No: SNEA/CHQ/SEC DoT/2015-18/26 To Dated 20.10.2017.

Smt. Aruna Sundararajan, Secretary, DoT, Sanchar Bhavan, New Delhi.

Sub: 3rd Pay Revision for the BSNL employees with full 15% fitment as BSNL is in the revival mode and the employees needs to be further motivated. Considering the strategic importance of BSNL which meets the social obligations of the Govt. and the fact that 80% of the BSNL employees are Govt employees absorbed from DoT, the BSNL proposal for 3rd Pay Revision may be supported and approved by the BSNL Board of Directors from DoT, in the Board meeting scheduled on 24.10.2017:

Respected Madam,

Hon Prime Minister, Hon Minister and your good self had praised BSNL at various platforms for its revival, the contribution of BSNL in meeting the social obligations of the Govt and acknowledged the need for implementation of 3^{rd} Pay Revision for the BSNL employees for further motivating them and to accelerate BSNL growth.

BSNL is different from other CPSUs in several ways which justifies 3rd Pay revision for its employees with 15% fitment, w.e.f 01.01.2017.

- a) BSNL is the only Telecom Operator meeting the social obligations of the Govt by providing services to the far flung Rural areas, Naxal affected areas, Hilly terrain, North East region, Jammu & Kashmir, Andaman & Nicobar Islands, Lakshadweep etc, incurring huge losses to the tune of thousands of Crores of rupees without any financial support from the Govt. For meeting social obligation, huge manpower is employed in the rural sector.
- b) Since 2002-03, BSNL acting as a tariff regulator vis-à-vis exploitation of telecom users by private operators.
- c) During natural calamity, BSNL is the sole operator, the Govt and public can rely upon for providing telecom services. This has been established during the flood at Chennai, flash flood at Leh, flood at Uttarakhand and Kashmir, Cyclone at Vizhakhapatnam and Odisha etc.
- d) Majority of the Govt projects, i) NOFN Project (BhartNet), ii) Network For Spectrum (NFS) project for the Defense, iii) Left Wing Extremism (LWE) Project and iv) North East Project are executed by BSNL. About 25% of BSNL Officers are deployed here and they are playing prominent role in the completion of these prestigious projects of the Govt in planning, survey, project execution, testing and acceptance, maintenance of the network etc.
- e) Last few years, BSNL is in the revival path with the continuous support of the Govt, especially from Hon Minister. The employees fully dedicated for the growth and revival of BSNL and supporting the management in its every initiative.
- f) Inspite of the fierce competition in the telecom sector and huge expenditure on the social obligations, BSNL is in operational profit for the last three years, ie. 2014-15, 2015-16 and 2016-17.
- g) Due to the huge depreciation of about 7,000 to 8,000 Crores on the value of its huge assets, balance sheet of BSNL is continue to be negative. The employees don't have any role to play in this regard.
- h) Even last financial year, when all other telecom operators recorded dip in the revenue by 30% to 40%, BSNL could improve the market share, without any dip in the revenue from operations.

- i) 3rd Pay Revision with 15% fitment is proposed after a span of 10 years. If pay revision is not implemented even after 10 years, it will highly demoralize the entire employees and will seriously affect the growth and revival of BSNL.
- j) Even after making operational profit for the last three years, BSNL employees will not be eligible for pay revision due to the affordability clause, where as no such conditions exists in respect of Govt employees, employees of banking sector, Insurance sector etc. Even for loss making banks, wage revision implemented.
- k) 1.5 lakh BSNL employees are Govt employees absorbed from DoT. BSNL directly recruited employees are just 35,000. After BSNL formation, BSNL paid about 1.76 lakh Crores as salary to the employees from its own resources and saved that much money for the Govt.
- I) BSNL will be able to meet the additional expenditure on account of pay revision through internal resources, without any Govt support.
- m) Pay Revision is absolutely required to motivate the BSNL employees who are fully involved in the revival of BSNL.

In view of the above, your kind intervention is solicited for strongly backing the BSNL proposal for 3rd Pay revision with 15% fitment and its approval by the BSNL Board in its meeting scheduled for 24.10.2017.

With kind regards,

(Sebastin. K)

Copy to:

- 1. Respected Shri Manoj Sinhaji, Hon MoSC, New Delhi for information and n/a please. Sir, your kind intervention is solicited for the approval of the BSNL proposal for 3rd Pay revision with 15% fitment by the BSNL Board.
- 2. Shri Anupam Shrivatava, CMD, BSNL for kind information and n/a pl.
- 3. Smt Anuradha Mitra, Member(Finance), Telecom Commission for information and n/a pl.
- 4. Shri N. Sivasailam, Addl Sec/DoT and BSNL Board of Directors for information and n/a pl.
- 5. Smt Sujata T Ray, DIR(HR), BSNL Board for information and n/a please.
- 6. Smt Padma Iyer Kaul, BSNL Board of Directors from DoT for information and n/a pl.