



# **Awareness Session with Union and Associations**

**30<sup>th</sup> November 2013**



# **Action Points as follow up of HOCC Discussions**

# Consumer Mobility

- **Strengthening of Sales Channel:**
- **Induction of Data Analytics Engine:**
- **Efforts to increase revenue from Data Usage:**
- **Reduction in OPEX:**
- **Non-Conventional Energy Solutions:**
- **Leasing out BSNL Tower Sites**

## **Consumer Fixed Access**

- **Marketing: Visibility of BSNL brand in public domain (also applicable to CM Business):**
- **Utilization of CDR system capabilities in PSTN/broadband customers churn management with focus on retaining them:**
- **New Developing Areas (NDA)Project: 45 High revenue SSAs Improvement in Customer Experience**
- **Outsourcing Model for Broadband Maintenance to improve Quality of Experience & Revenue.**
- **Broadband combo Plan to be allowed for DID Franchisees & Policy on access of Tech Park/Malls.**
- **Closure of standalone exchanges with DELs less than 20 & revenue less than Rs 15000 per month.**

# Enterprise

- **Launch of Enterprise Customers Portal.**
- **Augmentation of Core network bandwidth. Availability of IP/MPLS Network and Expansion to Managed Next Generation Transport.**
- **New NMS to tap ever growing MPLS VPN market opportunities and to bring qualitative improvement in services to customers.**

# **Finance & HR**

## **FINANCE**

- **Capital Project Preparation and Business Case Appraisal**
- **Sound appraisal system to ensure generation of incremental revenue by capital expenditure projects.**
- **Outdoor staff/field officers to identify reasons for non-payment/spot resolution of complaint if any- suggest alternative suitable tariff plan for customer retention.**

## **HR**

- **Enhancing performance oriented work culture and employee accountability through**
- **Restructuring/ Reorganizing Circles, SSAs.**
- **Improvement in Skill set- Local Training at SSA level**

# Finance Unit

# Financial performance of the company

- Only one circle (Kerala) has registered an increase in profit.
- One circle (Orissa) has registered a decrease in profit
- One circle (J&K) has managed to move to profitability as against a loss made last year.
- 13 circles have registered a marginal improvement by lowering their losses.
- 10 circles have registered an increase in losses over last year. Maximum improvement in reduction of loss has been registered by Maharashtra (35%), and
- Maximum increase in loss is registered in respect of NE II at 139% and Jharkhand at 100%.



# **CASH FLOW AND STATUS OF SURPLUS / DEFICIT**

| Sl. No. | Name of Circle/Units       | Fund authorised to Circles |                  |                   | Amounts received in BSNL Corp. Collection A/c's | Operational Cash deficit(-) /surplus(+) | Total Cash deficit(-) /surplus(+) |
|---------|----------------------------|----------------------------|------------------|-------------------|---|---|-----------------------------------|
| (1)     | (2)                        | (3)                        | (4)              | (5)               | (6)   | 7=(6)-(5)                               | 8=(6-3)                           |
|         |                            | Total                      | Capital          | Working           |   |   |                                   |
| 1       | A&N                        | 23.4522                    | 2.7593           | 20.6929           | 28.2195   | 7.5266                                  | 4.7673                            |
| 2       | AP                         | 1456.7744                  | 95.5002          | 1361.2742         | 1957.1008                                       | 595.8266                                | 500.3264                          |
| 3       | Assam                      | 288.2970                   | 16.2261          | 272.0709          | 248.2935  | -23.7774                                | -40.0035                          |
| 4       | Bihar                      | 413.1043                   | 14.1962          | 398.9081          | 284.7197  | -114.1884                               | -128.3846                         |
| 5       | JHARKHAND                  | 211.1967                   | 26.4129          | 184.7838          | 168.7470  | -16.0368                                | -42.4497                          |
| 6       | GUJARAT                    | 976.5155                   | 32.7603          | 943.7552          | 838.7539  | -105.0013                               | -137.7616                         |
| 7       | HARYANA                    | 412.9277                   | 44.0145          | 368.9132          | 389.7265  | 20.8133                                 | -23.2012                          |
| 8       | HIMACHAL PRADESH           | 223.5274                   | 35.3438          | 188.1836          | 225.8768  | 37.6932                                 | 2.3494                            |
| 9       | J&K                        | 191.8966                   | 22.5410          | 169.3556          | 233.4828  | 64.1272                                 | 41.5862                           |
| 10      | KARNATAKA                  | 1296.5488                  | 130.9457         | 1165.6031         | 1225.2524                                       | 59.6493                                 | -71.2964                          |
| 11      | KERALA                     | 1036.3488                  | 43.9689          | 992.3799          | 1413.1567                                       | 420.7768                                | 376.8079                          |
| 12      | MAHARASHTRA                | 1691.6195                  | 83.4853          | 1608.1342         | 1543.1443                                       | -64.9899                                | -148.4752                         |
| 13      | MADHA PRADESH              | 506.0475                   | 19.5104          | 486.5371          | 497.0148  | 10.4777                                 | -9.0327                           |
| 14      | CHHATISGARH                | 139.6260                   | 8.7092           | 130.9168          | 159.5161  | 28.5993                                 | 19.8901                           |
| 15      | NE-I                       | 118.0722                   | 6.8739           | 111.1983          | 99.4276   | -11.7707                                | -18.6446                          |
| 16      | NE-II                      | 97.0893                    | 13.2897          | 83.7996           | 98.2561   | 14.4565                                 | 1.1668                            |
| 17      | ORISSA                     | 355.5896                   | 21.7874          | 333.8022          | 464.1138  | 130.3116                                | 108.5242                          |
| 18      | PUNJAB                     | 720.6367                   | 94.3328          | 626.3039          | 643.6650  | 17.3611                                 | -76.9717                          |
| 19      | RAJASTHAN                  | 657.2196                   | 32.7934          | 624.4262          | 644.9117  | 20.4855                                 | -12.3079                          |
| 20      | TAMILNADU                  | 1298.9634                  | 146.8774         | 1152.0860         | 1086.2062                                       | -65.8798                                | -212.7572                         |
| 21      | UP(E)                      | 912.7893                   | 57.8579          | 854.9314          | 821.2853  | -33.6461                                | -91.5040                          |
| 22      | UP(W)                      | 553.2976                   | 43.9241          | 509.3735          | 448.6723  | -60.7012                                | -104.6253                         |
| 23      | UTTARAKHAND                | 151.0732                   | 19.7268          | 131.3464          | 162.0582  | 30.7118                                 | 10.9850                           |
| 24      | WEST BENGAL                | 590.4388                   | 115.2998         | 475.1390          | 337.5002  | -137.6388                               | -252.9386                         |
| 25      | CHENNAI PHONES             | 555.1219                   | 22.1006          | 533.0213          | 554.0342  | 21.0129                                 | -1.0877                           |
| 26      | KOLKATA PHONES             | 509.3370                   | 13.6513          | 495.6857          | 385.5162  | -110.1695                               | -123.8208                         |
|         | <b>Total(1 to 26) =(A)</b> | <b>15387.5110</b>          | <b>1164.8889</b> | <b>14222.6221</b> | <b>14958.6516</b>                               | <b>736.0295</b>                         | <b>-428.8594</b>                  |

## Comparative Analysis of Revenue & Exp. With other operators

| Particulars  |   |     | (Amount in Crores) |         |           |         |          |           |         |          |           |                         |         |          |         |         |           |
|--|---|-----|--------------------|---------|-----------|---------|----------|-----------|---------|----------|-----------|-------------------------|---------|----------|---------|---------|-----------|
|  |   |     | BSNL               |         |           | Airtel  |          |           | Idea    |          |           | Reliance Communications |         |          | MTNL    |         |           |
|  |   |     | 2012-13            | 2011-12 | % Chang e | 2012-13 | 2011- 12 | % Chang e | 2012-13 | 2011- 12 | % Chang e | 2012-13                 | 2011-12 | % Change | 2012-13 | 2011-12 | % Chang e |
|  |   |     | Draft              | A       |           | A       | A        |           | A       | A        |           | A                       | A       |          | A       | A       |           |
| 1  | Revenue   | -   |                    |         |           |         |          |           |         |          |           |                         |         |          |         |         |           |
|  | Operating Income  |     | 25655              | 25982   | (1)       | 45350   | 41604    | 9         | 22043   | 19275    | 14        | 11267                   | 11110   | 1        | 3419    | 3348    | 2         |
|  | Other Income (Operating & Other)                                    |     | 1473               | 1951    | (25)      | 1463    | 625      | 134       | 43      | 47       | (8)       | 1553                    | 753     | 106      | 295     | 276     | 7         |
|  | Total Revenue   |     | 27128              | 27934   | (3)       | 46813   | 42229    | 11        | 22087   | 19322    | 14        | 12820                   | 11863   | 8        | 3714    | 3624    | 2         |
| 2  | Expenditure   |     |                    |         |           |         |          |           |         |          |           |                         |         |          |         |         |           |
|  | Employee Cost   |     | 13758              | 13406   | 3         | 1511    | 1392     | 9         | 1004    | 859      | 17        | 290                     | 476     | (39)     | 4901    | 3712    | 32        |
|  | % of Employee Cost over Total Revenue                               |     | 51                 | 48      |           | 3       | 3        |           | 5       | 4        |           | 2                       | 4       |          | 132     | 102     |           |
|  | Adm & Operating cost*   |     | 10402              | 10294   | 1         | 25487   | 21874    | 17        | 13451   | 11827    | 14        | 7418                    | 7330    | 1        | 1185    | 1298    | (9)       |
|  | % of Adm & Oper cost over Total Revenue                             |     | 38                 | 37      |           | 54      | 52       |           | 61      | 61       |           | 58                      | 62      |          | 32      | 36      |           |
|  | License fee & spectrum charges                                      |     | 2052               | 3528    | (42)      | 4882    | 4694     | 4         | 2475    | 2323     | 7         | 831                     | 896     | (7)      | 291     | 279     | 4         |
|  | % of License fee over Total Revenue                                 |     | 8                  | 13      |           | 10      | 11       |           | 11      | 12       |           | 6                       | 8       |          | 8       | 8       |           |
|  | Financial Cost  |     | 351                | 184     | 91        | 1652    | 1396     | 18        | 813     | 908      | (10)      | 1976                    | 1265    | 56       | 1180    | 949     | 24        |
|  | % of Financial Cost over Total Revenue                              |     | 1                  | 1       |           | 4       | 3        |           | 0       | 5        |           | 15                      | 11      |          | 32      | 26      |           |
|  | Depreciation & Amortisation   |     | 8336               | 9174    | (9)       | 6827    | 5916     | 15        | 3054    | 2563     | 19        | 1681                    | 1741    | (3)      | 1477    | 1496    | (1)       |
|  | % of Dep over Total Revenue   |     | 31                 | 33      |           | 15      | 14       |           | 14      | 13       |           | 13                      | 15      |          | 40      | 41      |           |
|  | Total expenditure   |     | 34900              | 36586   | (5)       | 40359   | 35272    | 14        | 20798   | 18480    | 13        | 12196                   | 11708   | 4        | 9035    | 7734    | 17        |
|  | % of Total Expenses over Total Revenue                              |     | 129                | 131     |           | 86      | 84       |           | 94      | 96       |           | 95                      | 99      |          | 243     | 213     |           |
| 3  | Profit/Loss Before Prior Period Adjustments and Extraordinary Items | 1-2 | (7773)             | (8653)  | (10)      | 6454    | 6956     | (7)       | 1289    | 842      | 53        | 624                     | 155     | 303      | (5321)  | (4110)  | 29        |
| 4  | Prior Period Adjustments/ extraordinary items/ Other item           |     | (183)              | (168)   | 9         | 0       | 0        | 0         | 0       | 0        | 0         | 0                       | 0       | 0        | 0       | 0       | 0         |
| 5  | Profit before Tax   | 3-4 | (7955)             | (8821)  | (10)      | 6454    | 6956     | (7)       | 1289    | 842      | 53        | 624                     | 155     | 303      | (5321)  | (4110)  | 29        |
|  | % of PBT over Total Revenue   |     | (29)               | (32)    |           | 14      | 16       |           | 6       | 4        |           | 5                       | 1       |          | (143)   | (113)   |           |
| 6  | Tax Expenses  |     | (71)               | 30      | (338)     | 1359    | 1226     | 11        | 470     | 266      | 77        | 0                       | (1)     | (100)    | 0       | 0       | (100)     |
| 7  | Profit After Tax  | 5-6 | (7884)             | (8851)  | (11)      | 5095    | 5730     | (11)      | 818     | 577      | 42        | 624                     | 156     | 300      | (5321)  | (4110)  | 29        |
|  | % of PAT over Total Revenue   |     | (29)               | (32)    |           | 11      | 14       |           | 4       | 3        |           | 5                       | 1       |          | (143)   | (113)   |           |
| Note :   |   |     |                    |         |           |         |          |           |         |          |           |                         |         |          |         |         |           |
| Source of Information : Figures of other operators is taken from the results available on the website of the respective operators. |   |     |                    |         |           |         |          |           |         |          |           |                         |         |          |         |         |           |
| U - Audited  |   |     |                    |         |           |         |          |           |         |          |           |                         |         |          |         |         |           |

# Areas of Focus

- The trends of BSNL performance and current dynamics of the market indicate that revenue centric growth is the only option because most of the expenditure items have little scope left for reduction any more which can have an effective impact.
- It is important for BSNL to generate internal surpluses for which reduction of market share will need to be curtailed, and an improvement in top line ensured. :-
- These parameters of business performance have a direct correlation with the credibility of the company to raise funds and undertake CAPEX measures which are extremely essential for survival and sustainable growth.

# Areas of Focus

- Financial performance of BSNL has not been in line with the industry trends.
- The market leader though has been registering a decline in profitability over 13 successive quarters, the gross revenue has only increased.
- After consolidation in the market, the operators' focus is shifting to the next wave of growth, i.e. expansion of data traffic capacities, for which significant capex is planned.
- In the current situation of economy, interest rates are expected to harden and access to funds is likely to present a formidable challenge.
- Four major operators have already declared their capex plans to the tune of more than Rs 26,000 crores to be undertaken during current fiscal.
- Our competitors have a far more convenient access to global funds, but this exercise will not be smooth for BSNL.
- All these factors emphasize the importance of the need for generating investible surplus.

# Areas of Focus

- BSNL capex plan is Rs 5600 crores for current fiscal.
- NO cash surplus available after meeting the operating expenses.
- The current year billing is only marginally more than previous year.
- Projects under implementation are still not generating cash flows.
- Needless to emphasize the importance of adherence to time in project implementation.

# Areas of Focus

- Mobilizing external financial resources is extremely challenging in the changed economic environment.
- Bank loan will depend upon convincing cash flows generation. Government tag, large asset base no longer affords credit worthiness in the absence of robust cash flows.
- In a nutshell no alternative but to perform to perfection.

# Statement of Profit & Loss

| (Figure in Crore)  |                  |                  |                  |                |
|--|------------------|------------------|------------------|----------------|
| Particulars  | 2012-13          | 2011-12          | Absolute Change  | % Change       |
| Income from Services   | 25654.81         | 25982.13         | (327.32)         | (1.26)         |
| Other Income   | 1473.08          | 1951.37          | (478.29)         | (24.51)        |
| <b>Total Income</b>  | <b>27127.89</b>  | <b>27933.50</b>  | <b>(805.61)</b>  | <b>(2.88)</b>  |
| Employees' Remuneration & Benefits   | 13757.82         | 13406.04         | 351.78           | 2.62           |
| Office and Administration Expenses   | 10402.35         | 10293.91         | 108.44           | 1.05           |
| License and Spectrum Fee   | 2052.36          | 3527.72          | (1475.36)        | (41.82)        |
| Financial Expenses   | 351.47           | 184.12           | 167.35           | 90.89          |
| Depreciation   | 8336.43          | 9174.32          | (837.89)         | (9.13)         |
| <b>Total Expenditure</b>   | <b>34900.43</b>  | <b>36586.11</b>  | <b>(1685.68)</b> | <b>(4.61)</b>  |
| <b>Profit/Loss before Prior Period Adjustments and Extraordinary Items</b> | <b>(7772.54)</b> | <b>(8652.61)</b> | <b>880.07</b>    | <b>(10.17)</b> |
| Prior Period Adjustments   | (182.82)         | (168.32)         | (14.50)          | 8.61           |
| <b>Profit before Tax</b>   | <b>(7955.36)</b> | <b>(8820.93)</b> | <b>865.57</b>    | <b>(9.81)</b>  |
| Deferred Tax   | 70.92            | (29.77)          | 100.69           | (338.23)       |
| <b>Profit after Tax</b>  | <b>(7884.44)</b> | <b>(8850.70)</b> | <b>966.26</b>    | <b>(10.92)</b> |



# Balance Sheet

| Particulars                   | (Figure in Crore)              |                                  |
|-------------------------------|--------------------------------|----------------------------------|
|                               | As at 31 March 2013<br>(Draft) | As at 31 March 2012<br>(Audited) |
| <b>EQUITY AND LIABILITIES</b> |                                |                                  |
| Shareholder's Funds           |                                |                                  |
| Share Capital                 | 12500.00                       | 12500.00                         |
| Reserves and Surplus          | 50762.40                       | 58671.02                         |
| Deferred government grant     | 376.33                         | 0.00                             |
|                               | <b>63638.73</b>                | <b>71171.02</b>                  |
| Non-current liabilities       |                                |                                  |
| Long term borrowings          | 1703.18                        | 1703.18                          |
| Other Long term liabilities   | 4037.25                        | 4262.57                          |
| Long term provisions          | 6870.08                        | 6279.81                          |
|                               | <b>12610.51</b>                | <b>12245.56</b>                  |
| Current liabilities           |                                |                                  |
| Short term borrowings         | 2561.14                        | 1320.47                          |
| Trade payables                | 9500.92                        | 9846.68                          |
| Other current liabilities     | 6846.17                        | 6789.29                          |
| Short term provisions         | 531.84                         | 462.31                           |
|                               | <b>19440.07</b>                | <b>18418.75</b>                  |
| <b>TOTAL</b>                  | <b>95689.31</b>                | <b>101835.33</b>                 |

**Continued .....**

# Balance Sheet

| Particulars                           | (Figure in Crore)              |                                  |
|---------------------------------------|--------------------------------|----------------------------------|
|                                       | As at 31 March 2013<br>(Draft) | As at 31 March 2012<br>(Audited) |
| <b>ASSETS</b>                         |                                |                                  |
| Non-current assets                    |                                |                                  |
| Fixed Assets                          |                                |                                  |
| - Tangible assets                     | 45557.53                       | 50066.79                         |
| - Intangible assets                   | 15288.85                       | 16200.53                         |
| - Capital work-in-progress            | 3696.00                        | 4227.05                          |
| - Intangible assets under development | 14.62                          | 20.43                            |
|                                       | <b>64557.00</b>                | <b>70514.80</b>                  |
| Non-current investments               | 6575.11                        | 6013.52                          |
| Deferred tax assets (net)             | 133.30                         | 62.38                            |
| Long-term loans and advances          | 6847.28                        | 6504.76                          |
|                                       | <b>78112.69</b>                | <b>83095.46</b>                  |
| Current Assets                        |                                |                                  |
| Inventories                           | 3772.09                        | 3596.78                          |
| Trade receivables                     | 2953.39                        | 3962.18                          |
| Cash and Bank Balances                | 1161.25                        | 1885.09                          |
| Short-term loans and advances         | 926.17                         | 1141.42                          |
| Other current assets                  | 7739.14                        | 6918.25                          |
|                                       | <b>16552.04</b>                | <b>17503.72</b>                  |
| Intra/Inter Circle Remittances        | 1024.58                        | 1236.15                          |
| <b>TOTAL</b>                          | <b>95689.31</b>                | <b>101835.33</b>                 |

# Income from Services (Vertical wise)

| (Figure in Crore)                 |                 |                 |                        |                 |
|-----------------------------------|-----------------|-----------------|------------------------|-----------------|
| Particulars                       | 2012-13         | 2011-12         | <i>Absolute Change</i> | <i>% Change</i> |
| Income from Consumer Fixed Access | 11224.68        | 12228.55        | (1003.87)              | (8.21)          |
| Income from Consumer Mobility     | 12410.40        | 11754.23        | 656.17                 | 5.58            |
| Income from Enterprise Business   | 1796.74         | 1803.75         | (7.01)                 | (0.39)          |
| Income from New Business          | 222.99          | 195.60          | 27.39                  | 14.00           |
| <b>Total Income from Services</b> | <b>25654.81</b> | <b>25982.13</b> | <b>(327.32)</b>        | <b>(1.26)</b>   |

# Income from CFA

| Particulars                              | (Figure in Crore) |                 |                  |               |
|--|-------------------|-----------------|------------------|---------------|
|  | 2012-13           | 2011-12         | Absolute Change  | % Change      |
| Telephones other than WLL                | 4786.63           | 5428.59         | (641.96)         | (11.83)       |
| Telegraphs & Telex                       | 10.88             | 13.07           | (2.19)           | (16.76)       |
| Other value added Services               | 15.53             | 31.96           | (16.43)          | (51.41)       |
| Income from WLL                          | 2.61              | 3.14            | (0.53)           | (16.88)       |
| Income from PCOs                         | 160.54            | 224.39          | (63.85)          | (28.45)       |
| Other Receipts (N 1)                     | 2.34              | 3.66            | (1.32)           | (36.07)       |
| Recoverable from MTNL                    | 119.17            | 86.25           | 32.92            | 38.17         |
| Receipts from Other operators (IUC)      | 1203.31           | 1497.32         | (294.01)         | (19.64)       |
| Income from Broad Band Services          | 3819.34           | 3484.97         | 334.37           | 9.59          |
| Other Operating Income (N 2)             | 1102.64           | 1455.19         | (352.55)         | (24.23)       |
| Income from IDC                          | 1.68              | 0.00            | 1.68             | NA            |
| <b>Income from Consumer Fixed Access</b> | <b>11224.68</b>   | <b>12228.55</b> | <b>(1003.87)</b> | <b>(8.21)</b> |

**N1-** Other receipts includes Advertisement receipts, Sale of Publications, Sale of blank forms, Receipts from Telephone Directory Printing, Commission on PCO installed by MTNL in DTO/CTO.

**N2 -**Other operating income includes Subsidy from DOT for Rural Telephony, Receipt from USO Fund and Govt.of India, Subsidy from USOF for rural broadband.

# Income from CM

| Particulars                                | 2012-13         | 2011-12         | (Figure in Crore)      |                 |
|--|-----------------|-----------------|------------------------|-----------------|
|  |                 |                 | <i>Absolute Change</i> | <i>% Change</i> |
| Income from Cellular Services              | 10217.01        | 9730.37         | 486.64                 | 5.00            |
| Income from WILL                           | 218.44          | 328.02          | (109.58)               | (33.41)         |
| Receipts from Other operators (IUC)        | 1862.01         | 1592.97         | 269.04                 | 16.89           |
| 3G Services                                | 58.95           | 94.95           | (36.00)                | (37.91)         |
| Other Operating Income                     | 53.98           | 7.93            | 46.05                  | 580.71          |
| <b>Total Income from Consumer Mobility</b> | <b>12410.40</b> | <b>11754.23</b> | <b>656.17</b>          | <b>5.58</b>     |

# Income from EB & NB

| (Figure in Crore)                            |                |                |                        |                 |
|--|----------------|----------------|------------------------|-----------------|
| Particulars                                  | 2012-13        | 2011-12        | <i>Absolute Change</i> | <i>% Change</i> |
| Lease Circuits                               | 1796.74        | 1803.75        | (7.01)                 | (0.39)          |
| <b>Total Income from Enterprise Business</b> | <b>1796.74</b> | <b>1803.75</b> | <b>(7.01)</b>          | <b>(0.39)</b>   |

| (Figure in Crore)                        |               |               |                        |                 |
|--|---------------|---------------|------------------------|-----------------|
| Particulars                              | 2012-13       | 2011-12       | <i>Absolute Change</i> | <i>% Change</i> |
| Income for USO Towers                    | 147.87        | 149.65        | (1.78)                 | (1.19)          |
| Income from Passive Infrastructure (N 1) | 75.12         | 45.95         | 29.17                  | 63.48           |
| <b>Total Income from New Business</b>    | <b>222.99</b> | <b>195.60</b> | <b>27.39</b>           | <b>14.00</b>    |

**N1** - Income from passive infrastructure includes passive Infrastructure provisioning fee, monthly service charge, Late fee, USO Subsidy for provision of Mobile Service Sites.

# Details of Other Income

| (Figure in Crore)   |                |                |                 |                |
|---|----------------|----------------|-----------------|----------------|
| Particulars   | 2012-13        | 2011-12        | Absolute Change | % Change       |
| Interest income   |                |                |                 |                |
| - On deposits in Banks  | 67.62          | 112.89         | (45.27)         | (40.10)        |
| - Others  | 70.62          | 212.37         | (141.75)        | (66.75)        |
|   | <b>138.24</b>  | <b>325.26</b>  | <b>(187.02)</b> | <b>(57.50)</b> |
| Other non-operating income  |                |                |                 |                |
| - Profit on sale of Assets  | 48.59          | 58.98          | (10.38)         | (17.61)        |
| - Liquidated Damages  | 311.78         | 443.13         | (131.35)        | (29.64)        |
| - Excess provision written back   | 667.92         | 754.95         | (87.03)         | (11.53)        |
| - Rent of Staff Quarters  | 26.57          | 21.52          | 5.05            | 23.47          |
| - Sale of Scrap   | 42.04          | 53.76          | (11.72)         | (21.81)        |
| - Others including sale of Directories, Publications, Forms, Waste paper etc. | 184.15         | 252.52         | (68.37)         | (27.07)        |
| - Reimbursement from USO Admin for USO Towers                                 | 53.79          | 41.25          | 12.54           | 30.40          |
|   | <b>1334.84</b> | <b>1626.11</b> | <b>(291.26)</b> | <b>(17.91)</b> |
| <b>Total of Other Income</b>  | <b>1473.08</b> | <b>1951.37</b> | <b>(478.28)</b> | <b>(24.51)</b> |

# Employee Remuneration & Benefits

| Particulars   | (Figure in Crore) |                 |                 |             |
|---|-------------------|-----------------|-----------------|-------------|
|   | 2012-13           | 2011-12         | Absolute Change | % Change    |
| Salaries, Wages, Allowance and Other Benefits       | 12080.68          | 11621.41        | 459.28          | 3.95        |
| Leave Encashment (including provision)              | 645.50            | 406.92          | 238.58          | 58.63       |
| Pension Contribution                                | 916.41            | 1179.65         | (263.24)        | (22.31)     |
| Employer's contribution towards EPF                 | 159.33            | 140.04          | 19.29           | 13.78       |
| Gratuity (including provision)                      | 41.42             | 30.45           | 10.97           | 36.02       |
| Leave Salary Contribution                           | 8.08              | 9.29            | (1.21)          | (13.07)     |
| Medical Expenditure                                 | 305.85            | 430.78          | (124.92)        | (29.00)     |
| Staff Welfare expenses                              | 19.13             | 22.82           | (3.69)          | (16.18)     |
|   | <b>14176.40</b>   | <b>13841.36</b> | <b>335.05</b>   | <b>2.42</b> |
| Less : Allocated to Capital Work-in-Progress        | 418.58            | 435.32          | (16.73)         | (3.84)      |
| <b>Total of Employees Remuneration and Benefits</b> | <b>13757.82</b>   | <b>13406.04</b> | <b>351.78</b>   | <b>2.62</b> |



# Office & Admn. Expenses

| Particulars                               | 2012-13 | 2011-12 | (Figure in Crore) |          |
|---|---------|---------|-------------------|----------|
|   |         |         | Absolute Change   | % Change |
| Rent                                      | 323.22  | 321.75  | 1.48              | 0.46     |
| Lease charges                             | 4.56    | 4.39    | 0.17              | 3.82     |
| Rates and Taxes                           | 61.84   | 61.60   | 0.24              | 0.39     |
| Power and Fuel                            | 2532.56 | 2285.09 | 247.47            | 10.83    |
| Insurance                                 | 1.95    | 1.86    | 0.09              | 4.84     |
| Repairs and Maintenance                   |         |         |                   |          |
| -Buildings                                | 270.77  | 277.94  | (7.16)            | (2.58)   |
| -Plant and Machinery                      | 851.19  | 824.80  | 26.39             | 3.20     |
| -Cables                                   | 429.93  | 406.28  | 23.65             | 5.82     |
| -Others                                   | 72.19   | 74.82   | (2.63)            | (3.52)   |
| Professional and Consultancy charges      | 21.19   | 26.64   | (5.45)            | (20.45)  |
| Payment to auditors                       | 2.98    | 2.82    | 0.16              | 5.67     |
| Printing and Stationery                   | 68.86   | 78.71   | (9.86)            | (12.53)  |
| Commission on Franchise Services          | 512.01  | 407.34  | 104.67            | 25.70    |
| Advertisement                             | 9.00    | 9.13    | (0.13)            | (1.38)   |
| Business Promotion and Marketing Expenses | 31.70   | 39.75   | (8.05)            | (20.24)  |
| Travel Expenses                           | 83.76   | 103.59  | (19.84)           | (19.15)  |
| Postage and Courier Charges               | 71.15   | 80.38   | (9.23)            | (11.49)  |
| Security Services                         | 278.05  | 296.49  | (18.44)           | (6.22)   |

Continued .....

# Office & Admn. ExpensesCont..

| Particulars  | (Figure in Crore) |                 |                 |             |
|--|-------------------|-----------------|-----------------|-------------|
|  | 2012-13           | 2011-12         | Absolute Change | % Change    |
| Vehicle Running Expenses (Including hired vehicles)          | 206.91            | 202.15          | 4.76            | 2.35        |
| IUC payable to other service providers                       | 2258.58           | 2298.39         | (39.82)         | (1.73)      |
| Expenditure on Services and other expenses                   | 1364.11           | 1382.22         | (18.11)         | (1.31)      |
| Expenditure relating to IDC                                  | 0.38              | 0.00            | 0.38            | NA          |
| Penalty for CAF verification                                 | 19.92             | 0.00            | 19.92           | NA          |
| Wealth Tax   | 0.85              | 0.93            | (0.08)          | (8.41)      |
| Write off and losses other than Bad debts                    | 224.63            | 437.08          | (212.46)        | (48.61)     |
| Bad-Debt Provision other than services                       | 20.96             | 27.78           | (6.82)          | (24.55)     |
| Bad-Debt actually written off                                | 247.01            | 234.91          | 12.10           | 5.15        |
| Provision for doubtful debts and disputed bills              | 415.34            | 380.49          | 34.85           | 9.16        |
| Write off of unrecovered service tax                         | 1.70              | 0.19            | 1.51            | NA          |
| Foreign Exchange Fluctuation Loss/ (Gain) (Net)              | 10.74             | 34.04           | (23.30)         | (68.45)     |
| Loss/(Profit) from Factories                                 | 61.11             | 41.12           | 19.99           | NA          |
| Loss/(Profit) from Construction/Telecom services projects    | (5.99)            | (2.86)          | (3.13)          | NA          |
|  | <b>10453.16</b>   | <b>10339.82</b> | <b>113.34</b>   | <b>1.10</b> |
| Less: Allocated to Capital Project Works                     | 50.81             | 45.91           | 4.90            | 10.67       |
| <b>Total of Administrative, Operating and Other expenses</b> | <b>10402.35</b>   | <b>10293.91</b> | <b>108.44</b>   | <b>1.05</b> |

# Circle wise Income & Expenditure

(Fig in crore)

| CIRCLE NAME                | TOTAL INCOME |         | % Change | TOTAL EXPENDITURE |         | % Change | NET PROFIT |         | % Change |
|----------------------------|--------------|---------|----------|-------------------|---------|----------|------------|---------|----------|
|                            | 2012-13      | 2011-12 |          | 2012-13           | 2011-12 |          | 2012-13    | 2011-12 |          |
| <b>TERRITORIAL CIRCLES</b> |              |         |          |                   |         |          |            |         |          |
| KERALA TELECOM             | 2440         | 2341    | 4        | 2183              | 2184    | (0)      | 257        | 157     | 64       |
| ORISSA TELECOM             | 815          | 805     | 1        | 785               | 770     | 2        | 30         | 35      | (14)     |
| J & K TELECOM              | 428          | 411     | 4        | 426               | 437     | (2)      | 2          | (26)    | (107)    |
| CGM ANDAMAN & NICOBAR      | 47           | 48      | (1)      | 53                | 51      | 3        | (5)        | (3)     | 70       |
| CHENNAI TELEPHONES         | 1018         | 1023    | (0)      | 1043              | 1082    | (4)      | (24)       | (59)    | (59)     |
| UTTARANCHAL TELECOM        | 301          | 288     | 5        | 339               | 350     | (3)      | (38)       | (62)    | (40)     |
| NORTH-EAST II              | 169          | 205     | (17)     | 233               | 231     | 1        | (64)       | (27)    | 139      |
| N.E.TELECOM                | 189          | 194     | (2)      | 255               | 248     | 3        | (66)       | (54)    | 22       |
| HIMACHAL TELECOM           | 330          | 368     | (10)     | 401               | 413     | (3)      | (71)       | (46)    | 56       |
| CHATTISGARH TELECOM        | 282          | 277     | 2        | 357               | 374     | (5)      | (74)       | (98)    | (24)     |
| HARYANA TELECOM            | 699          | 732     | (4)      | 845               | 853     | (1)      | (146)      | (121)   | 20       |
| ASSAM TELECOM              | 426          | 456     | (7)      | 600               | 615     | (2)      | (174)      | (160)   | 9        |
| JHARKAND TELECOM           | 288          | 314     | (8)      | 505               | 423     | 19       | (217)      | (109)   | 100      |
| PUNJAB TELECOM             | 1061         | 1081    | (2)      | 1293              | 1375    | (6)      | (231)      | (294)   | (21)     |
| KARNATAKA TELECOM          | 2127         | 2073    | 3        | 2361              | 2448    | (4)      | (234)      | (375)   | (38)     |
| RAJASTHAN TELECOM          | 1165         | 1227    | (5)      | 1425              | 1515    | (6)      | (260)      | (288)   | (10)     |

Continued .....

