

- Optical Fiber Cable (OFC) break down resulting in failure of Tighra exchange was restored on priority. At present the exchange is working satisfactorily.
- Hazira industrial area is disturbed due to road development work taken up by National Highways Authority of India (NHAI). The matter has been taken up with NHAI for close co-ordination so as to avoid damage of underground and Optical Fibre cables.

#### **Auction for 2G Spectrum**

2538. SHRI D. RAJA:

SHRI M.P. ACHUTHAN:

Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that the telecom tariff is likely to go up by at least 30 per cent if Government fails to conduct auction for 2G Spectrum by June 2, 2012 when the 122 licences of eight operators will be cancelled following Supreme Court verdict given in February this year; and

(b) if so, the details thereof and the measures being taken by Government to avoid such a situation?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) It is difficult to predict likely changes in call rates of mobile telephones in the wake of cancellation of 122 licenses as per Supreme Court verdict, because, as per the current Tariff framework, call rates of mobile services are under forbearance except for national roaming where ceiling tariff has been specified. Mobile operators have the flexibility to offer different tariffs depending on the market conditions and the other commercial considerations.

(b) In order to protect the interest of the consumers, Telecom Regulatory Authority of India (TRAI) has mandated the following stipulations:-

(1) No tariff items in the tariff plans shall be increased:-

- (i) In respect of tariff plans with prescribed periods of validity of more than six months including tariff plans with lifetime or unlimited validity during the entire period of validity specified in the tariff plan;
- (ii) In respect of other tariff plans, within six months from the dated of enrolment of the subscriber: and,
- (iii) In case of recharge coupons with a validity of more than six

months under any tariff plan, during the entire period of validity of such recharge coupon.

- (2) Not more than 25 tariff plans are allowed to be offered by a service provider for a particular service at any given point of time.
- (3) The tariffs are reported to TRAI within 7 days of implementation. The tariff reports are subjected to scrutiny in order to ensure that they are in compliance with regulatory requirements. Also, whenever tariffs are revised upward, it is ensured that these are not applied to subscribers who enjoy tariff protection as per the provisions of tariff orders issued by TRAI.

#### **Rural Connectivity**

2539. SHRI PIYUSH GOYAL: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) whether it is a fact that rural connectivity is still a hindrance to development in the country;
- (b) if so, the details thereof;
- (c) the reasons for such imbalances in the country;
- (d) whether Government has made it mandatory for mobile service providers to expand their services in rural areas;
- (e) if so, the details thereof;
- (f) if not, the reasons therefor;
- (g) whether Government gives incentives to expand rural operations;
- (h) if so, the details thereof; and
- (i) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) to (c) At present the rural tele-density is approximately 38 whereas urban tele-density is approximately 168. A recent World Bank study of 120 countries, published in November, 2009 shows that for every 10 percentage point increase in the penetration of mobile phones, there is an increase in economic growth of 0.8 percentage points in developing countries. Under the draft revised National Telecom Policy 2012, it is proposed to increase rural tele-density from current level of around 38 of 70 by 2017 and 100 by the year 2020. The main reasons for lower tele-density in rural areas are low per capita income, lack of business viability, poor availability of infrastructure especially power etc.