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DoT to Waive BSNL's ₹102-cr Charges

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The government's efforts to revive financially stressed Bharat Sanchar Nigam Ltd (BSNL) continues. The telecom department will shortly waive nearly ₹102 crore of microwave royalty and satellite spectrum charges payable annually by BSNL, according to an internal note.

At present, BSNL pays ₹96 crore annually as royalty to DoT's wireless planning cell for microwave-based connectivity across the seven

north-eastern states. In addition, it pays nearly ₹6 crore as satellite spectrum charges to Indian Space Research Organisation (ISRO) for satellite-based coverage in the remote border districts of the North East, Ladhakh and the Andaman and Lakshdweep archipelagos.

The telecom department has asked the Wireless Planning & Coordination (WPC) wing to "exempt BSNL from payment of both royalty charges for point-to-point microwave links and satellite spectrum levies" with immediate effect, the note

shows. The moves are aimed at incentivising BSNL to step up telecom penetration in these regions, especially after Telecom Regulatory Authority of India (Trai) recently recommended a comprehensive expansion of landline and mobile coverage in the Northeast.

These will be in addition to the government support that loss-making BSNL has received for paying staff salary. An empowered inter-ministerial group had recently asked DoT to give concessional loans to the state-run telco to help it pay

a portion of its staff salary bill, which is likely to touch ₹14,000 crore in 2013-14.

A top BSNL official said the "royalty waiver had been sought" as the company is compelled as part of its social obligation to go for expensive microwave links to provide both landline and mobile coverage in these hilly regions, which are ill-suited to optic-fibre connectivity". The latest sops come at a time differences have arisen between the telecom department and Planning Commission over waiving satellite bandwidth charges to BSNL.