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## 'BSNL to make profits by '18-19 with focus on data services'

ANUPAM SHRIVASTAVA, the new chairman and managing director of Bharat Sanchar Nigam Ltd (BSNL), has his hands full within weeks of taking over. In an interview with Mansi Taneja, he talks about an investment plan of ₹39,000 crore over the next five years to expand BSNL's core network and reviving the public sector undertaking in the next three years. Edited Excerpts:



ANUPAM SHRIVASTAVA  
Chairman & MD, BSNL

### BSNL has been making losses and performance has dipped on other fronts. What is your immediate priority?

BSNL has been making losses mainly because of depreciation of assets and administrative costs, which account for 55 per cent of our revenue. However, we are meeting operational needs through our topline. With a topline of ₹28,000 crore and debt of ₹4,500 crore, the situation is not that bad. The first priority is to change the direction of the company in such a way that losses are reduced year after year and there is enough compensation on depreciating assets.

### What measures are you taking?

We realised we missed the mobile bus in 2006 when the penetration of cell phones was just 40-45 per cent. Now the penetration of mobiles has moved up to over 90 per cent. This is the journey, mainly voice, that BSNL has missed. But we want to make sure we are the leaders in data services. The age of voice is over and data is the next thing. We are in a strategic position, be it mobile, landline or optic fibre network.

### How do you plan to leverage your network? Are there plans to integrate services?

We have invested ₹4,084 crore in improving and expanding our mobile services. We are in the process of upgrading our core network. Purchase orders were placed last year and the network started rolling out in June. Almost 75 per cent of the project has been completed in the north and south zones. In the east, 35 per cent has been completed and work in the west has just begun.

We have a big landline base and with a huge copper cable and fibre network the focus shifts to Wifi. We will offer Wifi hotspots wherever commercially viable and offer an experience similar to 4G services. Also, we plan to launch our 4G service by 2016. The idea is to integrate Wifi with our mobile network to provide users a seamless experience of 3G and Wifi services.

We plan to invest ₹39,000 crore in the next five years, a major chunk of it on data. The focus is on improving core network capabilities as we intend to exploit data. This is going to be a watershed year.

### How much of your revenue comes from data?

Mobile services contribute ₹13,500 crore, of which 10 per cent comes from the data segment and is consistently rising. From broadband services, we earn ₹7,500 crore. We



expect revenue from combined data and broadband services of ₹15,000-16,000 crore in the next three years.

### There was a proposal to offer voluntary retirement to your employees. How far has that gone?

The proposal was debated last year and would have required a ₹12,000 crore outgo. But there were doubts over the plan. An alternative proposal was considered to offer salary support to employees. It would require ₹6,500 crore, which the ministry agreed in principle to provide as a soft loan. Both proposals are pending with the ministry.

Last year, BSNL's losses were around ₹7,600 crore and in the previous year, around ₹8,000 crore. So losses have already started coming down. We expect BSNL's accounts to be in shape by 2018-19.