

RAJYA SABHA

Thursday, the 24th February, 2011/5 Phalgun, 1932 (Saka)

The House met at eleven of the clock,
MR. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

Agreement signed by ISRO

*41. DR. T.N. SEEMA: Will the PRIME MINISTER be pleased to state:

- (a) whether Antrix Corporation Limited, set up by ISRO has signed any agreement with M/s DEVAS Multimedia Private Limited for leasing out two satellites to be launched by ISRO;
- (b) if so, the details of the agreement and related documents thereof;
- (c) whether the contract provides for use of 70 MHz of S-band spectrum by M/s DEVAS Multimedia for commercial use;
- (d) the method of selection adopted by ISRO for allotment of spectrum to the above firm;
- (e) the reasons for open competitive bidding not adopted for this work; and
- (f) the expected revenue from the contract to Government?

THE MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE (SHRI V. NARAYANASAMY): (a) to (c) M/s Antrix Corporation Limited, set up by Department of Space in 1992, has signed an agreement with M/s DEVAS Multimedia Private Limited in January, 2005, for leasing part of the space segment capacity in S-band on two geostationary satellites. The Agreement details the terms and conditions under which part of the transponder capacity of these Satellites will be made available to DEVAS for 12 years.

(d) and (e) The Satellite Communications Policy Framework for India approved by Cabinet in June, 1997 authorised INSAT capacity to be leased to Non-Governmental parties. The Norms, Guidelines and Procedures for Implementation of this Policy was approved by Cabinet in January, 2000. These provided for entering into bilateral agreements with other agencies for marketing this capacity. In case the demand is more than the available capacity, a suitable transparent procedure has to be evolved for allotting the capacity, involving auction, good faith

negotiations, first-come-first-served or any other equitable method. Further, it also provides for building in capacity for a non-Governmental party at its request based on commercial considerations and if technically feasible without adversely affecting the capacity for already projected, accepted and funded Government needs.

In order to catalyse Digital Multimedia Services in India for which ground segment technology was evolving then in a very few developed countries, Antrix signed a Memorandum of Understanding with M/s. Forge Advisors, USA in July, 2003. Subsequently, M/s. Forge Advisors promoted an Indian Company called M/s. DEVAS Multimedia Private Limited with whom the Antrix entered into the Agreement in January, 2005 for lease of S-band Transponder capacity in two satellites.

The process of competitive bidding is not in vogue for leasing of satellite transponder capacity as of now.

(f) As per the Agreement, M/s DEVAS were required to pay to Antrix upfront capacity reservation fee of USD 40 million and lease charges of USD 18 million per year for the S-band Transponders. This does not include the cost payable by DEVAS to Department of Telecommunication and Ministry of Information and Broadcasting for obtaining operating licenses, regulatory approvals etc.

DR. T. N. SEEMA: Sir, part (c) of my question is not answered. As per the contract, the Antrix Corporation was to get approval from the Government. The officials of the DEVAS Multimedia Pvt. Ltd. said that they had got the required approval at each and every stage of the contract. My question is whether the Department of Space has ever consulted the Prime Minister during the last five years on this matter, which involved opening up of the S-band spectrum, which is of significant importance to the private parties.

SHRI V. NARAYANASAMY: Hon. Chairman, Sir, I would like to clarify one doubt which is in the mind of the hon. Member. It is not the S-band spectrum; it is the S-band transponder. Spectrum is different and transponder is different. Originally, the entire case emanated in July, 2003. We have come out very clearly in our reply. In July, 2003 the Forge Advisors entered into an agreement with the Antrix Corporation which is a body constituted for commercial transactions of ISRO. That was in July, 2003. I would like to give the exact date also. In April, 2004 the Antrix Corporation and the Forge Advisors had decided to go ahead for multimedia services. That was on the basis of the SATCOM Policy of 1997 which was approved by the Cabinet in 2000. If you go through the entire proceedings, you will find that the process and the negotiations were started by the Antrix Corporation with the Forge Advisors, a US company, before 2004 when the present Government came to power. When everything firmed up, in December, 2004 an Expert Committee was constituted for the purpose of going through the terms of the agreement which had to be signed by the DEVAS, an offshoot of the Forge Advisors. Ultimately, it went into the technical and financial aspects on the basis of the SATCOM

Policy and it was decided that, apart from the agency, private institutions also could be given the transponders. A decision was taken. On the basis of that decision an agreement was signed at that time. Therefore, initially the Policy of 1997 which was approved by the Cabinet in 2000 was followed. Ultimately, in December, 2009, when a lot of complaints came, a committee was constituted to go into the complaints. Then, on 2nd July, 2010 the Space Commission sat and they decided to annul it because it was required by the Government. The Government felt that it was required for the Government purposes and for paramilitary forces.

