

**GOVERNMENT OF INDIA**  
**MINISTRY OF COMMUNICATION AND INFORMATION TECHNOLOGY**  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO-1440**  
**ANSWERED ON-05.12.2014**  
Merger of BSNL and MTNL

1440 SHRI ISHWARLAL SHANKARLAL JAIN

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

- (a) whether Government proposes to merge BSNL and MTNL, if so, the reasons therefor;
- (b) whether Government by merging the above two companies and by implementing "One India Plan" proposes to make phone calls and net services cheaper, if so, the details thereof; and
- (c) whether any fixed time-limit has been set to effect the merger, the details thereof?

**ANSWER**

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD)

- (a) Government is in the process of revival and revitalization of Bharat Sanchar Nigam Limited (BSNL) and Mahanagar Telephone Nigam Limited (MTNL) through various short term, medium term and long term measures. The long-term measures would attempt to position these PSUs to emerge as market leaders in the converged telecommunication market. Amongst various options being considered as long-term measures for revival of BSNL and MTNL is merger of the two CPSUs (Central Public Sector Undertakings). No decision has been taken for merger.
- (b) No, sir. Merger of BSNL and MTNL may help in adopting a common approach to network infrastructure, enterprise business and customer services issues.
- (c) No Sir. For an in-depth study on the implications of merger of the two PSUs, four groups have been constituted to study issues of human resources integration, system integration, corporate integration and financial integration.