

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

UNSTARRED QUESTION NO:2557

ANSWERED ON:13.03.2013

MERGER OF TELECOM PSUS

Naranbhai Shri Kachhadia;Shankar Alias Kushal Tiwari Shri Bhisma

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

- (a) whether the Board of Reconstruction of Public Sector Enterprises (BRPSE) has recommended the merger of Mahanagar Telephone Nigam Limited (MTNL) and India Telephone Industry Limited (ITIL) with Bharat Sanchar Nigam Limited (BSNL);
- (b) if so, the details thereof and the reasons therefor;
- (c) the progress made in respect of the above merger so far and the time-frame fixed for their merger;
- (d) whether the Government also proposes to disinvest telecom PSUs particularly BSNL; and
- (e) if so, the details thereof and the capital investment required for the expansion of BSNL?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. (SMT.) KILLI KRUPARANI)

- (a) to(c) The Board for Reconstruction of Public Sector Enterprises (BRPSE) in its Meeting held on 29-11-2012 has recommended to DOT/BSNL and MTNL to prepare action plan for merger of the two entities in a time bound manner. The merger has been recommended by BRPSE to harness the benefits of operational synergies between these two PSUs. Given the complexity of issues relating to surplus manpower, differences in pay scales, pension liabilities and financial obligations of the two PSUs, it is difficult to intimate a specific time frame for the execution of the same.
- (d) There is no such proposal at present.
- (e) Does not arise in view of (d) above.