

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

**LOK SABHA
UNSTARRED QUESTION NO. 2545
TO BE ANSWERED ON 4TH DECEMBER, 2019**

REVIEW OF BSNL

2545. SHRI NATARAJAN P.R.:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Government has reviewed the present ailing financial condition of BSNL and if so, the details and the outcome thereof and if not, the reasons therefor;
- (b) whether the Government has also reviewed the reasons for non-allotment of 3G/4G spectrum to BSNL and if so, the details and the outcome thereof and if not, the reasons therefor; and
- (c) whether the Government has taken note of the stiff competition faced by BSNL from a private telecom service provider which is reportedly being patronised by the Government and if so, the details thereof and the reaction of the Government thereto?

ANSWER

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

(a) to (c) Bharat Sanchar Nigam Limited (BSNL) is incurring losses since 2009-10. Stiff competition in the telecom sector, high staff cost, debt burden and non availability of separate spectrum for providing 4G services are the major reasons for losses in BSNL.

BSNL has been allotted spectrum for providing 3G services in the year 2010. Accordingly, BSNL has been providing 3G services in all of its Licensed Service Areas (LSAs). BSNL is also providing 4G services on a limited basis in certain areas using its existing spectrum. As on 31.10.2019, 61091 3G Base Transceiver Stations (BTSs) and 7818 4G BTSs of BSNL are working.

Based on the financial performance of BSNL, Department of Telecommunications (DoT) classified BSNL as “Incipient sick CPSE” in September 2017 in accordance with the guidelines issued by the Department of Public Enterprises (DPE) and initiated the process for preparation of restructuring/revival plan for BSNL. A comprehensive revival plan for BSNL has since been approved by the Cabinet on 23.10.2019 which inter-alia, includes the measures to reduce the staff cost through a voluntary retirement scheme for employees of age 50 years and above, monetisation of assets of BSNL, debt restructuring by raising of sovereign guarantee bonds and administrative allotment of spectrum to BSNL for providing 4G services.
