

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

**RAJYA SABHA
UNSTARRED QUESTION NO. 1987
TO BE ANSWERED ON 23rd DECEMBER, 2022**

REVIVAL OF BSNL AND MTNL

1987 SHRI KARTIKEYA SHARMA:

Will the Minister of Communications be pleased to state:

- (a) whether Government has any proposal to revive the lifelines of the country, BSNL and MTNL;
- (b) if so, the details thereof;
- (c) the details of funds earmarked/spent for the same since the last three years;
- (d) whether Government conducted a thorough study on the failure of BSNL and MTNL;
- (e) if so, the details thereof; and
- (f) the number of employees that took VRS from both the companies?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS
(SHRI DEVUSINH CHAUHAN)**

(a) to (c) Yes, on 23.10.2019, the Government approved the revival plan for BSNL and MTNL. It inter-alia approved the reduction in employee costs through Voluntary Retirement Scheme (VRS), debt restructuring by raising of sovereign guarantee bonds, administrative allotment of spectrum for 4G services through capital infusion, monetization of core and non-core assets and in-principle approval of merger of BSNL and MTNL. As a result of these, BSNL as well as MTNL have become EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortisation) positive since 2020-21.

Further on 27.07.2022, to transform BSNL into a viable Public Sector Undertaking, the Government approved a revival package for BSNL amounting to Rs 1.64 lakhs crores. The revival measures approved by the Cabinet focus on infusing fresh capital for upgrading BSNL services, allocating spectrum, de-stressing its balance sheet and augmenting its fibre network by merging Bharat Broadband Nigam Limited (BBNL) with BSNL. The details of funds given to BSNL and MTNL during the last three years are given as under:

Organisation	Funds Earmarked / Spent (in Rs. Crores)				Total
	2019-20	2020-21	2021-22	2022-23 (Till Nov'22)	
BSNL	4,196	9,346	0	28,873	42,415
MTNL	804	1,817	0	0	2,621
Grand total					45,036

(d) & (e) The main reasons are high employee cost over the years, high debt burden, stiff competition in the market and lack of 4G services (except on a limited basis in certain areas).

(f) 78,323 and 14,387 employees opted for VRS-2019 Scheme in BSNL and MTNL respectively.
