ORGANISATION OF BSNL UNIONS AND ASSOCIATIONS

(AIBSNLOA, BEA, TOA (BMS), BSNLWRU, FNTOBEA, BSNLSU, TEU (BSNL), BTU of BSNL, AIBCTES, BEC, BAU)

ORG/BUA/22

Dated: 11th April, 2018

To Shri Shri Anant Geete Hon'ble Minister of Heavy Industries and Public Enterprises Government of India.

Subject: An appeal to issue suitable direction to DoT for revision of pay scales of BSNL employees –regarding

Hon'ble Sir,

We are representing different cadres of employees of Bharat Sanchar Nigam Limited. We hereby seek your kind attention to an important issue agitating the minds of BSNL employees, wherein their pay revision is being sought to be delayed on the plea that BSNL is making loss for the past few years and does not meet the 'affordability' clause stipulated by the Third Pay Revision Committee, forgetting the fact that the losses are due to BSNL implementing the social obligations of the Government of India by providing financially unviable services in rural and remote areas.

- 2. You may be aware that when BSNL was formed on 1.10.2000, the Cabinet decided that the Government will consider and provide a package of measures so that the viability of BSNL is not impaired because of implementation of any socially desirable uneconomic activity, such as rural telephony, undertaken by BSNL at the behest of Government.
- 3. Since then, BSNL has been discharging the social obligations of the Government of India by providing services in remote and rural areas in spite of recurring losses because of these services. But it is unfortunate that the subsidy for providing rural wireline connections has been stopped since Financial Year 2012-13.
- 4. BSNL is being unjustly compelled to pay pension contribution on the basis of maximum of the pay scales in respect of the employees absorbed from Department of Telecommunications. This is as per the stipulation originally meant for those who are on deputation from Government service and this stipulation has already been relaxed by Department of Personnel & Training w.e.f. 1.1.2006. Although DoT had assured many times to ensure deduction of pension contribution on the basis of actual pay drawn but nothing has been done in this regard till date. On this account BSNL has lost nearly Rs.3000 Crores.
- 5. BSNL's presence in the Telecom field as a fully Government owned PSU, has acted as a 'moderating factor' in controlling the tariff in favour of the customers. If BSNL not be there in the arena, the private telecom operators would have raised the tariff to alarming proportions.
- 6. When all private networks failed to provide dependable service during natural calamities, whether it was Hudhud cyclone in Andhra Pradesh, Vardha cyclone in Tamilnadu, Floods in Tamilnadu and Uttarakhand, Earthquake in Jammu & Kashmir, BSNL is the only operator which proved its robustness without any financial support from the Government of India.

- 7. You may be also aware that due to predatory pricing by a new Telecom company, all the big companies in the field are facing heavy losses and small companies, due to losses, either closed their business or merge with other big companies. But BSNL has survived in this cut throat competition and has shown growth in its subscriber base. Last month, ie. In March 2018, alone BSNL has added 40 lakhs mobile customers.
- 8. More importantly, all the senior officers of Department of Telecommunication who are on 'deployment' in BSNL, holding major managerial positions in BSNL & its field unis and responsible for the Ups & Downs of BSNL, have already got their pay fixed in revised scales as per the recommendations of VII Central Pay Commission with 14.2% fitment benefit w.e.f. 1.1.2016. All of them draw their higher pay and perks from BSNL and BSNL's affordability to pay was not at all an issue for them. If BSNL employees are denied the revised pay with 15% fitment benefit, it will result in an unprecedented discrimination against its own employees vis-à-vis those who are under 'deployment'. The fall out of such a situation will be unparalleled in the history of Indian Public Sector.
- 9. In this background, the BSNL Board has sent its proposals for pay revision of BSNL Executives with the maximum allowed fitment benefit of 15%, providing justification for such revision and the calculations as to how the additional expenditure will be met. Now it is for the Department of Telecommunications, the administrative Department for BSNL to take a decision on BSNL's proposals.
- 10. There is some apprehension that DoT may deny pay revision for BSNL Executives on the plea that BSNL does not meet the 'affordability' condition stipulated by the 3rd PRC. But we believe that BSNL Executives cannot be denied pay revision with 15% fitment benefit since BSNL is already on revival path and reporting operational profit for last few years.
- 11. We would also like to draw your kind attention to the fact that Mahanagar Telephone Nigam Limited (MTNL) employees were also allowed pay revision as recommended by 2nd PRC w.e.f. 1.1.2007 with the highest 30% fitment benefit although the affordability clause exist at that time also and MTNL was incurring loss for consecutive years. Further to this, the decision to allow pay revision for MTNL employees with the highest 30% fitment benefit was approved by the then Minister of Communications & IT only in consultation with DoT finance.
- 12. It will be therefore unfair if BSNL employees are denied their due pay revision in the name of non-affordability, since such a proposition will have a negative impact on their morale which in turn will affect the revival plans of BSNL.
- 13. We shall be highly thankful if you kindly issue suitable direction to DoT for revision of pay scales of BSNL employees taking in to account of BSNL's National and Strategic importance which is implementing the social obligations of the Government.

With high regards,

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