

[3 March, 2005]

RAJYA SABHA

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEELAHMAD): (a) and (b) As per provisions of the Interconnect Agreement, BSNL and MTNL have raised bills amounting to Rs. 263.4 crores and Rs. 341.28 crores respectively. M/s Reliance Infocomm Ltd. has paid Rs. 182.7 crores to BSNL and Rs. 111.80 crores to MTNL. It has also filed petitions against BSNL and MTNL in the High Court of Delhi and at present, the matter is *sub-judice*.

(c) and (d) Telecom Regulatory Authority of India (TRAI) had forwarded the complaints to Department of Telecommunications (DoT). Meanwhile DoT has also received complaints from various other sources. The matter was investigated by the core team of DoT and it was concluded that M/s Reliance Infocomm Ltd. has violated various terms and conditions of the licence agreements. Penalty of Rs. 150 crores was imposed on M/s Reliance Infocomm Ltd. The defaulting company filed a petition in the Telecom Dispute Settlement and Appellate Tribunal against this decision of the DoT and the matter is *sub-judice* at present.

FDI in Telecom Sector

328. SHRIMATI SUKHBUNS KAUR: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Government have lately decided to enhance the FDI limits in telecom sector from 49 per cent to 74 per cent;

(b) if so, the main reasons for such an increase; and

(c) the level at which FDI stood as on date of decision and as at present indicating the sources and companies investigating additional FDI in the sector and the proposals still pending approval?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEELAHMAD): (a) Yes, Sir.

(b) The National Common Minimum Programme (NCMP) declares that Foreign Direct Investment (FDI) will continue to be encouraged and actively

sought, particularly in areas of infrastructure, high technology and exports. Telecommunications sector meets this description and accordingly a decision has been taken in this regard.

(c) No fresh proposal has been received after the announcement of the decision to enhance FDI limits in telecom sector from 49% to 74%. Till December 2004, total FDI inflow in telecom sector stood at Rs. 10,318.3 crore.

Improvement of Telecom Services

329. SHRI S.M. LALJAN BASHA: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that even today BSNL is unable to reduce the waitlist for phones in rural areas of the country;

(b) if so, the present waiting list for phones in the country;

(c) the reasons for the slow reduction of this waiting list;

(d) whether the slow work of BSNL is chasing away customers to other telecom service providers; and

(e) the steps Government propose to improve the BSNL's record in improving telecom services?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEELAHMAD): (a) and (b) The rural Waiting List of BSNL is 13,48,624 as on 31.12.2004. This waiting list is in remote and far flung rural areas of the country which are non feasible from its present network.

(c) The reasons for slow reduction in waiting list are as follows:

(i) The waiting list is mostly in remote and far flung rural areas and it requires deployment of huge network for covering very small scattered demands;

(ii) The rural areas have no stable electrical power supply without which Exchanges cannot function reliably.

(d) No, Sir.