

# BSNL EMPLOYEES UNION

**Recognised Union In BSNL**

(Registered Under Indian Trade Union Act 1926. Regn.No.4896)

CHQ:Dada Ghosh Bhawan, Opp. Shadipur Bus Depot., New Delhi – 110008

Email: [chqbsnleu@sify.com](mailto:chqbsnleu@sify.com), website: [bsnleuchq.com](http://bsnleuchq.com)

V.A.N. Namboodiri  
General Secretary

Phone: (O) 011-25705385  
(R) 011- 23342848  
Fax: 011- 25894862

BSNLEU/400 (Wage)

21.11.2009

To

Shri S.R. Kapoor,  
Executive Director (Finance), BSNL,  
& Chairman, Wage Negotiation Committee,  
Bharat Sanchar Bhawan,  
New Delhi – 110 001

Sir,

Sub:-**Multiplication factor and span for deciding the minimum and maximum in the revised pay scales - req.**

This is with reference to the proposals of the official side on the above subject in the Wage Negotiation Committee meeting held on 19-11-2009. In this meeting the official side proposed as below, on the above two issues:-

**a) Multiplication Factor**

Since the minimum pay proposed by the management in the revised pay scales for executives in BSNL at E1A scale level Rs.18850/- was 1.91 times of the minimum Rs 9850/- of the pre-revised E1A scale, the same multiplication factor was to be applied for deciding the minimum of the revised pay scales of non-executives. This was based on the limitation factor that the maximum pay scale eligible for non-executives as per the new promotion policy was equal to E1A pay scale (9850-250-14600) and therefore the revised minimum of this scale should not exceed the revised minimum of the E1A pay scale.

**b) Span of the revised pay scales**

Since as per the new promotion policy agreement the non-executives would get promotion on completion of 4-8 years of service in a particular IDA scale, the span of the pay scales could be reduced in order to reduce the maximum of the scale so that the expenditure for BSNL on account of pension contribution would be less.

In this meeting we have discussed based on our views on the above issues. However, we are submitting below our points on these issues, for your consideration:

**a) Multiplication Factor**

It is not necessary that the minimum of the pay scale of non-executives should not be more than the minimum of the pay scale of executives. In several PSUs, the minimum of some non-executive pay scales are more than the minimum of the executive pay scales. For example in the pay scales that came into effect from 1-1-1997 in case of ONGC, the minimum pay in the E0 was Rs 10750 and in E1 it was 12000 where as in non-executive S-2 it was 11400 and in non-executive S3 it was 13070.

Even in case the multiplication factor of not more than 1.91 is necessary to be applied for the 9850-250-14600 pay scale, it is not necessary to apply the same factor for all other scales NE-1 to NE-12. For the NE-1 to NE-12 scales, a multiplication factor more than 1.91 can be applied, provided the minimum in the revised pay scale will be less than the Rs.18850/- given for executives.

In the exploratory meeting of the wage revision committee held on 11-1-2008, in the presence of Director (HRD), the management side said that as far as possible, the multiplication factor based on the report of the Sixth Pay Commission would be kept in view while deciding the multiplication factor for the wage revision of BSNL Employees. As per the orders issued by the Government for revising wages of Central Government employees based on Sixth Pay Commission recommendations, the minimum pay was revised from Rs.2550 to Rs.5740, an increase of 2.25 times. Therefore this multiplication factor has to be applied in deciding the minimum of the revised pay scales.