SHRI M. VENKAIAH NAIDU: He is giving a lecture. ...*(Interruptions)*...

SHRI V. NARAYANASAMY: Sir, it is not a debate. The hon. Member is asking. ...*(Interruptions)*...

MR. CHAIRMAN: Just one minute. Second supplementary. ...*(Interruptions)*...

SHRI V. NARAYANASAMY: It was required for societal purposes. Therefore, the Government thought that it had to be brought under the Space Commission and it took a decision. After that it went to the Cabinet Committee on Security and the Cabinet Committee on Security also decided accordingly.

DR. T. N. SEEMA: Sir, I am sorry, he has not answered my question. Anyway, as for the 2G spectrum licence the hon. Prime Minister can say that it is a coalition Government and he is not aware of that. But this Antrix Corporation is a marketing arm of the Department of Space and it comes straight under the Prime Minister's portfolio. Sir, will the Prime Minister take responsibility for this contract? Will he tell us, at least, this much as to who is responsible from the Government side for this contract?

SHRI V. NARAYANASAMY: Sir, I would like to correct the hon. Member on this. Sir, it is a commercial arm of one organization, just like any public sector company, or a company run by a Government organization. So, a High Powered Committee has been constituted to see if any wrong has been committed. The officials who have been involved, definitely, the hon. Prime Minister will take action against them. The High Powered Committee is going into it. If something happens in some public sector undertaking, action is taken against the officials who are involved in that. It is the prerogative of the department-concerned and the organization-concerned to take action. It does not come directly under the PMO or the officials who are working in the PMO.

MR. CHAIRMAN: Shri Prakash Javadekar. ...*(Interruptions)*... Just a minute please. Let the supplementaries proceed.

SHRI PRASANTA CHATTERJEE: Sir, the Minister is evading the reply. It is a very important question.

MR. CHAIRMAN: Just a minute. Shri Prakash Javadekar.

श्री प्रकाश जावडेकर : सभापति महोदय, लगता है कि इस सरकार में किसी भी चीज के लिए कोई जिम्मेदार नहीं है। मेरा प्रश्न यह है कि इस contract के बारे में, एन्ट्रिक्स और देवास के बारे में, एक भी फाइल पीएमओ में आई थी या नहीं और पीएमओ ने उस पर क्या कहा था? मुझे इसकी जानकारी चाहिए, क्योंकि इसकी जरूरत यह है कि देश को जानकारी है कि जब सायंस कमीशन में यह contract approve किया गया, तो पीएमओ के कैबिनेट सेक्रेटरी सहित सभी चारों प्रमुख पदाधिकारी और पृथ्वीराज चव्हाण, पीएमओ के मंत्री भी वहां उपस्थित थे। I would like to know whether any file has come for approval in the PMO on this contract. What was the action of the PMO?

SHRI V. NARAYANASAMY: Sir, the hon. Member is asking about the response. Our Government is a very responsive Government. *...(interruptions)...* When it came to the notice of the Government in December, 2009...*...(interruptions)...* then it was taken to the Space Commission. *...(interruptions)...*

MR. CHAIRMAN: Please resume your places. *...(interruptions)...*

SHRI V. NARAYANASAMY: The Space Commission took a decision to annul it. The hon. Member is asking about the correspondence. I would like to submit it very humbly...

MR. CHAIRMAN: He has asked the question and you just reply to it.

SHRI V. NARAYANASAMY: I would like to submit very humbly to the august House that when it came to the knowledge of the Government, action was taken immediately. Several departments have to be consulted because it is an agreement and to annul it...

SHRI PRAKASH JAVADEKAR: What action was taken? Sir, he is not answering my question. My specific query is: was there any file for approval of the PMO in regard to this contract? What was the action of the PMO?

