

# Analysis Of Financial Performance And Critical Evaluation Of The Bsnl Voluntary Retirement Scheme

**Dr. Jojomon N A**

Designation: Associate Professor of Commerce and Research Guide Post Graduate and Research Department of Commerce Panampilly Memorial Government College, Potta PO 680722, Chalakudy, Thrissur Dt. Kerala, India.

---

## Abstract

Financial analysis identifies the financial strengths and weaknesses of the company by establishing a proper relationship between the budget item and the profit and loss account. The aim of the study is to analyse the financial performance of BSNL for the five-year period (2015 to 2019) as well as the critical evolution of the VRS scheme. Voluntary Retirement Scheme (VRS) is the fact that an individual absolutely stops to be working. The employee may also be semi-retired by reducing working hours. Numerous workers prefer to resign when they are eligible for private or public pension payments, while others are required to withdraw as health disabilities no longer enable employees to operate or as a consequence of laws related to their job. Financial analysis refers to the process of measuring the company's operating and financial characteristics from the accounting and financial statements. The objective of this analysis is to determine the efficiency and performance of the management of the company by comparing the five-year balance sheet and its impact on the evolution of the VRS scheme. The research is an effort to calculate the profitability, liquidity and other indicators of the business carried out in a reasonable and natural manner by carrying out the analysis of the ratio; it is a method of interpretation and analysis of the financial statements. It is the process of establishing and interpreting the different ratios of aid to decision-making. Ensure the return to shareholders to maintain at least its market value. The study showed why BSNL decided to implement the VRS system.

**Key words:** Profitability, liquidity, Ratio analysis, Voluntary Retirement Scheme (VRS), Evolution of the VRS scheme.

---

## 1 Introduction

With the liberalisation of the Government of India, a new policy plan for major reforms in the manufacturing and corporate sectors has been introduced. The Government also made it easier for company and commercial enterprises to reduce the surplus of workers and employees. This culminated in the modernization of the company leading to the modernisation, the incorporation of emerging technologies and the introduction of innovative working methods. Thus, on the basis of the above findings, industrial organisations must work efficiently to survive competition. According to the Industrial Disputes act 1947, there were several legal barriers and nuanced processes, the government approved voluntary retirement schemes for workers with acceptable voluntary retirement compensation, and tax exemption for such compensation to workers who qualify for voluntary retirement schemes in compliance with the recommendations provided by the

Government. Furthermore, the powerful reaction of the labour unions to the loss in workers and working force contributes to difficulties in employment relations. It is also important to find a means of encouraging businesses, particularly those in government undertakings, to provide voluntary retirement schemes to offload excess labour without experiencing workplace relations issues. The voluntary retirement scheme is a mechanism implemented by corporations to decrease the amount of workers hired. It is a popular tool used to minimize surplus personnel in order to boost the efficiency of the company.

Majority communication needs of citizens were being met by Government initially through Department of Telecommunications (DOT) in India till 1990s, later financial liberalisation era, Government of India allowed private Telecom operators. In year 2000, Telecom services delivery wing of DOT, i.e. Department of Telecom Operations transformed as 100% Government of India owned Public Sector Unit as Bharat Sanchar Nigam Limited (BSNL) on 1st Oct 2000. At present, in India, both Private telecom service providers including state run PSUs viz., BSNL / MTNL (MTNL operates in Delhi & Mumbai only, rest of India by BSNL) are serving the telecommunications needs of the nation.

However, owing to the subsequent predatory market conditions, the whole telecom sector came under stress and BSNL also remained no exception to it. The revenues started taking nosedive and expenditure started moving up owing to the tough market scenario. However, still BSNL deserves credit for keeping the Market Share in upward direction despite the extremely adverse conditions all these years. BSNL remained self dependent and almost debt free which is basically in sharp contrast to the other telecom players who have been severely debt ridden owing to the huge loans taken from banks and other financial institutions. BSNL's revenues for FY15 stood at ₹28,645 crore, which rose to ₹32,918 crore in FY16 and then fell to ₹31,532 crore in FY17. The revenues further fell to ₹25,070 in FY18 and ₹19,308 in FY19. The Telecom Market went through a major disruption with the introduction of low tariffs and cut-throat competition among the private players. The disruption caused BSNL bleed out a loss of Rs 4,786 crore in 2016-17, Rs 89 crores lower than Rs 4,875 crore in 2015-16, but a great recovery when comparing to the loss of Rs 8,234 crore in 2014-15. It further went down by a whisker to Rs 4,785 crore in 2017-18. BSNL has a huge legacy workforce. The workforce of BSNL is 1, 53,786. Majority (about 70%) of this workforce was transferred to BSNL from DOT at the time of formation of BSNL. The workforce of BSNL has an average age of more than 55 years (especially in the group "C" and "D" staff). As a part of Revival of BSNL, Government of India announced VRS-2019 on 23rd October 2019 to reduce staff strength and thereby reducing salary bill of the company.

