

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

**LOK SABHA  
UNSTARRED QUESTION NO.593  
TO BE ANSWERED ON 19<sup>th</sup> JULY, 2017**

**LOSSES INCURRED BY BSNL AND MTNL**

†593. SHRI KRUPAL BALAJI TUMANE

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the losses of the BSNL and the MTNL is on the rise and they have to recover huge amounts from subscribers;
- (b) if so, the details thereof and the amount recovered during the last three years and the current year in connection with landline and mobile services and the details of the amount recovered;
- (c) the amount of MTNL bills pending with the Government offices and public representatives in Delhi and Mumbai;
- (d) whether notices have been issued to the defaulters for non-payment of pending amount;
- (e) if so, the details thereof and if not, the reasons therefor; and
- (f) the steps taken by the Government to recover pending amount from subscribers and the PMU?

**ANSWER**

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

(a) & (b)

**BSNL:** As compared to 2013-14, the losses increased in 2014-15 and decreased in 2015-16. Details of the same are placed at **Annexure 'A'**. Details of the outstanding of Landline Telephone connections and Post-paid mobile connections of BSNL for last three years and current year are as per **Annexure 'B'** and **'C'** respectively.

**MTNL:** As compared to 2014-15, the losses decreased in 2015-16 and increased in 2016-17. Details of Outstanding dues and amount recovered during last three years and current year of MTNL are as per **Annexure-I and Annexure-II**.

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(c) Details of outstanding amount of MTNL against Government offices and public representatives in Delhi and Mumbai **as on 31.05.2017** are as under:

(Amount in Rs. crores)

DELHI		MUMBAI		TOTAL
Basic	Wireless	Basic	Wireless	
13.83	6.45	5.47	12.41	<b>38.16</b>

(d) & (e) Yes, Madam. Defaulters notices, registered notices and legal notices have been issued to the defaulters for non-payment of pending amount.

(f) The steps taken by BSNL and MTNL are given in **Annexure 'D' & Annexure IV** respectively:

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## Annexure – A

## PROFIT AND LOSS ACCOUNT (BSNL)

Sl.No.	Particular	2013-14	2014-15	2015-16
		<b>Audited</b>		
1	Revenue from operation	26,153	27,242	28449
2	Other Income	1,843	1,403	4469
3	<b>Total Income</b>	<b>27,996</b>	<b>28,645</b>	<b>32918</b>
4	Employees Remuneration and Benefits	15,436	14,962	15387
5	License Fee and spectrum charges	2,243	2,170	2285
6	Depreciation	6,023	8,817	7135
7	Administrative, operating and Other Expenses	11,008	10,840	11392
8	Financial Expenses	219	502	543
9	<b>Total Expenditure</b>	<b>34,929</b>	<b>37,291</b>	<b>36742</b>
10	<b>EBITDA</b>	<b>(691)</b>	<b>673</b>	<b>3,854</b>
11	<b>Profit Before Prior Period Item</b>	<b>(6,933)</b>	<b>(8,646)</b>	<b>(3,824)</b>
12	Prior period Adjustments	(190)	(197)	(345)
13	<b>Profit Before Tax (PBT)</b>	<b>(7,123)</b>	<b>(8,843)</b>	<b>(4,169)</b>
14	<b>Extra ordinary items</b>			
15	Provision for Tax (including Deferred Tax)	(104)	(609)	(289)
16	<b>Net Profit</b>	<b>(7,019)</b>	<b>(8,234)</b>	<b>(3,880)</b>

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## (BSNL)

## Annexure-B

Details of Landline outstanding as on 30.04.2017					
Amount in Crores of Rs.					
Year	Opening Balance of Outstanding	Amount Billed For(ABF) during the year	Gross Outstanding	Amount Recovered	Closing balance of Outstanding
2014-15	2003.77	4796.55	6800.32	4939.13	1861.19
2015-16	1861.17	4566.37	6427.54	5035.73	1391.81
2016-17	1391.83	4010.72	5402.55	4229.59	1172.96
2017-18 (Up to April 2017)	1172.96	299.89	1472.85	295.71	1177.14

## Annexure-C

Details of outstanding and recovery for the last three years and the current year (01-04-2017 to 31-05-2017) against postpaid mobile subscribers					
Amount in Crores of Rs.					
Year.	Opening Balance of Outstanding	Amount Billed for (ABF) During the year	Gross Outstanding	Amount Recovered	Closing Balance of Outstanding
A	B	C	D=B+C	E	F=D-E
2014-15	566.66	1517.22	2083.88	1540.53	543.35
2015-16	543.35	1534.48	2077.83	1647.95	429.88
2016-17	429.88	1529.54	1959.42	1586.68	372.74
2017-18 (Upto-May-17)	372.74	224.26	597	223.05	373.95

