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भारत संचार निगम लिमिटेड
(भारत सरकार का उद्यम)
BHARAT SANCHAR NIGAM LIMITED
(A Govt. of India Enterprise)

पी.के. पुरवार

अध्यक्ष एवं प्रबन्ध निदेशक

P.K. PURWAR

Chairman & Managing Director

No. BSNL/SECTT/25-1/2018/Vol.II

Date: 01-10-2020

To

Chief General Managers, All Telecom Circles
Heads of all Metro Districts

Sub: Activities to be carried on by BSNL Tower Corporation Ltd (BTCL).

As you all are aware that Company's core business is provisioning of all kinds of Telecom Services which has specific regulatory compliance obligations. The other non-telecom business activities being carried on by the company (BSNL) are amenable to different statute(s) having different compliance obligations. It has been decided that to give focussed attention to core business of the company, the non-telecom activities may be carried on through the subsidiary company BSNL Tower Corporation Ltd (BTCL) so that it becomes commercially operational. The execution of non-telecom projects and projects where telecom component is small will also help BSNL to reduce its license fee liability on the activities which do not require telecom license for execution. In such cases where telecom activity is part of the project, BSNL shall issue invoice to BTCL for licensed telecom services at arms-length principle.

The following activities have so far been identified by the management for being carried on by BTCL:

- i. Smart City Projects - To participate in Smart City Project bids, tender, EoI.
- ii. Enterprise Business - All such EB works /business /EOI /Tender/Bids /RFPs where SI/Partner/External/Non Telecom component is substantial.
- iii. Civil/BW Wing - Execution of external works as Project Management Consultant for clients such as State Governments, Public Sector Banks, Autonomous Bodies etc. The broad areas covered under this are - Construction of Administrative Buildings, Staff Quarters, Girls' Hostel, Hospitals, Educational Institutions, Stadiums, Bridges, Swimming Pool, RCC / Bitumen Roads, Poultry Farm building, etc.
- iv. CFA vertical - Empanelment of solution provider.
- v. All those projects where role of BSNL is mostly of facilitator and major portion of the project is executed by SI, such project may also be taken through BTCL.
- vi. Apart from above, you may identify any other non-telecom activities i.e. external works / SI works / external projects etc. where telecom services component is small, being carried out / proposed to be carried out by your Circle and propose for being carried out by BTCL. Wherever needed, credentials of BSNL may be used for the purpose. It may be ensured that such activities are covered under the main object clause of BTCL (Refer Annex-A).

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To start the activities through the subsidiary, it has been decided that:

- All Circle heads and IFAs shall in addition to above, identify non-telecom activities that may be carried out through BTCL.
- Identify the existing manpower of BSNL occupied in aforesaid non-telecom activities, which will be carried through BTCL, their role and responsibilities be accordingly modified/reframed.
- Requirement of funds, if any, with concurrence of IFA may be intimated to Director (Finance) through the vertical directors to be utilised as working capital loan/advance to BTCL for undertaking such activities.
- The existing BSNL officers/ officials devoting their time for such activities shall continue to do so on behalf of BTCL and their salaries and expenses shall be charged to BTCL proportionately.
- While identifying existing projects for this purpose, where the component of telecom services is small, these projects may be routed through BTCL so that billing to the customer is done by BTCL. Further, the telecom component/services can be billed by BSNL to BTCL on arm's length principle so that license fee implication is only on telecom licensed activity.

All the CGMs shall hereafter submit monthly / quarterly report to Functional Directors concerned about the progress in respect of all such activities, who shall in turn apprise to the Management Committee of the Board and the Board of Directors of the company (BSNL & BTCL).

Looking forward for active and effective participation of all concerned to achieve the goal for making the subsidiary commercially operational and becoming a healthy revenue generating stream for the Holding Company.



P. K. Purwar

Chairman & Managing Director
BSNL

Copy to: All Functional Directors.

Encl: Annex-A.