<u>KEYNOTE ADDRESS PRESENTED BYGENERAL SECRETARY, SANCHAR</u> <u>NIGAM EXECUTIVES' ASSOCIATION (INDIA) ON 31ST MARCH IN THE OPEN</u> SESSION OF THE XXVIII ALL INDIA CONFERENCE IN SESSION AT NANDED.

Comrade President, dignified dignitaries on the dais, Comrades of the fraternal Trade Union organizations, Respected Director(HR), Sh A. N. Rai, members of the print and visual media, and my dearest Comrades of SNEA (India) from the length and breadth of the country,

It is not rare today to hear people talking about the three apples that changed the destiny of the world – the Apple that Adam and Eve shared, the Apple that fell on Newton's head and finally Steve Jobs' Apple. Yes, we are indeed concerned about the last Apple which among other modern Telecom Revolutions has signaled the 'Death of Distance'. We are really proud to have been part of that great Telecom Revolution that has taken India abreast with other developed Nations of the World, because we have not only been part of that gorgeous task but more so, we have been instrumental in the greatest Modernization stories that India has ever witnessed. I need not remind this most informed audience that this Indian Telecom Revolution started in the 80s, carried over to the 90s and the new millennium. It was during this period that glory has rained on the Indian Telecom Scenario.

With all humility, I would just state that the Telecom Engineers of the Country, which during that crucial period exercised their brains and brawns, if not all, the majority belonged to and belong to this Association. It may be the natural tendency, today, to credit the Private Sector with all the accolades but let us remember that we are not talking about ancient history but only recollecting the true facts that happened during an age in which we all live. I don't however deny the fact that the Private Sector has come to take over the icing on the cake on which the hard sweat of the Government sector Engineers has fallen. And today BSNL has gone to the extent of extending the privilege of this prestigious Revolution accessible to the Common or rather the poor man when it declared its intention to come out with the latest Android tablet for a minimal Rs3500 which definitely would fit the pocket of the ordinary Indian. And if you are looking for this common man in the villages of India we proudly state that it is we in the BSNL, who provide him the required connectivity. Yes, the latest figures still state the true story. 99. 44% of rural fixed Telecom services, on which the rural connectivity solely depends, are run by the BSNL. Fourteen years of private business has absolutely nothing to contribute to the masses of this country. Yes, that job, although that alone, still belongs to BSNL. With 25,000 of such Telecom Executives, who form the backbone of the Company on the rolls of this great organization, Sanchar Nigam Executives' Association (India), it may not be an overexaggerated or over-excited statement that this is the greatest outfit for Executives in any sector in the whole Country, not only in terms of the numbers but also in terms of the strength and the influence it wields. That is why I am proudly privileged and honored to occupy this dais decorated with so many luminaries and more so with my dearest Comrades in this assembly, who are no lesser luminaries in their own right.

Then, why the story of this ailing BSNL is an interesting question that many may be tempted to ask. Here again we do not like to take refuge in alibis. As stated above if 99.44 % of the rural sector Wireline Telephones is being established and run by BSNL, where is the commitment on Universal Obligation that has been the major policy component in the successive Telecom Policies of the Government? If the figures talk the testimony then it, definitely, is not merely our version of the story. What about the Government's repeated policy commitments to compensate the rural loss incurred by the BSNL to the tune of Rs. 11000 crores so far by meeting the basic objective of telecom policy "universal services at affordable price"?

Is it with the abolition of the ADC, taxing the Company by imposing license fee for rural services, in contravention of policy commitments contained in NTP 99, revising termination charges of international carriers causing substantial losses to the BSNL to benefit the Private Sector, discriminatory and motivated policy directions to choke the BSNL in the purchase of GSM equipments in the guise of internal security applicable only to BSNL and not the Private, allocation of substandard BWA Spectrum after collecting market value of Rs 8313 crores, not giving freedom to BSNL to bid for Circles of its choice and thus forcing it to pay Rs 6000 crores more as 3G spectrum charges than private operators, gross misuse of USO Fund to distinctly favor the Private etc.? Or does it hint to some hidden agenda to completely annihilate BSNL?

