

ORGANISATION OF BSNL UNIONS AND ASSOCIATIONS

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

To

Shri Parvesh Sahib Singh Ji
Hon'ble Member of Parliament (Loksabha)
Government of India.

Subject: An appeal to take up the case of revision of pay scales of the employees of Bharat Sanchar Nigam Limited as per 3rd PRC Report - regarding

Respected 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 BSNL was formed on 1.10.2000 by corporatizing the erstwhile Department of Telecom by way of implementing the New Telecom Policy 1994 which defined certain important objectives, including availability of telephone on demand, **provision of world class services at reasonable prices**, ensuring India's emergence as major manufacturing / export base of telecom equipment and **universal availability of basic telecom services to all villages**.

3. At that time, 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.**

4. **Since then, BSNL has been discharging the social obligations of the Government of India by providing services in remote and rural areas inspite of incurring loss because of these services. Its 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.** But for the presence of BSNL in the arena, the private telecom operators would have raised the tariff to alarming proportions.

5. 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 was the only operator which proved its robustness.

6. You may be also aware that due to predatory pricing by a new Telecom company, all the companies in the field including Airtel and Vodafone are facing heavy losses. But BSNL has survived the cut throat competition and has shown growth in its subscriber

11. Communicate to P. Ananth Kumar, Secy, AIBSNLOA in e-mail id: janibsnloa@gmail.com

base. Hon'ble Minister of State for Communications had recently claimed that Telecom is a service facilitator and not just revenue generator.

7. In fact, **BSNL revenue over the past three years is increasing.** The year 2013-14 saw an increase in revenue of 3.2%. The year 2014-15 saw an increase of 2.32%. In the year 2015-16, the increase in income is 14.92% whereas in the same year the expenses decreased marginally by 1.47%. **The loss is declining and BSNL is all set to make profit in 2018.**

8. 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.

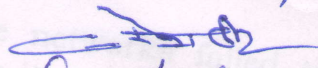
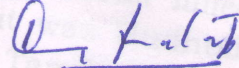
9. There is some apprehension that DoT may deny pay revision for BSNL Executives on the plea that BSNL does not meet the 'affordability' condition stipulated by the 3rd PRC. **But we believe that BSNL Executives cannot be denied pay revision with 15% fitment benefit since BSNL is already on revival path and reporting operational profit for last few years. On the other side, Mahanagar Telephone Nigam Limited (MTNL) employees were allowed pay revision as recommended by 2nd PRC w.e.f. 1.1.2007 with the highest 30% fitment benefit although the affordability clause existed then and MTNL was incurring loss for consecutive years.**

10. 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.

11. We shall be thankful if you can please take up this issue with the Government of India/Minister of State for Communications and impress upon them the need to treat BSNL differently considering its National and Strategic importance which is implementing the social obligations of the Government and to waive the 'affordability' clause for implementing pay revision to BSNL Executives, as was done in the case of Mahanagar Telephone Nigam Limited (MTNL) in the Second Pay revision.

With high regards,

Yours sincerely,

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