



ALL INDIA BHARAT SANCHAR NIGAM LIMITED RETIRED EXECUTIVES' ASSOCIATION

Central Headquarters

Registered under Societies Registration Act XXI of 1860 vide Govt. of NCT Delhi No. S/RS/SW/1161/2014

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No. AIBSNLREA/CHQ/2025/68

Dated 13th October 2025

To

Dr. Neeraj Mittal,
Secretary (Telecom),
Department of Telecommunications,
New Delhi 110001.

Subject: BSNL'S Nation-building role, underscored by Hon'ble Prime Minister warrants a dignified pay revision for its committed workforce – Request to get Cabinet approval for relaxing the affordability clause

Sir,

With the signing of the wage agreement between BSNL and its recognized unions, a much-delayed milestone, expectations are running high among the BSNL employees over their over-due pay revision, as they feel they are one step closer now. With the DPE stipulated pay scales for Executives already in place, it is now incumbent upon the DoT to take the next decisive step by moving a cabinet note seeking relaxation of the affordability clause for BSNL, as suggested by DPE long back in the year 2018.

2. While replying to DoT OM dated 20.03.2018 proposing implementation of 3rd PRC by relaxing affordability criteria, DPE vide its OM dated 18th April 2018 had suggested that "**Any relaxation/amendment in the extant guidelines would require the approval of the Cabinet for which DoT may examine the issue at its end for necessary action**". Although DoT did examine the issue, its focus remained on establishing that BSNL could not afford to implement the pay revision, rather than strengthening the case for relaxing the affordability clause. All the justifications provided by BSNL for such relaxation were dismissed solely on grounds of non-affordability. After nine months of repeated queries to BSNL, DoT closed the matter advising BSNL to submit a "concrete and comprehensive proposal firming up the exact quantum of financial burden."

3. BSNL supported its request to relax the affordability clause with well-founded arguments such as,

"BSNL is a legacy organization accountable to Parliament, amenable to CAT and writ jurisdictions of Courts and cannot be compared with other companies";

BSNL "addresses market imperfections in telecom sector, is a reference point for getting reliable information for the sector regulator, is working as a tariff balancer to ensure availability of affordable telecom services to the masses, is providing services to uneconomic, unviable, rural, far flung and difficult hilly terrains, is playing vital role in providing connectivity during emergencies and natural calamities, a key driver of socio-economic development and has a greater role to play in providing the necessary infrastructure for E-Governance services and fulfills the vision of the Government on transforming India into a digitally empowered society and knowledge economy" and

"14th Finance Commission has identified BSNL as a strategic, socially and economically significant CPSU."

4. **While the Department of Telecommunications (DoT) did not acknowledge these assertions at that time, recent public addresses by the Prime Minister of India and the Minister of Communications substantiate the claims previously made by BSNL.**

5. Hon'ble Prime Minister Shri Narendra Modi has frequently highlighted **BSNL's pivotal role in India's digital transformation, emphasizing its contributions to self-reliance, underscoring its strategic value for nation-building.**

6. On September 27, 2025, while inaugurating over 97,500 indigenous BSNL 4G towers and the fully indigenous 4G stack, he described BSNL's technology as embodying the "swadeshi spirit" and reflecting "India's journey from dependence to confidence." He noted that the network connects remote, tribal, and border areas, benefiting over 2 crore people, including students, farmers, and armed forces personnel. He also linked it to broader nation-building, stating it drives employment, exports, and fiscal revival.

7. On October 9, 2025, in his inaugural speech at India Mobile Congress 2025 he praised BSNL's role in India's telecom evolution, noting the country's progress from 2G struggles to 5G coverage in nearly every district. He highlighted the indigenous 4G stack's export readiness and its alignment with the Bharat 6G Vision, positioning BSNL as a key enabler of India's global telecom leadership.

8. Hon'ble Minister of Communications Shri Jyodiraditya Scindia has been recently on record stating that **"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.” “Through its journey, BSNL has achieved several key milestones that have transformed the lives of ordinary citizens. From the fixed line services to expansion of 2G-3G-4G mobile & broadband services to Fiber to the Home services - **it is BSNL that has enabled India to enjoy high-speed internet, powering education, business, and entertainment in an increasingly digital age**”. He added that **“BSNL will prove to be a game changer in providing secured, affordable and reliable telecom networks”**.

9. **Given these imperatives, BSNL must be viewed as a strategic public utility, not a profit-earning entity. The affordability clause, designed for commercial CPSEs, is incongruent with BSNL’s mandate and must be relaxed in this context.**

10. And we would also like to reiterate in uncertain terms that

- the fitment benefit cannot be anything but stipulated in the DPE OM vide W-02/0028/2017-DPE(WC)-GL-XIII/17 dated 3rd August 2017 for pay revision. The OM provides for a fitment of either 15% or a lower fitment benefit of 10% or 5%. **There is no provision for 0%**. Introducing a 0% fitment would not only contravene the DPE stipulations but also significantly demoralize a workforce that has consistently demonstrated exceptional dedication, despite prolonged financial and operational challenges, and the increased burden following the departure of more than 80,000 employees under the BSNL VRS 2019 scheme.
- The pay scales for Executives have been structured to suit fitment benefit of 15%, with provision for adjustment in cases of bunching arising out of lower fitment of 5% and 10%, vide Annexure-III A of Para 6 of DPE OM dated 3rd August 2017. If 0% fitment is applied, bunching occurs in more number of stages and adjustment as per Annexure-III A of Para 6 applies only to cases **“where a lower fitment benefit (i.e. 10% or 5%) is granted”** and not for 0%.
- The financial implication associated with a 5% fitment is expected to be minimal, considering the fact that the manpower has been reduced from 165000 to just around 35000 and BSNL has now been allowed to pay pension contribution on the ‘existing pay’ instead of the previous practice of ‘maximum of pay scale.’

11. It may also be kept in mind that, according to the Minister of Communications, **“BSNL has been transformed into an epitome of resolve and commitment with remarkable turnaround of back-to-back net profit of Rs 262 crore in Q3 and Rs 280 crore in Q4, marking the first consecutive profitable quarters in 18 years” and “BSNL's EBITDA surged to Rs 5,396 crore in 2024-25 from Rs 2,164 crore in 2023-24, with the EBITDA margin improving from 10.15 per cent to 23.01 per cent.”** The Minister of Communications has also acknowledged that **“BSNL’s achievement of a net profit after 18 years is a direct result of the unwavering dedication and hard work of every member of the BSNL family”**.

12. DoT is therefore required to act with urgency and fairness. The employees of BSNL have waited long, served diligently, and absorbed multiple shocks, including VRS, stagnation, and disproportionate workload. A just pay revision with at least 5% fitment is not only policy-compliant but also a moral obligation.

13. We trust that DoT will initiate the cabinet note for affordability clause relaxation and ensure a dignified fitment, in line with BSNL's strategic role and the expectations of its workforce.

With kind regards,

Yours sincerely,

Handwritten signature in blue ink, appearing to read 'R.R. Balasubramanian', with the date '13/10/25' written below it.

(R.R. Balasubramanian)

General Secretary

Copy to:

1. Shri Narendra Modi,
Hon'ble Prime Minister of India
2. Shri Jyodiraditya Scindia,
Hon'ble Minister of Communications, Gol
3. Shri A Robert J Ravi,
CMD BSNL