

**GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOMMUNICATIONS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 552
TO BE ANSWERED ON 14th DECEMBER, 2018**

LOSSES OF MTNL

552. SHRI ANIL DESAI:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether it is a fact that MTNL is incurring huge financial losses for the last so many years;
- (b) the earnings of MTNL during the last ten years and the expenditure on salary and allowances of officers and employees, separately, for the last ten years; and
- (c) whether private players in this field are doing better business than MTNL, if so, the reasons for poor performance of MTNL?

ANSWER

**THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI MANOJ SINHA)**

- (a) Mahanagar Telephone Nigam Limited (MTNL) is incurring financial losses from 2009-10 onwards.
- (b) The earnings of MTNL and the expenditure on salary and allowances of officers and employees during the last ten years (2008-09 to 2017-18) is as under:

Financial Year	Revenue (in Rs.Crores)	Expenditure (in Rs.Crores)	Total Employee Cost (in Rs.Crores)
2008-09	5250.28	5038.56	2127.40
2009-10	5057.82	7668.79	4966.25
2010-11	3992.04	6793.91	3247.32
2011-12	3624.45	7734.21	3711.57
2012-13	3714.09	9035.21	4901.37
2013-14	3787.37	7085.98	2615.40
2014-15	3821.06	6714.46	2653.19
2015-16	3512.71	5518.45	2637.03
2016-17	3552.46	6523.03	2647.81
2017-18	3116.42	6087.07	2445.79

- (c) One of the major reasons for losses of MTNL is legacy staff cost. Besides, the service revenue is declining due to intense competition resulting into cut throat tariffs and inability of MTNL to infuse capital expenditure (CAPEX) to upgrade its network. All private telecom operators are offering 4G services leading to churn in mobile segment of MTNL. Due to this MTNL's revenue from operations has reduced
