

## **BSNL looks for global OEMs to bid for WiMax operations**

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NEW DELHI: State-owned BSNL on Friday issued fresh tenders to run its WiMax operations, even as it tightened the eligibility criteria and introduced a slew of additional safe-guards in the wake of the telco being forced to abort its previous tender in light of dubious operators making it to the final shortlist.

“We have issued fresh tenders for companies to run our WiMax services across 16 circles on a revenue share franchisee basis. This time around, only original equipment manufacturers (OEMs) and system integrators can bid. We are confident that shell or paper companies will not be eligible to bid,” BSNL’s chairman and managing director Kuldeep Goyal told ET.

According to Mr Goyal, the telco was looking at global OEMs, such as Ericsson and Cisco, to bid for its WiMax tenders. The logic: OEMs have the technical capabilities to launch and operate such networks especially since they manufacture the same. “We are also looking at system integrators, such as IT companies, to run the operations. All bidders must have a minimum turnover of Rs 100 crore each for the last two years,” Mr Goyal added. In fact, the tender documents will be issued only after proof of turnover is shown.

ET had first reported on June 3 that BSNL would seek fresh bids for franchisees across the country to roll out technology that allows users the wireless access to high-speed internet and other data applications over a large area. BSNL expects WiMax to generate multi-billion dollar revenues over the next 10 years.

The telco had cancelled the earlier tender after its own investigations revealed that five of the six shortlisted companies — WiExpert Communications, SV Telecom Systems, Digitelco Communications, Spectrus Communications and Technotal Infoways — were acting as ‘fronts’ for certain individuals. It was found that these companies shared the same corporate details, notaries, auditors and dates of incorporation, and even their last annual general body meeting was shown to be held on the same day. BSNL had also come under pressure from its labour unions to scrap the tender following reports of wide-scale corruption in the methodologies adopted to shortlist successful bidders.

Companies, which want to participate in the new tender, have been given a deadline till August 4, 2009, to submit their bids. A host of companies, which were mysteriously disqualified from the earlier tender, are expected to place fresh bids — these include Soma Networks, Cisco-backed Terracom, Unwire India and Welcomm Communications, which has a tie-up Huawei and Aricent.

BSNL already has a tie-up with US-headquartered Soma Networks, which runs WiMax services for the PSU in the circles of Gujarat, Maharashtra (including Goa) and Andhra

Pradesh. The deal with Soma has also raised concerns considering that BSNL had appointed this franchisee without going through a bidding process.

Besides, the WiMax forum has also pointed out that Soma Networks was deploying mobile WiMax in FDD format, a technology standard that is not recognised by the forum globally.