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BSNL's salary bill rules out profit: new CMD

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NEW DELHI: State-owned Bharat Sanchar Nigam Limited (BSNL), in yet another attempt to reduce surplus staff that is supposedly eating into the telecom provider's revenues, has urged the finance ministry to absorb the cost of their salaries.

BSNL called this additional non-operational staff a legacy of loss, and urged the government to bear this cost through the communications ministry.

"The loss is a legacy that BSNL inherited when it was hived off the department of telecommunications (DoT). With 55% resources going in

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AK SHRIVASTAVA, CMD, BSNL

payments of staff, BSNL can never become a profitable unit. Operationally, BSNL is comfortable," AK Shrivastava, chairman-cum-managing director (CMD), BSNL, told HT.

Admitting that the state-run operator's losses were about ₹7,000 crore, he said the loss was a result of the depreciation of hefty assets it had inherited.

"During the previous (UPA) government, the issue went till

the Prime Minister. But nothing happened. I am hopeful that the finance ministry will take to the suggestion positively," he said.

However, Shrivastava, who has taken over as CMD recently, has drawn up a fresh plan to enhance mobile services.

BSNL did not see any expansion during the period 2007-2012, but it has invested ₹4,800 crore in latest GSM equipment.

The network has been set up,

north and south zones have been completed. East zone has 20% installation, and work will soon begin on west zones.

"But data opportunity is big and BSNL has the biggest land-line assets. We will push broadband through low-cost tariff, and integrate with our country-wide wi-fi zones, and our 3G mobile network," said Shrivastava.

BSNL will soon float a tender to purchase high-end wi-fi boxes for seamless integration with 2G and 3G connections. The equipment will cost about ₹900 crore.

"This will help BSNL subscribers to not only get better data speed but also almost zero call drops," says Shrivastava.