Annexure-D

Subject: Financial Burden on BSNL with proposed Restructuring plan.

- One of the most significant financial consequences of the proposed organisational restructuring is the large-scale redeployment of executives and employees across the Circle.
- Although the restructuring order states that no additional posts will be created and the new structure will be implemented by redeployment of the existing workforce, the proposal itself acknowledges that implementation will involve huge expenditure.
- This expenditure will include TA/DA, Transfer Grant, and Transportation of personal effects and Joining Time as admissible under the BSNL Transfer Policy.
- However, these are only the visible components of the expenditure. The actual financial impact is likely to be much larger because every transfer results in a chain of direct and indirect costs, many of which are not reflected in the restructuring proposal.
- The proposal introduces a new geographical hierarchy comprising three Zones, thirteen Districts and ninety-five Blocks.
- To operation of this structure, a substantial number of executives and supporting staff will need to be shifted from their present places of posting to new headquarters.
- In many cases, officers who have been working efficiently in existing OA/BAs will be transferred solely to align with the new organisational framework, even though their current postings may not have posed any operational difficulty.
- Each transfer entails expenditure on travelling allowance for the employee and eligible family members, transportation of household goods, Composite Transfer Grant, joining time salary, advance payments, administrative processing and settlement of claims. In addition, BSNL has to incur expenditure on relieving arrangements, handing over of charge, updating of establishment records, modification of payroll and ERP records, issue of fresh office orders and administrative supervision of the transfer process. When such transfers involve a large number of officers, the cumulative financial impact becomes substantial.
- The financial implications do not end with reimbursement of admissible claims. Many officers are likely to seek temporary accommodation before obtaining regular residential quarters or rented accommodation.
- During this period, BSNL may have to bear expenditure on guest house accommodation or hotel charges wherever admissible.
- Simultaneously, transferred officers often incur significant personal expenditure towards rental advances, school admissions of children, shifting of family members and re-establishment of households.
- Although a portion of these expenses is borne by employees, the overall economic impact affects employee morale and productivity, ultimately influencing organisational performance.
- Based on the manpower distribution indicated in the restructuring order, it is reasonable to expect that only in Uttarkhand Circle approximately more than 200 Executives are proposed for transfer or redeployment for operation of new structure.
- If the average expenditure on transfer-related benefits is conservatively estimated at ₹2.5–3.0 lakh per executive, the direct transfer expenditure alone would be approximately ₹5–6 crore.
- This indicates that the **overall first-year financial implication could reasonably exceed ₹40–60 crore** for the pilot when direct expenditure, recurring costs, and business disruption are considered

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