO level in invariably to be associated with the job for which no norms/ standards have yet been set.	This aspect has not been taken into consideration.
13	Fare Rent Assessment Committees	None of the business involved Finance personnel.	Involvement of one Finance personnel of at least AO/CAO level is necessary for which he has to visit the locality at out station also to ascertain the fair rent and make its recommendation	This aspect has not been taken into consideration.
14	Recovery of old outstanding telephone revenue	Telephone connections were less in numbers with no competition and hence defaulters were also very few.	After formation of BSNL and licenses to other private operators the number of defaulters have been increased many fold. Collection of details of whereabouts issuing notices, personal visits, and pursuance for recovery has become a tremendous task with limited resources.	The recovery of outstanding dues is also an important aspect for the good health of a company. Recovery of outstanding dues is as good as income and this aspect has not been given due weight age in the report of M/s Deloitte. For this an important minimum three JAOs, Two AOs and One CAO pursuit is required in each SSA/Proposed Area Office.
15	Customer grievances redressed	Being limited products and plans customer grievances were few.	In the changed scenario customer grievances were grownup and those too though related to commercial branches, but ultimately reflect in the billing and at the first instant the customer approaches to AO (TR) for them he had to provide volume of time.	This aspect has not been taken into consideration.
16	Telephone bill Payment updating	There were only limited payment centers either DoTs own payment collection centers at SSA Head quarters or	Now a day's so many payment channels are available at various stations in an SSA. Some of them are on line and others are offline. Customer is having facility to pay their bills through online portals, RTGS, ECS and direct cash/cheque payment in BSNL's Accounts at other SSAs also.	This aspect has not been taken into consideration. Minimum one post of JAO and one Post of AO should be sanctioned in each SSA/Area Office and

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		at Post Offices only. Offices.	Identification of such payments received directly in BSNL's Account is a tremendous task and has to be done manually for which BSNL Head Quarter has sanctioned post of AOs/JAO at Circle Head Quarters and in some selected SSAs.	Two posts of JAOs, one post of AO and one post of CAO should be sanctioned in each Circle Office on positional basis.
17	Reconciliation of payment collected through various payment channels and amount incorporated in the customer's accounts and amount actually received.	Being limited payment channels the work was being coupe up to some extent.	Reconciliation cannot be done through any software and is being done manually. Keeping in view sufficient Accounts personnel has to be deployed.	One post of JAO (Bank reconciliation should be sanctioned in each SSA/Area Office and On and one CAO at Circle Headquarter.
18	Court and Consumer Forum cases and arbitration cases.	Being minimum number of cases the work is being managed by the existing fleet of Accounts personnel.	After formation of BSNL a company each and every Govt. Department imposes undue disincentives on BSNL. Maximum private operators and customers uses to go to litigation in various courts of law including Consumer Forums/tribunals/arbitrators for so many reasons for which the cases needs proper defense. Most of the cases are related to TR and needs defense by Accounts personnel.	This aspect has not been taken into consideration.

With reference to the recommendations of M/s Deloitte Consultant, and the feedback asked from Associations, it is submitted that on a through scrutiny of recommendations of the consultant, it is submitted that in respect of Account personnel, it has been observed