



(An Association of DR Graduate Engineers / Account Officers of BSNL)

Circle President Prakash Sao 9431707574 Circle Secratary Arvind Kumar 9431106600 Circle Finance Secratary Saral Madhu Khalkho 9431105968

No. CS/AIGETOA\_JHARKHAND/2019-20

Dated 19.09.2019

To,

Shri Ravi Shankar Prasad

Minister of Law and Justice; Minister of Communications; and Minister of Electronics and Information Technology. Government of India, New Delhi.

Subject: Revival & Survival of BSNL – Request for a complete revival plan along with full emphasis on future road map of BSNL, future procurement policies, future standard operating procedures, future HR policies to be adopted by this company post implementation of measures like VRS & rolling back the retirement age to 58 etc. – regarding.

Respected Sir,

We have come to know that the government is actively considering revival plan for BSNL to resolve its long-standing problems and for a glorious future of our beloved company. In this regard, we would like to put forth some points for your kind consideration pertaining to revival program of BSNL. Members of our association consist mostly of BSNL Recruited executives, who are professionally qualified and have to serve the company for the next 20-30 years. As our future totally depends upon the success of this revival process and hence we are deeply concerned about the status of the company post implementation of measures like VRS & rolling back the retirement age to 58. We would like to emphasize that AIGETOA is the only major association of BSNL, which has extended its unconditional support for the revival measures taken by Government as we feel that need to pull the company out of red is an absolute necessity than anything else.

Sir, we would like to submit that any revival measure taken for betterment of the company will be strong and durable only if the legacy setup of the company is replaced with a contemporary professional setup coupled with accountability at all levels where management as well as employees are made accountable for each and every penny spent by them. BSNL is still following the age-old practices for running the company, which is one of the main reasons for current state of affairs. Lack of performance-oriented policy is another major reason for downfall. From a company, which earned profit of Rs. 5000-10,000 Cr in initial years of its inception, BSNL has now become a company with loss of around Rs. 10,000 Cr in the last FY 2018-19. The reasons for this state of affairs need to be thoroughly examined and corrective actions need to be taken up to ensure success of the revival process envisaged by government.

## I - Operational Matters:

We are aware that VRS is on offer for employees above 50 years to reduce the expenditure on account of salary. However, along with the funds for VRS, there should be fund infusion to support our OPEX & CAPEX works also for a brief period to overcome this current crisis and enduring fund availability to pay energy charges, HSD Charges, upkeep of Mobile Services, FTTH Services, day to day operation & maintenance to keep the network healthy to ensure best services, execution of new

Regn. No.: HR/019/2016/02138

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## All India Graduate Engineer Telecom Officers Association



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business of EB segment, Mobile Segment, FTTH segment, landline/broadband segment etc.

The measures to reduce capital outgo on salary by downsizing is one of the welcome steps but keeping the loss making exchanges alive and at the same time, reducing employees will be equally harmful. Hence loss-making exchanges should be identified and they should be either shut down as early as possible to minimize the losses else if government feels that they should be kept running keeping their strategic importance in mind, there should be a suitable compensation from the government for running these loss making exchanges. It is also suggested that Government should consider budgetary support to BSNL for extending services in remote and far flung areas like A&N, Lakshadweep, J&K, NE-1, NE-2 etc, where there is no profitable business case to maintain such services. Government may also explore the possibility of advising all central & state government machinery / offices to mandatorily avail BSNL services to take this company out of red (As BSNL is the only company which has given undisturbed services at the time of emergency situation / natural calamities and its track record in this regard needs to be taken into consideration).

BSNL should be asked to shift the focus from landline to FITH: Capital infusion in Copper based Landlines and leased lines should be completely stopped and they should be shifted to Fiber immediately at least in major cities and towns. We can start by making all the proposed Smart Cities 100 percent Fiber enabled by BSNL. BSNL should be asked to buy sufficient OLTs and should develop own optical fiber access skeleton. If an exchange is replaced with one OLT, the electricity charge saving of couple of years will be equal to the expenditure on laying such OFCs and the break even will be achieved much earlier compared to investment in other technologies. The purchase of CGNAT and MSAN equipment's should be stopped immediately. Instead BSNL should switch to IPV6 and purchase fiber based OLTs. Government should also consider temporary fund infusion on account of capital expenditure also for upgrading and expanding the infrastructure in the same lines as being done in case of funding for VRS.

The sustainability of BSNL Mobile Segment lies with allocation of 4G spectrums and this is the step towards 5G change over: In the current telecom market scenario, any operator not having 4G spectrum and not ready for adoption of 5G may be automatically forced to close down its operations. The market share and financial health of BSNL has already come down. Non-allocation of 4G spectrum would make it impossible for BSNL to be able to sustain in future and so allocation of 4G spectrums to BSNL is imperative. Non-allocation, de-facto may make BSNL virtually defunct in next few years as far as mobile services are concerned. To be more precise, BSNL needs to get on the 4G bandwagon with minimum investment and get ready for adoption of 5G at the earliest. Hence allotment of 4G spectrum to BSNL needs to be done without further delay.

BSNL should also be asked to venture out to the new fields of IT and ITES: We have sufficient qualified professionals who are well versed with development tools of the IT/ITES technologies. They should be given training and made equipped to make apps and software needed for in-house use as well as outside business. We can make a good business by developing customize apps/software as per requirement of

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**state and central government e.g. for e-governance projects etc.** It will be a cost effective and profitable business.

## II- HR and Administrative matters:

We would like to state that any revival process would not be complete, if the major stakeholders of the company are not being taken care of in uniform manner. While, there is a golden handshake in offer for those above 50 years in the form of VRS and they shall be getting huge sum of money, the youngsters of BSNL will be left with nothing in their hand except work and liabilities associated with this VRS provisions. BSNL has to pay the price for this VRS by keeping a substantial part of its land asset to an SPV for monetization of the same. The youngsters of this company will have to bear the entire burden in terms of increased workload, increased liabilities, increased pressure etc. To handle this, they need to be kept motivated.

When the government is planning to make BSNL a lean and flat organization, it's high time that Employees of BSNL should be considered as a resource and there should be investment in HR also to reap the profits in future. The major problems in HR be brought to an absolute zero to keep the operations of the company in a salubrious state. The thrust of the HR Policy should be on performance with due weightage to professionalism & qualification. Outperformers should be rewarded in order to motivate the non-performers to perform better.

There should be complete overhaul/restructuring of the administrative setup of BSNL at all levels and BSNL should be asked to follow contemporary and professional HR practices as being done by the leading organizations across the country. The young officers of BSNL should be posted at key HR/Admin/Planning/Marketing posts for a smooth takeover and turnaround of the system.

To summarize the whole submissions as mentioned above, AIGETOA is of the firm view that more professionalism/accountability needs to be brought in BSNL's systems after pruning its staff size, to ensure its survival in market. This needs to be ensured in revival process. Hence, we are requesting for a revival package of BSNL, which should be complete in terms of future road map for BSNL, in terms of future HR policies, in terms of future procurement policies and in terms of future standard operating procedures of this company. Sir, we are quite hopeful for a proactive action from the government to revive the ailing PSU with immediate implementation of revival package along with capital infusion which is urgently needed to keep this company at least breathing during this transition phase and we stand by all decisions to be taken in the interest of BSNL. Any delay in implementation of revival package is causing irreparable damage to the company. Your kind intervention in this regard shall be highly impressible.

With warm regards,

Yours Sincerely,

(Arvind Kumari

Copy for kind information to:

1. General Secretary, AIGETOA CHQ, New Delhi.

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