

TDSAT directs BSNL to give time to Loop Telecom to clear dues

Loop had argued that its guarantees were encashed by BSNL without giving any notice and came to know about it only after it was informed by SBI through a letter on June 15

Observing that Loop has a right to get reasonable time to satisfy the demand raised, the Telecom Disputes Settlement and Appellate Tribunal Telecom tribunal TDSAT has directed state owned BSNL to give at least a week's time to the former to clear dues before encashing its bank guarantee to settle the network interconnect usage charges.

"I am of the opinion that end of justice will be sub-served if the respondent (BSNL) is directed to give a reasonable time, not less than seven working days, to the petitioner for making payment for the demand raised by the respondent before resorting to encashment of the bank guarantees," said a vacation bench of the TDSAT.

It also said the effect of the cancellation of Loop's licence by the Supreme Court "has to be gone into".

It asked to list the matter on Loop for further hearing before the main bench on July 17.