



BSNARAT SANCHEAR NIGAM LTD.
A GOVERNMENT OF INDIA ENTERPRISE
 SR Cell, Corporate Office
 8th Floor, Bharat Sanchar Bhawan,
 Janpath, New Delhi-110 001

No. BSNL/38-1/SR/2009

Dated, 6th October, 2009

Minutes of the meeting of Wage Revision Committee held on 8th September, 2009 under the Chairmanship of Shri S.R. Kapoor, ED(Fin.), on 'Wage Revision for Non-executive Employees in BSNL & follow up meeting held on 09.09.09

The meeting of Wage Revision Committee was held on 08.09.2009 at 14:30 Hrs in Ground Floor Tender Room, Bharat Sanchar Bhawan, New Delhi. The following were present in the meeting.

Official side:

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| 1. Shri S.R. Kapoor, ED (Fin.) | Chairman |
| 2. Shri Ram Kumar, ED(CN) | Member |
| 3. Shri D.P.De, GM (Estt.) | Member |
| 4. Mrs. A. Panda, GM (EF) | Member |
| 5. Shri Shakeel Ahmad, GM (SR) | Member |
| 6. Shri P.K. Purwar, GM (CA) | Member |
| 7. Shri L.M.Kandpal, AGM (SR-III) | Member-Convener |

Staff side

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| 1. Shri V A N Nambodiri, | General Secretary, BSNLEU |
| 2. Shri R.Venkataraman | |
| 3. Shri V. Subburaman | |
| 4. Shri Suresh Kumar | |
| 5. Shri .P.Asoka Babu | |
| 6. Shri .P.Abhimanyu | |
| 7. Shri K.R. Yadav | |
| 8. Shri Devi Prasad Patwa | |
| 9. Shri B.R.Jakhatia | |
| 10. Shri Hari Singh | |
| 11. Shri Hakam Singh | |

1. GM (SR) welcomed all the members of wage revision committee and stated that he would like to inform the committee members about the queries raised by DoT on the two alternatives proposals forwarded by BSNL management to DoT for consideration and approval. He informed the members that BSNL management has conveyed DoT about the union demand of 5 yearly wage settlements with 30% fitment benefit. But DoT hasn't

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offered any comments on the issue of executive and non-executive employees are justified. Therefore, staff side members may re-consider the proposal of BSNL management for pay revision at par with executive.

2. General Secretary, BSNLEU said that they have already expressed their views on all the issues. He further said that their views are very clear; that is why, they have placed demand of 5 year periodicity with 30% fitment benefits. Reacting to this Chairman, Wage Revision Committee informed that BSNL Management had discussed this demand and formed a view that wage revision should be uniform for all the employees otherwise problems may come in due course of time. Therefore, staff side should consider the proposal of periodicity of 10 years. ~~When asked BSNL management what is more suitable/viable for BSNL, BSNL management will recommend uniform periodicity both for executive and non-executive employees.~~

Reacting to this General Secretary, BSNLEU asked how BSNL management can take unilaterally decision for 10 year periodicity. As per DPE guidelines, the wage revision for non-executives is to be carried out through the process of negotiation. Responding to this, official side stated that in case of non-executives, validity of wage settlement is mentioned in DPE letter dated 09.11.2006 for wage settlement for non-executive as 10 years. Later on, considering the demand of unions/associations of various CPSEs, government has decided that can be below 10 years but not less than 5 years (DPE letter dated 1st May, 2008). As far as executives is concerned, the periodicity is not specified in the DPE/Govt. orders. They further told that in 6th CPC recommendations also, validity period of pay revision is not mentioned.

3. Staff side members pointed out that BSNL management is prepared to give 30% fitment with 10 year periodicity and their demand is 5 years with 30%, upto 5 years in both the cases fitment is same during first 5 years. Therefore, some clause may be inserted clarifying the scope of review, like the review shall be considered after 5 years subjected to profitability/affordability/revenue of company at that time. General Secretary BSNLEU further added that if management agreed for their demand of 5 year periodicity, it will be motivation for the staff. The staff will understand that if company is not growing, they would not get another wage revision after 5 year. The official side has clearly mentioned that if staff side insists for 5 year periodicity, in that case fitment will be certainly less than 30%.
4. General Secretary, BSNLEU said BSNL management is talking equality with executives. In case of executives, periodicity is not mentioned in pay revision order of executives. Therefore, in case of non-executive also periodicity of wage revision needs not be mentioned. Review can be proposed after 5 years depending upon the viability/affordability.
5. Official side suggested that first both side may prepare justification/merits/demerits in support of demand/proposal on the issue of periodicity of wage revision, thereafter committee will discuss the views of both sides in the next meeting. However, the suggestion was not accepted by staff side. General Secretary, BSNLEU said that after intervention of PMO, their demand of 5 years periodicity was acknowledged and necessary orders were issued by DPE. Therefore, they demand 30% fitment with 5 years periodicity.

Arjun

6. After extensive deliberations, it was finally decided that draft will be prepared without mentioning the validity period of wage settlement like executive and scope of review would be defined in consultation with staff side members. It was also agreed that GM (Estt.), GM (SR) and two members from staff side will meet the next day in the Chamber of GM (SR) and will prepare draft.
7. On the issue of 78.2% DA neutralization, the official side informed that BSNL management so far not taken any decision on the matter. Therefore, the committee will discuss wage revision with 88.8% DA neutralization only.
8. At the end, Chairman, Wage Revision Committee thanked all members of the committee for their constructive support and co-operation for holding meeting in cordial environment.
9. The matter was subsequently discussed on 9.9.09 wherein Shri V.A.N.Naboodiri, GS BSNLEU, Shri R. Venkataraman, Shri D.P.De, GM (Estt.) and Shri Shakeel Ahmad, GM (SR) were present. The discussion was to be carried out as a follow up of the suggestion moved by staff side during wage revision committee meeting held on 8.9.09, that the wage revision could be carried out without mentioning the periodicity, with a clause to review the situation after 5 years under certain conditions. However, during the meeting held on 9.9.09, staff side could not come out with any specific suggestion on parameter(s) which could be basis for review after 5 years, and instead insisted that wage revision may be carried out without mentioning the periodicity and with a provision that a review will be carried out after 5 years based upon DPE/government guidelines. It was explained by the management that DPE/government guidelines are for wage revision not for the review and as such the proposal amounts to wage revision after 5 years and power to approve the same lies with DoT. Further, the issue was agreed to be discussed in the smaller group was only to identify the review parameter and, as such, this discussion was beyond the scope of smaller group. Therefore, the demand for wage revision with 5 years periodicity has to be discussed in the wage revision committee meeting.


(L.M. Kandpal) 06/10/09
AGM (SR-III), BSNL CO

Copy to:

1. All participants.
2. PPS to Director (HR), BSNL Board.