

## 1. INTRODUCTION AND BACKGROUND

- 1.1 After formation of BSNL, IDA pay scales were introduced w.e.f. 1.10.2000 as per BSNL order no. BSNL/26/SR/2002 dated 07/08/2002 which were effective for the period ending 31.12.2006. After the expiry of this period, the next pay revision fell due from 1.1.2007. DPE vide its OM No. 2(7)/2006-DPE (WC)-GL-XIV dated 9.11.2006 conveyed the guidelines of the Govt. for the commencement of wage negotiation by the Managements of CPSEs with the trade unions.
- 1.2 Further, DPE vide its OM No. 2(7)/06-DPE(WC)-GL VI dated 1.5.2008 conveyed the decision of the Govt. that the validity of wage settlement could be for a period less than 10 years but not less than 5 years and the other provisions of the guidelines dated 9.11.2006 will continue.
- 1.3 BSNL Employees Union being the majority representative union of BSNL had submitted their charter of demands vide letter dated 3.9.2008 requesting BSNL Management for the revision of pay and allowances and other related benefits to the non-executives effective from 1.1.2007.
- 1.4 DPE vide its OM No. 2(70)/08-DPE (WC) dated 26.11.2008 issued orders for pay revision of executive employees of CPSUs. In pursuance of Presidential Directive issued by DoT vide its order no. 61-01/2009-SU dated 27.02.09, pay of executives was revised from 01.01.07, and HRA and other allowances were revised w.e.f. 27.02.09 i.e. the date of issue of Presidential Directive.
- 1.5 Wage Revision Committee with representatives from recognised union and management side was formed by BSNL vide order dated 19.12.2006, which was reconstituted on 05.03.2009 & 10.08.2009 with change of members/ chairperson. The recommendations on wage revision were finalized after detailed discussions in a series of meetings of this committee. The recommendations of the Wage Revision Committee are as contained in the following paras.

*[Handwritten signatures and dates]*  
15/1/10  
15/7/11

## 2. TERMS OF SETTLEMENT

- 2.1 This settlement will be applicable to non-executives who were on the rolls of BSNL as on 1.1.2007 including those non-executives who are presently drawing executive pay scales due to grant of ACP. It will also be applicable to non-executives who have subsequently joined the Company. The non-executives drawing executive pay scales on adhoc/officiating basis, according to post based promotion, will be eligible for perks and allowances as per the rates given to executives for the period of such adhoc/officiating arrangement.
- 2.2 Wages under this settlement shall be effective from 1<sup>st</sup> January 2007. The staff side had demanded five years periodicity of wage revision whereas the management side offered periodicity of ten years. After detailed discussion it was finally agreed that duration of wage revision of non-executives will be co-terminus with that of executive employees of BSNL.

## 3. WAGE STRUCTURE

### 3.1 Scales of Pay for Non-executives

Sl. No.	Grade	Existing IDA pay scales(Rs.)	Recommended pay scales(Rs.)
1	NE1	4000-120-5800	7760-13320
2	NE2	4060-125-5935	7840-14700
3	NE3	4100-125-5975	7900-14880
4	NE4	4250-130-6200	8150-15340
5	NE5	4550-140-6650	8700-16840
6	NE6	4720-150-6970	9020-17430
7	NE7	5700-160-8100	10900-20400
8	NE8	6550-185-9325	12520-23440
9	NE9	7100-200-10100	13600-25420
10	NE10	7800-225-11175	14900-27850
11	NE11	8570-245-12245	16370-30630

*Handwritten notes:*  
- 2 n. 7 amb  
- 8/11/11  
- 15/1/11  
- Etc  
- 2/15/11

- 3.2 Revised pay scales, corresponding to pre-revised pay scales Rs. 9200-250-13200 & Rs. 9850-250-14600 for non-executives proposed under Non-executive Promotion Policy, will be notified after approval by DOT.

3.3 **Industrial Dearness Allowance (IDA)**

100% DA neutralisation will be adopted for all the non-executives, who are on IDA pattern of scales of pay w.e.f. 01.01.2007 as done in case of executives of BSNL. Thus, DA as on 01.01.2007 will become zero with link point of All India Consumer Price Index (AICPI) 2001 = 100 which is 126.33 as on 01.01.2007. The periodicity of adjustment will be once in three months as per the existing practice for these categories. The quarterly DA from 01.01.2007 will be as per new DA scheme. The IDA payable w.e.f. 01.04.2007 onwards shall be as per the IDA rates circulated by DPE from time to time.

