

1	2	3	4
4	Mizoram	Aizawl	No land allotted so far
5	Gujarat	Surat	Centre approved
6	Jharkhand	Jamshedpur	Center approved but State contribution is not received so far
7		Dhanbad	Center approved but State contribution is not received so far
8	Uttar Pradesh	Varanasi	Centre approved but no land allotted so far
9		Agra	Centre approved but no land allotted so far
10	Karnataka	Gulburga	Centre approved but no State contribution in terms of land and aid is received so far
11	Goa	Goa	Centre approved but no land allotted so far
12	Orissa	Berhampur	Centre is ready for operations

**Massive drop of profits of BSNL**

3719. DR. K. MALAISAMY: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether it is a fact that BSNL recorded a massive drop of 80 per cent in its profits during last year;
- (b) the reasons therefor;
- (c) the number of its market share in mobile segment that has fallen to the hands of private sector;
- (d) the reasons therefor;
- (e) whether there is an enquiry on equipment procurement;
- (f) whether there has been employees pressure to go for professional management merit based approach to promotions and to do away with redundant performance mechanism; and
- (g) if so, the decision thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) Yes, Sir. BSNL has recorded 80.90% decline in net profit during the year 2008-09 in comparison to the year 2007-08, details of which are furnished below:

Net profit for 2007-08	Net profit for 2008-09	Percentage of decline
3009.39 crores	574.85 crores	80.90

(b) The decline in profit of BSNL is mainly on account of reduction in revenue and increase in staff expenditure. The decline in revenue is mainly in fixed line due to reduction in tariff, decrease in Average Revenue Per User (ARPU) and churning of subscribers of fixed line services in view of preference to Mobile telephony. The increase in staff expenditure is due to implementation of Pay Commission recommendations. The 'Phasing out of ADC' and non-reimbursement of license fee and spectrum charges also contributed in the reduction of profitability.

(c) BSNL is losing market share to private operators in the mobile technology segment. The percentage market share of BSNL in GSM Mobile of last three years and current year (Upto 28.02.2010) are given below:

As on	Percentage market share in Mobile technology
31.03.2007	22.59
31.03.2008	18.82
31.03.2009	16.20
28.02.2010	14.93

(d) The decline in market share of BSNL in Mobile segments is due to fierce competition with numerous private Telecom Service providers viz. Bharti, Reliance, Vodafone, Tata and Idea etc. and entry of several new operators in Mobile services.

(e) Sir, tenders for procurement of GSM equipment under phase VI for 93-million-line was floated by the four zones of BSNL on 01.05.2008. The tender was floated for 25 million lines each by North, West and South zones and for 18 million lines by the East zone to meet the requirements spread over three to four years.

At the advance stage of tender finalization, the Central Vigilance Commission decided to investigate the Phase VI tender and called for the records. Accordingly, the BSNL Board decided not to proceed further with the GSM tender till further advice from CVC. The CVC recommended not to operate on the tender of 93 million GSM lines because of non-competition, high rate and prolonged negotiations.

(f) and (g) No, Sir. However, BSNL is already following performance/merit based promotion policy for its Senior Executives.

**Broadband in rural areas**

3720. SHRI S.S. AHLUWALIA: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) the details of target set for augmentation of rural tele-density, widening of broadband coverage in rural areas and setting up Sewa Kendras at Panchayat levels, etc. under the Bharat Nirman Programme, launched by Government in 2005;

(b) the details of implementation thereof, State-wise at the conclusion of five years of its launching showing the cost budgeted *vis-a-vis* incurred actually, year-wise;

(c) whether Comptroller and Auditor General of India (CAG) have reviewed implementation of the programme during any of these years; and

(d) if so, observation made, if any, by CAG about its implementation, utilization of allocated funds etc.?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) and (b) Augmentation of rural tele-density, widening of broadband coverage in rural areas and setting up Sewa Kendras at Panchayat levels were not part of the Bharat Nirman Programme, launched by Government in 2005. Under Bharat Nirman Programme, launched by the Government in 2009, the targets of achieving rural tele-density of 40% by 2014, broadband coverage of all 2,50,000 village panchayats and setting up of Bharat Nirman Common Service Centres at panchayat levels by 2012.

Bharat Nirman Programme-2005 provides for provision of Village Public Telephone (VPT) in 66,822 villages with the subsidy support of Universal Service Obligation Fund (USOF), which was subsequently revised to 62,302 villages. A statement indicating the State-wise details of implementation of this programme at the conclusion of five years of its launching is given in the Statement (*See below*).

Bharat Sanchar Nigam Limited (BSNL) does not provide specific budget allotment for broadband and tele-density. The Scheme for Common Service Centres is being implemented on public-private partnership model with Government of India providing only revenue viability gap funding.

(c) No, Sir.

(d) Question does not arise in view of (c) above.