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**BSNL**

BSNL has taken number of steps to recover the outstanding dues. The details of steps taken for recovery as well as action taken against defaulters by BSNL are detailed below:

- 1) Instructions have been issued to ensure timely issue of telephone bills and to effect disconnection of telephones for non-payment promptly.
- 2) Payment reminders through Interactive Voice Response System(IVRS) and SMS are being issued to persuade the customers to make payment before pay by date and before disconnections of their telephone/mobile connections.
- 3) Phones are disconnected as per the schedule in case of non-payment of dues by customers.
- 4) Connections remaining disconnected for non-payment are permanently closed as per instructions issued on the subject and their account finalized by adjusting available security deposit.
- 5) Schemes like Samadhan Scheme, graded discount scheme etc. to incentivize defaulting customers, for clearance of old outstanding dues was introduced.
- 6) Legal proceedings wherever required are initiated against the defaulters for recovery of dues.
- 7) The State Governments have been requested to amend their respective Land Revenue Acts so that the defaulted Telephone dues of BSNL can be recovered as land revenue arrears.
- 8) Circle-wise and Year-wise target for liquidation of outstanding dues are fixed to get the maximum realization.
- 9) Pursuit cell teams visits defaulter premises for realization of dues. If outstanding amount is still remains un-recovered, the cases are filed in LokAdalat.
- 10) Help of Police Authority as well as Revenue Authority is also taken in realization of old outstanding.
- 11) The progress in regard to liquidation of outstanding dues is closely monitored and units are addressed periodically.
- 12) If no payment is received despite disconnection, registered notices followed by a legal notice if necessary, are sent.
- 13) Circles have also been asked to utilize the services of State Government Departments in recovery of outstanding dues.
- 14) Procedure for settlement of defaulter cases through LokAdalats has been introduced for recovery of outstanding telephone dues in respect of permanently closed connections.
- 15) In case any official/agency found responsible, action as per departmental guidelines are being taken which is a continuous process.

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**Annexure-I**

**Details of Profit/Losses of MTNL for last Three years**

<b>FINANCIAL YEAR</b>	<b>PROFIT / (LOSS) (Rs. in Crs)</b>
2014-15	(2893.41)
2015-16	(2005.74)
2016-17	(2941.08)

**ANNEXURE-II**

**Details of Landline Outstanding as on 30-04-2017**

**(Amount in Crores of Rs)**

<b>Years</b>	<b>Opening Balance of Outstanding</b>	<b>Amount Billed for (ABF) during the year</b>	<b>Gross Outstanding</b>	<b>Amount Recovered</b>	<b>Closing Balance of outstanding</b>
<b>A</b>	<b>B</b>	<b>C</b>	<b>D=B+C</b>	<b>E</b>	<b>F=D-E</b>
<b>2014-15</b>	711.16	2044.19	2755.35	2042.05	713.30
<b>2015-16</b>	713.30	1997.60	2710.90	2032.87	678.03
<b>2016-17</b>	678.03	1823.91	2501.94	1817.27	684.67
<b>2017-18 (Upto Apr-2017)</b>	684.67	188.06	872.73	179.55	693.18

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**ANNEXURE-III**

**Details of Outstanding and recovery for the last three years and the current year (01-04-2017 to 31-05-2017) against post-paid mobile subscribers**

**(Amount in Crores of Rs)**

<b>Years</b>	<b>Opening Balance of Outstanding</b>	<b>Amount Billed for (ABF) during the year</b>	<b>Gross Outstanding</b>	<b>Amount Recovered</b>	<b>Closing Balance of outstanding</b>
<b>A</b>	<b>B</b>	<b>C</b>	<b>D=B+C</b>	<b>E</b>	<b>F=D-E</b>
<b>2014-15</b>	189.61	95.04	284.65	95.58	189.07
<b>2015-16</b>	189.07	92.82	281.89	114.16	167.73
<b>2016-17</b>	167.73	80.67	248.40	101.46	146.94
<b>2017-18 (Upto Apr-2017)</b>	146.94	11.22	158.16	9.85	148.31

**MTNL**

The following steps are taken to recover the Outstanding dues:

- 1) Automated IVRS reminders and manual reminders are being given regularly,
  - 2) Intimation through SMS to subscribers.
  - 3) The disconnection of the Telephone is resorted to as per the Standard Operating Procedures.
  - 4) Visits are being made to the subscriber premises wherever necessary.
  - 5) Recovery through LOK NYALAYA.
  - 6) Recovery through Amnesty Scheme.
  - 7) Wide publicity is given to encourage the customer to settle their old dues.
- Recovery suits are filed in the court of law as per the procedures.

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