

Budget 2025: BSNL funding slashed by 59% to ₹33,757 crore.

The reduction comes as the government signals a shift towards BSNL's self-sufficiency after years of heavy investment.

By Vallari Sanzgiri

The government allocated ₹33,757.58 crore to BSNL in the Budget 2025, a 59 per cent decline from the ₹82,916.20 crore allocated in the previous Budget, though it only managed to spend ₹72,027.65 crore. The Budget also did not allocate grants-in-aid to BSNL for GST payment.

According to Mahesh Uppal, Director of Com First (India), the lower investment indicates that the government has injected a fair amount of investment towards BSNL over the last 2-3 years and now expects the entity to demonstrate its viability and effectiveness in the market. However, when asked whether BSNL can live up to challenge, Uppal said, "In terms of performance, BSNL has historically been an underachiever because it lacks commercial autonomy. Unless the government loosens its control, it will be hard for BSNL's leadership to be competitive in terms of quality and capacity compared to other players."

Meanwhile, Sumeesh Srivastava, Associate Director-Public Policy at The Quantum Hub, said the higher investments last year may be attributed to the launch of BSNL's 4G services.

"It must be noted that BSNL has been focussing on the All India Launch of its 4G services over the last couple of years, which may explain the higher capital infusion in that time period. In 2025-26, BSNL continues to receive substantial financial support, though with a significant reduction in capital infusion. This is possibly signaling a shift towards self-sustainability and operational efficiency," said Srivastava.