



**ALL INDIA
BHARAT SANCHAR NIGAM LIMITED
OFFICERS' ASSOCIATION
CENTRAL HEAD QUARTERS**

37, Laxmibainagar, New Delhi – 110023

President
J.K.MISHRA
Mobile: 9868159951

Finance Secretary
V.GURUMURTHY
Mobile: 9444979555

General Secretary
V.P.ARYA
Mobile: 9868210478

No.AIBSNLOA/CHQ/2009/42

Dated 17th August 2009

To
Shri.Kuldeep Goyal,
Chairman & Managing Director,
BSNL,
New Delhi.

Sub: Implementation of Project Vijay and other projects – Role of our Association

Sir,

We share your concern on the declining market share of BSNL in GSM as well as overall Telecom services, unprecedented surrender of landlines and the financial outcome of the year 2008-09.

We also welcome your sustained efforts to achieve a turn around through various measures including implementing Project Shikhar and the other projects which are part of it. Without going into the nitty-gritty of the schemes and without raising any questions about the effectiveness or otherwise of the schemes including the restructuring of the organization, our Association feels it is the bounden duty of every employee and executive to put his shoulder to the wheel and ensure success of the schemes. Although there are quite a number of HR issues like the recent BSNL MS RR, the DGM outside recruitment and MT RR, remaining thorns in the flesh of the Executives leading to unnecessary tensions within the organization, we believe survival and growth of the organization is the first priority and the other issues can wait. We have addressed a separate letter requesting to keep on hold the contentious issues which are to be resolved by evolving a consensus among all stake holders through detailed and sustained discussions in which our Association would like to participate.


Without doing lip service on implementing the projects, our Tamilnadu Circle Association has held a special brain storming session on the issue in its Circle Executive Meeting held on 25th July 2009. The decisions of the meeting, sharing the views of our members and suggestions for improvement have been communicated to CGM

Tamilnadu Circle (copy enclosed), who has been supportive to our efforts. The CEC had also decided to supplement the efforts of the administration by conducting a survey by involving all the members of the association. The target population is the students of various colleges, employees of government, PSU and private organizations, relatives, neighbours and people in rural areas. The survey forms (copy enclosed) have already been circulated and family members of our Executives have started distribution and collection of the forms. The survey form has been printed in local language also for distribution in rural areas. We would like to spread this to other Circles based on the experience and success that we gain.

We assure you of our full support in implementing the projects and expect that our Association would also be kept informed of the progress and of any new plans of the administration, since development cannot be achieved in isolation and without involving all.

With kind regards,

Yours sincerely,



(V.P.Arya)
General Secretary

Copy to:

1. Shri.Gopal Das,
Director (HR),
BSNL Board, New Delhi.
2. Shri.R.K.Aggarwal,
Director (CM),
BSNL Board, New Delhi.
3. Shri.Rajendra Singh,
Director (ENT),
BSNL Board, New Delhi.
4. Shri.Rajesh Wadhwa
Director (CFA),
BSNL Board, New Delhi.



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

TAMILNADU CIRCLE

80, Anna Salai, Chennai – 600 002

President
P.MANOHARAN
Mobile: 9486103522

Finance Secretary
V.KANNAN
Mobile: 9486100100

Secretary
K.RAJASEKARAN
Mobile: 9443100950

AIBSNLOA/TN/CGM Corres/2009/36 dated at Chennai-2, the 28/07/2009

To

The Chief General Manager,
BSNL, Tamilnadu Circle,
Chennai – 2.

Sir,

Sub: Implementation of Project Vijay and related issues –
Deliberations and decisions of our CEC at Karaikudi -
Reg.

Our Circle Executive Meeting was held on 25.7.2009 at Karaikudi. The CEC while deliberating on one of the agenda viz. Discussion on Project Shikhar – Project Vijay, expressed happiness and thanks to the Chief General Manager for rightly seeking the cooperation of the unions and associations. The Circle Secretary presented to the house, the views and suggestions articulated by the CGM in the Opinion Leaders meeting.

2. As expected, almost every speaker highlighted the need for improvement of the coverage and signal strength of our GSM services. Even the press reporters who came to cover the meeting told us that they had to migrate to other service providers from BSNL due to unsatisfactory coverage. The Executive meeting therefore has resolved to collect information regarding coverage related complaints from all SSAs through our office-bearers, so that remedial action can be initiated. We shall communicate to you all the information we receive in this matter at the earliest.

3. One speaker, while stressing the importance of understanding the customer and the importance of attitude of the seller towards the customer, narrated in an interesting manner, the tact of the ordinary grocery shop owner in understanding the customer's mind and the skill of a private bus owner in developing customer-friendly mind set in his employees. We are aware that as far as understanding the customer by assessing their in-depth needs and

to find out whether the feature and benefits we offer through various schemes are tied to the problems faced by the customers, a survey is very much necessary. **The CEC discussed the issue at length and decided to conduct a sample survey by involving all the members of AIBSNLOA in distributing the survey forms and collecting the necessary information.** This could be in addition to the efforts if any already afoot by the company. The questionnaire is being readied and the target population and the methodology have been discussed. The CEC decided that survey questionnaire could be distributed to college students, employees of various government, PSU and private organizations, friends, relatives and even the nearby residents, through the family members of our member Executives. The forms thus collected will be analysed and the findings will be handed over to you for further processing. The CEC was of the firm view that though the exercise by us may be small, it would pave the way to understand the customer to a large extent. It may also aid our members in reaching out to the same people later for selling our products.