## **1.2 Option for VRS towards BSNL Employees**

BSNL (Sanjay Singh, 2011) was carved out of DOT (Department of Telecommunication) in October 2000. Around 300 employees retired from service, while the remaining officers are expected to join in the newly formulated entity BSNL. But at that period, the officers were in a dilemma, for them BSNL gave the direction of either joining in its division or to opt out of Voluntary Retirement Scheme. This twin move had left the employees baffled. BSNL had submitted the proposal of VRS to the DOT for employees who attained the age of 45 years and also have served as regular employees in BSNL for 15 years. Industry observers felt that the fate of BSNL is at stake. They feel that these developments will create a massive vacuum in BSNL which will not only affect the basic functioning

of the company but will also affect other operators as well. Those who opt for VRS will ensure that the employee get an ex- gratin amount of 60 days salary (Basic + Dearness Allowances) for each completed year of service or the salary for the number of months left in the service, whichever is less. However, the compensation would be subjected to a maximum of 60 months" salary. The ex- gratin amount will be in addition to the benefits of normal retirement.

## **2. Literature Review**

In view of (Sudarshanam,2012) it is explored that the respondents reported that they had opted for VR because they felt that they would get better jobs in other organizations in view of their long experience and skill background. It was concluded from the analysis that the economic and social compulsions acted as the predominant force for accepting VRS.

Researchers (Das and Naeem ,2017 ) argued that there is a gap in factors that need to be discussed by the management of the country's organisations and planners and decision makers. They concluded that it is counter to the clear HR policies and procedures of every company and plays a detrimental position in the Employer Branding Scheme, whether VRS or CRS. According to (Masih & Tripathi ,2013) the study found that BHEL employees had positively viewed VRS whereas ITI employees had a negative view of VRS because various strategies had been implemented in ITI management to render this strategy aggressively voluntary, which led to some revolt in the organisation. The findings from (Sivasankaran & Vadivel, 2016 ) indicate that the CRS / VRS respondents were not quite happy with their retirement package. In addition, the holders are influenced by personalities owing to retirement. In comparison, certain citizens thought like their ambitions had disappeared and that they had damaged their self-confidence, etc.

Researchers (Ahmeda & Wangb , 2018 ) assessed that existing retirement trends in Zanzibar were appreciative with sufficient coverage of public sector workers, albeit distinguished by unreliable benefits. Furthermore, the desire to remain in jobs has been favourably associated with the retirement age and the career status of the company. According to ( Kumar & Nishi Tripathi , 2015), workers thought that the VRS strategy was just fine for the business but not for the employee. Also, this influence of VRS was attributed to their experience , age and graduation before they opted for VRS. In addition, they suggested that the workers' preferences in terms of compensation, like in certain instances, were those of workers who had already opted for VRS. ( Suri and Poonam, 2013) studies showed that the most significant factors for males to select were the opportunity for more jobs, the monotony in their current career, the transition of self or spouse and their desire to set up their own company with the aid of the financial benefits they earned after their voluntary retirement. Women 's key motives for opting for VRS were to settle infants, ill health of their own or relatives, relocation of spouse or themselves, dismissal of work or abilities, spend more time with their families, which, according to them, they were unable to do because of their busy schedule at work. The findings of (Aggarwal , 2007 ) indicate that variations in household characteristics were some of the possible explanations why some employees opted for VRS, while others, while qualified, did not find it attractive.

