

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

**LOK SABHA
UNSTARRED QUESTION NO. 1811
TO BE ANSWERED ON 3RD JULY, 2019**

LOSSES INCURRED BY MTNL

**1811. SHRI BIDYUT BARAN MAHATO:
SHRI SUDHEER GUPTA:
SHRI GAJANAN KIRTIKAR:**

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether MTNL's net worth has declined substantially and the current liabilities of the company has exceeded its total current assets and if so, the details thereof and the reasons therefor; and
- (b) whether the Government proposes to invest money to bail out MTNL and if so, the details thereof along with the other steps taken by the Government in this regard?

ANSWER

**MINISTER OF COMMUNICATIONS, LAW & JUSTICE AND
ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)**

- (a) Details of networth, current assets and current liabilities of Mahanagar Telephone Nigam Limited (MTNL) for last five years are as under:

(Rs. in crore)

Particulars	2014-15	2015-16	2016-17	2017-18	2018-19*
Current Assets	2,108.11	2,119.49	4,949.25	5,024.49	5,742.07
Current Liabilites	3,452.40	3,888.11	10,580.75	9,055.39	11,558.60
Networth	2,067.42	12.60	(3,366.70)	(6,337.35)	(9,734.94)

* provisional and unaudited

Low tariffs due to fierce competition in the telecom sector, high staff cost, debt burden and absence of 4G services in the data centric telecom market are the main reasons for losses of MTNL.

- (b) A consultant was engaged to facilitate the preparation of the revival/ restructuring plan of MTNL. Pursuant to the recommendations from the consultant and approval by MTNL Board, a comprehensive revival plan for MTNL is under preparation.