3.4 **Fitment Method:**

- 3.4.1 Employees who were in the pre-revised non-executive pay scales before 1.1.07 will be placed in the corresponding revised non-executive pay scales as per the fitment formula given in para 3.4.3.
- 3.4.2 Employees joining BSNL on or after 1.1.2007 will be placed at the initial stage of the revised pay scale in which they are appointed. In cases where emoluments in the pre-revised pay scale(s) on the date of joining BSNL [i.e. Basic Pay + DP+DA applicable on the date of joining] exceeds the sum of the pay fixed in the revised pay scale and applicable IDA thereon on the same date, the difference will be allowed as Personal Pay and it will be absorbed in future increments.
- 3.4.3 Fitment in the revised scale shall be made applicable as per following formula:
- Basic Pay in the Pre Revised pay scale as on 01.01.2007  
Plus
  - IDA neutralisation @ 68.8% on Basic Pay  
Plus
  - Fitment benefit @30% on [Basic Pay +IDA (68.8%)]
  - The amount so arrived at, rounded off to the next multiple of 10 Rupees, shall be the Basic Pay in the revised pay scale.

3.5 **Annual Increment/Stagnation Increment/Pay Fixation on Promotion**

- 3.5.1 Annual increment will be at the rate of 3% of the revised basic pay and will be rounded off to the next 10 Rupees.
- 3.5.2 Stagnation increment will be @3% of the revised basic pay and the non-executive will be allowed to draw maximum 3 stagnation increments, one increment after every two years upon reaching the maximum of the revised pay scales.

*[Handwritten signature and date]*  
15/1/10

*[Handwritten signature]*  
15/1/10

- 3.5.3 On promotion, one notional increment equal to 3% of the existing basic pay rounded off to the next multiple of Rs. 10/- would be granted and pay fixed in the promoted scale.
- 3.5.4 The annual increment which falls on 01.01.2007 will be granted in the revised pay scale on 01.01.2007.
- 3.5.5 The extra increment granted to those non-executives who were unable to get BCR 10% promotion one year prior to their retirement, in terms of BSNL CO order no. 27-8/2003-TE-II(i) dt. 18.11.2003, before 01.01.2007, shall be added to the pre-revised basic pay for calculating the revised pay. In case this extra increment falls on or after 01.01.2007, then this increment will be granted in the revised pay scale @ 3% of the revised basic pay.
- 3.5.6 The non-executives can opt for the revision of pay on 01.01.2007, or from the date of promotion after 01.01.2007, or from the date of next increment in the existing scale.
- 3.5.7 Where non-executives drawing pay at two or more consecutive stages in the existing pay scales get bunched, then, for every two stages so bunched, benefit of one increment will be given.

#### 3.6 House Rent Allowance:

The house rent allowance to the non-executive employees of BSNL will be at the following rates and will be payable on revised pay w.e.f. 27<sup>th</sup> February, 2009:-

Cities and population	Rates of HRA
50 Lakhs & above	30% of basic pay
5 to 50 Lakhs	20% of basic pay
Less than 5 Lakhs	10% of basic pay

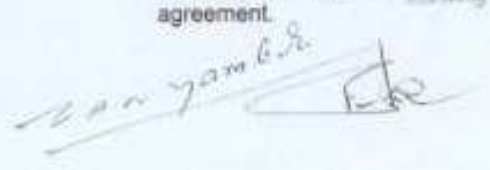
The issue of applicability of classification of cities for HRA to BSNL employees based on the orders for the Central Govt. Employees stands referred to DoT. The final decision on this issue will be applicable to all employees of BSNL.

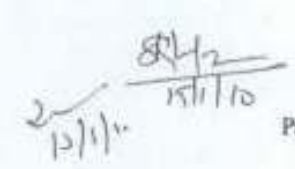
#### 3.7 City Compensatory Allowance (CCA)

CCA stands dispensed w.e.f. 27.02.2009.

### 4. PERKS & ALLOWANCES


- 4.1 The perks & allowances applicable to non-executive employees as contained in Paras 4.2 to 4.4 may be revised with effect from the date of signing of wage agreement.