The Dutch (Vermeer, 2016) poll of public opinion about what jobs are challenging, whether it is justified that anyone with a demanding profession should retire sooner, and whether it is willing to contribute to the quicker retirement scheme for those professions by higher taxes. The research (Sanjay Kumar , 2015) reveals the effect of VRS on the assumption that, owing to their income, age

and degree, before opting for VRS, the research also projects employees' preferences in terms of rewards, as in most cases employees who have already opted for VRS implied that the organisation could continue to provide a medical service, even though the employee has used VRS because the medical justification is one of the significant ones. The marriage of daughters, the redemption of loans and the conditions of the families have emerged as one of the key explanations for the need for money in Indian society. Employees worked hard all the life to create a nest egg, so it just makes sense to want a smooth retirement free from financial concern and full of life's enjoyment.

(Pritish & Saxena , 2015) in their Study Report on the Indian Telecom Industry Review concluded that the Indian Telecom Industry provides a major contribution to India's overall socio-economic growth. It is an important tool for the development of the nation and the numerous telecommunications service providers provide voice and data services to consumers throughout different regions of the world, including urban and rural areas, thereby promoting the growth of this market.

(Yadagiri & Rajaram ,2018) in their research article "ANALYSIS OF OPERATING PERFORMANCE OF BSNL" Calculates to assess the operating performance of BSNL segment wise in terms of revenue , total income, operational income, operating expenses total expenses, employee benefit expenses, administrative, operating and other expenses, profit before tax, tax expenses and profit after tax . (Dhanabhakym & Kurian , 2012) in their Research Article "Profitability Analysis of Bharat Sanchar Nigam Limited (BSNL)" calculated the Net Profit Ratio, Return On Assets Ratio, Return On Equity, Earning Per Share and Cash Profit Ratio from the year 2001-02 to 2010-11 and concluded that the profitability ratios shows fluctuating trends except last two years and the last two years ratios shows negative values except cash profit ratios.

(Gupta, 2015) in its Research Article "Financial Efficiency Assessment of Telecommunications with particular regard to BSNL" concluded that BSNL practises an active strategy of liquidity management and that the firm has ample liquidity reserves to fulfil its short-term liabilities. After analysing BSNL 's five-year balance sheets and all the circumstances, the author concluded that BSNL was confronted with a capital challenge that impaired BSNL 's financial status. The financial situation of BSNL was strong in 2004 relative to the current year. The company's earnings are declining year over year owing to the continuation of strong liquidity.

### **3 Significance of Study**

In the age of globalisation, liberalisation and privatisation, the problems confronted by public telecommunications operators in India are distinctive. The problems are heterogeneous and apply to finance, human resources management, marketing and human resources management, etc. Benefit is not appropriate. The telecommunications industry has led to the over-the-counter development of the economy, and the impact of the position of the public sector is unrecognised. BSNL in the telecommunications market is volatile in both the private and public sectors of the Indian economy. The continued feasibility of BSNL is also of strategic interest to the Government and industry. Ratio analysis is a methodology of examination and perception of financial statements by means of different ratios that aid in decision-making. It also helps to recognise the financial strength and vulnerabilities of an organisation. The ratio review therefore allows you clarify when things are not going smoothly and when corrective action needs to be taken. There are various forms of equations to verify the liquidity, effectiveness and output assessment of the company. Financial

analysis is a method that seeks to determine the liquidity dynamics, viability, capital structure and operating performance of the business in order to preserve its market sustainability.

Retirement is a term of modern roots, but it may be traced back to Indian theory. The explanations for the voluntary retirement programme and its effect on its investors have been examined in this article. There are a variety of explanations for opting for VRS, such as new jobs, medical rest, resources, and setting up your own company. The present study therefore analysed the efficiency of BSNL and the characteristics, advantages and drawbacks of the VRS scheme provided by BSNL 2019.

#### **4. Objectives and Research Methodology of Study**

##### **4.1 Objectives of present study**

- 1) To make an analysis of the Balance Sheet of the company over the last five years.
- 2) To Study the Financial Performance of BSNL over the last 5 years.
- 3) To Examine the Composition of Expenditure of BSNL over the last five years.
- 4) To Study the VRS Scheme offered by BSNL 2019.

##### **4.2 Research Methodology**

A research without a research design is like being lost on journey without a guiding light. Hence the research design gives direction to the study. The research methodology for this study is the Exploratory and Descriptive Research Method, which allows producing fair, accurate and relevant findings. This study of the sample corporation called BSNL was used for the review of the financial situation. The present analysis is focused on secondary data obtained by the company's released annual reports. These financial details are categorised, tabulated and updated as needed by the company's profitability review. This research covered 5 years of data from 2015 to 2019 for the review of the financial situation of BSNL. The financial and liquidity status of BSNL was evaluated using the ratio analysis financial techniques. The data collected was evaluated with the aid of all major applicable financial factors, such as:

1. NP Ratio;
2. Current Ratio;
3. Liquidity Ratio;
4. ROI;
5. Debt – Equity Ratio;
6. EPS;

The capacity of a company to assess its financial situation is important for enhancing its strategic position in the marketplace. Via close review of its financial results, the company may find ways to enhance departmental, entity or organisational performance. In this sense, the concern emerges as to how the financial success of BSNL is handled, which plays a critical role in the growth and development of the public sector business. Also to study VRS scheme offered by BSNL, Present study first analyse performance of BSNL over last 5 year .Then present data related to VRS scheme offered by BSNL is overviewed .

## **5. Analysis of BSNL Balance Sheet of the Financial Year 2015 to year 2019**

From table 1 and table 2 it is clear that in financial year 2016, Total non-current assets has negative growth of -5.266% and -1.205% in year 2015 and 2016 respectively. And in year 2018 and 2019 a positive growth in term of totals current assets of 0.8142% and 1.267% in year 2018 and 2019 respectively. In term of total current assets only in 2017 a negative growth of 26.371 came out while in 2016 2018 and 2019 balance sheet show a positive growth i.e. 7.9592%, 5.1726%, 7.2655% respectively. In term of total equity from year 2015 to 2019 there is very negative growth .Total non-current liabilities percentage growth in year 2016, 2017, 2018 and 2019 are 54.35764,-3.2398 and 42.3and 25.57% .This further shows that the company has revised long term finances. The overall financial position of the company is unsatisfactory. Figure 1 is graphical representation of percentage change in Assets, equity and liabilities.

## **6. Financial Techniques**

The Ratios which are uses in the study are as follows:

### **6.1 Net Profit Ratio (NPR)**

The net benefit ratio is the net profit ratio (after taxes) to revenue. This is presented as a ratio. Net gains are rendered following reduction of income-tax. The net rate of profit is used to calculate the total profitability. The higher ratio is stronger in terms of expense management and operating performance.

### **6.2 Current Ratio (CR)**

It is an indicator of profitability that is often commonly used to assess the company's short-term financial situation. CR may be defined as the relationship between current liabilities and current assets .

### **6.3 Liquidity Ratio (LR)**

LR is also referred to as the "quick ratio" of float assets to current liabilities. True liquidity refers to a company's ability to meet its short-term responsibilities as and when it becomes necessary. Liquid assets are established current investments minus inventories.

### **6.4 Ratio of Debt – Equity**

The debt-to - equity ratio ( $D / E$ ) is calculated by dividing the company's total liabilities by its shareholders ' equity. These figures are seen on the balance sheet of the financial statements of the company. The ratio is used to calculate the financial leverage of a corporation. The  $D / E$  ratio is an important metric used in corporate finance, reflecting the ability of lenders to reclaim any outstanding liabilities in the event of a downturn in the market.

### **6.5 Earnings per Share**

EPS is commonly regarded to be a significant element in the calculation of the stock price of the company's equity capital and in the assessment of the company's willingness to offer dividends to its

shareholders. Earnings applicable to shareholdings shall be received after deducting the preference share distribution from both the choice and the equity shares.

### **6.6 ROI (Return on Investment)**

This is the proportion of the net benefit to shareholder expenditure. This is the collaboration between the net benefit and the shareholder / owner's fund. From the shareholder's point of view, this ratio establishes the feasibility.

### **7. Finding and discussion**

On the basis of objectives of present study following are the findings of study-

**Voluntary Retirement Scheme (VRS):** Government of India announced on 23rd October 2019 the revival package of BSNL & MTNL, in which the employees who completed 50 years of age are eligible for opting VRS. Under this an exgratin of Rs.17,169 Crore was allotted to meet the expenses towards pension, gratuity and Commutation. As 92,500 employees of BSNL and MTNL opted for VRS nearly Rs.8,500 crores will be saved annually towards salaries. From BSNL nearly 78,500 employees opted for VRS. Those who opted VRS will receive 100-125% of the salary for the remaining service to a maximum of 42 months.

The overall profitability of BSNL is not satisfactory as the return on investment is showing the negative value from the previous year which means that almost in every year the BSNL incurring heavy losses due to over capitalization and underutilization of the existing assets. The efficiency of the firm is also decreasing from the previous year as the net profit shows results in negative means the company is running in loss and the percentage of loss is increasing. The EPS (earning per share) estimates the company's capacity to pay dividend to its equity shareholders. Here also EPS is decreasing means its market price of equity shares declines. The average earning per share during the period of the study is negative. It indicates that the poor profitability of the company. It is also suggested that the BSNL has to introduce the necessary measures for increasing its profit-making capacity in the near future; otherwise it may not survive for a long run with this declined trend of EPS. Current ratio shows that what is the yearly position from the view of payment of current liabilities whereas liquid ratio indicates the position of payment of current liabilities either immediately or during a very short period. In this case also if company has to pay off its current liabilities it has to sell off its fixed assets to pay of the liabilities. BSNL is weighted down with the current debts as compared to previous year. In this case also if company has to pay off its current liabilities it has to sell off its fixed assets to pay of the liabilities. BSNL is weighted down with the current debts as compared to previous year. D/E ratio indication of improper debt equity management. As the BSNL is cent percent Government owned company, the government waiving the loan amount taken from the government. Thus the debt liability of BSNL abnormally declining and the proportionately equity has been increasing. The company in which we are investing should be capable of relying on fixed assets to meet the current debt but BSNL is not so in the current period which is represented by Fixed assets to net worth ratio and F/A turnover ratio that company is not using its assets to the fullest. Overall we can say that BSNL is not in a satisfactory level in its financial performance in India.

From above discussion it is clear that Performance in term of finance of BSNL is not good and also

from Table 3 it is also clear that employee benefit expense is greater than 40 percent of total expense. Therefore, decrease in the costs of employees by offering VRS to employees of 50 years of age and above is fine step for removing some burden of BSNL . The Voluntary Retirement Scheme (VRS) was provided to BSNL on 4 November 2019 and ended on 03.12.2019. BSNL saved around Rs. 7000 crores in the rate of salaries. This would have been big savings. The overall workforce size of BSNL is approximately 1.6 Lakh and before the closing of the scheme, 78,569 BSNL workers had chosen for the VRS. . This requires the distribution of VRS to their staff and the monetization of their savings. This is also the need for an hour after BSNL recorded continuous loss years, as we discussed in our analysis.

### **8. Limitation of the Study**

The analysis is carried out using secondary data. The credibility of the findings would be dependent on the accuracy of the data obtained. Primary data is primarily accessed due to lack of access to the company's primary financial data. The research is focused on BSNL data; hence, the generalisations extracted from the analysis might not be universally relevant to the entire telecommunications sector in India. The statistics have to be approximated in the study of the results when measuring the ratios, estimates and other statistical indicators. The data included in this analysis were taken from the released annual reports only. Any data have been categorised and sub-grouped according to the criteria and need. Financial analysis is focused purely on monetary knowledge, and non-monetary considerations are overlooked. For the study of the financial situation of BSNL, only the ratio analysis methods and the comparative review of the financial reporting balance sheet are included. Study is just a way, not a goal in itself. We've got to create an explanation to draw our own inference. Different individuals may view the same study in various ways.

### **9. Conclusion**

Since the beginning until the conclusion of its creation in 2020, the company's 34 years of operation have seen numerous faces along its path. BSNL held a lock on the business at one point. But today the business faces very strong competition from giants including Bharti-Airtel, Reliance Concept, Vodafone, Tata, etc. The inference to be taken from the review of BSNL's financial results is that, firstly, BSNL has indeed witnessed a decline in revenues over the last 5 years, yet the spending has gradually risen. I also concluded that any business must retain a good financial condition and preserve the goodwill of the organisation. Thus, the present analysis has shown that the VRS scheme chosen by BSNL has had positive results after a long time of significant failure.

### **References**

BSNL, Annual Reports 20014-17 to 2018-2019.

Dr. Kanchan Bhatia and Prof Prashanth Jain (2012) —A study of Performance appraisal and organizational effectiveness in terms of individual and organizational basis. A comparative study of BSNL and AIRTEL|| International Journal on Arts, Management and Humanities 1(1): pp.63-72.

Amalendu Bhunia, Somnath Mukhuti and Gautam Roy (2011). Financial Performance Analysis- A Case Study. Current Research Journal of Social Sciences 3(3): 269-275.



- J.Pavithra& Dilip Gurukrishnan A STUDY ON FINANCIAL ANALYSIS OF BSNL” International Journal of Pure and Applied Mathematics Volume 119 No. 12 2018, 1471-1489 ISSN: 1314-3395.
- Enid Masih, & Nishi Tripathi, (2013). Employee perception towards VRS: A Comparative study of ITI and Bhel. Indian Journal of Commerce & Management Studies, IV(1), 33-37.
- Gopala Sudarshanam, (2012). Motivational factors to opt for voluntary retirement scheme – A study of select undertakings in Andhra Pradesh. International Journal of Multidisciplinary Research, 2(3), 59-73.
- Rajendra Prasad Das, & Syeda Shumaela Naeem, (2017). Causes of Opting VRS by Employees in Selected Steel Manufacturing Organizations in India- A Comparative Study. SUMEDHA Journal of Management, 6(1), 69-77.
- Salum Mohammed Ahmeda, & Bing Wangb, (2018). A Review on Retirement Practices Towards Public Employees in Zanzibar in Tanzania. American Scientific Research Journal for Engineering, Technology, and Sciences, 42(1), 231-241.
- Sanjay Kumar, & Nishi Tripathi, (2015). An Analysis of Impact and Implications of Voluntary Retirement Scheme. European Journal of Business and Management, 7(1), 297-302.
- Sivasankaran M.S., Vadivel, C. (2016). A Study on the Satisfaction of CRS/VRS Individuals and the Impact of Retirement on Them with Special Reference to OOTY Taluk. IOSR Journal of Business and Management, 18(11/I), 42-47.
- Sivasankaran M.S., Vadivel, C. (2016). A Study on the Satisfaction of CRS/VRS Individuals and the Impact of Retirement on Them with Special Reference to OOTY Taluk. IOSR Journal of Business and Management, 18(11/I), 42-47.
- Suresh Chand Aggarwal, (2007). Impact of Voluntary Retirement Scheme on Indian Public Sector Banks and its Existing Employees: An Empirical Analysis. Researchgate, 308904327, 1-27.
- Suri, R.K., & Poonam, (2003). An analysis of the reasons for voluntary retirement. Delhi Business Review, 4(1), 1-5.
- Dr.M.Dhanabhakyaam and Swapna Kurian (March-2012) —Profitability Analysis of Bharath Sanchar Nigam Limited (Bsnl)|| Indian Journal of Applied Research, Ahmedabad,Volume:1,Issue:6 ISSN-2249-555X.
- R.C.Upadhyaya and Vashundhara Sharma (December-2012) —A Comparative Study Telecommunication Service providers BSNL and AIRTEL Operating in Gwalior Division India —International Journal of Business Management & Research (IJBMR), Vol. 2 Issue4, pp. 13-20
- Anand Pawar &M. Pandya Nayak (June 2013) FINANCIAL PERFORMANCE ANALYSIS: A CASE STUDY OF BSNL, Summer Internship Society Volume IV Issue-2

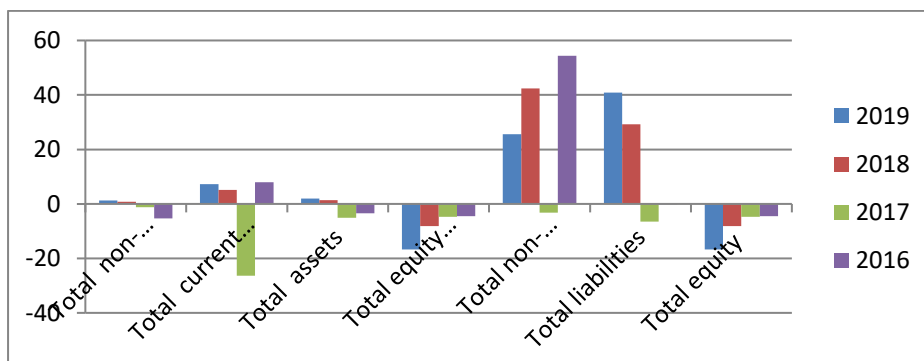
Chhaya P.Patel and Smt.K.K.Patel (April-2014) —Study on Performance Appraisal System in BSNL|| VSRD International Journal of Business and Management Research, Vol. IV, Issue IV.

Anush Gupta(April-2015) —Financial Performance Evaluation of Telecommunication with special reference to BSNL|| SSRG-International Journal of Humanities and Social Science, ISSN:2394-2703. Ms.Pritish and Dr.Taruna Saxena (Oct-2015) —An Analysis of the Indian Telecom Industry|| IOSR Journal of Business and Management (IOSR-JBM), Volume 17, Issue10.Ver.II, PP 35-42.

**Table 1: Balance Sheet of BSNL (2015-2019) (in Lakh)**

Particulars	2019	2018	2017	2016	2015
Total non-current assets	11755857	11608772	11515012	11655507	12303432
Total current assets	1792419	1671011	1588828	2157879	1998792
Total assets	13548276	13279783	13103840	13813386	14302224
Equity share capital	500000	500000	500000	500000	500000
Total equity Liabilities	7473434	8967242	9767424	10246028	10733480
Total non-current liabilities	25,01,912	19,92,430	13,99,368	14,46,223	9,36,930
Total liabilities	6074842	4312541	3336416	3567358	3568744
Total equity	74,73,434	89,67,242	97,67,424	1,02,46,028	1,07,33,480

Source: (Bharat Sanchar Nigam Limited)



**Figure 1 Percentage change in Assets, Equity and Liabilities.**

Source: (Bharat Sanchar Nigam Limited)

**Table 2 The financial performance for fiscal 2015 to 2019 (in Lakh)**

Particulars	2019	2018	2017	2016	2015
Revenue from operations	17,76,106	22,66,778	28,40,373	28,38,086	2724223
Other income	1,55,961	2,40,286	3,12,971	4,03,046	140297
<b>Total revenue (I)</b>	<b>19,32,067</b>	<b>25,07,064</b>	<b>31,53,344</b>	<b>32,41,132</b>	<b>2864520</b>
Employee expense	14,31,590	14,83,724	15,71,545	15,36,915	14,96,350
Other expense	19,90,901	18,97,156	20,61,120	21,90,133	22,32,860
<b>Total expenses (II)</b>	<b>34,22,491</b>	<b>33,80,880</b>	<b>36,32,665</b>	<b>37,27,048</b>	<b>3729210</b>
%age of employee benefit expense to total expense	41.82889	43.88573	43.26149	41.23679	40.12512
Prior period items (net)(III)					19,652
<b>Loss before tax (IV = II-I+III)</b>	<b>14,90,424</b>	<b>8,73,816</b>	<b>4,79,321</b>	<b>4,85,916</b>	<b>884342</b>
Provision for deferred tax(V)					60,933
Tax Provision for the year(Vi)		74531			
<b>Loss for the year (VII=IV-V-VI)</b>	<b>14,90,424</b>	<b>7,99,285</b>	<b>4,79,321</b>	<b>4,85,916</b>	<b>823409</b>

Source: (Bharat Sanchar Nigam Limited)

**Table 3: Total number of employee from year 2015 to 2019.**

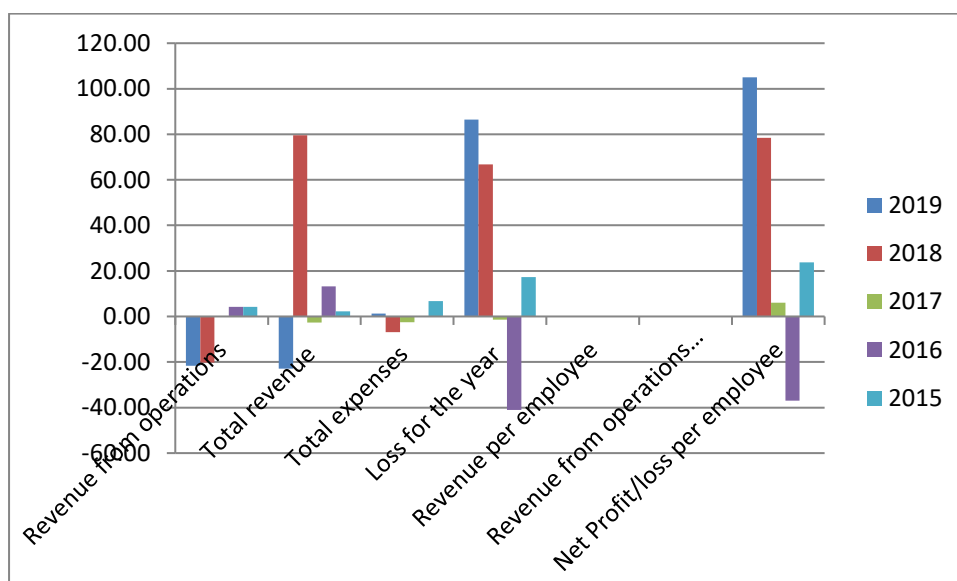
2015	2016	2017	2018	2019
2,25,512	211086	1,96,448	183522	166974

