ALL INDIA BHARAT SANCHAR NIGAM LIMITED **EXECUTIVES' ASSOCIATION**



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Dated: 19.09.2019

To

Shri Anshu Prakash, Chairman (DCC) & Secretary (T), DoT, Govt. of India, New Delhi -110001.

Subject: Repatriation of the erstwhile DoT staff absorbed in BSNL to DOT- reg.

Respected Sir,

We would like to draw your kind attention towards the Current Financial Status of BSNL. BSNL is facing severe financial crisis and not able to pay even Electricity Bills, Towers Rent, Vehicle Running Expenses, Fuel Expenses, Contractual Labour Bills, Payment to Vendors, Telecom Infra Service Providers and Local Cable TV Operators. Further, Bank EMI Payments, GPF Contribution Payments and Reimbursement of Medical Claims in respect of the BSNL Employees and BSNL Retirees are delayed. The OPEX, CAPEX, Statutory and other Liabilities are also getting delayed, to the tune of Rs.15,000 Crores and it is likely to increase in the months to come.

The salary for the month of August 2019 has been disbursed to BSNL Employees only on 18.09.2019. Sir, this is the 3rd time in this year, that the BSNL Management has not disbursed the Salary in time to its employees. It has caused serious demoralization, resentment and frustration amongst the BSNL employees. It would be very difficult for BSNL to meet even its fund requirement for monthly Salary due to heavy dip in cash flow during past one year. The Salary for the month of February 2019 was paid on 15th March 2019 and the Salary for the month of July 2019 was also paid on 5th August 2019 only. It is reported that one BSNL Officer (Accounts Officer in WTR, Bhopal) has committed suicide on 14.09.2019 due to the stress for non-payment of Salary in time.

Due to non-payment of Electricity bills and Towers/Buildings rent, more than 3500 Mobile BTS were down and electricity connections were disconnected in many of the Exchanges/BTS throughout the Nation and severally affected the Telecom Services and which results in decline in revenue of BSNL. Non-maintenance of Operations due to heavy financial crunch caused disrepute and dissatisfaction amongst the Subscribers. Further, the gap between monthly revenue and bare expenses to continue operations in BSNL is a going concern has reached a level where continuing with BSNL operations could be nearly impossible without immediate financial support to BSNL.

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BSNL has earned profit up to the F.Y. 2008-09. It is pertinent to mention here that during the F.Y 2004-05, BSNL earned the profit to the tune of more than Rs.10,000 crore. However, the previous UPA Govt. has not allowed BSNL to procure equipments for 7 years for the expansion of its Mobile Network. All the tenders floated by BSNL were cancelled one after another, which has severely affected the BSNL's growth as well as revenue. Despite the sabotage, BSNL started making Operational Profit in the F.Y. 2014-15 and 2015-16 to the tune of Rs.672 crore and Rs.3855 crore respectively and till Sept. 2016. But the entry of Reliance-Jio with free calls and predatory pricing from September 2016 created heavy tariff war and cut throat competition in the Telecom Sector in India which severally affected the revenue of BSNL. Similarly, all other Private Telecom Service Providers are also facing revenue losses.

The Access Deficit Charges (ADC) paid to BSNL at the rate of Rs.2000 crore per annum towards the maintenance of Services in NE Region/Rural/Hilly/Far flung/Tribal areas was withdrawn on the basis of TRAI recommendations from July 2011 onwards despite that, BSNL is still maintaining the services with huge losses in these areas. As per the decision taken by the previous UPA Govt., BSNL's reserves were also exhausted by paying Rs.18,500 crores for 3G Spectrum and BWA Spectrum charges on the highest bidding prices to DoT. The 4G Spectrum to BSNL has also not yet been allotted for the last more than 2-years which is very much essential for the existence of BSNL in the market. These are reasons for BSNL making continuous losses.

It is reported that all other three Private Telecom Service Providers are having huge debt of more than Rs.1.00 lakh crore each and total debt of Telecom Sector alone is more than Rs.6.00 lakh crores whereas BSNL is having debt to the tune of Rs.20,000 crores only.

