



BharatNet Project

Why in News

Recently, the Union Cabinet approved a **Viability Gap Funding** support of up to Rs. 19,041 crore (Out of the total expense of Rs. 29,430 crore) for the implementation of the **BharatNet project through Public-Private Partnership** model.

- **Public-Private Partnership (PPP)** involves **collaboration between a government agency and a private-sector company** that can be used to finance, build, and operate projects. The PPP Model in this critical infrastructure of Telecom is a **novel initiative**.
- **Viability Gap Funding (VGF)** means **a grant one-time or deferred, provided to support infrastructure projects** that are economically justified but fall **short of financial viability**.

Key Points

▪ About:

- It is the **world's largest rural broadband connectivity programme** using Optical fibre. And also a **flagship mission** implemented by **[Bharat Broadband Network Ltd. \(BBNL\)](#)**.
 - BBNL is a **Special Purpose Vehicle (SPV)** set up by the Government of India under the **[Companies Act, 1956](#)** with an authorized capital of Rs 1000 crore.
- It is a highly scalable network infrastructure accessible on a non-discriminatory basis, **to provide on demand, affordable broadband connectivity of 2 Mbps to 20 Mbps for all households** and on demand capacity to all institutions, to realise the vision of **[Digital India](#)**, in partnership **with States and the private sector**.
- It is being implemented by the **Department of Telecommunication under the Ministry of Communications**.
- **[National Optical Fibre Network \(NOFN\)](#)** which was launched in October 2011 was **renamed as Bharat Net Project in 2015**.
 - **NOFN** was envisaged as an **information superhighway through the creation of a robust middle-mile infrastructure** for reaching broadband connectivity to **Gram Panchayats**.
- **In 2019**, the Ministry of Communications also launched the **'[National Broadband Mission](#)'** to facilitate universal and equitable access to broadband services across the country.

▪ Funding:

- The entire project is being funded by **Universal service Obligation Fund (USOF)**, which was set up for improving telecom services in rural and remote areas of the country.

▪ Objective:

- The objective is to **facilitate the delivery of [e-governance](#), e-health, e-education, e-banking, Internet** and other services to rural India.

▪ Phases of the Project:

- **First Phase:**
 - Provide one lakh gram panchayats with broadband connectivity by laying underground **Optic Fibre Cable (OFC) lines by December 2017.**
- **Second Phase:**
 - Provide connectivity to all the gram panchayats in the country using an optimal mix of underground fibre, fibre over power lines, radio and satellite media **by March 2019.**
- **Third Phase:**
 - From **2019 to 2023**, a state-of-the-art, future-proof network, including **fibre between districts and blocks, with ring topology** to provide redundancy would be created.

▪ **Current Extension of BharatNet:**

- The project will be **extended to all inhabited villages beyond the gram panchayats in 16 States** which are:
 - Kerala, Karnataka, Rajasthan, Himachal Pradesh, Punjab, Haryana, Uttar Pradesh, Madhya Pradesh, West Bengal, Assam, Meghalaya, Manipur, Mizoram, Tripura, Nagaland and Arunachal Pradesh.
- The revised strategy will include **creation, upgrading, operation, maintenance and utilisation of BharatNet** by the **private sector partner**, who will be selected by a competitive international bidding process.
- The selected **private sector partner** is expected to provide **reliable, high speed broadband services** as per predefined **Services Level Agreement (SLA).**

▪ **Significance of PPP in BharatNet:**

- **Faster Roll Out:**
 - The **PPP Model** will **leverage private sector efficiency for operation, maintenance, utilisation and revenue generation** and is expected to result in the faster roll out of BharatNet.
- **Increased Investment:**
 - The private sector partner is expected to **bring an equity investment and raise resources towards capital expenditure and for operation and maintenance of the network.**
- **Better Access:**
 - Extension of BharatNet to all inhabited villages will **enable better access to e-services offered by various governments, enable online education, telemedicine, skill development, e-commerce and other applications of broadband.**

[Source:TH](#)