Claiming that BSNL is operating in a level playing environment is far from the truth. Nothing can be more ridiculous and atrocious than this claim of the telecom policy makers, enforcers and regulators. BSNL has been operating and continues to operate in an extremely hostile telecom environment which is the direct result of an over-eager and lop sided policy of successive governments to legitimize the blatant and rampant policy breaches by private operators. The Government's telecom policies in India, to say the least, are drafted solely to protect and promote the interests of the private sector, ignoring consumer interests and the legitimate interests of the Company that the Government owns. NTP 12 is also being piloted and drafted to legitimize the ongoing highly illegitimate act of selling 3G services without 3G Spectrum by private operators in the garb of optimum utilization of 3G Spectrum. Unbundling of strategic and potential resource copper cable of BSNL on which it is building its resources is very high on the agenda of NTP, 12 since this potential infrastructure private sector has been eyeing for a long time and now they are being obliged by Kapil Sibal. World over, no incumbent operator has been throttled and continues to be strangulated by the policies of the Governments, the way BSNL, in India, is. Kapil Sibal & Co are burning midnight oil not only to push these sinister policy changes in NTP,12 to legitimize the policy breaches by the private operators in 3G segment at the clear expense of the Govt. Company but are also at the moment soft pedaling, looking the other way, on the naked policy breaches the private operators are perpetrating. That, unfortunately, continues to be the tragedy of Indian Telecom policy.

Fatal political and bureaucratic interference, unchallenged by spineless and some corrupt custodians of BSNL, reduced the staggering coffers of the Company which stood at profits of Rs 10,000 cores and reserves of Rs 45,000 crores in 2005-06 to ashes. Corrupt motives of MOC&IT in 2007-08 to help vested interest equipment manufacturers were abetted and colluded to by a handful of equally corrupt officers in BSNL management. These custodians of BSNL colluded with the then MOC&IT and his cohorts to rip apart the reserves and profits of the Company. The tragedy is that while the then MOC&IT is behind bars, these so called custodians are scot free and one of them continues to preside over a potential business segment of the Company. When custodians, themselves, become plunderers, if BSNL still hangs on, then probably it is just because of the vigilant involvements and actions of the Executives and employees. We are not talking about allocation of 2G licenses, but, yes, we are loudly talking about scandals like Wimax, roaming agreements with Unitech, Swan etc and tacit collusion with equipment manufacturing vendors on procurement of GSM etc. These scandals have rocked BSNL and the custodians of the Company were undoubtedly involved in eating into the wherewithal and the vitals of the Company, depleting its resources and taking it to bankruptcy.

Even though private operators were given a distinct early bird advantage to fully exploit the wireless market by denying BSNL entry in this segment, yet we were neck to neck with and within striking distance of the market leader Bharti. In March 2006 the wireless spread of BSNL stood at 17.65 million with the top rival Bharti at 19.56 million, literally just at a stone's throw away. But then suddenly in 2007 new MOC&IT took over the reins of telecom sector only to wreck havoc with BSNL. Under the influence of and in collusion with telecom equipment manufacturers and supported by custodians of BSNL, when BSNL was eyeing for top slot in the wireless segment, he ensured that BSNL's growth was jeopardized. A clumsy BSNL/Board, with different directors having their own agenda to pursue, obliged him to cut at the roots of BSNL. Procurement of 45.5 m GSM lines that would undoubtedly have placed Company at the top slot in the fast growing wireless segment was consigned to flames. BSNL/Board was completely paralyzed to oppose this deadly onslaught from MOC&IT at the behest of vendors and our competitors. We could just find one bureaucrat Sh. D.S.Mathur having no direct role to play in procurement ruthlessly exposing the sinister moves of the then MOC&IT. But then his determination to safeguard BSNL was defeated by a meek Board of Directors with vested interests, and ever ready to oblige MOC&IT in achieving his diabolical agenda.

