BSNL will help Tata Motors to make its cars smart

BY MUNTAZIR ABBAS, ET BUREAU | UPDATED: JAN 28, 2019, 09:58 PM IST

Bharat Sanchar Nigam has tied up with Tata Motors for a first-of-its kind machine-to-machine (M2M) communications deal by which the state-owned telco will supply embedded SIM cards to transform the automaker's vehicles into smart cars.

"We have already partnered with Tata Motors for embedded SIM functionality. Five lakh SIM cards were provided while another 10 lakh will be supplied in a year's time," BSNL chairman Anupam Shrivastava told ET, adding that the automaker wanted to use them for smart cars.

Shrivastava said the telco anticipated sales of 50 million M2M SIM cards with future-ready 5G capability over the next year, predominantly for the automobile and home automation sectors.

In a year's time, BSNL's alliance will enable Tata Motors to convert its models such as Tiago, Hexa and the newly unveiled SUV Harrier into smart cars.

Digital Push

5G M2M is slated to help create an IoT ecosystem and provide a springboard for 5G networks to rapidly gain traction

Alliance will help TaMo convert models such as Tiago, Hexa and Harrier into smart cars

M2M tech enables communication between wired and wireless devices using sensors and applications that can be deployed in infra projects such as smart transportation, smart cities, smart grids, smart homes and smart healthcare.

Shrivastava estimates the telco's entry into the M2M space could garner at least ₹20 a month per SIM, which would potentially...
translate into a sizeable 1,200 crore revenue opportunity annually. As of press time, Tata Motors did not reply to ET’s queries.

M2M technology enables communication between wired and wireless devices using sensors and applications that can be deployed in new-age infrastructure projects such as smart transportation, smart cities, smart homes and smart healthcare. BSNL, with over 113 million mobile subscribers, has been exploring new enterprise business opportunities in the wake of heightened rivalry in the sector.

M2M is slated help create a vibrant Internet of Things (IoT) ecosystem, where cars, machines and home appliances can be plugged to the internet, providing the perfect springboard for 5G – or fifth-generation – networks to rapidly gain traction.

"Automotive and transport have been an early adopter of IoT and telcos are tapping the emerging revenue streams from fleet management, navigation and fuel management and positioning services," said Prashant Singhal, global telecommunications leader at EY.

Onward focus on innovative offerings for market differentiation and partnerships, he said, would be critical to monetise IoT potential.

"With the right mix of enablers, telcos can go a long way in enhancing their play in the $4-billion IoT ecosystem by 2021," Singhal said.