

То

The Chairman TC and Secretary (T), Department of Telecom, Govt. of India, New Delhi -110 001

Subject: 3rd PRC Recommendations on the revision of the salary and allowances of the Executives of Bharat Sanchar Nigam Limited (BSNL)

Respected Sir,

With profound regard we would like to bring to your kind notice the following for your kind consideration and favourable orders.

The 3rd Pay Revision Committee in its recommendations for the purpose of implementation of the revision of salary and allowances classified the CPSEs in three classes viz (i) Profit making (ii) Sick and (iii) incipient sick and weak.

The committee in its recommendations has provided for 15% fitment benefit implementation by CPSEs based up on affordability for the last three years and for sick CPSEs it provided that the implementation of pay revision should be in accordance with their approval revival packages.

The committee does not seem to have specifically made any recommendation for the CPSEs falling in the category of incipient sick & weak, whose turnaround initiatives are underway like BSNL.

The affordability clause needs to be re looked specifically in the case of BSNL as the Telecom Sector is highly technology intensive. No other sector of the economy experienced and witnessed such cut throat competition which is faced by Telecom Sector which impacted the profitability of BSNL. BSNL is competing with large private operators in market driven tariff.

BSNL is also playing a significant role as tariff balance. BSNL continue to act as a counter veiling force to safeguard the interest of the common masses of the country by ensuring that the subscribers are able to avail telecom services at affordable cost.

Continued .. 2

: Page – 2:

BSNL is also engaged in executing important project in connection with nation building like NOFN, NFS communication in NE Region. During Natural disasters and calamities BSNL only was in the forefront for maintain the telecommunication services.

BSNL was formed on w.e.f 1.10.2000 by transferring assets and liabilities of erstwhile DOT with about 3.75 lakhs employees of DOT. A large number of employee took absorption in BSNL, who were previously DOT Employees and took absorption in BSNL based up on the offer and assurances given by the Govt. Had they continued in DOT, they would have been eligible to get 7th CPC benefits

Apart from legacy manpower, BSNL has more than 14000 young employees working in new technology areas and playing a crucial role in the growth of the company. Non implementation of pay revision based on 3rd PRC recommendations may lead to mass exodus of this talent which will adversely affect the BSNLs competitive edge. To retain this trained and technologically sound young work force, their salary and allowances have to be remain comparable with other CPSEs.

At the time of pay revision, non-recognition of BSNL employees' contribution to the society will be discouraging to them. This is against the resolution/terms of reference of 3rd PRC. Also feared that the pay revision without fitment may disturb Industrial harmony.

Apart from pay revision affecting approx.2 lakhs of working employees in BSNL there are equal no of retirees whose pension revision is linked with this pay revision.

It may be appreciated that turnaround of a mammoth organization like BSNL cannot happen in one or two years. It requires much more time especially in a sector which is highly competitive and dominated by large private sector service providers. Thus, linking the entire revision to affordability may not be in the interest of BSNL.

In view of the above facts in order to ensure sustainability of BSNL operations and maintaining industrial harmony we would like to request pay revision may be implemented with 15% fitment benefit on Basic +DA with allowances.

With Kind Regards

Yours Sincerely -sd-(PRAHLAD RAI) General Secretary

Copy to:

- 1. The Secretary DPE, New Delhi 110001
- 2. The Secretary, DOPT, New Delhi 110001
- 3. Shri Anupam Srivastava, CMD, BSNL, New Delhi 110001