When we talk of equipments and all scandals or commissions associated with them, we are compelled to take at least a fleeting trek down the memory lane when Sri. Sam Pitroda came up with the indigenous C-DOT switches, cheap, durable, environment- friendly, operationally efficient and economic to beat any world class foreign manufacturer. But the top men in power both in DOT and the Govt could not tolerate such efficiency, because of the crores that they would lose in the bargain. They preferred to sell the country for petty commissions. And they never slept until

spanners were driven into each piece of equipment that Pitroda and C-DOT manufactured. Yes, they succeeded in dismantling C-DOT lock, stock and barrel. No tears were spilt, no moans were heard and no pain felt in the corridors of power when this prestigious institution that could take care of the equipment requirements of the entire country was torn to pieces to pocket some cheap money from the FEMA.

Role of the Director (CM) and ex-CMD, to say the least, in allowing the Government to rip apart the reserves of the Company has been condemnable and has no parallels. Reserves are virtually sold to vested interests. Reserves of the Company have been fully coughed up by the sheer failure of these two officers to protect the legitimate interests of the Company, mainly on subjects like the allocation of substandard BWA spectrum at market value of Rs 8313 crores, frozen investment, paying about Rs 6000/ crores more on 3G spectrum than private operators by obliging the Government to force BSNL to pay for pan India 3G and thus deprive it of an equitable opportunity to bid for Circles of its choice, Wimax scandal, roaming agreements with fictitious telecom Companies like Swan etc., motivated actions resulting in repeated failure to procure GSM equipment etc etc. The list of acts of omission and commission is endless enough. They played havoc with the reserves of the Company, virtually throwing 3 lakh employees and their families on the streets. The Director (CM) always obliged vested interests since he had a strong eye on the CMD's post and he did not just bother mortgaging the whole Company to somehow snatch the top slot. Procurement of 93 m GSM lines became controversial because of the unconcealed conflict of interest between the ex-CMD and the concerned Director (CM). The Bureaucracy fully exploited the opportunity and capitalized on the total lack of objectivity and coordination between the two resulting in one of the Govt. nominee on BSNL/Board that BSNL does not require 93 m GSM lines since he shockingly pegged the future growth of BSNL at 6% of in a market of one billion wireless. Of course, the then MOC&IT had his own axe to grind.

With field units starving and crying for GSM, and the company fast losing its foothold in the potential wireless segment, hats off to the workers of BSNL who through consistent struggle could force MOC&IT to go in for at least piecemeal albeit quite meager procurement of 5.5 m GSM. It is atrocious on the part of the Management to even remotely argue or plead anywhere that excess Human Resources are responsible for BSNL's present deep crisis in any way. Without any exaggeration, the political masters and more so, the custodians of BSNL are squarely responsible for present deep crisis that the Company is in. This is not a blame game but something can be conclusively established through simple analysis. To shift their abject failure on all fronts of policy, growth and revival and attribute the present imbroglio that BSNL is in to excess human resources is nothing but sheer professional dishonesty and treachery.

On the reforms side, vested interests in the government, bureaucracy and management tacitly and concertedly conspired to torpedo sweeping recommendations of the Sam Pitroda panel

having huge potential to turnaround BSNL. Radical and transparent procurement reforms, policy driven reforms, restructuring and modeling the Company on business lines, exploiting and foraying into emerging and challenging business areas, diversifying business, exploiting the incredibly huge assets that the Company has for resource mobilization, induction of high grade professionals from the market at market value to lend a fully professional and business outlook to the Company and insulate it from rampant political and bureaucratic interference to which ITS management has all along been vulnerable and which has contributed to the bankruptcy of the Company, saving capital from getting blocked and ensuring its optimum utilization, introducing innovative and transparent mechanisms of growth, developing land bank etc. are in deep cold storage. Political masters and vested interests in the Management and bureaucracy felt threatened for reasons of their survival and getting exposed in pushing through these potentially radical reforms.

