

## ALL INDIA BHARAT SANCHAR NIGAM LIMITED EXECUTIVES' ASSOCIATION

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No. AIBSNLEA/CHQ/MoC/2021 To Shri. Shri Ashwini Vaishnaw ji, Hon'ble Minister of Communications & IT Govt. of India. Dated: 28.07.2021

Subject: Financial Revival of BSNL, Request for Upgradation 2G&3G Equipments and immediate release of long pending outstanding dues to the tune of Rs.38,500 from DoT to BSNL – reg.

Hon'ble Sir,

New Delhi -110001

All India Bharat Sanchar Nigam Limited Executives' Association (AIBSNLEA) representing Executives in BSNL whole heartily welcome the Hon'ble Minister of Communications & IT and wish you all success in your endeavours. 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.

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 it's financial crisis, even after one year and eight months of the announcement of the 'Revival Package', by the Government.

1. 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 crores, has been cancelled as per the direction of the DoT. Thereafter, a Committee of the DoT, headed by the Member (Technology), Telecom Commission, is learnt to have suggested that, the core equipment for launching BSNL's 4G Service should be procured only from domestic vendors. It is also learnt that, the EmpoweredTechnology Group (ETG), headed by the Principal Scientific Advisor (PSA), has also approved the line of the DoT Committee, 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, which can be upgraded to 4G BTSs. If this upgradation is done, then BSNL can immediately launch it's 4G service, even without waiting for the new 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, the equipments already installed by Chinese companies continue to remain operational. Under these circumstances, we request that, the Government can allow BSNL to get the 36,000 BTSs supplied by M/s ZTE, to get upgraded into 4G BTSs. This will be a great help to BSNL in the immediate launching of it's 4G Service.

2. When BSNL is facing a deep financial crisis, the non-clearance of various dues to BSNL, amounting Rs.38,500 crore, by the DoT, is further compounding the problems of the Company. This includes

a. Reimbursement of deficit in Rural wireline operations FY13-14 to 19-20	Rs.13,800 Cr.
b. Refund of Excess Pension Contribution to the tune of	Rs.1995 Cr.
c. Reimbursement for Leave Encashment (DoT Period)to the tune of	Rs.9000 Cr.
d. Interest on Wimax Spectrum Surrendered -	Rs.5850 Cr.
e. Surrender of CDMA Spectrum -	Rs.2472 Cr.

## etc.,

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 Services Sector was given due consideration when the Cabinet deliberated and agreed 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 role by undertaking the socially desirable but financially non-remunerative projects with active support of the Government.

**BSNL** received last support for its Rural Wireline operations installed before the introduction of USO funded schemes, for a period upto July 2013. The Rural wireline Network Infrastructure and Exchanges continue to be maintained by BSNL regularly, and the existence of this Infrastructure has enabled Government in realizing the objectives of providing affordable access to Broadband services to Rural India, through Bharat Network. 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. Hon'ble Sir, It is constrained to bring to your kind notice that the BSNL Management is not disbursing Salary to the Employees on due date for the past 20 months. It has caused serious demoralization, resentment and frustration among the BSNL Employees. BSNL is facing severe financial crisis and not able to pay even Electricity Bills, Towers Rent, Vehicle Running Expenses, Fuel Expenses, Contractual Labour Bills, Payment to Vendors, Telecom Infra Service Providers and Local Cable TV Operators bills etc. Further, Bank EMI Payments, GPF Contribution as well as Recoveries, EPF, SAB benefits and Reimbursement of Medical Claims in respect of the working Employees & BSNL retirees are delayed. 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. BSNL borrowed around Rs.30,000 Crores from Banks.

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

- a) and take necessary steps to honour the commitment given by the Union Cabinet in the year 2000, to ensure Financial Viability for the Survival of the BSNL, in the largei 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 disburse the Salary of BSNL Employees in time and payment of other pending bills by BSNL due to the present pandemic situation.
- b) and request that the Government may kindly be allowed BSNL to get the 36,000 BTSs supplied by M/s ZTE, to get upgraded into 4G BTSs. This will be a great help to BSNL in the immediate launching of it's 4G Service.

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 -110001

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