

# National Herald

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## Centre mulling merger of BSNL, MTNL & BBNL; Move will be catastrophic, say BSNL employees, write to PM

According to sources, Modi government is planning to infuse funds to the tune of Rs 1.6 trillion, of which Rs 36,260 crore would be cash support for BSNL/MTNL over the next three years



With an aim to create a single State-run telecom entity, the Modi government is mulling the merger of BSNL with MTNL and BBNL (Bharat Broadband Network), NH has learnt.

The employees of BSNL are against such a move. They shot off a letter to PM Narendra Modi on Wednesday, seeking his intervention to stop such a merger.

Stating that the merger will further worsen the financial condition of BSNL, the employees urged the PM to “take appropriate action to safeguard the interest of BSNL”. “The CMD BSNL has remarked that the MTNL is in the ICU; any day it can be declared dead. He has also stated that a catastrophe is waiting to happen in MNNL,” reads the letter.

**“CMD MTNL has made no bones about the serious financial condition of BSNL. Under these circumstances, it is disturbing to hear that the government is fast moving to merge MTNL with BSNL. Already BSNL is struggling hard to come out of its financial crisis. In this situation, if MTNL is merged with BSNL, it will only do irreparable damage to the financial revival of BSNL,” said BSNL employee union’s general secretary P Abhimanyu. He demanded that instead of doing a merger, the government should take over the MTNL’s debt of Rs 26000 crore. “The government should infuse adequate financial assistance to revive BSNL,” he added.**

**While BSNL employees have openly opposed the merger plan, MTNL and BBNL have kept silent so far.**

**“The government is of view that the balance sheet of all three State-owned telecom companies should be repaired in order to make them survive,” said a source privy to the development.**

**The Department of telecommunications (DoT) recently floated a draft Cabinet note regarding the merger to create a financially viable telecom firm.**

**According to sources, the government is planning to infuse funds to the tune of Rs 1.6 trillion, of which Rs 36,260 crore would be cash support for BSNL/MTNL over the next three years.**

**As per the sources, the government is of view that once such a merger is complete, the combined entity would be able to focus on pan-India 4G wireless services, fixed line fibre broadband services, and enterprise services in a more effective and cohesive manner.**

**This is not the first-time the government has planned to merge the loss-laden tele companies. In 2019, the union cabinet has approved a revival plan for the state-owned tele companies, including their merger to help turn around the money-losing PSUs.**