

ORGANISATION OF BSNL UNIONS AND ASSOCIATIONS

ORG/BUA/7

Dated: 16th February 2018

To

Shri Anupam Shrivastava,
Chairman and Managing Director,
Bharat Sanchar Nigam Limited,
New Delhi.

Subject: Implementation of Revised Pay scales recommended by 3rd PRC and approved by Government of India with 15% fitment benefit in respect of BSNL Executives -regarding

Reference to DPE OM No. W-02/0028//2017-DPE (WC)-GL-XIII/7 dated 3rd August 2017

R/Sir,

Kindly find enclosed herewith a memorandum on the above mentioned subject on behalf of ORGANISATION OF BSNL UNIONS AND ASSOCIATIONS for kind consideration.

We assure you that all the BSNL Executives/ Non Executives are firmly behind your resolve to bring BSNL back to its glory and your endeavour to get pay revision with 15% fitment implemented in BSNL. We request you to continue your efforts by pursuing the issue at the highest levels to convince the Government of its obligation to BSNL employees, in the larger interests of BSNL as well as the People of India who have been benefited by lowest tariffs due to presence of BSNL in the arena.

With high regards.

Sincerely Yours,

1. S.P.Sharma GS, BSNLWRU
2. B.D.SHARMA GS, NTOB, BSNL
3. ~~_____~~ GS, AIBSNLOA
4. ZILE SINGH, BSNLSU
5. Biswanath Datta, GS, TEU (BSNL)
6. Asst. President TOA BSNL
7. ~~_____~~ GS, BEA-BSNL
8. Rakesh Sethi GS, B.T.O of BSNL
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All Communication to

(1) Shri S.P.Sharma, GS, BSNLWRU on Mob No. 8368074683

(2) Shri Rakesh Sethi, GS, AIBSNLOA on Mob. No. 9868210449, email id gsaibsnloa@gmail.com

Implementation of Revised Pay scales recommended by 3rd PRC and approved by Government of India with 15% fitment benefit in respect of BSNL Executives

(In reference to DPE OM No.W-02/0028//2017-DPE (WC)-GL-XIII/7 dated 3rd August 2017)

This is with reference to DPE OM cited above regarding implementing Government decisions on the recommendations 3rd PRC on pay revision of Executives of CPSEs.

2. The above mentioned OM was received with a sense of disappointment by many, as it has not mentioned anything about exempting BSNL from the 'affordability' clause. Everyone was expecting a positive response from the Government, since BSNL had judiciously presented its case for exemption from 'affordability' clause.

3. But, we never lost our hope, because, we were thinking that the Government/DPE will take up this issue separately to exempt BSNL from 'affordability' clause because in its common orders for implementation of the decisions cannot be expected to spell out exemption for any particular CPSE. But, till date nothing heard from Government side that BSNL may be exempted from affordability clause. We learn that DPE can consider proposal of relaxing some clause, like affordability clause etc, so that recommendations of the 3rd PRC can be implemented in that PSU but it will be possible only if the administrative ministry of that PSU forwarded the proposal with their recommendation to the DPE.

4. We were happy that BSNL has forwarded its proposal to DoT for revision of pay with 15% fitment benefit in respect of its Executives, as per provisions of the said OM. But, even after passing of more than two months, nothing heard from the DoT side. This all make us disappointed therefore we approach you with the hope that BSNL management will once again take up this matter with DoT so that 3rd PRC with 15% fitment can be implemented in BSNL at the earliest.

5. In this regard we want to submit the following:

(i) The affordability clause was very much there in the Government decisions on the recommendations of the 2nd PRC circulated vide DPE OM No.2 (70)/08-DPE (WC) dated 26.11.2008, with the only difference that the 2nd PRC stipulated 'not more than 20% dip in PBT for the year 2007-08', and the 3rd PRC has stipulated 'not more than 20% dip in PBT for the last three

financial years preceding the year of implementation.' The DPE OM dated 26.11.2008 had also provided for 'a uniform lower fitment benefit of 10% or 20%, depending upon their affordability'. Even then Executives of MTNL were granted pay revision w.e.f. 1.1.2007 with the highest admissible fitment benefit of 30% despite MTNL incurring consecutive losses for several years before. This was possible because although the DPE had stipulated 'affordability' as a condition for pay revision, it had left the decision of pay revision to the concerned CPSE and the administrative Ministry/Department.

