

ALL UNIONS AND ASSOCIATIONS OF BSNL (AUAB)

No: UA/2020/16

15.12.2020

To

**Shri Narendra Modi Ji
Hon'ble Prime Minister,
Government of India,
South Block, Raisina Hills,
New Delhi – 110 001**

Respected Sir,

Sub: - **Suggestions of the AUAB for the immediate launching of BSNL's 4G service, the most important factor for the Revival of BSNL - req.**

Ref: - **AUAB letter no.UA/2020/02 dated 05.05.2020.**

Most respectfully, the All Unions and Associations of BSNL (AUAB), the umbrella organisation comprising the Trade Unions and Associations of BSNL wishes to bring the following to your kind notice, for favour of necessary intervention please.

Vide letter cited under reference, the AUAB has already brought to your kind notice, about the inordinate delay being experienced in the launching of BSNL's 4G service. However, even seven months after our writing this letter, no improvement has come, so far as BSNL's 4G launching is concerned.

The Government of India took the decision on 23.10.2020, to allot 4G spectrum to BSNL and MTNL. However, it is a tragedy that even after a year of the government's decision to allot 4G spectrum to BSNL, the Company has not been able to launch its 4G service. This is because, the tender floated by BSNL on 23.03.2020, for the supply, deployment, upgradation and maintenance of 4G equipments at 50,000 sites, at the cost of around Rs.8,600 Crores, has been cancelled as per the direction of the DoT.

The reason behind the cancellation of this tender is the complaint given by the Telecom Equipments and Services Export Promotion Council (TEPC). The TEPC has complained that, the BSNL's tender conditions have precluded the domestic vendors from participating in the bidding. Thereafter, a Committee of the DoT, headed by the Member (Technology), Digital Communication Commission, is learnt to have suggested that, the core equipment for launching BSNL's 4G service should be procured only from domestic vendors. It is also learnt that, the Empowered Technology Group (ETG), headed by the Principal Scientific Advisor (PSA), has also approved the line of the DoT Committee, that BSNL's 4G core equipments should be procured only from domestic vendors.

We have already brought to your kind notice that all the private telecom service providers are already providing 4G services by procuring 100% of their equipments from multinational vendors like Samsung, Nokia, ZTE, Huawei and Ericsson. We have also pointed out in our letter cited under reference that, compelling BSNL alone to procure core equipments from domestic vendors will be a discrimination and will create quality issues. 4G being a state-of-the-art technology, BSNL cannot afford to procure substandard equipments from the inexperienced vendors, who are not having proven technology. It is an undeniable fact that, the 4G equipments of the domestic vendors are not tested or validated so far. Further, the domestic vendors lack the experience in managing huge mobile networks, like that of BSNL's.

Sir, we fully support the Government's initiative for "Make In India", which may require huge investment. Further, it may take years together to develop the Technology, completing the POC

and going for manufacturing. Our only concern is that, BSNL should not be made a victim of a good Government policy initiative like "Make In India". Already BSNL is bleeding due to the abnormal delay in 4G launching. All other operators started providing 4G services 3 years back, with the equipments supplied by global vendors and they are occupying a market share of about 90%. BSNL, with less than 10% market share, cannot be a threat to the security concerns of the Government.

This is the reason why many former reputed officers of the DoT and BSNL, like Shri R. Chandrasekhar, former Secretary, Telecom, have stated that BSNL alone should not be compelled to procure equipments from local vendors. Moreover, it is also the opinion of experts that, BSNL will have to spend a substantially higher expenditure for rolling out 4G network, by procuring equipments from domestic vendors. In view of the foregoing, we would like to implore upon you sir, to kindly ensure that BSNL is not discriminated in the matter of procurement of equipments. BSNL should also be allowed to procure it's equipments at par with the terms and conditions of the private telecom service providers. If Core equipments are to be mandatorily purchased from Indian manufacturers, it should be made applicable for all the operators.

