

# BusinessLine

## DoT sets June deadline for BSNL-MTNL merger

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The merger may help both PSUs cut mounting losses.

New Delhi, September 2:

The Department of Telecom (DoT) has fixed June 2015 as the deadline for merging Bharat Sanchar Nigam Ltd and Mahanagar Telephone Nigam Ltd. The proposal has been hanging fire for three years in the face of vehement opposition by employees of the two state-owned companies.

However, the DoT has instructed the human resource managers at the two telecom PSUs to engage with employees and find a solution to their concerns. The HR department has been asked to submit a report by January. Consultations with the various employee unions will be held in March, according to the schedule prepared by the DoT. The timetable has been submitted to the Prime Minister's Office.

Sources in the Department of Telecom said that a note for the Cabinet's consideration will be drafted by April next year.

The DoT had earlier told the Parliamentary Standing Committee on Information Technology that the proposal to merge the PSUs made sense. The Board for Reconstruction of Public Sector Enterprises had also recommended that MTNL should be brought under BSNL.

This is part of the Telecom Ministry's plans to revive the two telecom companies. The two PSUs have been making losses in the face of tough competition from private players.

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