

Important Points related to Wage Negotiations in BSNL

1. Regarding 8th Round Wage Negotiation in CPSEs to be implemented in BSNL, the Department of Telecommunications (DoT), vide letter No. F62-2/2016-SU dated 27.04.2018, has directed the BSNL about the DPE guidelines on 3rd PRC and directed the Company to take necessary action in strict compliance with the DPE guideline.
2. Accordingly, BSNL Management constituted a Joint Wage Revision Committee on 19.07.2018, comprising representatives of the Management Side and the Recognized Unions, to recommend the revised wage structure for Non-Executive employees with effect from 01.01.2017.
3. Following the implementation of VRS-2019, the Joint Wage Revision Committee was reconstituted on 10.11.2021 and again on 28.04.2025. The Committee held several rounds of discussions and negotiations on the revision of pay scales for Non-Executives.
4. After prolonged negotiations, a wage settlement was reached between the Management Side and the Staff Side on 08.10.2025, and it was mutually agreed to forward the settlement for approval of the competent authority.
5. The BSNL Board, in its 247th meeting held on 12.02.2026, approved the Wage Agreement and the recommendations of the Joint Wage Revision Committee regarding revision of pay and allowances of Non-Executive employees with effect from 01.01.2017. The proposal was subsequently forwarded to DoT vide letter No. BSNLCO-SR/15(11)/1/2025-SR dated 24.02.2026.
6. The approval of DoT is now required under Clause 2(x) of DPE OM No. W-02/0015/1016-DPE(WC)-GL-XXIV/17 dated 24.11.2017 for implementation of the Wage Revision of Non-Executive employees of BSNL with effect from 01.01.2017.
7. Salient Features of the Wage Agreement of the Non-Executives:-
 - a) Revision of pay with effect from 01.01.2017.
 - b) Fitment formula at par with that approved for BSNL Executives.
 - c) For the pay fixation, merger of 100% DA as on 01.01.2017 with basic pay and implementation of a revised pay structure mutually accepted by both Management and Staff Side.
 - d) Revision of perks and allowances based on the recommendations of the Committee already constituted for this purpose.

8. BSNL Corporate Office has consistently pursued the matter with DoT through a series of communications seeking approval and guidance for implementation of the 3rd PRC for Executives and the Wage Revision for Non-Executives. Important references include:
- a) Letter No. BSNL/38-1/SR/2016 dated 07.01.2019 regarding guidance for the 8th Round Wage Negotiation in CPSEs to be implemented in BSNL.
 - b) Letter No. BSNL/38-1/SR/2016 dated 08.06.2022 seeking approval for revision of pay scales with 15% fitment for Executives, as already recommended by the BSNL Board and forwarded to DoT.
9. AUAB is deeply concerned about the applicability of the 'Affordability Clause', which has been prescribed by the DPE as a key criterion for granting Government approval. However, we strongly feel that BSNL should be granted relaxation from the Affordability Clause, considering that it is a strategic Public Sector Undertaking formed out of a Government department and is involved in the implementation of numerous Government projects. Further, the Government has already extended three Revival Packages to help BSNL overcome its financial difficulties. According to the last three years financial results, BSNL has registered growth in revenue and has also achieved positive EBITDA growth, reflecting a significant improvement in its financial performance.
10. The Committee on Public Undertakings (COPU) has already submitted its report to the Government, recommending relaxation of the Affordability Clause for granting approval to the 3rd PRC pay structure. The Committee has opined that implementation of the 3rd PRC for the approximately 52,000 Executives and Non-Executives of BSNL would enhance employee morale and productivity, thereby contributing to the Company's efforts to overcome its financial challenges.
