



BSNL

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NATIONAL FEDERATION OF TELECOM EMPLOYEES

BSNL

(Regn. No. 4906 dated 17/9/2001)

C-4/1, Bangla Sahib Road (Baird Road), New Delhi - 110001

TF-6/6

Dated:-22-07-2013

To

Hon'ble Minister of
Communications and IT
Govt. of India
Sanchar Bhavan
New Delhi.

Subject:- Hike in FDI in Telecom Sector causing adverse effects on PSUs.

Respected Sir,

Very recently the Govt. of India on the recommendation of Communication Ministry has hiked the FDI limit from 74 to 100% in Telecom Sector causing imbalances in the completion.

It is submitted that the decision has no doubt created cheers in Private Sector as they will get plenty of resources including modern technologies. This will help them to expand and improve their quality of services to great extent.

The state owned PSUs, BSNL/MTNL, are facing serious financial crisis due to various factors. But the main factors are withdrawal of various concessions, exorbitant and arbitrary decision in realisation of spectrum charges and burdening the BSNL with the enhanced pension contribution expenditures.

The present situation is such that the BSNL is finding difficulties in purchase of materials (Cables, Dropwires, Telephone Sets, Modum 2 etc) and equipments. There is enormous paucity of BTS which is not only affecting the expansion but quality of Mobile Services also. You will appreciate, Sir, in the prevailing scenario the BSNL facing financial crisis will not be in position to generate resources to acquire modern Technologies and will lag behind in the competition. Neither BSNL nor MTNL can utilize FDI resources being state owned PSUs and will be facing tremendous and enormous imbalances in the competitions unless public capital is expanded to them. The BSNL has always discharged the social commitments of Govt. and in the situation it should not be allowed to starve of the resources.

We may add every since FDI has been increased from 49 to 74% seven year ago the BSNL started showing downward trend.

We, therefore, fervently request you to bestow justice and consider to ensure that the resources ie budgetary support and modern Technologies are made available to BSNL for its growth in the interest of people and country.

With deep regards,

Yours sincerely

(Chandeshwar Singh)
General Secretary