

BSNL, TCIL may get listed

New Delhi: The government said on Tuesday it is looking at listing BSNL and TCIL at the bourses with an initial 10% divestment, but the timeline for this would be decided in consultation with the finance ministry.

The government believes the listing especially of BSNL would help improve the company's image and promote its growth. "Two of our companies BSNL and TCIL are not yet listed. We would like to list them with 10% divestment in each of them initially. But the timeline will be decided in consultation with the finance ministry," telecom secretary Siddharth Behura said here.

BSNL sources said there will not be any fresh equity, but only offloading by the government. The company will not get any proceeds from the IPO. BSNL's net profit has hit a low of Rs 104 crore on revenue of Rs 34,937 crore, both down from a year earlier, hit by higher

staff costs and declining income from services.

The government had planned to sell 10% of BSNL and list its shares last year, but had to defer the proposal after opposition from a major workers union and the stock market meltdown. TCIL's CMD Rakesh Upadhyay said no valuation had been done yet, he said, but the listing would be good for the company.

The BSNL union has meanwhile decided to observe an "Anti-Disinvestment Day" on July 22 protesting the government's plan to sell its shareholding in the company. "The plea of the management that IPO is necessary to mop up funds for development and expansion is far from the truth, as the BSNL has more than Rs 37,000 crore stashed in banks. It can be used for expansion instead of selling shares," V A N Namboodiri, convenor, Joint Forum of BSNL Associations, said. PTI