

Sub: Key points justifying demands of 3rd PRC for BSNL without applicability of affordability clause.

1. **Corporatisation of Govt Department in CPSE without any financial support:** As per DOT OM dated 30.09.2000 BSNL was corporatize and main objectives for formation to corporate entity BSNL was as follows-
 - In pursuance of New Telecom Policy 1999, the Government of India has decided to corporatize the service provision functions of Department of Telecommunications (DOT). The Government of India has decided to transfer the business of providing telecom service in the country currently run and entrusted with DTS and the DTOs as was provided earlier by DOT to the newly formed company BSNL w.e.f 01.10.2000.
 - BSNL played vital role for Socio-Economic growth of our Country.
 - BSNL was formed by Government of India to fulfil specific agenda (as per NTP-99).
2. **Approval of BSNL Board for approval of 3rd PRC for BSNL Executives with 15% Fitment Formula:** With due approval of BSNL Board, vide letter No. BSNL/SR/38-2/SR/2016 Dated 14/03/2017 and 01/06/2017, CMD BSNL has written to DoT for approval of third PRC for BSNL Executives with 15% Fitment Formula with time to time reminders and requests. In recent past also response to query raised by DoT vide letter dated 09/01/2026, BSNL has conveyed the details to DoT vide letter No. Dated 26/02/2026 that BSNL Board has recommended third PRC for BSNL Executives with 15% Fitment formula.
3. **DPE Guidelines to relax the Affordability Conditions:** As per DPE order letter no-W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 03.08.2017 in Annexure-II, Para 5 (c) Affordability for certain types of CPSE which has been formed as independent Government Company under a statute to perform a specific agenda, the affordability condition shall not be applicable for these CPSE. BSNL is formed by conversion of DoT Operational services to BSNL with enemas transfer of Manpower and assets to BSNL without giving consideration of requirement and needs have newly built CPSE BSNL. Hence affordability clause is not applicable for implementation of 3rd PRC.
4. **Recommendations of DoT for waiver of Affordability Clause for BSNL Executives:** As per Directions of then MoSC (I/C) DoT has sent proposal for implementation of 3rd PRC by relaxing Affordability Clause criteria vide letter No. 11-1/2017-SU-II Dated 20/03/2018 to DPE with full justifications for relaxation of affordability clause for BSNL Executives with 15% fitment Formula.
5. **Directions of DPE for Relaxation/Waiver relaxation of Affordability Clause for BSNL Executives:** In response to DoT Request for implementation of 3rd PRC by relaxing Affordability Clause criteria, DPE vide OM No. W-02/2004/2018-WC Dated 18/04/2018 has conveyed that any relaxation/ amendment in the extant guidelines for relaxation of affordability would require

the approval of Cabinet for which DoT may examine the issue at its end for necessary action. i.e. DoT is empowered to take up matter with Cabinet, Government of India for approval for waiver/relaxation of affordability clause with approval. For taking this issue for approval of Cabinet, DoT is waiting for recommendations of BSNL Board conveying Wage Negotiation Agreement between BSNLEU and NFTE and Members of the Wage negotiation Committee.

6. **Approval and Recommendations of Wage Negotiation Agreement for BSNL Employees:** Since 2019, DoT is waiting for agreement Wage Negotiation Agreement between BSNLEU and NFTE and other Members of the Wage negotiation Committee. The wage negotiation agreement signed between Wage Negotiation Agreement and BSNLEU and NFTE and Members of the Wage negotiation Committee has been sent by BSNL to DoT vide letter No. BSNLCO-SR/15(11)/1/ 2015 Dated 24/02/2026 and it needs formal approval of DoT so as the agreement is signed between Members of Wage Negotiation Committee.
7. **Partial PC implemented in BSNL:** These 3rd PRC benefits are passed on to the certain group of officers working in BSNL at higher positions by waving off the affordability clause but unfortunately this affordability clause is not waved off for own employees of BSNL even after clear guidelines from DPE. The entire Management of BSNL is controlled by the Officers of DoT and the all the officers in DoT and BSNL management are getting the benefits of 3rd PRC since 01/01/2017 and with approval of the Cabinet, the affordability clause is waived off for them only we executives absorbed in and recruited by BSNL are denied the 3rd PRC. Otherwise, no benefits of 3rd PRC/7th CPC would have been granted to all the officers of DoT working on deputation in BSNL against posts of BSNL. Important point is that these officers from DoT do not have any post for their promotions in DoT and even DGM level promotions are granted against posts of BSNL and thus all these officers are getting extra benefits of one increment on each promotion and by now many of them have got two promotions against posts of BSNL and are getting all financial benefits including LTC, medical facilities, higher TA/DA Rates, higher Transportation allowance and no affordability clause is applicable for them. BSNL is spending hundreds of Crores on the officers working on deputation and these officers have withdrawn all facilities available for BSNL absorbed and recruited officers and it is really disgusting and totally disappointing for us and there is mass unrest among the 56000 workforce of BSNL. We have no issue for the benefits the officers on Deputation are getting, but we are much frustrated due to the dual stand adopted by these officers in taking benefits for the self and denying similar benefits for own officers of BSNL including their own brothers and sister ITS officers who are absorbed in BSNL. It is painful to bring your kind notice that this day light discrimination has been noticed by the Parliamentary Committee, Government of India and this High Level Constitutional Committee also has given directions for clearing this discrimination, but the same also is not responded or acted upon by the Dept. of Telecom.
8. **Recommendations of the Parliamentary committee to clear discrimination in Pay revision of BSNL employees:** As per Sixth Report

