

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

UNSTARRED QUESTION NO:3732

ANSWERED ON:19.04.2010

EXPANSION PLAN OF BSNL

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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the tender for expansion plan of Bharat Sanchar Nigam Limited(BSNL) has been delayed;

(b) if so, the reasons therefor;

(c) whether the Central Vigilance Commission (CVC) has its reservations on this tender;

(d) if so, the details thereof; and

(e) the steps taken or proposed to be taken by the Government to speed up BSNL's expansion plan to enable the company to meet the challenges of private telecom operators in the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT)

(a) to (d): Madam, the tenders for procurement of GSM equipment under phase VI was floated by the four zones of BSNL on 01-05-2008. The tender was floated for 25 million lines each by North, West and South zones and for 18 million lines by the East zone to meet requirements spread over three to four years.

At the advance state of tender finalization, the Central Vigilance Commission decided to investigate the Phase VI tender and called for the records. Accordingly, the Board decided not to proceed further with the GSM tender till further advice from CVC. The CVC recommended not to operate on the tender of 93 million GSM lines because of non-competition, high rate and prolonged negotiations. The recommendations of CVC were placed before the Sam Pitroda Committee. The Pitroda Committee also recommended to scrap the tender of 93 million GSM lines. The report of Pitroda Committee in the matter was deliberated by the BSNL board on 05-03-2010 and the board decided to accept the recommendation of Pitroda Committee for dropping of the tender.

(e): As per the recommendation of Pitroda Committee, BSNL has formed a committee to prepare Request For Proposals (RFP) for adopting managed capacity model for expansion of its GSM network.