

ALL UNIONS AND ASSOCIATIONS OF BSNL (AUAB)

No: UA/2019/74

Date:

To

Respected Sir,

BSNL is having 1.68 lakhs employees, majority of them are recruited by Dept of Telecom (DoT) and got absorbed in BSNL on 01.10.2000. 39,000 employees are recruited directly by BSNL also. About 2 lakhs BSNL pensioners are there, eagerly waiting for their pension revision. About 5 lakh families are directly or indirectly linked with BSNL in terms of their salary or pension.

BSNL was in the revival path and was posting operational profits during 2014-15, 2015-16 and 2016-17. After the entry of Reliance Jio, and due to the brutal tariff war triggered by its predatory pricing, all telecom companies are running into huge losses. Their revenue earnings have gone down drastically. Vodafone Idea and Airtel are facing big erosion in their market shares. However, even in this cut throat competition, BSNL is not only maintaining its market share, but improving it also.

At the time of formation of BSNL, Govt. declared that the financial viability of BSNL will be fully taken care of, better career prospects for the employees and guaranteed Govt Pension to BSNL pensioners. For the last few years, BSNL employees are pursuing the issues related to the growth of BSNL as well as the common HR issues of the BSNL employees. The Dept of Telecom, especially DoT(Finance) is creating hurdles for each and every business proposal, for the revival of BSNL and also for the settlement of the issues. This anti-BSNL mindset of the DoT compelled the employees to launch various trade union programs, including strike.

In the meeting, held between the employees' representatives and the Hon Minister of State for Communications, on 24.02.2018 and 03.12.2018, the Hon'ble Minister as well as Secretary, DoT, assured to settle the issues in a time bound manner. Non-allotment of 4G spectrum, non-approval of land monetization proposal, fleecing excess amount in the name of Pension Contribution, denial of permission for BSNL to avail bank loans for expansion of networks, non-filling of BSNL Director level posts etc are destabilizing BSNL. The non- settlement of HR issues like Pension revision and 3rd PRC are also creating industrial unrest in the company and further weakening the BSNL.

The main outstanding issues related to the revival of BSNL are:

1. Allotment of 4G spectrum to BSNL as per the proposals submitted by BSNL in December, 2017:

Other operators started 4G services 2 years back. In the meetings held on 24.02.2018 and 03-012-2018, the Hon Minister assured that, 4G spectrum would be allotted to BSNL. However, even after the lapse of one year, the assurances given by the Hon Minister are not implemented by DoT. Abnormal delay in the allotment of 4G spectrum to strengthen the

operations of this strategic Public Sector telecom company, is adversely affecting its financial revival. Niti Aayog and Finance Ministry are opposing 4G spectrum allotment to BSNL.

2. Payment of pension contribution by BSNL as per the Government Rule:

The Pension Contribution for the Govt employees absorbed in BSNL is to be calculated based on the actual basic pay, instead of maximum of the pay scales, as per the DoPT order dated 19.11.2009. However, the DoT is collecting Pension Contribution from BSNL, based on the maximum of the pay scale of each BSNL employee, since 01.01.2007. In the meeting held on 24.02.2018, the Hon'ble Minister directed that only the Government of India Rule should be made applicable to BSNL. The DoT has so far not implemented the direction given by the Hon'ble Minister. BSNL has made excess payment of more than Rs 2200 crores in this regard, and continues to make excess payment.

3. Approval for BSNLs' Land Management Policy without any delay. Expeditiously complete the mutation and the process of transferring of all assets to BSNL.

BSNL is having huge vacant lands at prime locations of cities and towns of the country. There are 15,000 land parcels. The fair value itself is more than Rs.1 lakh Crore and the market value will be more than Rs. 4 lakh Crores. For the effective monetization of the vacant land by proposing to lease out to PSUs, Banks etc, BSNL submitted the Land Management Policy in May, 2018 for the approval of DoT. Huge amount, Rs 1000 Cr to 5000 Cr per year is expected from this business itself. However, DoT is not approving this proposal having huge potential.

4. (a) Ensure financial viability of BSNL, as per the decision taken by the Group of Ministers, at the time of formation of BSNL, (b) Issue letter of comfort for BSNLs proposals for taking bank loans, (c) Expeditiously fill up all vacant post of BSNL Board of Directors.

At the time of formation of BSNL, Govt. declared that the financial viability of BSNL would be fully taken care of. However, in practice, the DoT is involved in paralyzing the growth of BSNL. All other private operators are expanding their network by taking bank loans, but BSNL is even denied Letter of Comfort for availing Bank Loans for expanding the network and other urgent operational requirements for the two financial years of 2017-18 and 2018-19. As per the data shared by the Govt. in the Parliament recently, Reliance –Jio which entered into Telecom market just in Sept, 2016, Bharati Airtel, Vodafone Idea, RCom etc are having a market liability of Rs.6.1 lakh Crores, whereas, BSNL is having just Rs.11,500 Crores. BSNL should be given letter of comfort, facilitating it to avail Bank Loans for expansion. Director Board positions like Director (Finance) is vacant for the last 5 years and Director(CM) post for one and half years. Another two posts, Director (EB) and Director (HR) posts are going to become vacant in March and April, 2019 respectively. Keeping the posts of Directors of BSNL vacant for long years, is seriously affecting the efficiency of the BSNL Management.

5. Scrap BSNLs outsourcing for the operation and maintenance of its mobile towers:

The BSNL Management has planned to outsource the maintenance of BSNLs towers for exorbitant rates, for which huge amount have to be paid annually. Absolutely there is no need for the Company to spend such a huge amount. We demand that this outsourcing should be cancelled.

6. Revise pension for 2 lakhs BSNL retirees w.e.f. 01.01.2017, delinking pension revision from pay revision:

The BSNL retirees, who are absorbed from the Dept of Telecom are Govt pensioners. Both the BSNL retirees as well as the Central Government retirees are covered by the same CCS Pension

Rules, 1972. While the Central Government pensioners have already got their pension revision, the BSNL pensioners are left high and dry. They are eligible for pension revision w.e.f. 01.01.2017. The DoT is responsible for the pension revision of the BSNL retirees. To harass the pensioners, DoT linked Pension Revision with the pay revision of BSNL employees and BSNL's profitability. In fact, for them, the entire pension contribution is already paid by BSNL to the DoT.

7. Implementation of 3rd Pay Revision for BSNL employees:

The Hon'ble Minister assured the AUAB on 24.02.2018 and on 03.12.2018 that, the necessary relaxation from affordability clause would be obtained from the Cabinet, for the 3rd Pay Revision of BSNL employees. However, the proposal is getting delayed for the approval.

8. Settlement of the left out issues of the 2nd Pay Revision Committee:

The 2nd Pay Revision Committee has recommended that every Public Sector Company should make a contribution of 30% of the pay of the employees, towards their Superannuation Benefits. This recommendation has been accepted by the government. However, the BSNL Management is yet to fully implement this. The government order in this respect should be implemented without further delay.

It is very relevant to mention that the DoT is not implementing any of the assurances given by the Hon'ble Minister and is deliberately creating hurdles on the proposals submitted by BSNL for its revival and even not permitting BSNL to take bank loans for expanding the networks. We solicit your kind intervention for taking up these issues at the level of the Hon'ble Minister of State for Communications(I/C) for finding early solution.