

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

**LOK SABHA
UNSTARRED QUESTION NO. 2275
TO BE ANSWERED ON 4TH MARCH, 2020**

NET WORTH OF BSNL

2275. SHRI MAGUNTA SREENIVASULU REDDY:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether Bharat Sanchar Nigam Limited (BSNL)'s net worth has declined substantially and the current liabilities of the company exceeds 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 BSNL and if so, the details thereof along with the other steps taken by the Government in this regard?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS,
HUMAN RESOURCE DEVELOPMENT AND
ELECTRONICS & INFORMATION TECHNOLOGY
(SHRI SANJAY DHOTRE)**

(a) Bharat Sanchar Nigam Limited (BSNL) has reported that its net worth is continuously declining for last few years. As on 31.03.2019, BSNL's current liabilities of Rs. 35,729 crore exceed the current assets of Rs. 17,924 crore. Year-wise details of the net worth, current assets and current liabilities of BSNL for the last four years are as under:

(in Rs. Crore)

Particulars	Figures as on			
	31.03.2016	31.03.2017	31.03.2018	31.03.2019
Net worth#	1,02,460	97,674	89,672	74,734
Total Current Assets	21,579	15,888	16,710	17,924
Total Current Liabilities	21,211	19,280	23,201	35,729

#based on audited financials.

The decline in Networth is due to continued losses over the years. As regards current liabilities exceeding current assets, BSNL has informed that it is facing severe financial crunch for the last 3 years, consequent to the decline in revenue resulting in BSNL not being able to discharge some of the liabilities.

(b) The Cabinet in the meeting held on 23.10.2019 approved the revival plan for BSNL. The revival plan inter-alia, includes the measures to reduce the Staff cost through a Voluntary Retirement Scheme (VRS) for the employees of age 50 years and above, administrative allotment of spectrum to BSNL for providing 4G services, monetisation of assets of BSNL and debt restructuring by raising of sovereign guarantee bonds.

The Government has approved Rs.26,608 crore (Rs.13,840 crore on account of Ex-Gratia on VRS and Rs.12,768 crore due to advancement of pensionary benefits spread over a period of ten years) through budgetary allocation for VRS in BSNL. Full cost of spectrum (excluding GST) of Rs.14,115 crore for BSNL will be funded through equity infusion by Government and GST component of Rs. 2,541 crore will be funded through budgetary allocation from Government. Government has also approved Sovereign Guarantee for bonds of Rs.15,000 crore to be raised by BSNL/MTNL for their debt restructuring.