*Sanjiv Kumar*  


*Sanjiv Kumar*  
  
 12/1/10

4.2 Allowances:

4.2.1	Transport Allowance	Existing amount may continue. It may be reviewed on 01.01.2012 or as and when Transport Allowance for executives in general in BSNL is revised, which ever is earlier.
4.2.2	Transport Allowance for handicapped employees	Existing higher rate may continue. It may be reviewed on 01.01.2012 or as and when Transport Allowance for executives in general in BSNL is revised, which ever is earlier.
4.2.3	Special (Duty) Allowance, Island Special Duty Allowance, Hard Area Allowance	Existing percentages may continue on revised basic pay. The eligibilities and attendant conditions will be applicable as in the case of BSNL Executives.
4.2.4	Special Compensatory (Remote Locality) Allowance, Special Compensatory (bad climate) Allowance, Special Compensatory (Hill Area) Allowance, and Scheduled/Tribal Area Allowance	Existing amount of allowance as applicable to the relevant pre-revised pay slabs may be increased by 75%. The eligibilities and attendant conditions will be applicable as in the case of BSNL Executives.
4.2.5	Cycle Maintenance Allowance	Existing amount of allowance may be increased by 50%
4.2.6	Cash Handling Allowance	Existing amount of allowance may be increased by 50%
4.2.7	Escort Allowance (Gr. D accompanying Cashier)	Existing amount of allowance may be increased by 50%
4.2.8	Education Allowance and Hostel Subsidy	Existing rates & amounts may continue.

*C. A. N. Jambhale*  


*14/1/10*  
  
*15/1/10*

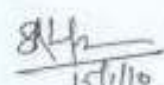
#### 4.3 Perks specific in BSNL:

4.3.1	Food allowance	May be discontinued.
4.3.2	Skill Upgradation allowance	In order to help non-executive employees of BSNL upgrade their skills, a new allowance @ 2% of revised basic pay per month may be paid.
4.3.3	Rural Duty Allowance	Existing amount may continue

#### 4.4 Other Misc. Allowances:

4.4.1	OTA	Existing rates may continue. It may be reviewed on 01.01.2012
4.4.2	TA, DA and Hotel rates	Existing amount may continue. It may be reviewed on 01.01.2012 or as and when these allowances are revised for executives in general in BSNL, whichever is earlier.
4.4.3	Training Allowance	The rate of Training allowance may be modified to 7.5% of revised basic pay.
4.4.4	Fixed Conveyance Allowance	Existing amount of allowance may be increased by 50%.
4.4.5	Special Allowance for Child care for women employees with minimum 40% disability	A new allowance of Rs. 1000/- per month per child for a maximum of two children from the time of child birth till the child attains the age of 2 years, may be introduced.

*- C.A. Jais*  


  
15/1/10  
20/1/10

#### 4.5 Holidays, Leave, Working Hours and LTC

4.5.1	Holidays and Casual Leave	Existing arrangement may continue
4.5.2	Earned Leave, Half pay leave, commuted leave	Existing arrangement may continue
4.5.3	Maternity Leave	May be enhanced from 135 to 180 days as in case of executives in BSNL.
4.5.4	Paternity Leave	Existing arrangement may continue
4.5.5	Working hours	Existing arrangement may continue
4.5.6	LTC	Existing arrangement may continue
4.5.7	EL encashment	Existing arrangement may continue
4.5.8	Uniform, Stitching Charges, Rain Coats, Chappais, Shoes, Washing Allowance etc	Existing arrangement may continue till an alternate policy is worked out by a joint committee of management and staff side.
4.5.9	Family planning increment	Existing amount on pre-revised scale may continue. It will be revised as and when such revision takes place as for Executives.
4.5.10	Other Special pay existing in BSNL	Existing rates/amount on pre-revised scale may continue. It will be revised as and when such revision takes place for Executives.

#### 4.6 Advances

The existing advances in BSNL will continue as per the existing rates / amounts till revised keeping in view the relevant orders of Central Government. Separate orders will be issued for eligibility conditions etc. as per revised pay scales.

#### 5. BONUS / PLI

A new scheme is to be worked out expeditiously through negotiations between the management and the recognised union taking into consideration the Performance Management System.

