

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

**LOK SABHA
UNSTARRED QUESTION NO. 4514
ANSWERED ON 20TH AUGUST, 2025**

FINANCIAL POSITION OF MTNL

4514. MS SAYANI GHOSH:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Government is aware that Mahanagar Telephone Nigam Limited (MTNL) has defaulted on loan repayments exceeding Rs. 8,300 crore to a consortium of public sector banks between August 2024 and February 2025 and if so, the details of the total loan defaulted during the last ten years;
- (b) the total outstanding financial liabilities of MTNL including bank dues, State Government Bonds and dues to the Department of Telecommunications (DoT) as of date;
- (c) the reasons for MTNL's repeated loan defaults and the steps taken by the Government to address the company's liquidity crisis;
- (d) whether any bailout package or revival roadmap is under consideration for MTNL and if so, the details thereof;
- (e) the impact of these defaults on the financial health of the lending public sector banks; and
- (f) whether the Government is exploring any merger, disinvestment or strategic partnership to manage MTNL sustainability and if so, the details thereof?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS AND RURAL DEVELOPMENT
(DR. PEMMASANI CHANDRA SEKHAR)**

(a) to (f) The total bank loans defaulted of MTNL during the last ten years is Rs. 8,659.08 crore with total debt liability of Rs. 34,713.08 crore as on 31.07.2025. These loans have been declared as Non-Performing Asset (NPA).

The Financial distress is due to decline in revenue from operations. As per Cabinet Approval in 2022, a Committee of Secretaries comprising of (i) Secretary, Department of Expenditure, (ii) Secretary, Department of Telecommunications, (iii) Secretary, Department of Investment & Public Asset Management and (iv) Secretary, Department of Public Enterprises has been constituted to take up the issues related to debt resolution of MTNL through asset monetisation etc.

An agreement between BSNL and MTNL has been signed, with effect from 1st January 2025, to run MTNL's telecommunication services by taking over maintenance and operational activities of MTNL on EBIDTA neutral basis.
