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105 ANNEXURE VI

# ALL INDIA BHARAT SANCHAR NIGAM LIMITED EXECUTIVES' ASSOCIATION

CENTRAL HEADQUARTERS  
NEW DELHI

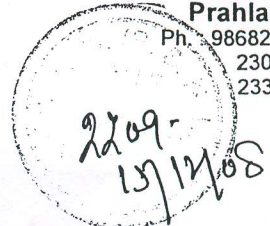


President  
**K. Satyanarayana**  
Ph 23734221 (O)  
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**G.R. Sharma**  
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डा.सं. 342 सं. एवं सू. प्रौ. मंत्री/अति. नि. सं./सामान्य/2008  
Dy. No. MOC&IT/Addl. PS/Gen/2008  
12/12/08



No. AIBSNLEA/Minister HI/2008-09

Dated 2<sup>nd</sup> December 2008

To,

CMD, BSNL

✶ Shri Santosh Mohan Dev  
Hon'ble Minister of Heavy Industries,  
Govt. of India,  
NEW DELHI-110001

सुप्रीम  
11.12.08  
Addl. PS to MOC & IT

9/12/08  
15/12/08  
OIP (H/P)  
G.M. (SR)  
G.  
16/12

**Sub: Govt.'s decision on 2<sup>nd</sup> Pay Revision Committee for Executive and Non-Unionized Supervisors of CPSEs-regarding**

Sir,

The Govt. of India had set up the second Pay Revision Committee under the chairmanship of Hon'ble Justice M J Rao (Retd) to recommend the revision of pay scales for the Executives and non-Unionized supervisors of CPSEs w.e.f. 01.01.2007 with a view to motivate Executives in CPSEs for achieving excellence in performance and higher productivity, resulting into improved quality of service, customer satisfaction and greater revenues for the CPSEs. Executives in Central PSUs were recommended by 2<sup>nd</sup> Pay revision Committee with adequate pay packages and benefits to retain and attract the best talent to join CPSEs. The 2<sup>nd</sup> Pay Revision Committee recommended in May 2008 to classify PSUs into five categories – A+, A, B, C and D with different pay scales for each category based on profit making and performance. The Hon'ble Justice Rao Committee submitted its recommendations to the Govt. in May 2008 after lot of spade work granting interviews to Associations and CPSEs Managements through presentations, analyzing the whole situation and on justified grounds submitted its recommendations to Govt. for implementation. The Cabinet relied on the committee of Secretaries recommendations to classify PSUs into four categories – A, B, C and D instead of five categories – A+, A, B, C and D recommended by the Rao committee. The committee of Secretaries has recommended new grades to CMDs/Directors based on four categories CPSUs –

A, B, C and D but below Board level Executives and non-unionized Supervisors have been recommended the pay scales recommended for category 'D' Enterprises instead of A+, A, B, C and D category Enterprises. The acceptance of the recommendation of the CoS granting lower pay scales uniformly to all the CPSEs, clubbing them in single bracket, by the Government has caused widespread resentment among the Executives. It will certainly demotivate the Executives and non-unionized Supervisors in profit making CPSEs of categories A+, A, B C and D and also discourage best workforce to join the higher category of CPSEs.

At the time of absorption of Group 'A' and "B" officers of DOT into BSNL, intermediate pay scales were granted to the JTO/SDE and equivalent officers instead of standard pay scales. The JTOs were granted E1+ pay scale whereas SDEs were given E2+ pay scales ignoring the demand of the Associations. But the BSNL Management assured that the JTO/SDE equivalent Executives will be granted standard pay scales i.e. E2 and E3 while implementing 2<sup>nd</sup> Pay Revision Committee recommendations. This anomaly should be removed now in order to give justice to the above category of Executives. Secondly it may not be out of context to point out that the senior officers in BSNL/DOT are getting the pay scales equivalent to Addl. Secretary to the Govt of India but no such pay scale has been recommended for HAG level officers who have already taken absorption in BSNL i.e. E-10. In addition to this, the E-7 category Executives will draw lower pay than their counter parts in Govt. set up. These officers need to be given proper pay scales.

In view of above facts, it is requested that :

1. Standard pay scale of E-2 may be granted to JTOs /equivalent and E-3 for SDE/equivalent executives in BSNL and E-4 onwards pay scales to the higher categories as already available in all other CPSE's to the equivalent level Executives.
2. E-10 pay scale as recommended by Rao Committee for A+ category may be approved for HAG level officers.
3. Improved pay scale of E-7+ may be granted for NFSG JAG level officers.
4. Higher pay scales for A+ companies as recommended by Justice Rao Committee.
5. Annual rate of increment as 4% of Basic Pay as recommended by Justice Rao Committee.
6. Minimum fitment benefit @ 42% of pre revised Pay (Basic+ DA) as recommended by Justice Rao Committee.
7. Effective date of payment of HRA, all the perks and allowances must be from 01.01.2007 as recommended by Justice Rao Committee.
8. Withdrawal of Gratuity ceiling in line with the recommendation by Justice Rao Committee.
9. Retirement benefit @ 30% of basic pay and DA instead of 30% of Basic pay
10. Additional fitment for the Executives' of A+ PSUs, where the rate of annual increment as 4% was not implemented w.e.f 01.01.1997


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We would, therefore request you to kindly retake up the issue with cabinet so that profit making CPSUs as Categorized by Hon'ble Justice Rao's Committee recommendations are implemented, which will certainly motivate the Executives and non unionized Supervisors of the profit making CPSUs and will stop brain drain. It will also avoid the industrial unrest in BSNL.

With kind regards,

Yours sincerely,

  
2/12/07.  
(Prahlad Rai)

General Secretary

Copy to:-

1. Shri Man Mohan Singh Hon'ble Prime Minister of India New Delhi
- ✓ 2. Shri A. Raja Hon'ble MoC& IT, Govt. of India New Delhi
3. Shri Jyotiraditya M. Scindia Hon'ble MoSC & IT, Govt. of India New Delhi
4. Shri Siddhartha Behura, Secretary (Telecom) Govt. of India, New Delhi
5. Shri R. Bandopadhyay, Secretary (DPE), Govt. of India, New Delhi
6. Shri Kuldeep Goyal, CMD BSNL, New Delhi