

BSNL's Rs 35,000 crore expansion plan hits rough patch

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NEW DELHI: A big controversy on procurement of Rs 35,000 crore worth equipment by telecom behemoth BSNL is brewing with position taken by the two government nominees on the Board, threatening mega expansion programme of the PSU.

While the major equipment supplier Ericsson has lowered its price substantially after negotiations for the GSM expansion contract, the two government nominees-- joint secretary J S Deepak and a senior DoT official P K Mittal-- have raised some proprietary issues concerning the tender that was cleared early 2009.

When contacted BSNL CMD declined to get into the matter raised by the government nominees but told PTI that "The Board will look into all the issues and take appropriate decision."

Cancellation or any delay in the contract could hit hard BSNL at a time when government is thinking of disinvestment, a senior official said on condition of anonymity adding that in such an eventuality only corporate rivals could be benefitted.

A note given by DoT Joint Secretary J S Deepak has raised questions on the process followed by BSNL in evaluating the tender and is against the CVC guidelines.

"It was a single bid throughout the country... and BSNL has not done a comparative analysis on the basis of total cost to the company," the note by Deepak said.

When contacted, he said "This was a comment to BSNL as a Board member and government nominee" adding that a similar note was also submitted by another nominee P K Mittal.