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To

Shri Narendra Modi Ji
Hon'ble Prime Minister,
Government of India,
South Block,
New Delhi - 110001

Subject: Request for implementation of 3rd PRC recommendations in BSNL with 15% fitment benefits – Our appeal reg.

Hon'ble Sir,

On the subject cited above, we would like to submit following points to your kind honor in respect of implementation of the 3rd PRC recommendations with 15% fitment benefit in Bharat Sanchar Nigam Limited (BSNL):

BSNL is a CPSE in telecom sector which is a service industry. It has pan India presence. It is facing competition from a large number of private players of the industry. Being a CPSE, it is fulfilling the obligations of the Government by providing services in such difficult areas also where the private players do not offer services because of absence of profit. The infrastructure cost in providing services in high terrains, Left Wing Extremists (LWE) area are much more and it does not make business sense. Also regulates tariffs in the telecom sector of India.

BSNL is playing a pivotal role in implementing the government's prestigious projects in due time and with quality i.e. Digital India Project by completing NOFN work through which all the Gram Panchayats are being connected to provide Broad band services, NFS an important Army project and executing LWE projects.

BSNL being a CPSE and "State" in terms of Article 12 of the Constitution of India is building and maintaining infrastructure in such areas too. It is noteworthy that in cases of natural calamity the services of BSNL only become available to the general public who are in distress. Furthermore, the decisions are also influenced by the stringent policies and frequent Government interferences, fear of CVC and all statutory bodies. BSNL's tariffs are significantly low and one of the cheapest in the world, resulting in low ARPU's.

Looking to these odds BSNL is on the path of turn-around and so far have shown positive trends, as is evident in Company being EBIDTA Positive. The same has also been praised by your kind honor in your Independence Day speech in the year 2015 from the Red Fort.

Continued

Hon'ble Sir,

The Executive Summary / Recommendations of 3rd PRC vide Para 5 provides that CPSEs which have been formed to perform specific agenda of the Government and where there is no budgetary support provided by the Government to such CPSEs, the affordability condition shall not be applicable to that CPSE. This clause in *alia* states that

“c) There are also certain CPSEs which have been formed into independent Government companies under a statute to perform a specific agenda / regulatory functions. The revenue stream of such CPSEs are not linked to profits from the open market in a competitive scenario but are governed through the fees & charges, as prescribed and amended from time to time by the Government. There is no budgetary support provided by the Government to such CPSEs. In consideration that the impact of the revised compensation structure (including Performance Related Pay) would supposedly form the part of revenue stream for such CPSEs, the affordability condition shall not be applicable to these CPSEs.”

Whereas, pursuant to National Telecom Policy-1999 (NTP-1999) BSNL was formed to take over the service providing function of DoT. Thus, BSNL was formed as a Government Company to perform specific agenda of the Government with regard to Telecom Sector.

One such CPSE which was formed by converting Govt. Department i.e. Food and Civil Supplies Department into Food Corporation of India under the Food Corporation's Act 1964, in order to fulfill the objectives of the Food Policy.

Terms and conditions for formation of Food Corporation of India, and absorption of Government Employees of Food and Civil Supplies Department in IDA scale in Food Corporation of India, were exactly similar to that of Conversion of Department of Telecom. / Department of Telecom. Services into BSNL. Pay and pension revision in Food Corporation of India has always been exempt from affordability clause right from its very inception.

BSNL also needs to be exempted from affordability clause on similar lines, because BSNL was formed under implementation of National Telecom. Policy to carry out specific agenda of the Government and associated regulatory functions.

Huge legacy manpower, as a result about 55% of the total revenue goes to employees' remuneration; as these employees were en-mass transferred and absorbed in BSNL without any functional considerations and justifications. While seeking their options for absorption in BSNL, Government gave them assurances for better prospects. Had they not opted for absorption, they would have got the benefits of 7th CPC.

Unabsorbed ITS officers deployed in BSNL on deemed deputation and holding key posts of SAG / HAG level posts have already been granted the benefits of 7th CPC w.e.f. 01.01.2016 without considering the affordability of BSNL and now absorbed employees in BSNL wage revision is being linked with the said affordability clause of 3rd PRC report and it is being delayed for implementation. It has caused discrimination among the employees working in the same PSU.

Continued

Hon'ble Sir,

More than 2 lakh retired employees' pension revision is also linked with implementation of 3rd PRC recommendations. About 25,000 employees are stagnating in their pay scales.

Turnaround of a non-profitable CPSU working in stiff competition needs more motivated employees than an organization already running in profit in a lesser competitive market. Further, to remain vibrant and to add to its competitive edge, BSNL has recruited about 30,000 Engineering Graduates. To retain this talent, pay revision is imperative.

BSNL Board has already recommended implementation of 3rd PRC recommendations in BSNL with 15% fitment benefits for its executives. But the Department of Telecom is yet to take any decision over it which is causing unrest and frustration amongst the BSNL employees.

We would therefore, earnestly request your kind honor to kindly issue directions to the Ministry of Communications for implementation of 3rd PRC recommendations in BSNL with full 15% fitment benefits in view of the above.

For this, we shall remain ever grateful to your kind honor.

With kind regards,

Yours faithfully



(Prahlad Rai)
General Secretary

Copy to:

1. Shri P.K. Sinha, Cabinet Secretary of India, A-Wing, Shastri Bhawan, Dr. Rajendra Prasad Road, New Delhi – 110001.
2. Shri Nripendra Misra. Principal Secretary to the Hon'ble Prime Minister of India, 148-A, South Block, New Delhi - 110001.
3. Shri Manoj Sinha Ji, Hon'ble MoS (C) (I/C), Govt. of India, 1st Floor, Sanchar Bhawan, Ashoka Road, New Delhi – 110001
4. Smt. Aruna Sundararajan, Chairperson TC and Secretary (T), DoT, Govt. of India, 2nd Floor, Sanchar Bhawan, Ashoka Road New Delhi-110001
5. Shri Anupam Shrivastava, CMD, BSNL, 3rd Floor, BSB, HCM Lane, Janpath, New Delhi-110001.