

Union Cabinet approves allotment of 4G/5G Spectrum to BSNL

Third revival package outlay stands at Rs.89,047 crore

Authorized Capital of BSNL to be increased from Rs.1,50,000 crore to Rs.2,10,000 crore

Posted On: 07 JUN 2023 2:56PM by PIB Delhi

In a significant move, as part of the revival strategy, the Union Cabinet chaired by the Prime Minister Shri Narendra Modi, today approved the third revival package for BSNL with the total outlay of Rs. 89,047 crore. It includes allotment of 4G/5G spectrum for BSNL through equity infusion.

The authorized capital of BSNL will be increased from Rs. 1,50,000 crore to Rs. 2,10,000 crore.

With this revival package, BSNL will emerge as a stable telecom service provider focused on providing connectivity to remotest parts of India.

The details of spectrum are as follows:

| Band | Spectrum allotted | Budgetary support |
|--------------|---|-------------------------|
| 700 MHz | 10 MHz paired in 22 LSAs | Rs. 46,338.60 Cr |
| 3300 MHz | 70 MHz in 22 LSAs | Rs. 26,184.20 Cr |
| 26 GHz | 800 MHz in 21 LSAs and 650 MHz in 1 LSA | Rs. 6,564.93 Cr |
| 2500 MHz | 20 MHz in 6 LSAs and 10 MHz in 2 LSAs | Rs. 9,428.20 Cr |
| | Miscellaneous items | Rs. 531.89 Cr |
| Total | | Rs. 89,047.82 Cr |

With this spectrum allotment, BSNL will be able to:

1. Provide pan India 4G and 5G services. Provide 4G coverage in rural and uncovered villages under various connectivity projects. Provide Fixed Wireless Access (FWA) services for high-speed internet. Provide services/spectrum for Captive Non-Public Network (CNPB).

BSNL/MTNL revival:

- Government had approved the first revival package for BSNL/MTNL in 2019. It amounted to Rs. 69,000 Crore and brought stability in BSNL/MTNL.
- In 2022, Government approved second revival package for BSNL/MTNL amounting to Rs. 1.64 Lakh Crore. It provided financial support for capex, viability gap funding for rural landlines, financial support for de-stressing the balance sheet, and settlement of AGR dues, merger of BBNL with BSNL, etc.

- As a result of these two packages, BSNL has started earning operating profits since FY 2021-22. Total debt of BSNL has reduced from Rs. 32,944 Crore to Rs. 22,289 Crore.
- Key financials of BSNL are as follows:

| | FY 2020-21 | FY 2021-22 | FY 2022-23 |
|------------------|------------|------------|------------|
| Revenue | 18,595 Cr | 19,053 Cr | 20,699 Cr |
| Operating profit | 1,177 Cr | 944 Cr | 1,559 Cr |

- BSNL has achieved strong growth in home fiber segment. It is providing more than 1 Lakh new connections every month. Total home fiber subscriber base of BSNL in May 2023 is 30.88 Lakh. Total revenue from home fiber last year was Rs. 2,071 Crore.

Indigenous 4G/5G technology

- Telecom technology is a strategic technology with a limited number of end-to-end technology providers in the world.
- Under the Atmanirbhar vision of Hon'ble Prime Minister Narendra Modi, India's own 4G/5G technology stack has been successfully developed.
- Deployment has started. After a few months of field deployment, it will be rapidly rolled out across the country on BSNL network.

DS/SKS

(Release ID: 1930442)