

ALL INDIA BHARAT SANCHAR NIGAM LIMITED EXECUTIVES' ASSOCIATION

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Dated: 09.08.2021

No. AIBSNLEA/CHQ/MoC/2021

То

Shri Ashwini Vaishnaw ji, Hon'ble Minister of Communications & IT Govt. of India, New Delhi -110001.

Subject: Financial Revival of BSNL, Permission for Up-gradation of existing 2G&3G Equipments and immediate release of long pending outstanding dues to the tune of Rs.38,500 Crore from DoT to BSNL – reg.

Hon'ble Sir,

All India B.S.N.L Executives' Association (AIBSNLEA) representing Executives in BSNL whole heartily welcome the Hon'ble Minister of Communications & IT and wish you all success in your endeavors. On behalf of AIBSNLEA, we assure the fullest cooperation of the employees in your efforts to bring an early turn-around for BSNL. We, the BSNL Employees also take a pledge to provide uninterrupted Telecom Services at an affordable rate to the People of our great Nation India and fulfill the vision of our Hon'ble Prime Minister of India i.e., DIGITAL INDIa.

Hon'ble Sir, we would like to draw your kind attention towards the Revival of BSNL and constrained to bring your kind notice that BSNL has still not come out of its financial crisis, even after one year and eight months of the announcement of the 'Revival Package', by the Government of India. The major issues hampering the Revival of BSNL are enumerated below:

1. Immediate Launching of 4G Service by Up gradation of existing 2G and 3G BTS equipment and also steps for moving towards the Launching of 5G Service:

The denial of level-playing-field for BSNL, in the matter of procurement of equipments, vis-à- vis the Private Service Providers, has seriously hampered the Company's revival process.

The Government of India took the decision on 23.10.2019, to allot 4G Spectrum to BSNL and MTNL. However, it is a tragedy that even after 20 months of the Government's decision to allot 4G Spectrum to BSNL, the Company has not been able to launch it's 4G Service. This is because, the Tender floated by BSNL on 23.03.2020, for the supply, deployment and maintenance of 4G equipments at 50,000 sites, at the cost of around Rs.8,600 Cr, has been cancelled due to the recommendation of Empowered Technology Group that, BSNL's 4G Core Equipments should be procured only from Domestic vendors.

Hon'ble Sir, BSNL is already having 2G and 3G BTSs, numbering 49,300, compatible to be upgraded to 4G BTSs. If this up gradation is done, then BSNL can immediately launch it's 4G Service, even without waiting for the procurement of new 4G equipments. Out of this 49,300 BTSs, 13,300 BTSs were supplied by M/s Nokia and 36,000 BTSs were supplied by M/s ZTE. Since the Government has banned the procurement of equipments from Chinese companies, BSNL is handicapped from upgrading the 36,000 2G, 3G BTSs, supplied by M/s ZTE, into 4G BTSs. In this regard, it is submitted that even though the Government has banned procurement of equipments from Chinese companies already installed by Chinese companies continue to remain operational. It is pertinent to mention here that without 4G Services, BSNL cannot survive in the Telecom Market and we cannot dream about Revival of BSNL.The new Tender process will take at least two or three years to take off and by that time, BSNL will be out of Mobile Market.

Under these circumstances, we request your good-self that , the Government may allow BSNL to get upgraded 2G and 3G BTS into 4G BTSs with a cost of Rs.1500 Cr whereas the new Tender Cost will be about Rs.9,000Cr. This will be a great help to BSNL in the immediate launching of it's 4G Services.

- **2. Immediate settlement of dues to BSNL by the DoT to the tune of Rs.38,500 Cr:** When BSNL is facing huge financial crisis, the non-settlement of various dues to BSNL, amounting Rs.38,500 Crore, by the DoT, is further compounding the problems of the Company. This Claims Receivable from DoT to BSNL includes
- a. Reimbursement of deficit in Rural wireline operations FY13-14 to 19-20 Rs.13,789 Cr.
- b. Refund of Excess Pension Contribution to the tune of
- c. Reimbursement of Leave Encashment (DoT Period) to the tune of
- d. Interest on Wimax Spectrum Surrendered -
- e. Surrender of CDMA Spectrum -

Rs. 1996 Cr. Rs.11,998 Cr. Rs.5850 Cr. Rs.2472 Cr.

f. Government .Projects -NOFN (Bharat Net)

Rs.1051 Cr.