The Indian mobile services and market are still largely depending on 2G services. Even for BSNL, more than 60% of the mobile revenue is coming from 2G services. This shows that 2G services in India cannot be stopped abruptly and we cannot compare with other most developed countries. Reliance Jio is making propaganda for stopping 2G services, as it does not have 2G Technology. Leaving 2G and going for 4G alone will be a wasteful expenditure, which will further erode the revenue source for BSNL.

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, should be 4G and 2G compatible. Similarly, such developed Technology and equipments should have sufficient capacity for transmission of high power.** We request that such newly developed Technology should be tested properly before launching, preferably in one or two SSAs or in a Circle as POC, instead of going for Pan India launch at the beginning itself. If the POC is successful, then Pan India launching can be done in phases.

As an alternative, we would like to draw your kind attention to another important issue, which will facilitate the launching of BSNL's 4G services very quickly. BSNL is already having 49,300 BTSs, which are either 4G BTSs or can be upgraded to 4G BTSs. The Core equipments which can handle 2G, 3G and 4G services are installed and working in BSNL. BSNL purchased the equipments spending thousands of Crores of rupees for launching 4G services as and when 4G spectrum is allotted by the Government. If this upgradation is done, then BSNL can immediately launch it's 4G service with very good coverage, even without waiting for the procurement of new 4G equipments. Out of these 49,300 BTSs, 13,300 BTSs were supplied by M/s Nokia and 36,000 BTSs were supplied by M/s ZTE. Since the government has banned the procurement of equipments from Chinese companies, BSNL is handicapped from upgrading the 36,000 BTSs, supplied by M/s ZTE, into 4G BTSs. The new tender may take atleast 2 years, even if the POC is successful. Launching of 4G services after 2 years will defeat the very purpose of BSNL's Revival Plan.

In this connection, we would like to point out that, the equipments already installed by Chinese companies continue to remain operational in BSNL, as well as with other private operators. Many equipments supplied by Chinese vendors are in service for various operators which cannot be replaced immediately. BSNL is having only 10% market share in the mobile segment. Under these circumstances, we request that, the government can allow BSNL to get the 49,300 BTSs supplied by M/s Nokia and ZTE, to get upgraded into 4G BTSs. This will be a great help to BSNL in the immediate launching of it's 4G service. **We earnestly urge upon you sir, to kindly consider this appeal.**

We also wish to draw your kind attention towards another important aspect of BSNL's 4G launching. BSNL has procured equipments from M/s Nokia (L1 vendor), for it's Phase 8.4 expansion of mobile networks. According to the terms and conditions of that tender, BSNL can procure 4G BTSs from M/s Nokia, by way of placing Add on purchase order. It is important to mention here that the DoT Committee, headed by the Member (Technology), Digital Communication Commission, has also recommended this. Procuring 4G BTSs by way of placing Add on purchasing order from that tender will also help BSNL to launch it's 4G service without much delay.

We urge upon you Sir, to kindly consider our request and enable BSNL to launch it's 4G service without further delay. BSNL is losing thousands of Crores of revenue per year from mobile services, in addition to the expenditure incurred for 4G equipments. Since the launching of BSNL's 4G services is delayed due to the Government policies, BSNL may kindly be compensated suitably.

Thanking you,

Yours sincerely,



**P. Abhimanyu,
Convenor, AUAB.**

Copy to:

1. Shri. Amit Shah, Hon'ble Union Home Minister for information and kind intervention pl.
2. Shri. Ravi Shankar Prasad, Hon'ble Minister for information and kind intervention pl.
3. Shri. Anshu Prakash, Secretary (Telecom), Sanchar Bhavan for information and n/a pl.
4. Shri. P. K. Purwar, CMD, BSNL for kind information and n/a pl.
5. Shri. S K Mishra, DIR(CM), BSNL Board for kind information and n/a pl.