

# BSNL employee union backs purchase from foreign firms, calls Indian products substandard

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The employee union of BSNL has written to Prime Minister [Narendra Modi](#) seeking his intervention in the 4G tender issue, sensing attempts by vested interests to scuttle the procurement. The union said the complaint by Telecom Equipment and Services Export Promotion Council (TEPC) is nothing but a ploy to stall 4G equipment procurement and delay the launch of services.

The union said it was unfair to direct BSNL alone to buy local 4G equipment, largely untested and of substandard quality, from inexperienced companies while letting private operators buy from global players. Also, since BSNL is taking a loan from banks to purchase the equipment, it does not come under the purview of [Make in India](#) policy.

The department of telecommunications (DoT) has asked for explanation from BSNL regarding the 4G tender after TEPC complained that public procurement norms for giving preference to Make in India products were not followed by the telecom company while framing the eligibility criteria. The commerce ministry, too, has taken note of the complaint and has put the tender on hold till the grievance is disposed of.

However, BSNL employees feel that none of the clauses in the tender are unwarranted. For instance, the condition of `8,000-crore eligibility criteria is fixed as per the Central Vigilance Commission's (CVC's) guidelines to conform that vendors should have strong financials.

"The turnover of almost all the companies under TEPC is less than `1,000 crore. How can they participate in a tender worth `9,300 crore. Even if they become successful bidder, how BSNL can ensure that they will arrange thousands of crores of rupees and manufacture and supply equipment within the time schedule," All Unions and Associations of BSNL (AUAB) said.

Also, none of the companies under TEPC are making critical core equipment. Regarding the security issues raised by TEPC, the AUAB said BSNL had only 10% market share, so what security issue can be caused by it when the remaining 90% of the market is using equipment from global firms.

The employees said the concern of TEPC was not to ensure level-playing field but to stall the procurement in which case, the private operators are the direct beneficiaries. "It will not be difficult to understand which are the forces behind the complaint lodged by TEPC," the letter said.

The letter also highlighted that even communications minister Ravi Shankar Prasad had accepted that BSNL was not allowed to grow after 2004. Its tender worth \$10 billion was shelved in 2010, crippling its expansion plans. In the case of 4G also, BSNL is four years behind private operators and any further delay will be devastating.