

Government of India  
Ministry of Finance  
Department of Financial Services

**LOK SABHA**

**UNSTARRED QUESTION No. 2778**

**TO BE ANSWERED ON 3<sup>rd</sup> AUGUST, 2018 / SHRAVANA 12, 1940 (SAKA)**

**DEBT OF TELECOM COMPANIES**

**2778 : SHRI B.V. NAIK:**

Will the Minister of FINANCE be pleased to state:

- (a) Whether the State Bank of India (SBI) has written to Government about the highly unsustainable levels of debt of telecom companies and if so, the details thereof;
- (b) the details of the total amount advances given to various telecom companies by Public Sector Banks and the extent these loans are expected to be sticky, Bank-wise;
- (c) whether the SBI has asked Government to offer relief packages to telecom companies; and
- (d) if so, the details thereof and Government's reaction thereto?

**ANSWER**

**MINISTER OF STATE IN THE MINISTRY OF FINANCE  
(SHRI SHIV PRATAP SHUKLA)**

(a) State Bank of India (SBI) has highlighted to Government the significant exposure of lenders to the telecom sector and the assessment that stress in the sector has reached highly unsustainable levels due to erosion of topline and earnings of telecom service providers.

(b) As per provisional data available with Reserve Bank of India (RBI) as on 31.03.2018, total outstanding advances of Public Sector Banks (PSBs) to the 'Industry-Infrastructure-Communication' sector stood at Rs. 56,763 crore. For PSBs, the Gross Non Performing Asset (GNPA) ratio of these advances stood at 28.05% at the end of Financial Year 2017-18.

(c & d) SBI made recommendations for tackling stress in the sector which inter-alia included alignment of Deferred Payment Liabilities (DPL), rationalisation of regulatory charges, quick resolution of litigation on definition of Adjusted Gross Revenues (AGR) etc. Government constituted an Inter-Ministerial Group (IMG) for the sector. Based on the recommendations of the IMG, amendments have been made to the License Agreements for restructuring DPL and a revision in the limit of the cap for spectrum holding.

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