



ALL INDIA
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OFFICERS' ASSOCIATION

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Dated: 2nd June 2014

To

Shri Narendra Modi Ji,
Hon'ble Prime Minister of India,
New Delhi.

प्रधान मंत्री कार्यालय
Prime Minister's Office

डाक अनुभाग
DAK SECTION

Respected Sir,

On behalf of All India BSNL Officers' Association, we extend a warm welcome to you in your new assignment as Prime Minister of India. Needless to say that your vast and wide experience in governing the State of Gujarat and your vision of growth and development of India will take the country towards new heights. While assuring you our support to all efforts for reviving the economy, we seek your kind attention to some of the issues required to be sorted out for reviving BSNL.

2. Although BSNL was allowed to enter the mobile services years after the private operators commenced the service and establish a lead in the market share without any competition from the PSUs, it became the No.2 operator in mobile segment within years. Its financial performance remained healthy upto the year 2006. Since then its revenue has been declining resulting in a bad financial state with losses of Rs.1823 crores, Rs.6384 crores and 8851 crores reported during 2009-10, 2010-11 and 2011-12 respectively. In 2012-13, the loss has been 7884 crores. **This can be mainly attributed to the fact that BSNL was not allowed to expand during the years 2006-2012 with tenders for purchase of equipment being cancelled for one or other reason.** It is needless to emphasize that BSNL does a lot of work in the rural and remote corners of the country that no other private telecom operator does and also BSNL is always implementing the Government's Social obligations without looking into commercial gains. **BSNL has not been adequately compensated for these loss making services.**

3. AIBSNLOA believes that the survival and growth of BSNL is important not only to its employees but also is vital for the entire country. **BSNL as a Government owned PSU acts as a safeguard against exploitation of the customers by the private operators.** Remember the days when private companies alone were offering mobile services and the exorbitant rates charged by them even for incoming calls. Only after the entry of MTNL and BSNL in the mobile arena following a decision taken by Vajpayee Government, charges started coming down. But for the presence of these Govt. owned PSUs the customers would not have enjoyed such a low tariff at

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present in all telecom services. **That is why, all of us together have to strive for continued existence and betterment of BSNL.**

4. Memorandum of Understanding between DoT and BSNL for the years 2012-13 and 2013-14 pinpointed the Government's commitment towards the following-

- i. Re-imbursement of deficit on account of commercially non-viable services.
- ii. Refund of upfront BWA spectrum License fee.
- iii. Center/State governments and PSUs should give priority to BSNL for their telecom service requirement.
- iv. Pension Contribution is collected on the maximum of the scale in IDA instead of on actual pay drawn which is contrary to the procedure followed in respect of CDAscales.

5. Although a Group of Ministers recommended refund of BWA spectrum fee, the recommendation is yet to be implemented. There has been no determination on the part of the DoT to get BSNL compensated for the unviable services. No directive has been issued by the Government of India to the Central/State Government departments and PSUs that they should give priority to BSNL for their telecom service requirement. Pension Contribution continues to be collected on the maximum of the scale in IDA, instead of on actual pay drawn as in the case of CG Employees.

6. Now, the MoU for the year 2014-15 is silent on the above issues, implying that the DoT/Government is no longer committed to revival of BSNL.


7. We firmly believe that implementation of the above commitments by DoT/Government will have a positive impact on the financial status of BSNL and therefore we request that the Government should initiate immediate action in this regard.

8. We are of the firm opinion that autonomy in decision making and financial management, freedom to purchase quality equipment, better marketing and sales strategies and quality HR management are some of the basic requirements for the health of a company.

9. We therefore would request you to kindly bestow a fraction of your valuable time towards these points and orders immediate action on these points, so that BSNL also foresees good days ahead.

With kind regards,

Yours sincerely,



(Rakesh Sethi)

General Secretary