# Circle wise Income & Expenditure

(Fig in crore)

| CIRCLE NAME              | TOTAL INCOME |         | % Change | TOTAL EXPENDITURE |         | % Change | NET PROFIT |         | % Change |
|--------------------------|--------------|---------|----------|-------------------|---------|----------|------------|---------|----------|
|                          | 2012-13      | 2011-12 |          | 2012-13           | 2011-12 |          | 2012-13    | 2011-12 |          |
| MADHYA PRADESH TELECOM   | 911          | 937     | (3)      | 1196              | 1300    | (8)      | (284)      | (363)   | (22)     |
| CALCUTTA TELEPHONES      | 690          | 786     | (12)     | 1046              | 1047    | (0)      | (356)      | (261)   | 36       |
| U.P.WEST TELECOM         | 739          | 736     | 0        | 1127              | 1134    | (1)      | (388)      | (398)   | (2)      |
| BIHAR TELECOM            | 488          | 496     | (2)      | 905               | 943     | (4)      | (417)      | (447)   | (7)      |
| U.P.EAST TELECOM         | 1421         | 1521    | (7)      | 1920              | 1893    | 1        | (499)      | (372)   | 34       |
| ANDHRA TELECOM           | 2386         | 2308    | 3        | 2899              | 2930    | (1)      | (512)      | (622)   | (18)     |
| TAMILNADU TELECOM        | 1921         | 1894    | 1        | 2434              | 2461    | (1)      | (513)      | (568)   | (10)     |
| WEST BENGAL TELECOM      | 608          | 657     | (7)      | 1122              | 1090    | 3        | (515)      | (433)   | 19       |
| MAHARASHTRA TELECOM      | 2762         | 2700    | 2        | 3295              | 3520    | (6)      | (534)      | (820)   | (35)     |
| GUJARAT TELECOM          | 1399         | 1444    | (3)      | 2028              | 2076    | (2)      | (628)      | (632)   | (1)      |
| <b>TOTAL</b>             | 25113        | 25320   | (1)      | 31076             | 31763   | (2)      | (5962)     | (6443)  | (7)      |
| NON TERRITORIAL CIRCLES  | 2015         | 2613    | (23)     | 3824              | 4823    | (21)     | (1809)     | (2210)  | (18)     |
| <b>GRAND TOTAL</b>       | 27128        | 27933   | (3)      | 34900             | 36586   | (5)      | (7772)     | (8653)  | (10)     |
| <b>Prior period item</b> |              |         |          |                   |         |          | (183)      | (168)   |          |
| <b>Deferred Tax</b>      |              |         |          |                   |         |          | 71         | (30)    |          |
| <b>Net Profit</b>        |              |         |          |                   |         |          | (7884)     | (8851)  |          |

# Theme

- **BSNL has incurred losses for fourth year in 2013.**
- **Management of Financial resources is extremely crucial at this stage.**
- **In terms of financial prudence CAPEX is normally not undertaken in times when losses are incurred, in order to avoid the additional burden of interest & repayment of capital & increased depreciation.**
- **CAPEX can be undertaken in these circumstances only if low gestation high yielding projects are available, and**
  - **fresh capital infusion takes place, or**
  - **access to LONG TERM loan is available.**

# Theme

- In present status of the company, monetization of existing resources is extremely important, even if means higher OPEX is necessary for short term, leading to a situation of incremental cash flows.
- CAPEX can be undertaken for select projects only if it meets certain parameters.
- In view of internal accruals becoming insufficient , even for routine operations, commercial loan is the only option for CAPEX.

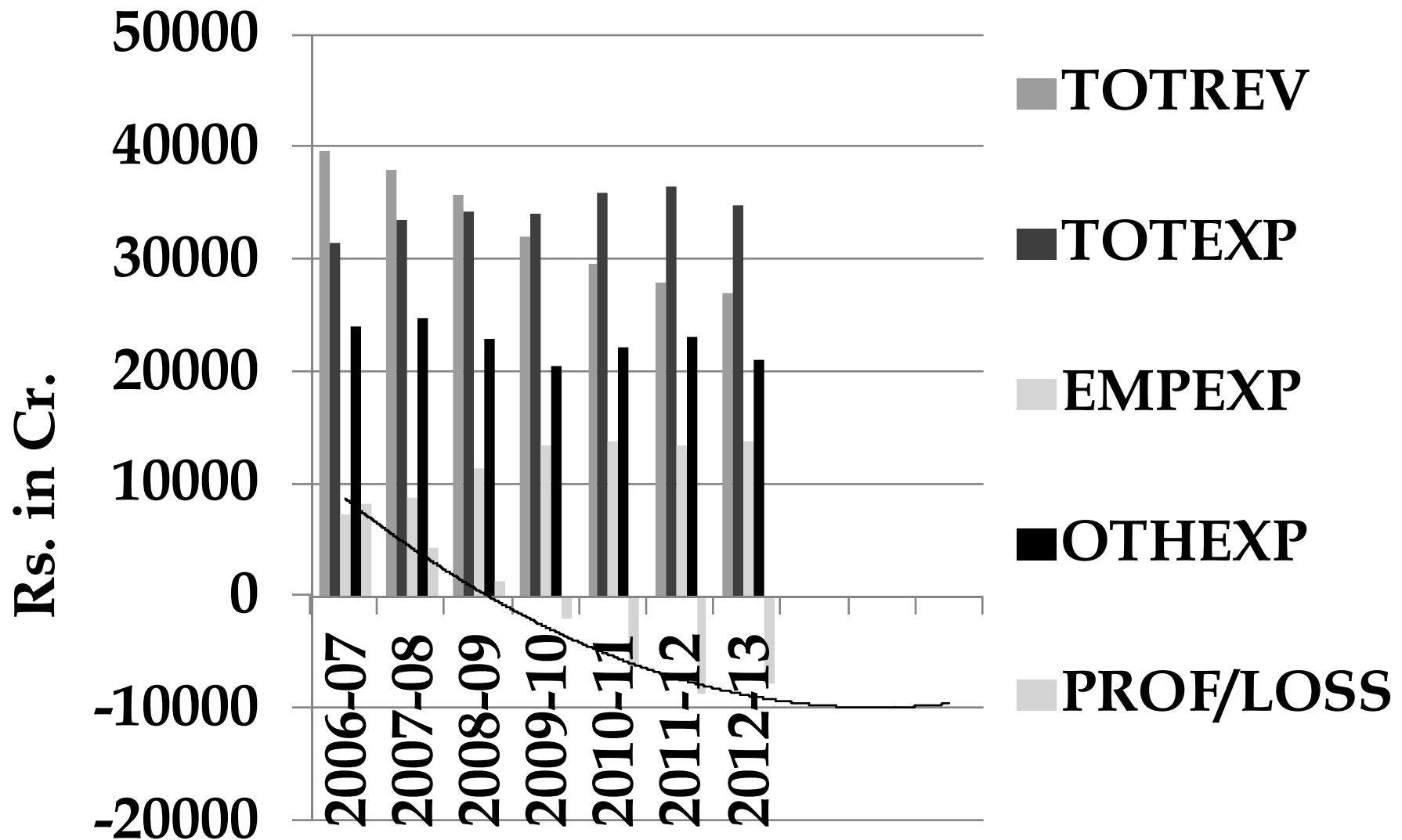
# Theme

- It is becoming increasingly difficult to raise capital resources from the market.
- Financial institutions follow a stringent market tested parameters for project selection for commercial lending.
- Feasibility of a loan is dependent on viability of projects, and there are gaps between project appraisal parameters of banks which are based on market analysis and those of BSNL.

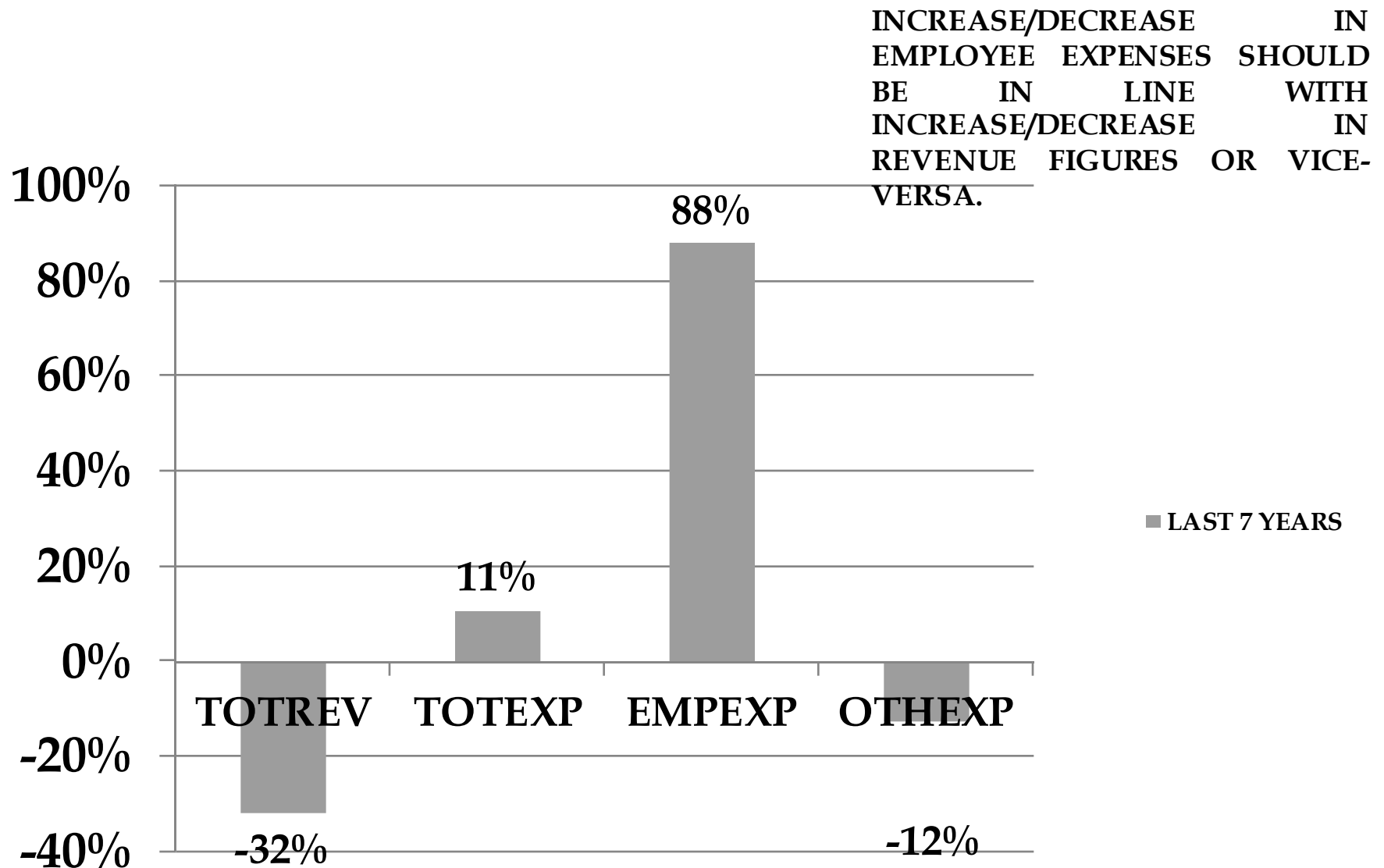
# Overview of major trends



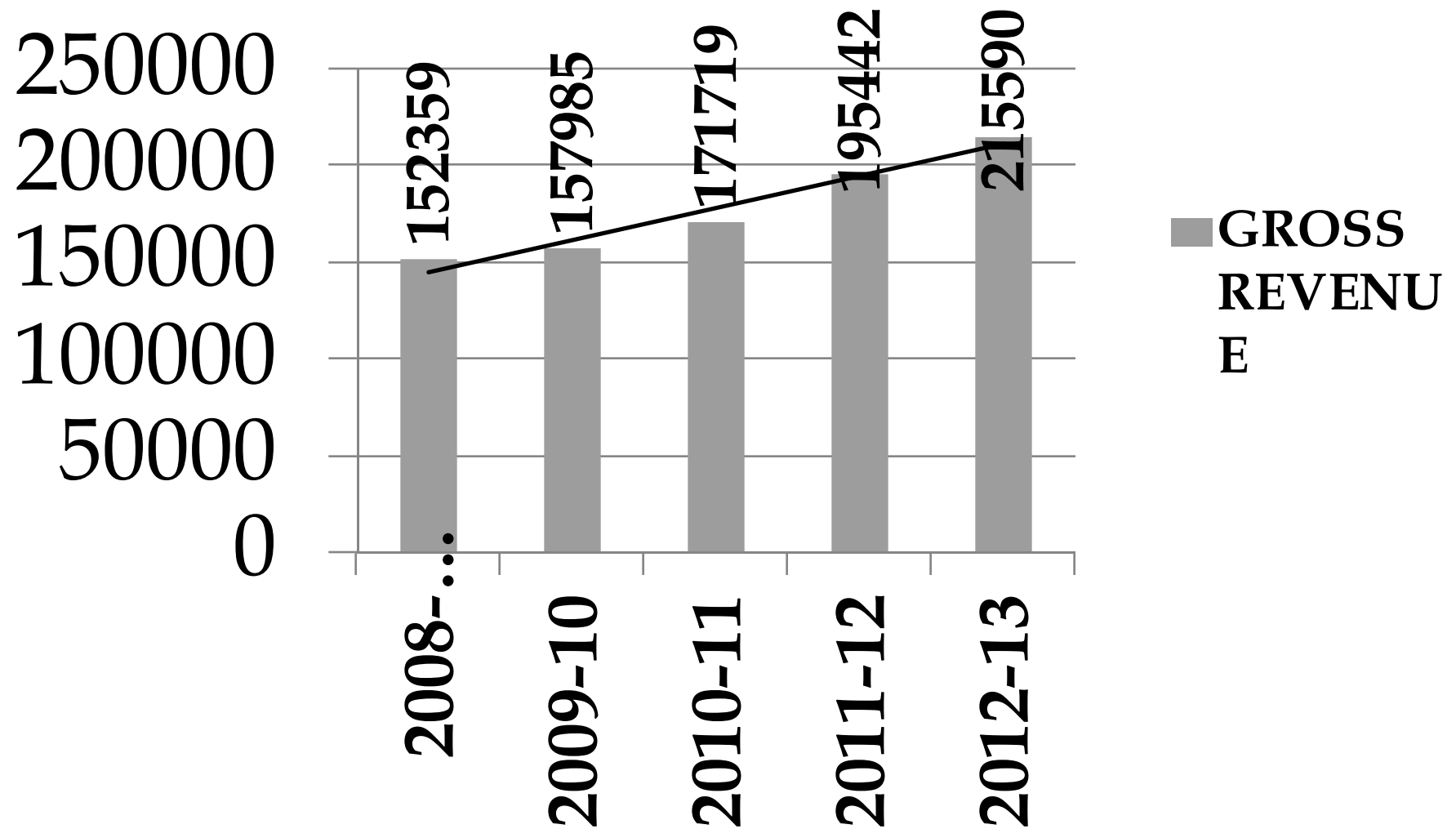
# OVERVIEW :7 YEARS OF BSNL FINANCE



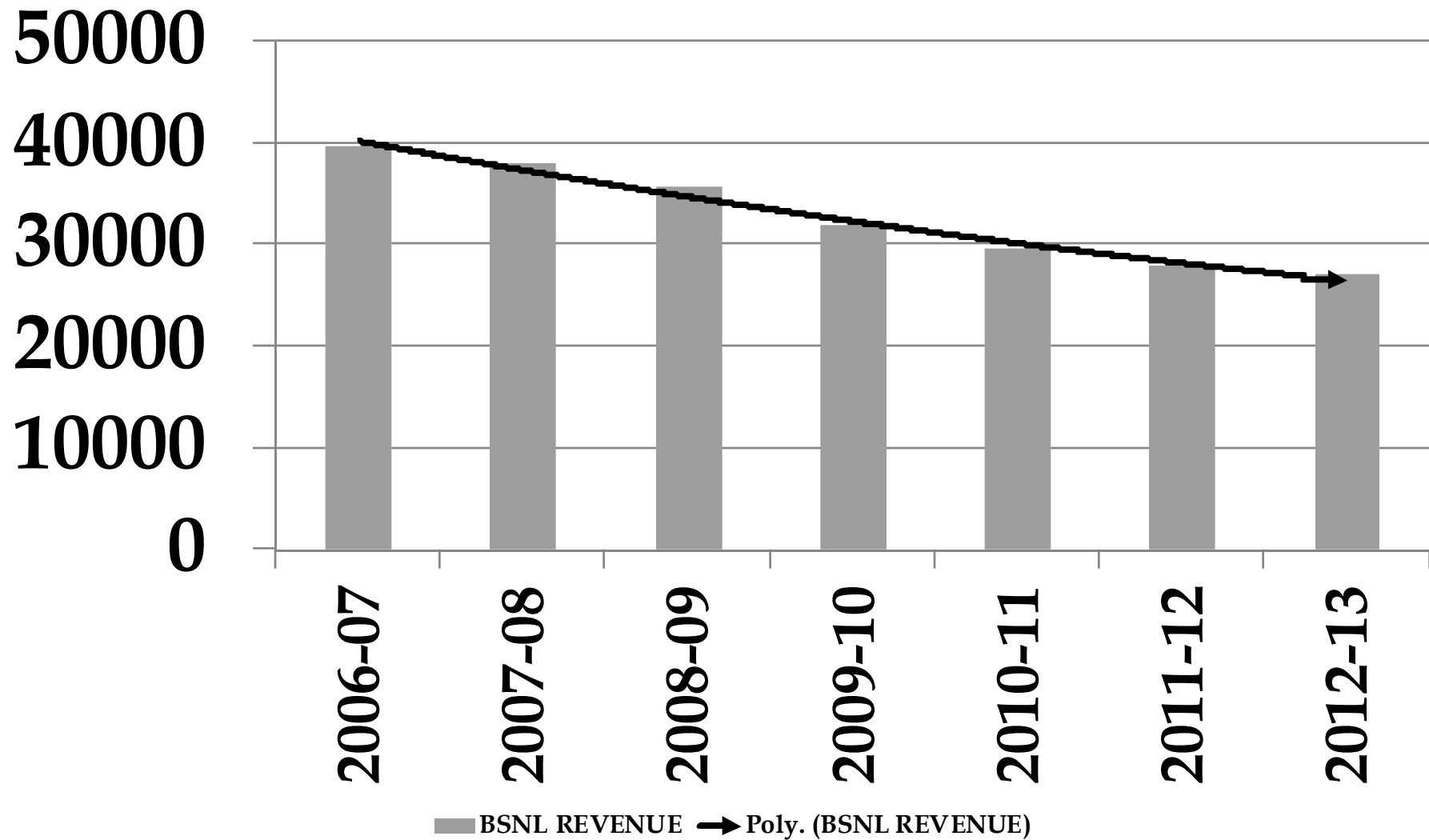
# WHY BSNL IS IN RED



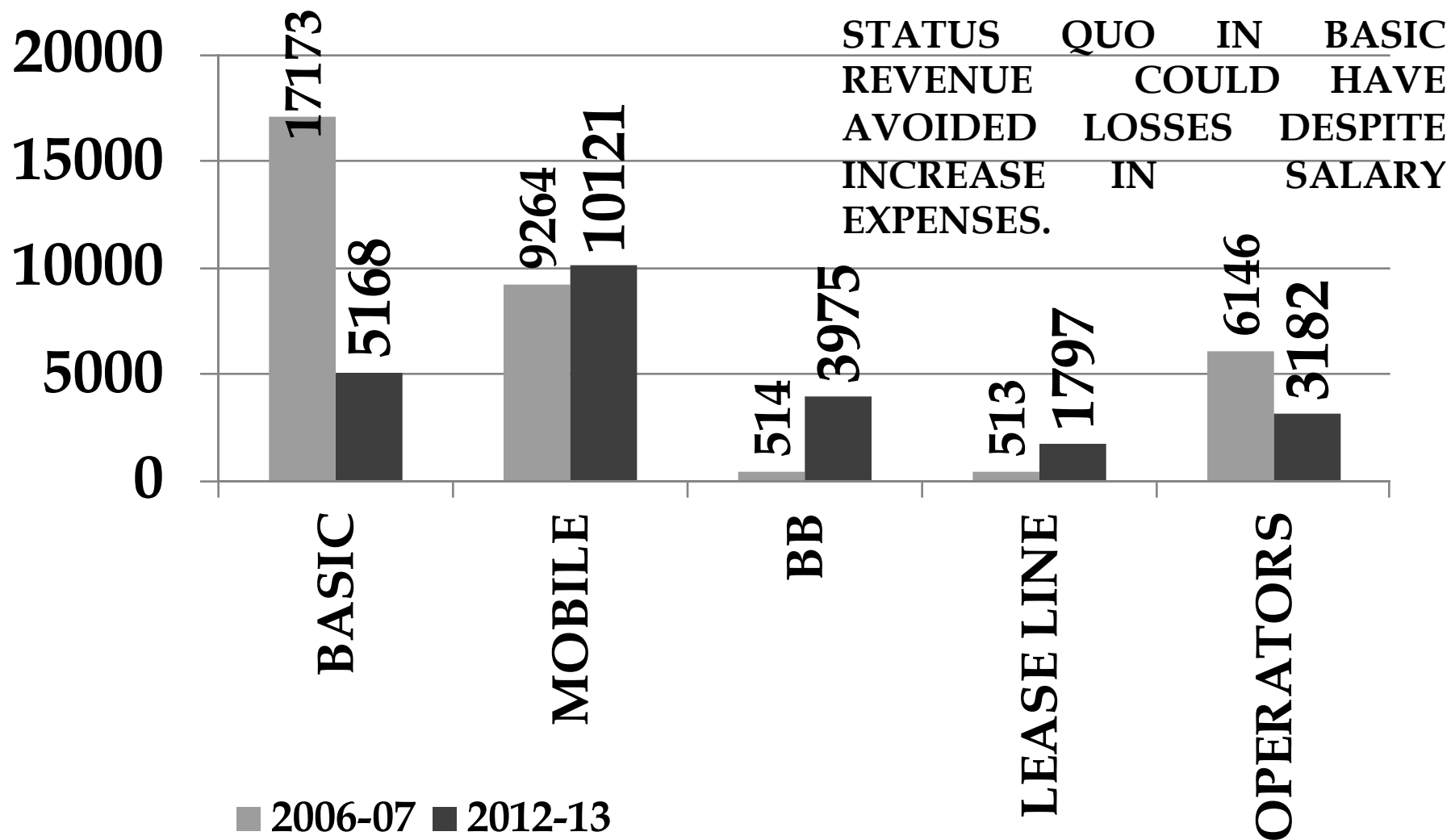
# INDUSTRY GROSS REVENUE ( Crores)



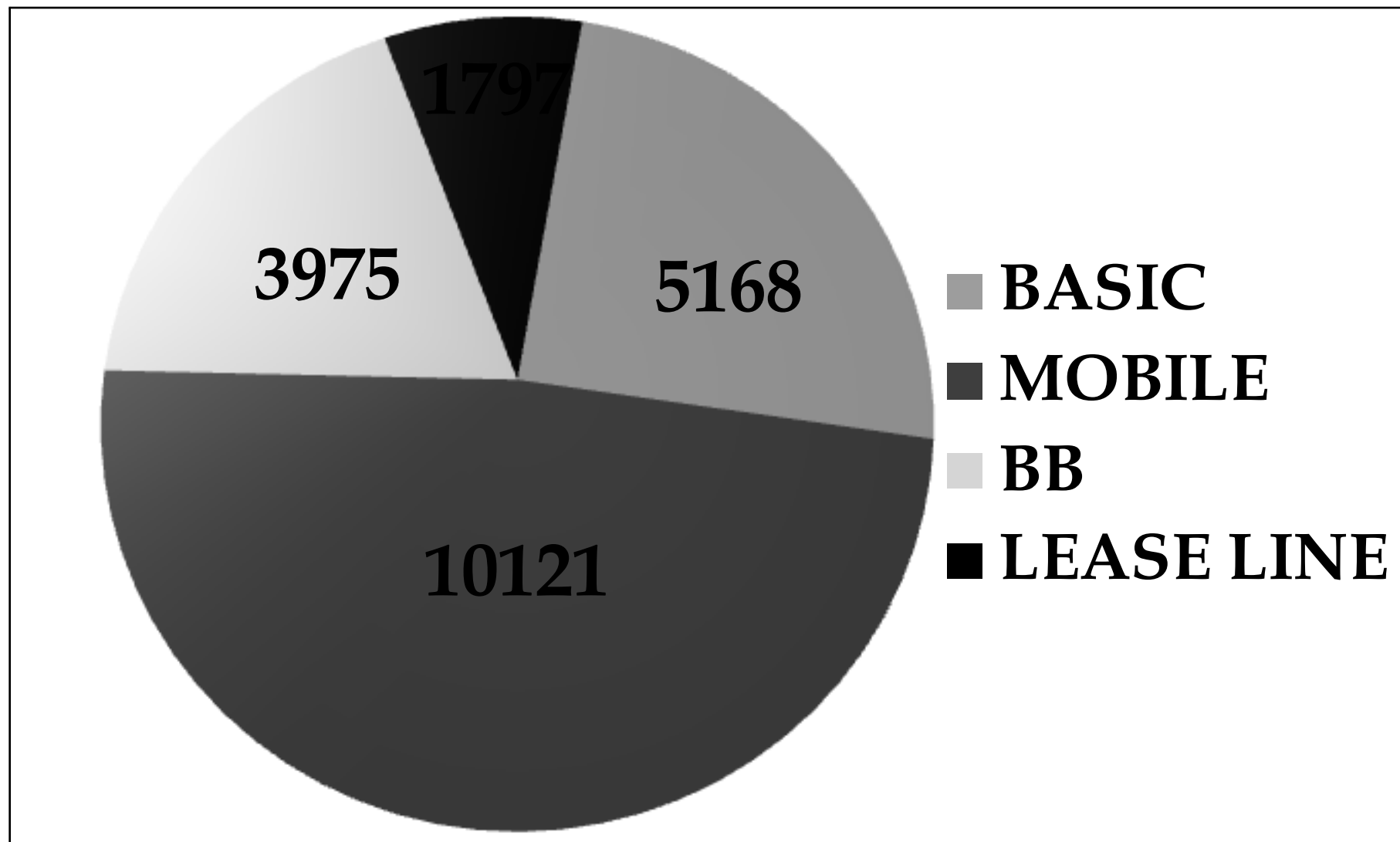
# BSNL REVENUE



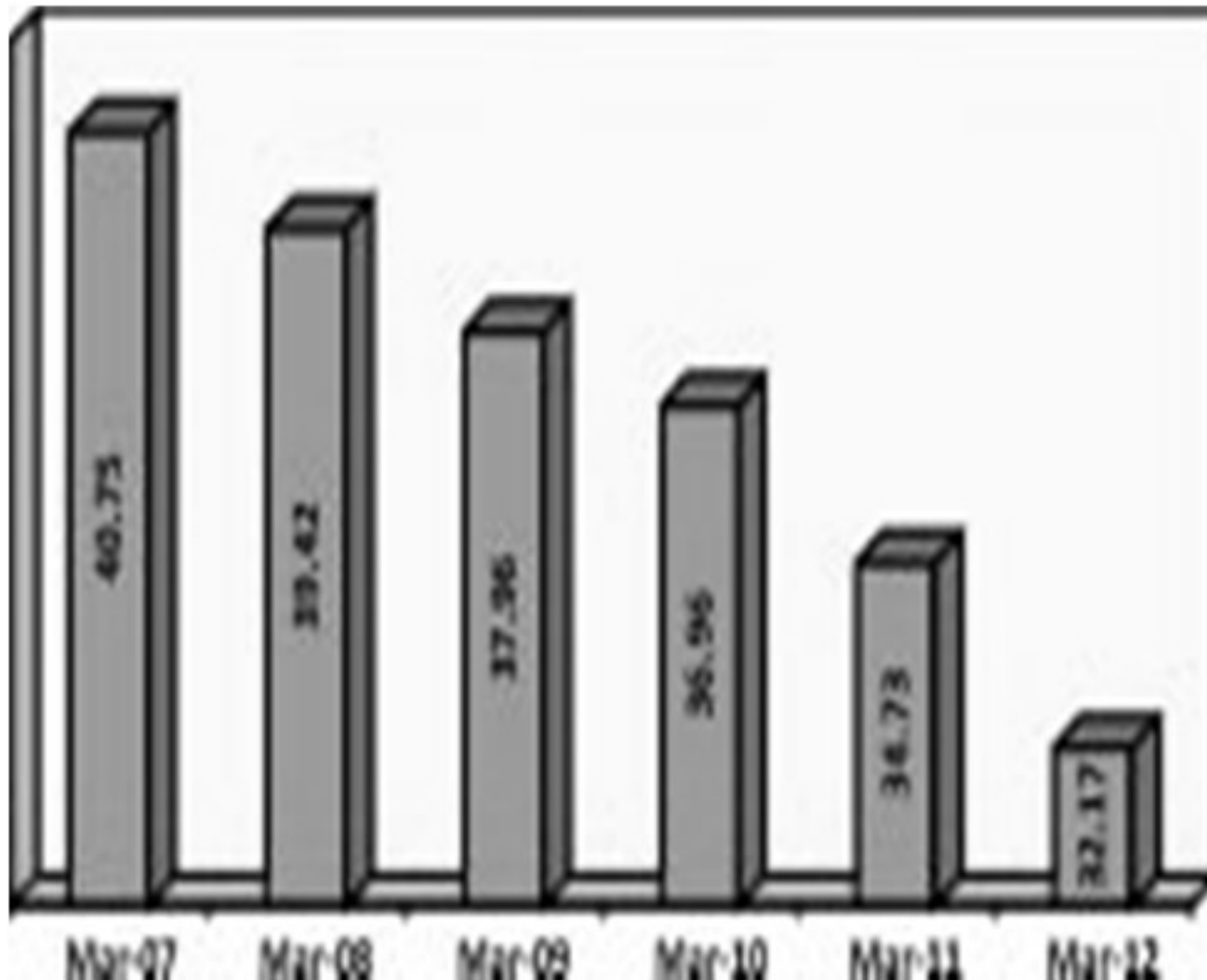
# CHANGES IN MAJOR SOURCES OF REVENUE -7 years(Rs in Cr.)



