

BSNL employees oppose second Voluntary Retirement Scheme

Attributing BSNL's failing revenues to flawed government policies and an inefficient management, the trade union demanded that the company withdraw its VRS decision.

Confirming that State-owned Bharat Sanchar Nigam (BSNL) plans to carry out another round of Voluntary Retirement Scheme (VRS), the company's employee union on Monday demanded that the Board of Directors withdraw this decision. Stating that BSNL only has 29,750 E executives and 26,435 non-executives as of March 2024, employees accused the company to focus on flawed policies and managerial inefficiencies in its letter to A Robert J Ravi, Chief Managing Director of BSNL.

"The employees strength of BSNL is not the reason for its financial problems. The inability of the management to substantially increase BSNL's revenue generation is the real reason. We strongly urge the Management to reconsider and withdraw its decision to implement a second VRS," said the union or BSNLEU.

Losing out on optic fibre and FTTH services

According to the Union, BSNL earned the bulk of its revenue from landline services. However, following BSNL's first VRS in 2020, the maintenance of landline and broadband connections was completely outsourced. The management had anticipated around 30,000 to 35,000 employees to opt for VRS when in fact around 80,000 employees went on VRS.

"This resulted in serious deterioration of the quality of service. As a result, BSNL's landline connections are almost wiped out and Jio has emerged as the biggest landline service provider, utilising the optic fiber technology. It is very unfortunate that BSNL has not been able to do, what is achieved by Jio, despite having the biggest optic fiber network," said the BSNLEU.

Similarly, employees said that BSNL's FTTH service was considered to be the best until recently. However, today the company faces massive disconnection due to poor quality of service. BSNLEU added here that while it had demanded that the provisioning and maintenance of FTTH connections should be taken over by BSNL, the management had rejected the idea, citing acute shortage of workforce.

Denial of level playing field

Employees claimed that BSNL is lagging in terms of quality of service due to a denial of level playing field in terms of equipment vendors. As per government policy, BSNL was mandated to procure its 4G equipments only from Indian vendors, instead of international vendors.

“When private operators like Reliance Jio, Airtel and Vodafone Idea have the freedom to procure their 4G and 5G equipments from reputed international vendors like Nokia, Ericsson and Samsung, why should BSNL alone be restricted to procure its mobile equipments from Indian vendors? This is nothing but denial of level playing field to BSNL,” said BSNL EU.

The union’s letter also noted the Parliamentary Committee on Public Undertakings’s advice to seek the help of foreign technology companies to overcome the problems it is facing in the deployment of TCS’s 4G equipments.

Customers returning to private telcos

BSNLEU said that the lakhs of customers, who reportedly migrated to BSNL after the tariff hikes by private operators in July, are again porting out from BSNL due to BSNL’s unsatisfactory mobile service.

Distorted salary claims

Regarding reports of BSNL spending 38 per cent of its revenue towards payment of salaries, compared to the single digit percentages of other private operators, the Union said, “We wish to state that, this is a distorted figure. Jio and Airtel are earning a massive revenue and thus, the percentage of their expenditure for salary payment is insignificant, when compared to their revenue.

Despite implementation of a revival package in 2019 and two more revival packages in 2022 and 2023 respectively, BSNL has failed to increase it’s revenue substantially.”