

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

**LOK SABHA
UNSTARRED QUESTION NO. 2103
TO BE ANSWERED ON 2ND AUGUST, 2023**

INEFFICIENT OPERATING STRUCTURE OF BSNL

**2103. SHRIMATI GODDETI MADHAVI:
SHRI MADDILA GURUMOORTHY:
SHRI SANJAY KAKA PATIL:**

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether it is a fact that BSNL has an inefficient operating structure, divided into circles, which adds to administrative hurdles and time delays leading to losses, if so, the details thereof;
- (b) the details of the steps being taken to make necessary amendments;
- (c) whether the Government has taken any steps to make telecome PSUs more efficient and profitable; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) & (b) The operating structure of Bharat Sanchar Nigam Limited (BSNL) divided into circles and business areas is created to promote decentralization and increase administrative efficiency with delegation at appropriate levels to avoid time delays & focus on faster customer delivery of services.

(c) & (d) The Government of India has undertaken the following measures to support Bharat Sanchar Nigam Limited (BSNL) / Mahanagar Telephone Nigam Limited (MTNL):

The Union Cabinet on 23.10.2019 approved the revival package of worth Rs 70,000 Cr (approx.) for “Revival of BSNL and MTNL” by reducing employee costs through VRS, debt restructuring by raising of sovereign guarantee bonds, monetisation of assets etc. With this, both BSNL and MTNL have become operationally profitable since 2020-21 and remained so since then.

The Union Cabinet on 27.07.2022 approved revival package for BSNL amounting to Rs. 1.64 lakhs crores. The revival measures focus on infusing fresh capital for upgrading BSNL services, allocating spectrum, de-stressing its balance sheet, augmenting its fibre network by merging Bharat Broadband Nigam Limited (BBNL) with BSNL.

Further, the Union Cabinet on 07.06.2023 approved the allotment of 4G/5G spectrum to BSNL with the total outlay of Rs 89,047 Cr through equity infusion.
