

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

**RAJYA SABHA
UNSTARRED QUESTION NO. 1294
ANSWERED ON 31ST JULY, 2025**

GOVERNMENT EQUITY IN TELECOM COMPANIES

1294 SHRI RAGHAV CHADHA:

Will the Minister of Communications be pleased to state:

- (a) the list of telecom companies in which Government currently holds equity stakes, either directly or through any public sector entity;
- (b) the date and value of such investments, along with the rationale for acquiring such stakes; and
- (c) whether Government has any exit or divestment strategy in place for these holdings, if so, the expected timeline and intended mode of disinvestment?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS AND RURAL DEVELOPMENT
(DR. PEMMASANI CHANDRA SEKHAR)**

- (a) & (b) The list of telecom companies providing telecom services, in which the Government currently hold equity stakes, either directly or through any public sector entity along with details of investments is placed at **Annexure I**.
- (c) There is no proposal for disinvestment of BSNL/MTNL at present. Disinvestment of minority stakes held by the Government, where applicable, may be undertaken through Securities and Exchange Board of India (SEBI) approved methods. Execution of specific transactions hinges upon market conditions, domestic and global economic outlook, geopolitical factors, investor interest and administrative feasibility.

Annexure-I referred to in answer to part (a) & (b) of Rajya Sabha Unstarred Question No. 1294 answered on 31.07.2025

List of Telecom companies providing telecom services, in which Government currently holds equity stakes

Name of Company	Details of Government equity stake
Bharat Sanchar Nigam Limited (BSNL)	100% It is a Public Sector Undertaking.
Mahanagar Telephone Nigam Limited (MTNL)	56.25 % It is a Public Sector Undertaking.
Vodafone Idea Limited (VIL)	<p>49 % - Government stake acquired through dues to equity conversion.</p> <p>To address the issue of financial stress in the telecom sector, the Government introduced a series of structural and procedural reforms in September, 2021 aimed at promoting healthy competition, protecting consumer interests, infusing liquidity, encouraging investment, and reducing the regulatory burden on Telecom Service Providers (TSPs). These included a moratorium of up to four years in annual payments of dues arising out of the Adjusted Gross Revenue (AGR) judgement and spectrum purchased in auctions held before 2021. Option to the TSPs to pay the interest amount arising due to the said deferment of payment by way of equity was also given. Further, at the option of the Government and based on the prevailing situation, the outstanding amount of post-moratorium installments may be converted into equity.</p> <p>Pursuant to these reforms, several TSPs availed the moratorium benefits as permitted under the guidelines. M/s VIL opted to convert the payment of interest for the moratorium period by way of equity amounting to ₹16133.1 Crores. The company issued 1,613.31 crore shares in February, 2023 to the Government of India.</p> <p>On 29th March, 2025, the Government approved the request of M/s VIL for the conversion of outstanding spectrum auction dues amounting to ₹ 36,950 Crore into equity under Section 62(4) of the Companies Act, 2013, in line with the Telecom Reforms 2021. Subsequently, the</p>

	company issued 3,695 crore equity shares to the Government in April, 2025.
Bharti Hexacom Limited (BHL)	<p>15% shareholding through Telecommunications Consultants India Limited (TCIL), a Public Sector Undertaking under Department of Telecommunications (DoT).</p> <p>In the year 1995, BHL was formed in association with Mobile Telecommunications Company, Kuwait and Shyam Telecom Limited to operate cellular mobile services in Rajasthan and North East Licensed Service Areas (LSAs). TCIL had made an investment of ₹ 106.20 Crore in BHL in a phased manner representing 30% stake. The purpose of investment was to get prequalified for Cellular services in countries abroad. After disinvestment of 15% stake in April, 2024, TCIL is now holding 15% stake in BHL.</p>
Mahanagar Telephone (Mauritius) Limited (MTML)	100% owned subsidiary of MTNL incorporated in Mauritius on 14 th November, 2003.
