

Minutes of the meeting chaired by Principal Secretary to PM on April 2, 2019  
at 1500 hrs for revival/restructuring of BSNL and MTNL

Principal Secretary to PM chaired a meeting regarding revival/restructure of BSNL and MTNL. The list of participants is enclosed

2. A presentation was made by DoT on the subject. It was appreciated that owing to the strategic significance of the sector and keeping in view the interest of the consumers, the Government owned public sector Telecom Service Provider may have a role. DoT should closely monitor the performance parameters of BSNL/MTNL. It was felt that efficiency parameters have neither been effectively evolved nor being monitored. Serious efforts to revamp are lacking. After detailed deliberations and discussions, following decisions were taken:

- (i) BSNL and MTNL to go ahead with the VRS option. The contours of the VRS be attractively designed for the employees. The funding of VRS to be done through bonds raised by BSNL and MTNL, for which sovereign guarantee with waiver off guarantee fee will be given by Govt. (Action: DoT)
- (ii) Administrative allocation of 4G spectrum at discovered price be considered by DoT to facilitate these companies to effectively compete in the market and offer them a level playing field vis-a-vis private sector competitors. Govt will fund it through equity infusion in BSNL and MTNL, equivalent to the cost of the spectrum. (Action: DoT)
- (iii) DoT to aggressively pursue and lead the phased monetisation of assets of BSNL and MTNL. DIPAM shall actively facilitate the entire process and the monetisation plan should be finalised by CEO, NITI Aayog. (Action: NITI, DIPAM & DoT)
- (iv) The proceeds of monetisation should *inter alia* be utilised for funding the VRS and servicing of the debt of the two PSUs. (Action: DoT)
- (vi) DoT should submit a comprehensive Cabinet Note on the issues mentioned above within a week. (Action: DOT)

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