



SUGGESTIONS  
for  
**BSNL REVIVAL**



**SANCHAR NIGAM EXECUTIVES ASSOCIATION  
KERALA CIRCLE**

THIRUVANANTHAPURAM  
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**Introduction**

Exemplary and unparalleled efforts of BSNL in providing landline, mobile and data services during natural calamities like Tsunami, Uttarkhand Flood, Chennai flood, flash flood at Leh, cyclone in AP and Odisha and very recent catastrophe and life threatening floods in Kerala should act as an eye opener for Telecom Policy makers who have been abjectly overlooking with disdain the great contribution that BSNL has played in the past and continues to play during the time National calamities strike and when question of grave National Security arises. Private operators have betrayed, shut down their services for reducing the losses and will continue to betray. Policy framework needs to recognize this critical fact and firm policy provisions to strengthen BSNL need to be incorporated and executed like:

1. Allocation of adequate and industry standard superior spectrum for immediate launch of 4G services throughout the country.
2. Facilitate launching of 5G services along with all TSPs in the country by 2020.
3. Free Space to built up mobile network at every Government buildings, Pilgrim Centers, Airports, Railway stations, Ports, Tourist destinations, Bus stands, Hospitals, parks, Fishing Harbours, Beach, Market places, Educational institutions and other State Govt. offices etc and 2) reduce the huge Air Wave /Satellite Charges levied from BSNL for giving Telecom services in Andaman, Jammu Kashmir, Lakshadweep and North East areas.
4. Modernization of Optical Fiber Cable and transmission network.

5. Monetization of land asset to be allowed by Govt/DoT. Leasing out to atleast Govt organizations, State/Central PSUs, Banks, Insurance companies etc to be allowed.
6. Procurement and timely deployment of industry standard network elements like OLT, ONT etc for expanding FTTH network, the most revenue earning service for BSNL at present.
7. Delay in procurement and deployment of equipments for launching/promoting most sought after services like 4G/5G/FTTH/IoT/WiFi should be reduced before the technology gets obsolete following industry accepted standards of BPR.

### **Financial**

1. Huge capital investment is inevitable for the revival of BSNL. BSNL being one of the CPSUs having very less Debt Equity Ratio (only 9500 Crores liability as on 31.03.2018 and now it is 13000), there is every possibility of taking loans from foreign financial institutions at very low interest rates. BSNL need to explore that possibility for meeting CAPEX for launching newer and newer services with timely approval of DoT. Existing procedural complexities for getting Govt. approval from DoE/ Finance ministry, RBI etc should be either simplified if not dispensed with.
2. Monetary dues worth Rs. 5100 crores from the Govt. by way of pension contribution, CDMA spectrum refund, various Govt. project costs and TERM staff deputation need to be repaid to ensure proper cash flow.
3. Pension Contribution from the BSNL employees absorbed from DoT should be collected on the actual basic pay, instead of maximum of the pay scale as per DoPT order date 19.11.2009. BSNL is compelled to pay Rs 200 Crores excess, every year.
4. AMC cost auditing is the need of the hour. Since BSNL is having huge manpower and technical skill, AMC and Turn Key projects to be kept as bare minimum like IT/software related activities. Optimization of various network elements should be done immediately in all the verticals which can save at 1000 Crores per annum on account of AMC.
5. Profit-Loss analysis can be attempted for every Telephone Exchanges and BTS, and shutting down of loss making Telephone Exchanges and BTSs can be done if Govt is not compensating the losses and BSNL forced to operate to meet social obligations. Govt need to compensate such losses of TEs/BTSs by proper financial assistance through rural/USOF subsidy. For example all the exchanges with less than 50 connections should be closed down.
6. Space auditing of existing buildings of BSNL should be intensified to rent out vacant spaces to achieve fresh revenue without any CAPEX.
7. Existing complex procedures of scrapping obsolete equipments and unwanted materials should be simplified to maximize revenue generation.

