

THE HINDU Business Line

BSNL offers to surrender broadband spectrum; seeks refund of fee

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New Delhi, Sept 30:

Bharat Sanchar Nigam has offered to surrender the broadband spectrum it bought from the Government last year. The PSU, after having failed to launch wireless broadband services, has asked the Government to refund the money it paid for acquiring the spectrum.

Confirming the move Mr R K Upadhyay, Chairman, BSNL, told *Business Line*, "We want to give the spectrum back because we are using it to offer services only in rural areas. The government can take back the spectrum and own it while we can continue to meet the social obligation of connecting the rural areas."

BSNL has offered to carry out the social obligation of connecting rural areas for the Government if the ownership is transferred.

BSNL had earlier tried to rope in private players as franchisees for using the broadband spectrum for offering WiMax based services. However it had to cancel the tender three times after concerns were raised about the process followed. BSNL has also cancelled the latest agreement it signed with three private players after the Central Vigilance Commission started investigating the deal. The private players have since gone to court challenging BSNL's decision but so far they have not got any stay.

The PSU has so far deployed WiMax technology using this spectrum for connecting the Community Service Centres envisaged under the Government's e-governance programme. "We do not have any plans to launch commercial services on this spectrum. The CSC project is a Government social obligation project which we can continue to run for the Government," Mr Upadhyay said adding that the network set up so far can also be transferred to the Government while BSNL does the service roll out.

When asked as to whether the PSU will lose out on 4G technologies if it surrenders the broadband spectrum, Mr Upadhyay said that the company already has enough on its plate with 3G services. "Our view is that we should consolidate what we have. Our focus will be on expanding 3G network and in any case 4G technologies still have to mature," the Chairman said. BSNL had paid about Rs 9,000 crore for buying broadband spectrum. The cash-strapped PSU hopes to recover that money and use it elsewhere.

BSNL had earlier told the Government that it had been given a non-standardised spectrum band. While private players who won broadband spectrum during the auction last year were given airwaves in the 2.3 Ghz band, BSNL was offered bandwidth in the 2.5 GHz band. Bharti Airtel, Reliance Industries, Aircel and Qualcomm were among those who had bagged broadband spectrum in the auction held in 2010. Neither of these players have so far launched services using this spectrum.

While the spectrum given to Qualcomm has been put on hold by Department of Telecom, it is yet to be seen if the Government accepts BSNL's offer.

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