

**GOVERNMENT OF INDIA  
MINISTRY OF COMMUNICATIONS  
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA  
UNSTARRED QUESTION NO. 2326  
TO BE ANSWERED ON 1<sup>ST</sup> AUGUST, 2018**

**FINANCIAL CONDITION OF BSNL AND MTNL**

†2326. SHRI KAUSHALENDRA KUMAR:  
SHRI DEVUSINH CHAUHAN:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) the financial condition of Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL);
- (b) whether the BSNL is on the verge of closure and if so, the details thereof and the reasons therefor;
- (c) whether the Government proposes to decontrol BSNL and MTNL to enable them to compete with the private sector telecom operators and if so, the steps taken by the Government in this regard;
- (d) the total losses incurred by MTNL and BSNL during each of the last three years and the funds provided by the Government to make up for the said losses;
- (e) whether the Government proposes to merge the said public sector telecom operators and if so, the details thereof and if not, the reasons therefor; and
- (f) the details of new schemes launched by the said telecom service providers for their customers?

ANSWER

**THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &  
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS  
(SHRI MANOJ SINHA)**

(a) Financial condition of Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) for the last three years is as under:

(Rupees in Crore)

| Particular    | 2015-16 |        | 2016-17 |        | 2017-18 |        |
|---------------|---------|--------|---------|--------|---------|--------|
|               | BSNL    | MTNL   | BSNL    | MTNL   | BSNL    | MTNL   |
| Income        | 32411   | 3513   | 31533   | 3552   | 27818*  | 3116   |
| Expenditure   | 37270   | 5519   | 36327   | 6523   | 33535*  | 6087   |
| Profit/(Loss) | (4859)  | (2006) | (4786)  | (2971) | (4785)* | (2971) |

\*financial figures of BSNL for 2017-18 are provisional and unaudited.

(b) Since BSNL has incurred losses consecutively for the last three years, BSNL has been declared as "Incipient Sick" as per the guidelines of Department of Public Enterprises

(DPE). Accordingly, action has been initiated by the Department of Telecommunications (DoT) for preparation of revival/restructuring plan of BSNL.

(c) BSNL and MTNL are Central Public Sector Enterprises (CPSEs) and thus, have to work within the various guidelines and regulations of Government of India, which are applicable for all CPSEs. However, MTNL and BSNL have Maharatna and Miniratna status respectively which gives them enhanced delegated powers and certain financial/operational autonomy in their functioning.

(d) The details of Government support to BSNL and MTNL is at **Annexure-I**. Details of losses incurred by BSNL and MTNL are summarised at (a) above.

(e) At present, there is no proposal for merger of BSNL and MTNL. For merger of BSNL and MTNL, there are various challenges/issues related to their employees, debt, properties, Government share holding in MTNL etc.

(f) Details of new schemes launched by BSNL and MTNL for their customers are at **Annexure-II and Annexure-III** respectively.

**Details of Government support to BSNL and MTNL from time to time to make up their losses:**

**BSNL:**

- Implementation of providing mobile connectivity in 2199 identified locations in Left Wing Extremism (LWE) affected areas at an estimated cost of Rs. 3567.58 crores .
- Refund of surrendered BWA (Broadband Wireless Access) spectrum in 6 service areas held by BSNL. Under this head, Rs. 6724.51 crore was refunded to BSNL through budgetary resources.
- Implementation of Comprehensive Telecom Development Plan for Andaman & Nicobar Islands and Lakshadweep Islands through augmentation of satellite connectivity/bandwidth at an estimated cost of Rs. 120.49 crores.
- Refund of Rs. 169.16 crore to BSNL on account of surrender of CDMA (Code Division Multiple Access) spectrum.
- Optical Fibre Cable based Network for Defence Services (NFS Project) has been given to BSNL on nomination basis at the cost of Rs.24,664 crore.
- For execution of BharatNet project, Government has provided Rs.5744 crore in Phase-I and has earmarked Rs.6500 crore in Phase-II to BSNL.
- Comprehensive Telecom Development Plan for the North-Eastern Region for provision of mobile services in uncovered villages in Arunachal Pradesh and two districts of Assam at an estimated project cost of Rs. 1975.38 crore and implementation of Transmission-Media Plan for North Eastern Region at an estimated cost of Rs.295.97 crore .
- Submarine Optical Fiber Cable Project at the cost of Rs.1900 crore has been assigned to BSNL on nomination basis for providing connectivity to the Andaman and Nicobar Islands.
- Work of setting up of 25000 Wi-Fi Hotspots at Rural Telephone Exchanges at the cost of Rs.940 crore has been given to BSNL.
- Work of setting up of Satellite Gateway at the cost of Rs.68 crore has been given to BSNL on nomination basis.
- Notional loan of Rs. 1411 crore to BSNL which was due to be paid to the Government was waived-off.

