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BSNLEU/ 604 (DEV)

03.07.2024

To,

**Shri Jyotiraditya M. Scindia ji,
Hon'ble Minister for Communications,
Sanchar Bhawan,
20, Ashoka Road,
New Delhi - 110 001.**

Sub: - **Tariff hikes by Reliance Jio and Airtel will fleece the common people - requesting to kindly ensure immediate launching of BSNL's 4G & 5G services - req.**

Ref: - **BSNLEU letter no.BSNLEU/604(DEV) dated 13.02.2024**

Respected sir,

We wish to bring the following to your kind notice, for favour of information and necessary action.

Both the leading private telecom service providers, viz., Reliance Jio and Airtel have raised their tariffs drastically. While Reliance Jio has hiked its tariff from 12% to 25%, Airtel has hiked its tariff from 11% to 21%. As per media reports, through these tariff hikes, an additional operating profit of Rs.20,000 crore will be generated by these companies. There can be no two opinions that, these tariff hikes will badly hit the common people.

The companies have stated that, the tariff hike is intended at increasing their Average Revenue Per User (ARPU). But, this is only a misleading statement. Absolutely there is no reason for the private companies to raise their tariffs so steeply. It is important to note that, Reliance Jio has made a net profit of Rs.20,607 crore in the financial year 2023-24 and Airtel has made a net profit of Rs.7,467 crore during the same period. Hence, such a steep tariff hike, which will hurt the common people, is totally unwarranted.

It is needless for us to mention that, BSNL had been acting as the true 'Regulator' in the telecom sector. Earlier, due to the competition from BSNL, the private telecom service providers were restrained from increasing their tariffs capriciously. However, the scenario has changed now. BSNL has not been able to launch its 4G and 5G services till date, as a result of which it is handicapped from competing with the private operators and thereby restraining their arbitrary tariff hikes.

Due to the non-availability of 4G and 5G services with BSNL, its customers are deprived of high speed data service. This has compelled them to desert BSNL massively and to migrate to Reliance Jio and Airtel. As per the data released by the TRAI, in 2023-24 alone, BSNL has lost a whopping 1.8 crore customers. In a single month, i.e., March,2024 alone, 23.54 lakh customers have deserted BSNL. Whereas, in the same month, Reliance Jio has gained 21.43 lakh new customers and Airtel has gained 17.5 lakh new customers. It will not be out of context for us to state that, the following two decisions of the government have handicapped BSNL from providing high-speed data service to its customers:-

- a) BSNL was not permitted to upgrade its existing 3G BTSs into 4G BTSs, through software upgradation.
- b) BSNL is barred from procuring standard 4G equipments from global vendors such as Nokia, Ericsson and Samsung, at par with Reliance Jio and Airtel. Instead, BSNL is compelled to procure its 4G equipments only from indigenous equipment manufacturers, which has greatly delayed BSNL's 4G, as well as 5G service launchings.

Former Hon'ble Minister of Communications, Shri Ashwini Vaishnav had reportedly stated in May, 2023 that, BSNL would launch its 4G service within a few weeks and that, the same would be upgraded into 5G service by November / December. (Economic Times dated 24th May, 2023). However, fact remains that, still BSNL has not been able to launch its 4G service. Keeping all the factors into consideration, our Union has demanded vide letter cited under reference that, BSNL should be temporarily permitted to use Vodafone Idea's network for providing 4G service to its customers. The government of India, being the biggest shareholder in Vodafone Idea, could have facilitated this. However, unfortunately, this did not happen.

Keeping the above factors into consideration, we would like to earnestly appeal to you sir, that necessary steps may kindly be taken expeditiously to ensure BSNL's 4G launching without delay. Further, timely upgradation of this 4G service into 5G service, would enable BSNL to protect the interests of the common people of this country from the tariff hikes of profit-hungry private telecom service providers.

Thanking you,

Yours sincerely,



(John Verghese)
Acting General Secretary

Copy to: Dr. Pemmasani Chandra Sekhar ji, Hon'ble Minister of State for Communications, Sanchar Bhawan, 20, Ashoka Road, New Delhi - 110 001.