

BSNL eyes Rs.42,000 crore revenue by 2018-19 for turnaround

Yuthika Bhargava

NEW DELHI: State-run telecom operator BSNL aims to increase its revenues by almost 50 per cent to Rs.42,000 crore in the next four years as part of the Modi-government's plan to turnaround the loss making firm by 2018-19.

INTERVIEW

The company's revenues stood at Rs.28,000 crore during the last financial year (2014-15).

"We have prepared a detailed plan as per which BSNL should turn profitable in 2018-19. At present, BSNL's loss is coming because of depreciation of the assets and we need to generate an equal amount to profit to erase it; operationally we are still comfortable," BSNL Chairman and Managing Director Anupam Srivastava told *The Hindu* in an interview.

He added that the target was to increase BSNL's reve-

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CMD, BSNL

nue from Rs.28,000 crore now to Rs.42,000 crore in 2018-19 to turn profitable.

BSNL, which runs operations across the country except Delhi and Mumbai, has been posting losses for the past few years and its revival is one of the top priorities for Telecom Minister Ravi Shankar Prasad.

According to official data, BSNL had posted a loss of Rs.8,851 crore in 2011-12, which dropped to Rs.7,884 crore in 2012-13 and stood at Rs.7,019 crore in 2013-14. The

total income for the three years stood at Rs.27,934 crore, Rs.27,128 crore, Rs.27,996 crore. For the last financial year (2014-15), the losses stood at Rs.7,265 crore (un-audited).

"As of now, BSNL is self-sufficient. We are paying salaries to our staff from our resources and managing operational maintenance expenses from our own resources," Mr. Srivastava said.

About Rs.15,000 crore of BSNL's revenue goes into paying staff salaries, while about Rs.11,000-Rs.12,000 crore is put in maintenance of

networks (both landline and mobile) and core equipment.

"The salaries we pay to our staff is almost equivalent to Air India's topline, it is also more than that topline of a few private players," he added. While the contribution of mobile segment is expected to go up from Rs.13,000 crore now to about Rs.19,000 crore in 2018-19, the revenues from landline are likely to remain flat at Rs.11,000 crore.

"Wireline contribution will remain static. While number of landline connections will go down, it will be compensated by the increase in number of broadband connections. We have huge hopes from our enterprise business, which contributes about Rs.4,000 crore to revenues. We see big opportunity in this space, especially with all the banks going to the rural areas and also smart cities coming up," Mr. Srivastava said.

