

- (c) the studies made by ICMR in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) To the best of our knowledge there was no reported panic among the people over WHO report on mobiles.

- (b) Does not arise in view of (a) above.

- (c) ICMR supported the following studies:

(i) Indian Council of Medical research (ICMR) supported an animal study (2005-08) entitled "Microwave radiations effects on reproductive systems of male rats" under Prof. J. Behari, School of Environmental Sciences, Jawaharlal Nehru University, New Delhi.

(ii) To study the adverse effects of radio frequency radiation emitted from Cell Phone, the ICMR has initiated a study in Delhi & NCR. Under this study efforts are going on to examine whether use of cell phone creates risk of neurological, cardio-logical, cancer, ENT and reproductive disorders. The efforts are also going on to measure Specific Absorption Rate (SAR), power density wavelength and frequency of Radio Frequency Radiation emitted from various types of cell phones & cell phone towers under study.

Diversion of USO Fund

4714. SHRI BAISHNAB PARIDA: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that Universal Service Obligation Fund meant for rural telephony is being directed towards other flagship projects;

- (b) if so, the details thereof;

(c) whether the Public Accounts Committee (PAC) has raised objections to this recourse;

- (d) if so, the details thereof;

(e) whether the PAC has made certain other observations in the matter; and

- (f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) No, Sir. The Universal Service Support Policy for provision of telecom facilities in rural and remote areas

of the country came into effect from 01.04.2002. Subsequently, the Indian Telegraph Act, 1885 was amended in December 2003 vide the Indian Telegraph (Amendment) Act, 2003 thereby creating Universal Service Obligation Fund (USOF). The USO Fund was established with the fundamental objective of providing access to 'Basic' telegraph services to people in the rural and remote areas at affordable and reasonable prices. Subsequently the Indian Telegraph (Amendment) Act 2006 was passed on 29.12.2006 wherein the scope of USO Fund was widened to provide subsidy support for enabling access to all types of telegraph services including mobile services, broadband connectivity and creation of infrastructure like OFC in rural and remote areas. The rules were further amended in 2008 for providing subsidy support to eligible operators for operational sustainability of Rural Wireline Household Direct Exchange Lines (DELS) installed prior to 01.04.2002. The Rules were again amended as the Indian Telegraph (Amendment) Rules 2012 on 28.03.2012 to provide financial support from USOF for creation of National Optical Fibre Network (NOFN) for extending the broadband connectivity up to all gram panchayats or villages by bridging the gaps in the aggregation layer through laying of fibre and installation of end equipment's or terminals.

(b) Does not arise in view of (a) above.

(c) and (d) In their Fourteenth Report (15th Lok Sabha), the Public Account Committee had observed that a Universal Service Obligation Fund (USOF) was formed with effect from April, 2002 for raising resources by means of a Universal Service Levy (USL) to cater to the USO activities in the process of the achievement of universal service objectives like increase in rural tele-density, provision of voice and low speed data service in the uncovered villages and telephone on demand in the rural areas. The detailed examination of the subject by the Committee had revealed lapses on the part of Government on crediting the full amount collected as USL, which was five per cent of the Adjusted Gross Revenue (AGR) earned by all the operators, under various licences, to the USO Fund, during the years 2002-07. Not convinced with the reasons adduced by the Department of Telecommunications, the Committee had observed that the Government should not have any problem in crediting the full amount collected as Universal Service Levy to the USO fund when proceeds to the fund were meant to be utilized exclusively for meeting the Universal Service Obligation. The Committee had also desired that the Department should make efforts to ensure that the proceeds to the USO Fund were not diverted under any circumstances, even temporarily for purposes other than those for which the funds were collected.

(e) and (f) On the forty-ninth Report on Action Taken by the Government on the Observations/Recommendations of the Public Accounts Committee contained in

their Fourteenth Report (15th Lok Sabha) on Administration of Universal Service Obligation (USO) Fund' the Committee noted.

"that as per provisions of the Indian Telegraph (Amendment) Act, being utilized from time to time exclusively for meeting the Universal Service Obligation. That is what the PAC precisely recommended in their earlier Report. But the Ministry of Finance, who have been jointly entrusted with the responsibility of finalizing the amount of be transferred to the USO Fund as per the Cabinet direction, have stated that as the Government is committed to finance various flagship programmes, the resources cannot be locked by simply lodging them in the Public Accounts of India. The Committee do not approve of the Ministry of Finance diverting the funds exclusively meant for USO activities to other programmes. The Committee, therefore, urge upon the DoT to once again take up the matter with the Ministry of Finance so that proceeds from the USO Fund are made available for USO activities in general and for provision and expansion of rural telephony in particular, in accord with the provisions of the Indian Telegraph (Amendment) Act, 2003."

In compliance with the recommendations/observations of the PAC, the matter had been taken up with Ministry of Finance. The Ministry of Finance had intimated on 3rd May, 2012 as below:

- (i) In terms of Indian Telegraph (Amendment) Act, 2003, Government may credit such proceeds to the Universal Service Obligation Fund from time to time for being utilized exclusively for meeting the Universal Service Obligation. Keeping this in view, funds are being provided in the Demands for Grants of Department of Telecommunications for transfer to USOF. Further, provisions for transfer to USOF are made based on the requirement and ability of the Department to spend in any financial year. This practice is being followed over the years. It may be noted that the unutilized funds kept in the Public Account add to the liability of the Government. It may also be recalled that while approving the amendment to Indian Telegraph Act, 1885, Cabinet has directed that Department of Telecommunications to consult Ministry of Finance while finalizing the amount to be transferred to USOF:
- (ii) Department of Telecommunications has, recently, obtained the approval of Cabinet for implementation of a new scheme called 'National Optical Fiber Network' (NOFN) for proving broadband connectivity to Panchayats with an estimated cost of Rs. 20,000 Crore by utilizing the USOF. Thus, the bulk of the accruals to USOF over the years would be utilized in financing and implementing NOFN.