

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

UNSTARRED QUESTION NO:3331
ANSWERED ON:14.12.2011
FINANCIAL ASSISTANCE TO TELECOM COMPANIES
Reddy Shri Modugula Venugopala

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

- (a) whether the telecom companies including BSNL has sought financial assistance from the Government to meet their operational costs;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) the steps taken/proposed to be taken by the Government for restructuring/ reviving BSNL and MTNL; and
- (d) the results achieved so far?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA)

(a)&(b) BSNL has submitted a proposal to the Department of Telecommunications seeking financial assistance to run commercially unviable services. The proposal is being examined in this Department.

(c)&(d) Department of Telecommunications (DoT) regularly reviews the performance of BSNL and MTNL to improve their financial health. Some of steps taken/being taken by BSNL/MTNL for restructuring/reviving to improve their financial health are as follows:

BSNL

Optimizing CAPEX and OPEX through convergence and consolidation of infrastructure.

Strengthening of stable revenue streams through concerted focus on broadband and enterprise business with major focus on Government projects.

Focussing on the revenue from top 100 Cities for monitoring purpose.

Sustained operational focus on customer care, service delivery, service assurance, revenue management and asset management.

Aggressive push on Data usage and value added services.

Clear cut segregation of commercial activities from social obligation to ensure sustainable growth.

Progressive migration of current network to Next generation network thereby ensuring convergence, consolidation and seamless delivery of various services to end customers across different technologies.

MTNL

Optimizing CAPEX and OPEX through convergence and consolidation of infrastructure.

Sustained operational focus on customer care, service delivery, service assurance, revenue management and asset management.

Progressive migration of current network to Next generation network thereby ensuring convergence, consolidation and seamless delivery of various services to end customers across different technologies.