

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

UNSTARRED QUESTION NO:4534
ANSWERED ON:11.08.2014
SURRENDER OF TELEPHONE CONNECTIONS
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Memorandum of Association and Articles of Association signed between the Government and Mahanagar Telephone Nigam Limited (MTNL) are beneficial in ensuring satisfactory services to the telephone subscribers in the country;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor;
- (d) whether a number of telephone subscribers of MTNL have been surrendering the telephone connections;
- (e) if so, the number of surrendered telephone connections and new telephone connections provided during each of the last three years and the current year by MTNL; and
- (f) the steps taken by the Government to check this trend?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY & LAW AND JUSTICE (SHRI RAVI SHANKAR PRASAD)

(a) to (c) Memorandum of Association and Articles of Association are required for incorporation of a company. These documents are not required to be signed between the Government and Public Sector Company.

However, a Memorandum of Understanding (MoU) is signed annually between Government in the Department of Telecommunications and Mahanagar Telephone Nigam Limited (MTNL). The MoU prescribes the annual benchmarks of performance.

Government periodically reviews the performance of MTNL as per provisions of Memorandum of Understanding (MOU).

(d) & (e) Details of number of new landline and mobile connections provided and number of landline and mobile connections surrendered during the last three years and the current year are given below:

Year	Gross landline telephone connections provided	Gross landline telephone connections surrendered	Gross Mobile telephone connections provided	Gross Mobile telephone connections surrendered
2011-12	2,18,154	1,33,456	5,31,422	1,45,677
2012-13	2,06,504	1,26,115	4,34,788	11,99,928
2013-14	2,91,272	1,34,510	2,86,257	18,61,110
2014-15	39,970	33,333	71,738	40,614

(till June 2014)

(f) Government has taken several measures to revive MTNL. These measures include:

(i) Treatment of pensionary liabilities of Government employees absorbed in MTNL and who opted for combined service pension on parity with similar employees in BSNL.

(ii) Financial support of Rs.4533.97 crores to MTNL on surrender of Broadband Wireless Access (BWA) spectrum.

MTNL is taking following steps to check surrender of telephone connections by its subscribers:

Migration from Public Switched Telephone Network (PSTN) to Next Generation Network (NGN) to provide Enhanced Value Added Services (VAS), Voice over Internet Protocol (VOIP) services and Fixed- Mobile convergence etc.

Introduction of CDR (Call Data Record) system for facilitating billing and provisioning of various commercial facilities to subscribers.

Expanding the reach of optical fibre network near to the customer premises through FTTH (Fibre to the Home) in order to meet ever increasing bandwidth requirement of both data and video applications.