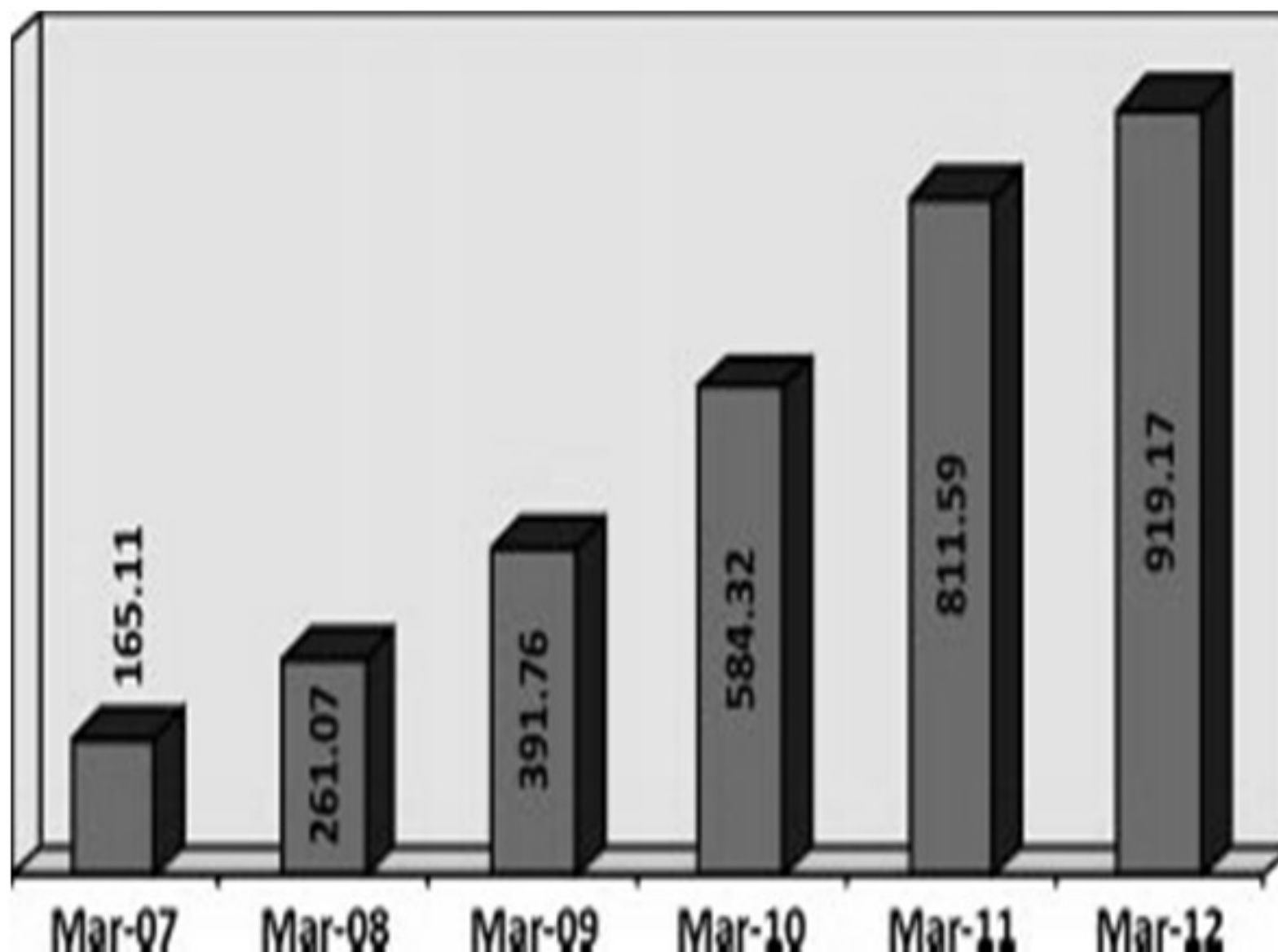
## 2012-13 -REVENUE From Services( Rs in Cr.)



## Industry : Wireline Subscriber (in million)

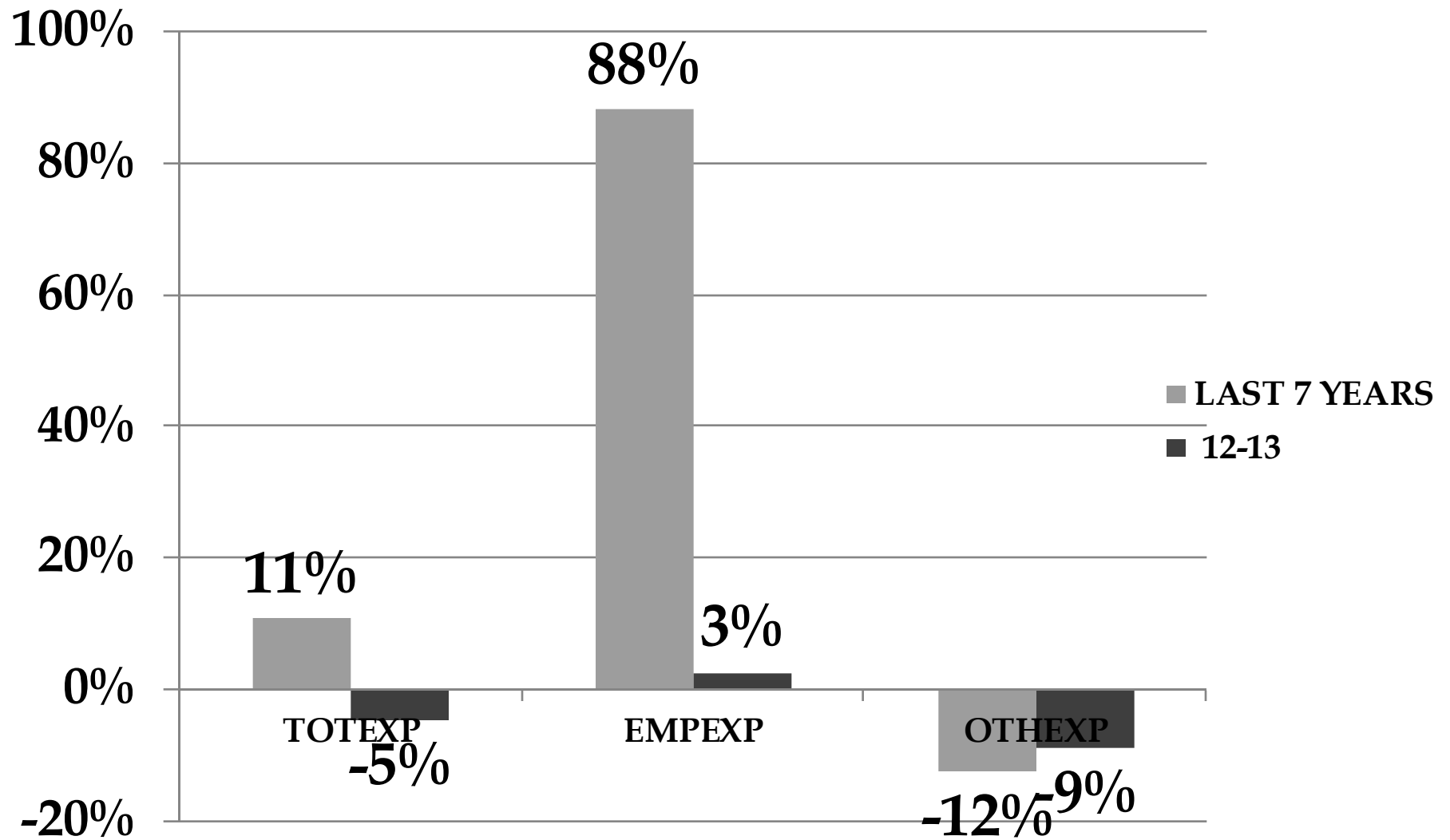


# Industry -Wireless Subscriber (in million)

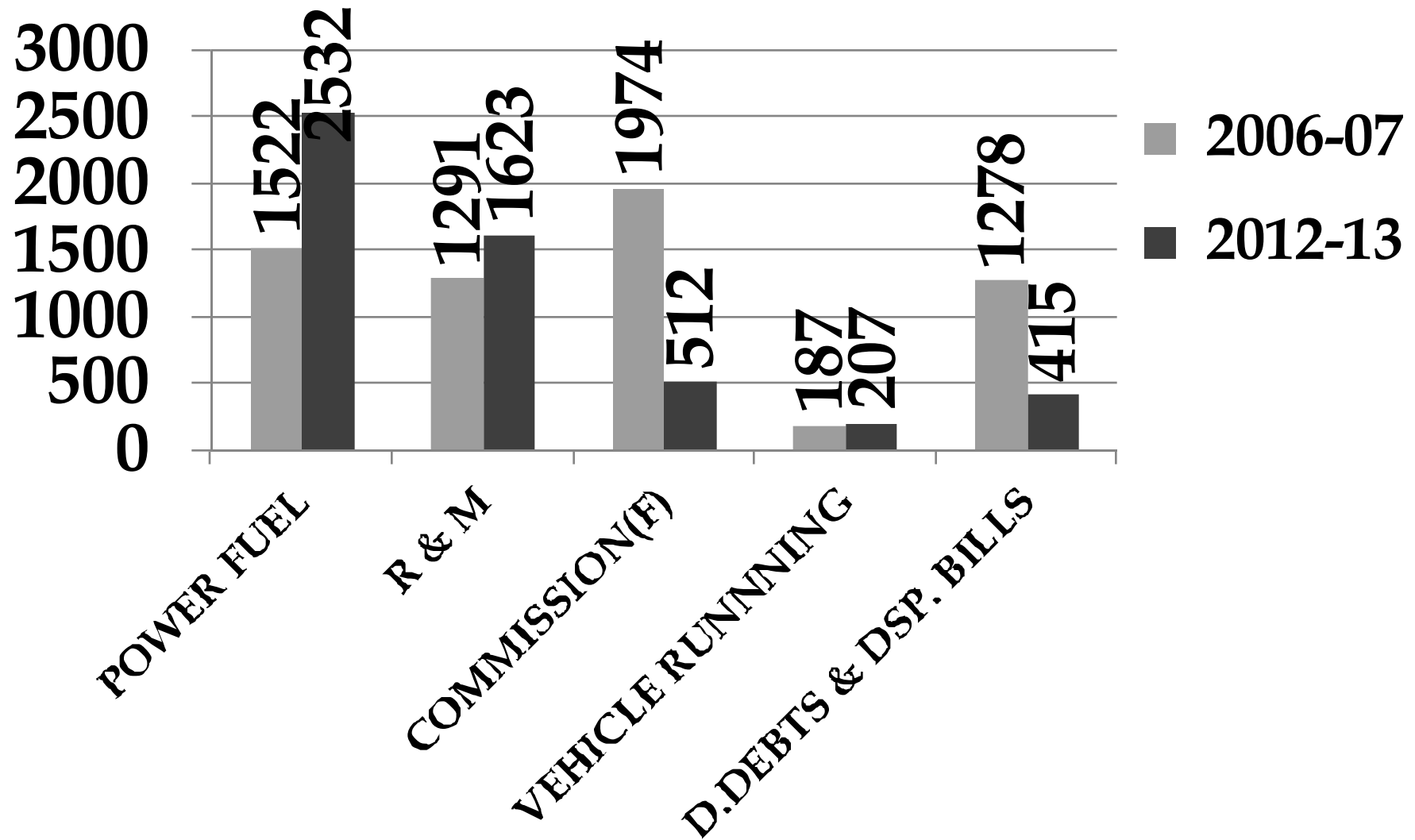




# Comparison of trends



# MAJOR OTHER OPERATING EXPENSES

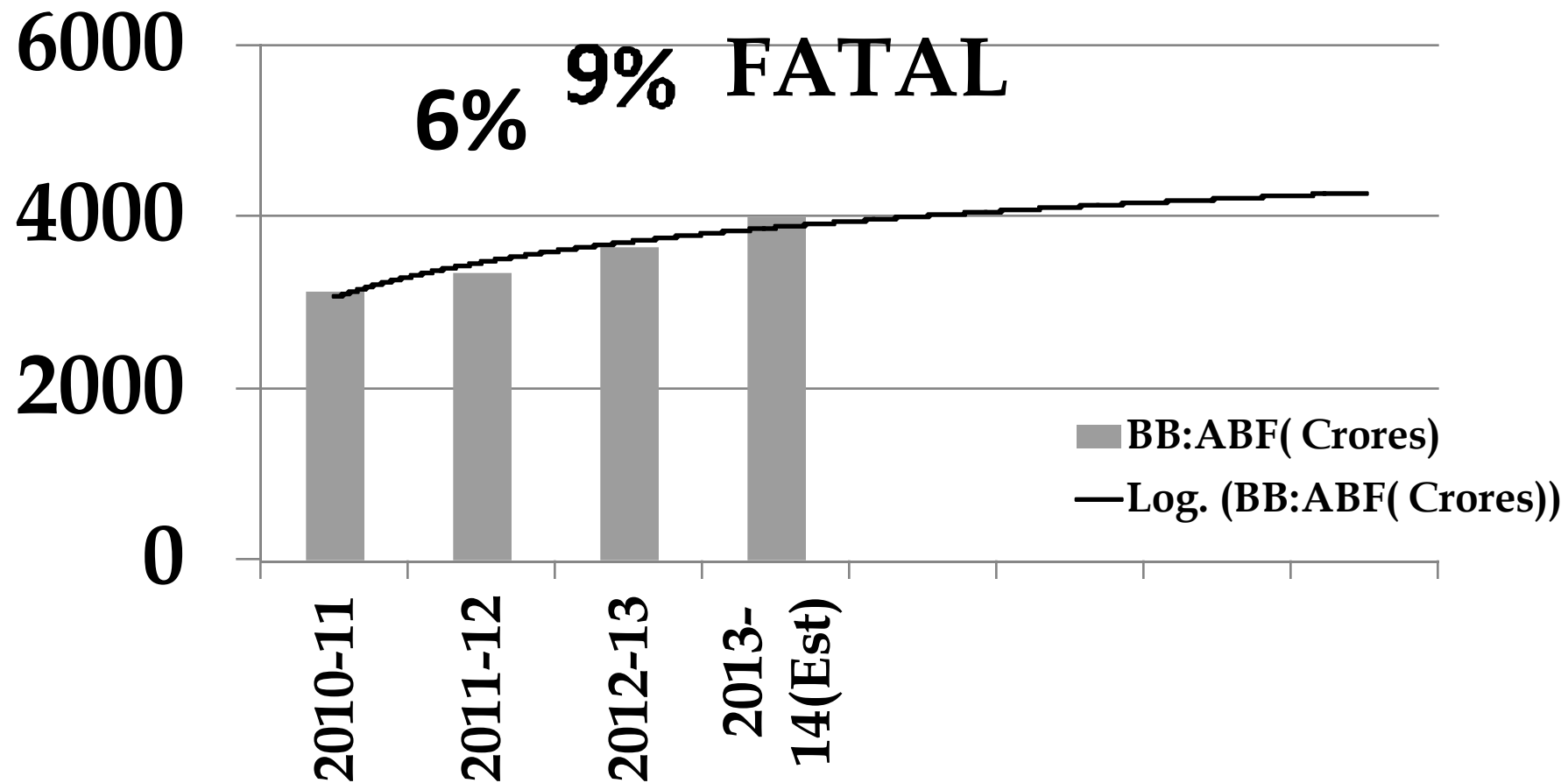


## **BUT IT IS NOT ENOUGH:WHY?**

- **Major opex : cannot be cut to the bone**
- **Decrease in employee expenses due to retirements is set off by increase in DA/increments etc and its cascading effect on PF etc.**
- **In other words, there is not much scope left on expenses front.**

# WAY FORWARD.....

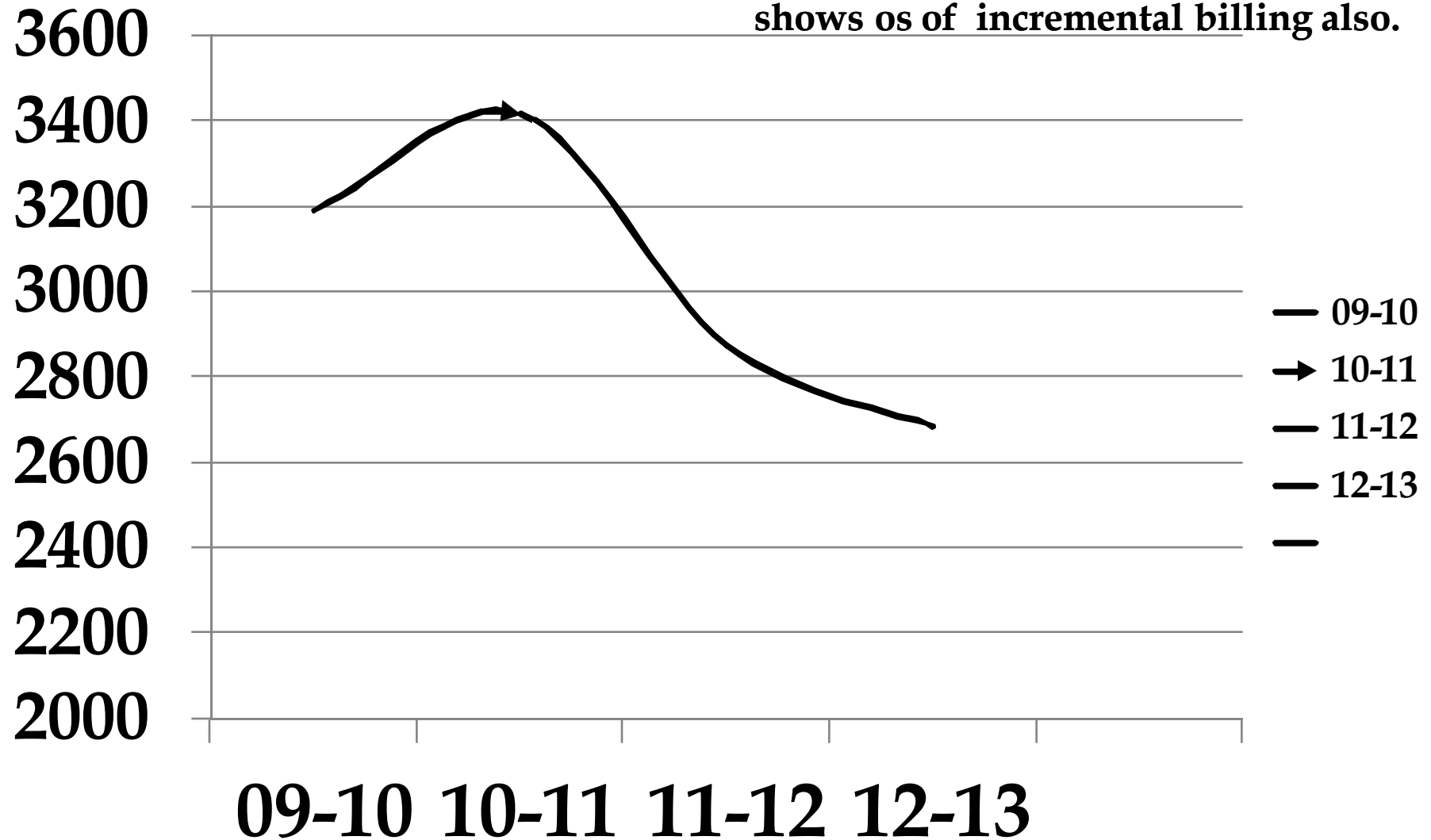
## SURRENDER IN BB MAY BE



# FOCUS ON RECOVERY OF DUES

OS:LL+BB ( Rs CR.)

Recovery of os has improved but a lot need to be done .Pl note that line shows os of incremental billing also.



## TO IMPROVE CASH FLOW

- Please intensify recovery of dues- debtor turnover ratio is still very high.
- The ratio at present is about 3.7 months, after having improved from more than 6.
- Current sales have to go up, and for this optimization of network resources has to be ensured.

## **Focus areas for Financial resources**

# **Corporate perspective on Financial Resources**

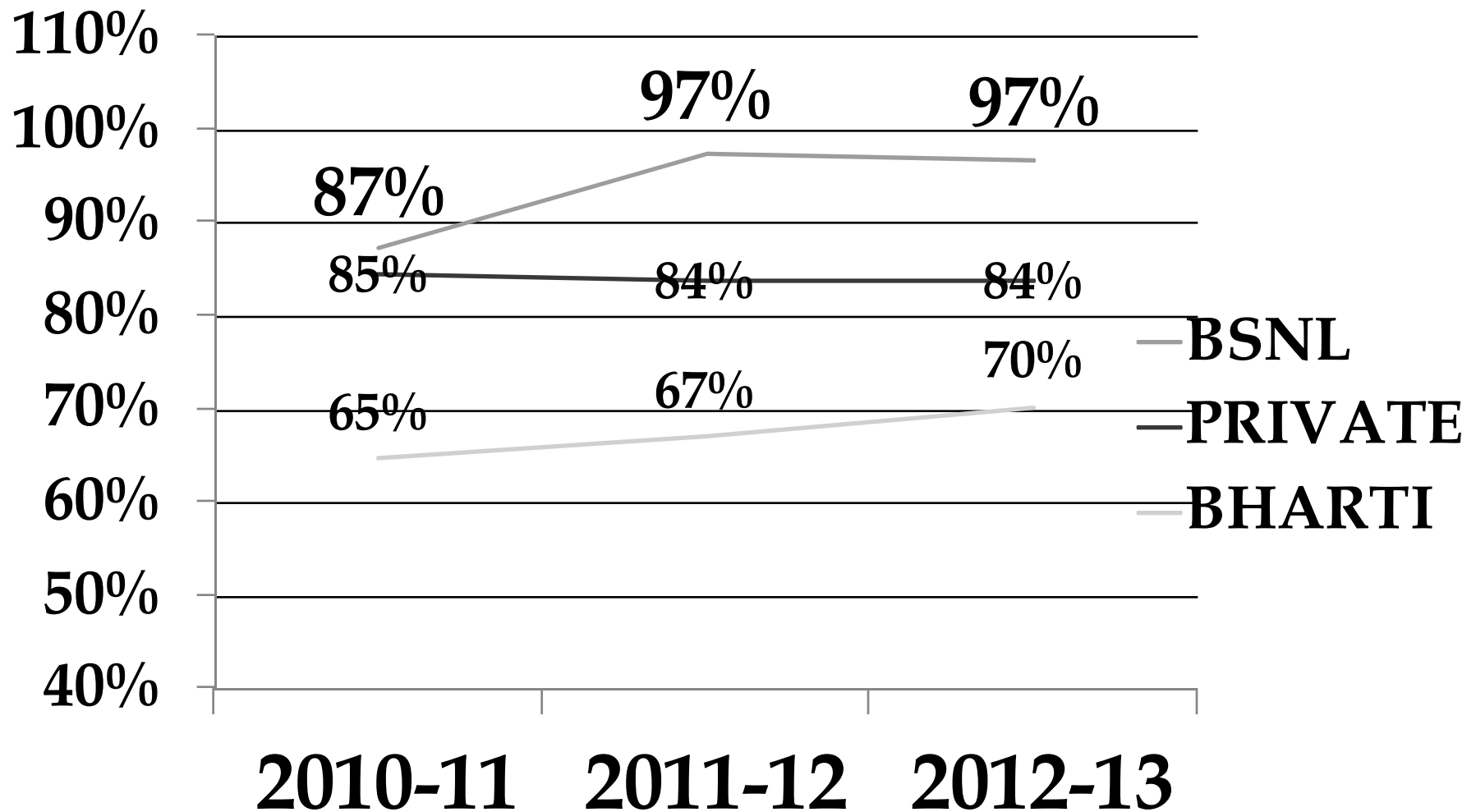
- **CAPEX is a challenge for a company that already has losses, unless access to long term funds is available.**
- **CAPEX cannot be funded out of revenue earnings alone.**
- **Working capital has first claim on current revenues.**



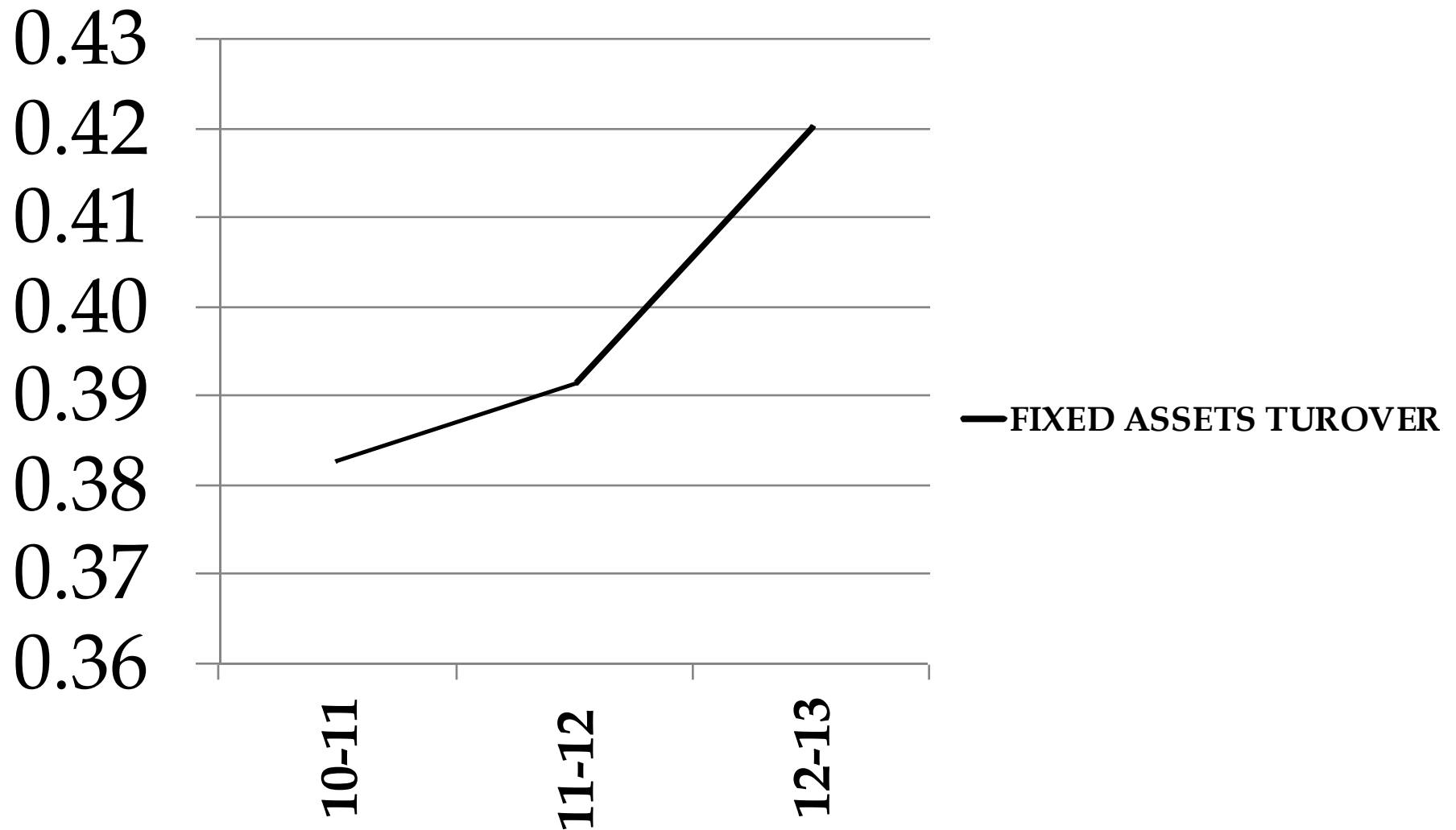
## REVENUE PER EMPLOYEE to COST PER EMPLOYEE RATIO

- 7 years back, this ratio was 5.4:1.
- Today it is 1.97 :1.
- For survival, this ratio should be at least 3:1.
- Revenue /opex (excluding staff cost, LF & depreciation) Ratio is 2.61:1.
- 7 years back , it was 3.63:1.
- Therefore ,we are left with only option for survival i.e. to increase revenue.

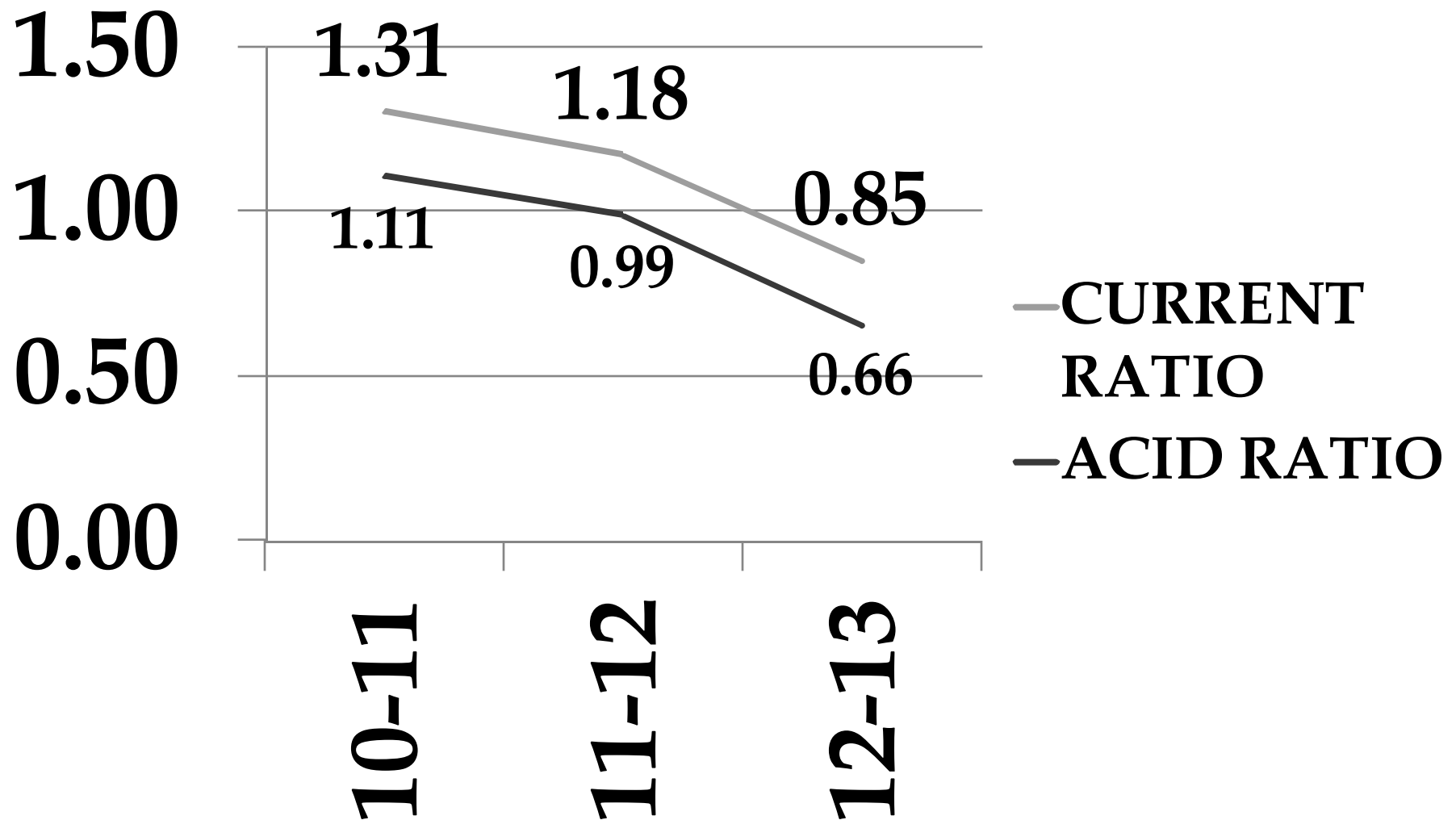
# OPEX( excl. DEP) RATIO



# FIXED ASSETS (NET) TURNOVER RATIO



# SHORT TERM SOLVENCY INDICATOR



# Issues for follow up

- Debtor turnover ratio to be brought to 1.5 months.
- Revenue per employee to cost per employee ratio to be 3:1.
- OPEX ratio to be brought to less than 70% at par with Industry leader.
- Fixed Asset to Turnover ratio to be 0.85 or better.
- Current Ratio to be 1.5 or better.

## How to do it.

- **Tariff proposals should fully leverage existing resources.**
- **Appraisal of CAPEX proposals should be done realistically. Details.**
- **There are no Shortcuts.**

# **Consumer Mobility**

# GSM Revenue Apr-Oct-12 Vs Apr-Oct-13

(In Rs. Crores)

| Zone | Name of Circle    | Revenue from<br>Apr-12 to Oct-12 | Revenue from<br>Apr-13 to Oct-13 | Variation % |
|------|-------------------|----------------------------------|----------------------------------|-------------|
| East | ANDAMAN & NICOBAR | 18.31                            | 19.92                            | 8.83        |
|      | ASSAM             | 161.07                           | 170.51                           | 5.86        |
|      | BIHAR             | 132.10                           | 137.62                           | 4.18        |
|      | JHARKHAND         | 82.02                            | 75.38                            | -8.09       |
|      | KOLKATA           | 82.23                            | 73.52                            | -10.59      |
|      | NORTH EAST - I    | 54.38                            | 57.47                            | 5.68        |
|      | NORTH EAST - II   | 70.99                            | 75.60                            | 6.50        |
|      | ORISSA            | 262.43                           | 280.09                           | 6.73        |
|      | WEST BENGAL       | 148.80                           | 151.13                           | 1.57        |
|      |                   |                                  |                                  |             |
| West | CHHATISGARH       | 83.93                            | 88.21                            | 5.10        |
|      | GUJARAT           | 234.51                           | 258.91                           | 10.41       |
|      | MADHYA PRADESH    | 201.79                           | 223.36                           | 10.69       |
|      | MAHARASHTRA       | 430.56                           | 450.22                           | 4.57        |



# GSM Revenue Apr-Oct-12 Vs Apr-Oct-13

(In Rs. Crores)

| Zone       | Name of Circle       | Revenue from<br>Apr-12 to Oct-12 | Revenue from<br>Apr-13 to Oct-13 | Variation % |
|------------|----------------------|----------------------------------|----------------------------------|-------------|
| North      | HARYANA              | 180.62                           | 192.21                           | 6.42        |
|            | HIMACHAL PRADESH     | 102.30                           | 116.51                           | 13.89       |
|            | JAMMU & KASHMIR      | 163.26                           | 173.13                           | 6.05        |
|            | PUNJAB               | 243.74                           | 274.24                           | 12.52       |
|            | RAJASTHAN            | 283.23                           | 278.09                           | -1.82       |
|            | UTTAR PRADESH (EAST) | 458.09                           | 468.84                           | 2.35        |
|            | UTTAR PRADESH (WEST) | 179.24                           | 191.32                           | 6.74        |
|            | UTTARANCHAL          | 82.47                            | 81.29                            | -1.43       |
|            |                      |                                  |                                  |             |
| South      | ANDHRA PRADESH       | 585.88                           | 596.99                           | 1.90        |
|            | CHENNAI              | 132.09                           | 131.52                           | -0.43       |
|            | KARNATAKA            | 381.65                           | 442.94                           | 16.06       |
|            | KERALA               | 536.04                           | 618.57                           | 15.40       |
|            | TAMILNADU            | 466.95                           | 502.17                           | 7.54        |
| BSNL TOTAL |                      | 5758.66                          | 6129.77                          | 6.44        |

## Collection Efficiency, ARPU & Outstanding

- Collection-efficiency (Target- 99 %) for 6th month- Achieved by TN (99.5%), Kerla(99.4%), Raj (99.5%), Chennai (99.2) Pnj(99.2%) & MH (99.0%) only . It is very poor for Bihar(81.0%) is very poor .
- Huge outstanding against Post-paid mobile services in all Circles. Associations & Unions are requested to contribute in realization.
- All India combined ARPU is 96.56. Lower ARPU circles- UP (East) (68.2), Raj (70.0), U.P.(W) (81.0) & Chg (82.5).

