

**Tax benefits to tele service providers**

3727. SHRI A. ELAVARASAN: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Department of Telecommunication (DoT) has asked the Ministry of Finance that the tax benefit given to tele service providers under the section 80-1A of the IT Act be extended from the present 15 years by another five years;

(b) if so, the details thereof; and

(c) the decision taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) and (b) As a part of Budget recommendations 2010-11, Department of Telecommunications (DoT) had recommended tax benefits under section 80-1A of the IT Act to telecom sector like infrastructure sector. For connecting rural and remote areas and taking broadband to masses, huge investment is required including expansion of the telecom network. Telecom reduces the need to travel and thus is a substitute for hard infrastructure. Telecom sector, therefore, needs to be treated at par with other infrastructure sectors like ports, roads, power, etc. where 100% tax holiday is available for 10 consecutive years in a block of 20 years.

(c) This recommendation does not figure in Budget announcements of Year 2010-11 of the Government.

**Venture fund in IT related firms**

3728. SHRI A. ELAVARASAN: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether BSNL which has about Rs. 35000 crores in cash reserves is examining the option of using part of this to create a private equity or venture fund which will invest in technology and IT related firms;

(b) if so, the details thereof;

(c) whether setting up a venture fund was a part of point formula suggested by three member panel;

(d) whether the proposal to create a venture fund has been approved by DoT and Ministry of Finance; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) to (c) Sir, the three member panel has suggested setting up of BSNL venture fund to invest and/or acquire small appropriate technology companies with strategic values to encourage local innovation, local manufacturing and new business opportunities.

(d) and (e) No, Sir.

#### **Regulation of tower business**

†3729. SHRI KAPTAN SINGH SOLANKI: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Government is framing a policy to regulate the tower business of telecom companies;

(b) if so, the details thereof?

(c) whether the telecom companies are arbitrarily doing the installation work of tower; and

(d) if so, the details thereof and the details of action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT): (a) and (b) Telecom Regulatory Authority of India (TRAI) has started pre-consultation process on "Telecom Towers and Related Issues" on 5th February, 2010, for seeking stakeholders' comments. Based on the inputs received from stakeholders, TRAI is contemplating to float a consultation paper on the issues pertaining to telecom towers.

(c) and (d) Mobile Towers are being installed by the Telecom Service Providers based on sitting clearances issued by Wireless Planning and Coordination (WPC) Wing of Department of Telecommunications (DoT). No arbitrariness is observed by DoT in installation of towers cleared by WPC. However, before installation of towers, Service providers have to obtain necessary clearances for concerned Municipal Authorities/local bodies.

#### **Dubious links of BSNL officials with Chinese firms**

3730. SHRI MAHENDRA MOHAN: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Government is aware that some top officials of the BSNL are having dubious links with Chinese firms;

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†Original notice of the question was received in Hindi.