

# **FORUM OF BSNL UNIONS/ASSOCIATIONS**

**D 7, Gole Market, New Delhi, 110001.**

-----  
FORUM/BSNL

14th February 2014.

To

**Dr. Manmohan Singhji,  
Hon'ble Prime Minister of India,  
New Delhi - 110001**

**Sub: Proposed merger of BSNL and MTNL, formation of subsidiary companies and connected matters on the Revival of BSNL - Reg**

**Respected Sir,**

The Forum of BSNL Unions/Associations is the Co-Ordination Committee of the Unions/Associations of Non-Executives and Executives functioning in BSNL. The Forum has been making sustained efforts for the revival and strengthening of BSNL and improving its services to the customers.

The Forum had submitted to the Prime Minister and to the Empowered Group of Ministers (EGoM) a '**Declaration**' adopted in the National Convention of BSNL Workers held on 3rd August 2013 at New Delhi, with the proposals/suggestions/demands for the revival of BSNL (**copy enclosed**). In addition, the Forum has also submitted a detailed Memorandum to the EGoM (**copy enclosed**).

It is reliably learnt that certain decisions have been taken by the EGoM / DOT /BSNL Board which may adversely affect the BSNL and its future. At no level, the 2.5 lakh employees or their organisations have been consulted or taken in to confidence, before taking these decisions / proposals.

The meeting of the Forum of BSNL Unions/Associations held on 13th February 2014, after detailed discussions had decided to bring these issues to the notice of the Hon Prime Minister and the EGoM for immediate consideration and favourable decisions.

## **1. Merger of BSNL and MTNL.**

The employees/unions were completely against the trifurcation of the Department of Telecom into three corporations viz. VSNL, MTNL and BSNL, which process was completed by 2000. VSNL is already privatised. MTNL is disinvested above 46% and due to the strong resistance by the employees and their unions/associations, BSNL was not disinvested. The market liability of MTNL is huge, to the tune of Rs.12,000 crore. Different pay scales exist in BSNL and MTNL. The transfer liability and other service conditions including pension differ.

The Forum is of the strong opinion that unless these problems, complications and differences are removed and resolved, any merger of BSNL and MTNL will be counterproductive. The bitter experience of the merger of Air India- Indian Airlines is before us, which has resulted in continued agitations and negative growth. Such a merger will be disastrous for both BSNL and MTNL.

## **2. Formation of subsidiary companies of BSNL.**

The Forum strongly condemns the decision of the Government / DOT / BSNL Board on the formation of a subsidiary company from BSNL by hiving off the tower assets. BSNL has got more than 62,000 towers, which in one of its biggest assets, like Optical Fibre /Copper Cable network. Taking away these huge tower assets will weaken BSNL and its huge business prospects. Further, transferring of thousands of staff to the proposed company will result in innumerable problems including transfer liability and pension issues.

The Forum demands that this proposal/decision be rescinded immediately and the tower assets be retained with BSNL and monetized effectively.

## **3. Compensation for Loss on landlines for rural / remote area service.**

One of the main reasons for the loss of BSNL is that it is providing rural land-line services, which are loss-making, but is part of the social commitment of the government for universal service. The private companies seldom provide services in these areas. Services in the naxal-affected and border areas of the country are fully provided by BSNL, which are loss making and risky. At the time of disasters like landslides in Uttarakhand or cyclone in Odisha/A.P., it was BSNL alone which restored its services immediately which was appreciated by all. The loss for BSNL for these rural services comes to about Rs.12,000 - 13,000 Crores.

The Forum demands that this loss caused to BSNL for implementing the social commitment of the government be fully compensated.