# **Strengthening of Sales Channel**

Use of IT tools (including improvement in Sancharsoft system) to enable direct online payment of commission & incentives to Retailers.

- Rectification of existing wrong creations has been started in Ctopup & the same is to be copied in Sancharsoft . Dependency on BSNL staff.
- Direct on-line payment of additional incentive to Retailers for MNP @ Rs. 25/- is started with effect from on 01-11-13 to begin with.
- Separate wallet for postpaid bill payments (GSM, CDMA, Landline & WiMax) has been introduced with provision of direct payment of commission to POS. Franchisees be asked to refill 2nd wallet meant for postpaid.

Inclusion of automatic SMS alerting to FOS (Feet On Street) for collection of CAF from Retailers & activation of numbers within few hrs

- The process for SMS alerting for CAF collection has been introduced vide Order dt 9-10-13 for pilot Circles Bihar, Gujrat, Rajasthan & AP
- Work on mapping of FOS with Franchisee & Retailers/ POS by Circle C-Topup teams is in progress . Unions can help expediting this work.
- Franchisee Managers are to play vital role. Associations/ Unions may try to push this activity for early completion.

# Efforts to increase revenue from Data Usage

- Ensuring better availability of Network carrying data traffic
  - Detailed analysis of QoS for better data speed has been done. Based on that
    - Additional IP addresses have been arranged,
    - Re-parenting of SGSNs with GGSNs has been done
    - Bandwidth between SGSN/ GGSN and NIB is being augmented.
- IP boards are being commissioned between Node-B and RNCs .
- Expansion of Bandwidth in core network is being pursued through CN Cell.
- ABC classification of Node-Bs based on traffic for differential importance. Associations & Unions can help to identification of reasons & better availability of high traffic Node-Bs

# Efforts to increase revenue from Data Usage

- Provisioning of competitive Tariffs
  - BSNL's Data USPs (3G Coverage in >1300 towns, Free Data roaming & the lowest tariff) be made known in the market by all of us.
  - Unification of tariff for 2G & 3G has been done creating a benchmark for industry to follow.
  - More than 24 Data STVs were creating confusion- Now, there are just 9 Data STVs.
  - Bundling of Data STV with Tablets & Smart phones has been streamlined.
  - Retailing of Mobile TV bundled with Data STV has been made live in South Zone. (Apalya, Pkonline & Exnxt).

# अब बनेगी हर बात



## BSNL 3G

Faster than your thoughts



# 1 GB DATA

## सिर्फ ₹ 139 में

### ALL INDIA DATA ROAMING FREE

#### 3G Data STV

₹ 14 में 100 MB डाटा STV 3 दिन के लिए

₹ 98 में 700 MB डाटा STV 21 दिन के लिए

₹ 561 में 5000 MB डाटा STV 30 दिन के लिए

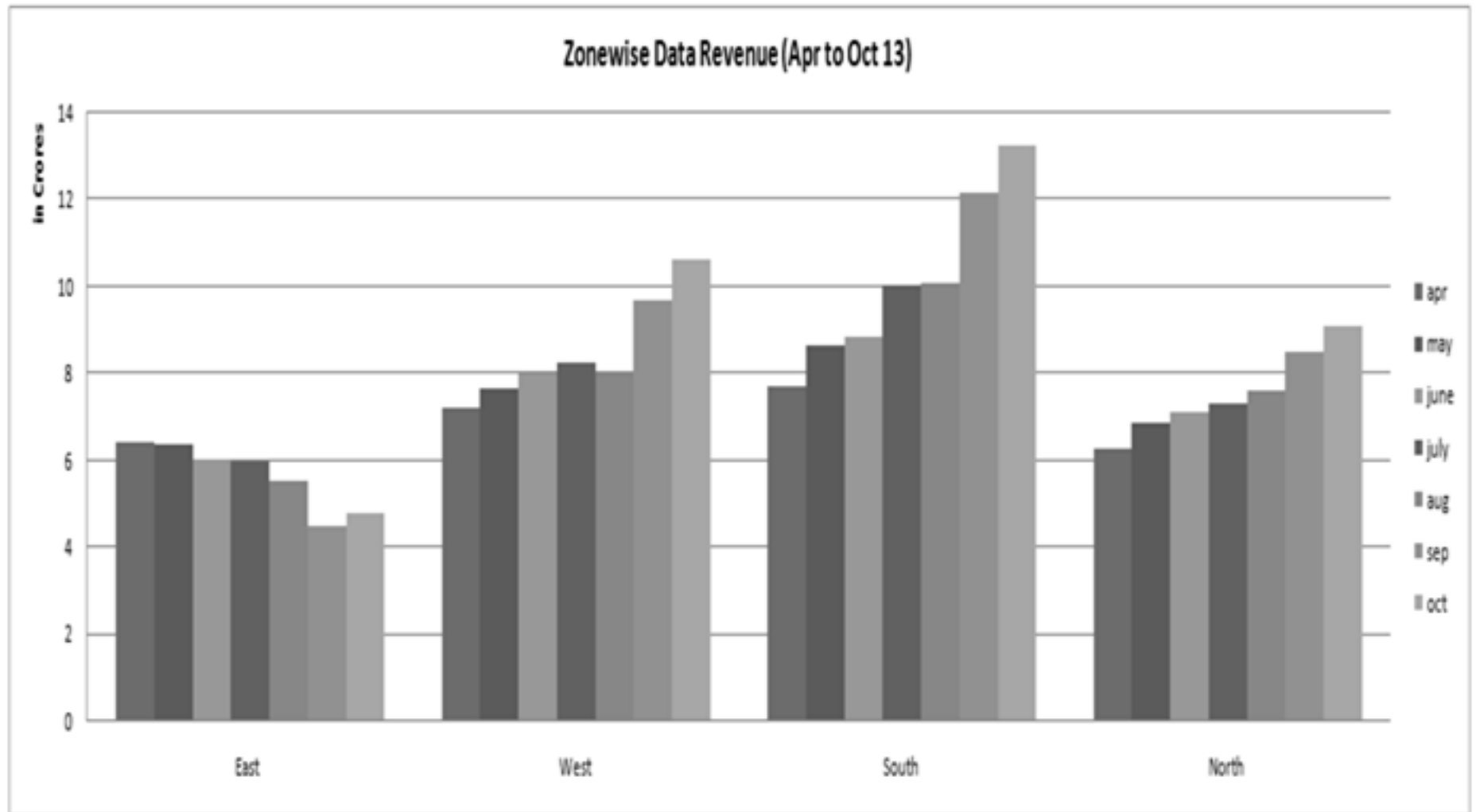
Extra Charges 2p/10kb

**TOLL FREE No. : 1800-180-1503 (Non-BSNL) / 1503 (BSNL)**

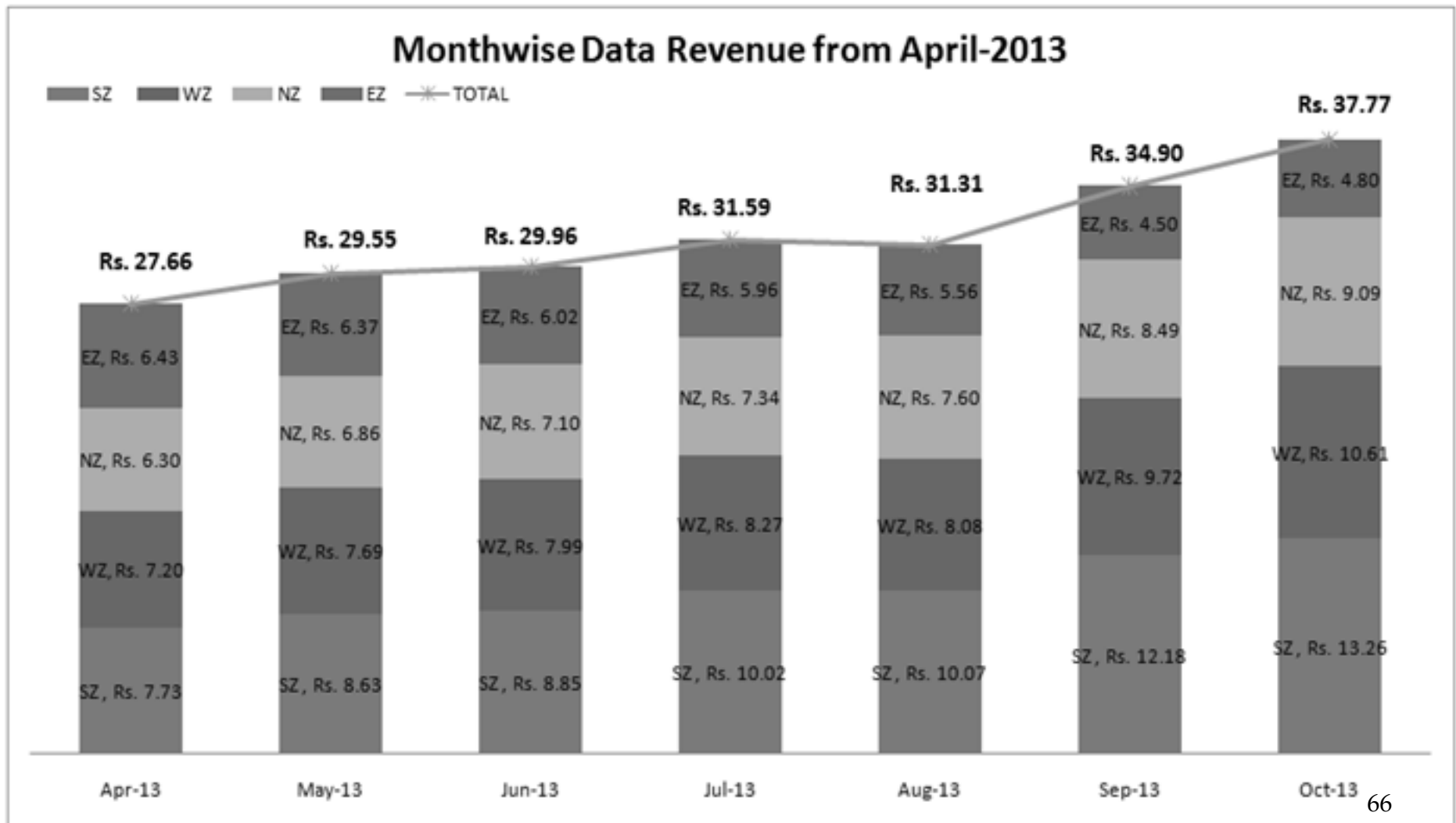
[www.rajasthan.bsnl.co.in](http://www.rajasthan.bsnl.co.in)



# Revenue from sale of Data STVs



# Growth of revenue from Data STVs



# Franchisee Territories

- Total - 2067, Filled -1792 & vacant-275.
- Adequate power delegated to CGMs to fill up through a Committee, if could not be filled through EOI.
- Non-remunerative territories remain vacant- being analyzed & merged
- Work completed for Asm (58-48), NE-I (23-18), MP (135-136), Utkd (29-28), Ktk (134-127) & Bih (114-96)
- Associations & Unions can help to identify potential Franchisee/ RDFs/ DSAs/ POS, specially in vacant territories.

# Franchisee status

| <b>Circle</b> | <b>Total</b> | <b>Filled</b> | <b>% Filled</b> | <b>Rank</b> | <b>Circle</b> | <b>Total</b> | <b>Filled</b> | <b>% Filled</b> | <b>Rank</b> |
|---------------|--------------|---------------|-----------------|-------------|---------------|--------------|---------------|-----------------|-------------|
| <b>AN</b>     | 5            | 5             | 100%            | 1           | <b>UTR</b>    | 28           | 25            | 89%             | 9           |
| <b>AP</b>     | 183          | 181           | 99%             | 2           | <b>WB</b>     | 62           | 54            | 87%             | 10          |
| <b>KTK</b>    | 127          | 124           | 98%             | 3           | <b>CG</b>     | 30           | 26            | 87%             | 10          |
| <b>BH</b>     | 96           | 93            | 97%             | 4           | <b>JK</b>     | 22           | 19            | 86%             | 11          |
| <b>KRL</b>    | 82           | 79            | 96%             | 5           | <b>NE-2</b>   | 25           | 21            | 84%             | 12          |
| <b>PB</b>     | 74           | 71            | 96%             | 5           | <b>MP</b>     | 136          | 113           | 83%             | 13          |
| <b>TN</b>     | 95           | 91            | 96%             | 5           | <b>UPW</b>    | 93           | 77            | 83%             | 13          |
| <b>MH</b>     | 174          | 163           | 94%             | 6           | <b>JH</b>     | 39           | 31            | 79%             | 14          |
| <b>GJ</b>     | 111          | 101           | 91%             | 7           | <b>UPE</b>    | 210          | 166           | 79%             | 14          |
| <b>CHE</b>    | 22           | 20            | 91%             | 7           | <b>KOL</b>    | 22           | 17            | 77%             | 15          |
| <b>HP</b>     | 33           | 30            | 91%             | 7           | <b>RJ</b>     | 170          | 131           | 77%             | 15          |
| <b>HR</b>     | 59           | 53            | 90%             | 8           | <b>NE-1</b>   | 18           | 13            | 72%             | 16          |
| <b>AS</b>     | 48           | 43            | 90%             | 8           | <b>OR</b>     | 103          | 45            | 44%             | 17          |

# Active POS penetration

| Circle | Total POS | Active POS | % Active | Rank | Circle | Total POS | Active POS | % Active | Rank |
|--------|-----------|------------|----------|------|--------|-----------|------------|----------|------|
| HR     | 26,968    | 18,968     | 70%      | 1    | TN     | 71,637    | 35,806     | 50%      | 14   |
| KOL    | 11,119    | 7,659      | 69%      | 2    | CG     | 12,748    | 6,156      | 48%      | 15   |
| OR     | 52,133    | 33,294     | 64%      | 3    | WB     | 48,790    | 23,260     | 48%      | 16   |
| CHE    | 11,258    | 6,917      | 61%      | 4    | AN     | 1,810     | 843        | 47%      | 17   |
| HP     | 16,590    | 10,129     | 61%      | 5    | PB     | 67,011    | 27,772     | 41%      | 18   |
| GJ     | 41,360    | 24,914     | 60%      | 6    | MP     | 55,053    | 20,346     | 37%      | 19   |
| AP     | 74,303    | 42,825     | 58%      | 7    | AS     | 35,697    | 11,764     | 33%      | 20   |
| RJ     | 55,995    | 30,202     | 54%      | 8    | UPE    | 1,70,604  | 56,101     | 33%      | 21   |
| MH     | 56,455    | 29,759     | 53%      | 9    | NE-2   | 15,924    | 4,619      | 29%      | 22   |
| KTK    | 58,507    | 30,597     | 52%      | 10   | UPW    | 92,385    | 25,062     | 27%      | 23   |
| KRL    | 47,241    | 24,575     | 52%      | 11   | JH     | 37,996    | 9,781      | 26%      | 24   |
| UTR    | 17,367    | 9,028      | 52%      | 12   | BH     | 1,11,571  | 27,050     | 24%      | 25   |
| JK     | 16,215    | 8,392      | 52%      | 13   | NE-1   | 14,123    | 2,578      | 18%      | 26   |

# Tariff Management

- Customers are more comfortable with monetary value instead of talk time in minutes. Changes in tariff have been initiated.
- Monthly Tariff Posters by 5th at every POS. It can't be ensured without active role of FMs, RMCs & RMs. Associations & Unions to keep watch for this.
- Trade Scheme be used effectively and improvement be suggested.
- Tariff Order Management (TOM) module in sancharsoft be used for Tariff Announcements.
- Automatic extension of Validity has been implemented.
- Free SIM offer & Full Talktime even on lower denominations are allowed during 100 days programme



# आकर्षक STVs



## STV for Reduce Voice Calls

| Special Tariffs   | MRP in Rs. (incl. S/T) | Validity in days |
|---|------------------------|------------------|
| 80 Min Local / STD any net  | 30                     | 1                |
| Unlimited Local / STD on net  | 164                    | 6                |
| Local call- Own Network Unlimited free  | 343                    | 27               |
| Local call- Own Network Unlimited free  | 894                    | 81               |
| Local/ STD voice call- Own Network Unlimited free                             | 699                    | 30               |
| Unlimited Local onnet call and 500min free Local/STD calls any net            | 574                    | 27               |
| Unlimited Local onnet call and 1500min free Local/STD calls any net           | 1494                   | 81               |
| *STV for Life Time plan :- for Per Sec. Voice tariff                          |                        |                  |
| Local On-Net @ 1.2 Paise, Off-net & STD On-Net / Off-net @1.5 Paise :-        | 24                     | 90               |
| for other plans : All Local on net Calls @ 1 Paise per sec*                   |                        |                  |
| *STV for Per Min. Voice tariff Life Time :-                                   |                        |                  |
| Local /STD On-Net@ 60 P/Min   | 19                     | 90               |
| Local /STD On-Net@70 P/Min  |                        |                  |
| All Local on net Calls @ 49 Paise/min (Except Life Time, anant Plan)          | 28                     | 90               |
| 350 Min Local/STD Any-net call  | 135                    | 30               |
| Local / STD on net @ Rs. 0.20/- per min                                       | 47                     | 30               |
| Local & STD on BSNL network in Night @ Rs. 0.05/-Min (11PM to 6AM)            | 35                     | 30               |
| Local/STD Rs. 1.00/Min on BSNL network & Rs. 1.20/3 Min on other network      | 29                     | 30               |
| Local on any net Rs. 0.012/2 Seconds  | 44                     | 30               |
| Local on any net Rs. 0.012/2 Seconds  | 122                    | 90               |
| Local on-net @ 20 p/min, Local Off-Net-30 P/Min, STD any network@40 P/Min     | 79                     | 30               |
| Local on net @ Rs. 0.10/- per min   | 209                    | 90               |
| Free Incoming calls in BSNL & MTNL N/W & all G/G in Roaming @1.5 p/sec.       | 65                     | 30               |
| STV for Call forwarding (free call forwarding any BSNL LAND LINE/WALL NUMBER) | 5                      | 1                |
| STV for Free Video call :- 125 Minutes free local video calls on net          | 67                     | 30               |
| SMS @ 10P** + Usage/Value Rs. 20/-  | 21                     | 30               |
| Free 50 SMS+ Usage/Value Rs. 5  | 57                     | 30               |
|   | 68                     | 30               |
|   | 13                     | 2                |

## STV Night Call Pack

|  |     |    |
|--|-----|----|
| 800 min Local/STD onnet night (11 PM to 6 AM)  | 59  | 30 |
| 1800 min Local/STD onnet night (11 PM to 6 AM) | 121 | 30 |

## STV Based SMS Pack

|   |     |    |
|---|-----|----|
| (a) Local/National On-net SMS 100 SMS per day free* | 31  | 15 |
| (b) for Local/National Off-net SMS @ 12p/SMS*       | 53  | 30 |
| 130 Local/National (Any-Net) SMS Free               | 11  | 7  |
| 265 Local/National (Any-Net) SMS Free               | 20  | 15 |
| 585 Local/National (Any-Net) SMS Free               | 33  | 30 |
| 860 Local/National (Any-Net) SMS Free               | 52  | 30 |
| 1450 Local/National (Any-Net) SMS Free              | 83  | 30 |
| 3000 Local/National (Any-Net) SMS Free              | 147 | 90 |

\* The SMS tariff is applicable up to 100 SMS per day only. All the SMS beyond 100SMS/day will be charged Rs.0.50/SMS or SMS charges as per Base Tariff whichever is higher.

## STV for Voice Combo Plan

|  |     |    |
|--|-----|----|
| Local any Network @ 30 P/Min+ Usage/Value Rs. 20       | 72  | 30 |
| STD any Network @ 35 P/Min+ Usage/Value Rs. 30         | 165 | 30 |
| Local / STD any Network @ 30 P/Min+ Usage/Value Rs. 48 | 218 | 45 |

Flow C Top Up facility :- In which any amount between Rs. 10- 50 Rs. 50/- can be top up (Transfer) through C Top Up.

## Activation of STVs via SMS / NET

\*You can select an STV by SMS. Amount will be deducted from your main account. (Amount/MRP S/Tax 12.36 % will be deducted from your account balance & SMS to 52244 is free of cost.) send SMS <help VOICE> to 52244 You will get menu, select the option, other option are <help DATA>, <help SMS>, <help ISD>.

Note: The plans available in the menu are based on customer service plan. The plans are displayed as per priority calling of the STV at the time of configuration at SELF CARE. The plans may vary in the menu for different customer on day to day basis, or Subscriber can also subscribe via Net by visiting : <http://018.248.85.243/3737/selfcareweb/> . Type username : 10 digit mobile number as: 9880418421 \* You will receive a online password on your mobile to login \*

For on Screen Enquiry of Account Balance of STV, SMS, Voice, Data Balance etc. : Dial Code \*123\* (1-10)s

## STV for ISD Pack

| Special Tariffs  | MRP in Rs. (incl. S/T) | Validity in days |
|--|------------------------|------------------|
| Australia, Bhutan, Indonesia, Kuwait, Nepal @ Rs. 6.49/Min & SMS @Rs. 2.50 per SMS   | 9                      | 7                |
| Bangladesh, Germany, Malaysia @ Rs. 2.99/Min & SMS @Rs. 2.50 per SMS   | 23                     | 30               |
| Bahrain, France, Pakistan, Sri Lanka, UK* @Rs. 4.45/Min & SMS @Rs. 2.50 per SMS (*STV is not Applicable for UK* code +004470. Rs. 25/min will be charged for above UK ISD Code.) | 12                     | 7                |
| Canada, USA, Hongkong, Singapore, Thailand @ Rs. 1.49/Min & SMS @Rs. 2.50 per SMS  | 27                     | 30               |
| *S.Arab & UAE 13p/sec  | 16                     | 7                |
|  | 41                     | 30               |
|  | 26                     | 30               |

## STV for Data Pack

|   |     |    |
|---|-----|----|
| 100 MB FREE (Promotional offer for 90 Days from 15.08.13) | 14  | 9  |
| 240 MB FREE (Promotional offer for 90 Days from 15.08.13) | 40  | 7  |
| 500 MB FREE (Promotional offer for 90 Days from 15.08.13) | 79  | 15 |
| 700 MB FREE (Promotional offer for 90 Days from 15.08.13) | 96  | 21 |
| 1 G Data FREE   | 139 | 30 |
| 2 G Data FREE   | 251 | 30 |
| 3 G Data FREE   | 361 | 30 |
| 4 G Data FREE   | 471 | 30 |
| 5 G Data FREE   | 581 | 30 |

Data charges after free usage @ 2P/1.44 & Customer Data speed will be 3G as default with no speed restriction. For 'best speed' data charges will be @Rs. 0.20/MB

## PREPAID MOBILE PLAN VOUCHERS

|  |     |            |
|--|-----|------------|
| Plan voucher for New Lifetime Plan (20Min/10 Min. On/Off-net. Voice calls Free) for 30 Days  | 36  | Life time* |
| Plan voucher for Per Min. Plan (20Min/10 Min. On/Off-net. Voice calls Free) for 30 Days  | 37  | 180        |
| Plan voucher for Per Sec. Plan (20Min/10 Min. On/Off-net. Voice calls Free) for 30 Days  | 42  | 180        |
| (1 200sec/900 sec. On/Off-net. Voice calls Free) for 30 Days   |     |            |
| Plan voucher for Pay as You Go Plan (20Min/10 Min. On/Off-net. Voice calls Free, 300Min Video call, 50 MB, 25 any net SMS Free) for 30 Days                        | 80  | 90         |
| Plan voucher for Student Special plan (Free 40-45 min On/Off-net call, 45 MB, 30 Local any net SMS Free) for 30 Days   | 87  | 180        |
| 3d Local plan (1125 sec/3125 sec. On/Off-net. Voice calls Free, 10 MB, Free) for 30 Days   | 99  | 30         |
| Plan voucher for General plan (Free 75-75 min On/Off-net call, 35 MB, 25 Local any net SMS Free) for 30 Days   | 180 | 180        |
| Roam-free Plan voucher (4000sec/4000 sec. On/Off-net. Voice 3000min Video call, 50 MB, 25 any net SMS Free) for 30 Days  | 199 | 180        |
| OTP-405, Free VC Roaming in BSNL N/W or MTNL N/W @ 0.75 P/min, Free 100/100 min On/Off-net call, 100min Video call, 200 MB, 50/50 Local/National SMS ) for 30 Days | 405 | 180        |
| FTP-PR/95, All VC Calls Free across country, Free 100/100 min On/Off-net call, 100 min Video call, 200 MB, 50/50 Local/National SMS ) for 30 Days                  | 705 | 180        |

## New Data Plan Voucher

|  |      |     |
|--|------|-----|
| Data Plan Vouchers: Free 75GB Data per month for 12 Months   | 1251 | 365 |
| Data Plan Vouchers: Free 1.5 GB Data per month for 12 Months | 2299 | 365 |
| Data Plan Vouchers: Free 2.5 GB Data per month for 12 Months | 3299 | 365 |

Note: Unused Data of previous month of DA 10 will not be carried forward to next month.

## Data Cards bundled with BSNL 3G SIM

|  |     |     |
|--|-----|-----|
| Data Plan Vouchers for SIM class 6240, Voice tariff as per General plan 180, Data Tariff as per Data recharge, Free 1GB Data valid for 30 Days | 104 | 365 |
| Data Plan Vouchers for SIM not bundled with BSNL 3G data cards   | 51  | 365 |

## Data Card Offered Rate

| Type      | Rate (in Rs.) |
|-----------|---------------|
| 3.6 Mbps  | 1299/-        |
| 7.2 Mbps  | 1315/-        |
| 14.4 Mbps | 1995/-        |

(\* promotional offered rate for 90 Days from 15.08.13)

Note : \* Life time plan validity extension customer should Top Up with Rs. 200 for 180 days & for Saral Anant plan validity extension customer should Top Up with Rs. 55/- for 180 days validity. # Night (11.00 PM to 7.00 AM) For Data Usage: \$Night (11 PM to 6 AM) for Voice calls

अधिक जानकारी के लिए टोल फ्री नं. 1503 डायल करें

Visit [www.rajasthan.bsnl.co.in](http://www.rajasthan.bsnl.co.in)

## Improve Visibility

- Hoarding on Departmental Buildings & few important hired places to be ensured
- Wall painting, specially in rural areas is the most economical & effective means
- Danglers at Points of Sale (POS) to mark BSNL presence- RMCs/ RMs to play significant role.
- Presence on Facebook/ Twitter- All employees to start posting favorable comments
- Have Experience Centers in BSNL premises & in major CSCs for demo of BSNL products
- Association/ Union websites may contain BSNL products promotional messages





# Sales & Marketing

## Sales & Marketing

- Internal Marketing for BSNL Schemes and Products . Unions & Associations may earmark some of their time while in their meetings/ gatherings to make staff aware.
- EB & Sales teams to visit to College campus etc. and to organise Melas/ Camps.
- Weekly press release by all SSAs. Unions may keep watch on this.
- BSNL Channel Partners/ Bundling Partners/ VASPs are allowed to have canopies/ posters/ banners in BSNL premises.
- Sale Canopies be used in low traffic BTS areas as well
- Reduction in tariff should be the last means after :-
  - Network availability & QOS
  - Ease of access to customers,
  - BTL promotion and
  - Customer care.




**बी एस एन एल**  
*कनेक्टिंग इंडिया*  
*फास्ट*

**यहाँ उपलब्ध है**

## Fear of CAF penalty- No sale of SIMs'

- No penalty on Franchisee after the CAF has been accepted to be OK by BSNL officials
- CAF penalty to be imposed on Franchisees only if there is sheer negligence on their part.
- Intentional delay to accept CAF from Franchisee or negligence to check CAF be viewed seriously
- Incentive for timely submission of CAF apart from monthly Rs.3000/-with direct payment to FOS is being put in place.
- Old pending cases of CAF penalty to be decided on priority by CGMs or through Arbitration.
- Single page common CAF for Prepaid & Postpaid has been introduced.

# Jingles on Radio & Print Ad

- New jingles prepared for MNP and Data STVs. 
- Radio activity is being done for 180 days in prominent channels -Akashwani, Vividh Bharti, FM Gold & Rainbow in addition to prominent private FM channels (Radio Mirchi, Big FM & Radio City)
- Jingles are being modified/replaced at regular intervals
- Targeted print media advertisement is being considered.

# Bundling of Tablets & Smartphones

- Device Bundled Coupon process through Sancharsoft made operational & has started showing results (Increased to 10806 in Oct from just 1000 in Apr-Jun 13)
- Secret PINs (Device Bundled Coupons) being sold to Bundling Partners
  - SUK-30: Free 500 MB & 50 mnts on-net calls per month for 6 monts
  - SUK-31: Free 500 MB data per month for 12 months
  - SUK-35: Free 100 mnts on-net calls per month for 12 months
- Details of Bundling Partners available on website
- Associations & Unions can help contacting Hon'ble MPs spending their funds for social cause. Suggestion for distribution of Tablets to students may be given
- BSNL is likely to get project from USOF to distribute 2.5 crore mobile handsets to Govt. identified beneficiaries.

# Value Added Services

- Forced activation of VAS checked:-
  - Confirmation by MO-SMS is mandated for VAS subscriptions
  - CVPS cum CG under installation- by Dec 2013
  - Browsing VAS encouraged by increasing revenue share
- New VAS:-
  - Re 1/- Store and BSNL LIVE on web being launched
  - VAS selling through Customer portal by 15-12-13
  - Policy for grabbing M-Gov opportunity finalized
  - Six More VASPs empanelled to execute M-Gov Projects
- Identify staff having acumen for VAS and be encouraged to acquire expertise in a particular VAS.
- Unions & Associations may help in gathering market Intelligence regarding VAS being provided by others.

# Mobile Money Transfer

- Immediate remittance of money from one person to another through DOP officials using BSNL mobile phone.
- Service launched in 9302 Post Offices & is expected to cross 10000 mark by November end.
  - Most economical compared to traditional money order
  - Faster delivery
  - Wide spread reach with ubiquitous BSNL GSM network
  - Trusted partners (BSNL and Postal Dept)



## Roll out of GSM/UMTS Ph-7 Expn. Project

- Circles in NZ, SZ & EZ along with phase VII vendor(s) M/s ZTE and ALIL are making all out efforts to expedite the completion of roll-out of the ordered equipment by facilitating on following items:
  - Early handover of the sites along with required media
  - Early completion of AT and issue of AT certificate
- Provision of IP media for 3-G Node-Bs is being pursued
- The tender for procurement of 0.63 Million capacity for West Zone is under evaluation
- Procurement of 1.73 millions of SIMs is under the process
- Circles are asked to plan for 3-G coverage up to Block level and for villages with population of more than 2000

# Points of Network Operations cell

- Timely submission of TRAI reports.
- Parameters are required to be improved as there is Penalty of Rs. 50,000/- per parameter not meeting the TRAI benchmark and TRAI is going to start monitoring of Quality of Service of mobile network by its local branch in the circle.
- Average repair time of BTS is high
- Network Optimization , both for Voice & Data, is needed at regular intervals

# **GSM Roll out in LWE affected areas**

- **BSNL has been given the work of I'nstalling & marinating 1836 BTS sites. BSNL has got business worth Rs. 4500 crores**
- **All works including operation is being outsourced & BSNL will only coordinate & supervise.**
- **Associations & Unions can help in identification of sites & early execution of work.**

# AMC arrangements for GSM

- To resolve long pending problem in WZ, direct AMC arrangement has been done with OEMs and support is restored.
- Circles have been fully authorized to recoup shortfall of cards, specially SUMA cards, due to non-repair etc.
- No AMC issues in NZ, EZ or in SZ

## **BTS Repair time**

- **Besides difficult Circles like J & K and North East the circles of UP (East), UP (West), Bihar, Jharkhand , Kolkatta and Chennai TD have very high average BTS repair time ranging between 15 to 45 hours.**
- **Main causes are- Transmission media failure & non-availability of power.**
- **Associations & Unions can help keeping watch on works likely to damage media & raise alert**
- **Most of the 3 phase Power plants can be re-wired to work as 1 phase in low power area**

# Reduction in OPEX

- **Energy conservation with major emphasis on avoiding requirement of air conditioning in BTSs / Node-Bs, Extensive use of Air cooling systems.**
  - **About 5500 sites provided with Free-cooling system**
  - **Estimates have been sanctioned for many more. Associations & Unions may pursue for early completion**
- **Launch of Special drive to get Electric Mains (EB) connections for non electrified (Non EB) sites.**
  - **Bihar is having more than 2000 BTSs without EB connection. Associations & Unions may pursue with their counter parts in Electricity Boards.**
- **Detailed scrutiny of Electricity bills for taking benefit based on present consumption or of any incentive scheme for major client like BSNL.**
  - **Action has been initiated & progress is being monitored.**

# Non-Conventional Energy Solutions

- Reduction in OPEX through use of cluster based solutions for complete power management using non-conventional energy systems, especially at non EB sites. Provision of these systems on fixed OPEX basis while CAPEX to be incurred by the solution provider.
  - Bihar Circle has awarded the work of a cluster of 15 non-EB sites for Solar Energy solution on OPEX model as a pilot trial.
  - Possibilities are being explored for using low power BTS with non-conventional energy source where ever electricity is not available.
  - Associations & Unions may use their links with Hon'ble MPs to raise fund for green energy solutions in low electricity areas.

