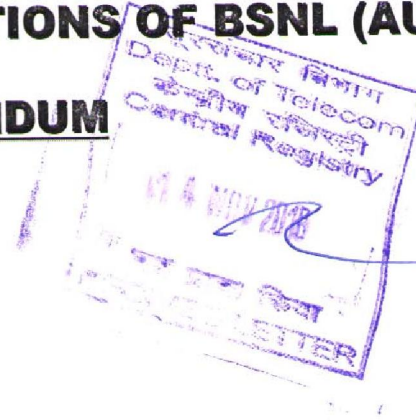


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ALL UNIONS AND ASSOCIATIONS OF BSNL (AUAB)

MEMORANDUM



14-11-2018

To,

Shri Manoj Sinha ji,
Hon'ble Minister of State for Communications (I/C),
Sanchar Bhawan,
20, Ashoka Road,
New Delhi – 110 001

Sir,

As per the call of the All Unions and Associations of BSNL, country wide rallies are organised today the 14.11.2018 and the following memorandum is submitted for the kind consideration of the Hon'ble Minister of State for Communications (I/C).

The BSNL employees are deeply agitated due to the non-implementation of the assurances given by Shri Manoj Sinha ji, the Hon'ble Minister of State for Communications (I/C), in the meeting held on 24-02-2018, with representatives of the All Unions and Associations of BSNL (AUAB), on the issues of 3rd pay revision w.e.f 01-01-2017, settlement of pension revision to the BSNL pensioners, allotment of 4G spectrum to BSNL, implementation of the Government of India Rule on the matter of payment of pension contribution by BSNL and settlement of the left out issues related to the recommendation of the 2nd Pay Revision Committee.

It is highly disturbing to note that the DoT, which is supposed to take action for implementing the assurances given by the Hon'ble Minister of State for Communications (I/C), has not taken any action for the past eight months. By delaying the implementation of the assurances given by the Hon'ble Minister of State for Communications (I/C), the DoT is denying justice to the 1.85 lakh Executives and Non-Executives of BSNL and also to about 1.5 lakh employees retired from BSNL. We wish to draw your kind attention to the following issues which are deeply agitating the minds of BSNL employees.

i. **3rd Pay Revision w.e.f. 01.01.2017.**

The employees of BSNL are very much demoralised and frustrated due to the denial of the 3rd Pay Revision, w.e.f. 01.01.2017. As per the 'Affordability Clause' of the 3rd Pay Revision Committee, the employees of BSNL are not considered for wage revision, since the Company has not earned profit during the 3 preceding years.

It is a known fact that, BSNL was not allowed by erstwhile government, to procure equipments for it's network expansion, from 2007 to 2012. This is the main reason why BSNL went into loss. In his interview to the CNBC-TV18 on 28.02.2015, Shri Ravi Shankar Prasad ji, the then Hon'ble Minister of Communications & IT, told, **"Both BSNL and MTNL were in profit by the year 2005-2006, thousands and thousands of crore. What happened in the subsequent years that they have come under such a critical state? Something which I can openly tell you today that every attempt was made that they are not allowed to expand."** This is the real fact behind BSNL's going into loss.

However, the situation has totally changed now. From the year 2013 onwards, BSNL has made considerable expansion of it's mobile networks. Together with this, the Non-Executives and Executives are also putting in extraordinary efforts, to increase the revenue of the Company. They have conducted very successful movements like "Customer Delight Year", "Service With A Smile", etc., to improve the

quality of the services as well as to increase the customer-base and the revenue of the Company. As a result of the combined efforts taken by the Management and the employees, BSNL's revenue, as well as customer-base, have increased considerably.

For example, BSNL's loss stood at Rs.8,234 crore in 2014–15, whereas it has come down to Rs.3,880 crore in 2015–16. BSNL has made operational profits of Rs.672 Cr, Rs.3,854 Cr and 1684 Cr respectively, in 2014-15, 2015-16 and 2016-17.

