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BSNLEU/ 604 (DEV)

08.09.2021

To,

**Members of the Committee
for Review of Cluster Mechanism,
BSNL Corporate Office,
Room No.414, Bharat Sanchar Bhawan,
H.C. Mathur Lane, Janpath,
New Delhi – 110 001**

Sir,

Sub: - **BSNLEU's views on the Cluster Based Outsourcing System - req.**

Ref: - **BSNL CO letter no.BSNLCO-CFAP/13(15)/2/2020-NWP-CFA-BSNL-CO dated 06.07.2021.**

With reference to the letter cited above, we wish to put forth the following views of BSNLEU, on the "Cluster Based Outsourcing System".

The BSNL Management has constituted a Committee to review the Cluster Mechanism, vide its letter cited under reference. BSNLEU has been invited today, the 8th September, 2021, to place its views on the subject, before the Committee.

At the outset, we would like to remark that the Committee has been constituted to give its recommendations only on the following aspects:-

1. Any change in rate (both Maintenance and provisioning).
2. Any change in penalty / Incentive.
3. Any change in SLA (only improvement).
4. Any addition of work (along with measurability / estimated rate).
5. Any other suggestion.

Against serial no.3 of the above mentioned terms of reference, the Committee has been directed to recommend only improvements to the SLA system. It becomes amply clear that, the Management wants to only implement certain cosmetic changes to the Cluster Based Outsourcing System. In other words, the Management is not prepared to make any self-introspection, as to whether the Cluster Based Outsourcing System is a failure or a success.

In January, 2020, 80,000 Executives and Non-Executives of BSNL retired under the VRS-2019. Due to this, the strength of the workforce of BSNL was cut down by 50%. In addition to this, the BSNL Management massively retrenched the contract workers working in the Company. Thereafter, the Management went in for Cluster Based Outsourcing of the works, related to landline and broadband services. It is already one and half years since the Management has taken recourse to the Cluster Based Outsourcing System.

BSNLEU has reviewed the results of the Cluster Based Outsourcing System, at least in three Central Executive Committee meetings of the Union. The reports of all the circle secretaries have invariably confirmed that, the Cluster Based Outsourcing System is a 'grand failure'. The views expressed in all our Central Executive Committee meetings, are as follows: -

- (1) The quality of BSNL's landline and broadband services have deteriorated drastically, after the implementation of the Cluster Based Outsourcing System.**
- (2) As a result, the landline and broadband connections are being surrendered in an unprecedented scale.**
- (3) Company's money is going into the drain, since the penalty imposed on the contractors is limited to only 15%, which means the contractor gets 85% of the amount, even if he does not do any work. There cannot be a more scandalous system than the Cluster Based Outsourcing System.**

The above views of our field level functionaries have been taken to the notice of the top Management, many times. However, it is a matter of deep concern that, instead of looking into the complaints, the Management has simply brushed them aside. Further, the Management is treading on a 'self-deceiving path', by saying that, the massive surrendering of landlines and broadband connections is due to the advent of new technologies and that it has got nothing to do with the implementation of the Cluster Based Outsourcing System. However, it is the considered opinion of BSNLEU that, the Cluster Based Outsourcing System has done irreparable damage to the Company.

The BSNL Management has committed a very big mistake by adopting the Cluster Based Outsourcing System. Due to this, the expenditure of the Company has greatly increased, while the quality of services has deteriorated drastically. This can be known from the following data, related to Puducherry SSA of Tamil Nadu circle.

After the implementation of VRS-2019, i.e., from February, 2020 onwards, the maintenance works of Puducherry SSA was managed only with 45 contract workers. The monthly wages paid to these contract workers came to Rs.9,35,512. However, after implementation of the cluster-based outsourcing system, the situation changed drastically. In November, 2020, the amount paid to various contractors, to whom the works have been outsourced, sky-rocketed to Rs.19,13,861.84. In the same Puducherry SSA, the amount paid to the contractors in June, 2021, declined to Rs.15,53,017. This decline in the amount paid to the contractors is due to the huge disconnection of landline and broadband connections.

All the above mentioned details have been taken to the notice of the CMD BSNL, by BSNLEU. However, our views have fallen on deaf ears. Instead, the Management is cooking-up the figures to drive home the fact that, the quality of the landline and broadband services of BSNL have greatly improved due to the adoption of the Cluster Based Outsourcing System. We can give the following one example to show how the manipulation is being done, to show that the quality of the services have improved.

After the implementation of the Cluster Based Outsourcing System, Repeat Faults have increased greatly. However, the Management is suppressing this fact. The common manipulation of the contractors is to close the faults without rectifying the same. The contractor is provided with the facility to close the fault in the FMS. They close the faults in the FMS, without attending to them. This malpractice of the contractors can be traced out in the CDR, provided, the CDR is sufficiently manned. But, what is happening is that, sufficient staff is not being provided to man the CDR. As a result, after 4 hours of closing the fault in the FMS, the fault gets automatically closed in the CDR also. Thus, we accuse that, the programming in the CDR has been done in such a way, that the faults get automatically closed 4 hours after their being closed in the FMS. This has been done to help the manipulations being done by the contractors. In the similar fashion, many more manipulations are being done by the contractors to cheat the Company.

To justify the adoption of the Cluster Based Outsourcing System, the Management is arguing that, all the private telecom service providers have outsourced all their works and the system is working well in those private companies. This may be true. But, it is also true that, there is a very big difference between the efficiency of the Management of the private companies and the Management of BSNL. In the private companies, the contractors cannot do manipulations and get away, as they are doing in BSNL.

To sum up, BSNLEU wishes to say this. The Cluster Based Outsourcing System is a very big failure, so far as BSNL is concerned. It is draining the finances of BSNL. Due to this, the quality of landline and broadband services has deteriorated drastically and the disconnection of lines is taking place massively. In view of this, the BSNL Management should give up the Cluster Based Outsourcing System. Instead, BSNL should get manpower through labour contract and use them for the purpose of provisioning and maintenance of the landline and broadband connections.

Thanking you,

Yours sincerely,



[P. Abhimanyu]
General Secretary

Copy to: (1) Shri P.K. Purwar, CMD BSNL, Bharat Sanchar Bhawan, Janpath, New Delhi – 110001
(2) Shri Arvind Vadnerkar, Director (HR), BSNL, Bharat Sanchar Bhawan, New Delhi – 110001.
(3) Shri Vivek Banzal, Director (CFA), BSNL, Bharat Sanchar Bhawan, New Delhi – 110001.
(4) Ms. Yojana Das, Director (Finance), BSNL, Bharat Sanchar Bhawan, New Delhi – 110001.
(5) Shri S.K. Mishra, Director (CM), BSNL, Bharat Sanchar Bhawan, New Delhi – 110001.
(6) Shri V. Ramesh, Director (EB), BSNL, Bharat Sanchar Bhawan, New Delhi – 110001.
(7) All Committee Members.