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

Sanchar Bhawan, New Delhi-110001 Dated 18<sup>th</sup> May, 2017

To

The Chairman & Managing Director Bharat Sanchar Nigam Limited Bharat Sancahr Bhawan, Janpath New Delhi-110001

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

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Sir,

I am directed to refer to your letter No. 1-13/2015-PAT (BSNL) dated 1<sup>st</sup> May, 2017 on the above mentioned subject and to request that in order to further examine BSNL proposal, the following information may be provided:

(i) As per 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 for approval.

The net loss of BSNL for the years 2012-13, 2013-14, 2014-15 and 2015-16 are Rs.7884.44 Cr., Rs.7019.76 Cr., Rs.8842.64 Cr. and Rs.3879.92 Cr. respectively. As per projected balance sheet, BSNL will incur loss in 2016-17. Further, as per reports, due to present situation in the telecom sector, most of the telecom service providers are likely to incur losses in current financial year 2017-18 too.

BSNL may provide details of total financial outgo on account of increase in pension contribution, pay and allowances to be paid to direct recruited employees appointed after 01-01-2007 and the pension arrears to be paid from 01-01-2007 to 31-12-2016.

Since BSNL proposal of 01-05-2017 has a financial implication, therefore, how the proposal will be affordable in light of continuous losses for last number of years and how BSNL proposes to meet this from its own resources.

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(ii) The details of direct recruit executives in BSNL at every grade from E1 to E9 may be provided for every year from 01-01-2007 onwards. Similar details may be provided for DoT absorbed executives. These details should include percentage of salary paid and the amount paid in each grade.

(iii) The details of total number of executives who are covered by the DoT order dated 28.03.2017 may be provided. These details may be provided for each scale.

(iv) BSNL may clarify how the DoT order dated 28.03.2017 will adversely affect retention of existing talent and attracting fresh recruitment in BSNL.

(v) As per BSNL letter no 1-13/2015-PAT(BSNL) dated 06-06-2016, the Management Committee of BSNL Board had recommended up gradation of pay scales of E3, E4, E5 and E6 for Sr. SDE, DE, DGM, DGM -SG to E4, E5, E6, and E7 respectively w.e.f. from 01-01-2007. It may be clarified whether the proposal stands withdrawn in light of letter dated 01-05-2017.

(vi) As per the proposal in letter dated 01-05-2017, E2A will be replaced with E3 scale and similarly for E1A to E2 scale. It may be clarified whether such proposal is in line with the BSNL Executive Promotion Policy (EPP) as it is possible that with such replacement, some executives may be upgraded without requisite period of service in the scale. The likely legal and administrative issues which may arise may be examined and how these will be addressed may be informed.

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(vii) In DoT orders dated 28-07-2003 and 27-02-2009 there has been no mention of designation while the proposal of BSNL has linked designation with grade. It may be clarified whether the same designation is being used for executives in different grades. If yes, details of all such designations with their corresponding grades and present strength may be provided.

2. You are requested to provide details on the above issues for further examination of the matter.

Yours faithfully,

19/5/1-(Pawan Gupta) Director (PSU-I) Tel. 2303 6019