Whether VRS will make BSNL healthy?

VRS has become a hot subject of debate, after the IIM-Ahmedabad submitted it's report. In part D of it's report, on revival / restructuring of BSNL, the IIM-Ahmedabad has recommended VRS for the employees in the age group of 50 or above, as well as reduction of the retirement age from 60 to 58.

The younger section among BSNL employees, especially the Directly Recruited Employees, are vociferously welcoming both VRS and the rolling back of retirement age from 60 to 58. They believe that these measures will help BSNL to come out of the ongoing crisis, and that their future can be safeguarded. Many in the age group of 50 and above may also welcome VRS. This is because, the financial condition of BSNL has become critical and even payment of salary has become a very big problem.

The BSNL Management intends to send 35,000 employees on VRS. To implement this, a huge amount is required. The question is where this money will come from? BSNL cannot spent such a huge amount on it's own. At the same time, the government also may not be willing to give such a huge amount to BSNL for implementing VRS.

But, the more important question is this. As the younger generation of employees are thinking, whether VRS and the rolling back of retirement age from 60 to 58 will turn BSNL healthy? Absolutely not. They should understand that what is ailing BSNL is not the size of it's work force, but the anti-BSNL policies of the government. The real intention of the government is not to turn BSNL into a healthy and profit making Company. The whole idea of the government is to make the size of BSNL's workforce small, so that it will be easier for it to sell BSNL to some private corporate. In fact, the strategy of the government has always been the one of making the private companies strong and to weaken the government service provider. This can be understood from the following fact.

- Licences to start mobile service was given in the year 1995. However, only private companies got that licence. The DoT, which was the government service provider at that time, was not issued with the mobile licence. BSNL got permission to start mobile service only in the year 2002. The whole idea of the government was to provide an opportunity to the private companies to capture the mobile market.

- However, by 2004, BSNL was set to become no.1 even in the mobile segment, by overtaking Airtel. But, thereafter, BSNL was not allowed to procure equipment's for 6 to 7 years. The tenders floated by BSNL to procure mobile equipments, were cancelled one after another by the government. Thus, the government itself created road-blocks in the expansion of BSNL's mobile networks.

- It is a fact that, in 2004 – 2005, the same BSNL, with one lakh employees more on it's rolls, earned a net profit of Rs.10,000 crores. Hence, the size of BSNL's workforce is not the real reason for BSNL's decline. It is the pro-private and anti-BSNL policies of the government, which is killing BSNL.

- VRS is already implemented twice in MTNL. However, MTNL's condition has not improved, but worsened. Hence, VRS is not the solution for BSNL's ailment.

- Presently, all of us are witnessing how the government is directly and indirectly supporting Reliance Jio. All the rules and regulations are being bent, to allow Reliance Jio to capture the entire telecom market. Shri J.S. Deepak, the then Secretary, Telecom, was unceremoniously shunted out of the DoT, since he opposed the predatory pricing of Reliance Jio. We are also witnessing how Reliance Jio has become the service provider for the Indian Railways and for all the airports throughout the country. Thus, it is crystal clear that the present government wants to promote only Reliance Jio and not BSNL.

- Recently, the whole country witnessed how the government moved swiftly to bailout the Jet Airways. Finance Minister, Arun Jaitley directed the State Bank of India led banks, to pump in Rs.1,500 crores for bailing out the Jet Airways. At the same time, the government remains indifferent and callous to the financial crisis being faced by BSNL. Why such a double standard is being adopted by the government?

We must understand that one of the basic economic policies of the government is to privatise the entire public sector, including BSNL. During the past 18 years, the government has tried to privatise BSNL, on a number of occasions. But, the entire unions and associations have unitedly fought and defeated the attempts of the government.

Even the decision of the government to bring a Subsidiary Tower Company, is nothing but a strategy to privatise BSNL. Now, talks are going on to hive off BSNL's optic fibre into a subsidiary company. If this is permitted, then our fibre assets will unavoidably be privatised, through 'strategic sale'. Hence, the entire workforce of BSNL should unitedly oppose any attempt of the government to implement VRS or reduce the retirement age.

*****