**MTNL:**

- Refund of surrendered BWA (Broadband Wireless Access) spectrum in two service areas held by MTNL. Under this head, Rs. 4533.97 crore has been refunded to MTNL through bonds.
- The pension liability of MTNL staff who were absorbed from Department of Telecommunications (DoT), has been taken over by the Government.
- Financial support of Rs. 492.26 crore was given to MTNL on account of liability arising from levy of Minimum Alternate Tax (MAT).
- Refund of Rs. 458.04 crore to MTNL on account of surrender of CDMA (Code Division Multiple Access) spectrum.
- Provision of High Speed Internet on Fiber To The Home (FTTH) and Wi-Fi at the residences of Hon'ble MPs. The Project cost of Rs 43.2 Crore was funded by DoT.

**New Schemes and plans launched by BSNL:**

- Launch of Data Tsunami Special Tariff Voucher (STV) of Rs. 98/- with validity of 26 calendar days and free usage of 1.5 GB/ Day.
- Launch of STV of Rs. 39/- with validity of 10 calendar days and features - Unlimited voice in home LSA and BSNL roaming area only + 100 Free SMS any net + Free PRBT (Premium Ring Back Tone).
- Launch of "Welcome Offer" to New/MNP port-in customers "1 GB free data (to be used within first 15 days) + unlimited on-net calls for first 7 days" in East Zone and "350 MB free data (to be used within first 30 days)" in North Zone/West Zone/South Zone to all prepaid plans on regular basis.
- Data STV of Rs. 155/- with validity of 17 calendar days and free usage of 2 GB/ Day.
- Data STV of Rs. 198/- with validity of 28 calendar days and free usage of 1.5 GB/ Day + PRBT.
- Free incoming voice call facility while in national roaming extended for one year on pan-India basis w.e.f. 15.06.2018.
- Introduction of new Family Broadband plan 'BBG Combo ULD 1199 Family' bundled with three mobile connections on pan-India basis - w.e.f. 01-04-2018.
- Introduction of Free calling facility across all the DSL/FTTH Combo Broadband plans [pan-India /Circle Specific] having FMC>Rs. 675/-, which are currently being offered to the customers in different Circles/pan-India basis, w.e.f.01-06-2018.
- Introduction of promotional scheme to offer one free broadband connection to the customer who purchase new PC/Laptop in all the Circles (except Andaman & Nicobar) w.e.f.04-06-2018.
- Introduction of Landline plan "LL 99" ONNET" for providing Unlimited voice calls in BSNL Network (Local + STD) on pan-India Basis. This plan also includes additional facility of free night calling to all networks between 10.30 PM to 6 AM and all Sunday free calling on all networks within India.
- Introduction of annual landline plan "LL 1200" and " LL 1500" on regular basis within pan-India additional facility of Free night calling to all Network between 10.30 PM to 6 AM and All Sunday Free calling on all networks within India..
- Introduction of tariff plan for VOIP "Wings" Service [earlier name FMT (Fixed Mobile Telephony) with one time registration charges of 1099. In this scheme call charges will be Free to any network for one year within India and International calls as per existing land line tariffs (MOU basis)
- Introduction of (1+1) scheme in landline segment along with call charges discounts on second landline phone at the same premises where the first landline connection is installed on promotional basis for three months
- Introduction of Broadband plan 'Experience Unlimited broadband 249' on regular basis in all the Circles (except Jammu & Kashmir, Andaman & Nicobar and Vadodara SSA of Gujarat Telecom Circle.
- Introduction of new Broadband plans 'BBG Combo ULD 45GB Plan', 'BBG Combo ULD 150GB Plan', 'BBG Combo ULD 300GB Plan' & 'BBG Combo ULD 600GB Plan' in all the Circles except Andaman & Nicobar.
- Introduction of new FTTH Broadband Plan "Fibro Combo ULD 777 and "Fibro Combo ULD 1277 in all circles except Andaman & Nicobar
- Introduction of bundled VAS facility to the new DSL/FTTH Broadband customers on promotional basis.