Everyone agrees that BSNL is steadily moving in the revival path. However, non-implementation of 3rd pay revision has demoralised the employees. This will seriously affect their productivity, which in turn will impact the revival of BSNL. It is also worth mentioning that the BSNL Board has passed resolution in favour of 3rd Pay Revision to the employees with 15% fitment benefit, and without any financial assistance from the Government. **There is no justification in denying the pay revision for the BSNL employees when the entire Telecom sector is under stress and all operators recorded huge losses with lakhs of Crores of liability as bank loans. BSNL is the only Telecom operator meeting the social obligations of the Govt. For accomplishing the Govt objectives, BSNL is implementing all the Govt projects like NOFN (Bharat Net), LWE project, NFS project etc without much compensation, utilising BSNL manpower and resources, by incurring huge losses.**

Denial of wage revision or HRA revision to the employees, citing BSNL's financial position, is not only unjustified but also misleading. It should be kept in mind that the entire telecom market is disrupted due to the predatory pricings of Reliance Jio. It should not be forgotten that major private operators viz., Airtel and Vodafone Idea have also gone into loss. Further, these private operators are having huge debts to the tune of lakhs of crores of rupees, whereas BSNL's debt is comparatively insignificant, about ten thousand Crores. We also wish to cite that BSNL recorded faster growth in the mobile segment, compared to Airtel, Vodafone and Idea in 2017. Further, as per TRAI report, BSNL is the only Company apart from Reliance Jio, which has recorded growth in AGR in the year 2017. BSNL's AGR has increased by 6.8% in June quarter, as per TRAI report.

In the meeting held with the representatives of the All Unions and Associations of the BSNL (AUAB, on 24.2.2018, the Hon'ble Minister of State for Communications (I/C) assured that a Cabinet Note would be moved by the DOT, for getting the approval of the Cabinet, for the settlement of 3rd Pay revision of the BSNL Employees. However the DoT wantonly delayed the preparation of the Cabinet Note, even though eight months have already passed after the assurance was given by the Hon'ble Minister. Considering the fact that the Parliament Elections are round the corner, we feel the purpose of the employees will not be served by sending a Cabinet Note hereafter.

Hence, we demand that the 3rd Pay revision of BSNL Employees must be settled by the DOT itself, as was done in the case of MTNL in 2007. At the time of 2nd Pay revision in 2007, the DOT itself settled the Pay revision of MTNL Employees, with 30% fitment, without referring the matter to the Cabinet, even though MTNL was not eligible to give Pay revision to its employees, as per the affordability clause, laid down by the 2nd Pay revision committee. We demand that in the same analogy, the 3rd Pay revision of BSNL employees should also be settled now.

Allotment of 4G spectrum to BSNL.

BSNL has not yet launched its 4G service. This is because it is not allotted 4G spectrum by the Govt. BSNL is ready to pay the market price. The BSNL Management has submitted a detailed proposal to the Government of India, for the allotment of 4G spectrum. According to this proposal, 50% of the cost of the 4G spectrum is to be borne by BSNL, and the remaining 50% of the cost is to be adjusted through capital infusion by the Government. Other operators are capturing the 4G data market and BSNL will not be able to compete with them without 4G services. In the meeting held with the AUAB on 24.02.2018,

the Hon'ble MoS(C) assured that 4G spectrum would be allotted to BSNL, as per the proposal submitted by it. However, even after the lapse of 8 months, no step has been taken, for the implementation of this assurance. BSNL has sent the proposal to DoT two and half years ago for 4G spectrum allocation but no action is taken till date.

