



INDIAN TELECOM EMPLOYEES FEDERATION

(An Industrial Unit of Bharatiya Mazdoor Sangh)
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No: ITEF/3-PRC/2017

Dated the 29th May 2017

To
Shri Narendra Modi ji,
Hon'ble Prime Minister,
Government of India
South Block,
New Delhi - 110 011

Respected Sir,

Sub: - Exempting BSNL, MTNL & ITI from the affordability clause of the recommendations of the 3rd Pay Revision Committee - reg.

We bring to your kind notice the following, for favour of your consideration and necessary intervention please.

The 3rd Pay Revision Committee, formed by Government, has since submitted it's recommendations regarding pay revision to the employees of the Public Sector Undertakings, w.e.f. 01.01.2017. The Committee has for the first time has spelt the following principles with regards to affordability of a Public Sector Company, to give wage revision to it's employees.

"Additional financial impact should not be more than 20% of the average Profit Before Tax of the last 3 financial years preceding the year of implementation."

If this Clause is implemented in the case of the 3 Telecom PSUs viz., BSNL, MTNL & ITI, then the employees of these PSUs will not be getting wage revision w.e.f. 01.01.2017. Hence, we earnestly request you to kindly intervene in this matter and ensure that the 3 Telecom PSUs are exempted from the Affordability Clause of the 3rd PRC. The position with regards to the 3 PSUs are given below please.

1. **Bharat Sanchar Nigam Ltd:**

In the case of BSNL it is to mention here that the BSNL Management has taken decision that wage revision should be implemented for the employees. The same has been intimated to

the Department of Telecom. Further, it is not out of place to mention here that BSNL has become a loss making PSU, mainly because it was not allowed to procure equipments from 2007 to 2012, for the expansion of it's mobile networks. One after another, the tenders floated by BSNL, for procuring equipments, were cancelled under instruction from the government. As a result, BSNL was not able to expand it's mobile networks during the above mentioned period, when the mobile segment was growing all over the country the Company could not get benefit from the growth witnessed in the mobile segment. In this regard, we wish to bring to your kind notice the statement made by Shri Ravi Shankar Prasad ji, the then Minister of Communications, wherein he has stated that

"Both BSNL and MTNL were in profits 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." We would also like to bring to your kind notice that during your historic speech delivered from the Red Fort in Delhi on 15.8.2016, you were candid enough to admit that the BSNL has started a process of revival.

Further the present Telecom Minister Shri Manoj Sinha Ji has also very recently stated that " BSNL is there, where others are not there, others are there, where money is there"

Sir, the things are changing for a better in the BSNL as all the officers and staff are putting in their best to turn around the company and the results are there to see. For example, BSNL's loss stood at Rs.8,234 crore in the financial year 2014-2015, whereas, it has come down to Rs.3,880 crore in the financial year 2015-2016. BSNL has made an operational profit of Rs.672 crore and Rs.3,854 crore respectively, during last two years i.e. after the advent of the NDA government and year after year revenue is also increasing.

2. Mahanagar Telephone Nigam Ltd:

As regards, MTNL, we would like to state that the company has been starved of new equipment and resources for the past several years. The staff working in the PSU have the zeal to do their best, but the management of the company is not supportive enough to get the desired results. The equipment is out dated and no concrete efforts are made to pump in funds to buy new equipment. The company has its brand image in tact,. What is needed is a push from the Government to deliver the desired results.

3. Indian Telephone Industries Ltd.:

With regards to ITI it is to state that this was the first PSU in the country established by the Government of India and was a household name in the country with its state of the art Telephone instruments. The demand for the ITI instruments was so high that often Union Ministers had to put in a word to get one telephone instrument. Over the years the then Congress Government started its downfall and the company was starved of funds to manufacture new equipment. The orders that were due to it were denied and instead private players were encouraged. The present position is that there are around 5000 employees in the ITI and would be superannuating with the next 3 to 4 years. The company had its last wage revision in the year 1997. At present some of the units are diversifying and are manufacturing products not connected with Telecom. There is tremendous potential in the work force which is highly skilled and their skills can be exploited by various ministries of the Government of India.

Respected sir, at this juncture, Non-implementation of pay revision will demoralize the employees working in these three PSUs and will seriously affect the productivity and revival of these CPSUs.

Considering all the above factors, we request that the 3 Telecom PSUs, viz., BSNL, MTNL & ITI should be exempted from the Affordability Clause of the 3rd PRC, and that the Non-Executives and Executives should be given wage revision w.e.f. 01.01.2017.

With profound regards.

Yours faithfully

S.V.S. Subrahmanyam

(S.V.S. Subrahmanyam)
Secretary General