## **Human Resources**

1. Executives are highly demotivated in BSNL. Employee motivation is the lowest in BSNL, especially among the Executives. Promotional avenues are minimum and under prolonged litigation. As practiced in other CPSUs, BSNL should follow performance based Time Bound promotion policy delinking from availability of posts as recommended by the consultant M/s Deolittee.
2. As a long term measure, there should be fast track promotional avenues for the meritorious candidates so that they can reach the highest positions in the company.
3. The pay scales of the entry level cadre of JTO/JAO are to be finalized as per 2<sup>nd</sup> PRC w.e.f 01.01.2007 by approving the BSNL proposal for E2 and E3 pay scales. All similar CPSUs are making rect in the entry level cadre at E2 or E3 scale.
4. All the top positions in BSNL are occupied by officers on deputation from DoT. Their deputation in BSNL will be ending by 2022. At present there is full vacuum at middle level management at DGM grade as most of them are at the age of 58 plus. There is an urgent need to recruit/promote 500 qualified Engineers in the age group 50-55 to DGM posts from among the qualified Engineers (about 5000 at AGM level) in BSNL. The experiment to recruit from outside at DGM level miserably failed.
5. 1.4 lakh BSNL employees are Govt employees absorbed in BSNL. 50% of employee cost is to be borne by DoT/Govt.
6. The responsibility of running the business at rural and uneconomical areas to be shared by Govt. At any cost these areas cannot make profit making.
7. Automatic Pension Revision for the Govt pensioners retired from BSNL.
8. Present post justification is based on DEL concept alone which can be reviewed based on realistic figures of business volume, sales and revenue realization.
9. Redeployment of available workforce on need basis to the field units. Executives should be redeployed from Office/indoor duties and those areas under AMC/outsourcing to revenue generating field units.
10. Technical hands should not be deployed in office work.
11. Training centres across the country need to be effectively utilized to (1) give internal training to BSNL staff to equip them to handle/manage new technology services and giving special emphasis to improving marketing/sales skills, interpersonal relationship and customer care, (2) Training centre resources can be shared to external organizations like IIT, IIM, Universities etc on mutually beneficial basis so that all training centres can be elevated to Profit Centres, (3) these centres can be transformed to Business Research and Technical research centres for the benefit of BSNL utilizing well qualified and experienced training faculty.

### **Consumer Mobility Vertical**

1. Spectrum reengineering and reutilization need to be effectively done to utilize best spectrum for best services and to use any spectrum for any wireless services as per BSNL requirement of radio ecosystem engineering.
2. Importance of using best technology: Each step in generation of mobile technology {2G [GSM], 3G [WCDMA], 4G [LTE, Adv-LTE]} brings in about 3X efficiency in using the spectrum, improved coverage and new bouquet of services. In other words, a newer technology can give voice services to more customers [when 2G serves 1000 people, 3G can serve 3000 from the same one tower], gives more data throughput [increases from 384 Kbps in 2G to up to 42 Mbps in 3G and 300 Mbps – 1 Gbps in 4G] and serves a larger footprint. Hence non-usage of latest technology for a given service [voice, data] in a given spectrum is wastage of capital. The difference in cost of technology is not much. Cost of common network infra [tower, power, site rental, etc] which is irrespective of technology, is at least 70%.
3. **Importance of using lower spectrum:** 700, 800, 900 MHz bands are called lower bands. 1800, 2100, 2300, 2600 bands are called higher bands. The lower bands gives about 7 to 10X coverage than the higher ones. Typically, networks need to be launched in the lower bands and their capacity can be supplemented later with added eqpt deployed in higher bands.
4. Non-usage of a lower spectrum which is free for extending wireless broadband is a wasted opportunity for the nation, particularly its rural populace. It is akin to empty airline seats! Hence, non-usage of Adv-LTE in 700 MHz band in India is a wasted opportunity of the order of two.
5. **Using 900 MHz for 3G by BSNL:** The spectrum was administratively allotted for 20 years for all operators. Upon expiry of the same, telecom operators obtained it for continuation of service by paying auction determined prices. TSPs were free to use which ever technology they wanted in the spectrum obtained through auction. So, operators like Airtel, could deploy 3G along with 2G in 900 MHz band [which is a lower band] whereas earlier, 3G was only in 2100 MHz band [a higher band]. This made their investment more return worthy as it would cover much more customers with its multiplied coverage from the same tower site.
6. BSNL got its administratively allotted license about 5 years later than the Private Telcos. Hence, BSNL is a having a right to use it for 5 years more before it also has to shell out additional amount to continue to hold the spectrum. But not allowing BSNL to use its 900/1800 MHz spectrum for 3G with WCDMA technology now which others are allowed will put it in disadvantageous position in the highly competitive field. Hence it would be in fitness of things to allow BSNL to liberalize BSNL's spectrum holding so that it can deploy the latest technology in the spectrum it has with a condition that BSNL shall pay the due amount at the end of 20 years of its original allotment. It would be doubly unfair as originally also, BSNL had to wait for 5 years before it could venture out with its mobile network launch.

