

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

STARRED QUESTION NO:20  
ANSWERED ON:01.12.2004  
PERFORMANCE OF BSNL AND MTNL  
Angadi Shri Suresh Chanabasappa

**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

- (a) whether the profits of MTNL and BSNL has fallen sharply during the last three years;
- (b) if so, the details of profits earned by these PSUs during the last three years, year-wise;
- (c) the reasons for the sharp fall in their profits; and
- (d) the steps taken by the Government to ensure that these PSUs do not become sick?

**Answer**

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI DAYANIDHI MARAN)

(a) to (d) A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 20 FOR 1ST DECEMBER, 2004 REGARDING PERFORMANCE OF BSNL AND MTNL.

(a) & (b) Sir, details of the profits earned by BSNL and MTNL during the last three years are as follows:

Profit after Tax (PAT) (Figures in crore of Rs.)

P.S.Us    2001-02    2002-03    2003-04

B.S.N.L	6312.17	1444.45	5976.52
M.T.N.L	1300.67	877.15	1150.48

The profits after tax of MTNL and BSNL have risen in the year 2003-04 after the fall registered in the previous year.

(c) The fall in profits during the year 2002-03 was primarily due to reduction in tariffs, surrender of landlines, highly competitive environment and provisioning of higher level of expenditure for certain statutory items.

(d) Despite highly competitive environment profits of both the PSUs i.e. MTNL and BSNL have shown upward trend. Both the PSUs are continuously making efforts for sustaining good performance, increase in their business, introduction of new services and add customer satisfaction.