New Tariff plan of MTNL in the month of July 2018  
MTNL Mumbai

| S.N. | Plan Name            | Data                            | Speed    | Free Calls                                      | Broadband      |
|------|----------------------|---------------------------------|----------|---|----------------|
| 1    | Very High speed 4999 | 1500 GB                         | 100MBPS  | Unlimited caling                                | Broadband      |
| 2    | Very High Spped 7999 | 2500 GB                         | 100 MBPS | Unlimited caling                                |                |
| 3    | FTTH Voice 500       | 10GB                            | 50MBps   | 400   |                |
| 4    | BB-660-6M            | 90GB                            | 6MBps    | 150   |                |
| 5    | STV 171              | 1.5 GB Data per day for 28 Days |          | Unlimited Local and STD Calls +100 SMS per Days | Mobile Service |
| 6    | STV 197              | 2 GB Data per day for 35 Days   |          | Unlimited Local and STD Calls +100 SMS per Days |                |
| 7    | STV 231              | 2.5GB data per days for 42 Days |          | Unlimited Local and STD Calls +100 SMS per Days |                |
| 8    | STV 365              | 2.5GB data per days for 70 Days |          | Unlimited Local and STD Calls +100 SMS per Days |                |
| 9    | STV 421              | 2.5GB data per days for 84 Days |          | Unlimited Local and STD Calls +100 SMS per Days |                |

MTNL Delhi

| S.N. | Plan Name                              | Data                             | Speed    | Free Calls  | Broadband         |
|------|--|----------------------------------|----------|---|-------------------|
| 1    | Freedom ULD-398 Combo                  | 25 GB                            | 8 Mbps   | Unlimited Local call free on any network including Mumbai | Broadband Service |
| 2    | FTTH Fire-2000                         | 500 GB                           | 500 Mbps | Unlimited Local call free on any network including Mumbai |                   |
| 3    | FTH-3799                               | 400GB                            | 100 Mbps | Unlimited local & STD Calls                               |                   |
| 4    | FTH-790                                | 100 GB                           | 50 MBPS  | Unlimited calls on MTNL network +200 MCU on other network |                   |
| 5    | FTH-1200                               | 200 GB                           | 75 MBPS  | Unlimited calls on MTNL network +300 MCU on other network |                   |
| 6    | FTTH-2990                              | 800 GB                           | 500 MBPS | Unlimited local and STD on any network                    |                   |
| 7    | FTTH-4990                              | 1500 GB                          | 1 GBPS   | Unlimited local and STD on any network                    |                   |
| 8    | Plan 151 for Mobile Prepaid Subscriber | 2GB data per days for 30 Days    |          | Unlimited Local and STD Calls +100 SMS per Days           | Mobile Service    |
| 9    | STV 171                                | 1.5 GB Data per day for 28 Days' |          | Unlimited Local and STD Calls +100 SMS per Days           |                   |
| 10   | STV 197                                | 2 GB Data per day for 35 Days'   |          | Unlimited Local and STD Calls +100 SMS per Days           |                   |
| 11   | STV 231                                | 2.5GB data per days for 42 Days  |          | Unlimited Local and STD Calls +100 SMS per Days           |                   |
| 12   | STV 365                                | 2.5GB data per days for 70 Days  |          | Unlimited Local and STD Calls +100 SMS per Days           |                   |
| 13   | STV 421                                | 2.5GB data per days for 84 Days  |          | Unlimited Local and STD Calls +100 SMS per Days           |                   |

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