



**ALL INDIA BSNL EXECUTIVES' ASSOCIATION.  
ORISSA CIRCLE BRANCH, BHUBANESWAR.**

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To

The Chief General Manager, Telecom;  
Orissa Telecom Circle; Bhubaneswar-751001

Sub: - Various economy measures in our circle as in Kerala way.

Sir,

In the last Central Working Committee meet of our organization in Goa various points on economy measure for our department were discussed. A number of points were submitted by our organizers. I am submitting those to your good office for scrutiny and implementation so that our circle expenditure will be less and profit will be more.

1. **Payment of cost of land etc to the state revenue authority:** - In several units the state govt. authority issues demand letter for payment for the unauthorised occupation of land or pending payment of rent etc. Actually during DOT time lands were availed from state govt. authority for providing communication infrastructure to the locality most of them are rural or under-developed area. In most places Project circle or local authority of circle arranged land in consultation with the local revenue authority. In some cases paper work was done and in some cases it was not complete. Now the local revenue authority is demanding cost of land at the present rate with very heavy fines, cess and other payments.

But in this regard only one letter to be submitted to the revenue authority that the property belongs to the Govt. of India for which no payment is to be given. It is requested to circulate to all units not to pay any such amount. This is being followed in so many circles.

2. **Payment of building/property Tax:** It is known that Govt. of India is fully exempted from such taxes. Hence for all the properties now under the custody of BSNL is the property of President of India. So BSNL is not liable to pay this Tax. How ever if any property is registered to BSNL, this Tax is to be paid.

This has been settled in the Kerala High court vide case No. WPC No.32930/2007. It must be circulated to all units to stop such payments if any.

3. **Payment of Entry Tax:** This is one of the major financial leakages of BSNL. BSNL Kerala filed a case in Kerala High Court who has quashed the entry tax to BSNL stating the entry tax ruling is not applicable and it is illegal to claim such Tax from BSNL. This must be circulated to all and if necessary, case be filed in High court to get refund of all the old payments. Advice may be taken from legal wing of Kerala circle.
4. **Payment of one time TAX on towers:** In some units the local Municipal authority may impose some sort of Tax or payments in the name of any thing as the decisions of their Council. This happened in Kochi. But there is no such provisions in BSNL, a Govt. undertaking set up to pay such Tax. Kerala High court has given a judgment in favour of BSNL. Instructions be given to all units to take care of such payments.



5. **Payment of sales tax for SIM card and Broad Band facility:** Sale of SIM card or recharge voucher or BB voucher etc are not a commodity but an identity and so it is exempted from sale tax. Ref. Supreme court case No. WPC No. 183/2003 etc 2006(145) STC 91 and Kerala High court order No. WA No. 589.2007 in WPC No. 2323/07 filed by BSNL against com. Tax dept. Kerala. Both Kerala and Karnataka circle have been saving around 700crore each year.
6. **Issues with DGR/Security Agencies/Security Guards:**

A lot of cases are filed by security guards and security agencies against BSNL authorities along with DGR also on the respondent side. Initially there were a lot of cases filed for regularizing the security guards as permanent employees in BSNL, retaining the guards even after the termination of the agency due to expiry of agreement period etc. All those cases were defeated by effectively countering before the court of law wherein the hon'ble court held that no question of regularization arises as there is no employer – employee relationship between the guards and BSNL. (WPC No. 3353/05—WA No703/06, WPC No.19020/05 etc., etc.)

Similarly a number of cases were filed either by the agency or by the guards on slashing the number of guards deployed, payment of ESI, EPF, HRA, VDA, Holiday wages etc. before Assistant Labor Commissioner, Kerala High Court etc. **All these cases were decided in favour of BSNL except the one in the matter of payment of ESI arrears** only because of the fact our agreement contained unnecessary clause allowing it.

It is noted that engaging security agencies is causing heavy financial burden to BSNL. It is also learnt that engaging "Home Guards" is a solution for it as the quantum of payment is very less and the security is more when compared to that of DGR sponsored Security agencies. But the rule / order enabling BSNL to engage Home guards is not know to many circles which is required to be circulated immediately.
7. **Curtailement of payment to State Electricity Board:** The payments to state electricity supply Corporations by our BSNL are much more than the actual payments. Those are: (i) some times electric board charges more than the contracted load stating the dummy loads. (ii) Departmental quarter occupants are given connection from BSNL point, charging on domestic rate where as BSNL has to pay commercial rate. (iii) BSNL is not claiming electric bill from CCA, TERM, PMG and even the expenditures incurred for their accommodation and quarter are not being recovered.

Immediate action be taken for (I) by consulting the state authority and constituting a committee to settle all disputes/ delay payment fines etc. The CE (E) be instructed to settle points (ii) and (iii).
8. **Revenue recovery in case of bill defaulters:** It is seen that a huge amount is pending against various organizations, individuals and establishments. In this regard BSNL should approach the **State Revenue Recovery authority** to impose the RR Act applicable. Kerala succeeded in recovering all pending revenues from defaulters even with interest. (Judgment of Kerala High Court WPC No.30360/06 dt. 17.11.2006.
9. **Space and Energy audit by BSNL:** BSNL unit Kerala has taken maximum austeritiy for utilization of space and energy. There is so to say no rented accommodation for BSNL units. Strict instruction be given to all SSA heads even to ETR and ETP to get accommodated in departmental space and utilization of Electricity just as much as required.

**( B.D. NATH)**  
**Circle Secretary.**  
**AIBSNLEA-Orissa.**