

8 firms set to get Rs 2,500-cr optical fibre supply contract

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Connecting villages

Package	Lowest bidder	Second lowest bidder	Lowest Bid Amount (Rs/km)
A	Paramount	HFCL	59,937
B	Aksh	Finolex	58,138
C	Sudarshan	UM Cables	58,091
D	Finolex	KEC	57,383
E	Sterlite	HFCL	55,226
F	Sterlite	Paramount	59,087



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Aksh, Sterlite, Finolex among the lowest bidders

New Delhi, June 10:

Paramount Cables India, Aksh Optic Fibre, Sterlite, Finolex and Sudarshan have emerged the lowest bidders for supplying cable for the National Optical Fibre Network project.

Broadband services

The Rs 2,500 crore-contract has been divided into six parts due to large size of the work. Under this plan, the Government wants to connect 2.5 lakh villages across the country with optical fibre cable for offering broadband services.

The financial bids were opened last week. According to a top Government source, Paramount has quoted Rs 59,937 a km of cable for the first part of the project and Aksh has put in a bid of Rs 58,138 to emerge the lowest bidder for the second part of the project. Sudarshan Telecom, part of S.K. Bangur Group, is set to bag the third part of the project at Rs 58,091 a km and Finolex, with a bid of Rs 57,383, is lining up for the fourth part. Sterlite has taken the lowest bidder position for the fifth and sixth part at Rs 55,226 and Rs 59,087 a km. Each of the parts denotes a specific geographical region of the country.

A number of other companies, including TeraCom and HFCL, had also bid for the cable contract. Under the terms of the contract, the lowest bidder will get 70 per cent of the order while the second lowest bidder in each part will get the balance. One of the companies, Vindhya Telelinks, has filed a plea in court on grounds that it could not upload its bid in time due to technical glitches on the tendering Web site. The court has asked the Government to check if the bid from Vindhya Telelinks can be considered and has scheduled the next hearing for Wednesday.

The National Optical Fibre Project is being implemented by a newly created entity called Bharat Broadband Networks Ltd (BBNL). The total cost of the project is around Rs 20,000 crore. At a recently held meeting of top Government officials to discuss the status of the project, it was decided that the cable supply contract would be finalised by June 20. However, the legal proceedings could further delay the process. Already, the entire project has been delayed due to procedural issues.

At a meeting held last year, BBNL complained that there was no harmony in the tendering and execution process among the public sector companies. Bharat Sanchar Nigam Ltd, Powergrid and RailTel are supposed to lay the additional cables required to connect all the villages.

Going slow

The Government had set a target for operationalising the project by November this year but going by the current pace of activities the actual work may get delayed by 7-8 months. Apart from procedural delays, lack of a proper business case is also plaguing the project.

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