

BSNL may miss salary date again

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Revised note on revival plan yet to be sent to Cabinet

Ailing State-run telecom firm Bharat Sanchar Nigam Ltd (BSNL) is unlikely to disburse the salary for August on time, with the payment likely to be credited 5-6 days late.

Further, the company's revival plan – which has been approved by the Prime Ministers' Office (PMO) and the Telecom Ministry – is yet to be forwarded to the Cabinet.

“As per the company policy, salaries are credited on the last working day of the month. This time also there would be a delay, a minimum of five days and a maximum of a week, as we don't expect the salaries to be credited on August 31,” a source close to the development said. BSNL is raising the amount from internal accruals and the outstanding from its enterprise customers to pay its 1,63,902 employees (46,597 executives and 1,17,305 non-executives).

BSNL's salary expenses per month are in the range of ₹750-850 crore. The PSU had delayed salary payments twice in this year itself, with February salary paid later in March and that of July footed on August 5.

BSNL is pinning its hopes on ₹3,000-crore receivables from enterprise customers, a bulk of which is expected to be garnered within the next two-three months.

Procedural delays

BSNL's revival plan – that includes a capital infusion for the 4G rollout, a Voluntary Retirement Scheme and monetisation of land, optical fibre cable and towers – is yet to be forwarded to the Cabinet.

A revised note detailing the new plans, which was approved by the PMO last week, was to be issued to the Cabinet this week.

“Some procedural delays at the Department of Telecommunications’ (DoT) end are holding up the note. It may be issued either today or tomorrow, or latest by the end of the week,” another source said. In its note, the PMO had rejected a proposal to merge the loss-making Mahanagar Telephone Nigam Ltd (MTNL) with BSNL but assured to look into the matter later. A proposal to set up a Special Purpose Vehicle (SPV) for monetisation of land and transfer of BSNL’s ₹23,000-crore loan and an equivalent land parcel was also not approved.

A revival plan approved last month recommended a ₹14,155-crore capital infusion into BSNL by the Government to acquire 4G spectrum and a VRS for employees above 50 years, following which the age of retirement would be reduced to 58.

The monetisation of land (to meet BSNL’s expansion plans) would be jointly monitored by BSNL, DoT and the Department of Investment and Public Asset Management.