



All India Graduate Engineer Telecom Officers Association

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

President
Laxman Banoth
9490144699

General Secretary
Ravi Shil Verma
8373967633

Finance Secretary
Yogendra Jharwal
9414000877

All communication at E-mail - "gs@aigetoachq.org" only

GS/AIGETOA/2019/20

Dated 27.03.2019

To,
Smt. Aruna Sundararajan,
Secretary (T), Department of Telecommunication
Government of India, Sanchar Bhawan,
Ashoka Road, New Delhi-110001

Subject: Redefining of retirement age to 58 years and offering of VRS with golden hand shake are some viable options for the revival of BSNL- Reg.

Respected Madam,

Your kind attention is invited towards recent slide of BSNL fortunes even after making a turnaround in last couple of years by registering positive growth and operational profit in successive years. The hyper competitive telecom market in recent times have left many operators bleeding including BSNL and its huge overwhelming expenditure on human resource has made it further difficult to survive in cut throat competition. The severe fund crunch in BSNL is putting the company in a vicious cycle and it is becoming difficult day by day to bring back its good days in absence of some strong and valiant measures by the department.

The non-availability of sufficient fund to meet operational and capital expenditure has cast deep shadow on services across different verticals of the BSNL and hence further worsening the earning of the company. We are getting inputs from across the country that basic need like clearance of electricity bill, rental payment of hired buildings, labour payment, vendor's payments, absence of required materials, maintenance expenditure etc are running through rough weather causing deterioration in the services. While on the other side payment of staff remunerations like clearance of medical bill, TA/DA bill, loan amount to banks, statutory provisions like EPF, GPF etc are getting delayed by several months causing sever distress to employees. This situation is very alarming and not appropriate for a gigantic service company like BSNL and so need immediate attention to bring back its fiscal on track to ensure its viability.

BSNL is in soul and minds of the country and its survival is need of the hour considering its strategic importance for the country. We, the young engineering and account professionals recruited by BSNL in more than twenty thousand numbers are also feeling dejected due to recent slide in financial position of the company. We joined BSNL leaving major CPSEs in a hope for a smooth career and secured future for ourselves but feeling sulky in midway of our life. So being a representative of these young educated professionals, we feel it our utmost duty to appraise your good self about ground situations as well as thought of these minds regarding revival of the company. We feel that following measures are immediately needed for revival of the company and enforced it till fiscal of the company is brought back to the track.

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

Regd. Office : Flat No. A-302, Life Style Residency, Plot no: GH 41-42, Sector-65, Faridbad, Haryana-121006

- 1. Lowering of retirement age to 58 Years:** At present total employees strength of BSNL is around 1.7 lakhs. Out of them around 47000 are in executives cadre and rest in non executive cadre. If we lower the retirement age to 58 year as practiced in some government's organizations/autonomous bodies/PSUs, an immediate relief can be achieved in terms of cash outgo. By reducing retirement age from 60 years to 58 years, around 35000 employees may be superannuated in one go and BSNL can save about Rs. 3000 Crs annually through employees wages bills etc. This decision can be reviewed after each two (2) years and once BSNL fiscal returns in positive, retirement age can be restored to 60 years. The lowering of retirement age to 58 years is in line with recent recommendations given by the IIM Ahmadabad for revival of BSNL. **Immediate loss in pension of superannuating employees arising due to lowering of retirement age can be compensated by extending two advance increments and other modalities can be workout in consultation with other stake holders.** Therefore, AIGETOA is suggesting lowering the retirement age to 58 years in BSNL till the company becomes profitable.
- 2. Introduction of VRS in BSNL:** At the time of formation of BSNL, around 4 lakhs employees were transferred to BSNL from DoT without accessing actual requirement of manpower. These employees were part of the central government setup and the government get them absorbed in BSNL without considering long term affects and protection to BSNL in long go. The advancement of technologies and revolution in telecom sector with passage of times made this huge work force inappropriate. The competitive tariff and changed scenario made the thing more complicated due to huge outgo on establishment cost. So, it very much required to rationalise the human resource deployment in the company. To rationalise human resource and reduce establishment cost, an attractive VRS package has to be offered to employees in addition to the above measure of lowering of retirement age. Hence, BSNL should come with golden hand shake proposal of VRS for employees having an age profile of more than 50 years with a target audience of 50000. As government is 100% stake holder of the company, so entire VRS cost should be borne by the government. By offering VRS to 50000 employees, BSNL may save additional 3500 to 4000 Crs annually on wage bills. This suggestion of AIGETOA to offering of VRS is also in line with recommendation given by IIM Ahmedabad.

Accordingly, we request your good self to consider above points also in addition of other measures for revival of the company in larger interest. We would like to assure here that our members in particular and employees in general will definitely stand with the positive, firm, and concrete steps taken by the government for long-term survival of our beloved company BSNL.

With warm regards,

Dated: 27-03-2019

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**General Secretary
AIGETOA, CHQ**

Copy to;

1. Shri Manoj Sinha Ji, Hon'ble MoSC, Govt of India, New Delhi for kind information pl.
2. Shri Anupam Srivastava, CMD BSNL, New Delhi for kind information and needful pl.
3. All Directors of BSNL Board, New Delhi for kind information and needful pl.