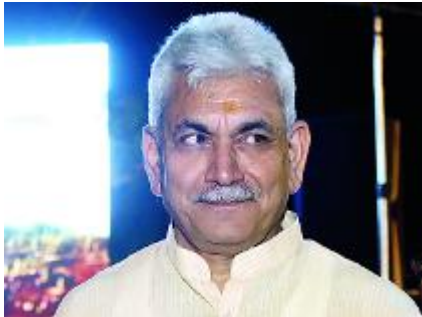


# No proposal to merge BSNL, MTNL: Manoj Sinha

PTI|

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The annual income of MTNL also declined by 3.6 per cent to Rs 3,654.69 crore for 2016-17 from Rs 3,793.89 crore at the end of 2015-16.

NEW DELHI: There is no proposal to merge loss making public sector telecom operator [MTNL](#) [BSE 0.00%](#) with [BSNL](#), Union Minister [Manoj Sinha](#) informed Parliament today.

"At present, there is no proposal for merger of BSNL and MTNL," Sinha said in the Lok Sabha on revival of both the PSUs.

Though BSNL has seen improvement in its performance, MTNL's net loss for the year ended March, 2017, widened to Rs 2,963.05 crore from Rs 1,945.86 crore at the end of previous fiscal.

The annual income of MTNL also declined by 3.6 per cent to Rs 3,654.69 crore for 2016-17 from Rs 3,793.89 crore at the end of 2015-16.

Telecom Minister Manoj Sinha said based on the financial results of MTNL for the financial year 2016-17, the telecom operator has been classified as "Incipient Sick CPSE" as per Department of Public Enterprise (DPE) Guidelines.

"As per the DPE guidelines, Department of Telecommunications has to formulate revival/ restructuring/ closure road map for MTNL, the process of which has been initiated," Sinha said.



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He said the government has taken various steps to make BSNL and MTNL viable in the background of stiff competition in the telecom sector.

These measures include refund of surrendered BWA (Broadband Wireless Access) spectrum in two service areas held by MTNL and in six service areas held by BSNL.

MTNL was refunded Rs 4,533.97 crore through bonds and Rs 6,724.51 crore has been refunded to BSNL.

The minister said the government overtook the pension liability of MTNL for its staff who got absorbed from DoT. Besides this, MTNL was provided with financial support of Rs 492.26 crore on account of liability arising from levy of Minimum Alternate Tax (MAT).

The government also waived notional loan of Rs 1,411 crore to BSNL, which was due to be paid to the government.

In addition to this, MTNL was refunded Rs 458.04 crore and BSNL Rs 169.16 crore on account of surrender of CDMA (Code Division Multiple Access) spectrum, Sinha said.