

BSNL, THE PSU SERVING BEYOND PROFIT AND LOSS

By contribution of BSNL to Nation Building and GoI Projects.

BSNL is a wholly owned Government of India Public Sector Enterprise entrusted with the responsibility of providing telecom connectivity across the country, including remote, rural, border, hilly, tribal and strategically sensitive areas.

Since its formation in October 2000, BSNL has executed numerous Government mandated projects involving investments of tens of thousands of crores of rupees and has created telecom infrastructure in regions where commercial returns are either uncertain or absent. Consequently, BSNL's performance and contribution require evaluation through a broader framework encompassing strategic, developmental, social, and national objectives rather than through profit and loss parameters alone.

A. BSNL as the Government's Preferred Telecom Implementation Agency:

Since its formation in October 2000, BSNL has been entrusted with the implementation of numerous strategic, developmental, and national security related projects by the Government of India. These assignments were entrusted to BSNL with

- a. Its nationwide presence.
- b. Technical expertise.
- c. Availability of skilled telecom manpower.
- d. Extensive optical fibre and transmission infrastructure.
- e. Capability to execute projects in remote and difficult terrain.
- f. Reliability as a Government owned strategic telecom entity.

In most cases, these projects involved significant social and strategic objectives rather than commercial profitability.

B. BSNL as the Telecom Arm of the Government of India: Unlike private telecom operators, BSNL has routinely accepted responsibilities arising from Government policy objectives, including:

- a. Provision of telecom services in remote and rural regions.
- b. Connectivity in border and strategic areas.
- c. Implementation of Universal Service Obligation (USO) projects.
- d. Support to Defence and security establishments.
- e. Disaster communication and emergency restoration.
- f. Digital India and e Governance initiatives.

These obligations frequently involve substantial expenditure without commensurate commercial returns but generate significant public value and national benefit.

C. National Telecom Assets Created and Maintained by BSNL: Apart from

project execution, BSNL has created and maintained substantial telecom infrastructure across the country, including:

- a. Extensive Optical Fibre Cable (OFC) Network.
- b. Nationwide Mobile Tower Infrastructure.
- c. Microwave and Transmission Systems.
- d. Telephone Exchanges.
- e. Broadband Access Networks.
- f. Rural Telecom Infrastructure.
- g. Strategic Communication Facilities.
- h. Government Communication Networks.

These assets have enabled implementation of multiple Government programmes and continue to serve as national telecom infrastructure.

D. Strategic and Social Returns Generated: The benefits arising from BSNL's activities include:

1. National Security:

- a. Defence communication support.
- b. Border area connectivity.
- c. Emergency communication readiness.

2. Digital Inclusion

- a. Rural broadband penetration.
- b. Digital governance.
- c. Telemedicine.
- d. Online education.

3. Economic Development

- a. Financial inclusion.
- b. Rural entrepreneurship.
- c. E commerce enablement.
- d. Improved market access.

4. Social Development

- a. Connectivity to remote and underserved populations.
- b. Reduction in digital divide.
- c. Improved access to Government services.

These benefits accrue to society and the nation and cannot be fully reflected in BSNL's commercial accounts.

E. Implications for Assessment of BSNL: A substantial portion of BSNL's resources, infrastructure, and skilled manpower has been deployed in implementing Government mandated projects and strategic obligations consequently:

- a. Annual profitability alone does not reflect BSNL's actual contribution.
- b. Significant public value has been created through Government directed activities.
- c. National assets worth more than ₹1 lakh crore have been delivered

through BSNL's efforts.

- d. The organisation has continuously fulfilled sovereign and strategic responsibilities that private operators generally do not undertake.

F. Backbone of Government Communications: BSNL provides communication services to:

- a. Central Government Ministries and Departments.
- b. State Governments.
- c. Defence establishments.
- d. Public Sector Enterprises.
- e. Autonomous bodies and institutions.

Its extensive optical fibre network and telecom infrastructure form a significant component of the country's public communication backbone.

G. Contribution to Digital Inclusion: BSNL has significantly contributed towards:

- a. Bridging the digital divide.
- b. Expansion of broadband services in rural India.
- c. Affordable telecom access for economically weaker sections.
- d. Promotion of digital governance and online public services.

The social and economic benefits generated through these initiatives extend far beyond direct revenue considerations.

H. Creation of National Telecom Infrastructure: BSNL has invested heavily in creation of

- a. Nationwide Optical Fibre Cable (OFC) network.
- b. Telephone exchanges.
- c. Mobile towers.
- d. Broadband infrastructure.
- e. Transmission systems.
- f. Rural telecom networks.

