



BHARAT SANCHAR NIGAM LIMITED
(A GOVERNMENT OF INDIA ENTERPRISE)
SR CELL, Corporate Office
8th Floor, Bharat Sanchar Nigam,
Harish Chander Mathur Lane, Janpath,
New Delhi-110 001

No.BSNL/20-1/SR/2016

Dated the 6th July 2016

Subject: Questionnaire on 3rd PRC Pay Revision – to be submitted to DPE.

Ref.: Letter no. 14-01/2016-PAT(BSNL) dated 06.07.2016

Please find enclosed a copy of above referred letter along with a questionnaire framed by DPE for furnishing response/comments of your association directly to DGM(Estt) positively by 11.07.2016 under intimation to SR Cell.

Encl. As above.

P.K. Sharma
06/07/16

(P.K. Sharma)
DGM(SR), BSNL CO

To,

All the Associations of executives' functioning in BSNL.

✓ General Secy, A.I.BSNLCOA



Subject: Questionnaire on 3rd Pay Revision – to be submitted to DPE.

A questionnaire has been framed by DPE on 3rd Pay Revision which is available on DPE website at <http://dpe.nic.in/Third Pay Revision Committee>. It has been desired by DPE to send replies to the questions raised in the questionnaire.

DPE has further desired that a copy of the questionnaire may be sent to the officers Association for their response.

GM(SR) is, therefore, requested to arrange to circulate the copy of this questionnaire among all Executive Associations to get their response thereon and send the same directly to DGM(Estt) **positively by 11.07.2016**.

Encl: copy of questionnaire.


(Sheo Skankar Prasad)
Dy.General Manager(Estt)
Tel.No. 23715155

GM(SR), BSNL C.O., New Delhi
NO.14-01/2016-PAT(BSNL) dated, the 06.07.2016

QUESTIONNAIRE

3rd Pay Revision Committee for Executives and non-unionised Supervisors of CPSEs

1. Role of the Government & Uniform Wage Policies in CPSEs

- 1.1 The 2nd PRC in the preface to its report stated that 'Finally, we feel that time has come when we should no longer look at all these CPSEs spreading over a vast spectrum with a common approach.' A decade has passed since then and in the present scenario what in your view should be the role of the Government with reference to wage policies in CPSEs.
- 1.2 Flowing from the above, should there be some uniformity of pay scales and perks among CPSEs, or should these decisions be left to the best judgement of the respective administrative Ministries and the Boards of their CPSEs?
- 1.3 As part of Government's policy for granting greater autonomy to the Boards of the CPSEs under the Maharatna, Nav Ratna and Mini Ratna schemes, should there be separate pay scales for 'Ratna' CPSEs?
- 1.4 (a) Is the present system of classifying the CPSEs on the basis of Schedule i.e. 'A', 'B', 'C', and 'D' is satisfactory? If not, please suggest alternative ways of classification of CPSEs with adequate justifications.
- (b) Once a system of classification is agreed, should uniformity of pay scales within each of the category be maintained? If not reasons therefor and also suggest suitable alternatives.
- 1.5 In the absence of some degree of uniformity, isn't there a risk of migration of talent from financially weak CPSEs to financially better off CPSEs thereby further jeopardising future of the weak CPSEs. Will it also not lead to unhealthy competition amongst CPSEs to attract/retain the talent, which in the long run may act to the detriment of the public sector?
- 1.6 Would you suggest any changes in the existing relationship between pay packages of workmen and executives/supervisors immediately above level of workmen.

2. Emoluments structure including pay, allowances and other facilities/benefits

- 2.1 Over the years, the Central Pay Commissions especially the 6th CPC advocated reduction in the number of pay scales. In the 7th CPC recommendations, however, there were no further reductions. Do you feel whether the existing number of pay scales in the CPSEs should be retained or modified? Please give your suggestions.

- 2.2 What should be the minimum and the maximum pay in CPSEs? What should be the reasonable ratio between them?
- 2.3 What in your opinion is the desirable ratio of pay scale between top level and entry level?
- 2.4 What is the expected ratio of manpower cost to cost of production/sales turnover in your industry?
- 2.5 What should be the method of fixing pay in the revised pay scales? Should there be a point-to-point fixation? If not, please suggest an alternate method with illustration by which it can be ensured that persons with longer service are suitably protected.
- 2.6 What should be the pattern of pay scales of Board level executives?