7. **Correcting the disadvantages of BSNL's spectrum:** Compared to Pvt Telcos, BSNL is already suffering from non-contiguous spectrum in 900 and 1800 bands, this handicap reduces its utility and shall be corrected at the earliest.
8. At present, new BTS site acquisitions especially through IP sharing has been delayed for controlling OPEX which has badly affected performance of BSNL in rural and sub urban areas and railway routes. More and more sites along railway routes are very much required to improve BSNL image among public who depends on trains almost daily in Circles like Kerala. Benchmarking of all TSP networks' performance need to be effectively conducted once in a year to identify such black spots and planning remedial solutions to add more customers and improve public image of BSNL.
9. We need to promote green platforms in BTS sites also thereby replacing Indoor BTSs with Outdoor type equipments which will save power consumptions as well. Usage of air conditioners in BTS sites can be minimized. Instead of conventional VRLA batteries, Li Ion batteries with improved performance and long life can be popularized. Proper and timely replacement of life expired ones may help to reduce Diesel Engine Alternator usage in BTS sites. At present, huge amount is spent by way of AMC charges for maintenance of DGs and AC units.
10. BTS O&M outsourcing should be considered only in those areas where network uptime is a big question to improve network performance and thus quality of service. It shouldn't be attempted in circles like Kerala where already performance is much better or even better than other private Telcos. It would only increase OPEX without any further improvement towards achieving operational Excellency.
11. BTS infra sharing process should be intensified to achieve additional revenue with minimum capital investment.
12. Decision Support Sub system (DSS) should be made operational in GSM/3G core network for effectively managing and retaining existing customer base. Customer based recharge offers, validity offers etc can be given to high ARPU and loyal customers so as to retain their count in the VLR.

### **Consumer Fixed Access Vertical**

Priority should be given to replace the underground local cable with OF cable, starting with primary cable.

More number of small capacity LMGs/RSUs/RLUs should be installed to reduce the local cable length.

Fixed rent concept should be gradually replaced by bundling with broadband equivalent amount of free data usage/ free call.

Procurement of adequate count of OFC, OLT and industry standard ONTs should be done at Circle level for expanding FTTH business and to capture broadband market.

All TEs/BTSs should be transformed as FTTH hubs by equipping enough OLT ports.

Provision of FTTH connections through LCOs should be promoted which will help to penetrate FTTH market without additional CAPEX and much OPEX.

Managed service model can be implemented in capturing FTTH business.

Introduction of smart landline telephones with features available in android mobile phones can be attempted to retain landlines. Additional features available with NGN can be popularized among customers as an attempt for retaining telephones.

### **Marketing and EB**

Project Shikhar implemented from 2009 till 2013 was successful to some extent in many circles. A thorough revival of that model considering present market conditions and technological innovations can be attempted to improve sales and marketing of our new products.

BA wise empanelment of System Integrators needs to be considered for smooth and immediate roll out of various EB projects.

Introducing Competitive tariff pricing instead of matching tariff need to be done to capture more EB projects.

Below the line (BTL) marketing can be attempted among LCOs/ MSOs/Franchises to achieve financial target. Concept of achieving physical targets can be modified to Revenue/Business/ARPU based financial targets which will help to achieve breakeven faster. Need to follow realistic approach for target setting to field units.

Sales and Marketing workforce to be increased, Franchisee area to be reduced, Franchisee count to be increased, FMCG people can be inducted as distributors.

Be it Bhuj in Gujarat, Tsunami in TN, Falon in Odisha, great catastrophe in Utharakhand, cyclone in AP, flash floods in Leh, Chennai, Okhi in Kerala, and the list is endless, BSNL has exhibited extraordinary resilience and commitment in rising to the occasion and providing succor to our Countrymen and also playing a very critical role when issues of grave national security confront the Nation. It goes without saying that this great Organization has never let down neither its fellow Countrymen nor the Nation in meeting gravest of grave crisis. Political leadership and the bureaucracy need not only to recognize and acknowledge this critical fact but have to come out of the parochial outlook that continues to capture them while Telecom policy is drafted and executed. Political leadership and the bureaucracy alike deliberately berate and discriminate the prestigious and strategic "National Telecom Institution" that BSNL is and will continue to be while finalizing telecom policy and its implementation. Both should recognize the wide and sharp line that divides BSNL and the private operators and that is while BSNL stands firm grounded to providing of services at affordable rates and in remotest inaccessible areas of the Country, private operators remain obsessed with earning huge money in green pastures, even at the altar of National interests and security. In the past, the Govt have never come down on private

operators when they nakedly breached policy and the direct victim of endless policy infringements has invariably and inevitably been BSNL. Even today, naked policy breaches continue to be overlooked by those entrusted to monitor policy implementation and BSNL continues to be the captive of these brazen faced policy breaches.

Political leadership of the Country should never be under any illusion whatsoever that private operators will ever meet the grave National crisis which arise when Natural calamities strike or when issues of grave National security arise. No, not at all because private operators have unfailingly and unambiguously demonstrated that they have no commitment in this regard.

They are deeply committed to profits. They deserted their Countrymen and the Nation when such threatening situations arose in the past and will continue to do so in future. The only way for the Govt to have an assertive say in matters of implementation of telecom policy, safeguarding interests of users, meeting National security concerns of paramount significance and dealing with very tough situations and turmoil during natural calamities is to have a very stable, resilient and viable institution of its own - BSNL. That should not be lost sight of.

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