

# **ORGANISATION OF BSNL UNIONS AND ASSOCIATIONS**

(AIBSNLOA, BEA, BSNLWRU, FNTOBEA, BSNLSU, TEU (BSNL), BTU BSNL, AIBCTES, BSNLEC,  
BSNL AU, DEU BSNL)

D1, Atul Grove Road, New Delhi

No. OBUA/ 2019/06

Dated 4<sup>th</sup> November 2019

To

Shri Ravi Shankar Prasad ji,  
Hon'ble Minister of Communications,  
Government of India,  
New Delhi.

**Subject : Proposed VRS package for BSNL employees – issues required attention - regarding**

Respected Sir,

At the outset, we convey our gratitude for the strenuous efforts taken by you in getting approved by the Union Cabinet, a Revival Package for BSNL which has at one stroke removed all the damages done by the negative campaign that was being run in the media and social media propagating that BSNL is moving towards closure. Announcement of the revival package has restored the customers' confidence, which is vital for the fiscal health of BSNL.

2. As a part of the revival plan, you had desired to offer an 'attractive' VRS plan for the BSNL employees aimed at reducing expenditure on employee salary. However, we regret to point out that, introduction of an unwarranted clause in the proposed VRS scheme proposed, seeks to create confusion about an honorable exit package and could derail the entire process.

3. This clause says that "*Actual amount of Ex-Gratia eligible for payment to the employees entitled to pension / family pension under Rule 37-A of CCS Pension Rules, 1972 shall be further restricted to the amount which together with total amount of pension (Basic Pension plus Dearness Relief as on the date following the effective date of voluntary retirement) he/ she would be drawing till date of superannuation, does not exceed 125% of the sum of salary at existing rate that the employee would have drawn till superannuation.*"

4. In all existing VRS models, whether it is Gujarat Pattern or DHI Pattern or any other Pattern, the ex-gratia is restricted only to the salary the person would have drawn till the remaining period of service had he not availed VRS. There is no need to introduce another restriction by adding the pension payable from the effective date of VRS till he attains the age of 60 years. Terminal benefits are never dragged into consideration for calculating the quantum of ex-gratia. The introduction of this unwarranted clause has resulted in different interpretations about the calculation to arrive at the actual ex-gratia and utter confusion and apprehension in the minds of the target group of the BSNL employees.

5. Therefore, We request you to kindly give necessary directions for examining the following points and issue due clarifications/modifications before the VRS window opens.

(i) The clause 6.1 (c) further restricting the ex-gratia amount in respect of those entitled to pension / family pension under Rule 37-A of CCS Pension Rules, 1972, be removed and restriction as per Gujarat Pattern that "the ex-gratia should not exceed the salary payable during the remaining period of service" alone should remain.

(ii) Option for commutation of pension should be obtained and allowed at the time of effective date of VRS itself. Let commuted amount be paid in lumpsum after 5 years or on attaining the age of 60 as the case may be, with interest calculated at prevailing GPF rates. This is to ensure that in the unfortunate event of the voluntarily retired employee's death before the stipulated 5

7 years or attaining the age of 60, the commutation benefits will be available to his/her spouse/family.

(iii) There is a condition which states that "The benefits payable under this scheme shall be in full and final settlement of all claims of whatsoever nature, whether arising under the scheme or otherwise. An employee who voluntarily retires under this scheme or his/ her family or legal heirs shall have no claim or compensation except the benefits under the Scheme." This has given rise to an apprehension that VRS optees will not be eligible for pension revision even when pay revision of BSNL employees takes place. Although we are aware that Pension revision follows pay revision based on Supreme Court judgments and cannot be denied, a categorical confirmation is required to assure the prospective VRS optees.

(iv) Commitment in the scheme, providing for settlement of pension, due payment of ex-gratia and leave encashment within a month of the effective date of VRS.

(v) The tone and tenor of BSNL Management's message that those who do not want to work hard in the interest of BSNL should opt for VRS and go, has badly hurt the feelings of BSNL employees. The fact is that those who are doing hard work all these years and have been spending from their own pockets to carry out Company's work are primarily those who want to take VRS. BSNL Management should respect, if not reward, the selfless services of BSNL employees and make amends for its earlier message.

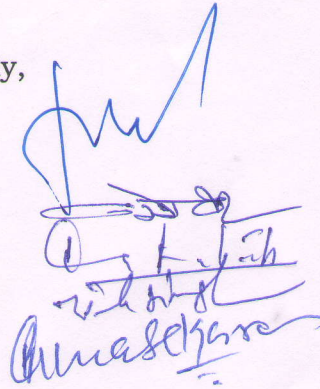
6. And finally, we may be permitted to state that the Revival Plan approved by the Cabinet is based on the suggestions of IIM Ahmedabad in its interim Report. While its recommendations on allotment of 4G spectrum, VRS to employees, monetization of land assets and MTNL, BSNL merger have been duly incorporated in the Revival Plan, the very important suggestions like "Providing contingent liquidity support to BSNL" and "including professionals in BSNL Management" are conspicuous by their absence, courtesy the officers who had drafted the Plan. We believe that DoT will take necessary steps for improving the functioning BSNL Management and change in the mindset of DoT officers looking down at BSNL as an adversary and unwanted burden, mere implementing VRS cannot revive the fortunes of BSNL.

7. We are confident that our above submission will receive your kind personal attention and necessary corrections/amendments in the VRS and in other areas will be ordered.

With kind regards,

Yours sincerely,

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|---------------------------------|---------------|
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- Copy to: (1) Shri Dhotre Sanjay Shamrao Ji, Hon'ble MOSC & IT,  
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