

Details of discussions held between CMD BSNL and recognized Unions & Associations BSNL:

Recognized Unions & Associations of BSNL were invited for discussions by the BSNL Management today to discuss regarding restructuring plan and Revival of BSNL. CMD BSNL Sh. P.K. Purwar chaired the meeting. Com. S. Sivakumar, GS AIBSNLEA, Com. Bhagwan Singh, AGS(HQ), GS & President of BSNLEU, NFTE, SNEA participated in the meeting. Sh. Arvind Vadnerkar, Director(HR), BSNL Board and Sh. Manish Kumar, GM(Restructuring) were also participated in the meeting.

CMD BSNL welcomed all the Leaders of BSNL recognized Unions & Associations and explained about the steps taken by BSNL Management for maximization of revenue.

Business Development

SIM Sales: CMD mentioned that there is 5% increase in SIM Sales in the month of Jan., Feb and March-2020. SIM Sales in Feb.2020 is 18.80 lakhs and in March-2020 is 20 lakhs.

Market Share of BSNL is increasing marginally.

In the BB Sector number of disconnection is very significant and CMD further mentioned that we have to arrest the disconnections of BB.

In the EB Sector revenue is increasing 8 to 10%.

Mobile & Broadband overall initially positive.

Landline: Phase of disconnections are very less.

New Business: FTTH - 6000 OLTs integrated, due to this customer base and constant partner momentum started.

In the rural area, exchanges having 10 lines, 15 lines and 20 lines is economically unviable. However, Hon'ble MOC assured for subsidy. In the 20,000 Rural telephone exchanges human interface is planned to be changed with the alternate technology.

He further mentioned that upto 10 Kms in the rural area localized mobile system on revenue share basis will be done with Bharat Air Fiber at a speed of more than 60 Mbps speed.

BSNL Revival Plan: CMD mentioned out of 78569 VRS Optees , 78334 VRS applications were accepted and 198 VRS optees has been expired. As on date 76929 VRS Optees have been sanctioned with Provisional Pension. As on date about 75000

cases processed for PPOs and forwarded to CCAs concerned. Out of that, 26370 PPOs were issued till date.

He appreciated the outstanding efforts taken by the BSNL management with the support of the all the Unions & Associations of BSNL for successful implementation of BSNL VRS-2019. He also conveyed the message of Hon'ble MOC that today Hon'ble MOC will appreciate the efforts and support extended by all the Unions & Associations of BSNL for the successful implementation of the BSNL VRS Plan -2019 in the Floor of the House.

Release of Leave encashment and Ex-gratia payments: CMD BSNL assured that Leave encashment payment and Ex-gratia payment will be paid on 31st March, 2020. Already 77585 VRS cases were processed for the above cited payments. Rs. 4850 crore towards Leave encashment after TDS is being processed in LIC. Finance Ministry agreed to appropriate Rs. 5000 Crore towards the first installment of Ex-gratia payment, however, we are the short of 1300 crore towards the payment of Ex-gratia. Hence balance amount of Ex-gratia will be paid in the first week of April, 2020.

Launching of 4G : Central Govt. made provision in the Budget FY:2020-21 towards the cost of 4G license including GST but BSNL is not in a position to take the 4G spectrum immediately due to following reasons:

1. We are having outstanding bills to be payable to the vendors M/s ZTE, M/s Nokia and M/s Ericsson to the tune of Rs. 2000 Crores.

2. M/s Nokia installed 13000 equipment's in the Phase 8.4 has quoted 3.5 lakh for the software/hardware upgradation from 3G to 4G and 7 lakh for green field which is L-1 subject to the conditions that Rs.300 Cr has to be paid before 31.3.2020 and compensation for Foreign Exchange fluctuation whereas M/s ZTE installed around 24,000 equipment's has quoted 7 lakh for the software/hardware upgradation from 3G to 4G and 10 lakh for green field which is L-2 but the conditions put forth by M/s ZTE is unrealistic. In addition to this the rates quoted by L-1 and L-2 alongwith conditions has not been approved by the BSNL Board since consensus has not been reached.