3. Increments

- 3.1 Should the rate of increment be fixed as absolute value or based on percentage basis?
- 3.2 What should be the rates of increments in respect of different scales of pay?
- 3.3 Should the present system of granting one stagnation increment after every 2 years, subject to a maximum of 3 such increments, for those executives who reached the maximum of their scale be continued? Please give your views.
- 3.4 Should the date of increment be uniform for the employees of CPSEs as in the case of Central Government employees?
- 3.5 What should be the increment on promotion?

4. Composition of the Emoluments package

- 4.1 Is it preferable that the compensation package includes pay plus allowances and perks or club them into a consolidated remuneration?
- 4.2 Is the present system of 'Cafeteria Approach' of choosing from a set of perks and allowances within the overall ceiling of 50% of Basic Pay satisfactory? If not, kindly give your suggestions for further improvement?

- 4.3 Do you have any comments/suggestions with reference to the following:
- Classification of Cities and rates of HRA for different class of cities
 - DA neutralisation for those who are on IDA pattern of scales
 - Company leased accommodation
 - Monetisation of facilities availed from the infrastructure like schools, colleges, hospitals, clubs/recreation facilities etc. created by CPSE
 - Allowances to be kept outside the ceiling of 50% or whatever rate to be decided
 - Hardship allowance and criteria for defining hardship
5. **Variable Pay / Performance Related Pay**
- 5.1 Should there be fixed salary and a variable component which is related to the performance of the individual. If so what should be the amount/proportion?
- 5.2 What in your opinion should be the basis/criteria for granting performance related pay?
- 5.3 Whether performance related payment be allowed on the basis of distributable profit of the Enterprise? Section 8 companies under the Companies Act, 2013 by definition are not for profit companies and if the PRP is linked to distributable profit, their employees are denied performance incentives. How to reward the performance in Section 8 companies?
- 5.4 How do you rate the present system of PRP in vogue? Give your comments / suggestions in respect of each of the following:
- Rates i.e. % of Basic Pay payable as PRP at different grades in different Schedules of CPSEs
 - Weightage for different MoU ratings
 - Proportion and ceiling of PRP to be given out of current PBT and incremental PBT of a CPSE
 - Performance Management System (PMS)
- 5.5 What are your views on Bell Curve approach being followed currently under the PMS? Give your suggestions for improving the PMS
- 5.6 Any suggestions to incentivise performance and to have a more equitable system

6. Recruitment, Promotion, Attrition

- 6.1 What is the number of executives leaving in each category during the last 5 years and its percentage to the total strength in the concerned category? Is it comparable with other CPSEs and Private companies operating in the same sector? What could be the main reasons for their leaving your CPSE?
- 6.2 What is the system of recruitment of management trainees or equivalent levels in your organization?
- 6.3 Are you recruiting management trainees through campus recruitments. If so, please indicate the names of institutions from which such campus recruitments have been made and criteria for identifying the institution.
- 6.4 What is the current promotion policy in your CPSE and there any changes in the offing?
- 6.5 Does your CPSE have a 'Succession Planning' in place? If so, please mention important points.

7. Relativity with Government/Private sector/Multinational Corporations

- 7.1 Should the new compensation packages in CPSEs w.e.f. 01.01.2017 onwards be based on the packages as they now exist, with some percentage increase, or would you suggest any other method?
- 7.2 Should CPSE pay scales and allowances have any linkage to the pay scales and allowances in the Government? If so, what are your suggestions?
- 7.3 How do the current compensation package in CPSEs compare with their competitors in private sector or multinationals?
- 7.4 Taking into account the advantages other than pay, derived by employees in CPSEs vis-à-vis the private sector like security of tenure, promotional avenues, retirement packages, housing and other invisibles, can there be any fair comparison between the salaries of public and private Sector?
- 7.5 If parity of emoluments for CPSEs with that of private sector is recommended, what changes in CPSEs in terms of performance targets, evaluation, accountability and other conditions of service etc., shall be insisted?

