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EXECUTIVES' ASSOCIATION
CENTRAL HEADQUARTERS
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No. AIBSNLEA/CHQ/MOS/2012-13

Dated:24.03.2012

**TO
Shri Kapil Sibbal
Hon'ble MOC&IT
Govt. of India
New Delhi-110001**

Subject:-Abnormal delay in appointment of full time Board of Directors (Finance) and Director(HR) in BSNL-reg.

Hon'ble Sir,

We are constraint to bring to your kind notice that in BSNL the post of Director (Finance) and Director(HR) are lying vacant for the last three years and six months respectively. BSNL is a State-run Telecom company having 100% Govt. Stake, having yearly turnover of more than Rs. 30,000 thousands crores and more than 2.7 lakhs employees (Executives & Non-Executives) is not having regular Director (Finance) and Director (HR). It has adversely affected the functioning of BSNL.

As you know, BSNL, the fully owned Public Enterprise is going through a very bad phase. In the initial years, the Company was doing very well and it had played a very pivotal role in accelerating/revolutionizing the progress/expansion in telecom scenario and bringing down the telecom tariff at its present level, which is by on all account the cheapest in the world. BSNL has also been mandated to discharge the social obligation of providing the services at every nook and corner of the country including the remotest of the remote area, where none of the private operators are interested to enter due to the cost factor and non profitability. In fact, BSNL is spending a considerable share of its resources for expanding the telecom services throughout the country as telecom services are very vital for accelerating the economic activities of the National and State Governments.

However, over the years, market share and profitability of the organization have fallen steadily due to number of factors. For the financial year 2011-12 again BSNL is expected a loss to the tune of more than Rs.7000 crores, While stiff competition from the private operators who have entered the telecom scenario in a big way is one cause for shrinking the market share/revenue/profits, certain policies viz. withdrawal of ADC, payment of license fee, USO charges, Spectrum Charges on highest bidding price, Pension Contribution to maximum of the basic pay to DOT and various taxes to Central/State Govts. of the Government of India have also contributed to a great extent for the present state of affairs of BSNL.

During last 4-5 years several decisions in BSNL regarding procurement of equipment, technology, appointment of vendors/franchises of Value Added Services, Broad Band services, BSNL Mobile services etc have been taken which has not benefited the BSNL, but helped vendors/franchises to grow their business. For example, appointment of BCG consultant, Vendors for CDR billing and AMC of Telephone Exchanges which can be maintained by its own engineers have become the source of heavy revenue drainage in BSNL.

There are instances wherein, tenders floated for the procurement for GSM equipment and finally got scrapped on the basis of complaints to CVC and its findings which reflects the casual handling of tender procedures in BSNL and it has resulted that BSNL could not procure GSM equipment for the last 5 years for its growth and to meet the requirement of customers.

Delay in completing the ITS Officers absorption on BSNL/MTNL is adversely affecting the viability of BSNL/MTNL. As per restructuring process of BSNL/MTNL as PSUs the absorption process of ITS Officers in BSNL/MTNL could have been completed in Oct 2005 itself but due to the continuous opposition of ITS Officers Association this could not be completed till date. DoT administration is also not serious to complete the process for which the reasons are best known to them. ITS Officers are the policy making Officers in BSNL/MTNL and heading the Corporate Office, Circles and SSAs. These deputationists Officers are leading BSNL/MTNL without having any sense of belongingness and commitment to these PSUs. This is also the most important cause of BSNL/MTNL for loosing the ground in Telecom scenario and making losses. BSNL/MTNL needs committed leaders to run the organization. But even after completion of 10 years the ITS Officers absorption in BSNL/MTNL has not been completed which is in violation of DoP&T order. Hence, ITS Officers absorption issue in BSNL/MTNL needs immediately settlement.

BSNL's Director (Finance) and Director (HR) posts are lying vacant for the last three years and six months respectively which is creating problem in decision making for the betterment of BSNL. Hence BSNL's decision making posts i.e. Director (Finance) and Director (HR) needs immediately filling up.

Hon'ble Sir, as we already explained, BSNL is going through a very bad phase and is in a total mess. Continuation of the present state of affairs of the company is good neither for the Government nor for the BSNL work force numbering about 2.7 lakhs men and women, whose livelihood depends on the survival and growth of BSNL. We, therefore, request your august office to take urgent measures for the revival of BSNL and appointment of full time Director (Finance) and Director (HR) for BSNL urgently.

With kind regards,

Yours Sincerely,
-sd-
(Prahlad Rai)
General Secretary

Copy to :

- Shri Milind Deora, Hon'ble MOSC&IT, Govt. of India, New Delhi-110001
- Shri R. Chandrashekhar, Secy(T) DoT, Govt. of India, New Delhi-110001
- Shri R K Upadhayay, CMD BSNL New Delhi,