iii. **Payment of Pension Contribution on actual basic pay.**

Pension contribution to the Govt is to be paid on actual basic pay instead of maximum of the pay scales as per DoPT order dated 19.11.2009, issued in supersession of DoPT OM dated 15.05.2000. DoT insisting for payment of Pension Contribution on maximum of pay scales from the BSNL employees absorbed from DoT as per OM dated 15.05.2000. However this OM is superseded by the OM dated 19.11.2009. As per the latest OM dated 19.11.2009, Pension Contribution is to be paid only on the actual basic pay. This OM dated 19.11.2009 is not implemented by DoT with regard to BSNL employees. As a result, BSNL is paying huge amount in excess as Pension Contribution for the last 11 years. About 3500 Crores excess payment is made by BSNL to DoT. Hon'ble MoS(C) in the meeting held on 24.2.2018 directed the Secretary(T) to take Pension contribution on actual basic pay as per Govt. orders but DoT has not taken any action in this regard.

iv. **Pension Revision to BSNL retirees.**

The pension revision of Govt pensioners retired from BSNL (DoT recruits) has become due w.e.f 01.01.2017. They are covered by Govt. pension from the Consolidated Fund of India as per Rule 37A of CCS pension Rules, 1972. Pension revision is not having any link with the serving employees of BSNL or the financial condition of BSNL. It is the sole responsibility of the Govt of India. 7th CPC didn't cover them on the plea that BSNL employees are having IDA pay scales. Their earlier pension revision was done w.e.f. 01.01.2007 through a Cabinet decision. It is demanded that the Government should take immediate steps for the revision of pension of BSNL pensioners. The pension contribution for their service rendered in BSNL is already paid by BSNL to the Govt. At the time of last wage revision, i.e., w.e.f. 01.01.2007, the orders for wage revision of the BSNL Executives were issued on 27.02.2009 and the orders for wage revision of the Non-Executives were issued on 07.05.2010. However, order for revision of pension of the BSNL retirees was issued much belatedly, i.e., only on 15.03.2011. Such a delay should not take place this time. Hence, it is requested that the Government may immediately take necessary steps for the timely pension revision of the Govt pensioners retired from BSNL.

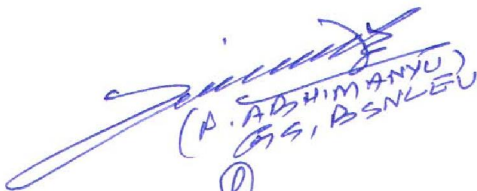
v. **Non-implementation of the recommendation of the 2nd PRC, in respect of 30% superannuation benefit to BSNL's Directly Recruited Employees.**

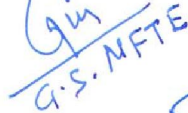
The 2nd PRC has recommended that PSUs should implement 30% superannuation benefits to its employees. It is a matter of regret that BSNL has so far not implemented this recommendation of the 2nd PRC in its totality, which has resulted in irreparable loss to the Directly Recruited Employees of BSNL. It is demanded that this issue should be settled without further delay.

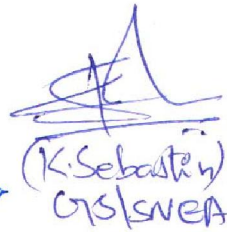
In view of the foregoing, we earnestly solicit your kind intervention for the early settlement of the above mentioned issues to avoid unrest among the BSNL non-executives and Executives

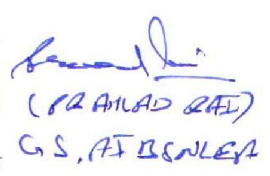
Thanking you,

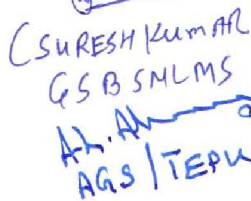
Yours sincerely,

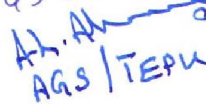

(A. Ashimanyu)
G.S., BSNLEU

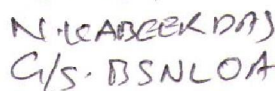

G.S. MFTE

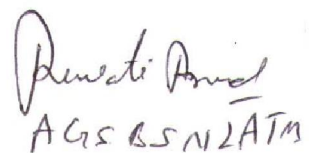

(K. Sebastian)
G.S./SVEA


(P. Anilad)
G.S., AT BSNLEA


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AGS/TEPU


N. KABIR DAS
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