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BSNL, MTNL looking to government for financial support to pay one-time fee

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The state owned Bharat Sanchar Nigam Ltd (BSNL) and Mahanagar Telephone Nigam Ltd (MTNL) are looking to the government for financial support to pay one-time fee for additional spectrum citing financial crunch and looses as reason.

Both the PSU's have written to the department of telecommunications (DoT), for the financial assistance amounting to Rs 11,000 crore.

They said that they require assistance to serve their customers as they don't have money to pay for one-time fee.

The Empowered Group of Ministers (EGoM), headed by finance minister P Chidambaram, had on October 8 recommended to the Cabinet that telcos be charged a one-time fee for their 2G spectrum beyond the 4.4-MHz mark in all regions prospectively for the remaining period of their licences. The move will get the government a minimum of Rs 27,000 crore if its recommendations are accepted by the Union Cabinet.

DoT which endorses the PSU's demand for financial support has said that it would seek the approval from EGoM and the cabinet keeping in view the financial difficulties being faced by them.

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