

# **ALL UNIONS AND ASSOCIATIONS** **OF BSNL (AUAB)**

Press release

27<sup>th</sup> October, 2018

The All Unions and Associations of BSNL(AUAB) has called on the employees to organise the agitational programmes mentioned below. This agitational programme has been called for, since the BSNL employees are deeply agitated due to the non-implementation of the assurances given by Shri Manoj Sinhaji, the Hon'ble Minister of State for Communications, in the meeting held with the AUAB on 24-02-2018, on the issues of 3rd pay revision w.e.f 01-01-2017, Allotment of 4G spectrum to BSNL, Payment of Pension Contribution on the actual basic pay, Pension Revision and settlement of superannuation benefits to the Directly Recruited Employees.

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, has not taken any action for the past eight months, to implement the assurances given by the Hon'ble Minister. By delaying the implementation of the assurances given by the Hon'ble Minister of State for Communications, the DoT is denying justice to the 1.85 lakh Executives and Non-Executives of BSNL and about 3.5 lakh employees retired from BSNL.

## **AGITATIONAL PROGRAMME**

- (1)Holding of press conferences at circle and district levels on 29-10-2018, and explaining the demands.**
- (2)Dharna at all levels on 30-10-2018.**
- (3)Rallies at Circle and Districts levels on 14-11-2018.**
- (4)Mobilise the employees for further serious struggles, including strike, if the demands are not settled by 30-11-2018.**

## **Brief note on various issues**

### **i. 3<sup>rd</sup> Pay Revision w.e.f. 01.01.2017.**

The employees of BSNL are very much demoralised due to the denial of the 3rd Pay Revision, w.e.f. 01.01.2017. As per the '**Affordability Clause**' of the 3<sup>rd</sup> Pay Revision Committee, the employees of BSNL are not entitled 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 its 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.

Considering all the above factors, the “All Unions and Associations of BSNL” (AUAB) demands that BSNL should be exempted from the Affordability Clause of the 3rd PRC, and that the employees should be given 3rd pay revision w.e.f. 01.01.2017, with 15% fitment, **as recommended by the BSNL Board**. In the meeting held with the AUAB on 24.02.2018, the Hon’ble MoS(C) assured that BSNL employees will be given 3<sup>rd</sup> Pay

revision and DoT will take necessary action to relax affordability clause by taking permission from Union Cabinet. However, even after the lapse of 8 months, no step has been taken, for the implementation of this assurance.

ii. ***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.

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.

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

The pension revision of **Govt pensioners retired from BSNL** (DoT recruitees) 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 2<sup>nd</sup> 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.