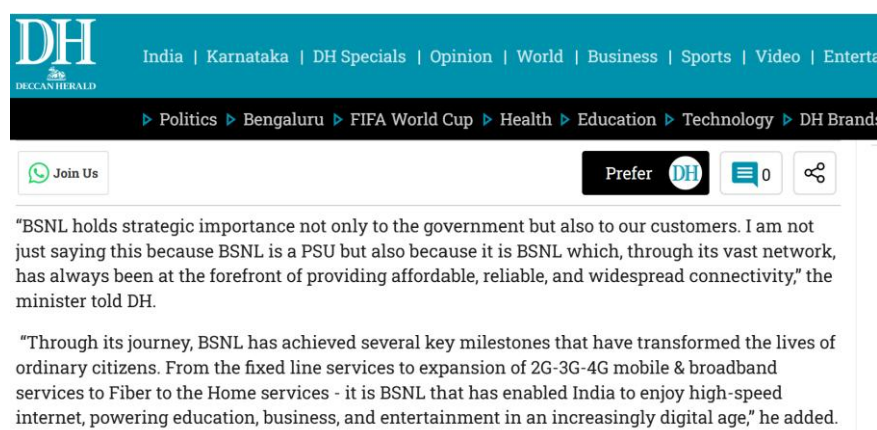
presented in Eighteenth Lok Sabha (2024-25), the Parliamentary committee recommended on pay and structure are as per under clause 12.2 below.

“Committee would like to suggest the company to address disparities between ITS and BSNL employees. BSNL should focus on harmonizing pay structure by aligning them with the 7th Pay Commission standards or as per the pay structures of other similarly placed CPSUs. Company should reconsider their policy towards pay structure and allowances to address the disparity amongst BSNL employees.”

Also, in a blatant discrimination, those on deputation from DoT to BSNL and occupying key managerial and responsible positions are already drawing salary in revised pay scales as per the recommendations of Seventh Central Pay Commission w.e.f. 1.1.2016, with their entire salary and allowances being borne by BSNL. DoT did not find the affordability clause a bar to their pay revision. This has led to a legally questionable anomaly wherein those on deputation despite several opportunities provided to join BSNL are getting the revised pay paid by BSNL, but BSNL's own employees who had taken absorption in BSNL at the first provided opportunity are denied the pay revision on the plea of non-affordability. The fall out of such a situation will be unparalleled in the history of Indian Public Sector.

9. **Policy Decision of BSNL are taken by Government:** BSNL is following all the directions from Government and never bothered only for profit out of any services. 4G Eqpt only under Atmnirbhar Bharat, support to live testing of Indigenous Equipments , 4G Saturation for providing Services in Rural area where no other operator is available, Bharat Udyami for FTTH Services in Rural area, Mission Digital India and so on. With such approach to render services for aims and objectives of Government of without looking into loss profit, makes BSNL services oriented PSUs and not oriented to loss and profit and hence the Affordability Clause which aims at only profit may not be applied to BSNL.
10. **Govt Obligation to Keep BSNL viable, strong and healthy Condition:** As per PIB release 168/2000 dated 01.09.2000, the GOM constituted under the chairmanship of the Minister of Communications, Ram Vilas Paswan has taken certain important decisions that BSNL would be a potent instrument in the hand of Government for achieving its social objectives in regard to spread of telecommunication Network in the country, GOM has further decided that under no circumstances Government would allow Bharat Sanchar Nigam to become non-viable as it has to be kept always strong and healthy condition.
11. **Government Recognizes BSNL as Its Strategic Partner in Achieving National Objectives:** The Fourteenth Finance Commission recognized BSNL as Priority Sector PSU, underscoring its critical role in national development, governance, security, and digital inclusion. As only Government owned pan-India Telecom service provider, BSNL occupies a unique position in fulfilling these strategic national objectives. BSNL is a 100% government owned

strategic Public Sector Undertaking operating under the Department of Telecommunications. The government views BSNL as a critical national asset responsible for ensuring affordable, nationwide connectivity and securing communication needs in remote or strife-torn areas, alongside executing rural infrastructure projects. The government and industry associations emphasize that BSNL plays a unique role that extends beyond pure profitability, acting as a market balancer and a vital instrument for national security. BSNL holds strategic importance not only to the government but also to our customers. I am not just saying this because BSNL is a PSU but also because it is BSNL which, through its vast network, has always been at the forefront of providing affordable, reliable and widespread connectivity.



