

05.12.2014

SAVE BSNL – SAVE NATION

Memorandum to the Prime Minister

Respected Sir,

As you are well aware, the telecom PSU, BSNL, is in serious financial crisis with posting of loss for the last consecutive four years. It's market share has reached a low 10% and expansion and development slowed due to lack of mobile and other equipment urgently required.

It was assured at the time of formation of BSNL that the govt. will provide financial assistance to the new entity through Access Deficit Charge (ADC) collected from private companies, reimbursement of licence fee paid by BSNL to government and liberal subsidy from Universal Service Obligation Fund (USOF). But, unfortunately, all these are either fully stopped or reduced. At the same time, all the cash balance of BSNL coming to about Rs.40,000 crore has been taken by the government through spectrum charges (Rs.18,500 crore) notional loan (Rs.7500 crore and interest at 14.5%), licence fee etc. etc. As such BSNL, which had an accumulated profit of about Rs.45,000 crores for the first five years and was paying good dividends to government is now in an accumulated loss of around Rs.28,000 crore for the last four years. As a result, Bonus and many social security benefits like Medical Allowance, LTC are either stopped or curtailed.

The employees and their unions in BSNL together have been making all out efforts to improve the services to the people. But due to the shortage of equipment and anti-PSU and pro-private policies of the consecutive governments, revival is facing serious hurdles.

In order to save BSNL from the present financial crisis and also to provide a better service to the people, we submit the following for your kind consideration and necessary action.

Charter of Demands:

- 1)** Filling up the posts of CMD/BSNL and Director(Finance) and DIR(HR) of BSNL Board, which are vacant for months.
- 2)** Stop formation of subsidiary companies of BSNL.
- 3)** Compensation for loss on landlines for rural / remote area service.
- 4)** Procurement of equipment for development, expansion and better service, more focus on laying OF cable to strengthen the transmission network.
- 5)** Transfer of Assets to BSNL
- 6)** Drop proposal for Merger of BSNL and MTNL.
- 7)** Spectrum Liberalisation and Trading.

