

New valuation pegs BSNL's prime land at Rs 65,000 cr: Anupam Shrivastava, CMD

The valuation includes land parcels in Delhi, Mumbai, Pune, Ahmedabad, Jaipur, Lucknow, Chennai and Kolkata, among others. PTI | July 30, 2017, 21:50 IST

Newsletter **A**

NEW DELHI: [BSNL](#)'s one-third of prime land holdings alone is estimated to be now worth Rs 65,000 crore, way higher than the book value of Rs 975 crore for its entire land assets recorded decades ago, a senior company official said.

[Bharat Sanchar Nigam](#) (BSNL) had a 'book value' of Rs 975 crore for the 15,000-odd land and building assets it holds, Chairman and Managing Director [Anupam Shrivastava](#) said.

This valuation was arrived at decades back, and in order to reflect a true picture the company got a reassessment done using the 'fair value' method.

BSNL -- figured among the top loss making firms with a net loss of about Rs 3,880 crore in the government's Public Enterprises Survey 2015-16 -- initiated the valuation exercise as part of project 'Vasundhara' in April this year.

KPMG was roped in as a consultant for the project, which is now nearing completion.

The exercise, done alongside the aggressive business revival plans the company pursues, saw one-third of the freehold land assets, mostly in prime locations in major cities being reassessed at the current market value.

"We decided to go for fair valuation of a third of our land parcels...freehold land. For entire land holding, the 'book value' was so far Rs 975 crore in our books of account. With this, the fair valuation has been estimated at about Rs 65,000 crore just for one-third of land parcels," he told PTI here.

According to Shrivastava, the valuation was taken up as part of a "special window allowed under the Indian Accounting Standard".

"We were informed by our consultant KPMG that a window of opportunity was provided for this year, for all companies... So we are among companies that have undertaken this exercise of fair valuation of the land parcels," he said.

The valuation exercise is "97-98 per cent complete", he added.

The valuation includes land parcels in Delhi, Mumbai, Pune, Ahmedabad, Jaipur, Lucknow, Chennai and Kolkata, among others.

"The land on which BSNL has its corporate office has itself been valued at nearly Rs 2,500 crore," he added.

Asked why the corporation cherry-picked only a third of its land holding for valuation, he said that the land included in the exercise was "most lucrative".

"There is cost to the valuation, as it has to be done by certified valuers. We thought it worthwhile to only go for one-third (of holding) as it includes the prime land parcels. The incremental value for the rest, will not be exponentially higher," he pointed out.

Shrivastava said that the valuation will reflect as part of the networth in BSNL's latest books of accounts, and would be useful in case the telecom PSU wants to monetise its assets, by commercially utilising its holding in future.