# Leasing out BSNL Tower Sites

- Leasing out BSNL Tower Sites to other TSPs for defined lock in period to generate additional revenue for BSNL.
  - Circle Heads have been asked through a DO from CMD to give importance to this new business.
  - Associations & Unions are requested to contribute in this business



# Status of leased out sites (towers)

| S. No | Circle | FY-2010-11 |             |       |         | FY-2011-12 |             |       |         | FY-2012-13 |             |       |         | FY-2013-14 |             |       |         |
|-------|--------|------------|-------------|-------|---------|------------|-------------|-------|---------|------------|-------------|-------|---------|------------|-------------|-------|---------|
|       |        | (Target)   | Achievement |       |         | (Target)   | Achievement |       |         | (Target)   | Achievement |       |         | (Target)   | Achievement |       |         |
|       |        |            | Num         | % age | Grading |            | Num         | % age | Grading |            | Num         | % age | Grading |            | Num         | % age | Grading |
| 1     | HR     | 450        | 27          | 6.0   | 7       | 60         | 6           | 10.0  | 12      | 51         | 20          | 39.2  | 6       | 70         | 12          | 17.14 | 4       |
| 2     | HP     | 200        | 1           | 0.5   | 19      | 100        | 0           | 0.0   | 26      | 86         | 26          | 30.2  | 8       | 70         | 1           | 1.42  | 17      |
| 3     | J&K    | 200        | 0           | 0.0   | 26      | 45         | 0           | 0.0   | 26      | 39         | 0           | 0.0   | 26      | 10         | 0           | 0     | 26      |
| 4     | PB     | 650        | 15          | 2.3   | 13      | 100        | 10          | 10.0  | 12      | 86         | -2          | -2.3  | 26      | 70         | 8           | 11.42 | 9       |
| 5     | RAJ    | 750        | 11          | 1.5   | 16      | 250        | 2           | 0.8   | 17      | 214        | 14          | 6.5   | 18      | 110        | 0           | 0     | 26      |
| 6     | UPE    | 1000       | 70          | 7.0   | 6       | 250        | 15          | 6.0   | 14      | 214        | 16          | 7.5   | 17      | 100        | 6           | 6     | 12      |
| 7     | UPW    | 530        | 41          | 7.7   | 5       | 100        | 23          | 23.0  | 9       | 86         | 41          | 47.7  | 4       | 100        | 5           | 5     | 13      |
| 8     | UTK    | 220        | 4           | 1.8   | 15      | 50         | 9           | 18.0  | 10      | 43         | 17          | 39.5  | 5       | 70         | 0           | 0     | 26      |
| 9     | KTK    | 450        | 15          | 3.3   | 12      | 210        | 20          | 9.5   | 13      | 180        | 46          | 25.6  | 11      | 135        | 20          | 14.81 | 6       |
| 10    | KRL    | 450        | 24          | 5.3   | 8       | 160        | 43          | 26.9  | 6       | 137        | 198         | 144.5 | 1       | 300        | 41          | 13.66 | 8       |
| 11    | AP     | 750        | 6           | 0.8   | 18      | 300        | 23          | 7.7   | 14      | 257        | 47          | 18.3  | 13      | 150        | 39          | 26    | 1       |
| 12    | CH-TD  | 300        | 10          | 3.3   | 12      | 75         | 8           | 10.7  | 11      | 64         | 11          | 17.2  | 14      | 70         | 2           | 2.85  | 15      |
| 13    | TN     | 750        | 26          | 3.5   | 10      | 300        | 80          | 26.7  | 7       | 257        | 139         | 54.1  | 3       | 200        | 41          | 20.5  | 2       |

## Status of leased out sites (towers)

| S. No   | Circle | FY-2010-11 |             |       |         | FY-2011-12 |             |       |         | FY-2012-13 |             |       |         | FY-2013-14 |             |       |         |
|---|--------|------------|-------------|-------|---------|------------|-------------|-------|---------|------------|-------------|-------|---------|------------|-------------|-------|---------|
|   |        | (Target)   | Achievement |       |         | (Target)   | Achievement |       |         | (Target)   | Achievement |       |         | (Target)   | Achievement |       |         |
|   |        |            | Num         | % age | Grading |            | Num         | % age | Grading |            | Num         | % age | Grading |            | Num         | % age | Grading |
| 14  | GUJ    | 850        | 12          | 1.4   | 17      | 210        | 59          | 28.1  | 5       | 180        | 145         | 80.6  | 2       | 200        | 32          | 16    | 5       |
| 15  | CG     | 250        | 25          | 10.0  | 4       | 80         | 43          | 53.8  | 1       | 69         | 7           | 10.1  | 16      | 70         | 0           | 0     | 26      |
| 16  | MH     | 850        | 29          | 3.4   | 11      | 300        | 115         | 38.3  | 3       | 257        | 77          | 30.0  | 9       | 200        | 29          | 14.5  | 7       |
| 17  | MP     | 350        | 5           | 1.4   | 17      | 200        | 68          | 34.0  | 4       | 171        | 23          | 13.5  | 15      | 125        | 11          | 8.8   | 10      |
| 18  | A&N    | 0          | 0           | 0.0   | 0       | 10         | 0           | 0.0   | 26      | 10         | 0           | 0.0   | 26      | 5          | 0           | 0     | 26      |
| 19  | AS     | 250        | 0           | 0.0   | 26      | 60         | 0           | 0.0   | 26      | 51         | 0           | 0.0   | 26      | 15         | 1           | 6.66  | 11      |
| 20  | BH     | 400        | 96          | 24.0  | 1       | 300        | 6           | 2.0   | 16      | 257        | 0           | 0.0   | 26      | 100        | 3           | 3     | 14      |
| 21  | JHK    | 200        | 3           | 1.5   | 16      | 50         | 5           | 10.0  | 12      | 43         | 1           | 2.3   | 19      | 70         | 0           | 0     | 26      |
| 22  | NE-I   | 50         | 7           | 14.0  | 2       | 25         | 1           | 4.0   | 15      | 21         | 7           | 33.3  | 7       | 25         | 8           | 16    | 5       |
| 23  | NE-II  | 50         | 1           | 2.0   | 14      | 25         | 0           | 0.0   | 26      | 21         | 0           | 0.0   | 26      | 15         | 3           | 20    | 3       |
| 24  | OR     | 400        | 49          | 12.3  | 3       | 90         | 46          | 51.1  | 2       | 77         | 23          | 29.9  | 10      | 100        | 2           | 2     | 16      |
| 25  | WB     | 350        | 14          | 4.0   | 9       | 105        | 27          | 25.7  | 8       | 90         | 21          | 23.3  | 12      | 100        | 0           | 0     | 26      |
| 26  | KOL-TD | 300        | 0           | 0.0   | 26      | 45         | 0           | 0.0   | 26      | 39         | 0           | 0.0   | 26      | 20         | 0           | 0     | 26      |
| GRAND TOTAL   |        | 11000      | 491         | 4.5   |         | 3500       | 609         | 17.4  |         | 3000       | 877         | 29.2  |         | 2500       | 264         | 10.56 |         |
| Note: 69 sites surrendered by VTL in TN and 18 RFIE sites cancelled in WB due to Union issue. |        |            |             |       |         |            |             |       |         |            |             |       |         |            |             |       |         |

# Points on Infra Sharing

- **Fixed Hourly Energy Charges” (FHEC) for leased out sites to other Telecom Service Providers (TSPs). So far implemented by circles namely BH, CHTD, HR, GJ, MP, OR, PB, RJ, TN and UP(E) and remaining circles yet to implement.**
- **“Fixed Hourly Energy Charges” (FHEC) by circles for hired sites from Infrastructure Providers (IPs). FHEC in circles namely CG, GJ and UP(W) is not yet implemented.**
- **Timely payment to IPs for the hired sites and reconciliation of old outstanding payments.**
- **Reconciliation/Updating of site/tower data details on the website [www.pinfra.bsnl.co.in](http://www.pinfra.bsnl.co.in)**

# LEASING OF BSNL TOWER SITES

- This new business has the following key features which must be understood and realized by all of us:-
  - BSNL has more than 60,000 tower sites
  - BSNL has 2nd largest portfolio of Tower Sites in the industry.
  - Spare tower slots & space lying idle can be monetized.
  - Low CAPEX requirement for this business.
  - Reduction in recurring OPEX by 20-40%.
  - Business is for an assured “ Lock in Period” as per agreement (7 years).
- BSNL owns larger portfolio of Rural Tower Sites.

# LEASING OF BSNL TOWER SITES

- BSNL possesses many strategic tower site locations as a legacy.
- Opportunity is for a smaller period of only 4-5 years.
- As per Consultants [M/s. KPMG] assessment model, it is anticipated that BSNL may grab the business in the form of New Tenancies of the order of 17- 18,000 over FY-14 to 18
- It's a myth that if we facilitate TSPs roll out their services through our tower, our customer base would shrink.
- TSPs would rollout their services anyway with or without us.

# **SLOW PACE OF LEASING**

- **Achievements so far, are below the satisfaction.**
- **High number of cases being declared non feasible.**
- **Delay in making the sites RFIEd for which they have already received the Service Order.**
- **Delay in conveying the feasibility of the sites to operators.**
- **Less Sales and Marketing efforts in order to get the new tenancy request from the operators.**
- **Longer time to upgrade the sites for additional tenancy.**

# LEASING OF BSNL TOWER SITES

## A Calculation for ready reference and understanding:

Infra provisioning fee per month per site (Base rate for GBT Rs. 35,000)

|  |                                       |                   |                |
|--|---------------------------------------|-------------------|----------------|
| Revenue per site for one year  | $35000 \times 12$                     | Rs.4,20,000/-     | Rs. 4.2 Lakh   |
| Revenue for one year for 100 sites   | $35000 \times 12 \times 100$          | Rs.4,20,00,000/-  | Rs. 4.2 crore  |
| Revenue per site for lock in period  | $35000 \times 12 \times 7$            | Rs.29,40,000/-    | Rs. 29.4 lakh  |
| Revenue for lock in period of 100 sites  | $35000 \times 12 \times 7 \times 100$ | Rs.29,40,00,000/- | Rs. 29.4 Crore |
| <b>Note:</b> Leasing of 1 Tower for one month = Rs. 35,000/- (Base rate) = Gaining approximately 500 new customers (taking Rs. 890 as an ARPU) |                                       |                   |                |

# **“Monetizing Tower Assets”**

- **Decision of BSNL to maximize the existing capabilities of the infrastructure with minimal additional cost.**
- **Selections of M/s KPMG as “consultant” to advice BSNL to hive off tower assets into a new company.**

## **Recommendations of the Consultant:**

- **Phase 1: Formation of a Strategic Business Unit (SBU) including outsourcing of O&M and S&M.**
- **Phase 2: Creation of subsidiary and induction of a Joint Venture (JV) partner.**
- **The timeline for the phase 1 and phase 2 is expected to be 12-18 months.**
- **Proposal forwarded to DoT for the approval.**



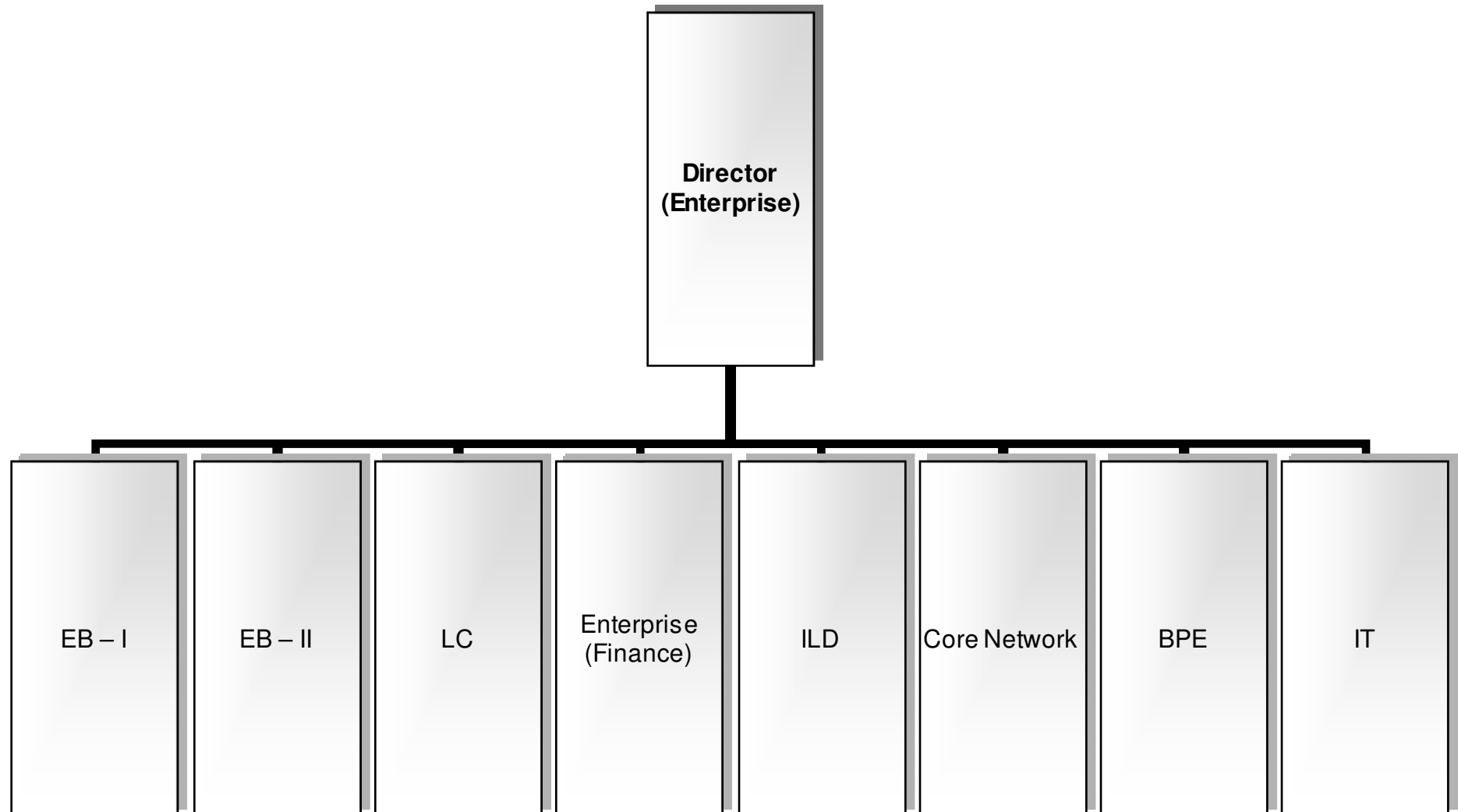
**Enterprise Business Unit**

**Enterprise Business Unit**

# Creation of Enterprise vertical

- Created as a separate vertical in July 2009
- Result of restructuring exercise undertaken on the advice of external consultant
- To focus on high revenue generating customers
- Targeted selling of Enterprise products
- To provide customized & differentiated service
- To offer personalized attention

# Organization Structure of EB-Unit at BSNL CO




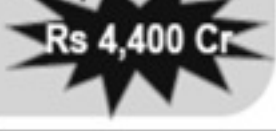

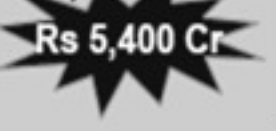




# Enterprise Customer- Definition



All customers that are not retail/individual customers are to be considered as Enterprise customers and this includes (but not limited to )

- Small, Medium and Large scale pvt. sector companies
- All public sector companies
- Central and State Govt. Departments
- Educational Institutions
- Associations and Apex bodies (e.g. CII) etc.

# The enterprise market has three customer segments

|               | Large (> 500 Cr)   | Medium (100-500 Cr)   | Small (50-100 Cr)  | Small (10 – 50 Cr)   |
|---------------|--|---|--|--|
|               | <u><b>Platinum Accounts</b></u>  |   | <u><b>Gold Accounts</b></u>  | <u><b>Silver Accounts</b></u>  |
| IT/ITeS/Media | <ul style="list-style-type: none"> <li>✓ Large spenders                             <ul style="list-style-type: none"> <li>• Min: ~4 Cr.</li> <li>• Avg: ~10 Cr</li> </ul> </li> </ul> | <br>  | <br>   | <br> |
| BFSI          |  |   |  |  |
| Manufacturing | <ul style="list-style-type: none"> <li>✓ Require solutions based selling</li> <li>✓ Reliability of service and breadth of products important</li> </ul>                                | <ul style="list-style-type: none"> <li>✓ Moderate spenders                             <ul style="list-style-type: none"> <li>• Min: ~1 Cr</li> <li>• Avg: ~2 Cr</li> </ul> </li> <li>✓ Reliability of service and price important</li> </ul> | <ul style="list-style-type: none"> <li>✓ Small spenders                             <ul style="list-style-type: none"> <li>• Min: ~0.1 Cr</li> <li>• Avg: ~0.5 Cr</li> </ul> </li> <li>✓ Price and reliability of service important</li> <li>✓ Require simple, off the shelf products with basic customer education and handholding</li> </ul> |  |
| Services      |  |   |  |  |
| Government    |  |   |  |  |
|               |  Number of named accounts   |   |  Market Size (Rs. Cr.)  |  |

# Distinct sales models should be employed to serve each of these segments

|               | Large (> 500 Cr)   | Medium (100-500 Cr)   | Small (50-100 Cr)  | Small (10 - 50 Cr)                                    |
|---------------|--|---|--|---|
| IT/ITeS/Media | <u>Platinum accounts</u><br><br><u>National KAM</u>   |   | <u>Gold accounts</u><br><br><u>Regional KAM</u>   | <u>Silver accounts</u><br><br><u>Channel/Reseller</u> |
| BFSI          | <ul style="list-style-type: none"> <li>✓ Centralized National Account Managers (NAMs) organized by industry vertical</li> <li>✓ 5-10 accounts per NAM</li> <li>✓ Solutions based selling required</li> <li>✓ High discounting flexibility with quick turnaround</li> </ul> | <ul style="list-style-type: none"> <li>✓ Circle based Key Account Managers (KAM)</li> <li>✓ 25-75 accounts per KAM</li> <li>✓ Shared product / solutions support</li> </ul> | <ul style="list-style-type: none"> <li>✓ Accounts mapped to channel partners (e.g. system integrators, computer h/w and s/w vendors etc.) by geography</li> <li>✓ 100 - 300 accounts per partner</li> <li>✓ Channel partners controlled at the circle level through channel managers</li> <li>✓ Technical expertise in basic products / bundles essential</li> </ul> |   |
| Manufacturing |  |   |  |   |
| Services      |  |   |  |   |
| Government    |  |   |  |   |

# Enterprise Products and Services

- **Core Enterprise Products**
  - Leased Line including MLLN
  - MPLS VPN
  - Internet Leased Line (ILL)
  - VSAT
  - MNS, etc
- **CFA Products for Enterprise**
  - PSTN, Broadband, PRI, CUG/Centrex, FTTH
- **CM Products for Enterprise**
  - Mobile CUG, Blackberry, 3G Voice/Data, CDMA  
NIC/EVDO

# Platinum Offices

## • Nine offices

- Bangalore
- Hyderabad
- Kolkata
- Ahmedabad
- Pune
- Chennai
- NCR-I
- NCR-II
- Mumbai



# Gold Enterprise Offices

| S. No | Circle           | SSA           |
|-------|------------------|---------------|
| 1     | Andhra Pradesh   | Hyderabad     |
| 2     | Andhra Pradesh   | Visakhapatnam |
| 3     | Andhra Pradesh   | Vijayawada    |
| 4     | Bihar            | Patna         |
| 5     | Chennai TD       | Chennai       |
| 6     | Gujarat          | Ahmedabad     |
| 7     | Gujarat          | Vadodara      |
| 8     | Gujarat          | Surat         |
| 9     | Gujarat          | Rajkot        |
| 10    | Haryana          | Gurgaon       |
| 11    | Haryana          | Faridabad     |
| 12    | Haryana          | Ambala        |
| 13    | Himachal Pradesh | Shimla        |
| 14    | Jharkhand        | Jamshedpur    |
| 15    | Jharkhand        | Dhanbad       |
| 16    | Karnataka        | Bangalore     |
| 17    | Karnataka        | Mysore        |
| 18    | Karnataka        | Hubli-Dharwad |
| 19    | Kolkata TD       | Kolkata       |

| S. No | Circle      | SSA             |
|-------|-------------|-----------------|
| 20    | Maharashtra | Mumbai          |
| 21    | Maharashtra | Pune            |
| 22    | Maharashtra | Goa             |
| 23    | Maharashtra | Nagpur          |
| 24    | Maharashtra | Nashik          |
| 25    | Maharashtra | Aurangabad      |
| 25    | NTR*        | New Delhi       |
| 27    | Punjab      | Chandigarh      |
| 28    | Punjab      | Ludhiana        |
| 29    | Punjab      | Amritsar        |
| 30    | Punjab      | Jalandhar       |
| 31    | Tamil Nadu  | Chennai         |
| 32    | Tamil Nadu  | Coimbatore      |
| 33    | Tamil Nadu  | Madurai         |
| 34    | Tamil Nadu  | Salem           |
| 35    | Tamil Nadu  | Tiruchirappalli |
| 36    | UP (E)      | Lucknow         |
| 37    | UP (E)      | Kanpur          |
| 38    | UP (E)      | Varanasi        |

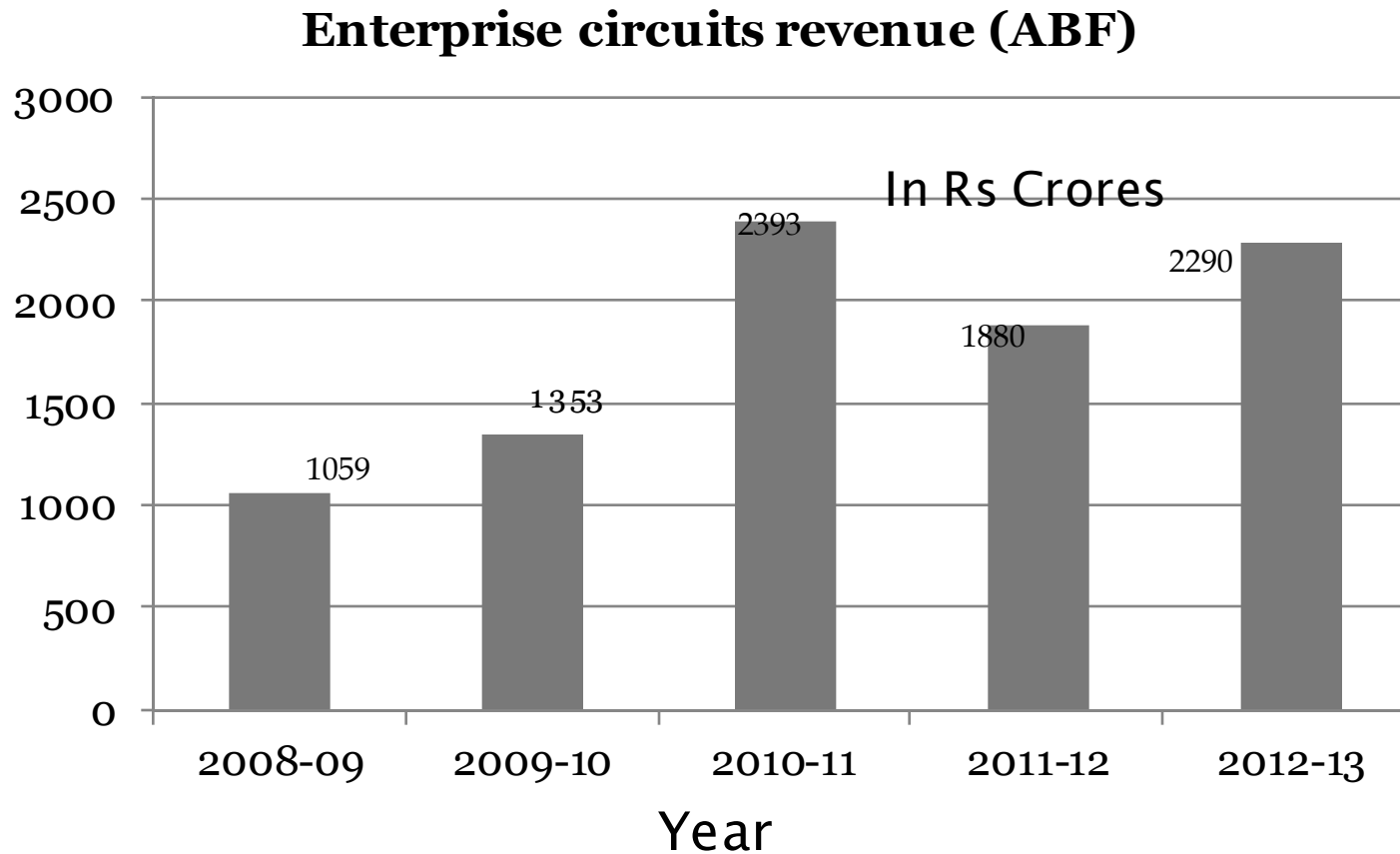
# Gold Enterprise Offices

| S. No | Circle      | SSA        |
|-------|-------------|------------|
| 39    | UP (E)      | Allahabad  |
| 40    | UP (W)      | Meerut     |
| 41    | UP (W)      | Agra       |
| 42    | UP (W)      | Ghaziabad  |
| 43    | UP (W)      | Noida      |
| 44    | Uttaranchal | Dehradun   |
| 45    | West Bengal | Kolkatta   |
| 46    | West Bengal | Asansol    |
| 47    | West Bengal | Siliguri   |
| 48    | West Bengal | Gangtok    |
| 49    | West Bengal | Kharagpur  |
| 50    | Kerela      | Trivendrum |

| S. No | Circle       | SSA         |
|-------|--------------|-------------|
| 51    | Kerela       | Kochi       |
| 52    | Kerela       | Kozhikode   |
| 53    | Rajasthan    | Jaipur      |
| 54    | MP           | Bhopal      |
| 55    | MP           | Indore      |
| 56    | MP           | Jabalpur    |
| 57    | MP           | Gwalior     |
| 58    | Chhattisgarh | Raipur      |
| 59    | Orissa       | Bhubaneswar |
| 60    | Assam        | Guwahati    |
| 61    | NE-I         | Shillong    |
| 62    | NE-II        | Dimapur     |
| 63    | J&K          | Jammu       |
| 64    | A&N          | Port Blair  |

- Gold office rolled out in 27 circle in 64 SSAs

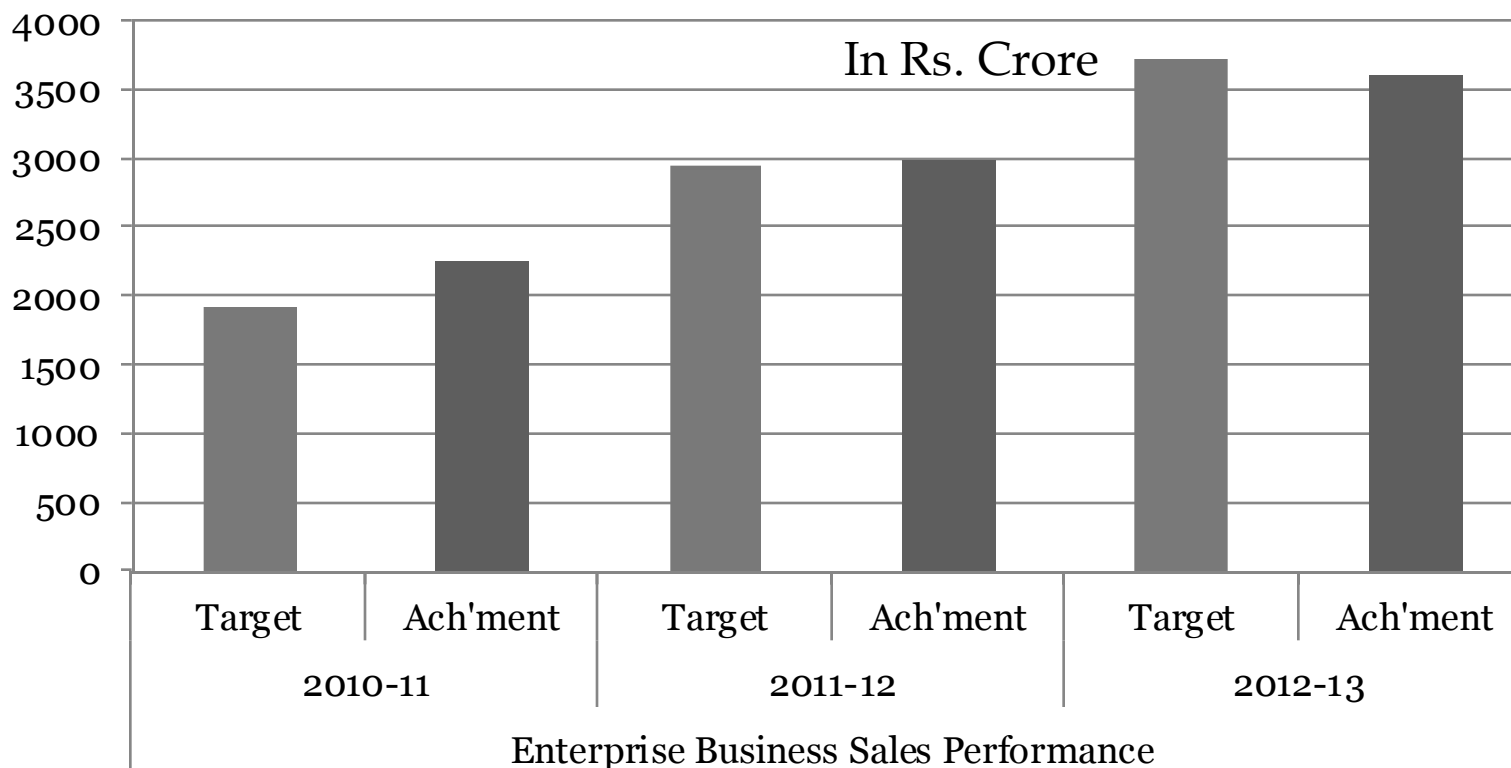
# Enterprise Circuits Revenue Performance



CAGR – 21.67%

# Enterprise Business Sales Performance

| Enterprise Business Sales Performance |          |         |          |         |          |
|---------------------------------------|----------|---------|----------|---------|----------|
| 2010-11                               |          | 2011-12 |          | 2012-13 |          |
| Target                                | Ach'ment | Target  | Ach'ment | Target  | Ach'ment |
| 1935                                  | 2258     | 2950    | 2985     | 3720    | 3620     |



