

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

**LOK SABHA
STARRED QUESTION NO. 225
TO BE ANSWERED ON 10TH MARCH, 2021**

REVIVAL OF BSNL

*225. SHRI M.K. RAGHAVAN:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Government proposes to revive Bharat Sanchar Nigam Limited (BSNL) and if so, the details thereof and the steps taken by the Government in this regard; and
- (b) the time by which 4G and 5G services will be made available to all BSNL mobile customers in the country especially in the State of Kerala?

ANSWER

**MINISTER OF COMMUNICATIONS, LAW & JUSTICE AND
ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)**

- (a) & (b) A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF LOK SABHA IN RESPECT OF PARTS (a) & (b) OF LOK SABHA STARRED QUESTION NO. 225 FOR 10TH MARCH, 2021 REGARDING “REVIVAL OF BSNL”.

(a) The Government approved the revival plan for Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) on 23.10.2019. The revival plan inter-alia, includes measures to reduce the staff cost through a Voluntary Retirement Scheme (VRS) for employees of age 50 years and above, administrative allotment of Spectrum for providing 4G services with funding through budgetary allocation, monetisation of Land/Building and Tower/Fibre assets to generate resources to retire debt, meet CAPEX and other requirements, and debt restructuring by raising of Sovereign Guarantee Bonds.

The Government approved Rs. 25,697 crores (Rs.14,366 crores on account of Ex-Gratia on VRS and Rs. 11,331 crores due to advancement of pensionary benefits spread over a period of ten years) through budgetary allocation for VRS in BSNL. Full cost of spectrum of Rs. 24,084 crores will be funded by Government. Government also approved sovereign guarantee for bonds of Rs. 8,500 crores to be raised by BSNL for its debt restructuring.

The following steps have been taken by the Government to implement the revival plan:

1. VRS has been successfully implemented in BSNL. Total 78,569 employees opted for VRS. As a result, salary expenditure of BSNL has reduced by approximately 50%.
2. Fund allocation of Rs. 24,084 crores for spectrum for 4G services has been made.
3. BSNL has informed that the funds raised through the sovereign guarantee bonds have been utilised to repay its existing high-cost debt.
4. BSNL has taken steps to monetise its core and non-core assets. In Phase-I, 4 (four) properties of BSNL have been identified for bidding through Department of Investment and Public Asset Management (DIPAM). BSNL has further informed that it has raised Rs. 306.37 crores from monetisation of land/ building assets directly since announcement of revival package. In addition, BSNL has finalized an agreement for raising Rs. 1800 crores through securitization of its tower rentals.
5. Government has issued instructions for mandatory utilisation of BSNL network for internet/broadband, landline and leased line requirements by all Departments/Ministries and other Government Undertakings/Bodies under Central Government.

(b) BSNL has reported that it has introduced 4G services in its mobile network at a few locations on limited scale using its existing spectrum for 3G services. A total of 8,629 Base Transceiver Stations (BTS) of 4G are working in the country including 887 in Kerala as on 31.12.2020.

BSNL has issued an Expression of Interest (EOI) on 01.01.2021 for prior registration/Proof of Concept (PoC) from Indian Companies interested in participating in BSNL's upcoming 4G tender. 5G services are yet to be launched in India.
