

Par Panel asks BSNL to explore ties with foreign cos to bridge tech gap

NEW DELHI, Dec 18 : A Parliamentary panel on Wednesday recommended that state-owned telecom firm BSNL should explore partnerships with foreign technology companies to address issues arising out of the deployment of indigenous technology.

BSNL, in its submission to the Committee on Public Undertakings, had said the major hurdle it is facing in the 4G expansion plan lies in the fact that the 4G technology being deployed may still take time to be tested and proven.

The state-owned firm said it is deploying indigenously designed, developed, and manufactured technology, which is required for the self-reliance of the nation, has its own sets of challenges, especially considering that the technology is very complex and available in only four countries globally.

The Parliamentary panel, in its report tabled in the Lok Sabha on Wednesday, advised BSNL to consider a multi-pronged strategy, including enhanced collaboration with Indian technology developers and global experts to expedite the validation and refinement process of indigenous 4G technology that it is deploying.

“Further, the Committee feels that BSNL may explore partnerships with foreign technology providers for temporary integration, which could help bridge the technology gap while the indigenous solutions reach maturity,” the report said.

When the panel asked about the difference in the share of connections between the PSU and private telecom operators, BSNL said Jio has invested around Rs 4 lakh crore in the last five years, while the state-owned firm has invested only Rs 8,000 crore, which is a huge difference. BSNL said the financial package given by the government has led to asset creation and is mostly non-cash-based.

The entire package is of over Rs 2 lakh crore, which includes around Rs 30,000 crore for 4G spectrum, Rs 24,000 crore for adjusted gross revenue dues settlement, Rs 89,000 crore for 5G spectrum and employees VRS, it added.

BSNL has received only Rs 21,000 crore in cash. “This means that the company is getting assets, not cash,” BSNL informed the panel. The panel observed that BSNL’s survival and operations have been heavily dependent on substantial government support, and the PSU has explicitly acknowledged that it would not have survived without this government intervention, especially post-2020.

“The Committee feels that the company must now focus on reducing its reliance on government aid, and there is a need to enhance its operational efficiency, explore new revenue streams, and strategically invest in infrastructure and technology to ensure long-term sustainability,” the report said.

The panel has recommended that BSNL should closely monitor the progress of CAPEX and viability gap funding utilisation to ensure that the funds are being used effectively and within the stipulated timelines.

“The Committee would like to recommend an audit mechanism to be developed by the controlling Ministry to ensure that the investments and other measures lead to tangible improvements towards achieving the long-term goals of the company, such as the network infrastructure and service quality,” the report added. (PTI)