

BSNL on track to post net profit by FY19, says chairman Shrivastava

BY Mansi Taneja



Anupam Shrivastava

For nearly a decade, the state-owned telecom operator Bharat Sanchar Nigam Ltd (BSNL) had been on a downward spiral, but things are starting to look up again. The results are not out yet but according to an end-of-financial-year estimate, the company has posted an operating profit of Rs.3,378 crore in the last financial year compared with Rs.672 crore as operating profit in 2014-15. In an interview, chairman and managing director Anupam Shrivastava talks about BSNL's turnaround, growth plans and competition. Edited excerpts:

BSNL's decline started around a decade ago, but the public sector utility managed to post an operating profit of Rs.672 crore in FY2014-15 after many years. How are the numbers looking for the last financial year?

Our revenue should cross Rs.30,000 crore with a growth of 11%. In fact, revenue from services alone could rise by 5%. I think a revival cycle has started and we have to build on that. We have registered highest growth in the enterprise services space, which grew by 40% to Rs.3,000 crore.

We have also reduced our debt to Rs.5,000 crore, from the earlier Rs.7,000 crore. There's no short-term liability now, we have only long-term debt. Our books look healthy if you consider the telecom market.

In the current financial year, we will invest more in data services and try to keep up the growth tempo. We expect to hit net profit by 2018-19 on the back of data services.

How do you plan to sustain this cycle of growth? What's the strategy?

Right now we have a three-pronged strategy in place. Mobile infrastructure is part of our phase 8 expansion plan and we will replace old base transceiver stations (BTS) with new ones. BSNL will launch 4G services in select districts and we are now looking for a partner to start these services in 2,500 MHz (megahertz) frequency. An expression of interest is already out and we are going to operate on a revenue-sharing basis. We will also focus on intra-circle roaming arrangements to better utilise our spectrum. We are expecting annual revenues of Rs.500 crore from this.

Second, we'll focus more on landline and broadband, and finally on Wi-Fi. We have already installed 2,500 hotspots in 1,200 locations, which will be increased to 40,000 in the next two years. It will virtually act as a 4G

