

**GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA
UNSTARRED QUESTION NO. 567
TO BE ANSWERED ON 5TH FEBRUARY, 2020**

REVIVAL PACKAGE FOR MTNL AND BSNL

**567. SHRI SUBBARAYAN K.:
SHRI M. SELVARAJ:**

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the revival package for the ailing Mahanagar Telephone Nigam Limited (MTNL) and Bharat Sanchar Nigam Limited (BSNL) has been finalized and announced by the Government;
- (b) if so, the details thereof and the steps taken/being taken by the Government for implementation of the said plan;
- (c) whether employees of these two public sector companies have been taken into confidence before finalizing the said revival package and if so, the details thereof; and
- (d) whether the employees of these companies are not being paid regularly and if so, the details thereof and the reasons therefor along with the steps taken by the Government in this regard?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS,
HUMAN RESOURCE DEVELOPMENT AND
ELECTRONICS & INFORMATION TECHNOLOGY
(SHRI SANJAY DHOTRE)**

(a) & (b) The Cabinet in the meeting held on 23.10.2019 approved the revival plan for Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) which inter-alia, includes measures to reduce the staff cost through a Voluntary Retirement Scheme (VRS), Administrative allotment of spectrum for providing 4G services to BSNL/MTNL, monetisation of assets of BSNL/MTNL, debt restructuring by raising of Sovereign Guarantee Bonds and in-principle approval for merger of BSNL and MTNL.

Accordingly, VRS was offered by both BSNL and MTNL to their employees on 04.11.2019. The scheme was closed on 03.12.2019. The Voluntary retirement will be effective from 31.01.2020. A total of 78,569 employees of BSNL and 14,387 employees of MTNL have opted for the VRS.

(c) The revival plans have been prepared considering the recommendations of Indian Institute of Management, Ahmedabad for BSNL and a private consultant for MTNL, which were made by them after consultations with various Unions/Associations/employees. These revival plans were recommended by the Boards of BSNL and MTNL.

(d) Salary to the employees of BSNL/MTNL is delayed in recent past due to their poor financial condition resulting from revenue and liability mismatch. Salary up to November 2019 has been paid by both BSNL and MTNL. With the implementation of revival plan approved by the Cabinet, the financial condition of both BSNL and MTNL will improve.