## **4. Soft Loan to BSNL for expansion and development.**

BSNL has been posting loss for the last four financial years coming to a total of about Rs.25,000 crore. Till 2008-09, it was posting profits totaling to about Rs. 47,000 crores. The loss has resulted mainly due to the extreme delay of 6-7 years in grant of mobile licence to BSNL after the same was granted to the private companies and the withdrawal/reduction of the ADC, USO Fund, and License Fee Reimbursement etc. which was assured at the time of corporatisation. Another and most important reason was the cancellation of the tenders for both 45 million, 93 million and 5 million mobile equipments which resulted in a grave situation disabling BSNL from expansion and development of its services.

BSNL at present does not have the funds required for fast expansion and development. The market share of BSNL has gone down and may reach one digit level at any time.

Hence, the Forum demands that BSNL be granted adequate soft loan for expansion, development and modernisation of its networks.

## **5. Condition of mandatory purchase of equipments from ITI to be scrapped.**

BSNL is mandated to purchase 30% of equipments from ITI. There is much delay in supply of equipment from ITI, which has resulted in extreme delay in the expansion of services in the Western part of the country and loss of revenue. ITI has failed to supply equipments in time. Further it is understood that ITI is functioning as an agent by purchase and supply of equipments, instead of a manufacturer, resulting in the present unhappy situation.

The Forum demands that the decision of mandatory purchase from ITI be rescinded to enable BSNL to purchase from open market according to requirement.

## 6. Spectrum Liberalisation and Trading.

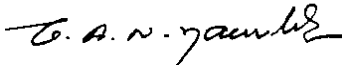
According to Govt decisions, the telecom companies who have been allotted spectrum through auction after 2010 can liberalise as also trade its airwaves. BSNL was allotted spectrum before 2010 and without auction. Hence, BSNL cannot liberalise or trade its spectrum like the private operators without making payment. This is putting BSNL to a great disadvantage. Without spectrum liberalizaion, BSNL cannot start 4G services.

Considering the financial condition of BSNL and the Govt's resolve to revive BSNL, the Forum demands that BSNL also be allowed to liberalise and trade its spectrum for upgrading its services and enhancing revenue without paying extra charges.

The Forum requests the Prime Minister and EGoM to favourably consider the above demands and issue necessary instructions, which will help the revival of BSNL and ensure a better service to the nation. It is also requested that the Forum may kindly be granted a meeting with the Prime minister to present our case.

Thanking you,

Yours Sincerely,



**(V A N Namboodiri)**

**Convenor, Forum of BSNL Unions/Associations.**

### Copy to:

1. Sri P. Chidambaram Hon Finance Minister & Chairman, EGoM on revival of BSNL & MTNL.
2. Sri Kapil Sibal, Hon MoC & IT for information and necessary action pl.
3. Sri Anand Sharma, Hon Minister for commerce and industry & Member, EGOM.
4. Sri Montek Singh Aluwalia, Deputy Chairman, Planning Commission & Member, EGoM.
5. Sri V Narayana Swamy, MoS, for personnel, public grievance and pensions & Member, EGoM for information and necessary action pl.
6. Sri Manish Tiwari, Hon Minister for Information and Broadcasting & Member, EGoM.
7. Sri Ajith Kumar Seth, Cabinet Secretary for information and necessary action pl.
8. Sri M. F. Farooqui, Secretary/DOT for information and necessary action pl.
9. Smt Rita Teatota, Additional Secy/DOT for information and necessary action pl.
10. Smt Annie Moreas, Member(F)/DoT for information and necessary action pl.
11. Sri Anil Kaushal, Member(T)/DoT for information and necessary action pl.
12. Sri S C Mishra, Member(S)/DoT for information and necessary action pl..
13. Sri. R. K. Upadhyay, CMD/BSNL for information and necessary action pl.
14. Sri A. N. Rai, DIR(EB/HR)/BSNL for information and necessary action pl.
15. Sri Anupam Srivastava, DIR(CM)/BSNL for information and necessary action pl.
16. Sri N. K. Gupta, DIR(CFA)/BSNL for information and necessary action pl.
17. Sri Neeraj Verma, GM(SR) BSNLCO for information pl.