With 30% fitment benefit on pay+68.8% DA, the pay of the official appointed as RM on 1-12-2006 at Rs 4000/- minimum pay in the RM pay scale will be revised to Rs.8780/- where as for the RM recruited on or after 1-1-2007,(say on 1-2-2007) the minimum pay in the revised pay only will be given and with 1.91 multiplication factor, it will be Rs.7640/- only and such a discrimination between those recruited before 1-1-2007 and those recruited on or after 1-1-2007 is untenable as per the article 14 of the Constitution. Both these officials were at Rs.4000/- minimum pay as on 1-2-2007 and in the case of such two officials who are at the minimum of the pay scale at a particular date, it will be arbitrary to discriminate between them in the name of pay revision. BSNL, as an instrument of the State is bound by the Article 14 of the Constitution which prevents such arbitrariness and prescribes fairness in the action of the State. Therefore it will be legally not proper to create such discrimination. Hence the multiplication factor for arriving at the minimum of the revised pay scale should be such that there is no such discrimination between the officials recruited before and after 1-1-2007.

#### **Span of the revised pay scales:**

At present the span of the existing pay scales is 15 years. But even with this 15 years span, there is the problem of stagnation in certain pay scales.

#### **1. Some concrete cases are submitted below as examples in this regard:-**

- a) A Group D official in 4100-125-5975 reached maximum of the pay scale in 2003. As per the new promotion policy he will get promotion on 1-10-2004 to the next higher scale 4250-130-6200 and will be fixed at the maximum of this scale i.e 6200 again. On completion of two years he will get one stagnation increment and hence will be at Rs.6330/- on 1-10-2006. Hence on 1-1-2007 he will be at 6330/-. As per the 30% fitment formula on pay+68.8%DA, his pay in the revised pay scale will be fixed at Rs.13890/-. In case the revised equivalent scale starts with the minimum equal to prerevised minimum of the pay+68.8% DA on it plus 30% on this pay+68.8%, and then with 3% annual increment on basic pay for 20 years, the revised pay scale will be 9330 -16950/-. Thus with 20 years span with a minimum of the pay arrived on the basis of the multiplication factor 2.195 (based on the 30% fitment formula), this official will reach 13890 on 1-1-2007. On 1-10-2011 he will be at Rs.16120/- in this scale. Again on 1.10.2011 he will get another promotion as per new promotion policy in the scale equivalent to the present 4550-6650 pay scale, which will be equal to 9990 -18130 based on the above said multiplication factor of 2.195 and span of 20 years and he will be fixed at Rs.16610/- whereas the maximum is Rs.18130/- only.

In case the management side suggested pay scales are taken into consideration based on 1.91 multiplication factor, the officials would reach stagnation and it will not be possible even to fix them in the revised pay scales, as detailed in the following examples:

- i) Case of Sri JUDHISTIR HALDER, R.M., HR No. 199506225, Calcutta Tele. Month of appointment in regular Group-D post from TSM – March 1995(Initially appointed as Chowkidar, subsequently converted as Regular Mazdoor with Date of Increment on 1<sup>st</sup> October)

Existing Basic Pay in NE-1 Scale of 4000-120-5800:

01.10.2004	Rs. 5320
01.10.2005	Rs. 5440

01.10.2006	Rs. 5560
01.10.2007	Rs. 5680
01.10.2008	Rs. 5800
01.10.2009	Rs. 5800 (Stagnation)

*OTBP (16 yrs) is due only in 2011.*

Revised Basic Pay on 01.01.2007:  $5560 \times 2.1944 = 12201 > \text{Rs. } 12210$

*N.B. Maximum proposed by management in Revised NE-1 Scale – Rs. 11100*

Effect of New Promotion Policy:

Notional fixation on 01.10.2004 in NE-3 (4100-125-5975) Scale under FR-22(1)a(i) – Rs. 5475.

01.10.2005	Rs. 5600
01.10.2006	Rs. 5725
01.01.2007	Rs. 5725 (existing) > Rs. 12570 (revised)
01.10.2007	Rs. 12950 (revised)
01.10.2008	Rs. 13340 (revised)
01.10.2009	Rs. 13740 (revised)

*N.B. Maximum proposed by management in Revised NE-3 Scale – Rs. 11350*

*Next up gradation is due in October 2011.*

Where the revised pay of the official will be fixed?

ii) Case of Smt. Srabani Sengupta, Sr.TOA(P), HR No. 197907929, Calcutta Tele. Month of appointment as Telephone Operator – June 1979.

