

**Note on better utilization of BSNL's last mile copper**  
**[Submitted by AIBSNLOA CHQ to Member (S) DoT]**

The large network of BSNL wired lines was built over hundred years by the employees of the erstwhile P&T Department, which later became DoT and now is BSNL/MTNL. Throughout these long years, the employees have toiled in adverse climatic conditions, negotiating hard terrains and unreachable hill tops to build this net work. This asset belongs to the people of India. It is the bounden duty of the Government of India to safeguard and protect this asset and to ensure that this asset is utilized for the benefit of the people of India and not some private corporate entity whether it is Indian or Foreign.

If the private operators are really interested in providing service to the people, let them create their own network and let the Government assist them in this. But the private operators who are interested in quick returns without any investment or hard work are putting pressure on the Government to unbundle the last mile copper of BSNL with a view to exploit the resources of the country to their personal gain rather than with a view to serving the people of the country.

Any wise man will share whatever is surplus with him only. He will not rent a portion of his dwelling which he himself requires for his own needs. **Therefore BSNL/DoT should not agree to unbundle its last mile copper, which can be better utilized for:**

**1. Improving the landline Business**

**2. Expanding Broadband services**

**3. Large scale provision of leased lines.**

**1. Improving the landline Business**

THE REASON FOR BSNL FIXED LINE DETERIORATION:

- 50% due to wrong pricing model
- 25% due to poor maintenance & incorrect FRS strategy
- 25% due to failure of identifying new applications or VAS

TO IMPROVE THE FIXED LINE BUSINESS

- Evolve a best Product Pricing

- Improve the maintenance
- Identifying new market segments and VAS other than voice
- Enhancing after sales relationship

#### PRODUCT PRICING

- Increasing the duration per pulse. Since we need not incur any extra expenditure, by increasing (including in PCO) the duration per pulse in own network calls will certainly increase the market size
- New pricing model for PCO. Migrating from commission based tariff to discount based tariff. This will help to reduce the Service TAX burden of PCO operator. (Actually the private operators are already following this one)
- FLPP scheme has become successful in file/paper, but in field it is not yet implemented.
- PCO-FLPP scheme should be implemented in all the BSNL exchanges. (For example Rs 600 voucher should have talk time of Rs 800 with six month validity). Instead of keeping our lines idle this will generate sizeable revenue.
- Introducing 50 free calls with 3 min pulse in Rs 99 scheme will fetch more customers. For other tariff the pulse duration can be increased
- Especially Fixed line to BSNL mobile pulse duration should be increased. This will also help to sell more mobile connections

#### IMPROVING THE MAINTENANCE

- All the faults should be cleared within the time frame
- Proactive maintenance should be insisted by motivating the field staff

#### NEW VAS

VAS is a major source of revenue. BSNL should be proactive in introducing Value Added Services such as Mobile Radio, Cricket updates, Ringtones, News, Astrology, Contests, Jokes, Exam Results etc. throughout the country. More avenues are to be explored and introduced.

#### ENHANCING AFTER SALES RELATIONSHIP

- A lot of improvement can be achieved in this by training and re-training the field staff in customer relations.

## **2. Expanding Broadband services**

### **According to India's Broadband Economy: Vision 2010,**

#### **Targets and Milestones**

In quantitative terms, the vision can be expressed as follows:

- To achieve a minimum of 10 million subscribers by 2010 and 35 million subscribers by 2020 in urban India across homes, enterprises and public kiosks
- To achieve broadband coverage for at least 50% of the rural population by 2010 and 100% by 2020 through rural broadband kiosks
- To make appropriate and locally relevant e-education, e-health, e-governance, entertainment and e-commerce services and employment opportunities available through broadband connectivity to all cities, towns and villages in India

The digital content that can be delivered through broadband covers a wide range of applications including:

- Societal Applications
  - o E-Education
  - o E-Health / Telemedicine
  - o E-Governance
- Commercial Applications
  - o Entertainment on demand
  - o E-Commerce, Tele working
  - o Business applications / data store on demand

#### **Options for Short-term rollout – DSL**

In the case of DSL, roughly 95% of the existing copper is owned by the incumbent telcos (BSNL / MTNL), who have three options for rolling out broadband services on this copper:

- Go alone by themselves: Given their dominance of existing copper and the advantages of their business models, there are issues regarding whether they would be focused in achieving the national broadband coverage and penetration targets discussed in this report.
- A mandated Open Access regime with Local Loop Unbundling (LLUB) could be imposed on the incumbents, that will throw open the existing copper to any new player. If the

scheme succeeds, this would lead to entry of a large number of players for city / town level markets. Such a large influx of entrepreneurs at a micro-market level will adversely affect their ability to generate adequate scale their operations at the city / town level, thereby affecting the business viability of most of such entrants. This option has not met much success internationally.

- Lastly, the two national telcos could opt for (on their own) or be mandated to provide 'Managed Access', that will allow the incumbents to share the existing copper with a limited number of new service providers and also share the revenue generated, in a pre-determined manner.

**Review of international cases has shown that full open access with LLUB has not succeeded and may not be suitable in the medium and long term.**

**(Courtesy: India's Broadband Economy: Vision 2010, by Confederation of Indian Industry, Dept. of IT and Dept. of Telecom)**

Thus it may be seen that DoT is already having a strong view against unbundling. Also, the private operators have the option to use other technologies like cable modem, Fibre/Ethernet and Wireless Broadband.

**Therefore, BSNL should only concentrate on meeting the very huge demand existing for its Broadband services, by fully utilizing its last mile copper.**

- DoT/BSNL should ensure prompt supply of Exchange side equipments as well as Customer Premise Equipments to meet the strong demand.
- Stand by pairs can be made available from spare pairs in case quality is low.
- A team of qualified BSNL Executives should be constituted in each Exchange area to attend to after sales service problems.

### **3. Large scale provision of leased lines**

The corporate users need connectivity to the branch offices depots etc., for various applications. They need exclusive connectivity like point to point connectivity, point to multipoint and MPLS VPN connectivity.

The small business establishment needs connectivity upto 2 Mbps only. For this connectivity we use our copper network which is available in almost all nook and corner of the city/town.

**Establishment of SWAN:** The government of Tamilnadu has established the Wide area network named as TNSWAN, through which it has connectivity from all Taluk offices, Block Offices or RDOs offices in a town to its Collectorate and in turn all the Collectorates have been connected to the Data center in Chennai and Secretariat. The taluk/BDO/RDOs offices connectivity is only by copper pairs.

Total No of connectivity so far is 700 approximately. Remaining 300 locations will be connected in phases as per request.

Likewise the other Government departments like Commercial tax offices and its Check posts, Housing board, Agriculture, Forest, TWAD, Registration, Employment and training, Treasuries, All the Government hospitals, Industries department etc are being connected to the TNSWAN offices.

Similar SWAN have been established in other states also and are yet to be completed.

**Our Enterprise Business units are fully competent to garner high volume of business in providing leased circuits for use by Government, Public Sector units and Private Entrepreneurs.**

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