3. If BSNL is taken 4G License immediately without procurement/upgradation of equipment's we have to pay license fee @Rs. 5.5 crore per day i.e. to be booked in the books of Accounts.

4. However, BSNL Management has proposed to float new Tender for the procurements of 4G equipment's in the next week. It will take another 8 months for roll out of 4G.

Union and Association's Leaders expressed their serious concern for the immediate launching of 4G in BSNL to attract more customers and increase the revenue.

Monetization of Assets: CMD mentioned that during the FY our Bank loan including O/s bills comes around 40,000 crore. We further required 10000 to 12000 Crore for 4G launching and Rs. 5000 Crore for OFC maintenance. BSNL is paying Rs. 4000 crore towards bank interest and we can saved Rs. 6500 towards employee cost. Roughly we required 50,000 crore for our annual expenditure but our annual revenue is around Rs. 20000 crore. Hence for the deficit BSNL is depending on Sovereign guarantee bond to the tune of Rs. 8500 crore and monetization of vacant assets. He further mentioned that in the first week of April,2020, BSNL will get a Rs. 8500 crore Sovereign guarantee from Finance Ministry. 14 assets were identified by BSNL for monetization but DIPAM accepts only 11 assets to the commercial value of Rs. 18,200 Crore for which BSNL is expecting transactional advise within a week. Three MNCs come forward for purchase. Discussions has not been taken place due to COVID-19.

Merger of BSNL - MTNL: CMD mentioned that there is a pressure for the merger of BSNL & MTNL to be completed within six months. Union & Associations Leaders requested CMD BSNL to discuss with the recognized Unions & Associations before the implementation of merger. CMD replied that merger of BSNL & MTNL comes under the purview of equity structure of DIPAM, Finance Ministry & DoT. However he assured that suggestions of recognized Unions & Associations will be taken care of and forwarded to DoT.

We expressed our serious concern regarding the non maintenance of vast Telecom Network due to non availability of man power and non-implementation of outsourcing tender. CMD explained that out of 1600 clusters EOI have been opened for 1100 cluster and tender have been awarded for 280 clusters and he personally monitoring the same. We brought to the notice of CMD, the problems faced by field unit executives for attending the faults in the Primary cables due to non-availability of man power in the post VRS scenario. We further requested Primary cables maintenance has to be outsourced along with the secondary cable mtce. and also requested to relax the tender conditions and powers has to be delegated to CGMs to utilize the existing staff of BSNL who are having rich experience in attending the faults to participate in the tender.

CMD replied that he was aware of the situation and it will be reviewed shortly. He further mentioned that due to the non-implementation of the tender in all the clusters more funds has been allotted to all the Circles to meet out the monthly mtce. expenditure and so as to maintain the Telecom Network fault free. We expressed our serious concern against the non implementation of outsourcing tender in CSCs. CMD appreciated our concern and assured to look into. We requested CMD to issue necessary instructions to the CGMs to provide hand sanitizer in all the CSCs due to COVID-19. CMD agreed to issue instructions.

We requested CMD to fix the time line for the monthly salary disbursement since the net salary from Feb., 2020 onwards comes around Rs. 360 crore only. CMD assured that salary disbursement will be streamlined within two months and Feb., 2020 salary will be paid in last week of March-2020.

Due to paucity of time Man, Power/ Restructuring Plan and other important items could not be discussed. CMD BSNL assured that the meeting will be continued either 19.03.2020 or 20.03.2020. Finally CMD told that we are on the right track and we have to expect the outcome and assured that concerns of Unions & Associations will be taken care of. Finally all the Union/Association Leaders thanked CMD BSNL and Director(HR), BSNL Board for the detailed sicuussions. The meeting lasted for the two hours.