



AS/MP/DO/2017/390

Date: 15th December, 2017

Hon'ble Minister Shri. Manoj Sinhaji

In continuation of my earlier Letters addressed to your Honorable self regarding **Revival of MTNL**, I would like to once again reiterate & draw your kind attention for immediate remedial action on the following aspects, keeping in mind that MTNL was initially totally owned by the Government and the Government has earned more than Rs.50000 Crores revenue through Dividend & Taxes. Further the Government disinvested nearly 44% of the shares and through which again made a huge financial gain. Also till 2008 company was in profit but when the decision to procure the 3G Spectrum license arised, the Government took a different stand and compelled the Company to pay the license fee of Rs.11000 Crores. Naturally, due to the paucity of fund, MTNL was compelled to borrow the loan from the market at the rate of 10% interest and from there on the financial debacle of the company started. This was the responsibility of the Government which did not carry out at that time and if at all it had supported, then MTNL could have spent some money for upgrading the services. Hence the entire onus of the present situation lies with the Government. Still from this crucial situation also MTNL can stand again, if the following measures are taken promptly.

1. **To waive off the entire loan borrowed by the MTNL from the Bank.**
2. **To grant "4G" license to MTNL without charging the license fee.**
3. **To provide financial support for enhancing the capacity of BTS sites to improve the GSM services and also to embark upon digital services by increasing the optical fiber network.**
4. **Monetizing the huge Land bank to raise funds for upgrading the services.** At present number of vacant plots are already encroached partially or totally which MTNL or the Government could not protect, thus causing huge losses to the assets of the Government. Due to the Central & State Government Policies and the delinquency of the Management, MTNL has lost these spaces resulting in huge financial loss as MTNL cannot vacate these encroached plots. Hence to protect the remaining vacant plot and to earn money by commercially exploiting these spaces, I am submitting this humble suggestion.



5. To merge MTNL with BSNL.

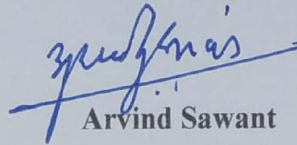
Sir, in view of the above it is suggested that **MTNL & BSNL** be **Merged**, as both the Companies in their original form of **Department of Telecom** have served this country for over six decades. The emergence of the congruence of these two Companies as a single strong company will not only strengthen the Nations communication with utmost secrecy & privacy with their Tentacles spread throughout the nook & corner of the country but also shall fulfill the **vision** of our **Honorable Prime Minister of Digitalization of Entire Nation & PAN India Business**.

Also by carrying out the above said activity of **Merger of MTNL & BSNL**, pay scale parity can be ensured between the two companies without giving any room for ambiguity or anomaly. Further by 2025, 90% of the employees of MTNL shall retire and the financial burden of the remaining 10% employees will not pose a major impact on BSNL. **Further if merger is not viable, then, the same formula of ONGC acquiring HPCL can be applied to BSNL for acquiring MTNL.**

Sir, to the best of my knowledge & belief, I feel that the above said suggestion shall be the genuine solution for the eradication of the utter crisis of the two ailing companies and in the larger interest of the Nation. Hope you shall intervene & pay Personal attention to cause the Implementation of the above suggestion in True Spirits.

With regards,

Yours Sincerely,



Arvind Sawant

Member –Consultative Committee of IT

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