

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:2416
ANSWERED ON:06.08.2003
DISINVESTMENT OF BSNL AND MTNL
BASUDEB ACHARIA

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether the Government have decided not to go for disinvestment of BSNL and MTNL;
- (b) if so, the details thereof;
- (c) whether the Government have decided to transform the two companies from Ministry managed companies to Board managed ones;
- (d) if so, the details thereof and the reasons therefor;
- (e) whether BSNL has been playing a crucial role in extending telephone services in rural areas while other private players are reluctant to do the same; and
- (f) if so, whether the Government are considering reimbursing expenditure incurred towards rural telephony by BSNL to protect it from becoming sick as well as to achieve the target of rural telephony?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI , PRADHAN)

- (a) & (b): No decision for disinvestment in BSNL or MTNL has been taken.
- (c) M/s Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) are already Board managed companies.
- (d) Does not arise in view of (c) above.
- (e) Yes, Sir. As on 30.6.2003, 516,182 out of 6,07,491 villages have been provided connectivity. Circle-wise coverage of village by various operators through village public telephones is given in the Annexure. BSNL has provided VPTs in 5,05,381 villages as against only 10801 villages covered by all other private operators.
- (f) To compensate for losses on account of rural telephone operation and other socially desirable projects, BSNL has been so far given some concessions by way of reimbursement of licence and spectrum fee and waiver of payments of interest on loan and dividend. For 2002-03, BSNL received Rs. 297.23 crores from the USO fund for maintenance of rural telephones.

ANNEXURE

Circle-wise Coverage of VPTs

SL. No.	Circles	VPTs on 30.6.2003 by BSNL operators	VPTs provided as on 30.6.2003 by private operators	Total provided as
1	Andaman & Nicobar	198	0	198
2	Andhra Pradesh	23419	1314	24733
3	Assam	18034	0	18034
4	Bihar	38475	0	38475
5	Jharkhand	26270	0	26270
6	Gujarat	11214	4114	15328
7	Haryana	6811	0	6811
8	Himachal Pradesh	16585	0	16585
9	Jammu & Kashmir	4502	0	4502
10	Karnataka	27066	0	27066

