

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

UNSTARRED QUESTION NO:1838

ANSWERED ON:22.08.2012

REVENUE GENERATION MEASURES L

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

(a) whether MTNL and BSNL have proposed for developing and Leasing out their land bank, surrendering 3G, Broadband Wireless Access (BWA) Spectrum and Voluntary Retirement Scheme (VRS) to two third of its employees as part of a `business1 proposal for revenue generation;

(b) if so, the details thereof and the action taken by the Government on these issues so far;

(c) the revenue likely to be generated as a result of these steps and the expenditure likely to be incurred on VRS, company-wise;

(d) whether both the PSU's have sought financial assistance from the Government in the form of financial package or subsidy; and

(e) if so, the details thereof and the reaction of the Government thereto?

Answer

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

(a) to (e) The details of the proposals made by for BSNL and MTNL in this regard are as follows:

BSNL

BSNL has proposed to develop 10 parcels of land for revenue generation as pilot project. Expression of Interest (EOI) has been called by BSNL for appointment of consultant for this purpose. Revenue likely to be generated by developing the lands is to be assessed after the submission of report by the consultant.

BSNL has requested Department of Telecommunications (DoT) for surrender of Broadband Wireless Access (BWA) Spectrum in few Licensed Service Areas (Tamil Nadu, Karnataka, Kolkata, Maharashtra , Andhra Pradesh & Gujarat) and to refund Rs. 6724.51 crores for one time upfront BWA Spectrum charges paid for the same .

DoT has received from BSNL a Voluntary Retirement Scheme (VRS) aimed at reducing its workforce by 1,00,000. Likely expenditure on ex- gratia is estimated to be about Rs. 12,371 Crores. In addition, there will be expenditure on normal retirement benefits viz Gratuity, Pension, leave encashment and transfer grant.

MTNL

MTNL is working on developing and leasing out its land bank and monetising infrastructure through creation of bank ATMs in its premises, leasing out of spare space, sharing of towers etc. The earning potentials of these activities is around Rs.100 crore per annum.

MTNL has also requested DoT for surrender of Broadband Wireless Access (BWA) Spectrum in Delhi and Mumbai Licensed Service Areas and to refund Rs. 4533.97 crores for one time upfront BWA Spectrum charges paid for the same .

MTNL has also prepared a Voluntary Retirement Scheme (VRS) aimed at reducing its workforce by 21,000. The estimated expenditure likely to be incurred on VRS is about Rs. 5074 crores. MTNL has estimated that VRS will reduce pressure on MTNL's wage and salary pay out to the tune of Rs.1 130 crore per annum

BSNL and MTNL have requested DoT to finance their Voluntary Retirement Schemes and refund the BWA spectrum charges paid by them.

The requests of BSNL and MTNL are under examination in the Department of Telecommunications.