

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

UNSTARRED QUESTION NO:2969

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SHARE OF TELECOM PSUS IN COMPARISON TO PRIVATE OPERATORS

Anuragi Shri Ghansyam ;Jaiswal Shri Gorakh Prasad ;Karwariya Shri Kapil Muni;Laguri Shri Yashbant Narayan Singh;Singh Shri Ratan;Suvendu Shri Adhikari;Yadav Shri M. Anjan Kumar

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

- (a) the market share of both the telecom PSUs, the BSNL and MTNL in comparison to private operators in the country as on date separately in the rural and urban areas, State-wise;
- (b) whether the share and revenue earning of MTNL and BSNL have been gradually declining in comparison to other private operators;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether the poor performance of management and improper utilisation of human resources is the main reason for the dismal performance of these PSUs; and
- (e) if so, the details thereof and the corrective measures taken by the Government in this regard?

**Answer**

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

- (a) The market share of both the telecom PSUs, the Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) in comparison to private operators, service area wise (rural & urban), as on 31.3.2012 is given at Annexure-I.
- (b) & (c) Bharat Sanchar Nigam Limited (BSNL) provides the telecom services throughout the country except Delhi and Mumbai Licensed Service Areas (LSA) whereas Mahanagar Telephone Nigam Limited (MTNL) operates only in Delhi and Mumbai LSAs. The details of market share of BSNL and MTNL during last three years are as follows:

Date	Market Share %			Total
	BSNL	MTNL	Both PSUs	
31.03.2010	15.66	14.21	17.04	
31.03.2011	13.83	11.29	14.89`	
31.03.2012	12.70	11.00	13.68	

The % age share of revenues of BSNL, MTNL and private operators during the last two years is as follows:

Year	BSNL	MTNL	Pvt Operators
2010-11	13.91	2.50	83.59
2011-12	11.68	2.09	86.23

The main reasons for declining market share of BSNL and MTNL are as follows:

- # Substitution of fixed line telephone connections by personal mobile phones
- # Stiff Competition from private operators.
- # Surrender of extra wireline telephone connections where multiple telephone connections existed in same house/office premises.
- # Lack of effective marketing
- # Poor customer service

In addition, BSNL`s market share declined also due to delay in augmentation of capacity of Global System for Mobile communication (GSM) equipment.

(a) No Madam. v

(e) Does not arise in view of (d) above.