(ii). The DPE OM No.W-02/0028//2017-DPE (WC)-GL-XIII/7 dated 3rd August 2017, under Para (c) of Annexure-II specifies that "There are also certain CPSEs which have been formed as independent Government Companies under a statute to perform a specific agenda/regulatory functions. There is no budgetary support provided by the Government to such CPSEs. In consideration of the impact of the revised compensation structure (including Performance Related Pay) would supposedly for the part of the revenue stream for such CPSEs, the affordability condition shall not be applicable to these CPSEs; however the implementation of the same shall be subject to the approval of the Administrative Ministry upon agreeing and ensuring to incorporate the impact of the revised compensation structure into the revenue stream."

(iii). BSNL was formed with a Mission to provide world class, state-of-art technology telecom services on demand at affordable prices and to provide world class telecom infrastructure to develop country's economy. At the time of Corporatisation, while approving HRD and financial issues arising out of the corporatisation, the Union Cabinet had assured that "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." The erstwhile DoT employees opted for absorption in BSNL based on this assurance along with other assurances which included the one regarding their pension.

(iv). 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. BSNL employees are in no way responsible for the recurrent loss to BSNL. In the words of Shri Ravi Shankar Prasad, former Minister of Communications, the loss was due to "inadequate investment in infrastructure expansion in recent years leading to delay in expansion of mobile network" and the company was also made to

pay "market rate (of Rs 18,500.38 crore) for both 3G and broadband wireless access (BWA) spectrum".

(v) 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. In any kind of natural calamities, BSNL without taking any financial support from the Government try to restore all kind of telecom services in the affected areas on war footing basis, so that other sector of the Government machineries can work smoothly. During natural calamities time BSNL provide free of cost telecom services to the citizens in affected areas, so that the affected peoples can communicate with their love ones.

(vi) In the prestigious Digital India programme of Hon'ble Prime Minister of India too, BSNL is contributing in two three areas, like National Optic Fibre Network (NOFN), providing Wi-Fi hotspots in rural areas, Mobile Wallet service under the Prime Minister Jan Dhan Yojana and delivering m-governance services like Digital Mandi, KisanSeva among others. BSNL contribution towards BharatNet is also worth mentioning.

In addition to this BSNL is also executing some important Government project like providing optical fiber connectivity for defense for sparing the spectrum (named as NFS) and other is erecting mobile tower in Naxalite affected areas in 10 states and in difficult terrain of North East area of India and border area of India so that effective mobile connectivity may be available in these isolated areas. These all the projects are being executed by existing work force of BSNL and a substantive numbers of employees of BSNL is involved for compilation of these project in time.

(vii) BSNL's role in ensuring GST compliance cannot be under estimated. BSNL introduced GSP/ASP service on PAN India basis to assist Small and Medium Enterprises as well as large business houses in transitioning to GST by launching an application software which will record invoices on a PC/ hand held device or a smart phone along with all GST compliances like preparation of GST Returns, Assistance in generation of GST challans for payment, filing of GST Returns, sending back mismatch invoices etc. BSNL also played an effective role during demonetisation in last November by providing seamless network connectivity among banks and financial institutions.

(viii) Recently BSNL has signed (MoU) with Fiber Home to jointly start manufacturing telecom equipment and optical fiber cable in BSNL factories,

underscoring another initiative by Hon'ble Prime Minister of India – 'Make in India'.

Dated: 16th February 2018

(ix). 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 likely to make profit in 2018.

(x). While these are sufficient grounds justifying revision of pay scales of BSNL employees with 15% fitment benefit, we would like to draw your kind attention towards another major fact which cannot be ignored or overlooked.

" Thousands of senior officers of Department of Telecommunication on 'deployment' in BSNL, holding major managerial positions in BSNL 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."

6. 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. We hope that the Government of India which assured 'financial viability' in order to convince the employees to take absorption in BSNL will not desire a situation where the employees are denied their due pay revision in the name of financial 'affordability'. Such a situation if allowed to happen will squarely affect the morale of the employees at a time when signs of impending turn around by BSNL are clearly visible.

Considering the National and Strategic importance of BSNL which is achieving the social obligations of the Government, it is necessary that the affordability condition is not made applicable to BSNL.

Therefore, We request you to ensure that suitable changes are made in the 3rd PRC recommendations, so as to make the affordability condition not applicable to BSNL, in view of its strategic national importance.

All Communication to

(1) Shri S.P.Sharma, GS, BSNLWRU on Mob No. 9368174683

(2) Shri Rakesh Sethi, GS, AIBSNLOA on Mob. No. 9868210449, email id gs@ibsnloa@gmail.com