This infrastructure constitutes a valuable national asset supporting economic growth and digital transformation.

I. Employment and Skill Development: BSNL has contributed significantly to

- a. Direct employment generation.
- b. Development of telecom technical expertise.
- c. Skill development of telecom professionals.
- d. Creation of vendor and service ecosystems across the country.

The multiplier effect of these contributions has benefited the wider telecom sector.

J. Support to National Security: BSNL has continuously supported national security requirements through:

- a. Dedicated telecom infrastructure for Defence and security agencies.
- b. Emergency communication support during natural disasters.
- c. Restoration of communication networks during floods, cyclones,

earthquakes and other calamities.

- d. Maintenance of critical telecom infrastructure in sensitive border areas.

BSNL's nationwide infrastructure acts as a strategic national asset available to the Government whenever required.

K. Strategic National Contributions

L. Telecom Connectivity in Rural and Remote Areas: BSNL has been the principal agency for providing telecom services in rural and remote regions where private operators have limited commercial interest. Millions of rural citizens continue to depend on BSNL for basic telecom and broadband services.

BSNL has established and maintained telecom infrastructure in difficult terrains including:

- a. North Eastern States
- a. Jammu & Kashmir and Ladakh
- b. Border regions
- c. Tribal and Left Wing Extremism affected areas
- d. Islands such as Andaman & Nicobar and Lakshadweep

These services are maintained in national interest despite limited or rather no commercial viability.

M. Execution of Government Telecom Projects: BSNL has been entrusted with implementation of numerous strategic projects by the Government of India, including:

- a. BharatNet Project for rural broadband connectivity.
- b. Network for Defence Services.
- c. Left Wing Extremism (LWE) Area Connectivity Projects.
- d. Comprehensive Telecom Development Plan for North East Region.
- e. Telecom connectivity in uncovered villages.
- f. Border area telecom infrastructure projects.
- g. Disaster recovery and emergency communication networks.
- h. Digital India initiatives and e Governance support systems.

These projects are primarily developmental and strategic in nature and cannot be evaluated through commercial returns alone.

N. Need for a Broader Assessment Framework: As a Government owned telecom operator, BSNL performs several sovereign, strategic and social obligations that private telecom operators are generally not required to undertake. Therefore, assessment of BSNL should incorporate:

- a. Strategic value to national security.
- b. Contribution to Digital India objectives.
- c. Rural and remote connectivity achievements.
- d. Execution of Government mandated projects.
- e. Social and economic benefits generated.
- f. Creation and maintenance of national telecom infrastructure.
- g. Support to governance and public service delivery.

O. Digital India and e Governance Initiatives: BSNL has supported multiple

Digital India programmes through

- a. Optical fibre expansion.
- b. Broadband services.
- c. Data communication networks.
- d. Government communication infrastructure.

The resulting benefits accrue to citizens, Government institutions, and the national economy.

P. Disaster Management and Emergency Restoration: BSNL has consistently restored communications during Floods, Cyclones, Earthquakes, Landslides and all other natural calamities within India and even out of India. Nationwide presence of BSNL enables rapid restoration of essential communications, often under severe operational constraints.

Q. Creation of Strategic National Assets: Over the past two decades, BSNL has developed and maintained extensive telecom infrastructure, including:

- a. Nationwide Optical Fibre Cable (OFC) networks.
- b. Mobile communication towers.
- c. Transmission systems.
- d. Telephone exchanges.
- e. Broadband infrastructure.
- f. Rural telecom networks.
- g. Government communication systems.

These assets constitute a national telecommunications backbone and continue to support Government projects and public services.

R. Social and Economic Value Generated by BSNL: The value generated by BSNL extends beyond financial statements and includes:

- a. Rural connectivity and inclusion.
- b. Digital empowerment of citizens.
- c. Support to education and healthcare.
- d. Financial inclusion.
- e. National security enhancement.
- f. Regional development.
- g. Employment generation.
- h. Disaster resilience.

BSNL's contribution to the nation extends well beyond conventional commercial operations. Through execution of strategic Government projects, creation of national telecom infrastructure, support to national security, and promotion of digital inclusion, BSNL has generated immense public value and national benefit. Accordingly, policy decisions concerning BSNL and its executives should be based on a holistic assessment of these contributions rather than on financial profitability alone.

It is not only that BSNL has undertaken Government projects, but the Government has consistently utilized BSNL as its implementing arm for strategic and socially desirable telecom projects that private operators would not undertake on comparable terms. The following strengthened draft links BSNL's contributions directly with the justification for policy support and pay scale upgradation.
