

BSNL giving obsolete tech contract?

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NEW DELHI: Controversy continues to dog awarding of commercial projects by BSNL, with allegations now surfacing that it is attempting to give a contract for an obsolete technology.

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Interestingly, the technology failed validation tests five times and has been declared obsolete by BSNL itself. BSNL officials allege that despite this history, there is a renewed effort to award a contract for installation of the technology to Midas

Communication, Chennai, a company with close links to Dr Ashok Jhunjhunwala, a former director on the BSNL board. The decision to procure this technology was taken when he was serving on the BSNL board.

This comes as a fresh blow to BSNL after the Sam Pitroda-led committee set up by the PM identified the company's board's inability to resist political demands as the key reason hurting its commercial interests and leading to its rapid financial decline.

The details of this latest case have been forwarded to BSNL CMD Kuldeep Goyal, telecom minister A Raja, telecom secretary P J Thomas, Sam Pitroda, CVC head Pratyush Sinha and CBI director Ashwini Kumar by the Sanchar Nigam Executive Association. When contacted, BSNL's CMD Kuldeep Goyal declined to comment.

The project in question is called EDWAS or enhanced digital wireless access system. A purchase order for Corpect WLL equipment to Midas Communication was released on December 12, 2007 with the understanding that validation had to be completed within 75 days of the date of issue of the purchase order. However, the equipment failed to meet technical standards as many as five times over a period of more than two years. Yet, instead of terminating the contract, the BSNL corporate office is keen to procure the equipment.

When contacted, Midas Communication CEO Suresh Purohit said all the allegations were baseless and designed to derail Indian technology. "Jhunjhunwala is no longer on the company board. He has nothing at all to do with this matter. BSNL's own testing process delayed the issue of the purchase order for nine months. Now, instead of the total Rs 260 crore order, BSNL has only placed a Rs 33 crore order for the Chennai circle," he said. However, a BSNL official told TOI, "We cannot understand why this obsolete technology is being purchased especially when BSNL itself is dismantling Corpect WLL equipment and replacing it with state-of-the-art CDMA 2000 IX technology across

India."

While Purohit claims his technology is state-of-the-art, several BSNL corporate office letters and a PIB release of November 23, 2009 also confirm that Cordect WLL equipment should be shut down and replaced with CDMA 2000 equipment in all circles.