

Bharatnet project

July 2, 2021

In news- The Union Cabinet recently approved **a revised implementation strategy for the BharatNet project** by opting for public-private partnership mode in **16 states**.

Key updates-

- The revised implementation strategy is for 3,60,000 villages at a total cost of Rs 29,430 crore. Of this, the government will provide Rs 19,041 crore as viability gap funding.
- Now BharatNet **will extend up to all inhabited villages beyond the gram panchayats (GPs)** in the said states.
- The **revised strategy includes creation, upgradation, operation, maintenance and utilisation of BharatNet by the concessionaire** who will be selected by a competitive international bidding process.
- Till date, 1.56 lakh out of the 2.5 lakh village panchayats have been connected with broadband.
- The Cabinet also accorded approval for extending BharatNet to cover all inhabited villages in the remaining states and union territories.
- The department of telecommunication will separately work out the modalities for the remaining states and UTs.
- The selected concessionaire, private sector partner is expected to provide reliable, high speed broadband services as per the predefined **services level agreement (SLA)**.
- The states to be covered under the revised plan are **Kerala, Karnataka, Rajasthan, Himachal Pradesh, Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, West Bengal, Assam, Meghalaya, Manipur, Mizoram, Tripura, Nagaland and Arunachal Pradesh**.

About Bharat Net Project –

- Bharat Net seeks to **connect all of India's households, particularly in rural areas**, through broadband by 2017, forming the backbone of the government's ambitious Digital India programme.
- **Aim** is to **connect all the gram panchayats of the country** through optic fibre for providing broadband services.
- It is the world's largest rural broadband connectivity programme using Optical fibre.
- Earlier **National Optical Fibre Network (NOFN)** failed due to slow implementation.
- NOFN is now rebranded as Bharat Net.
- At present, a special purpose vehicle, **Bharat Broadband Network Ltd (BBNL)**, under the telecom ministry is handling the roll out of optical fibre network.
- The project is being **executed by BSNL, Railtel and Power Grid**.
- The project is being **funded by the Universal service Obligation Fund (USOF)**.
- The **three-phase implementation** under the BharatNet project is:
 1. Under the first phase, **one lakh gram panchayats** would be provided connectivity by laying **underground optic fibre cable (OFC) lines** by March 2017.
 2. Under the second phase, **connectivity will be provided to all 2,50,500 gram panchayats** in the country by December 2018.
 3. Under the **third phase from 2018 to 2023, state-of-the-art, future-proof networks**, including fiber between districts and blocks would be created.

Universal Service Obligation Fund

- It was established in 2002.
- It provides subsidies to ensure telegraph services are provided to everyone across India, especially in the rural and remote areas.
- It is headed by the USOF Administrator who reports to

the Secretary, Department of Telecommunications (DoT).

- Funds come from the Universal Service Levy (USL) of 5% charged from all the telecom operators on their Adjusted Gross Revenue (AGR) which are then deposited into the Consolidated Fund of India, and require prior parliamentary approval to be dispatched.
- The USOF works through a bidding process, where funds are given to the enterprise quoting the lowest bid.
- Funds for BharatNet are provided from the universal service obligation fund where around Rs 55,000 crore is kept for the project.
- Telecom operators contribute 5% of their adjusted gross revenue to the USO fund.