SHRI V. NARAYANASAMY: Sir, I would like to submit that before the 2nd July, 2010, the correspondence was within the Department, that is, within M/s. Antrix and the action was taken at that level. In December, 2009, when the complaints came, the action was taken within the Department. The Department of Space took action.

SHRI PRAKASH JAVADEKAR: Who approved it?

SHRI V. NARAYANASAMY: Then on 2nd July, 2010, annulling was done. When it was found that the transponder was required...*...(interruptions)...*

SHRI PRAKASH JAVADEKAR: Who approved it? *...(interruptions)...*

MR. CHAIRMAN: Just a minute.

DR. MANMOHAN SINGH: Mr. Chairman, Sir, as for the hon. Member's question that who approved the deal in the PMO, the answer is simple. The Antrix Corporation is a commercial arm of ISRO or the Department of Space and these things don't come to the Government for

approval. Indirectly, since a part of the commitment was to provide two satellites, the decision to approve the satellite part did come to the Cabinet. It did come to the Space Commission. As I said, it was put up before the Cabinet. But it was not mentioned, even in that Cabinet Note, that there was a specific commitment, under this agreement, between Antrix and Devas. So, there was no question of the Prime Minister's Office being asked to approve this deal. It never came to that level.

श्री शिवानन्द तिवारी: सभापति महोदय, अभी माननीय मंत्री जी ने जो जवाब दिया कि अंतरिक्ष पब्लिक सेक्टर जिस ढंग से फंक्शन करता है, उस ढंग से उस पर सरकार का नियंत्रण नहीं रहता है। मैं आपको स्मरण दिलाना चाहता हूँ, 1957 में लाइफ इंश्योरेंस कॉर्पोरेशन को ले करके मुद्रा कांड हुआ था और मोहम्मद करीम छागड़ा साहब की अध्यक्षता में एक जांच कमीशन बना था। उस जांच कमीशन की रिपोर्ट के आधार पर उस समय के वित्त मंत्री श्री टी.टी. कृष्णाचारी को इस्तीफा देना पड़ा था और यही आरोप लगाया गया था कि...(व्यवधान)...

श्री सभापति: सवाल क्या है?

श्री शिवानन्द तिवारी: कोई मंत्री यह कह कर नहीं बच सकता है कि विभाग में जो हुआ, उसकी जवाबदेही मेरे ऊपर नहीं है। इसलिए यह जो फंडामेंटल चीज है कि यह पब्लिक सेक्टर अंडरटेकिंग है और सरकार की जवाबदेही नहीं है, यह बिल्कुल गलत है। यह निर्धारित है। जिस समय पंडित जवाहर लाल नेहरू प्रधान मंत्री थे, उसी समय यह तय हुआ था कि कोई भी मंत्री अपने डिपोर्टमेंट के किसी भी...(व्यवधान)...

MR. CHAIRMAN: What is the supplementary?...*(Interruptions)*...

श्री शिवानन्द तिवारी: भाग नहीं सकता है। इसलिए किस तरह से मंत्री जी इस तरह का जवाब दे रहे हैं, यह बात समझ में नहीं आती है।

MR. CHAIRMAN: You have not been given the floor. Please resume your place...*(Interruptions)*... That is not correct. Please, don't intervene.

SHRI V. NARAYANASAMY: The Government has constituted a High Powered Committee. The Terms of Reference has been given to that High Powered Committee. The High Powered Committee will submit its report. After the report is submitted, on the basis of the report, the Government will take action. Now, who are the people involved, how they have been involved, etc., all these things will come in the Report.