8. **Issue of resource constraint and Pay revision in Sick/BIFR referred CPSEs**
- 8.1 Given the problem of resource constraints and the existing 'Affordability' clause in adopting revised pay packages, is there a way of bringing improvements in emoluments so as to attract and retain talent in CPSEs?
- 8.2 In case of non-affordability, can the enhanced package be deferred and linked to the future performance of the CPSEs? How can the employees be rewarded without a direct or immediate burden on the organization? Schemes like stock option provide an appreciation in the value of the holdings of the employees through the capital market mechanism – what other schemes of this nature can be suggested?
- 8.3 What should be the pay revision policy for sick / incipient sick / weak CPSEs?
9. **Long term Incentives and Superannuation benefits**
- 9.1 Based on the earlier PRC, it was prescribed that 10-25 % of the PRP shall be given as ESOP. Has your company implemented this? Please give details and suggestions for improvement.
- 9.2 Can the ESOP be an option for deferred implementation / payment of revised package?
- 9.3 Do you think that any change is required in the existing policy of granting 30% Basic Pay plus DA as superannuation benefits? If so give detailed comments/suggestions.
- 9.4 What should be the gratuity ceiling?
- 9.5 What should be the policy regarding leave encashment at the time of retirement on superannuation?
10. **Voluntary Retirement Scheme**
- 10.1 In addition to the VRS, would you like to suggest any other ways to rationalise manpower?
- 10.2 Whether VRS scheme issued by DPE and amended from time to time should continue or VRS package should be modified? If yes, indicate the suggestions?

11. Specific proposals

11.1 How the functioning of CPSEs can be improved so as to make them more professional, citizen-friendly and delivery oriented?

11.2 Please outline specific proposals, which could result in:

- (a) Reduction and redeployment of staff
- (b) Reduction of paper work
- (c) Better work environment
- (d) Economy in expenditure
- (e) Professionalization of services
- (f) Effective grievance redressal mechanism
- (g) Reduction in litigation and grievances on service matters
- (h) Better delivery of services/product by CPSEs to their users
- (i) Any other suggestions

11.3 The concepts of contractual appointment, part-time work, flexible job description, flexi time etc. are expected to change the environment, provide more jobs and impart flexibility to the working conditions of employees? Share your experiences.

COMPENSATION PACKAGE IN CPSEs AS ON 31.12.2016

1. Name of CPSE:
2. Financials Status of CPSE (loss making/BIFR referred/profit making/
Maharatna/Miniratna/Navratna)
3. Status of Pay Revision: (in IDA scale of pay - 1987, 1992, 1997 and 2007)
(in CDA scale of pay – 1986 , 1996 and 2006)
4. Total No. of employees:

In IDA scales of pay/ CDA scales of pay	Workm an (unioni zed)	Non-unionised supervisors	Executives below Board level	Board level	Total

5. Nature of employees: Regular (State No.) Contractual (State No.)
6. Status of scales of pay: DPE model scales of pay Deviated scales of pay
7. Reasons for deviation in scales of pay:
8. Approval of competent authority for deviation:(Please state the authority approving the deviations)
9. Periodicity of wage/ pay revision:
10. Increments fixed/if percentage basis then indicate the percentage of basic pay:

11. Compensation Parameters	Workmen (unionized employees)	Non- unionized supervisors	Executives below Board level (E-0 to E-9)
i. Salary			
Basic (incl. PP & any other type)			
DA			
Sub-Total			
ii. Performance Related Pay			
Sub-Total			
iii. Details of other perks and Allowances included in cafeteria basket.			

a			
b			
c			
d			
e			
f			
Sub-Total			
iv. Social Amenities/Benefits			
Education			
Housing (Township)			
Medical			
Others (pl. specify)			
Sub-Total			
v. Superannuation Benefits			
PF			
Gratuity			
Post-Retirement Medical Benefits			
Company's contribution to Pension			
Sub-Total			
vi. Any other items			
vii. Total (Cost to Company)			
(i+ii+iii+iv+v+vi)			

Note:- (i) While information on all components is requested for, at least total under each of the heads may kindly be furnished for detailed analysis by the pay Panel.

12. Remarks, if any: