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Dated 19.03.2021.

To

Respected Shri. Narendra Modiji,
Hon'ble Prime Minister of India,
New Delhi.



Sub: BSNL Revival is possible only by i) immediate launching of 4G services and ii) Monetization of land assets and clearing debts. Launching of 4G services is possible within 2 to 3 months time by upgradation of about 49,300 4G/4G compatible BTSs and utilising the existing infrastructure. BSNL already procured and installed equipments, spending about 5000 Crores. Even 16 months after the Cabinet decision on BSNL Revival, on 23.10.2019 by allotment of 4G spectrum, BSNL could not launch 4G services. New Tender may take another 2 to 3 years with an estimated cost of 9000 Crores which BSNL cannot afford. Kind intervention solicited for directing BSNL for upgradation of the BTSs and immediate launching of 4G services. Side by side land monetization to be expedited to clear all the BSNL debts.

Respected Sir,

BSNL made all the ground preparations in advance to launch 4G services as and when 4G spectrum is allotted by the Govt. BSNL procured the Core and 4G compatible mobile equipments in 2018 itself for the launching of 4G services through various tenders, Phase VII and Phase VII plus and Phase VIII.4 tenders, spending thousands of Crores of rupees. By the upgradation of the existing 49,300 4G/4G compatible BTSs, BSNL can launch 4G services within 3 months, with very good coverage. The expenditure for upgradation is about 1000 Crores. These Core and RAN equipments are supplied by M/s Nokia and M/s ZTE (Chinese) (About 60% by M/s ZTE and 40% by M/s Nokia). BSNL can wind up 3G and launch 4G services. After huge delay of almost 3 years, BSNL got the 4G spectrum allotted through the BSNL Revival package approved by the Union Cabinet on 23.10.2019.

Sir, BSNL 4G launching is held up again by linking it with new 4G tender and the "Make In India" Policy of the Govt. We fully support the Govt initiative for "Make In India" which requires huge investment. It will take lot of time, may be years together to develop the Technology, POC and going for commercial manufacturing. Our only concern is that BSNL should not become a victim of a good Policy initiative by the Govt. Already BSNL is bleeding due to the abnormal delay in 4G launching. All other operators are providing 4G services (since 2014) with the equipments supplied by Global vendors. Along with them BSNL also procured the equipments long back but not allowed to launch 4G services.

The Indian mobile services and market is still largely depends on 2G services. Even for BSNL, more than 60% of the mobile revenue is coming from 2G services. Leaving 2G, going for 4G alone will be a wasteful expenditure and it will further erode the revenue source for BSNL. In addition, 4G market is almost saturated. Since more than 60% mobile revenue is from 2G services, BSNL cannot ignore 2G and go for 4G alone. So the new technology under testing

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should be 4G as well as 2G compatible. Similarly such developed Technology and equipments should have sufficient capacity for transmission of high power. Otherwise the number of BTSs requirement will be almost 2 to 3 times, escalating the cost of the project exponentially.

According to sources, the new tender may take atleast 2 to 3 years to roll out, provided POC is successful. Already 16 months lost and launching of 4G services after another 2 to 3 years will defeat the very purposes of BSNL Revival plan. The estimated cost for new tender is Rs 9,000 Crores, but BSNL is not having that much money to procure the equipments. **Additional procurement will become a wasteful expenditure for BSNL.**


One viable option is to direct BSNL to launch the 4G services in 2 to 3 months time with the existing network through technical upgradation. The cost is also very less, about 1000 Crores, comparing the cost of new tender for Rs 9000 Crores.

Another important issue which is to be addressed by the Govt on topmost priority is monetization of the land assets and clearing all the debts of BSNL. Major part of the revenue generated by BSNL is now utilized for clearing the bank loans, leaving no money, even for meeting operational expenditure. BSNL expansion plan may not taken off until the debts are cleared and its financial condition is improved. It is understood that, **next financial year 2021-22, BSNL has to repay more than 6000 Crores bank loans, which is equivalent to almost 1/3rd of BSNL revenue. If land monetization is not happening by next year in a big way, BSNL will become a defaulter and BSNL Revival become more and more difficult.**

Sir, BSNL Revival is delaying mainly due to non-launching of 4G services and delay in land monetization and clearing the debts. Our humble request to your goodself is to intervene in the matter decisively and:

- 1. direct BSNL to launch 4G services immediately through upgradation of the existing 49,300 BTSs which are procured and installed by spending more than Rs 5,000 Crores on the anticipation that BSNL can launch 4G services within 2 to 3 months on allotment of 4G spectrum. The new tender for 4G equipments may be dealt separately without clubbing with the upgradation. As and when indigenous Core is ready, the equipments can be shifted to it, fully complying with the Govt Policy.**
- 2. direct concerned authorities to expedite the monetization of land assets to clear all the liabilities so that entire BSNL revenue can be utilized for operations and development purpose.**

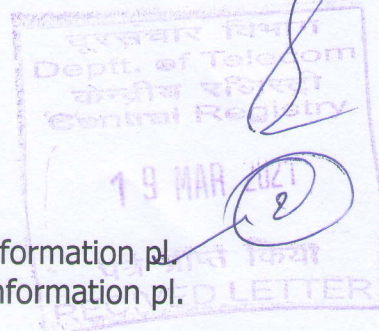
With kind regards,


(Sebastin. K) 19/03/2021

General Secretary

Copy to:

1. Shri. Ravi Shankar Prasad, Hon Minister for Communications for kind information pl.
2. Dr. Pramod Kumar Mishra, Principal Secretary to the Hon PM for kind information pl.
3. Shri. Rajiv Gauba, Cabinet Secretary for kind information pl.
4. Shri. Anshu Prakash, Secretary, DoT for information pl.
5. Shri. P. K. Purwar, CMD, BSNL for information pl.
6. Shri. S K Mishra, DIR(CM), BSNL Board for kind information and n/a pl.



② 19/03/2021