

## ALL INDIA BHARAT SANCHAR NIGAM LIMITD EXECUTIVES' ASSOCIATION CENTRAL HEADQUARTERS

NEW DELHI

Financial Secretary
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No, AIBSNLEA/CHQ/Secy(T)/2010

Dated 21.06.2011

To

Shri Chandrashekhar, Chairman Telecom Commission & Secretary(T) New Delhi.

Sub: Non filling up of Director (Finance) post in BSNL-Reg.

President

P. VENUGOPAL

Ph. 9868283969 (M)

Respected Sir,

In continuation of our letter dated 01.11.2010, It is is bring to yuir kind notice that, as your good office is fully aware, BSNL, the fully owned Public Enterprise is going through a very bad phase. In the initial years, the Company was doing very well and it pivotal role accelerating/revolutionizing played verv in progress/expansion in telecom scenario and bringing down the telecom tariff at its present level, which is by on all account the cheapest in the world. BSNL has also been mandated to discharge the social obligation of providing the services at every nook and corner of the country including the remotest of the remote area, where none of the private operators are interested to enter due to the cost factor and non profitability. In fact, BSNL is spending a considerable share of its resources for expanding the telecom services throughout the country as telecom services are very vital for accelerating the economic activities of the National and State Governments.

However, over the years, market share and profitability of the organization have fallen steadily due to number of factors. For the financial year 2010-11 again BSNL has reported a loss to the tune of Rs.5000 crores, While stiff competition from the private operators who have entered the telecom scenario in a big way is one cause for shrinking the market share/revenue/profits, certain policies viz. withdrawal of ADC, payment of license fee, USO charges to DOT and various taxes to Central/State Govts. of the Government of India have also contributed to a great extent for the present state of affairs of BSNL.

Sir, you know very well that for any organization to exist, perform and grow it has to have a robust financial health and the financial health depends to a large extent on the efficiency of the finance wing of the Organization. While BSNL has got best and talented pool of finance officers below the Board level, at Board level, the post of Director(Finance) is vacant for the last two years ever since the then Director(Finance) retired in Dec 2008.

Since Dec 2008, the functions and responsibilities of Director (Finance) are shouldered by other functional Directors in rotation in addition to their area of responsibilities. Although many inputs for financial decisions are emanated from below the Board level, for policy decisions to be taken, Board level representation is a must. A senior and efficient finance officer with complete familiarity of the strength and weakness of BSNL needs to be appointed as Dir (finance) immediately.

Selection process for the appointment of Director (Finance) was initiated long back and we have learnt that a panel of probable appointees was also finalized. However, we have come to know that the selection process was challenged by certain individual through a court case and got stay order. due to your continious efforts the stay got vacated from Hon'ble Delhi High court. but, the same person again filed case in Delhi CAT and got stay order in this regard. We regrate to mention you that knowing well the past experience a CAVIT could have been filled in Hon'ble CAT Delhi to avoid stay order. It has further dragged the process.

It will not be out of place, if we mention here that for the past few years each and every initiative of BSNL for procurement of mobile equipment for its expansion has been facing hurdles in the form of court case or other disputes and as a consequence BSNL has been very badly hit in the process. While the court cases and disputes were so far limited to its procurement plan, now it has even started hitting the process for making the Board level appointments. This turn of events force us to strongly believe that vested interest from different corners are bent upon destroying BSNL and Government, especially DOT, should not remain a mute spectator. It is high time that Government of India and Ministry of Communications take some proactive decisions to protect their own company i.e. BSNL. .

Regarding the Court case challenging the appointment process of Director(Finance) in BSNL, we assume that Government of India/administrative Ministry i.e. Ministry of Communications being the owner of the Company will definitely take certain steps for early resolution of the court case so that BSNL get a Director (Finance) immediately.

Sir, as we already explained, BSNL is going through a very bad phase and is in a total mess. Continuation of the present state of affairs of the company is good neither for the Government nor for the BSNL work force numbering about 3 lakh men and women, whose livelihood depends on the survival and growth of BSNL.

We, therefore, request your august office to take urgent measures for the appointment of a full time Director (Finance) for BSNL urgently.

With kind regards,

Yours Sincerely,
-sd(Prahlad Rai)
General Secretary

Copy to: Shri R K Upadhayay, CMD BSNL New Delhi,