

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

STARRED QUESTION NO:296
ANSWERED ON:16.03.2011
MARKET SHARE OF BSNL AND MTNL
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the market share of BSNL and MTNL is declining continuously;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has evaluated the performance of these companies;
- (d) if so, the outcome thereof and the fresh initiatives being taken to regain their lost share in the competitive market;
- (e) whether these companies also propose to introduce some new attractive plans for mobile/landline users like reduction in tariff and the monthly rental and also improvement in customer services so as to increase their customer base; and
- (f) if so, the details thereof?

Answer

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT AND COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI KAPIL SIBAL)

(a) to (f) 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 (f) OF THE LOK SABHA STARRED QUESTION NO. 296 FOR 16TH MARCH, 2011 REGARDING "MARKET SHARE OF BSNL AND MTNL".

(a) & (b) Yes, Madam. The market share of Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) is declining. The details of market share of BSNL and MTNL during last three years and current year are as under:

BSNL:

Date	Market Share %		
	Wireline	Wireless	Total
31.03.2008	80.04	15.64	24.07
31.03.2009	77.43	13.32	18.96
31.03.2010	75.33	11.88	15.66
31.12.2010	73.71	11.53	14.27

MTNL:

Date	Wireline Market Share %		Wireless Market Share %	
	Delhi	Mumbai	Delhi	Mumbai

31.03.2008	65.07	78.26	9.87	14.13
31.03.2009	60.52	71.05	9.37	12.59
31.03.2010	56.71	66.55	8.49	10.15
31.12.2010	55.16	64.43	7.29	8.41

The reasons for decrease in the market share of BSNL and MTNL are as follows:

1. Surrender of extra wireline telephone connections where multiple telephone connections existed in same house/office premises.

2. Substitution of fixed line telephone connections by personal mobile phones

3. Stiff Competition from private operators.

(c) to (f) BSNL and MTNL have been signing Memorandum of Understanding (MoU) with Department of Telecommunications (DoT) on yearly basis in accordance with the MoU Monitoring Guidelines of the Department of Public Enterprises. The review of the same is held on a quarterly basis. Further, various interactions on the overall performance of BSNL/MTNL, quality of service offered by them, suggestions for improving the service etc also take place on periodic basis at various levels of DoT.

The major steps taken/being taken by BSNL for improvement in customer services so as to increase its customer base in the competitive environment are as follows :-

(i) Circles have formed Special Cell to contact customers and address their grievances.

(ii) Attractive and competitive tariff plans for all type of products.

(iii) Additional incentives for sales channels.

(iv) Wide publicity through media highlighting the advantage of availing services from BSNL namely Trusted Brand, Transparent Billing, Widest Network, competitive rates etc.

(v) A special scheme named PYARI JODI has been launched. Under the scheme, there is unlimited free call facility to one BSNL landline or Wireless in Local Loop (WLL) number from mobile and Subscriber Identity Module (SIM) / Activation is free through BSNL Customer Service Centre.

(vi) Forgoing porting fees from subscribers coming into BSNL network.

The major steps taken/being taken by MTNL for improvement in customer services so as to increase its customer base in the competitive environment are as follows :-

(i) All exchanges have been made Digital to improve service quality.

(ii) Rehabilitation of outdoor network is being done on continuous basis to reduce fault rate.

(iii) MTNL is also taking care of its customer's conveniences by opening Sanchar Haat, customer service centre, increasing the points where customers can make payments, appointment of Dealers & Agent & special care of Corporate Customers.

(iv) Attractive and competitive tariff plans for all type of products.

(v) In Mumbai, MTNL has waived off porting charges of Rs.19 for customer joining to its network.

(vi) MTNL has launched the scheme of providing free Subscriber Identity Module (SIM) to existing MTNL Delhi Landline and Broadband Customers. However, no such scheme is available for the customers of MTNL, Mumbai. Under the scheme, SIM / Activation charge is free through Sanchar Haats for postpaid customers and SIM and First Recharge Coupon are free for prepaid customers.