*G.A. Jambhale*  
*[Signature]*

*[Signature]*  
15/11/16

## 6. RETIREMENT BENEFITS

### 6.1 Pension:

- 6.1.1 The DoT/DTS/DTO employees absorbed in BSNL are eligible for pension from Central Govt. as per provisions under Rule 37-A of CCS (Pension) Rule 1972. The BSNL recruited/regularised employees are governed by provisions of Employees Provident Funds and Miscellaneous Provisions Act 1952.
- 6.1.2 The issues of revision of IDA Pension in respect of employees absorbed in BSNL and retired before 1.1.2007 and Pension anomaly in respect of BSNL absorbed employees retired prior to 31.7.2001 already stand referred to DOT and may be further pursued by BSNL.


### 6.2 Gratuity

Payment of Gratuity will be regulated-

- As per orders of Central Government/ DoT for Central Govt. employees, in case of Central Government employees absorbed in BSNL.
- As per provisions under Gratuity Act 1972, in case of BSNL recruited employees.

## 7. GENERAL

- 7.1 Six months interest free Salary Advance paid to the non-executive employees in accordance with BSNL C.O. letters No. 1-22/2009-PAT (BSNL) dated 30.4.2009 and 20.5.2009, and amount equal to CCA being paid to some employees in accordance with BSNL C.O. letters No. 1-22/2009-PAT (BSNL) dated 4.6.2009, shall be adjusted against the pay revision arrears. In case an employee is in receipt of amounts more than his entitlement, the excess amount on adjustment of arrears shall be recovered.
- 7.2 Anomalies/aberrations, if any, arising out of this Wage revision will be addressed separately.
- 7.3 Other allowances / perquisites / advances / facilities etc. not mentioned in these recommendations may remain unchanged, subject to eligibility/admissibility.
- 7.4 As and when BSNL management decides for 78.2% IDA merger for executives, the same benefit may be extended to non-executives also.
- 7.5 On the demand of Staff side for pay-scale upgradation issues of certain cadres of non-executives and implementation of Promotion Policy without waiting for approval of Non-executive pay scale of Rs.9200-250-13200/- from DOT/DPE, the official side clarified that the issues are beyond the ambit of Wage Revision Committee, and BSNL management may take appropriate decision.

*S. D. N. Gaud*  


*SH2*  
*15/1/10*  
*2/10/10*


**8. WORK CULTURE & TRAINING**


- 8.1 The recognised union has agreed to extend full support to all initiatives taken by the management for further improving the work culture.
- 8.2 Management and representative union agree to cooperate for creating a harmonious industrial relationship conducive to the growth of BSNL's share in the Telecom. services market. It has also been agreed that re-training of its employees consistent with skills and technology will be undertaken, wherever necessary, especially in the context of technological changes.


SIGNED AT BSNL CO, BHARAT SANCHAR BHAVAN, NEW DELHI ON 15th DAY OF JANUARY 2010.

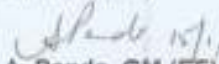
**PARTIES TO THE SETTLEMENT**

On behalf of BSNL Management


  
15/1/10  
S.R. Kapoor, ED (Fin.)  
Chairman, Wage Revision Committee


  
13/1/10  
Ram Kumar, ED (CN)

  
D.P. De, GM (Estt.)

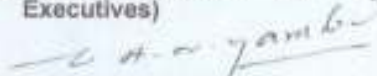
  
15/1/10  
Smt. A. Panda, GM (EF)

  
15-1-10  
Shakeel Ahmad, GM (SR)

  
15/1/10  
P.K. Purwar, GM (CA)

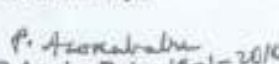
  
15/1/10  
L.M. Kandpal, AGM (SR-III)

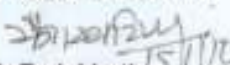
On behalf of Workmen (Non Executives)

  
V A N Namboodiri  
General Secretary, BSNLEU

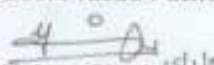
  
R. Venkataraman

  
P. Abhimanyu


  
15-1-2010  
P. Asoka Babu

  
15/1/10  
B. R. Jakhatia

  
Devi Prasad Patwa

  
15/1/10  
Hakam Singh

  
15-01-10  
Hari Singh

  
V. Subburaman

  
15/1/10  
Suresh Kumar