

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

**LOK SABHA
UNSTARRED QUESTION NO. 344
TO BE ANSWERED ON 3RD FEBRUARY, 2021**

COMPETITION IN TELECOM MARKETS

†344. SHRI DULAL CHAND GOSWAMI:
SHRI RAMDAS C. TADAS:
SHRI CHANDRA PRAKASH JOSHI:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether public sector telecom companies are facing intense competition from private sector telecom companies in Indian telecom market and if so, the details thereof;
- (b) the challenges faced by the telecom companies in the current market scenario in the country; and
- (c) the details of the schemes formulated by the Government to deal with the said challenges?

ANSWER

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

(a)&(b) Yes Sir. Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL), the two public sector companies are facing intense competition in the mobile segment. The competition in the Telecom sector has led to reduction in tariffs. However, BSNL and MTNL continue to have dominant position in the wireline segment.

In the current data based Indian telecom market where the private sector telecom companies are providing 4G services, BSNL and MTNL are providing 2G and 3G services except at few locations where BSNL is providing 4G services on limited scale using its existing spectrum for 3G services.

(c) The Government approved a revival plan for BSNL/MTNL on 23.10.2019. The revival plan, inter-alia includes reduction in employee cost through a Voluntary Retirement Scheme (VRS) for the employees of age 50 years and above, administrative allotment of spectrum for 4G services with funding through budgetary allocation, debt restructuring by raising of sovereign guarantee bonds, monetisation of assets to generate resources to retire debt, meet CAPEX and other requirements and in-principle approval for merger of BSNL and MTNL. With the implementation of these revival measures, it is expected that BSNL and MTNL will become competitive, improve their customer base and enhance its market share.