# Current Performance - Enterprise Business Unit

- **Current Revenue Performance:**

**Total Revenue Target of year 2013-14 – Rs. 3500 Cr.**

**Achievement as on 30.9.2013 – Rs. 761.38 Cr.**

- **Current Sales Performance:**

**Total Sales Target of year 2013-14 – Rs. 3130 Crore**

**Achievement as on week ending 16.11.2013 (46<sup>th</sup> week of the year)  
– Rs. 1530.39 Crore**

- **Number of Leased Circuits Provisioned (including MPLS, ILL, MNS, etc):**

**Total working Leased Circuits**

**As on 31.03.2013 – 186756      As on 24.11.2013 – 195929**

**Net circuits (Gross – Disconnected) added in 2013-14  
up to 24<sup>th</sup> Nov 13 – 9173**

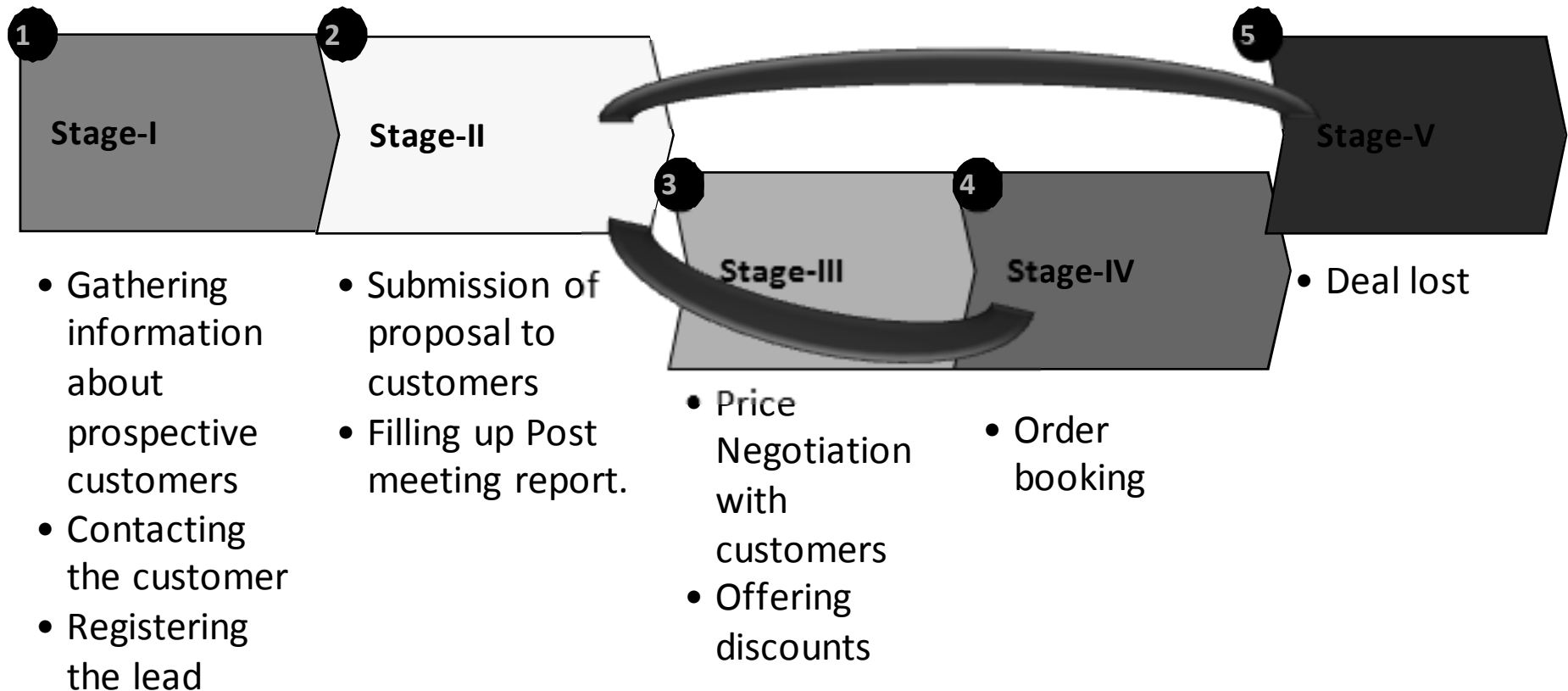
# Steps taken to increase Enterprise Business

- **Dedicated Business Unit formed**
- **Customer Segmentation**
  - Platinum
  - Gold
  - Silver
- **9 Platinum Offices & 64 Gold Offices headed by GMs opened for targeted selling to Enterprise customers & SD/SA**
- **Dedicated NAM/KAMs appointed for selling to Platinum/Gold customers and CRMs appointed for SD/SA**
- **78 Channel Partners in 16 Circles appointed for selling to Silver customers**
- **Clear cut Discount Policy announced and discounting powers delegated to field units for faster response to customers**

# Steps taken to increase Enterprise Business

- **Fast track mechanism for approval of Enterprise cases - ECT meets twice weekly to clear tariff proposals from Circles**
  - Cases called on e-mail and responded on e-mail within 0 to 5 days
  - About 70-80 cases dealt per month
  - No. of cases dealt in 2012-13 – 683, Approvals granted worth – Rs.243 Cr
- **New Enterprise products launched**
  - *BSNL Managed Network Service*
  - *Free EPABX Services for enterprise customers*
  - *Data Centre Services*
- **Regular revision of tariffs and discounts of Enterprise products**
- **Sales Funnel monitored on weekly basis at Dir (Ent) level**

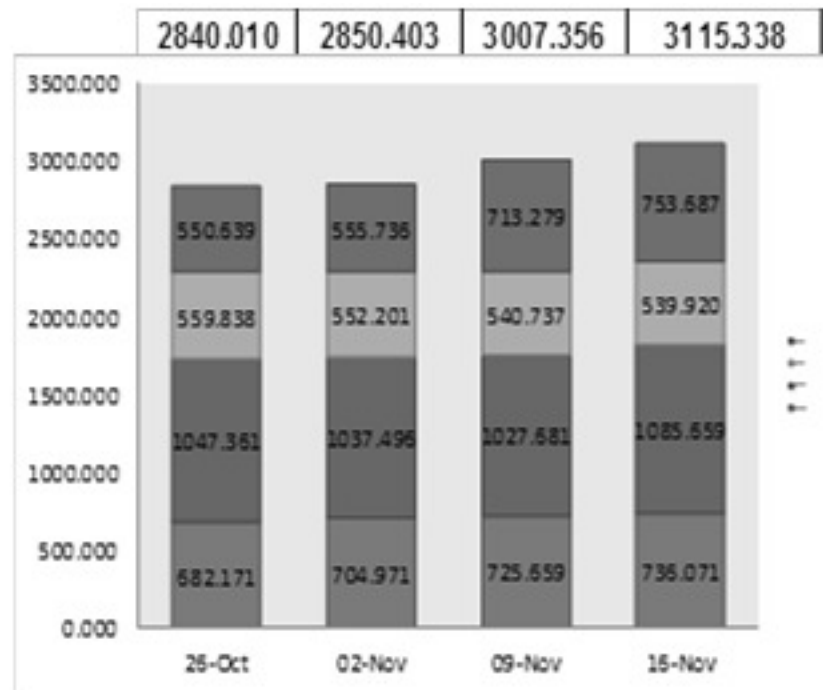
# Steps in Sales Funnel for Procuring Enterprise Business





## National Sales Pipeline – snapshot and movement across stages (In Cr)

|   |  |          |
|---|--|----------|
| 1 | Total sales funnel in all stages           | 3115.338 |
| 2 | Total sales funnel in stage 4              | 736.071  |
| 3 | Total sales funnel increased in all stages | 107.981  |
| 4 | Total sales funnel increased in stage 4    | 10.408   |



|                                 |         |           |    |
|---------------------------------|---------|-----------|----|
| NewLead                         | 107.991 | Stage -1  |    |
| Lead dropped                    | 1.898   |           |    |
| Lead Moved to other stage       | 55.186  |           |    |
| NET_TOTAL                       | 50.908  |           |    |
| NewLead                         | 11.170  | Stage- 2  |    |
| Lead dropped                    | 1.074   |           |    |
| Lead Moved to other stage       | 6.908   |           |    |
| Lead moved from other           | 0.940   |           |    |
| NET_TOTAL                       | 4.129   |           |    |
| NewLead                         | 1.585   | Stage- 3  |    |
| Lead dropped                    | 2.173   |           |    |
| Lead Moved to other stage       | 0.228   |           |    |
| Lead moved from other           | 60.205  |           |    |
| NET_TOTAL                       | 59.390  |           |    |
| NewLead                         | 9.231   | Stage - 4 |    |
| Lead moved from other           | 1.177   |           |    |
| NET_TOTAL                       | 10.408  |           |    |
| Total Achieved/Target/Overall % | 736.07  | 1720.00   | 43 |

## Leads matured in current week

|                        | AHM  | BNG  | CHN  | HYD  | KOL  | MUM  | NCR1 | NCR2 | PUN  | NAT   |
|------------------------|------|------|------|------|------|------|------|------|------|-------|
| No. of lead matured    | 12   | 9    | 0    | 1    | 1    | 3    | 1    | 0    | 5    | 32    |
| Value of leads matured | 0.82 | 1.79 | 0.00 | 0.05 | 0.07 | 7.29 | 0.21 | 0.00 | 0.19 | 10.41 |

# 100 Days Targets and Achievements as on 16-11-2013.

Review Week - 10-Nov To 16-Nov 33 46

| S.No | Name of circle | 100 days target | Cummulative<br>Achivement<br>Till Last week | Current Week |       | Cummulative<br>Achivement | %<br>Achievement |
|------|----------------|-----------------|---|--------------|-------|---------------------------|------------------|
|      |                |                 |   | EB-I         | EB-II |                           |                  |
| 1    | A & N          | 0.6             | 0.38  |              | 0     | 0.38                      | 63.33            |
| 2    | A.P.           | 185.06          | 21.37                                       | 0.05         | 0.09  | 21.51                     | 11.62            |
| 3    | ASSAM          | 9.95            | 0   |              | 0     | 0                         | 0.00             |
| 4    | BIHAR          | 17.87           | 2.89  |              | 0.4   | 3.29                      | 18.41            |
| 5    | JHARKHAND      | 29.71           | 0.79  |              | 0     | 0.79                      | 2.66             |
| 6    | GUJARAT        | 91.74           | 21.81                                       | 0.82         | 1.19  | 23.82                     | 25.96            |
| 7    | HARYANA        | 36.11           | 19.37                                       |              | 0.24  | 19.61                     | 54.31            |
| 8    | H.P.           | 13.08           | 0.01  |              | 0     | 0.01                      | 0.08             |
| 9    | J & K          | 2.18            | 0.61  |              | 0     | 0.61                      | 27.98            |
| 10   | KARNATAKA      | 186.18          | 20.17                                       | 1.79         | 2.16  | 24.12                     | 12.96            |
| 11   | KERALA         | 26.46           | 3.8   |              | 0.78  | 4.58                      | 17.31            |
| 12   | M.P.           | 17.41           | 3.18  |              | 0.15  | 3.33                      | 19.13            |
| 13   | CHHATTISGARH   | 12.75           | 1.57  |              | 2.1   | 3.67                      | 28.78            |
| 14   | MAHARASHTRA    | 605.25          | 93.37                                       | 7.48         | 3.32  | 104.17                    | 17.21            |

# 100 Days Targets and Achievements as on 16-11-2013.

Review Week - 10-Nov To 16-Nov 33 46

| S.No | Name of circle | 100 days target | Cummulative<br>Achivement<br>Till Last week | Current Week |              | Cummulative<br>Achivement | %<br>Achievement |
|------|----------------|-----------------|---|--------------|--------------|---------------------------|------------------|
|      |                |                 |   | EB-I         | EB-II        |                           |                  |
| 15   | NE - I         | 0.99            | 1.28  |              | 0            | 1.28                      | 129.29           |
| 16   | NE - II        | 3.25            | 0.14  |              | 0            | 0.14                      | 4.31             |
| 17   | ORISSA         | 35.28           | 0.81  |              | 0.17         | 0.98                      | 2.78             |
| 18   | PUNJAB         | 5.47            | 0.88  |              | 0.14         | 1.02                      | 18.65            |
| 19   | RAJASTHAN      | 69.99           | 1.77  |              | 0.76         | 2.53                      | 3.61             |
| 20   | TAMIL NADU     | 68.77           | 29.09                                       |              | 1.43         | 30.52                     | 44.38            |
| 21   | UP (EAST)      | 33.96           | 5.36  |              | 0            | 5.36                      | 15.78            |
| 22   | UP (WEST)      | 25.52           | 1.42  |              | 0.21         | 1.63                      | 6.39             |
| 23   | UTTRANCHAL     | 6.6             | 2.97  |              | 0.15         | 3.12                      | 47.27            |
| 24   | WEST BENGAL    | 40.39           | 3.77  | 0.07         | 0            | 3.84                      | 9.51             |
| 25   | CALCUTTA       | 115.77          | 6.72  |              | 0.14         | 6.86                      | 5.93             |
| 26   | CHENNAI        | 99.6            | 7.52  |              | 2.39         | 9.91                      | 9.95             |
| 27   | NTR            | 355.84          | 46.51                                       | 0.21         |              | 46.72                     | 13.13            |
|      | <b>Total</b>   | <b>2095.78</b>  | <b>297.56</b>                               | <b>10.42</b> | <b>15.82</b> | <b>323.8</b>              | <b>15.45</b>     |

# Initiatives in the pipeline

- **Development of Enterprise Portal**
- **Billing of circuits on CDR platform**
- **Online sales-force automation software by ITPC**
- **Expansion of MPLS Core and Access Network**

# MPLS Unit

# Contents

- **MPLS Network**
- **MNGT Core Network**
- **Present IGW status**
- **Present Edge network status and actions initiated**
- **NMS status**
- **MLLN Equipment Status**
- **Expectations from field officials**

# Review of the Existing Network and Services

The MPLS Network is the backbone for



Internet Leased Line & Broadband



IPTAX, SSTP, MNP, NGN & Future GSM Network






IPTV, Video On Demand & Content Provider









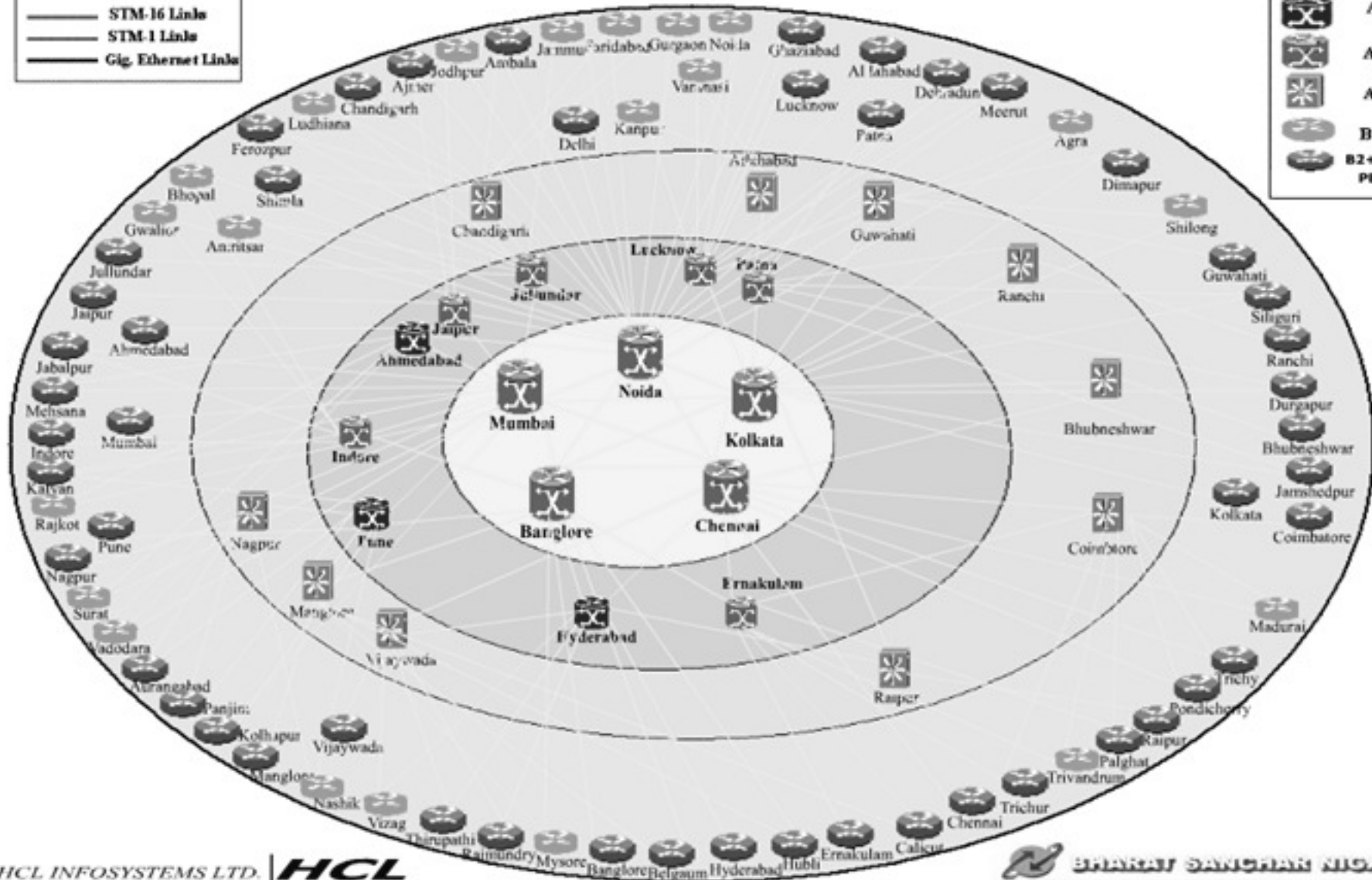
MPLS VPN Services - L3 & L2 VPN Networks

# BSNL NIB-II ROUTER CONNECTIVITY DIAGRAM

Move mouse on the routers

| LEGENDS   |                     |
|---|---------------------|
|  | STM-16 Links        |
|  | STM-1 Links         |
|  | Gig. Ethernet Links |

| LEGENDS   |                         |
|---|-------------------------|
|  | A1 Routers              |
|  | A2 Routers              |
|  | A3 Routers              |
|  | A4 Routers              |
|  | B1 Routers              |
|  | B2+A Location PE Router |





# Key Statistics

## *INFRASTRUCTURE DATA*

|                                  |     |
|----------------------------------|-----|
| No. of Routers (Cisco / Juniper) | 217 |
|----------------------------------|-----|

|                |    |
|----------------|----|
| Core Locations | 34 |
|----------------|----|

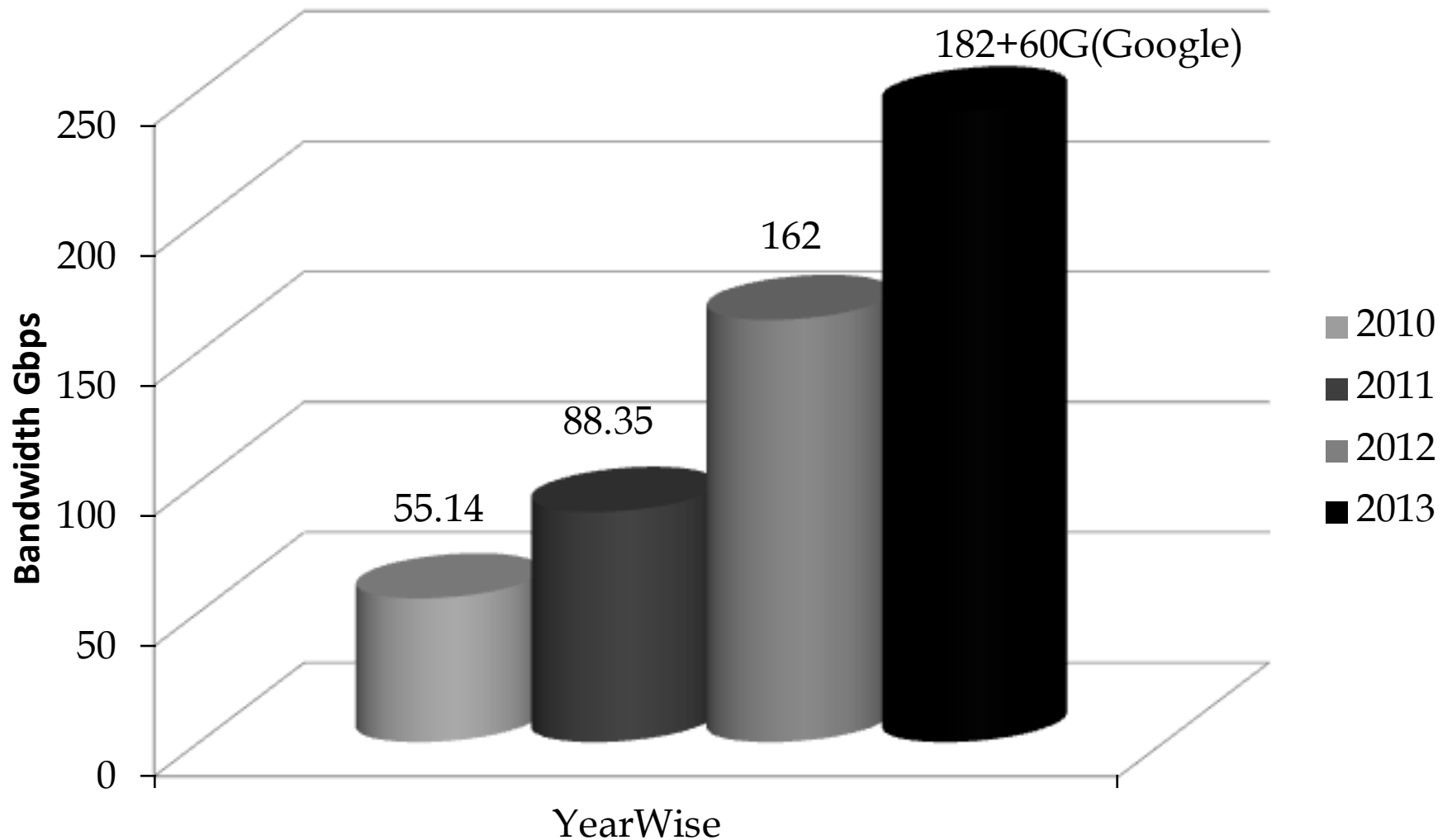
|               |     |
|---------------|-----|
| PoP Locations | 106 |
|---------------|-----|

|                             |     |
|-----------------------------|-----|
| Backbone Links (STM-16, GE) | 419 |
|-----------------------------|-----|

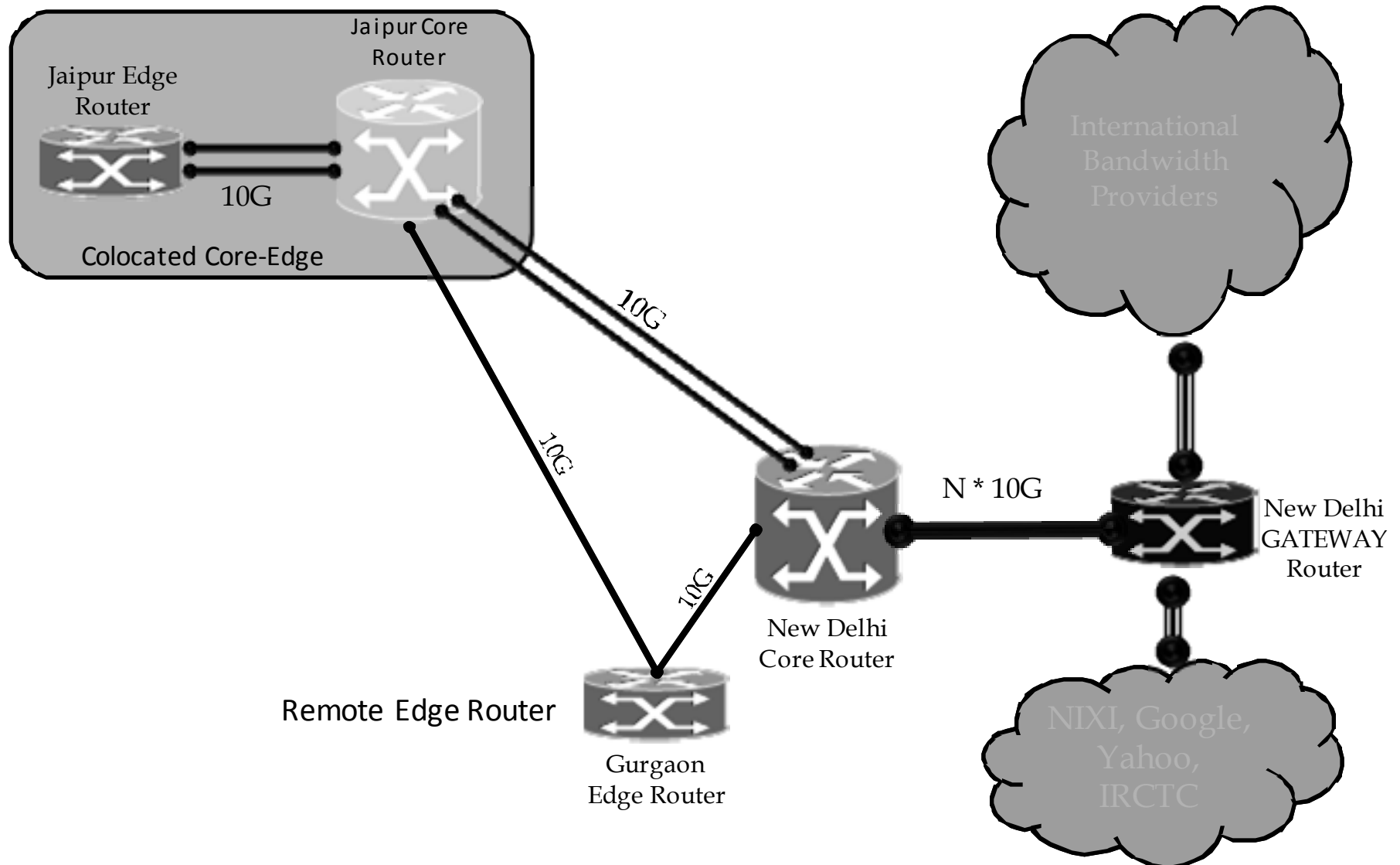
## *CUSTOMER DATA*

|                |                     |
|----------------|---------------------|
| Customer Links | 70,000<br>(approx.) |
|----------------|---------------------|

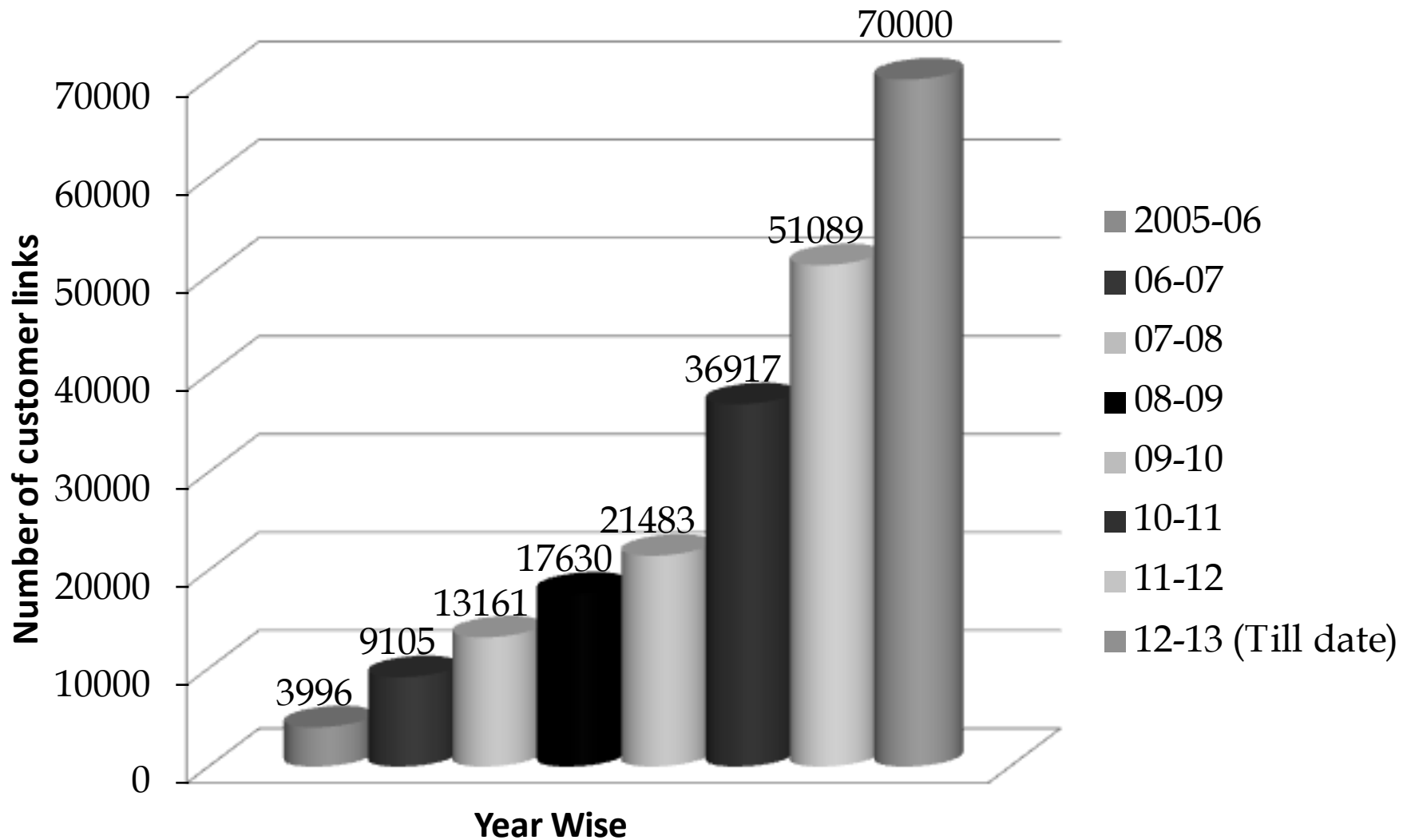
# Gateway Bandwidth Growth



# Edge Core Gateway connectivity



# MPLS VPN customer links growth



## Main Points of discussion of CN Unit during HOCC

- Augmentation of Core network bandwidth.  
Availability of IP/MPLS Network and Expansion to Managed Next Generation Transport Reduction in OPEX
- New NMS to tap ever growing MPLS VPN market opportunities and to bring qualitative improvement in services to customers.

# MNGT Core Network

- Commissioning of new Core / Gateway routers
- Redeployment of existing routers as Core/Service Edge
- The GE ports on these would serve to terminate GSM MPBN, PDSN, GGSN, IPTAX, SSTP etc.
- Installation of LAN switches at A locations to take care of shortage of FE ports
- Existing 7613 PE would be unloaded to help reduce high CPU complaints

## **Present IGW Status**

- **After up gradation of core routers at 3 we have done peering arrangements with Google.**
- **At present we have 6x 10GE links.**
- **With this peering arrangement, the benefits are:**
  - **Less Dependency on International Bandwidth provider**
  - **Cost factor decreases to a considerable extent**
  - **Customer will have better browsing experience.**
- **Efforts are on for augmenting peering arrangement with AKAMAI.**

## **Present Edge Network Status**

- **There is a severe shortage of customer ports – both Serial (E1) and FE**
- **Diversion of cards done so far has reached saturation point as no spare slots/ports are available in the Edge router**



## **ACTIONS INITIATED TO ADDRESS EDGE CAPACITY**

- **PO is being issued to augment existing CISCO routers (7613)**
  - **10G ports – 60 no.s at 30 locations.**
  - **1 GE port – 600 no.s at 30 locations**
  - **Channelised STM-1 ports – 160 no.s at 80 locations (for about 10000 E1)**
- **Tender is being floated to augment Edge network in the country with 232 routers at 186 locations**

# Present NMS Status

## ● Current NMS is End-of-Life

- Features:
- 0.1 Million Interfaces
  - Service provisioning and Network Management System
  - Fault Management
  - Limited SLA/Performance Management
  - Limited web portal

## ● New Tender for NMS

- Features:
- 1 million Interfaces
  - Service Provisioning and network management System
  - Network fault, performance management & trouble ticketing
  - Inventory Management
  - IP Routing and traffic analysis
  - Configuration management
  - Service quality and SLA Management Module
  - Web Portal and others

# MLLN

- Severe shortage of MLLN modems/ports
- Order for 21000 MLLN modems placed on M/s ITI
- Equipments despatched to all locations as per PO and 416 VMUX have been installed
- Installation & commissioning is under progress

# Expectations from field officials

- Timely provisioning of pending circuit
  - To be provided with 30 days of booking
  - The advance gets converted to revenue only on commissioning of circuit
- Timely rectification of faults
  - Leased circuit being a premium product offered to Enterprise customers, its timely rectification is most important
  - Instruction regarding extended hours of fault repairs already exist, we need to comply.
  - SD / SA related obligations committed to enterprise customers should be ensured.

