



61-11/2018/CMTS Infra/O&M/Post AWO/16

dated 03.10.2018

To,

All the Chief General Managers,
Territorial Circles/Districts
(Except A&N, AS, CTD, NE-I, NE-II & WBT Circles),
Bharat Sanchar Nigam Limited.

Subject: Outsourcing of Operation and Maintenance (O&M) activities of passive infra along with Sales and Marketing (S&M) of BSNL Non-collocated BTS sites

1. Management Committee of the BSNL Board has considered a proposal for Outsourcing of Operation and Maintenance (O&M) activities of passive infra along with Sales and Marketing (S&M) of BSNL Non-collocated BTS sites and accorded its approval for the issuance of Advance Work Orders (AWOs) as detailed below:


Cluster	Name of Circle	Total number of tower sites in circle	Number of non-collocated sites in circle	Number of non-Collocated sites in the Cluster	Name of the Successful Bidder
Cluster -1	Himachal Pradesh	901	597	2440	M/s Mahindra & Mahindra Ltd
	Jammu & Kashmir	938	696		
	Punjab	2062	1147		
Cluster -2	Haryana	1283	760	2392	M/s AST Telecom Solar Pvt Ltd
	Rajasthan	3864	1632		
Cluster -3	Uttar Pradesh (E)	4389	2333	4028	M/s ITI Ltd
	Uttar Pradesh (W)	1993	1073		
	Uttarakhand	875	622		
Cluster -5	Bihar	1845	822	2416	M/s AST Telecom Solar Pvt Ltd
	Jharkhand	1229	692		
	Odisha	1922	902		
Cluster -6	Madhya Pradesh	4381	2187	4917	M/s Pace Power Systems Pvt Ltd
	Gujarat	4465	2730		
Cluster -7	Maharashtra	5841	1715	2694	M/s Pace Power Systems Pvt Ltd
	Chhattisgarh	1739	979		
Cluster -8	Andhra Pradesh	4965	3152	4794	M/s Pace Power Systems Pvt Ltd
	Karnataka	3813	1642		
Cluster -9	Kerala	3534	2466	3689	M/s Mahindra & Mahindra Ltd
	Chennai TD	1492	1223		
Cluster -10	Tamilnadu	4596	2917	2917	M/s ITI Ltd

Note: The site data have been submitted by the respective circles in reference to this office letter number 61-06/2014-Infra Opers-I/O&M dated 09.09.2014.

2. The AWOs have already been issued by the MM Cell of BSNL Corporate Office. The Service Agreement with the vendors is likely to be signed in due course of time.

3. Salient features of the O&M Contract:

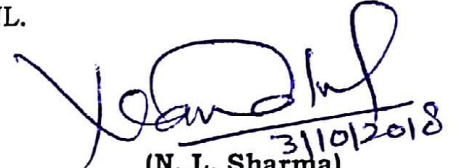
- For the purpose of selection of Service Providers, the tower portfolio of BSNL has been grouped into 10 clusters comprising one or more circles.
- Individual contracts will be signed for providing the services for each circle falling in the cluster.
- BSNL will enter into long term contracts (10 years) for the outsourcing of O&M and S&M.
- A single party will be responsible for all the activities (including both O&M and S&M) specified in the scope of work for a particular geography.
- For the O&M services provided, the SPs will be paid a fixed compensation on monthly basis as per the terms and conditions in the Service Agreement.
- For the S&M services, the SPs will be paid a revenue share of the revenue accrued from external customers to BSNL as per the terms and conditions in the Service Agreement.
- As a part of this O&M and S&M outsourcing exercise, all the non-co-located sites of BSNL will be outsourced to selected bidders
- In addition, BSNL will also outsource all the un-manned co-located sites to the selected SPs as per convenience.
- SP shall have the comprehensive responsibility for maintenance of BTS Infra items and associated works including energy management, maintenance CAPEX and site up-gradation
- BSNL shall hand-over the sites to the SP on an "As-is, where-is" basis. Post the hand-over, SP shall be responsible for all equipment replacements / additions / modifications / up-gradations at the site in order to meet the requirements of the SLAs and other performance parameters defined in the SA, on its own expense.
- The SP will be responsible for sales and marketing of the tower sites in its scope in order to bring in new tenancies from other operators.
- The scope of sales & marketing will also include non-conventional sources of revenue such as co-located ATMs at tower sites, co-located radio broadcasting antennas at sites, advertisement billboards etc.
- The handing over time schedule will be as under:
 - ❖ From the Signing date of the agreement (Effective Date), the SP shall be given a period of 2 months to arrange for the team, finances and other resources required for discharging the responsibilities under the SA.
 - ❖ For the commencement of the third month from the Effective Date, the SP will jointly manage all the sites planned to be handed-over to the SP with BSNL.
 - ❖ The SP will formally take-over all the sites planned to be transferred to the SP under the SA from the commencement of the fourth month from the Effective Date, and will be eligible for payment of the service fee as per the provisions of the SA.
 - ❖ During the first, second and third month after the hand-over of each site, the SP will have a moratorium period on meeting of the SLAs, provided that the PSLAs are regularly met.
 - ❖ From the fourth month of the hand-over of the sites, the SP will be responsible for meeting all the SLAs and other obligations under the provisions of the SA.
- In case, BSNL fails to hand over the sites within one year from the Effective Date, it will be treated as BSNL event of default.



4 **In view of the above, it is requested that:**

- (a) Now onwards no new outsourcing contract is to be signed or renewed in this regard and there should not be any infusion of the CAPEX on the passive infra of these sites unless they are of emergent nature.
- (b) The ongoing contracts are reviewed under the ambit of the provisions of the Service Agreement to ensure smooth hand over of O&M responsibilities to the SP.
- (c) Tower data and Site Data may be uploaded / up-dated in the pinfra website (www.pinfra.bsnl.in) as well as in the Asset Registers immediately for all the sites for a smooth transaction.
- (d) Requisite Accounting instructions will be issued from CA Cell of BSNL Corporate Office.
- (e) Payments are to be made using REM module. Therefore, suitable modifications / additions be carried out by ERP team immediately

This is issued with the approval of Director (CM)/CMD BSNL.


(N. L. Sharma)
AGM (CMTS Infra)
3/10/2018

Copy for kind information and necessary action to:

1. PGM/GM (NWP/NWO-CM) BSNL Corporate Office, New Delhi.
2. PGM (ERP), BSNL Corporate Office, New Delhi.
3. GM (CA), BSNL Corporate Office, New Delhi.

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