Reforms where management had freedom to decide and act and got strong support from Associations and could have quite easily be pushed through got defeated because of the parochial outlook of the Management to restrict implementation of these reforms only up to JAG and excluding the ITS. Tightening of existing staffing norms, introducing stringent objective parameters for performance evaluation and linking these to career growth, recruiting MTs from outside when thousands of highly qualified and experienced personnel are available within organization etc. are some of the glaring instances where important HR reforms were derailed because ITS were kept outside these new mechanisms for narrow considerations. No transformation on any front whatsoever is ever possible if it is based on very narrow considerations of fraternity and is thus devoid of broader perspective and the objective itself. That is what precisely happened and critical HR reforms got defeated.

The lack of desire and toughness on the part of the Management to conclusively settle the ITS absorption issue is exposed. Nobody needs a microscope to see that this very crucial issue has and had its telling impact on the financial viability of the Company. No one argues for a vacuum at the top but it is best realized at the earliest and with no time to spare that it is more important for a Company to have its top management as an integral and wholesome part of the Company, looking after the affairs of the Company with undivided attention and without any shift in focus. It will make all the difference and the Company will get a new lease of life. Unfortunately, because of very myopic considerations, it is just the opposite that is happening. The men in the ITS are permitted to blackmail the Management and the Government time over time. Sam Pitroda in his interaction with us clearly emphasized the need of the Company having its own management structure. Management experts hold the unwavering opinion that the kind of duality that exists in BSNL has had catastrophic consequences on its growth and, even though the Management does not agree, it remains but a hard fact that BSNL will continue to crumble so long as it does not have its own management structure and continues to be governed by those having single minded self

driven agenda of continuing on the rolls of the government. Concede their all demands and address their concern which has been done reasonably, yet they will raise newer and newer issues to evade absorption. This is the agenda that they are hard working to, and in the process it hardly matters to them which way BSNL goes. That is just of no consequence to them.

That precisely led Sam Pitroda, with huge experience and wisdom, after thorough analysis, with no inhibitions, suggest that "About 30-50 high grade professionals from the market at market rate be inducted to draw a comprehensive blueprint for revival of BSNL and oversee its execution. This should be the starting point of revival process in order to position BSNL once again as a leader in telecom market in terms of market share, services etc, and to accomplish this the government needs to take hard decisions and bold initiatives". He felt that one of the crucial tasks that professionals from outside with no fraternal weaknesses and singularly committed to revival of BSNL would have to undertake was to end the fatal uncertainty on ITS absorption that has taken an incredibly heavy toll of BSNL. The greatest of great challenge that stares the Management in its face, if it honestly acknowledges, is to understand its prime obligation to bridge the widening trust deficit and loss of confidence between the absorbed and those refusing to get absorbed. Shun parochialism and there you are. Don't submit to arm twisting and black mail. Be tough and toughness never means denying legitimate requirements on which you have taken more than sufficient care. Care and nurture the Company of which you are the custodians and uphold the trust that three lakh workers have blindly reposed in you. We hope you will be cautious that this huge trust is not betrayed by hanging on to fraternal weaknesses but rise up and conclude the process of absorption. All changes are difficult, but if they're good changes, in the long run they pay off. Don't force people at this critical juncture to once again go out to the streets to force this critical issue. It looks ridiculous and as responsible people we find it quite embarrassing.

We take this opportunity in reminding CMD/BSNL about concrete commitment he gave to three lakh workers that the entire process would be concluded by 31st March,12 and pleaded for time. Let CMD be under no illusion that he can take people for ride. That is what the developments on the issue suggest. As head of the Organization, he has fundamental commitment towards the Company, and, by all accounts, it appears he is drifting from his commitment by not acting decisively and objectively and in a manner head of the Company should act on such a crucial issue. While the Company is profusely bleeding, he is pleading helplessness. That is sheer unprofessionalism and lack of toughness to decide and act. This cannot be permitted under any circumstances. This dilly dallying is bound to have very strong reaction and can lead to industrial turmoil which the Company can ill afford at this stage. It is not as if we want to warn CMD but it would be impossible to contain people in case resolution of the issue continues to linger and management continues to cave in to blackmail.