In this regard, it is further submitted that financial viability of BSNL operations in Rural & Remote Areas has been a major challenge over the years. This aspect had attracted attention of the Government also at the time of Corporatization of DTO into BSNL in September 2000. The continued relevance of BSNL in India's Telecom Sector was given due consideration when the Cabinet deliberated and agreed at the time of formation of BSNL in 2000 that "BSNL would not be allowed to become non-viable as this would be a potent instrument in the hands of the Government for achieving its social objectives of achieving NTP '99 objectives." Over the years, BSNL has played its vital role by undertaking the socially desirable but financially non-remunerative Projects with active support of the Government.

BSNL received last support for its Rural Wire line operations installed before the introduction of USO funded Schemes, for a period up to July 2013. The Rural wire line Network Infrastructure and Exchanges continue to be maintained by BSNL, and the existence of this Infrastructure has enabled Government in realizing the objectives of providing affordable access to Broadband services to Rural India/Gram Panchayats (GPs), through **Bharat Net Project**. Whereas the deficit on account of maintenance of this infrastructure being borne by BSNL is not only draining its financial resources, the quantum of loss in its books of accounts is also impairing its capacity to raise fresh Capital from Banks and Financial institutions.

3. Disbursement of Salary on the Last day of every month: Nearly 78,000 employees have already been retired on VRS-2019, as a result of which Company's Salary bill has been slashed down by 52%, even though BSNL Management is not disbursing Salary to the Employees on due date for the past one and half years. It has caused serious demoralization, resentment and frustration among the BSNL Employees. It is pertinent to mention here that average monthly Revenue of BSNL is Rs.1400 Cr but the Monthly Net Salary amounting to the tune of Rs.355 Cr has not been paid in time.

4. Immediate Steps to Off-set BSNL's Debt through the Monetization of Lands:

BSNL is having a Debt of Rs.30,000 Cr. The OPEX, CAPEX, Statutory and other Liabilities are also pending for more than Rs.13,800 Crores and it is likely to increase in the months to come. The Company is in the verge of getting into debt trap, which threatens its very future of BSNL. In Pursuance to the Union Cabinet decision dated 23.10.2019, Rs.20,000 Cr Loan of BSNL is to be cleared by Monetization of Lands. Hence, Speedy Monetization of BSNL's Surplus Land Parcels is needed to be done on a war footing.

In view of the foregoing, we would to therefore, earnestly urge upon your kind Honor to kindly intervene in this matter and take necessary steps to-

a) Honour the commitment given by the Union Cabinet in the year 2000, to ensure Financial Viability for the Survival of the BSNL, in the large interest of the Nation and People and cause to issue necessary instructions to the Officers concerned for the immediate release of above said long pending outstanding dues to the tune of Rs.38,500 from DoT to BSNL so as to solve the financial Crisis in BSNL to the great extent, disbursement of the Salary of BSNL Employees in time, payment of other pending bills by BSNL due to the present pandemic situation and accelerate the Growth of BSNL.

b) The Government may kindly be allowed BSNL to get the 493000 BTSs, to be upgraded into 4G BTSs. This will be a great help to BSNL in the immediate launching of it's 4G Services.

Hon'ble Sir, We assure to strengthen your hands, in all your endeavors to strengthen BSNL.

With Kind Regards

Yours Sincerely

(S. Sivakumar) General Secretary

Copy for kind information and necessary action to:

- 1. Shri Devusinh Chauhan ji, Minister of State of Communications, New Delhi-01
- 2. Shri. Anshu Prakash Ji, Secretary (T), DoT, Govt. of India, New Delhi -110001
- 3. Shri P.K. Sinha ji, Member (Fin.), DCC, DoT, New Delhi- 110001
- 4. Shri. P.K. Purwar ji, CMD BSNL, New Delhi- 110001.
- 5. Shri Arvind Vadnerkar ji, Director (HR) BSNL Board, New Delhi- 110001.
- 6. Ms. Yojana Das, Director (Fin), BSNL Board New Delhi- 110001.
- 7. Ms. Anita Johri, Sr.GM (SR) CO BSNL New Delhi- 110001