Promoted to Sr. TOA(P) – 1996.

OTBP (16 yrs.) – July 1995 (IDA Scale NE-9 ; 7100-20-10100)

BCR (26 yrs.) – June 2005 (NE-10 ; 7800-225-11175)

Basic Pay:

01.06.2004	Rs. 8500 (NE-9)
01.06.2005	Rs. 8700 (NE-9)
Rs. 8925 [NE-10 on fixation under FR-22(1)a(i)]	
01.06.2006	Rs. 9150 (NE-10)
01.06.2007	Rs. 9375 (NE-10)
01.06.2008	Rs. 9600 (NE-10)
01.06.2009	Rs. 9825 (NE-10)

Official did not get Grade-IV (NE-11)

Revised Pay:

01.01.2007	Rs. 20080 (Revised NE-10)
01.06.2007	Rs. 20690 (Revised NE-10)
01.06.2008	Rs. 21310 (Revised NE-10)

01.06.2009 Rs. 21950 (Revised NE-10) #

*N.B. Maximum proposed by management in Revised NE-10 Scale – Rs. 21650*

Effect of New Promotion Policy:

Notional fixation on 01.10.2004 in NE-10 (7800-225-11175) Scale under FR-22(1)a(i) – Rs. 8925.

01.10.2005	Rs. 9150 (Existing NE-10)
01.10.2006	Rs. 9375 (Existing NE-10)
01.01.2007	Rs. 9375 (Existing NE-10) Rs. 20580 (Revised NE-10)
01.10.2007	Rs. 9600 (Existing NE-10) Rs. 21200 (Revised NE-10)
01.10.2008	Rs. 9825 (Existing NE-10) Rs. 21840 (Revised NE-10) #
01.10.2009	Rs. 10050 (Existing NE-10) Rs. 22500 (Revised NE-10) #

# Stagnation.

N.B. Next up gradation is due in October 2011 only

iii) Case of Sri Mihir Kr. Dasgupta, T.I. Gr.-IV, HR No. 197409231, CTD

Month of appointment as Telephone Inspector – August 1974  
OTBP (16 yrs.) – January 1991  
BCR (26 yrs.) – January 2001  
Grade-IV (10%) – July 2003

Date of increment remains constant on 1<sup>st</sup> August.

*N.B. There is no scope of any benefit under New Promotion Policy, since date of retirement is on 31<sup>st</sup> May 2011.*

Basic Pay in existing NE-11 Scale:

01.08.2006 Rs. 12000  
01.08.2007 Rs. 12245  
01.08.2008 Rs. 12245 Stagnation  
01.08.2009 Rs. 12490 Stagnation Increment

Deemed Basic Pay in Revised NE-11 Scale on the basis of Conversion Factor:

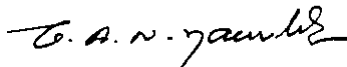
01.01.2007 Rs. 26340 #  
01.08.2007 Rs. 27130 #  
01.08.2008 Rs. 27950 #  
01.08.2009 Rs. 28790 #  
01.08.2010 Rs. 29660 #

N.B. All these stages are much higher than maximum of revised NE-11 scale proposed by the management i.e. Rs.23750

Therefore it is necessary to have the multiplication factor of atleast 2.195 for deciding the minimum of the revised pay scale and a span of 20 years for the revised pay scales so as to provide justice in deciding the revised pay scales and to avoid stagnation problem. It is further requested to provide stagnation increment every year. In this connection it is not out of context to remind that span of the JTO & other executives revised pay scale was about 26 years.

It is requested to consider all these aspects while discussing the above issues.

*Yours Sincerely,*



**(V.A.N.NAMBOODIRI)  
GENERAL SECRETARY**