SHRI ARUN JAITLEY: Sir, the reply of the hon. Minister mentions that the agreement, for lease of the S-band transponder capacity for the two satellites, was entered in January, 2005. The decision relating to the creation of the two satellites, as the Prime Minister has said just now, was approved by the Cabinet. This perhaps was done, to the best of my knowledge, in December, 2005. Having done this, there are various steps to be taken. The Space Commission is also involved. We are given to understand that the Minister of State in the Prime Minister's Office, the Principal Secretary to the Prime Minister, the National Security Advisor and the Cabinet Secretary, are all privy to that decision. Having done this, the second phase is that at

the user-end, the company, in whose favour it is to be granted, starts making its preparation. The third phase is that the corresponding spectrum capacity, which is for user of 90 per cent of this satellite, — this is 90 per cent of the 70 MHz; that is, 63 MHz of the S-band, which is very superior — has to be given. Now the quantum of monies that this company would have spent, which is being mentioned — this is an Indian arm of the American company, Forge Advisors — was completely inadequate, even if comparisons are drawn with 2G and 3G. Now, are we to understand that when all these were happening, the Prime Minister's Office, despite the participation of all these senior officials, including the MoS, was completely unaware that a valuable public asset is being placed in the hands of an Indian company, which is an arm of the American company, and at an inadequate consideration?

SHRI V. NARAYANASAMY: I would like to reply to the points which have been raised by the hon. Leader of the Opposition. As far as G-SAT-6 is concerned, the proposal came to the Cabinet. For G-SAT-6A, the proposal did not come to the Cabinet because its cost was less than Rs.175 crores.

Sir, I would like to quote one or two things from the system that has been followed earlier. The number of transponders available with the ISRO is 160. Of them, 126 operate on commercial basis; 45 are given to Government agencies like DoT and Doordarshan and 81 are given to the private users. This is on the basis of the 1997 SATCOM Policy which was approved by the Cabinet in 2000. There is an in-built provision under 2.6.2, under the commercial/contractual factors that is mentioned in the SATCOM Policy, where the private management of transponders could be given out on lease, or, the mechanism could be leased and so on; all details are provided there. Therefore, Sir, the system which has been followed by ANTRIX and Forge Advisor for the purpose of commercial use of transponders by bringing in G-SAT-6 and G-SAT-6A was done at their level.

Now, the hon. Leader of the Opposition says that only when complaints were received in December, 2009, a committee was appointed. The Suresh Committee went into it. They submitted a report. It was then sent to the Space Commission for consideration and, in July, 2010, the Space Commission took a decision. "We will have to take the S-Band transponders back with us. It should not be given to Devas. The agreement has to be annulled". Therefore, Sir, the Government took the action. In the light of whatever the hon. Leader of the Opposition is saying, when the high power committee goes into it, it will be known how all these things had happened, who was responsible and so on.

I assure the august House that the hon. Prime Minister will not spare anyone who is found to be involved in all this.

MR. CHAIRMAN: Thank you. Question 42. ...*(Interruptions)*...

SHRI M. VENKAIAH NAIDU: Sir, it is only after *The Hindu* and *The Business Line* had published it that the Government had moved...*(Interruptions)*...

MR. CHAIRMAN: No. This is not a debate, Venkaiahji. ...*(Interruptions)*... This is not a debate. ...*(Interruptions)*... I am sorry. This is not a debate. ...*(Interruptions)*... Please, Venkaiahji. ...*(Interruptions)*... Venkaiahji, please. ...*(Interruptions)*...

SHRI V. NARAYANASAMY: I am sorry. This is not true. You should not go by what the media says. ...*(Interruptions)*... Kindly don't go by the media. ...*(Interruptions)*...

MR. CHAIRMAN: This is not a debate. ...*(Interruptions)*... I will not allow it. Sorry. ...*(Interruptions)*... Please allow the Question Hour to proceed. ...*(Interruptions)*... Please. ...*(Interruptions)*... Venkaiahji, please. ...*(Interruptions)*... You are a senior Member. I request you to cooperate in allowing the Question Hour to proceed. ...*(Interruptions)*... I am sorry. ...*(Interruptions)*... Please. Question 42. ...*(Interruptions)*... आप लोग बैठ जाइए। ...*(Interruptions)*... Please.

SHRI M.V. MYSURA REDDY: Sir, they had not taken any action. ...*(Interruptions)*... It was all published in the newspapers. ...*(Interruptions)*...

MR. CHAIRMAN: Please give notice. ...*(Interruptions)*... Venkaiahji, please. This is serving no purpose. आप बैठ जाइए। ...*(व्यवधान)*...

श्री पुरुषोत्तम खोडाभाई रूपाला : सर, ...*(व्यवधान)*... यह डबल जे.पी.सी. का मामला है। ...*(व्यवधान)*...

