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'BSNL Hopes to Cross Revenue of ₹30K Crore'

ET Q&A

Bharat Sanchar Nigam Ltd (BSNL) is estimated to post revenue in excess of ₹30,000 crore in the year ended March 31, 2016, which will be 3-4% more than the year before, says Chairman **Anupam Shrivastava**. The state-run telecom operator is close to signing 2G intra-circle roaming (ICR) pacts with Bharti Airtel, Vodafone India and Reliance Jio Infocomm, and its pace of subscriber addition is faster than the industry, he tells **Muntazir Abbas**. Edited excerpts:



We are in talks with Airtel for spectrum sharing, especially in states like Gujarat and Rajasthan where we have contiguity of spectrum, although it'll take little time.

GSM lobby group COAI opposed your app-based calling move. What do you have to say?

There is a bit of misconception. Mobile convergence is happening today and we have come out with four strategies. One of them was to prepare for routing of landline calls to a mobile phone through an app. COAI has some problems. We have now kept it on hold and are going ahead with the rest of the plans.

What are your key initiatives to improve network and subscriber base?

From 2006 to 2012, BSNL was not able to procure equipment due to various reasons and it was the time when market was expanding. BSNL missed the voice bus. From 2013-13, we got to act together and started to get equipment. BSNL has installed 24,000 BTS (base transceiver station) towers in last two years and we are going to add another 21,000 in the next one year. Coverage and network have improved.

Schemes such as pan India free roaming were introduced in June 2015, including in Mumbai and Delhi. It was estimated that we were going to take a revenue hit of ₹150 crore but we went ahead with our decision and customers were eventually started coming to us. We were adding 7-8 lakh customers per month before June 2015, and now in December 2015 and January, February and March this year, we were able to add almost 20 lakh consumers every month due to free roaming and other services. February data showed that we were ahead of industry growth on the basis of subscriber addition on month-on-month basis, putting rural and urban consumers together. BSNL has also become mobile number portability positive for the first time.

What are your revenue expectations?

As per unaudited figures, we are hoping to cross revenue of ₹30,000 crore (in the year ended on March 31, 2016) that includes mobile, landline and enterprise business (results are expected to be released on July 31). This is going to be 3-4% higher than last year. We have also been able to bridge the ₹150 crore gap on account of free roaming services. Debt to equity ratio is 0.13% which is lowest in the industry.

You are banking on your Wi-Fi strategy for delivering high-speed data services.

We realised that BSNL does not have 4G spectrum and at the same time we don't want to miss the data bus. We decided to exploit potential and Wi-Fi has become an obvious choice to join the mobile network. Other than broadband, it will also work as 4G hotspots. These hotspots work on free Wi-Fi zones while the cost of spectrum is also rising. We have started with the Varanasi ghat and by 2015 end we have added 2,504 Wi-Fi hotspots on a revenue sharing model.

What are your expansion plans?

Now we realised that 4G hotspots give capacity and we are going to put 40,000 hotspots. We will deploy and run these hotspots independently. The tender for this 40,000 rollout is likely to be decided by month-end.

You have spectrum in 2.5 GHz band. What are your plans to leverage these airwaves?

We have 20 MHz BWA (broadband wireless access) spectrum in the 2.5 GHz band in 14 LSAs (licensed service areas). We are still giving services via Wi-Max and are now trying to utilise our network on a revenue sharing model. And, at the same time, we can easily spare 10 MHz for LTE-based 4G services.

Which are the private telcos with whom you are entering into 2G ICR pacts and by when BSNL is sealing these deals?

We have already signed a deal with Airtel and are hoping to close deals with Vodafone and Reliance Jio on a pan-India basis by the end of this month. This will be vice-versa as we would also be using their services on similar rates. ICR pact with Bharti Airtel is expected to be signed sometime soon as testing was already done and it is in process.

Any updates on spectrum sharing negotiations with Bharti Airtel...