## **Expectations from field officials** contd...

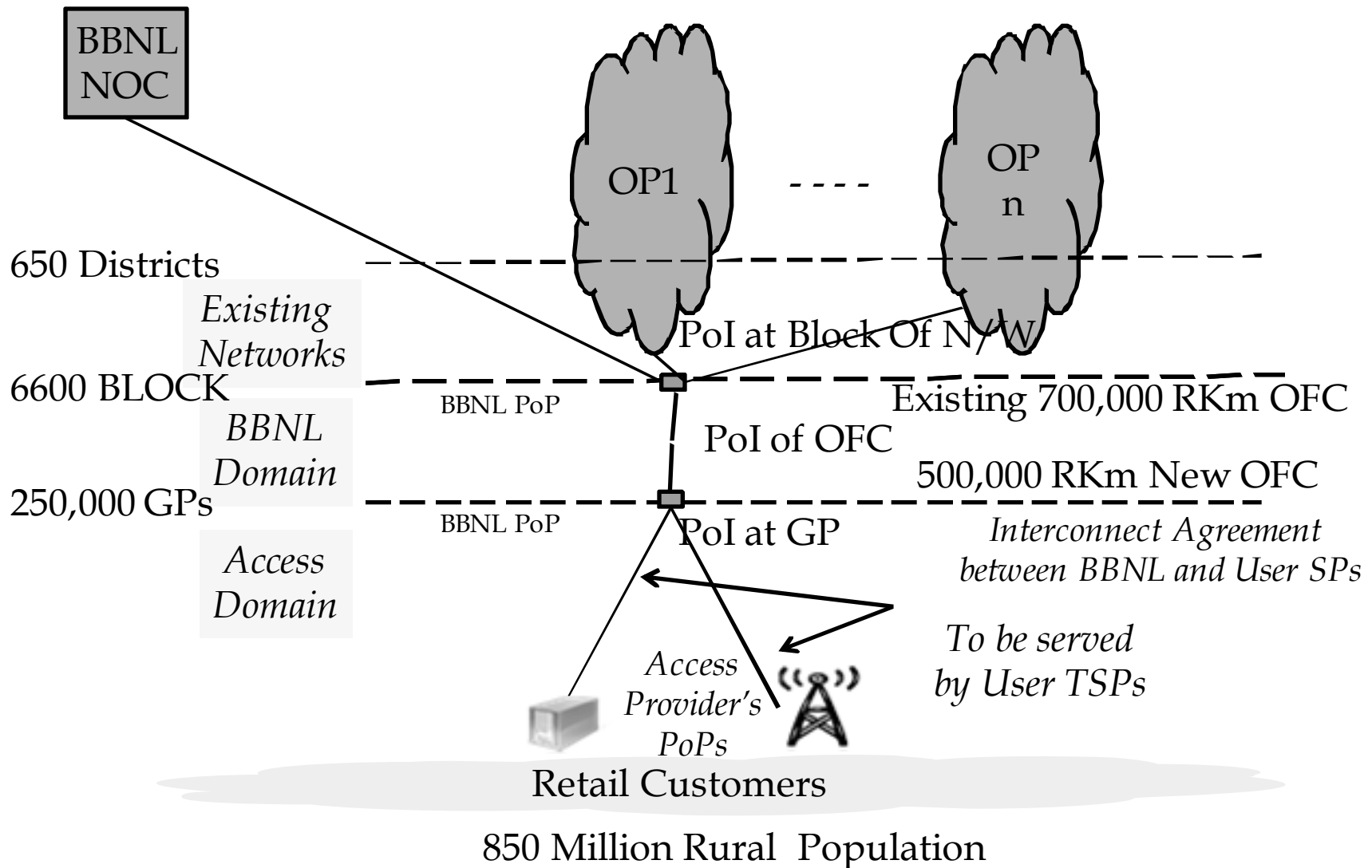
- **Disconnection of 2 Mbps and above circuit**
  - Should not be a routine matter
  - It has to be approved by CGM of the circle
  - Customer must be contacted and resolve any issue, be it service related or tariff related

# **National Optical Fiber Network**

# What is NOFN

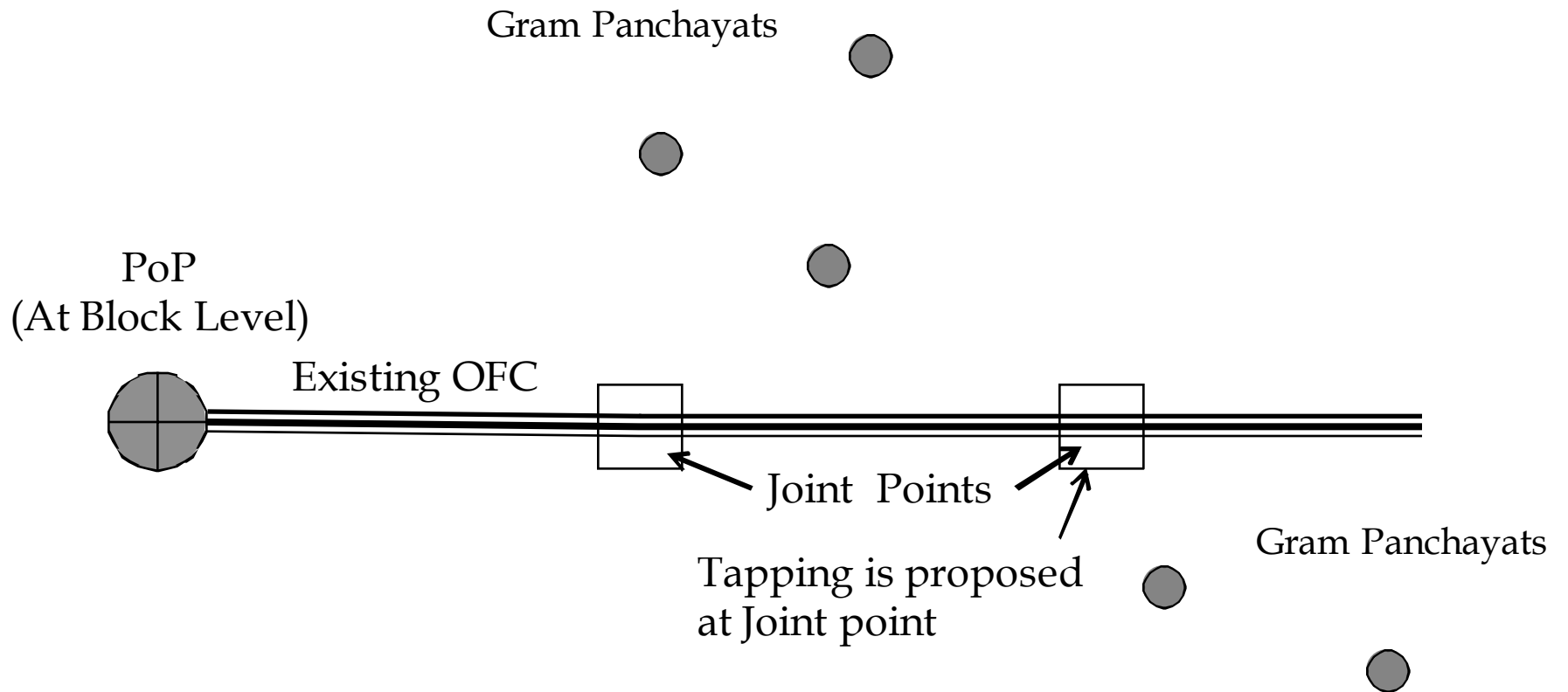
- 2.5 lakh Gram Panchayats to be connected on Optical Fiber
- Bridge the gap in Aggregation Layer by extending the existing networks
- Approx 100 MB bandwidth at each Gram Panchayat
- Approx 5 lakh km new Incremental OFC to be laid
- Approx 4 to 5 lakh km of dark fiber of BSNL / Railtel / Powergrid required on long term lease basis
- Proposal approved by Cabinet on 25-Oct-2011
- Cost of the Project : Approx Rs 20,000 Cr
- Bharat Broadband Network Limited (BBNL) created on 25-Feb-2012
- Executing Agencies on behalf of BBNL - BSNL, Powergrid, Railtel

# NOFN - Block to Gram Panchayat

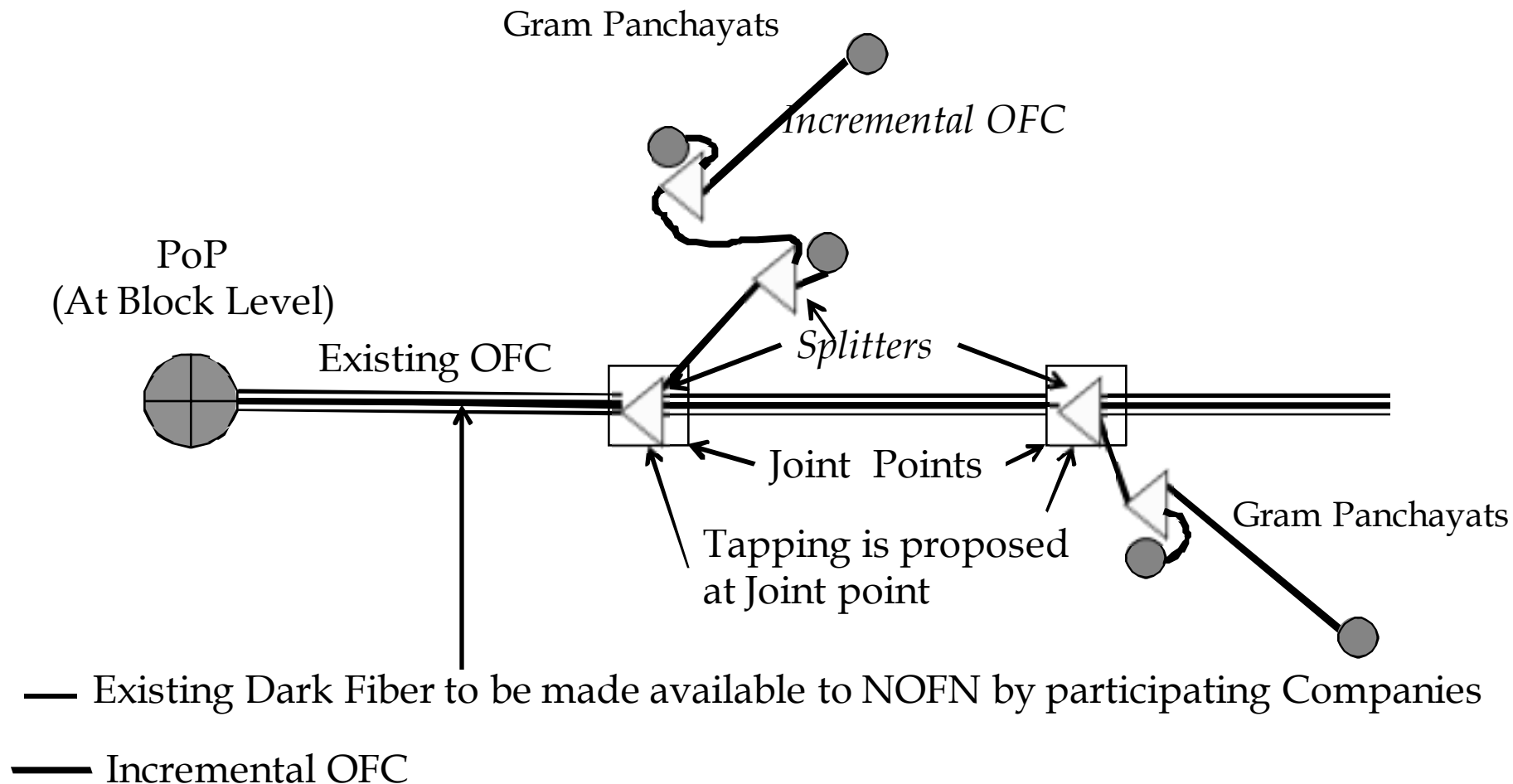




# NOFN Concept: Making available Dark Fibers by BSNL



# NOFN Concept: Making available Dark Fibers by BSNL



# Revenue streams expected for BSNL

- **OFC laying Execution (*one time*)**
  - Centage (profit) on Execution – 10%
  - Towards Establishment cost (Survey, Planning, Work execution, QA, A/T etc)
  - Towards Storekeeping cost
  - Rs 140 Cr provided as mobilisation advance
- **Dark Fiber Leasing to BBNL**
- **Rental for Space and Power at Block**
- **2 MBPS circuits from Block location (OLT) to BBNL NOC at Bengaluru**
- **E-Governance services**
- **Backhaul connectivity from Block locations upwards**
- **Maintenance of BBNL OFC routes after commissioning**

# BSNL's role in allocated States

| BSNL (70%)  | Railtel (15%)  | Powergrid (15%)   |
|---|--|---|
| <b>Andaman &amp; Nicobar</b><br><b>Assam</b><br><b>Bihar</b><br><b>Chhattisgarh</b><br><b>Haryana</b><br><b>Jammu &amp; Kashmir</b><br><b>Karnataka</b><br><b>Kerala</b><br><b>Madhya Pradesh</b><br><b>Maharashtra</b><br><b>Punjab</b><br><b>Rajasthan</b><br><b>Uttar Pradesh – UP(E), UP(W)</b><br><b>Uttarakhand</b><br><b>West Bengal, Sikkim</b> | <b>Gujarat</b><br><b>NE-I</b><br><b>NE-II</b><br><b>Tamil Nadu</b> | <b>Andhra Pradesh</b><br><b>Himachal Pradesh</b><br><b>Jharkhand</b><br><b>Orissa</b> |

*Indirect role of BSNL in Railtel & Powergrid areas:*

- BSNL to provide Dark Fiber from FPOI Joints to OLT, if spare, as the same will be leased to BBNL
- Space and Power for BBNL OLTs in BSNL exchanges at Blocks
- Provisioning of E-Governance services
- Backhaul connectivity

# Basic Execution Plan

- Execution to be done in 3 phases :

| Phase   | No.of GPs covered | BSNL To Do | Timeline                  |
|---------|-------------------|------------|---------------------------|
| Phase-1 | 1,00,000          | 70,000     | 31 <sup>st</sup> March'14 |
| Phase-2 | 1,00,000          | 70,000     | 31 <sup>st</sup> March'15 |
| Phase-3 | 50,000            | 35,000     | 30 <sup>th</sup> Sept'15  |

- **PLB Duct procurement : by BSNL**
  - Status : High rates as compared to BBNL SOR, Circles to finalise
  - Tender may be refloated, if required, as per BSNL procedures
- **OFC procurement : by BBNL**
  - Status : Under negotiations for 4 lakh km
- **GPON equipment : by BBNL**
  - Status : Tender floated by BBNL
- **OFC Laying and execution : by BSNL**



## Distribution of Phase-1 GPs in Circles

| Circle             | No.of SSAs where work is planned | No. of Districts where work is planned | No.of Blocks planned | Tentative Incremental OFC | No.of GPs |
|--------------------|----------------------------------|--|----------------------|---------------------------|-----------|
| A&N                | 1                                | 3                                      | 7                    | 322                       | 66        |
| Assam              | 8                                | 21                                     | 109                  | 4,823                     | 1,323     |
| Bihar              | 19                               | 35                                     | 260                  | 10,950                    | 4,115     |
| Chhattisgarh       | 6                                | 23                                     | 28                   | 4,963                     | 1,804     |
| Haryana            | 9                                | 20                                     | 63                   | 5,956                     | 3,213     |
| J&K                | 4                                | 12                                     | 27                   | 1,346                     | 620       |
| Karnataka          | 20                               | 30                                     | 164                  | 10,095                    | 5,134     |
| Kerala             | 11                               | 15                                     | 165                  | 1,073                     | 1,014     |
| Maharashtra        | 31                               | 33                                     | 152                  | 21,488                    | 10,739    |
| MP                 | 34                               | 46                                     | 110                  | 23,693                    | 8,570     |
| Punjab             | 11                               | 20                                     | 65                   | 8,339                     | 5,992     |
| Rajasthan          | 24                               | 32                                     | 135                  | 14,200                    | 5,043     |
| UP(East)           | 31                               | 47                                     | 192                  | 23,691                    | 12,235    |
| UP(West)           | 19                               | 25                                     | 98                   | 13,068                    | 6,168     |
| Uttaranchal        | 5                                | 8                                      | 25                   | 3,306                     | 1,578     |
| West Bengal        | 13                               | 16                                     | 256                  | 7,638                     | 2,585     |
| Total BSNL Phase-1 | 246                              | 391                                    | 1861                 | 1,54,958                  | 70,199    |

# Key milestones for achieving target

- Formation of dedicated teams at Circle and SSA level
- Technical Sanction (Provisional) of Survey Reports by BBNL
- Technical Sanction of Survey Reports by BBNL
- Block wise Estimate preparation and sanction by SSA
- Calling tenders for OFC Laying by SSA
- Procurement of PLB Duct by Circles
- QA and receipt of OFC, GPON by BSNL consignee
- Network set up, A/T and commissioning

# Additional resources

- NOFN Portal in BSNL Intranet [www.intranet.bsnl.co.in](http://www.intranet.bsnl.co.in)
- [gis.nic.in/telecom/indexold.html](http://gis.nic.in/telecom/indexold.html) for GIS maps with route planning data and GP locations
- [bsnlnofnsurvey@gmail.com](mailto:bsnlnofnsurvey@gmail.com) for Survey Reports
- Google Drive by BBNL for Survey status
- [nofnphase1@gmail.com](mailto:nofnphase1@gmail.com) for Phase-1 execution and associated Google Drive for status of execution
- BBNL has provided *Prima Vera* software for Project Management



# **Consumer Fixed Access**

# Network Planning

- **Procurement Planning**

- ❖ CLIP Instruments
- ❖ PIJF Cable
- ❖ NGN C5
- ❖ CDoT MAX NG
- ❖ New Developing Areas: NDA 45 Project
- ❖ Customer Retention: CDR System Utilisation

- **Revenue Trends- Collection efficiency**

- **Physical Achievements: Broadband and Landline**
- **Operational Excellence: QoS parameters**

# Procurements

- CLIP Instruments – to meet the field requirement for the year 2013-14, a tender was finalized in Jan-2013 for 29 Lakh instruments with provision of 50% add-on quantity.
- Upto Nov-2013, total 14.2 Lakhs supplied
- Stock balance with circles – 9.36 Lakh

## Procurement (contd...)

- **PIJF Cable**– to meet the field requirement, two tenders i.e. one for 10-200 pairs and other is for 400-1200 pairs.
  - Tender of 10-200 pairs was finalized in Sep-2013 for 22.88 LCKM with provision of 50% add-on quantity.
  - Tender of 400-1200 pairs for 11 LCKM still to be finalized due to matter in court.
- **BSNL CO** has allowed to circles to prepone the supply schedule as per requirement
- **PIJF supply and availability status in circle**

# Next Generation Network (NGN)

- In the 6th Five Year Plan (2012-17), BSNL will strive to make the entire landline customer base network IP enabled.
- Next Generation Network equipment based on the latest architecture have been planned to be deployed gradually to replace the entire TDM/ Digital telephone Exchanges (OCB, EWSD, AXE and 5 ESS TDM types).
- **Commencement of NGN Projects**
- IMS NGN C-5 – For replacement of life expired NT Switches working in Urban Area in phased manner.
- C-DOT MAX NG Project – For upgradation of all C-DOT MAX Switches working in mostly rural areas to C-DOT developed indigenous technology in C-DOT MAX NGN
- Class-4 NGN (IP TAX) network has already been inducted into BSNL network

# IMS Based NGN C-5

- Tender for procurement of 4 million lines of IMS NGN C-5 under two separate packages i.e. Package-I (NGN Core) & Package-II (NGN Access) was finalized in March 2013.
- Package-I:
  - Purchase Orders (POs) for South & East Zones for equipments was issued in Aug 2013 for Phase-I -Supply by Dec 2013
  - PO for west zone for Package-I has been placed in Oct 2013.
  - PO for North zone is under process
- Package-II:
  - L1 bidder POs Phase I Placed in July 2013 for South & East Zone Circles : Supply effected in Nov 2013
  - L-2 bidder declined the offer for L-2 qty and now offer to L-3 bidder for has been placed. M/s ITI submitted in principle acceptance for RQ.

# C-DOT MAX NG Project

- Management committee of BSNL accorded Administrative Approval to the project for migration of C-DoT Exchanges to Next Generation Network.
- **MOU was signed between BSNL and C-DOT on 19.12.2012.** In the first phase, 100 sites are planned to be migrated to Next Generation Network in North & East Zone.
- **Price determined by CDoT through competitive bidding for Hardware/Software of C-DOT MAX NG Project has been received on 20.11.2013.** The same is under process for approval of MC of BSNL Board.

# Benefits of Next Generation Network (NGN)

- Replacement of TDM Switches - as Maintenance support from suppliers for repair of cards/AMC is becoming a challenge.
- Enhanced Value Added Services can be provided through NGN
  - ❖ PRBT,
  - ❖ Multi Media Video Conferencing,
  - ❖ and IP Centrex etc..
- NGN will enable the network for Fixed-Mobile Convergence
- Migration to Next Generation Network shall result in reduction of OPEX by way of
  - ❖ lower energy consumption,
  - ❖ Space saving
  - ❖ and Increased in efficiency : centralized call control /applications from Zonal sites.



# New Developing Areas (NDA) Project : 45 High revenue SSAs

**Focused Attention on 45 High revenue SSAs** = revenue Rs.10 Crores and above per month and it accounts for 50% of total circle revenue. Special emphasis on all fronts started by BSNL is the action in the right direction.

## Action Plan:

- ❖ Estimates Preparation & Sanction having IRR more than 16% by Circle, approval of competent authority and instructions issued from BSNL CO.
- ❖ Fund and material allotment on priority to these SSAs - Priority Execution of expansion work in such TNF areas – CLIP instruments & PIJF cable(10 to 200 pairs) allotted to circles
- ❖ Periodic Progress Monitoring of Projects/Schemes in prescribed format on six monthly basis - instructions issued

## Customer Retention: Utilize CDR capabilities

- Utilize CDR system capabilities in PSTN/broadband customers churn management with focus on retaining them:
  - Identify PSTN / Broadband Customers with outgoing calls zero usage/ zero IPDR or decreasing usage
  - Identify PSTN/Broadband Customers with high/ repeat complaints in a month & last three months
  - Outbound calls immediately after DNP as incoming calls are allowed upto 30 days from the date of DNP
  - outdoor staff/field officers need to identify the reasons for non-payment/ spot resolution of complaint if any- suggest alternative suitable tariff plan for customer retention

## **New Features - CDR System**

- ❖ **“MY BSNL App” initiative from BSNL: Hon’ble CMD BSNL has launched a new mobile application “My BSNL App” on 04.10.2013 for android and windows users for fast and seamless access to the BSNL’s online payment.**
- ❖ **GO-GREEN Initiative from BSNL: Under this initiative BSNL is encouraging its customer to “GO-GREEN” by subscribing telephone bills on “Email” .**
  - ❖ **This will saves the consumption of paper in printing the telephone bills and delivery of bills on cost efficient automated channels basis.**
  - ❖ **BSNL is granting 10 loyalty reward points to BSNL LL/BB customers who opt for getting their bill thro “E-mail only”.**

# New Features - CDR System

- ❖ **Introduced Pan India E-Stapling of Telephone Bills :** A feature to present a single bill to Corporate Customer for landline & Broadband working across country.
- ❖ **Introduced reward point scheme:** BSNL's loyalty reward point scheme is a innovative reward program through which loyal customers get reward points - Landline and Broadband services.
- ❖ **Credit Limit Monitoring:** This is RA (revenue assurance) implemented by BSNL to track the high usage customers.
  - **Salient Features of CLM:**
    - Credit limit based on account category, Deposit amount and 6 months average usage
    - Sending alerts to AOTR for the customer who crosses 80%.
    - APN(Advance Payment Note) generation in CRM for presentation to customer for advance payment

# **New Features - CDR System**

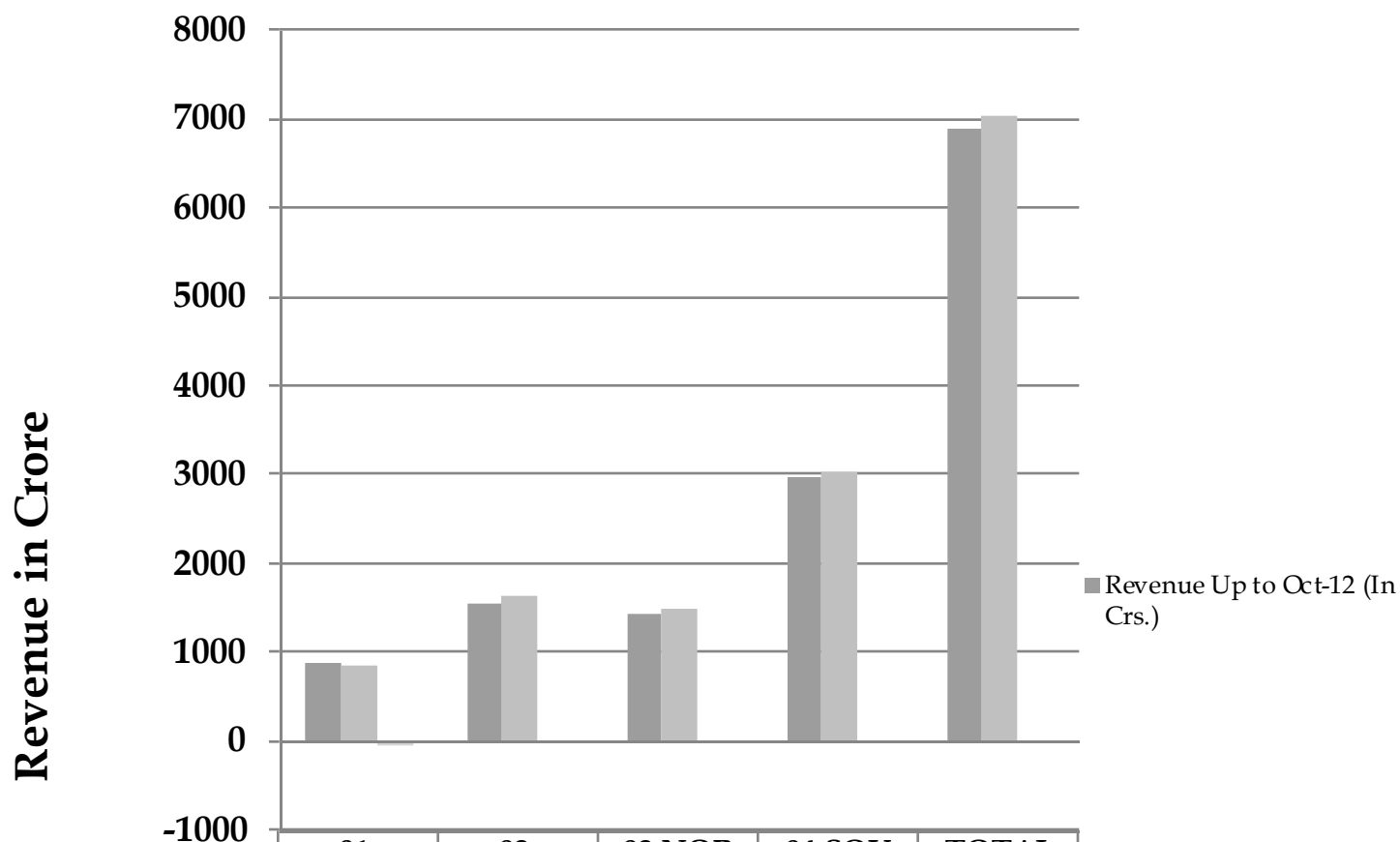
## **❖ SMS BASED INTERACTION WITH LINEMAN FOR FAULT REPAIR SERVICE:**

- Customer can book landline /broadband service fault through SMS and after booking of fault a SMS alert is sent to concerned Lineman on booking of a fault by customer.
- Lineman after attending fault can close the fault docket through SMS. Fault closure intimation is being sent to customer through SMS.

## **❖ WEBSELF CARE PORTAL : A WEB based portal has been introduced**

# CFA Revenue Trends

# Zone Wise Revenue Trends in CFA-BU ( Apr-Oct'13 compared to Apr - Oct'12 )



|                                  |          |           |           |           |           |
|----------------------------------|----------|-----------|-----------|-----------|-----------|
| ■ Revenue Up to Oct-12 (In Crs.) | 899.7229 | 1553.7574 | 1457.1975 | 2981.5689 | 6892.2467 |
| ■ Revenue Up to Oct-13(In Crs.)  | 858.6453 | 1646.7503 | 1493.7575 | 3039.9595 | 7039.1126 |
| ■ % Variation (Difference)       | -4.57    | 5.99      | 2.51      | 1.96      | 2.13      |

## Zone Wise Revenue Trends in CFA-BU ( Apr-Oct'13 compared to Apr- Oct'12 )

| Zone      | Revenue<br>%Growth(+)/<br>%Decline(-) | Circles with high decline                                       |
|-----------|---------------------------------------|---|
| South     | 1.96%                                 | Kerala=>-1.96%  |
| North     | 2.51%                                 | UP(W)=>-2.07%, UP(E)=>-2.9%                                     |
| West      | 5.99%                                 | GUJ=>-0.87  |
| East      | -4.57%                                | WB(-23.17%), BR(-5.78%),<br>NE-I(-4.0%),CTD(-2.16%),JKD(-0.94%) |
| All India | +2.13%                                |   |



## Zone Wise Revenue Trends in Landline ( Apr-Oct'13 compared to Apr - Oct'12 )

| <b>Zone</b>      | <b>Revenue<br/>% Growth(+)/<br/>% Decline(-)</b> | <b>Circles with high decline</b> |
|------------------|--|----------------------------------|
| <b>South</b>     | -5.18%   | Kerala(-14.31 %)                 |
| <b>North</b>     | -5.45%   | UP(W)(-9.04 %)                   |
| <b>West</b>      | -3.10%   | MH(-6.45 %)                      |
| <b>East</b>      | -5.28%   | NE-II(-15.71 %),WB(-14.26 %)     |
| <b>All India</b> | <b>-6.65 %</b>                                   |                                  |

## Zone Wise Revenue Trends in Broadband ( Apr -Oct'13 compared to Apr -Oct'12 )

| <b>Zone</b>      | <b>Revenue<br/>% Growth(+)/<br/>% Decline(-)</b> | <b>Circles with low growth</b> |
|------------------|--|--------------------------------|
| <b>South</b>     | 13.55%   | A.P. (8.40%)                   |
| <b>North</b>     | 12.08%   | UP(E)(6.43%)                   |
| <b>West</b>      | 16.64%   | GUJ(14.07%)                    |
| <b>East</b>      | 11.13%   | CTD(3.30%)                     |
| <b>All India</b> | 13.62%   |                                |

# 1st Month & 3rd Month collection Efficiency trends

| All India Collection Efficiency    | As on Sept'12 | As on Sept'13 |
|------------------------------------|---------------|---------------|
| 1 <sup>st</sup> Month (Target-90%) | 66.49%        | 71.16%        |
| 3 <sup>rd</sup> Month (Target-99%) | 93.41%        | 94.88%        |

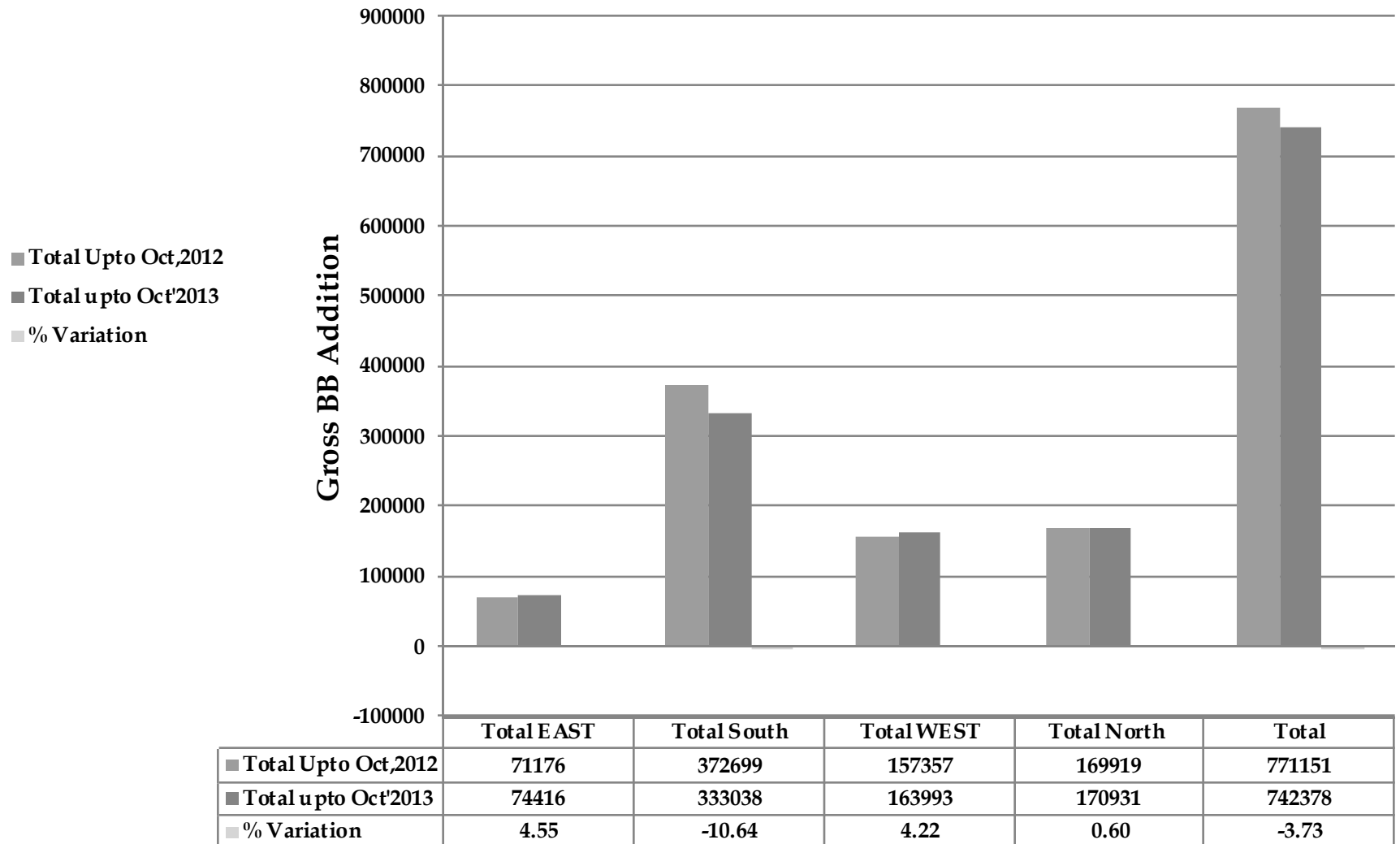
| Zone  | Circles -1 <sup>st</sup> Month collection efficiency < 65% | Circles - 3 <sup>rd</sup> Month collection efficiency < 93%                  |
|-------|--|--|
| South | TN(46.82)  |  |
| North | J&K(44.53)   | J&K(90.33), UP(E)(92.46),<br>UTT(92.91)                                      |
| West  |  | MP(92.89)  |
| East  | WB(60.67), NE-I(58.13),<br>NE-II(39.13), BH(33.11)         | NE-II(61.21), BH(89.99), NE-I(91.05),<br>WB(91.36), AS(92.14),<br>OR(92.69), |