BSNL management needs to exhibit extraordinary professional integrity to protect the legitimate interests of the Company and insulate the company from vested interests of every kind, It needs to confront bureaucracy and politicians and show them the way when it comes to safeguarding legitimate interests of the Company, needs to draw a vision document and closely involve human resources in traversing the path to reach the ultimate destination defined in the document. Innovative processes and mechanisms need to be employed to involve people in rebuilding the Company. BSNL management needs to infuse confidence and trust down the level which, unfortunately and dangerously, is fast waning. BSNL Management needs to unequivocally understand that "A crisis is the right time to improve human capital, build institutions and ensure superior implementation". But unfortunately the BSNL Management appears to be losing focus on such priorities because of its preoccupation on insignificant and irrelevant issues like cajoling and coaxing ITS rather than concentrating on building a management structure belonging to the Company.

In the midst of all the clouds we cannot deny the presence of some colorful rainbows. One such is the finest and the very very modest Director (HR) we have with us today. Modestry is his greatest asset. Even though, we have shared our relationship for a few days, yet we have this first and best impression that he falls in that tall category of unprejudiced stalwarts like Sam Pitroda, H.P.Wagle, B.R.Nair, M.G.Joshi, G.K.Saran, S. Rajagopalan, J.K.Chabbra and the most recent one Gopal Das ji. We take this opportunity in expressing deepest gratitude of this august house to Respected Sh. Gopal Das who cared for our career growth in every manner and nurtured it so fondly. BSNLMS RRs, despite great opposition from a good number of HR managers, is his brainchild and creation. These rules have broken the shackles of our slavery of decades. His response to every HR issue was outstanding and unprejudiced with unparalleled humaneness, in every sense of the word. Our long journey under his extraordinary stewardship was just awesome and we enjoyed every yard of it. Truly great people usually don't feel important; they make others feel important. And he is just great that way. That is why, we bow our heads with all our humility to Respected Gopal Das ji and wish him all the best.

We profoundly thank our friends from sister organizations from having come a long way to grace the occasion, and like to reassure them that we will strain our nerves to consolidate fraternal bonds of unity, be it JAC or United forum of BSNL executives. With AIBSNL EA, particularly, we have had an extremely wonderful, fruitful and very positive relationship. Com Prahlad Rai was always receptive and forthcoming on issues of common interest. He never looked back at the moment of crisis and lent his unqualified support admirably. I am pretty confident that in the days to come our relationship with AIBSNL EA and affiliates of JAC would continue to grow and foster to meet incredibly formidable emerging challenges.

What I would finally like to emphatically state in this Assembly is that we, all 25,000 of us, none excluded will fight, struggle and work at our hardest to ensure that this Company belonging to the people of this Country will not go to dogs- but will continue to serve the Nation and its people with a distinct pride to give them the honor, that they and they only truly deserve. They are our masters and we shall not bow our heads before anyone, howsoever high, but them. We know that the battle has just begun. 'the woods are lovely, dark and deep. But we have miles to go before we sleep.' Yes, to my Comrades, in this Assembly, you are fighters of exceptional quality and as true fighters, you know that more sacrifices would be required, more efforts called for and more chains to be broken. But to you and you alone I entrust the destiny of this beloved Company of ours, the beloved Company of the Nation. Because I have great hopes and trust in you. Great men and women of history are remembered not because they never made mistakes or failed, but because they didn't let their failures stop them. They kept on until they succeeded. You are great. No adversity can stop you. No power can conquer you. No obstacles can hinder you. Keep going until you succeed. Succeed for your comrades, succeed for your Association, succeed for your BSNLsucceed for your Nation. Yes, if you strive for money, your fortune will be remembered, if you strive for glory, your statue will be remembered. But if you live for others, you will be remembered, and will live in the hearts of all those you give life to.

SNEA (I) - Zindabad
Inquilab - zindabad
United Forum - Zindabad

JAC -- Zindabad
Workers Unity - Zindabad