

<b>Publication:</b>	<b>The Pioneer</b>	<b>Page No:</b>	<b>10</b>
<b>Place:</b>		<b>Date:</b>	<b>06.12.2013</b>

## BSNL land monetisation proposal up for GoM approval

### NIA for Jan spectrum auction to be issued in 2-3 weeks: Frooqui

PNS ■ NEW DELHI

utilise the existing network for generating more revenue through outsourcing. Currently the tower segment generates very little revenue for the company."

BSNL, earlier had reported that it expects a revenue of nearly ₹91 crore from the tower business in the next financial year.

"Another reason behind creating a separate subsidiary of BSNL is to help generate a steady flow of income for BSNL," the source added.

So much is being done to revive BSNL whose profit started declining from ₹10,183 crore in FY 05 to a loss of ₹8,850.70 crore in FY12.

Earlier, BSNL had floated a request for proposal (RFP) for appointment of consultant who would then approach the GoM for their approval. Citing another reason behind creating a wholly owned subsidiary for BSNL, source said, "Currently tower firms are given infrastructure provider status which exempts them from paying any revenue share to the Government. While, BSNL including its tower segment, pays eight per cent of its annual revenue as licence fee to the Government." Hence creating a new entity would not only help improve the flow of funds for BSNL but would also help the company save funds.

dict. Once we have the reply from Trai, we have to examine this, it will have to go to the Telecom Commission and EGoM and so on."

Trai had not recommended a reserve price for 800 MHz band and asked DoT to explore the feasibility of EGSB band for this frequency. DoT wrote to the regulator for suggesting the reserve price for 800 MHz but Trai has sought a fresh reference for the recommendations on the issue.

The Government has set a revenue target of ₹40,874.50 crore this fiscal from spectrum, including auction amount, one-time spectrum charge and annual regular licence fee. Of this amount, the Government is expecting a minimum of ₹11,000 crore from the upcoming spectrum auction.

The Telecom Regulatory Authority of India (Trai) had recommended up to 60 per cent in the auction reserve price for spectrum in the 900 MHz band in Delhi, Mumbai and Kolkata circles. It had also suggested 37 per cent cut in the reserve price for spectrum in the 1800 MHz band.

#### Financial Factsheet

Revenue	Rs 27,983.50 Cr
Loss	Rs 8,850.70 Cr
License & Spectrum Fee	Rs 3,527.72

(as on 31st March 2012)

ANCHAL KAKROO ■ NEW DELHI

The Department of Telecommunications (DoT) is leaving no stone unturned to help the loss-ridden State-run operator Bharat Sanchar Nigam Ltd (BSNL) bounce back. DoT is not only preparing to present company's land monetisation proposal in the next Group of Ministers (GoM) meeting, which would help it raise additional funds but has also started drafting a new business proposal to make it again a profit making company.

As earlier reported by *The Pioneer* in September 27 edition, DoT has completed drafting its proposal for monetisation of land assets held by BSNL. The State-run operator holds assets worth thousands of crore in over 3,500 towns of the country out of which DoT plans to liquidate some parcels of land to generate additional funds for the company.

As far as proposal of land monetization is concerned, DoT has sent the proposal to various ministries and now is waiting for their suggestions. Once the suggestions are received, DoT will formally table the proposal in the next GoM meeting for their approval," said a source.

Apart from this, DoT is also working on other avenues through which BSNL could benefit from. "The DoT has prepared proposals to sep-

arate company's tower business into a new entity which would be the wholly owned subsidiary of BSNL," add the source.

BSNL currently has 65,000 towers across the country and like other telecom operators, DoT plans to utilize this tower network for generating revenues through outsourcing towers to other operators on sharing basis. Explaining how it would help BSNL, the source said, "Priority of the new proposed tower company would be to

When asked when can 800 Mhz auction be expected, he replied, "The timeline, I cannot pre-

required by the CDMA service providers, Frooqui said DoT will write to Telecom Regulatory Authority of India (Trai) asking for their recommendations on the reserve price this week.

When asked when can 800 Mhz auction be expected, he replied, "The timeline, I cannot pre-