

News by Telecom.Economicstimes Dated **03-04-2019**

BSNL to release March salary on time; board meet on April 4

The source also said the salaries for March will be paid on time and from BSNL's service billings of own resources.

The state-run BSNL will hold a crucial board meeting on April 4 to discuss the 2018-19 financial results and the roadmap, and investments for 2019-20 fiscal, increasing of the ceiling limit for capex loans, sources said on Friday.

They also informed that the Public Sector Unit will use its services revenues to pay March salaries on time.

"The board meeting is scheduled for April 4 as of now, the approval of the board for raising the ceiling limit for availing the capex loans will be taken and then sent to the Telecom Ministry.

"The meeting will also draw up investment plans for the next fiscal and targets as well," said one of the sources. Currently the BSNL board has a ceiling of Rs 4,300 crore to raise as capex loans.

The source also said the salaries for March will be paid on time and from BSNL's service billings of own resources.

Service billing would mean the revenues from its access, leased line, enterprise business and broadband services, -- and not the payments from the special projects that the Department of Telecommunications (DoT) pays it for doing projects like BharatNet, Andaman and Nicobar telecom projects and Network for Spectrum project.

The BSNL Board has two nominees from the DoT and they would be apprised of the BSNL action and investment plan for the next fiscal to survive the hyper-competition in the sector, challenges, likely expenditure, market conditions and capex, network expansion included.

The PSU has already installed 4G network equipment but they may need some scale up in view of the expected roll out of the LTE based 4G services sometimes

in the second half of the year.

The Telecom Regulatory Authority of India (TRAI) is currently examining the BSNL 4G spectrum issue after DoT referred to it. The DoT has ensured a comfort letter for BSNL to avail Rs 3,500 crore working capital from banks for the maintenance of the networks.

The PSU had a tough time in disbursing its HR bill of Rs 850 crore in February -- the first time in its 18 years of formation -- due to late and reduced arrival of receivables.

The BSNL has at present three proposals pending for its revival with DoT -- its Rs 6,535 crore VRS proposals to bring down employees base from a huge 1.76 lakh crore and the funding of this would be done through 10-year bonds by government. The 4G spectrum issue is currently with the TRAI.

The other proposal is the monetisation of its land which will be decided by the Disinvestment Department of the Finance Ministry as DIPAM is the nodal centre of non-core asset monetisation across Ministries.

With 3G and 2G, BSNL was the only operator besides Jio which could add 9 lakh subscribers (in February) keeping full fledged 4G players like Airtel and Idea Vodafone behind.

The state carrier is facing financial pressure due to lack of full fledged 4G services and a huge workforce as also excessive competition unleashed by lower tariffs from Reliance Jio which has affected the entire industry, with BSNL being no exception.

The PSU has 11.5 crore mobile users and has 9.7 per cent market share.