Above is public announcement by Respected Minister of Communications. Strategic organization, BSNL became strong and healthy because of present Government revival packages and also with the hard work of its Employees. It will be therefore unfair if BSNL employees are denied their due 3rd pay revision in the name of non-affordability, since such a proposition will have a negative impact on their morale which in turn will affect the revival plans of the BSNL and also in this crucial time when signs of impending turn around by BSNL are clearly visible.



Since its inception, BSNL has been consistently recognized by the Government of India as its strategic telecom partner for implementing national priorities

and public welfare initiatives. Unlike private telecom operators, BSNL has been entrusted with several strategic, security-sensitive, and socially important projects, where national interest has been given precedence over commercial profitability. Over the years, BSNL has successfully executed numerous flagship Government projects, including BharatNet, Network for Defence, Left Wing Extremism (LWE) connectivity, Comprehensive Telecom Development Plan (CTDP) for the North Eastern Region, 4G saturation projects, disaster restoration works, and connectivity to remote, border, island, and tribal areas. These projects were undertaken primarily to fulfil Government objectives of digital inclusion, national security, and equitable development, rather than to generate commercial returns. Recognizing BSNL's unique strategic role, the Government has repeatedly extended revival packages, sovereign support, viability funding, spectrum allocation, capital infusion, and administrative assistance to ensure that BSNL remains capable of delivering these critical national responsibilities. Such support reflects the Government's acknowledgment that BSNL performs functions that go far beyond those of a commercial telecom service provider.

12. **BSNL is providing services at affordable cost to Customers:** The data, Internet connectivity rates for services provided by BSNL are lowest among all operators in India and perhaps it may be all over the world. Private Telecom companies have enhanced these rates time to time and are still facing losses. On the contrary, BSNL is providing all services at cost affordable to customers. The average cost of data all over world is about Rs 18 per GB and BSNL is providing these services at Rs One per GB. Private operators are providing data services at Rs 7 to Rs 11 per GB and if BSNL enhance the rates, its profit will automatically become at least seven to eight times of present profit. If BSNL increases prices at par with other Telecom operators about Rs 10 to 15 per GB, BSNL will also be in profit.
13. **Net Profit of BSNL:** With support and valuable guidance of Government of India, BSNL has recorded Net profit in Q4 of 2024-25 and it is target of Government to make BSNL Profit making by 2026. When BSNL has covered losses from 31000 Crores in particular year to net profit in last year, definitely this goal of net Profit of BSNL will be achieved. Hence Third RC needs to be implemented in BSNL. Net Profit earned by BSNL in two successive quarters and in coming years it will be profit making PSU.
14. **The affordability Clause waived off by GoI for the following CPSU:** The affordability Clause has been already relaxed for many PSUs and some of them are listed below.
 - a. Coal India
 - b. SAIL
 - c. Delhi Metro

In line with the above PSUs, the 3rd PRC may be extended to the employees of BSNL without or by waiver of the affordability clause.

13. **Profitless services by BSNL:** BSNL stood with nation in tough times by providing free telecom services at the time of natural calamities e.g.

Uttarakhand Floods, J&K floods, Chennai floods, Kerala floods, Cyclone in WB, Gujarat, Odisha , HP floods, Wayanad Floods etc.

- a. During disasters, BSNL frequently offers free calls, SMS, and data, opens Wi-Fi hotspots, and collaborates with the National Disaster Response Force (NDRF) and state governments.
- b. Its legacy wire line/Optical fibre network remains operational when mobile networks fail due to power disruptions.
- c. Providing services at remotest rural places
- d. During each disaster BSNL employees not only worked day and night for restoration of connectivity at affected areas but also every employee contributed some days salary for Prime Minister's Relief Fund.
- e. The remote and rarely used pilgrim places like Amaranth Yatra, BSNL is providing services since its formation and it has never received in profit out of such dedicated services.
- f. BSNL is providing about all services for nations and never bothered about any profit out of such works, hence this affordability clause should not be applicable to BSNL.
- g. Affordable services being provided by BSNL to its customers specifically in rural areas, as BSNL is providing Telecom service at rates of 25% as compared to Market trend and charges applied by Private Operators.