श्री सभापति: आप बैठ जाइए ...*(व्यवधान)*... आप बैठ जाइए प्लीज। ...*(व्यवधान)*...

SHRI M. VENKAIAH NAIDU: Sir, the Government had not moved an inch until all this was published by *The Hindi* and *The Business Line*.

MR. CHAIRMAN: Venkaiahji, please. ...*(Interruptions)*... अगर आपको इस पर डिस्कशन करनी है, तो डिस्कशन के लिए नोटिस दीजिए। ...*(व्यवधान)*...

SHRI M. VENKAIAH NAIDU: Sir, please try to bear with us. It is a very, very important issue. It is not a political issue.

MR. CHAIRMAN: No, no. This cannot be allowed. Please resume your places. ...*(Interruptions)*... I request you. Please. ...*(Interruptions)*... Please resume your places. ...*(Interruptions)*... Please allow the Question Hour to proceed. ...*(Interruptions)*...

SHRI M. VENKAIAH NAIDU: No, Sir. I request the Chair. We are not satisfied with the answer given by the Minister. He is evading the responsibility. It is only after the newspapers came out with all this that the Government started moving.

MR. CHAIRMAN: Please. You know the procedures. Please follow the procedures. ...*(Interruptions)*... Please. ...*(Interruptions)*... Will you please resume your places? What is the point of this shouting in intervention? ...*(Interruptions)*... Have you been given the floor? ...*(Interruptions)*...

SHRI PRASANTA CHATTERJEE: *

*Not recorded.

श्री पुरुषोत्तम खोडाभाई रूपाला : *

श्री प्रकाश जावडेकर : *

MR. CHAIRMAN: Hon. Members, everyone is aware of the procedure. If you wish to have a discussion, please give a notice for discussion. This is only a question; three supplementaries have been asked in addition to the questions the questioner asked. Now, let us proceed with the rest of Question Hour. What is the point of this shouting in which nothing is heard; nobody is hearing anyone; nothing is being recorded. It serves no purpose. ...*(Interruptions)*... I am afraid the country is following a very bad impression of how senior leaders are conducting debate. Now, Question No.42, please.

SHRI M. VENKAIAH NAIDU: *

MR. CHAIRMAN: That question is over.

श्री सत्यव्रत चतुर्वेदी: सर, आपकी इजाजत के बगैर जो कोई बोल रहा है, क्या वह रिकॉर्ड हो रहा है?

श्री सभापति: वह रिकॉर्ड नहीं हो रहा है।

SHRI M. VENKAIAH NAIDU: Sir, I request you to permit us for a discussion on this.

MR. CHAIRMAN: Please give a notice for it. Now, Question No. 42 please.

Reforms in arrangements for Haj

*42. SHRI MOHAMMED ADEEB: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether it is a fact that reforms in arrangements for Haj are long overdue; and

(b) if so, the steps Government proposes to take in the matter?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI S.M. KRISHNA): (a) and (b) The Haj is one of the most complex organizational tasks undertaken by the Government of India outside its borders for which extensive arrangements are made both in India and Saudi Arabia. It is the constant endeavour of the Government to improve and reform the management of the arrangements of the Haj pilgrimage in consultation with all concerned.

श्री मोहम्मद अदीब: सर, मैं हैरतजदा हूँ कि इतने important सवाल का ऐसा कैजुअल जवाब दिया गया है। मैंने यह पूछा था कि आप हज में क्या रिफॉर्म कर रहे हैं, क्योंकि उसकी कंडीशन हर साल deteriorate हो रही है। पहले इस मुल्क से लोग सऊदी अरब पानी के जहाज से हज करने के लिए जाते थे, अब हवाई जहाज से जाते हैं। क्या हुकूमत-ए-हिन्द इसका हेडक्वार्टर दिल्ली में बनाकर इसको मैनेज कर सकती है, जिससे हज में कुछ रिफॉर्म हो सके? अब जबकि हाजी पानी के जहाज से नहीं जाता है, तो अब इसका हेडक्वार्टर मुम्बई में क्यों है? क्या आप हज के हेडक्वार्टर को चेंज करके दिल्ली लाएँगे?

*Not recorded.