## **STEPS TO BE TAKEN TO IMPROVE COLLECTION EFFICIENCY**

- **Billing of heavy callers, CICs, Corporate & Broadband customers in the first week of the month**
- **Reminder over phone, SMS, IVRS , E-mail before DNP date.**
- **Customer contact -under DNP, during incoming call facility of 30 days to pay their bills and retain them with BSNL before permanent closure.**
  - **Issue notices & Personal contact with such customers by SSA retention team of field staff to motivate them to pay bills and restore their telephone/broadband services.**

# **Broadband & Landline Physical Achievement Trends**

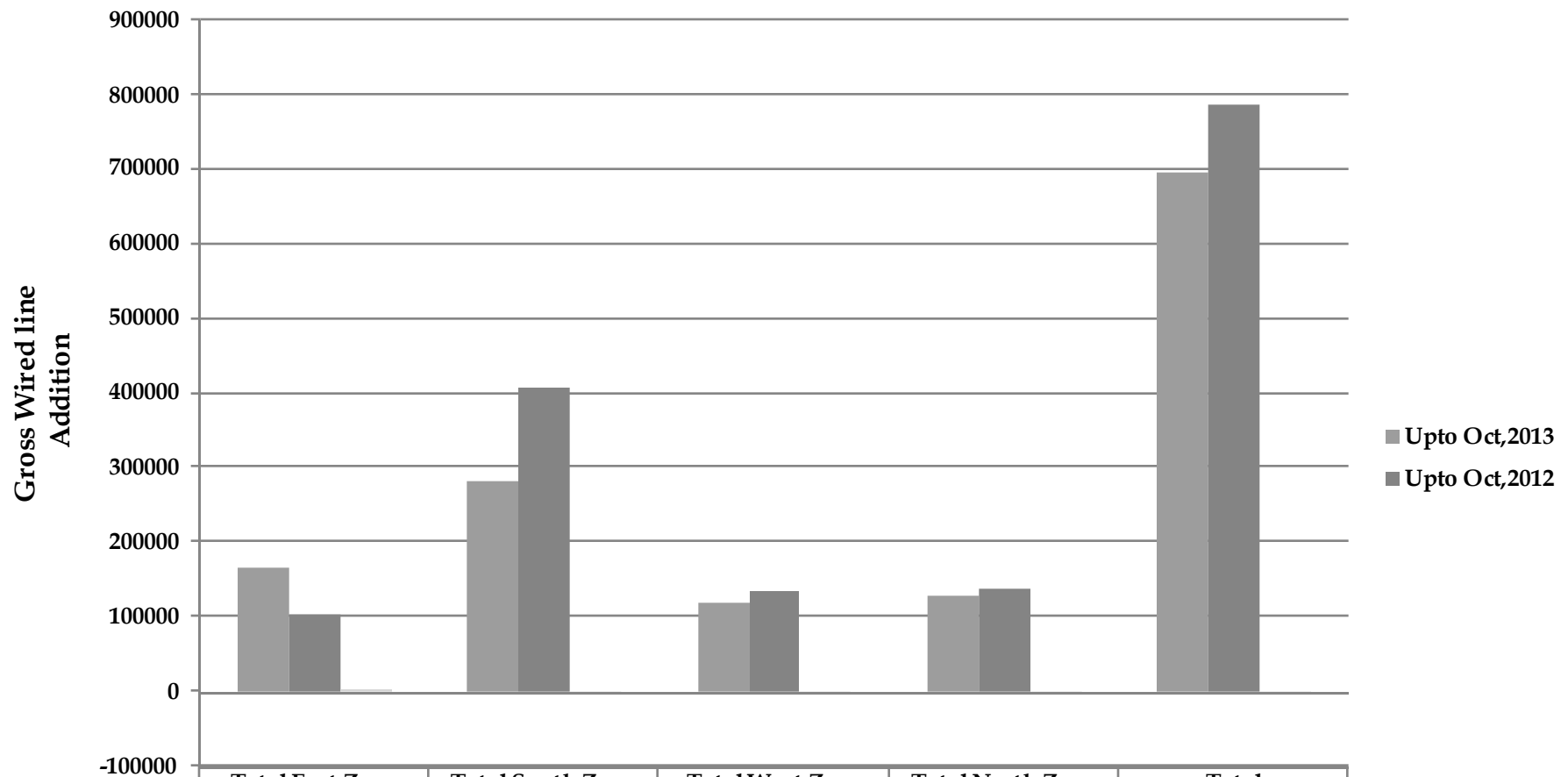
# Zone Wise Gross Broadband Addition Trends ( Apr-Oct'13 compared to Apr-Oct'12 )



## Zone Wise Gross Broadband Addition Trends ( Apr-Oct'13 compared to Apr- Oct'12 )

| Zone      | Gross BB Connection<br>%Growth(+)/<br>%Decline(-) | Circles with high decline                                 |
|-----------|---|---|
| South     | -10.64%   | Chennai(-19.19%), AP(-15.21),<br>KTK(-12.56%), TN(-8.84%) |
| North     | 0.60%   | HP(-7.77%), PB(-6.37%), RJ(-<br>4.81%)                    |
| West      | 4.22%   | GUJ(-2.93%)   |
| East      | 4.55%   | CTD(-13.45%),WB(-4.32%)                                   |
| All India | <b>-3.73%</b>                                     |   |

# Zone Wise Gross Landline Addition Trends ( Apr-Oct'13 compared to Apr-Oct'12)



|               | Total East Zone | Total South Zone | Total West Zone | Total North Zone | Total  |
|---------------|-----------------|------------------|-----------------|------------------|--------|
| Upto Oct,2013 | 165797          | 281628           | 119448          | 128806           | 695679 |
| Upto Oct,2012 | 104095          | 407679           | 136388          | 138353           | 786515 |
| % Variation   | 59.27           | -30.92           | -12.42          | -6.90            | -11.55 |



## Zone Wise Gross Landline Addition Trends ( Apr-Oct'13 compared to Apr -Oct'12 )

| Zone      | Gross LL Connection<br>%Growth(+)/<br>%Decline(-) | Circles with high decline                                  |
|-----------|---|--|
| South     | -30.92%   | Chennai(-46.7 %), KTK(-32.1 %),<br>KL(-22.3 %), AP(-9.6 %) |
| North     | -6.90%  | PB(-25.8 %)  |
| West      | -12.42%   | CHG(-12.3 %), GUJ(-9 %)                                    |
| East      | 59.27%  | JKD(-87.9 %), CTD(-46.6 %)                                 |
| All India | -11.55%   |  |

# **Operational Excellence: QoS parameters**

# TRAI QoS

## Broadband Operational Parameter

| Parameter (Benchmark)                                       | TRAI Benchmark Non-achieving circles in Q.E. Sep'2013 |   |             |            |
|---|---|---|-------------|------------|
|   | SOUTH ZONE  | EAST ZONE                                 | NORTH ZONE  | WEST ZONE  |
| Provisioning<br>(100% with in 15 Days)                      | KL (84%)<br>CN(88%)<br>TN(99%)                        | WB(88.10%)<br>AS(89.40%)<br>A&N (96.90%)  | NIL         | NIL        |
| %age of fault rectified on<br>next working day (>90%)       | KL(56.80%)<br>CN (62.90%)<br>TN(77.50%)               | WB(72.80%)<br>AS( 78.50%)<br>A&N (82.70%) | J&K(76.30%) | MH(86.90%) |
| %age of fault rectified<br>within 3 working days<br>(>=99%) | KL(73.20%)<br>TN(90.20%)<br>CN (90.30%)               | AS(92.60%)<br>A&N(96.70%)<br>WB(92.80%)   | J&K(91.40%) | MH(97.90%) |

# Marketing

## Marketing: Visibility of BSNL brand in public domain

| Action Point  | Progress   |
|---|--|
| E marketing - online Marketing.                             | Marketing agencies have been contacted for inputs, RFP is being prepared.  |
| Mass Canvassing - Rotary/Lions club/ colleges/ Universities | Circles have been instructed, draft letters issued and matter is being followed up with circles.   |
| Market Research: Customer Survey/ Perception/ Feedback      | Quotation invited from 20 top research firm. Quotation received from research firm have been opened and a committee has been formed to take presentations from research firms and evaluate the quotations. |
| Bundling Offer with established brand of PC/Laptop          | RFP is available on web-site. Circles are being told again to activate the same.   |
| Facebook/Twitter channel for product promotion.             | Marketing agencies have been contacted for inputs, RFP is being prepared.  |

# Initiatives to improve customer Experience

## Improvement in customer Experience

| Action Point   | Progress   |
|--|--|
| Peering of servers of most popular sites ( YouTube, Google, Torrent) for optimizing international bandwidth usage. | Peering with Google, Yahoo, Akamai, Rediff, NIC etc is already implemented. More than 80 GB traffic is already passing thro' peering arrangement.  |
|  | Facebook and Twitter have no server presence in India hence direct peering is not being persuaded. With Google, one more direct peering at Delhi is under process. Expected to be completed by Dec'13 end. |
| Outsourcing Model for broadband Maintenance to improve Quality of Experience & Revenue                             | Committee Report is submitted for approval. MC note is being prepared  |

# Equipment Availability Status-BB Cell

| ADSL2+ Broadband |   |  |
|------------------|---|--|
| S. No.           | Tender  | Status   |
| 1                | 5 Pair UG Cable   | Tender specifications have been finalized and under approval for floating.   |
| 2                | DSLAM   | i) Approximately 45% DSLAM capacity is available.<br>ii) Additional 3.5 Lakh ports are being ordered.                              |
| 3                | CPEs  |  |
|                  | a) 1 Mn Type-II Wi-Fi CPEs  | Tender floated on 23rd Aug'13. Technical evaluation completed & approved. Financial bids are likely to be opened shortly.          |
|                  | b) 1 Lakh Type-I (non Wi-Fi) CPEs   | Tender floated on 23rd Oct'13. Pre-bid clarifications have been issued. Tender is likely to be opened on 5 <sup>th</sup> Dec'2013. |
|                  | c) Despite shortage of CPEs, Gross connections per month provided are same as we have developed a market for CPEs over a time period. |  |
|                  | No Shortage of material as on date.   |  |

## Equipment Availability Status-FTTH (contd...)

| FTTH  |   |
|---|---|
| <b>GEPON/GPON Capacity</b>  | 97% Capacity is available.  |
| <b>2F/4F</b>  | Circles authorized to procure as per specifications finalized by Corporate office.          |
| <b>FTTH Outsourcing EOI</b>                                       | EOI approved. Circles are floating tenders.   |
| <b>MDU (Multi Dwelling Units)</b>                                 | MDUs are being experimented to use in last mile copper network for FTTH connections.        |
| <b>Tariff</b>   | FTTH tariffs are brought at par with ADSL 2+ tariff. High tariffs are taken off the portal. |
| <b>Capacity, network, CPEs (ONTs) are available in abundance.</b> |   |

## Equipment Availability Status- Wimax (contd...)

| <b>Wi-Max</b>   |   |
|---|---|
| <b>Wi-Max Capacity</b>  | Approximately 97% capacity is available.  |
| <b>Tariffs</b>  | Wi-Max tariffs are brought at par with that of ADSL 2+.                                 |
| <b>Shifting of<br/>unutilized/<br/>underutilized<br/>BTSs</b> | Rural unutilized/ underutilized BTSs are being shifted to urban for better utilization. |
| <b>Prepaid Services</b>                                       | In addition to post paid, prepaid Wi-Max is expected to be launched in Dec'2013.        |
| <b>* Capacity, network, CPEs are available in abundance.</b>  |   |



# Broadband Fault Rate

| Circle      | August |        | September |        |
|-------------|--------|--------|-----------|--------|
|             | Aug'12 | Aug'13 | Sep'12    | Sep'13 |
| A & N       | 4.61   | 8.49   | 3.97      | 7.33   |
| A P.        | 3.38   | 5.46   | 3.31      | 5.30   |
| Assam       | 3.35   | 2.98   | 3.61      | 4.22   |
| Bihar       | 2.37   | 12.16  | 2.87      | 13.37  |
| Chattisgarh | 3.2    | 2.42   | 2.46      | 2.29   |
| Chennai     | 2.69   | 12.64  | 2.65      | 11.56  |
| Gujarat     | 2.25   | 2.28   | 2.27      | 2.24   |
| Haryana     | 2.95   | 2.94   | 2.84      | 2.75   |
| H.P         | 3.49   | 3.26   | 3.17      | 3.32   |
| J & K       | 4.25   | 3.72   | 4.65      | 4.22   |
| Jharkhand   | 3.08   | 6.96   | 2.77      | 4.14   |
| Karnataka   | 4.88   | 2.69   | 5.17      | 2.71   |
| Kerala      | 4.94   | 5.29   | 5.14      | 4.43   |

# Broadband Fault Rate

| Circle              | August      |             | September   |             |
|---------------------|-------------|-------------|-------------|-------------|
|                     | Aug'12      | Aug'13      | Sep'12      | Sep'13      |
| Kolkata             | 5.23        | 7.58        | 5.11        | 6.76        |
| M P                 | 2.21        | 2.23        | 2.07        | 2.17        |
| Maharashtra         | 2.44        | 4.10        | 2.4         | 5.70        |
| N E I               | 3.69        | 3.26        | 4.05        | 3.25        |
| N E II              | 1.21        | 1.55        | 1.15        | 1.51        |
| Orissa              | 2.26        | 4.07        | 2.23        | 3.42        |
| Punjab              | 2.88        | 3.30        | 2.87        | 3.25        |
| Rajasthan           | 2.61        | 3.01        | 2.6         | 2.48        |
| Tamilnadu           | 2.19        | 4.22        | 2.06        | 3.57        |
| U P (East)          | 5.6         | 3.33        | 5.3         | 4.00        |
| U P (West)          | 2.95        | 4.53        | 2.99        | 4.56        |
| Uttaranchal         | 3.44        | 3.53        | 3.46        | 3.69        |
| W. B.               | 4.33        | 5.44        | 4.24        | 4.88        |
| <b>Overall BSNL</b> | <b>3.36</b> | <b>4.56</b> | <b>3.36</b> | <b>4.39</b> |

# Landline Fault Rate

| Circle      | August |        | September |        |
|-------------|--------|--------|-----------|--------|
|             | Aug'12 | Aug'13 | Sep'12    | Sep'13 |
| A & N       | 3.34   | 3.98   | 3.51      | 3.78   |
| A P.        | 3.86   | 5.18   | 3.68      | 5.23   |
| Assam       | 3.67   | 3.68   | 3.74      | 3.50   |
| Bihar       | 2.91   | 2.93   | 3.05      | 2.79   |
| Chattisgarh | 4.02   | 3.86   | 4.08      | 4.01   |
| Chennai     | 2.8    | 9.02   | 2.79      | 9.25   |
| Gujarat     | 5.43   | 4.72   | 5.13      | 4.49   |
| Haryana     | 4.87   | 4.49   | 4.8       | 4.66   |
| H.P         | 6.66   | 3.93   | 6.44      | 4.54   |
| J & K       | 5.79   | 7.87   | 5.9       | 6.18   |
| Jharkhand   | 2.88   | 2.33   | 2.72      | 2.62   |
| Karnataka   | 4.39   | 6.76   | 4.25      | 4.15   |
| Kerala      | 6.85   | 7.98   | 7.74      | 6.76   |

# Landline Fault Rate

| Circle              | August      |             | September   |             |
|---------------------|-------------|-------------|-------------|-------------|
|                     | Aug'12      | Aug'13      | Sep'12      | Sep'13      |
| Kolkata             | 12.09       | 15.59       | 12.4        | 14.03       |
| M P                 | 3.46        | 3.61        | 3.38        | 3.43        |
| Maharashtra         | 7.21        | 8.63        | 6.65        | 7.68        |
| N E I               | 3.69        | 4.06        | 4           | 3.88        |
| N E II              | 3.36        | 3.47        | 2.37        | 3.24        |
| Orissa              | 5.03        | 4.63        | 4.7         | 4.51        |
| Punjab              | 3.39        | 3.90        | 4.4         | 4.29        |
| Rajasthan           | 4.38        | 4.79        | 4.38        | 4.69        |
| Tamilnadu           | 2.82        | 4.73        | 2.75        | 4.48        |
| U P (East)          | 3.53        | 3.32        | 3.55        | 3.53        |
| U P (West)          | 4.59        | 4.86        | 4.55        | 4.90        |
| Uttaranchal         | 5.56        | 6.00        | 5.61        | 5.76        |
| W. B.               | 5.89        | 6.10        | 5.54        | 5.68        |
| <b>Overall BSNL</b> | <b>5.16</b> | <b>6.33</b> | <b>5.21</b> | <b>5.76</b> |

# **Human Resource Unit**

## **Main Points of discussion of HR Unit**

- **Improving Performance Orientation**
- **SSA Rationalization**
- **Skill Building**

# **Improving Performance Orientation**

# Improving performance orientation

## Gist of HOCC Deliberations

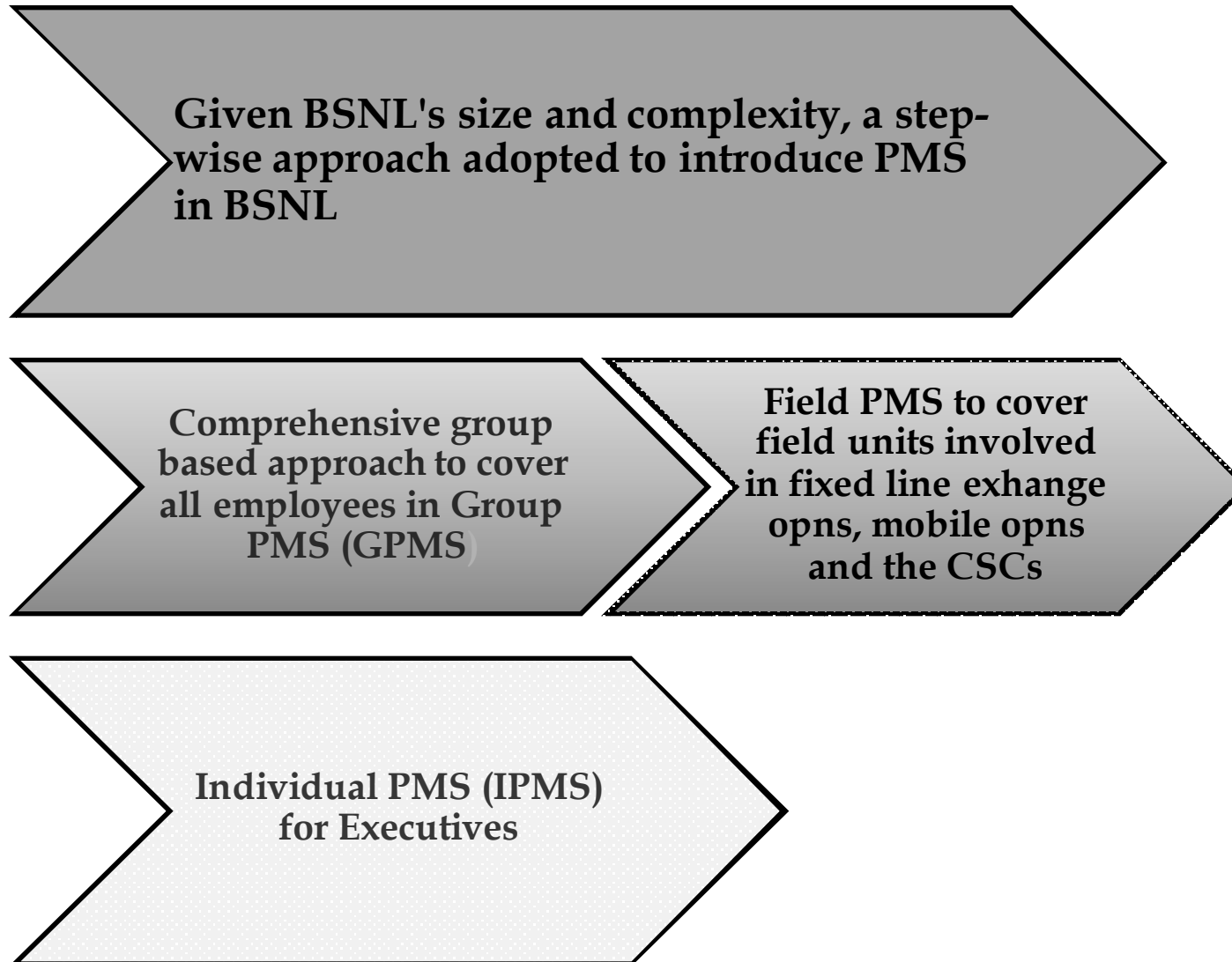
- Urgent need for improving performance orientation
- Fast track promotions for high performers
- Incentives and awards to encourage high performance



## **Improving Performance Orientation through robust PMS**

- **For linking of performance to incentives and awards, it is important to have a performance evaluation system which is seen as objective, fair and transparent.**
- **The Performance Management system (PMS) should also harmonize goals of an individual to the goals of the Company.**

# Performance Management System in BSNL



## **Improving Performance Orientation through robust PMS**

### **Proposal for linking of PMS to career progression opportunities and other incentives**

- **Because of large employee base, performance of Non-Executives to be based on Performance of the Group to which the employee belongs (GPMS).**
- **Performance of Executives to be assessed at Individual Level through IPMS.**

# **Group Performance Management System (GPMS)**

- **Covers all BSNL employees in 19 group types.**
- **Each Territorial Circle, non-Territorial Circle, SSA is a Group.**
- **Key Performance Indicator(KPI) based score cards designed for objective and transparent assessment of performance.**
- **Group score cards are finalized with targets assigned to all groups.**

# Sample GPMS Score Card of a territorial Circle

| Group                 | Group level weightage | S. No. | Dimension         | KPI  | Weight age | Target  |
|-----------------------|-----------------------|--------|-------------------|--|------------|---------|
| Consumer Fixed Access | 25%                   | 1      | Financial         | CFA Revenue - Basic (LL, PCO, VAS, etc.) (Rs. Cr.)   | 20%        | 692.48  |
|                       |                       | 2      | Financial         | CFA Revenue - Broadband (including VAS, IPTV) (Rs. Cr.)  | 20%        | 393.00  |
|                       |                       | 3      | Customer / Market | Net adds - (by number of subscribers) Basic (in 000's)   | 5%         | -118.67 |
|                       |                       | 4      | Customer / Market | Net adds - (by number of subscribers) Broadband (in 000's)   | 7.5%       | 350     |
|                       |                       | 5      | Customer / Market | Customer satisfaction level (including QoS) (Scale of 1 to 5)  | 7.5%       | 5       |
|                       |                       | 6      | Operations        | Net adds in tax capacity(in KC)  | 2.5%       | 212     |
|                       |                       | 7      | Operations        | CDR Implementation (No. of SSAs)   | 5.0%       | 21      |
|                       |                       | 8      | Operations        | CCR rate for Landline local  | 2.5%       | 69.8    |
|                       |                       | 9      | Operations        | CCR rate for Landline STD  | 2.5%       | 54      |
|                       |                       | 10     | Operations        | Fault rate LL  | 2.5%       | 4.2     |
|                       |                       | 11     | Operations        | Fault rate BB  | 2.5%       | 5%      |
|                       |                       | 12     | Operations        | % of faults cleared by next working day LL   | 2.50%      | 90%     |
|                       |                       | 13     | Operations        | % of faults cleared by next working day BB   | 2.50%      | 100%    |
|                       |                       | 14     | Operations        | % of new services (LL) provisioned within the norm (7 days for LL)                                   | 2.50%      | 99%     |
|                       |                       | 15     | Operations        | % of new services (BB) provisioned within the norm (7 days of BB) [subject to technical feasibility] | 5.00%      | 100%    |
|                       |                       | 16     | Operations        | Overall performance (on scale of 1 to 5 - to be assessed by Director - CFA)                          | 10%        | 5       |
| Consumer Mobility     | 30%                   | 17     | Financial         | CM revenue (Rs. Cr.)   | 40%        | 1458.83 |
|                       |                       | 18     | Customer / Market | CM Net adds - GSM (by number of subscribers) (in 000's)  | 13%        | 2497.00 |
|                       |                       | 19     | Customer / Market | CM Net adds - CDMA (by number of subscribers) (in 000's)   | 2%         | 70      |
|                       |                       | 20     | Customer / Market | CM Net adds - WiMAX (by number of subscribers) (in 000's)  | 5%         | 80.80   |
|                       |                       | 21     | Operations        | BTS availability (%)   | 10%        | 98%     |
|                       |                       | 22     | Operations        | Call drop rate (%)   | 10%        | 2%      |
|                       |                       | 23     | Operations        | Blocked call rate - TCHcongestion (%)  | 10%        | 189 2%  |
|                       |                       | 24     | Operations        | Overall performance (on scale of 1 to 5 - to be assessed by Director - CM)                           | 10%        | 5       |

## Group based Awards in FPMS

- FPMS covers FM, RM and staff involved in fixed line exchanges, mobile operations and the CSC staff
- Performance of sales staff, FMs and RM s is evaluated based on set parameters and achievements against assigned targets.
- Score cards are prepared for each of the groups indicating the parameters to be measured and targets for each.
- Exchange with the best score in a SSA is awarded Swarna Exchange Award.
- For consumer mobility operations and CSCs, top 3 groups are awarded in every circle.

## **Expectations from Staff Unions**

- **The Staff unions may bring awareness among employees about the PMS and all out efforts for improving performance of their Unit, SSA and Circle.**
- **Eventually, grant of any form of incentive would be dependent on performance of the Group to which they belong.**

# **PMS for Executives**



# Individual Performance Management System(IPMS)

- IPMS facilitates transparent and objective assessment of performance of an individual.
- Key Performance Indicators (KPIs) being identified for each job based on job description.
- Executive IPMS score card would comprise of Key Performance Indicators (KPIs) with appropriate weightage, relevant to individual's role .
- Targets would be assigned for each of the KPIs at the start of the year.

## IPMS contd...

- IPMS score will be worked out on the basis of achievements against specified targets.
- IPMS score cards are prepared for officers in Corporate Office.
- KPI banks for different roles of Executives in different verticals in Territorial Circles/SSAs have been prepared.
- Individual score cards are to be prepared based on specific role of a person.

## **Improving Performance Orientation through robust PMS**

### **Proposal for linking of IPMS to career progression opportunities for Executives...**

- **IPMS to be made part of APAR- Score card to be included by executive in self appraisal in part II of the APAR.**
- **IPMS score will be based on achievements against specific KPIs.**
- **Reporting officer shall consider IPMS score while giving performance grading in APAR.**
- **2013-14 : IPMS to prepared for awareness building and learning**
- **2014-15 onwards-Linking of IPMS to APAR**

# **RATIONALIZATION OF SSAs**

## **Need for Review of criteria for SSA categorization**

- **Non- availability of adequate number of officers to head all SSAs as per the current sanctions**
- **Level of SSA head is currently determined by land lines.**
- **Need for review of this norm because SSA has the responsibility of not only land line business but overall business of the company including mobile, infra sharing, enterprise business etc.**
- **SSA revenue is a better criteria for SSA categorization**

# Proposed New Norms

| Sl.No. | Annual Review of SSAs | Level of SSA Head |
|--------|-----------------------|-------------------|
| 1.     | Upto 10 crores        | TDE               |
| 2.     | 10 to 30 crores       | TDM               |
| 3.     | 30 to 300 crores      | GM                |
| 4.     | More than 300 crores  | PGM               |

## Comparison of existing number of SSAs and revised SSAs as per new Criteria

| Sl.No. | Level of SSA Head | Existing Nos. | Revised Nos. |
|--------|-------------------|---------------|--------------|
| 1.     | TDE               | 12            | 25           |
| 2.     | TDM               | 74            | 109          |
| 3.     | GM                | 227           | 193          |
| 4.     | PGM               | 19            | 5            |

## SSA categorization ( contd...)

- While SSAs have been categorized on Revenue norms, it is appreciated that some other factors such as geographical spread of the SSA, number of revenue districts, administrative requirements and business potential are also important factors in determining SSA category.
- Proposals have been sought from circles. These are being examined.



## Other Proposals under examination

### i) Merger of SSAs

- Some circles have proposed merger of Some SSAs where two independent heads are not required.
- This would help in reducing establishment costs and other expenses
- For the purpose of transfer liability of non-executives however, constituent SSAs will continue as separate entities
- These are under detailed examination.

## Other Proposals under examination (contd...)

- As per new norms, number of SSAs headed by DE and DGM level officers has gone up.
- Financial powers of SSA head would also accordingly be lower
- With the objective that decision making process does not slow down, Some circles have given suggestion for reporting of SSAs headed by TDM/TDE to GM of nearby SSA.
- Such GM(TD) may be designated as Area G.M.
- The Area GMs would discharge the responsibility in addition to their functions of GM (TD).
- The matter is under examination.

# Skill Building

- **Training for CSC staff - customer services**
- **Training for TMs for prompt fault redressal mechanism**
- **Training for Executives in Performance Management & Project Management**

# 1. Training for CSC staff – Customer Services

- A two days training on 4C (Challenging Competition through Customer Care) was imparted in recent past, to the staff attached to various CSCs/CSRs of different circles to enhance their skill for assigned duties.
- The course includes changes & challenges, inter-personal communications, effective communication, confidence building, customer care, behavior and attitudinal changes with one session on tariff & commercial information on various products & services from BSNL along with physical demonstration of the product & services.
- Since the proposed training is the focus area for the front line staff of BSNL dealing with our customers at various stages of their normal operation, it is now decided that a renewed focus shall be made for making this programme available for front-line staff through the field training in all SSA level.

- 
- BRBRAITT Jabalpur will remain the nodal reference center for delivery of this programme.
  
  - Mode of imparting training
    - The mode of imparting the training for CSC staff shall be preferably Field Training Program arranged at various SSAs by the identified experts from the respective SSA under the supervision of the respective RTTCs.
    - Some pilot programme can also be conducted at field units, by faculties of training centers.
    - The course content for this training is already available in our training centers and the necessary coordination/guidance shall be extended by the faculties of the respective training center in implementation of this training program at SSA level.

## 2. Training TMs for prompt fault redressal mechanism

- The fault rectification by the staff is a crucial component of our performance and this has been an ongoing activity for long at the field levels.
- This shall be suitably addressed by carving out a mechanism for re-energising the basic training on fault rectification to our staff involved in the day to day services.
- The prompt rectification of faults shall minimize the loss of time and give confidence to our customers on BSNL.
- The mode of imparting this training shall be preferably Field Training Program arranged at various SSAs by the field staff/faculties of our training centers.

### **3. Training of Executives in Performance Management & Project Management**

- As a prelude to building Performance culture in the organization, a set of Key Performance Indicators (KPI), has been designed and circulated by the Restructuring Cell.
- There is a need to build and strengthen this aspect in our operations, through spread of suitable information on this issue.
- Faculties of the Training centers have been requested to arrange to deliver these in gradual manner so as to sensitize the staff appropriately.
- Restructuring Cell, in association with ALTTC, would design the content and delivery of this module, preferably through a workshop at ALTTC.
- Field units have been asked to contact their respective training centers, for the scheduling of this programme in their areas.

## Action taken by Training Cell

- Necessary instructions have already been issued by Training Cell of corporate office to all the circles for taking suitable action in consultation with respective training centers immediately.
- The circles have also been asked to enter the details of staff so trained on this initiative in the CTMS training portal for proper monitoring and a submission of comprehensive report to the management.
- On pursuance by the training cell, it is noted that some of the circles have already initiated action on this matter and the rest of the circles have been requested to take the necessary action immediately.



# **Expectations from Staff unions and Executive Associations**

**Your constructive and practical suggestions  
for BSNL's revival are welcome!!!**

*Thank  
You*