The entire 1,57,275 BSNL Employees are eagerly waiting for more than 4 months with a fond hope that the Revival Plan of BSNL will be approved by the Union Cabinet shortly as per the assurance given by the Hon'ble MOC Shri Ravi Shankar Prasad ji in the Parliament. We also aware that DoT Senior Officers Team under the guidance of your good self is making its best efforts for the revival of BSNL and a Revised Cabinet Draft Memo has also been sent to the Finance Ministry for further comments. But it is reliably learnt that the Finance Ministry is strongly opposing the BSNL Revival Plan & VRS Proposal and continuance of the BSNL as the Strategic PSU for providing Telecommunication Services and raised so many objections instead of giving positive comments on the revised draft cabinet note even though Group of Ministers & PMO has given a green signal on the proposal for the revival of BSNL,

It is also further learnt that the Finance Ministry rejected the VRS Scheme proposed by the DoT on the basis of the DPE Guidelines and DOP&PW clarifications, stating that BSNL employees are governed under CCS (Pension) Rules and Rule-37-A of CCS (Pension) Rules does not provide for grant of Ex-gratia to the employees taking Voluntary retirement and Ex-gratia will be the dual benefit to the employees opting for VRS since they will get monthly pension also for that period.

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It seems that Finance Ministry is of the opinion that BSNL cannot be revived & has to be closed immediately and no revival package is required for the BSNL and no Financial Support will be given to BSNL by the Govt. of India.

In this regard, It is further submitted that the earlier NDA Govt. (NDA-I regime led by Shri A.B. Vajpai ji) assured through Cabinet decision on 29.09.2000 (i.e. at the time of formation of BSNL) and through Terms & Conditions of Presidential Orders at the time of Absorption in BSNL to make the BSNL financially viable, Job security and Govt. Pension to the BSNL employees in the days to come. But the commitment given by the Union Cabinet in the year 2000 as detailed below, to ensure Job Security and Financial Viability for the survival of BSNL in the larger interest of the Nation and the People has not been honoured now.

- 1. Bharat Sanchar Nigam Limited will be duly compensated for discharging obligations in regard to Rural Telephony or any other economic service in accordance with any Govt. directive for the implementation of NTP-1999.
- 2. GOM has further decided that under no circumstances Bharat Sanchar Nigam Ltd. would be allowed to become non-viable as this would be a potent instrument in the hands of the Government for achieving its NTP-99 objectives.

In view of the foregoing, All India Bharat Sanchar Nigam Limited Executives' Association (AIBSNLEA) representing over 20000 Executives in BSNL is of the firm opinion that, if BSNL Management is not in the position to pay the salary in time to its erstwhile DoT employees absorbed in BSNL, then they may be repatriated to DoT for the period of their remaining service as enumerated in detail vide DOP&PW latter dated 22.04.2019 and DPE & DOP&T guidelines so as to save the Salary Expenditure of the erstwhile DoT employees absorbed in BSNL.

With kind regards,

Yours sincerely

S. Szkumas (S.Sivakumar) **General Secretary**

Copy for kind information and necessary action to:

- 1. Shri Ravi Shankar Prasad ji, Hon'ble MoC, Govt.of India, New Delhi-110001.
- 2. Shri Sanjay Shamrao Dhotreji, Hon'ble MoSC, Govt.of India, New Delhi-110001
- 3. Shri P.K. Sinha, Member (Finance), DCC, DoT, New Delhi- 110001
- 4. Shri. P.K. Purwar, CMD, BSNL New Delhi- 110001.
- 5. Shri S.K. Gupta, Director (Finance) BSNL Board, New Delhi- 110001
- 5. Shri. Sheetla Prasad, Director (CM), BSNL Board New Delhi- 110001.
- 6. Shri A.M.Gupta, GM (SR), BSNL Corporate Office, New Delhi- 110001.