Press release

All Unions and Associations of BSNL (AUAB), represents 1.72 lakhs employees of BSNL. Majority of the employees are recruited by Dept of Telecom and got absorbed in BSNL on 01.10.2000 and more than 60,000 employees are recruited by BSNL directly, having long service to go. Last few years, AUAB pursuing the issues related to the growth of BSNL as well as the common HR issues of the BSNL employees. The DoT is putting all the hurdles in the revival of BSNL and settlement of issues, inspite of the fact that, at the time of formation of BSNL, Govt declared that the financial viability of BSNL will be fully taken care of, better career prospects for the employees and guarantees Govt Pension to BSNL pensioners. Govt is creating innumerable hurdles, on each and every business proposal of BSNL, practically interfering with the day to day affairs of the company. This anti-BSNL attitude of the Govt compelled the employees to launch various Trade Union Programs, including strike. In the meeting between AUAB and the Hon Minster of State for Communications held on 24.02.2018 and 03.12.2018, the Hon'ble Minster assured to settle the issues in a time bound manner. Especially on 4G spectrum allotment to BSNL, he assured allotment without any delay. Similar commitments were made in the parliament also. Again, the abnormal delay in the implementation of these assurances led to the Indefinite Strike call from 03.12.2018. In the meeting held on 03.12.2018 also, the Hon'ble Minister gave specific and categorical assurances about the settlement of the issues.

Non-allotment of 4G spectrum, non approval of land monetization proposal submitted by BSNL in May, 2018, fleecing pension contribution on maximum of pay scales, denial of permission to BSNL to avail bank loans for expansion of networks, non filling of BSNL Director posts etc are deliberate attempt of the Govt to destabilize BSNL. The Niti Aayog and Finance Ministry are vehemently opposing any proposal for revival of BSNL like 4G spectrum allotment. The non settlement of HR issues like Pension revision and 3rd PRC are also part of the same game plan to create industrial unrest in the company and further weaken BSNL to facilitate other operators. In this background, AUAB has decided to resume the agitations and for going on a three days strike from 00 Hrs of 18.02.2019. The main demands are:

1. Allotment of 4G spectrum to BSNL, as per the proposals submitted by BSNL in December, 2017: Other operators started 4G services 2 years back. In the meeting held on 24.02.2018, the Hon Minster assured that, 4G spectrum would be allotted to BSNL. However, even after the lapse of one year, the assurances given by the Hon Minster are not implemented. Abnormal delay in the allotment of 4G spectrum to BSNL is adversely affecting the financial revival of the Company. Niti Aayog and Finance Ministry, which dolled out huge concessions to bail out the private operators, are opposing 4G spectrum allotment to BSNL.

2. Payment of pension contribution by BSNL as per the Government rule: The Pension Contribution is to be calculated based on the actual basic pay, instead of maximum of the pay scales as per DoPT order dated 19.11.2009. However, the DoT is collecting Pension Contribution from BSNL, based on the maximum of the pay scale of each BSNL employee, since 01.01.2007. In the meeting held on 24.02.2018, the Hon Minster directed that only the Government of India Rule should be made applicable to BSNL. The DoT has so far not implemented the direction given by the Hon Minster. BSNL made excess payment of more than Rs 2200 Crores in this regard.

3. a) Approval for BSNLs Land Management Policy without any delay.
   b) Expeditiously complete the mutation and the process of transferring of all assets to BSNL.

BSNL is having huge vacant land at prime locations scattered in 15,000 land parcels. The fair value itself is more than 1 lakh Crore and the market value will be more than 4 lakhs Crores. For the effective monetization of the vacant land by proposing to lease out to PSUs, Banks etc, BSNL submitted the Land Management Policy in May, 2018 for the approval of DoT. Huge amount, Rs 1000 Cr to 5000 Cr is expected from this business itself. However, DoT is not taking any action on this proposal having huge potential.

