

All India Graduate Engineers & Telecom Officers Association

Central Headquarter, New Delhi

(The Recognised Representative Association of BSNL)

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GS/AIGETOA/2021/95 dated 26.07.2021

To,

The Hon'ble Secretary Telecom
Dept of Telecom, Govt of India
Sanchar Bhawan, New Delhi -110001.

Subject: Refund of the amount along with interest for the surrendered BWA Spectrum by BSNL-Reg.

Respected Sir,

We wish to bring the following in your kind notice for favourable decision and needful direction please.

In the times of intense competition in the telecom sector, government policies and decisions towards its 100% State-owned Telecom PSU is of prime importance for sustainability of the Bharat Sanchar Nigam Ltd (BSNL). The case here is the loss occurred due to allocation of non-standardized Broadband Wireless Access (BWA) Spectrum to the BSNL in 2010, while private operators have got more efficient spectrum to launch their high speed broadband services and thereafter non refund of the whole amount against the surrendered BWA Spectrum by BSNL.

The BSNL has been allocated BWA spectrum in higher frequency range in 2.6GHz (2635MHz-2655MHz) whereas lower frequency radio waves (2.3 GHz) given to private players. Lower frequency means better services and less capital expenditure on infrastructure. Here too, the BSNL's position was compromised compared to its competitors. Even if the BSNL uses allocated BWA spectrum, it will not get the advantage of economy of scale globally because of the costlier equipment and the services deployed in this band would be too expensive.

Sir, BSNL paid Rs 8,313 Cr in June 2010 for the wireless broadband spectrum (radio waves) for 20 Telecom Circles in the country -- almost a year ahead of allocation to private Telco's. It was asked to match the price of spectrum paid by the highest bidder in each telecom circle.

Thereafter, BSNL through a letter in March 29, 2012 had submitted proposal for surrender of BWA spectrum in all the circles and requested to refund Rs 8,313 Cr. DoT has only accepted for surrendering the BWA spectrum in six circles -- Maharashtra, Gujarat, Andhra Pradesh, Kolkata, Karnataka and Tamil Nadu with the amount of Rs 6,724.51 Cr for surrendering BWA spectrum by BSNL in these Six Circles. But only after the GoM Cabinet approval in Jan 2014, BSNL got refund after three and half year i.e. Nov'2017. Loss of amount in terms of interest due to delay in getting the amount paid to BSNL is still pending with DoT.

Currently, there is no service running in BSNL on BWA spectrum due to absence of equipment available globally. The remaining amount of 1590 Cr against the remaining spectrum is still pending for other 14 Circles. In addition to that the interest on amount against surrendered BWA Spectrum is also pending.

Regn. No.: HR/019/2018/02138

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It may not be overemphasized that BSNL is in a serious financial crunch, struggling to meet the required OPEX and not even able to invest in CAPEX for strengthening and expansion of its network from its revenue due to huge debt and its repayment. BSNL has always remain ahead to fulfill the social obligations of the Government like provision of telecom facility in the period of calamity in any part of the country and providing telephony in rural and remote areas despite of incurring huge losses on it. The compensation to BSNL for these loss making services has also not been paid since last few years, putting severe stress on the company financial health. In the light of above, we are of the considered opinion that it's the responsibility of the department of telecom to ensure refund of the amount against the whole BWA spectrum surrendered for all the LSA along with its due interest to BSNL at the earliest to meet its financial obligation.

We therefore request your good self to kindly take up the matter at appropriate level to ensure that the requisite amount against surrendered BWA Spectrum is paid immediately to the BSNL.

With warm regards,

--Sd/--

[MD.WASI AHMAD]
General Secretary

Copy for kind information please:

- 1. The CMD BSNL, BSNL Corporate office Bharat Sanchar Bhawan, New Delhi.
- 2. The Director (Fin), BSNL Corporate office Bharat Sanchar Bhawan, New Delhi.