Source: (Bharat Sanchar Nigam Limited)

**Table 4: Performance with respect to no. of employees (in Lakh).**

Particulars	2019	2018	2017	2016	2015
<b>Total Revenue</b>	19,32,067	25,07,064	31,53,344	32,41,132	2864520
<b>Total Expense</b>	34,22,491	33,80,880	3632665	3727048	3729210
<b>Net loss of year</b>	14,90,424	7,99,285	4,79,321	4,85,916	823409
<b>Revenue per employee</b>	11.57106	13.66084	16.0518	15.35456	12.7023
<b>Revenue from operations per employee</b>	10.63702	12.35153	14.45865	13.44516	12.08017
<b>Net Profit/loss per employee</b>	8.92608	4.35525	2.43994	2.30198	3.65129

**Source:** (Bharat Sanchar Nigam Limited)



**Figure 2: Percentage change in Revenue, Expense and Loss of year (2015 to 2019).**

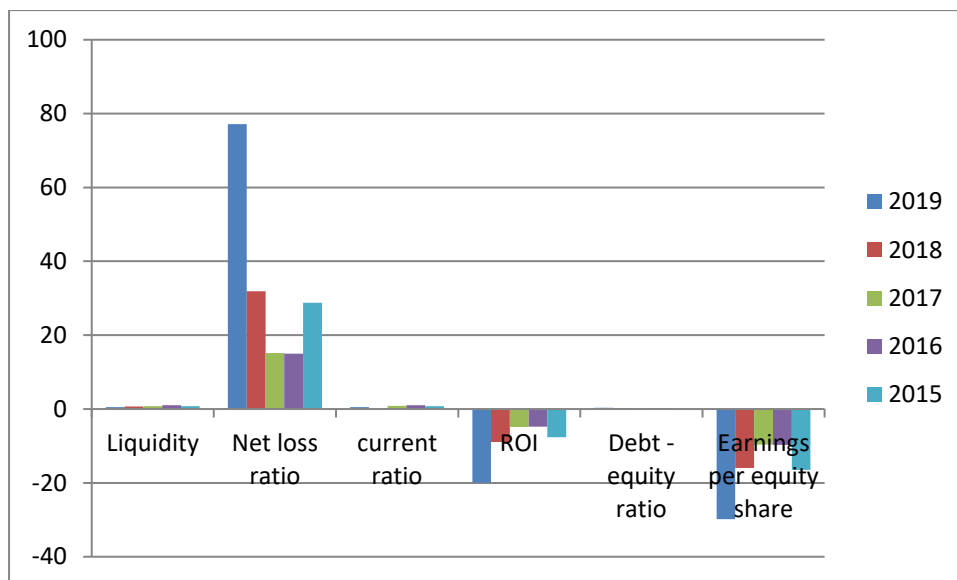
**Source:** (Bharat Sanchar Nigam Limited)

**Table 5: Summary of financial performance for the years 2015 to 2019.**

Particulars	2019	2018	2017	2016	2015

<b>Liquidity</b>	0.47891	0.71107	0.80966	1.00831	0.75211
<b>Net loss ratio</b>	77.1414	31.8813	15.2004	14.9922	28.7451
<b>current ratio</b>	0.5:1	0.072:1	0.82:1	1.02:1	0.76:1
<b>ROI</b>	-19.943	-8.9134	-4.9073	-4.7425	-7.6714
<b>Debt -equity ratio</b>	0.334774	0.22219	0.143269	0.14115	0.08729
<b>Earnings per equity share</b>	-29.81	-15.99	-9.59	-9.72	-16.47

**Source:** (Bharat Sanchar Nigam Limited)



**Figure 3: Ratio Analysis for the years 2015 to 2019**

**Source:** (Bharat Sanchar Nigam Limited)