

(a) whether the CAG has recently warned Government against the bailout of mobile firms who are battling for survival as tariff wars in India's ultra-competitive mobile market have significantly lowered down their tariff;

(b) the grounds on which CAG has issued warning to Government; and

(c) Government's reaction in regard thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT): (a) Sir, DG Audit, P&T through letter dated 15.9.2010 has requested that any decisions taken on the proposed exit route for some telecom licensees and allotment of spectrum to merged entities should be in consonance with the terms and conditions of the licence agreements and as per the laid down policy on mergers and acquisition. National interest should be accorded supreme priority from all angles including the financial one.

(b) As observed from the letter, DG Audit, P&T was apprehensive that some of the operators who have merged/are going to merge, after completing the mandatory period of three years could be holding more spectrum than stipulated in the guidelines on the subject and further that allowing operators to exit the sector after allotment of spectrum but before achieving their roll out obligations would also mean that they were hoarding a valuable national resource without paying any revenue share to the national exchequer.

(c) Observations of the DG Audit, P&T have been noted.

2G spectrum licences

3463. SHRI AMAR SINGH: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether CAG in its report has found that all the licences granted to the eight real estate companies belonging to Unitech Group in the award of 2G Spectrum, were illegal;

(b) if so, the names of the companies;

(c) whether these companies bagged 2G Spectrum licences at a throw-away rate and sold 67 per cent of their shares to Norwegian company Telenor at whopping price and earned 4500 crore rupees within months of securing the award; and

(d) if so, the action being taken against the officer concerned who had given these licences in utter disregard of the guidelines prescribed by Government?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT): (a) and (b) The Report of Comptroller & Auditor General of India (CAG) on "Issue of Licences and Allocation of 2G Spectrum by the Department of Telecommunications", has been tabled in the Parliament on 16.11.2010. The CAG Report has stated following 8 UAS licensee companies, belonging to Unitech Group as ineligible on the date of their applications for grant of UAS licences.

Sl. No.	Names of Applicant Companies	Revised Name of UAS Licensee Company
1.	Hudson Properties Ltd.	Unitech Wireless (Delhi) Pvt. Ltd.
2.	Nahan Properties Pvt. Ltd.	Unitech Wireless (East) Pvt. Ltd.
3.	Azare Properties Ltd.	Unitech Wireless (Kolkata) Pvt. Ltd.
4.	Unitech Infrastructure Pvt. Ltd.	Unitech Wireless (Mumbai) Pvt. Ltd.
5.	Adonis Projects Pvt. Ltd.	Unitech Wireless (North) Pvt. Ltd.
6.	Aska Projects Ltd.	Unitech Wireless (South) Pvt. Ltd.
7.	Unitech Builders & Estates Pvt. Ltd.	Unitech Wireless (Tamil Nadu) Pvt. Ltd.
8.	Volga Properties Pvt Ltd.	Unitech Wireless (West) Pvt. Ltd.

As per the orders of the Hon'ble High Courts, all these companies have merged into one company viz. Unitech Wireless (Tamil Nadu) Pvt. Ltd.

(c) As per information received from Unitech Wireless (Tamil Nadu) Pvt. Ltd., there was no sale of shares to the Telenor Group. The Telenor Group has invested approx Rs.6135 crores through new equity and no existing share has been sold by Unitech Ltd. to the Telenor Group. It has also been informed by the company that none of this capital has gone to Unitech Limited - this investment is working capital that stays within Unitech Wireless and is being utilized to set up and run the company's operations in India.

(d) Unified Access Services (UAS) licences are granted in terms of the UAS guidelines dated 14.12.2005 and based on certain eligibility criteria specified and validated by the information/documents/certificates submitted by the applicant companies duly certified by their Company Secretary as mentioned in the Guidelines/Application Form. As a matter of abundant precaution, Department of Telecom (DoT) also takes an undertaking from the applicant company that "if at any time, any averments made or information furnished for obtaining the licence was found

incorrect, then their application and the licence if granted thereto on the basis of the such application, shall be cancelled". As per the CAG Report there are certain companies who did not meet eligibility criteria on the date of their respective applications for grant of UAS licences. DoT has decided to issue show cause notices for termination of the licences to all such errant companies after due examination.

Secrecy of digital files

3464. SHRI P. RAJEEV: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether Government is confident in protecting the secrecy of its digital files in the light of the leakage of sensitive information in other countries including the United States; and

(b) if so, the steps taken to protect our valuable information and data in various sensitive establishments?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT): (a) and (b) Government is aware of the threats to digital information and has taken appropriate steps to safeguard sensitive information.

The details of measures taken to protect the secrecy of digital files are:

- (i) Government has issued computer security guidelines to all Ministries/Departments to protect Information Technology infrastructure assets and implementation of best practices so as to maintain confidentiality of classified/sensitive data and information in their computer systems/networks.
- (ii) The organizations operating critical information infrastructure have been advised to implement information security management practices based on International Standard ISO 27001.