4. (a) Ensure financial viability of BSNL, as per the decision taken by the Group of Ministers, at the time of formation of BSNL.
   (b) Issue letter of comfort for BSNLs proposals for taking bank loans.
   (c) Expeditiously fill up all vacant post of BSNL Board of Directors.

At the time of formation of BSNL, Govt declared that the financial viability of BSNL will be fully taken care of. On the other hand, DoT is involved in paralyzing the growth of BSNL, policy makers in other crucial
wings of the Government like Niti Aayog are colluding and conspiring to destabilize BSNL. All other private operators are expanding the network, taking bank loans, BSNL is even denied Letter of Comfort for availing Bank Loans, that also continuously for two years, 2017-18 and 2018-19. DoT, intentionally not allowing BSNL to avail Bank loans for expanding the network and other urgent operational requirements. As per the data shared by the Govt in the Parliament recently, Reliance –Jio which entered into Telecom market just in Sept, 2016, Bharati Airtel, Vodafone Idea, RCom etc having a market liability of 6.1 lakhs Crores, where as BSNL is having just 11,500 Crores. This whole amount from private operators is going to become NPAs. The details are shown below:

<table>
<thead>
<tr>
<th>Borrowings (in Crores)</th>
<th>BSNL</th>
<th>Reliance Jio</th>
<th>Bharati Airtel</th>
<th>Idea</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-18</td>
<td>9,352</td>
<td>48,455</td>
<td>62,536</td>
<td>56,963</td>
</tr>
<tr>
<td>Total Loan</td>
<td>11,500</td>
<td>87,425</td>
<td>1,60,300</td>
<td>1,38,300</td>
</tr>
</tbody>
</table>

Non filling of key Director Board positions like Director (Finance) for the last 5 years etc are to be read together, clearly establishing the Govt role in weakening BSNL.

5. Scrap BSNLs outsourcing for the operation and maintenance of its mobile towers: The BSNL Management has planned to outsource the maintenance of BSNLs towers for exorbitant rates, for which huge amount have to be paid annually. Absolutely there is no need for the Company to spend such a huge amount.

6. Implement assurance of the Hon Minister for delinking pension revision from pay revision. Revise pension of 2 lakhs BSNL retirees w.e.f. 01.01.2017: The BSNL retirees, who are absorbed from the Dept of Telecom are Govt pensioners. Both the BSNL retirees, as well as the Central Government retirees are covered by the same CCS Pension Rules, 1972. While the Central Government pensioners have already got their pension revision, the BSNL pensioners are left high and dry. They are eligible for pension revision w.e.f. 01.01.2017. The DoT is responsible for the pension revision of the BSNL retirees. To harass the pensioners, DoT linked Pension revision with the pay revision of BSNL employees and BSNL’s profitability. In fact the entire pension contribution was paid by BSNL to DoT.

7. Implementation of 3rd Pay Revision: The Hon Minster was assured the AUAB on 24.02.2018 and 03.02.2018 that the relaxation of affordability clause for the 3rd Pay Revision of BSNL employees will be sought from the Union Cabinet. However, the DoT, is dragging its feet and deliberately delaying the approval.

8. Settlement of the left out issues of the 2nd Pay Revision Committee: The standard pay scales, which is part of 2nd PRC, w.e.f. 01.01.2007 is not approved by DoT so far in spite of assurance by Hon’ble Minister. Similarly 30% Superannuation Benefit for BSNL Recruits is also pending.

When DoT is not implementing any of the assurances given by the Hon Minister and deliberately creating hurdles on the proposals submitted by BSNL for its revival and even not permitting to take bank loan for expanding the network, the employees under the banner of AUAB decided to go for 3 days strike w.e.f. 00 Hrs of 18.02.2019 demanding the settlement of the issues.

AUAB condemn the terror attack at Pulwama and pay tribute to the soldiers. AUAB called upon all the employees throughout the country to pay homage to the martyrs by holding condolence meetings outside the offices, by observing two minutes silence at 10 am on 18.02.2019.

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