# **FORUM OF BSNL UNIONS/ASSOCIATIONS**

**D 7, Gole Market, New Delhi, 110001.**

FORUM/BSNL  
To

14th February 2014.

**Dr. Manmohan Singhji,  
Hon'ble Prime Minister of India,  
New Delhi - 110001**

**Sub: Do not grant extension of service to Shri R.K. Upadhyay, CMD BSNL after his superannuation in June 2014 and filling up of vacant posts of Directors of BSNL Board.**

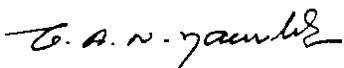
**Respected Sir,**

The Forum of BSNL Unions/Associations is the Co-Ordination Committee of the Unions/Associations of Non-Executives and Executives functioning in BSNL. The Forum has been making sustained efforts for the revival and strengthening of BSNL and improving its services to the customers. Forum desires to make the following submissions to the Hon PM.

1. The present CMD BSNL, Shri R.K.Upadhyay, is due for superannuation in June 2014. It is learnt that there is a proposal to seek extension of his service. The Forum is opposed to any such extension of service after superannuation. Further, Shri Anupam Srivastava, Director(CM), BSNL Board, has already been selected for the post. Hence the Forum demands that the post of CMD should be filled up by the selected officer, after the superannuation of the present incumbent. Favorable action in the above matter will be in the best interests of the company.
2. At present two posts of Directors of the BSNL Board are vacant, since posting has not been made after retirement of the incumbent officers. These include the important posts of Director (Finance) and Director (HR). Decision making and expansion in BSNL are heavily suffering due to the non-posting of Directors to these significant posts. The Forum requests that these vacant posts be filled up at the earliest.

Thanking you,

Yours Sincerely,



**(V A N Namboodiri)  
Convenor, Forum of BSNL Unions/Associations.  
Copy to:**

1. Sri Kapil Sibal, Hon MoC&IT for information and necessary action pl.
2. Sri V Narayana Swamy, MoS (Personnel), for information and necessary action pl.
3. Sri Ajith Kumar Seth, Cabinet Secretary for information and necessary action pl.
4. Sri M. F. Farooqui, Secretary/DOT for information and necessary action pl.

# **FORUM OF BSNL UNIONS/ASSOCIATIONS**

**D 7, Gole Market, New Delhi, 110001.**

FORUM/BSNL

14th February 2014.

To

**Sri R. K. Upadhyay ,  
CMD, BSNL,  
New Delhi - 110001**

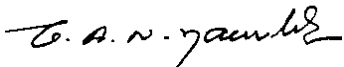
## **Sub: 30% Superannuation benefits for the employees recruited by BSNL**

Even 13 years after formation of BSNL, the retirement benefits of the employees appointed by it, have not been finalised. The 2nd PRC recommended 30% superannuation benefit to all the direct recruit employees of BSNL and the Govt decided to implement this recommendation as a social security measure in all the CPSUs. As per DPE guidelines, an amount of 30% of the emoluments can be utilised towards retirement benefits, including GPF, Insurance etc. As per the agreement reached between the Forum of BSNL Unions/Associations and the BSNL Management on 12.06.2012, the Management agreed to review their earlier decision against implementation of 30% superannuation benefit. Now the BSNL Management is limiting it to about 20% without any justification, causing great loss to this section of employees.

The Forum demands that immediate action be taken to ensure 30% retirement benefits to the BSNL recruited employees as this is related to superannuation and social security.

Thanking you,

Yours Sincerely,



**(V A N Namboodiri)  
Convenor, Forum of BSNL Unions/Associations.**

### **Copy to:**

1. Sri M. F. Farooqui, Secretary/DOT for information and necessary action pl.
2. Sri A. N. Rai, DIR(EB) for information and necessary action pl.
3. Sri Anupam Srivastava, DIR(F) for information and necessary action pl.