



**ALL INDIA  
BHARAT SANCHAR NIGAM LIMITED  
OFFICERS' ASSOCIATION**

CORPORATE OFFICE CIRCLE, NEW DELHI

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No. AIBSNLOA/CO/2009/3  
To,

Dated 9<sup>th</sup> March, 2009

The Chairman-cum-Managing Director,  
BSNL,  
New Delhi.

**Subject: Anomaly likely to arise on implementation of Office Order No. 1-50/2008-PAT(BSNL) dated 5<sup>th</sup> March in terms of DPE OM No. 2 (70)/08-DPE (WC) dated 26.11.2008 due to lack of option to avail revised pay scales from date of promotion -- regarding**

Respected Sir,

We are constrained to draw your attention to certain incongruous situations that are sure to arise, in view of the **fitment formula** given for the revision of pay scales for Board Level and Below Board Level executives -- by DPE and adopted by BSNL, in respect of those executives who have been promoted between 1.1.2007 and 26.11.2008 i.e. date of revised pay scales in case of above said S.O.

The conspectus of pertinent modalities in above said OM of the Department of Public Enterprises is as given below:-

1. A fitment benefit @30% on basic pay plus DA@ 68.8% as on 1.1.2007 for all executives has been provided.
2. The method of pay fixation on promotion has been prescribed to be as "one notional increment equal to the increment being drawn by the executive in the pay scale, before such promotion would be granted and pay fixed in the promoted pay scale and rounded off to the next multiple of Rs. 10<sup>00</sup>".
3. With the introduction of revised pay scale 100% DA neutralization is to be adopted from 1.1.2007.
4. The pay scales of non-executives are to be decided by the respective managements of the CPSEs (para 15)
5. In case any anomaly is seen the same should be forwarded with the approval of the Board of Directors to the administrative Ministry/Department who will examine the same and dispose off the issue (para 18).

Assuming that the fitment formula for non-executives would be at best the same as is for executives, we have to bring to you notice that in certain cases when the above modalities are translated into figures, for executives who have been promoted between

1.1.2007 and 26.11.2008, the same would defeat the very purpose of revision of pay and lead to an incongruous or anomalous position. Two illustrations showing the reasons for this incongruous position are enumerated in the annexure.

On going through the illustrations, it is clear that if the pay scale ordered by DPE is adopted the promoted officials will be put to a loss of approx. Rs. 1680/- per month and be subjected to a recovery exceeding Rs. 10000/-. Instead of getting arrears of salary they will be subjected to recovery of money which is definitely not the purpose for the revision of pay scales.

While it is not possible at this stage to provide an exhaustive list of all such anomalies arising out of the implementation of revised pay scales, you will appreciate that other such situations will definitely exist especially in cases where upgradations have been given under the Executive Promotion Policy during the period between 1.1.2007 to 26.11.2008 and for officers who had drawn increments in the period between 1.1.2007 to 31.12.2007. The reason for such incongruous situations is the relationship between the fitment formula and DA neutralization that takes effect from

A perusal of Rule 5 of the CCS (Revised Pay) Rules, 2008 reveals that this problem has been solved by the Central Government by giving an option for the Government servant to elect to switch over to the revised pay structure from the date of such promotion, upgradation etc.. Such an option gives the executives an opportunity to take judicious and informed decision in view of the notification for revised pay scales.

We therefore, request to kindly take a decision to allow option in such genuine cases and simultaneously take up the matter with DPE, so that the pay revision does not become a cause of heartburn for certain sections of Executives.

With regards,

Yours sincerely,

*V.S. Raghavan*  
(V.S. Raghavan)  
Circle Secretary

Copy to :

1. Shri Gopal Dass, Director(HRD), BSNL,
2. Shri D. P. De, GM(Esn), BSNL CO

Annexure

Illustration No. 1.

"X" and "Y" who are in the pay scale of Rs. 5700-160-8100 (and have drawn 6 increments) are promoted on 1.1.2007 to the pay scale of Rs. 9850-250-14600/- by virtue of having qualified in a competitive exam prescribed under the RRs. "X" who is junior to "Y" (by virtue of having obtained a lower rank) joins in his post on 1.1.2007 and "Y" joins on 2.1.2007 due to reasons of public interest. In terms of FR-17 (1) "X" will start drawing his pay in the promoted post from 1.1.2007 and "Y" from 2.1.2007. The below given table will throw light on the actual salary that both the executives would have drawn and the pay that they are likely to get on the revised pay scales.

Date	Pre revised Scale i.e actually drawn (BP-9850/- + DP 4925/- + 2778/- DA)	Fixation as per fixation procedure (Basic Pay + DA)	Remarks
1.1.2007	17553/-	21620/-	
2.1.2007	17553/-	16400/-	Senior will be drawing less pay than the junior to the tune of Rs. 3220/- in basic pay.

To further illustrate, presuming all the above service conditions are the same and if X and Y are JTOs and are promoted as SDE's then the following will be the pay that they would have drawn and the pay that they are likely to get in the revised pay scales.

Date	Pre revised Scale i.e actually drawn (RP 11875/- + DP 5938/- + 3349-DA)	Fixation as per fixation procedure	Remarks
1.1.2007	21162/-	26060/-	
2.1.2007	21162/-	25660/- (24910 + one notional increment)	Senior will be drawing less pay than the junior to the tune of Approx. Rs. 500/- in basic pay.

From the above two tables, it will be clear that an anomaly of senior drawing lesser pay than the junior will be created. Even assuming that X is senior to Y, then also an anomaly will be created to the extent that an executive who has joined one day later in his promoted post (due to public interest) will suffer a life long loss financially in the Basic Pay itself. To put it in other words, there will be a conflict between the provisions of FR-17 (1) and the pay fixation method.

**Illustration No. 2- Pay fixed after revision of pay scales lesser than what was actually drawn:-** This incongruous situation also rears its head in cases where promotions have been effected between 1.1.2007 to 26.11.2007.

20 UDCs in the pay scale of Rs. 5700-160-8100/- have been promoted to the post of Assistants in the pay scale of Rs. 9350-250-14600/- in BSNL CO w.e.f. 17.5.2008. As per the fitment formula, the amount that most of these officials will be drawing is given below:-

Date	Pre revised Scale i.e. actually drawn	Fixation as per fitment procedure	Remarks
17.5.2008	19119/- (9850/- BP + 4925/- DP + 3344/- DA)	17433/- i.e. the minimum of the pay scale of Rs. 16400-40500/- plus DA @ 1033/-	Pay would have been reduced by an amount of approx. Rs. 1686/- per month.

Similar is the case of many Steno Grade D officials promoted as PA's in the BSNL CO in November, 2007, whose cases are also illustrated below:-

Date	Pre revised Scale i.e. actually drawn	Fixation as per fitment procedure	Remarks
1.12.2007	18617/- (9850/- BP + 4925/- DP + 3842/- DA)	17089/- (16400-Basic Pay in the new scale and 689/- DA).	Reduction in pay to the tune of Rs. 1500/- per month.