

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

UNSTARRED QUESTION NO:3793  
ANSWERED ON:19.04.2010  
PROFIT EARNED BY MTNL/BSNL  
Singh Shri Ijyaraj ;Yadav Shri M. Anjan Kumar

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

- (a) the investments made in Mahanagar Telephone Nigam Limited (MTNL) and Bharat Sanchar Nigam Limited (BSNL) during the last three years and the current year;
- (b) the net profit earned by MTNL and BSNL during the last three years;
- (c) whether profit earned by MTNL and BSNL is not commensurate with investments made therein due to poor performance of said telecom companies;
- (d) if so, the details thereof; and
- (e) the corrective steps taken by the Government in this regard?

**Answer**

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT)

- (a): MTNL and BSNL do not receive investments/grants from the Government.
- (b): The detail of profit earned by MTNL and BSNL during last three years is as below:

BSNL	MTNL	BSNL	MTNL
Financial Year	Profit (Rs. in Crore)	Financial Year	Profit (Rs. in crore)
2006-07	7805.87	2006-07	681.74
2007-08	3009.39	2007-08	586.89
2008-09	574.85	2008-09	211.72

(c): No, Madam. The decline in profit is mainly on account of reduction in revenue (due to rapidly falling Telecom tariffs in view of fierce competition from Private Telecom Service Providers) and increase in staff expenditure which is due to implementation of pay committee's recommendations.

(d) & (e): Do not arise in view of (c) above,