

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

UNSTARRED QUESTION NO:2072
ANSWERED ON:20.07.2009
MERGER OF BSNL AND MTNL
Ahir Shri Hansraj Gangaram

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

- (a) whether the Government proposes to merge the Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL);
- (b) if so, the details thereof; and
- (c) if not, the reasons therefor?

Answer

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

(a) to (c) 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.