4. The CEC also elaborately discussed the problems faced in the retail segment as well as alternate proposals. May be you are aware of some of them already. However, we are presenting a general picture of the discussions that took place and we shall be happy if this helps in readjusting our strategies even to a small extent:

A. STREAMLINING THE NETWORK: In the present set up, our Franchisee purchases from our AO CMTS and transfers the GSM top-up / recharge value through C-topup to the sub-franchisees after deducting their commission. Their role in the network is almost over. The sub-franchisees in turn transfer the value to the retailers after deducting their commission. Out of the 4.5 % to 5.5% commission paid to the franchisee, the retailer who actually sells the product gets only 2.8% as commission, while the remaining 2.7% is shared by the franchisee and the sub-franchisee. The introduction of a sub-franchisee for the convenience of the franchisee, results in lower commission to the retailers. As far as BSNL is concerned, sub-franchisees are face-less and are not known to any one. The retailer gets only 2.8% for selling BSNL products, while he gets 3.6% to 3.8% for selling the products of other operators. So, naturally, he is interested in selling the products of other operators only and does not reveal availability of BSNL product at all, unless specifically asked for and insisted by the customer. Some methodology is to be evolved to do away with sub-franchisee and increase in commission to the retailer, without increasing the overall commission. The number of franchisees in each SSA has to be increased

B. PROBLEMS RELATED TO MELA: Due to our pressure, the franchisee conducts Mela for two or three days, mostly in towns and offers new SIM for just Re.1 as he gets full commission by adjusting his eligible commission to the cost of the SIM (Rs.150). After three days, he restores to higher cost. The sale in the Mela is also not

appreciable. When the retailer attempts to sell the card at even a premium rate of Rs.60/- (after adjusting his cost), the customer is disinterested in the purchase and wants him too to offer at Re.1/- or wants to wait for another Mela. The Mela by the franchisee thus messes up the network. As a result the customer-retailer relation in favour of BSNL is nipped in the bud. Melas by franchisees do not serve any useful purpose and can be better done away with.

C. LIAISING WITH RETAILER IN SOLVING TECHNICAL PROBLEMS: Franchisees and sub-franchisees are mostly stationed at Towns and the retailers in rural areas are not aware of new BSNL schemes and offers. Also, there are many occasions where C Topup fails to transfer the talk time immediately and some times even for an hour. While the amount is debited in Retailer's account, it is not credited to the customer's account. The franchisee simply washes his hands off and no BSNL personnel is there to help. This results in frustration of both the retailer and the customer. The Retailer co-ordinator in SDE level proposed in the Project Vijay may be entrusted with the responsibility to help the retailer during such crisis by coordinating with the officers at the IN switch.

D. STRENGTHENING DSA NETWORK: DSAs with lesser commission of 4.25% are able to deliver the goods for BSNL more effectively. But again, they are mostly stationed in the Towns. Our rural network needs to be strengthened. It has been reported by the media last month that, Reliance Communications and Idea Cellular entered into alliances with two unusual partners — Krishak Bharati Cooperative Ltd (Kribhco) and the Department of Posts. While Kribhco's 25,000 cooperatives will market RCom's telecom products and services, the post offices in Kerala will sell Idea's specially-designed stamp-sized recharge vouchers. A few months earlier, Airtel entered into a joint venture with the Indian Farmers Fertiliser Cooperative Ltd (IFFCO) to offer specifically designed products and services. The target consumers are the 55 million farmers under IFFCO's fold. Airtel has already enrolled over 60,000 farmers under this scheme. A similar success story involving BSNL in Ramnad area has gone unreported. RAMCO which controls the fair-prices shop in Ramnad area (similar to Chintamani in Chennai) has enrolled itself as a DSA and has been selling around Rs.22 lakhs BSNL products (scratch cards only) in a month through its fair-price shops network. A similar effort to enroll various co-operative societies in the State is the need of the hour. Nokia is reported to be selling more than 1.6 million mobile phones yearly in rural areas. Hence targeting and expanding rural network is very important.

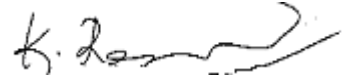
E. CONCENTRATING ON MOBILE PCO: Another area having enormous potential is the Mobile PCO. The conference facility available has been prudently utilized by PCO operators in select belts where relatives of the PCO customers are staying abroad. The relative abroad calls the PCO and is connected to people here at very low

costs. One of our members, a diligent DE had smelled the atmosphere and wooed the PCO owners who had been using mobile PCOs of other operators, citing the low price of our mobile PCO available at Rs.221/- with Rs.50/- Talk Time starter pack valid for 7 days and Recharge for Rs.5515 providing Talk Time value of Rs.9500/-. In two months, 490 mobile PCOs migrated to BSNL giving an earning of Rs.50 lakhs. Atleast one such belt will be available in every town/SSA.

5. We intend to submit our feed back on WLL phones, land line and Broad Band separately. We utilize this opportunity to thank you again and to assure you that we are with you in your endeavor to bringing BSNL back to its glory.

With kind regards,

Yours sincerely,



[K. RAJASEKARAN]
CIRCLE SECRETARY

Copy to:
Com.V.P.Arya,
General Secretary,
AIBSNLOA,
New Delhi.