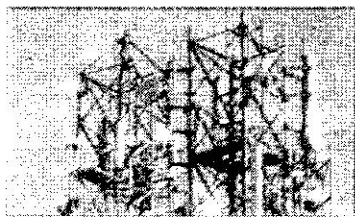


# Niti Aayog May Consider Strategic Sale in BSNL, MTNL

## LIST OF 74 SICK PSUs SUBMITTED

**NITI AAYOG** has submitted a list of 74 sick and loss making public sector undertakings (PSUs) to the government for the purpose of shutting down and restructuring

**WHEN THE** current government took charge in 2014, the BSNL was suffering a loss of Rs 8,000 crore and MTNL Rs 2,000 crore



The Niti Aayog may consider state-owned Bharat Sanchar Nigam Ltd (BSNL) and Mahanagar Telephone Nigam Ltd (MTNL) for strategic disinvestment, a senior government official said.

The incumbent government, has on several occasions, blamed the previous regime for the financial decline of the two telecom service providers. Former telecom minister Ravi Shankar Prasad had said on prior occasions that in 2004, BSNL was incurring profits of around Rs 10,000 crore and MTNL Rs 900 crore. However, when the NDA government took charge in 2014, the BSNL was suffering a loss of Rs 8,000 crore and MTNL Rs 2,000 crore. The Niti Aayog has submitted a list of 74 sick and loss making public sector undertakings (PSUs) to the government for the purpose of shutting down and restructuring, the official said, adding that discussions were now happening between ministries on finalising the details. The official said that while Air India was a part of the list submitted to the Centre, Niti Aayog has recommended that its restructuring exercise be continued. In case of BSNL and MTNL, the official said, the companies were not present in the first list of 74 PSUs, despite being loss making, and could be considered by the Aayog for strategic disinvestment. If a strategic divestment of the two telecom companies is made,

government would lose majority shareholding in these firms.

Niti Aayog has been given the responsibility to identify Central Public Sector Enterprises (CPSEs) where government should exit from management control, to extent they should exit and what should be the mode of divestment.

The Niti Aayog will make recommendations on strategic sales to a core group of secretaries, headed by the cabinet secretary. The group of secretaries will make final suggestions to the Cabinet Committee on Economic Affairs on the mode and quantum of strategic disinvestment. Minister of State for Heavy Industries and Public Enterprises Babul Supriyo has said in a written reply to the Lok Sabha that an analysis of all the sick and loss making central public sector enterprises (CPSEs) was underway at Niti Aayog in consultation with the ministries and the departments concerned.

"78,70 and 77 CPSEs incurred losses during 2012-13,2013-14 and 2014-15 respectively," Supriyo has said.

Supriyo said the department of PSUs has issued guidelines for streamlining the mechanism for revival and restructuring of sick/incipient and weak CPSEs. Under these guidelines, the administrative ministries and departments are expected to take measures for revival of loss making CPSEs on a case-to-case basis.