

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

UNSTARRED QUESTION NO:1478  
ANSWERED ON:10.03.2008  
MERGER OF BSNL AND MTNL  
Khaire Shri Chandrakant Bhaurao

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

- (a) whether the Government has any proposal to merge or synergise BSNL and MTNL operations in the near future;
- (b) if so, whether the modalities have been worked out in this regard;
- (c) if so, the details thereof;
- (d) the extent to which the merger is likely to help in improving the efficiency of the two public undertakings in providing cost effective service to the people; and
- (e) the steps taken/being taken to safeguard the interests of workers in both the organisations?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) to (e) A consortium of consultants led by M/s ICICI Securities, appointed by the Government to advise and aid the Government in restructuring of MTNL and BSNL for achieving higher synergies in their operations, has suggested some options for restructuring. Since the enabling conditions for the suggested options are not appropriate enough to lead to a successful merger and considering the complexity of the issues involved, the restructuring of BSNL and MTNL has been put on hold for the time being.