



CENTRE OF INDIAN TRADE UNIONS

भारतीय ट्रेड यूनियन केन्द्र

K. HEMALATA
President

27th June 2019
TAPAN SEN, Ex.-M.P.
General Secretary

Dear Ravi Shankar Prasad ji,

Sub: - Disturbing reports on BSNL's financial position – requesting to take necessary remedial actions – reg.

I wish to draw your kind attention to the following.

Soon after your assuming charge as the Minister of Communications & IT, you kindly and rightly made a statement that a healthy BSNL and MTNL are required for the nation. However, disturbing reports are coming in the media, about BSNL's financial health. These reports are based on a letter, recently said to have been written by the BSNL Management, to the DoT. The BSNL Management had reportedly stated in that letter that, it could not pay salary to the employees and also continuation of its operations would become impossible, if immediate financial help is not extended by the government.

It is needless to state that the entire telecom industry is gripped with a crisis, due to the predatory pricing of Reliance Jio. The revenue earnings of all the telecom service providers have fallen steeply, due to the cut-throat competition unleashed by it. BSNL had been improving its financial position considerably consecutively for three years. However, after 2017, BSNL's financial problems got aggravated.

The existence of BSNL, as a viable Public Sector Company, is very much required in the interest of the nation and its people. Moreover, being a Public Sector Company, the government has to extend its financial assistance, so that BSNL can tide over its financial problems. In this context, it is worrying to note that, BSNL has not yet rolled out its 4G service, even though the private operators have already rolled out their 4G services many years ago, thereby losing the level playing field. Immediate allotment of 4G spectrum to BSNL and also extension of financial assistance to enable the Company to upgrade its networks, are required to be done by the government immediately and the BSNL will definitely turn around.

Media reports also say that the BSNL Management has directed its circle units to retrench the contract workers. Further, it is also reported that the contract workers of BSNL are not paid wages for the past 6 months. Kindly note, despite non-payment of wages, the contract workers have been discharging their duties, without which normal services of BSNL could not have been sustained. It is a tragedy that, the contract workers who are working in BSNL for the past 18 years, have become victims of BSNL's financial crisis. You will agree that the contract workers come from the weakest sections of the society. Non-payment of wages to contract workers for the past 6 months means, nothing but putting their families in starvation.

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General Secretary

Retrenching' the contract workers, to tide over BSNL's financial problems is not the practical as well as a right solution; rather it would have crippling impact on normal services of BSNL spread over the remotest corner of the country which may please appreciated. Hence, your immediate intervention is solicited to ensure that the wage arrears of contract workers are immediately paid and also that their retrenchment is stopped.

Many stories are also coming in the media, reporting that the government is moving fast to implement VRS for BSNL employees and also to reduce their retirement age from 60 to 58. We are aware that, retirement is taking place at a fast phase in BSNL. One report states that nearly 80,000 BSNL employees are going to retire within the next 5 years. Under such a situation, we do not understand the logic behind the government's move to introduce VRS in BSNL. This Public Sector Company is carved out of the Department of Telecommunications in the year 2000. An overwhelming section of the DoT employees have got absorbed in BSNL, from the government service. As such, the extant government rule on retirement, should be implemented for BSNL employees also. Hence, we request that the moves being made by the government, to implement VRS in BSNL and also to reduce their retirement age from 60 to 58, may be dropped.

In view of the foregoing, I request you to please appreciate the gravity of the issue and its implication on the telecom services in the country and also on the concerned employees, workers and the people at large, and appropriately intervene so that BSNL has been extended required help to facilitate its turn around and also the serious concerns and problems of the employees, workers including the contract workers are addressed as suggested hereinabove, in the interests of propriety and all concerned.

With warm regards,

Yours sincerely,


(Tapan Sen)
General Secretary

**Shri Ravi Shankar Prasad,
Hon'ble Minister of Communications & IT,
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