14.Position of BSNL among Revenue Earning PSUs: BSNL Ranked 27th among 272 CPSEs in terms of generating revenue from Operation which shows its commitment to generation of revenue. BSNL is facing losses due to different reasons and mainly due to loss making services in rural area to support objectives of Government.

15.Appreciation of dedicated services of BSNL by Government of India:

- a. Public announcement by then Minister of Communications Respected Shri Ashwini Vaishnav ji in presence of Secretary DoT and CMD BSNL in SNEA Delhi Meeting for implementation of 3rd PRC on successful installation of 55000 BTS in 2024 and by now BSNL has installed more than One Lakh towers,
- b. Public Appreciation of BSNL and its executives by Honourable Prime Minister of India for developing Indigenous 4G network convertible to 5G and BSNL is contributing to Building Nation.
- c. Announcement by Minister of Communication in parliament that BSNL is not working only for profit and its priority is service.
- d. Honourable Prime Minister of India on 27.09.25 in Public meeting described BSNL as the People's Company. BSNL has been the backbone of India's telecom growth. Its journey reflects our determination to ensure every citizen has access to modern telecommunications facilities".

- e. Honourable Prime Minister of India 05.02.2026 in reply to the Motion of thanks on the President's address in the Rajya Sabha recalled the days when BSNL was ridiculed, but under his Government a swadeshi 4G stack was established and India rolled out 5G at the fastest pace globally, advancing Communication technology and innovation.
- f. Honourable Prime Minister of India FM Nirmala Sitarama ji on 18/03/2026 on BSNL said in Rajya Sabha that she must respectfully say that every Criticism made against it is 'Incorrect' and added that the public sector telco was Pushed into a critical condition earlier. She noted that Government interventions have successfully transformed BSNL.
- g. On 25.05.2026 Hon'ble MOSC have hailed BSNL's transition into a competitive 4G Players. He told that the financial turnaround is striking's. BSNL revenue grown from Rs 21000 Crore to Rs 25000 Crore, a healthy 20-25% increase in two years.
- h. Hon'ble MOC message August 2025 Edition: It gives me immense pride to share that the real heroes of this turnaround are BSNL's workers, Engineers, Lineman, and leaders across 32 Circles. Their hard work, often in the toughest conditions, has powered this revival. Every tower they upgraded, every fibre they laid every customer they served, has brought BSNL to this. BSNL is more than a telecom operator. It is the brand that first connected India and continues to champion affordable, inclusive and reliable connectivity. While Private players concentrate on select markets. BSNL endures as the people's network and the nation's network.

16. Policies and not Employees are not responsible for losses: It is fact that Employees are not responsible for losses, but the wrong or delayed policy decisions by earlier Governments are real Reasons for losses faced by BSNL viz.

- a. Delay in allotment of 3G and 4G spectrum to BSNL,
- b. Delay on part of Tejas and C-DoT in extending support for Indigenous 4G services,
- c. Disparity among BSNL and other Telecom Operators to purchase 4G Mobile Equipment,
- d. Addition of workload of services of MTNL without supporting staff and equipments,
- e. Competitive and volatile market in Telecom sector,
- f. Except R-Jio, all other telecom companies including Vodaphone idea which providing services only with sole aim of profit are making areas are in loss.
- g. These 3rd PRC benefits are passed on to the certain group of officers working in BSNL at higher positions by waving off the affordability

clause but unfortunately this affordability clause is not waved off for own employees of BSNL even after clear guidelines from DPE.

- 17.** This year 2026, Honourable Prime Minister of India has directed for constitution of the 8th CPC and these officers will get benefits of 8th CPC also and hence none of them is interested in granting 3rd PRC to BSNL executives rather efforts are made to project wrongly to your office and office of PMO that BSNL Officers with 2nd PRC are getting more salary than the officers in DOT similar and hence no action is being taken on this proposal of BSNL sent in 2018 to DoT, even after clear directions by DPE, Parliamentary Committee and then Minister of Communications.
- 18.** Non-implementation of third Pay revision is not only impacted 55000 Employees of BSNL but it has direct impact on pension of more than 3.5 lakh Retired Employees of BSNL and it has wider adverse impact as about four lakhs families are sufferer.

Therefore, while deciding implementation of Pay revision, the emphasis should not be confined solely to financial profitability. The strategic value created by BSNL through nation-building, universal connectivity, security support, and implementation of Government programmes deserves equal recognition. A strong, professionally motivated, and adequately compensated workforce is indispensable for BSNL to continue serving as the Government's trusted strategic telecom partner and fulfilling its national mandate.
