

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

UNSTARRED QUESTION NO:1108

ANSWERED ON:11.12.2013

POOR SERVICES OF BSNL AND MTNL .

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

(a) whether the Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) are running in losses and their customers are surrendering their landline, mobile and broadband connections;

(b) if so, the revenue and expenditure of these companies during the last three years and the current year, company and year-wise along with the number of landline and mobile telephones of these companies surrendered during the above period;

(c) whether the Government has conducted any review of the performance of these companies and fixed the responsibility for deteriorating and unsatisfactory services;

(d) if so, the details thereof and the corrective measures taken by the Government to improve the services and revenue generation of these companies, Company-wise;

(e) whether the Government proposes to make it compulsory to the Public Sector executives and Government employees for using telephone and broadband services of PSU telecom companies; and

(f) if so, the details thereof and the reaction of various stakeholders in this regard?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY & LAW AND JUSTICE (SHRI KAPIL SIBAL)

(a)&(b) Bharat Sanchar Nigam Limited (BSNL) and Mahanagar telephone Nigam Limited (MTNL) have incurred losses since 2009-10. Details of the revenue and expenditure of BSNL and MTNL during the last three years and the current year are as follows:

(in Rs crore)

	2010-11	2011-12	2012-13	2013-14
	(upto 30.09.2013)			
BSNL				
Revenue	29,688	27,934	27,128	13,574
Expenditure	36,002	36,586	34,900	17,579
MTNL				
Revenue	3,991	3,624	3,714	1,882
Expenditure	6,794	7,734	9,035	4,086

Details of the net change in number of landline and mobile telephones of BSNL and MTNL during the last three years and the current year are as follows:

	2010-11	2011-12	2012-13	2013-14
	(upto 30.09.2013)			
BSNL (in million)				
Net change in Landline Connections	(-)2.80	(-)2.75	(-)2.02	(-)1.08
Net change in Mobile Connections	23.00	8.24	3.99	3.03
MTNL (in lakh)				
Net change in Landline Connections	(-)0.32	(-)0.06	0.02	0.83
Net change in Mobile Connections	3.79	3.59	(-)8.33	(-) 12.58

Note: In the table above, (-) represents a decrease in number of connections.

(c) & (d) Department of Telecommunications (DoT) reviews the performance of BSNL and MTNL periodically. BSNL and MTNL have taken the following steps to improve the services and revenue generation:

Strengthening of sales and distribution channel of mobile.

Augmentation of capacity.

Weekly meeting with Franchisees / Retailers and Sales teams by BSNL at district level.

Fixing of target to sales team.

Special camps to interact with customer.

Opening new sales channels by BSNL in rural areas through agreement with Postal department to increase rural reach.

Aggressively pushing smart devices bundled with 3G Data plans as well as wireless broadband with 3G data cards.

Sustained Focus on Value Added Services catering to various segments of the society.

Monitoring of Quality of Service (QoS) parameters to adhere to the benchmarks stipulated by Telecom Regulatory Authority of India (TRAI).

(e) & (f) Government has constituted a Group of Ministers (GoM) on 17.04.2013 to recommend short term, medium term and long term measures for revival and revitalization of Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL). Department of Telecommunications has circulated a draft Note for inter-ministerial consultations on 30.10.2013 proposing preferential treatment to BSNL and MTNL services in Central Government Ministries/Central Government Public Sector Undertakings (PSUs) and Autonomous Bodies to enhance the revenues earned by BSNL and MTNL. The matter is under consultations and no decision has been arrived at.