

BSNL EMPLOYEES UNION

Recognised Union in BSNL

(Registered Under Indian Trade Union Act 1926. Regn.No.4896)

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BSNLEU/ 404 (Bonus)

11.10.2010

To

Shri Gopal Das,
CMD BSNL,
Bharat Sanchar Bhawan,
New Delhi- 110 001

Sir,

Sub: - **Payment of PLI (bonus) for the year 2009-10 – req.**

The Non-Executives in BSNL are anxiously awaiting for payment of PLI(bonus) for the year 2009-10, before Puja festival. But there is no decision from the Management so far in this regard. When this issue was discussed with you, we were told that since there is loss to BSNL for the year 2009-10, how bonus can be paid.

The BSNL incurred loss for the year 2009-10 due to the wrong decisions of the management and due to payment of wage revision arrears for the year 2007-2009 in 2009-10. All these factors are beyond the control of the employees.

As per the report submitted by the CAG in the Parliament (See The Hindu Business Line dated 14-7-2009), BSNL failed to retire Government loan of Rs 7,500 crore in spite of having adequate cash reserves of Rs 18,829 crore as of March 2005 parked in bank deposits with average rate of return of 6.19 to 7.38 per cent a year against interest rate of 14.50 per cent for the loan and as a result expenditure of Rs 1,089 crore on interest payment on a loan taken from the Government.

The PAC(Parliamentary Accounts committee) has pointed out that the 'single most important reason' behind BSNL's decline was failure of the tender, leading to non-supply of equipment, which eventually resulted in the state-owned operator losing market share. The panel has also sent a barrage of questions to the DoT seeking an explanation as well as answers on the department's role or intervention in the cancellation of the tender. (GSM equipment tender). These and other such causes responsible for the loss to BSNL are beyond the purview of the employees. On the other hand, it is to be noted that as per the CAG report submitted to the Parliament, the productivity of the employees has increased.

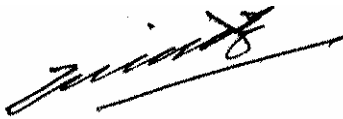
The CAG pointed out, "The CAG has, however, highlighted that BSNL's employee productivity has improved. BSNL has 8.30 workers for every 1,000 telephone subscribers in 2003 which has now improved to 4.26 in 2007-08. This is due to a reduction in workforce from 3.45 lakh employees in 2003-04 to 3.08 lakh in 2007-09."

This same trend of reduction in the number of employees and increase in the number of telephone connections served by the employees is continuing till now, indicating clearly that the productivity of the employees is on increase.

Under such circumstances, the employees can not be denied the PLI(bonus). Although the DoT order No. 11-18/2003-SU-II dated 13-10-2005 bars payment of PLI(bonus) in case there is no profit for the Company for the particular year, and although there is a loss of Rs.1800 crores for BSNL for the year 2009-10, such order has to be kept aside and PLI(bonus) be paid for the year 2009-10, in view of the circumstances detailed above and also in view of the fact that all along these years since 1978, the erstwhile DoT employees(now BSNL employees) are paid PLI(bonus) without any exception.

We request you to cause immediate orders for payment of bonus to BSNL employees and avoid the unrest among the employees.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P. Abhimanyu', written over a horizontal line.

(P.Abhimanyu)
General Secretary