

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:1555

ANSWERED ON:30.11.2011

VRS TO BSNL EMPLOYEES

Gaikwad Shri Eknath Mahadeo; Owaisi Shri Asaduddin; Paranjpe Shri Anand Prakash; Ponnampalath Shri Prabhakar; Rao Shri Sambasiva Rayapati; Singh Shri Vijay Bahadur

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Bharat Sanchar Nigam Limited (BSNL) has formulated Voluntary Retirement Scheme (VRS) to its employees;
- (b) if so, the details thereof alongwith the detailed modalities and payment plan to each group of employees and the total expenditure likely to be disbursed as a result thereof;
- (c) the reaction of the employees Unions thereto; and
- (d) the action taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA)

(a) & (b) Yes Madam, the details of the proposed VRS Scheme are as follows:

Eligibility

The scheme will apply to employees who have completed the age of 45 years and have served BSNL as regular employee for 15 years.

Financial benefits

Ex-gratia amount of 60 days salary (basic +DA) for each completed year of service or salary for number of months of service left, whichever is less. However, the compensation would be subject to maximum of 60 months salary.

The ex-gratia amount will be in addition to the normal retirement benefits. Likely expenditure on ex-gratia for approximately 1 Lac employees is estimated to be about Rs. 11,276 Crores. In addition, there will be expenditure on normal retirement benefits viz Gratuity, Pension, leave encashment and transfer grant.

(c) BSNL had consultations with its Executive Associations and Staff Unions. BSNL has reported that majority of Associations/Unions have opposed the scheme or expressed their reservations.

(d) The proposal is under examination in the Department of Telecommunications.