

**GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA**

UNSTARRED QUESTION NO:4691
ANSWERED ON:23.04.2002
DISINVESTMENT OF MTNL AND BSNL
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Will the Minister of DISINVESTMENT be pleased to state:

- (a) whether the process of disinvestment of the Government equity in Mahanagar Telephone Nigam Limited and Bharat Sanchar Nigam Limited has been delayed;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government propose to refer MTNL and BSNL to Disinvestment Commission afresh as reported in the `Hindustan Times` dated March 20, 2002;
- (d) if so, the details thereof and the reasons therefor; and
- (e) the financial position of these PSUs during the last three years?

Answer

MINISTER OF DISINVESTMENT AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI ARUN SHOURIE)

(a) & (b) Disinvestment in Public Sector Undertakings is a continuous process. As a part of the process, Government keeps considering proposals for disinvestment in various public sector enterprises from time to time. The proposals are considered through Inter-Ministerial consultations and final decisions are taken. No decision has been taken in respect of strategic sale in MTNL and BSNL. Therefore, the question of delay in the disinvestment of MTNL and BSNL does not arise.

(c) & (d) Government has decided to refer non-strategic PSUs, including subsidiaries [but excluding IOC, ONGC & GAIL] to the Disinvestment Commission for independent advice. The cases of disinvestment of Government equity stake in MTNL and BSNL also stand referred to the Disinvestment Commission.

(e) The financial position of MTNL and BSNL is given below:-

MAHANAGAR TELEPHONE NIGAM LTD.

(In Rs. Crore)

1998-99 1999-2000 2000-01

Net worth	6240.70	7120.38	7382.34
E.P.S. (Rs.)	20.59	17.27	24.45
Book Value per share (Rs.)	99.19	113.02	117.67
Profit after Tax	1297.24	1087.85	1540.18

BHARAT SANCHAR NIGAM LTD.

The Company was formed on 01.10.2000. Therefore, the question of availability of accounts for last three years does not arise. The accounts for the first six months period from 01.10.2000 to 31.03.2001 have been finalised and the financial position is as under:-

Net worth (Rs. crore) 46036.18

E.P.S. (Rs.) (For 6 months period) 1.50
Book Value per share (Rs.) 92.07
Profit after Tax (Rs. crore) (For 6 months period) 747.05