

NEW DELHI: After dilly dallying for over 20 months, state-owned telecom firm BSNL on Friday decided to scrap its controversial Rs 35,000-crore tender to procure equipment for expansion of its mobile services.

The BSNL board, which met here, decided to accept the recommendations of the Sam Pitroda committee, which had suggested that the PSU should do away with the 93-million lines GSM tender of Rs 35,000-crore.

According to a senior official, BSNL has forwarded to the government the board's decision to abide by the recommendations of the Pitroda panel. "It is now for them (the government) to take a final call." He said the committee has given recommendations to the government and it is for them to decide.

The tender had come under scanner in view of sole bidder for all three regions. Sweedish equipment maker Ericsson had emerged lowest bidder for North and Eastern regions while Chinese company Huawei was the lowest in Southern region.

A controversy erupted after Nokia-Siemens Network was disqualified on technical reasons. The company then dragged the PSU to court. When asked what impact the scrapping the tender would have on the growth of BSNL, the official said, "We shall be able to meet the immediate requirement... Capacity addition will not be an issue. We shall procure through alternate methods."