

## Telecom Commission approves Rs 1,500 cr subsidy for BSNL

The move will support landline operations of BSNL in rural areas

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The inter-ministerial body Telecom Commission today approved a subsidy of Rs 1,500 crore for supporting landline operations of BSNL in rural areas.

"The support for BSNL for the first year has been agreed and certain other information has been sought from them," commission's Chairman and Secretary (Telecom) R Chandrashekhar said here.

He added that the subsidy worth Rs 1,500 crore has been approved by the commission out of total proposed subsidy of Rs 2,750 crore for supporting rural landline connections installed before April 1, 2002.

The Telecom Regulatory Authority of India recommended Rs 2,750 crore for two years which included Rs 1,500 crore for the first year and Rs 1,250 crore for the second year.

The state-run telecom operator had requested support of Rs 2,580 crore per year for the same.

Chandrashekhar said that the commission has given its recommendation and Department of Telecommunications (DoT) will have to work on it.

The commission also discussed sale of 30% equity of Telecommunications Consultants India Ltd (TCIL) in Bharti Hexacom.

"Bharti Hexacom matter was not put for decision but for sake of information only. Certain further information has been sought and broad direction has been given for some more work which needs to be done for arriving at suitable valuation," he said.

According to sources, the 30% stake of TCIL in Bharti Hexacom was valued at Rs 1,800 crore by consultant firm Deloitte. Bharti Hexacom, the joint venture between TCIL and Bharti Airtel, provides mobile services in Rajasthan circle.

The commission also had preliminary discussions on Telecom Security Policy but did not take any decision, Chandrashkhar said.