

Gap in teledensity in urban and rural areas

46. SHRI T.M. SELVAGANAPATHI : Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether it is a fact that Government has asked telecom companies to use USO fund to bridge rural-urban gap as far as telecommunication is concerned;

(b) if so, the details thereof;

(c) whether it is also a fact that the teledensity gap is widening between rural and urban and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA): (a) and (b) The Government has not specifically asked any Telecom Company to use Universal Service Obligation (USO) Fund. Different USOF schemes are planned to provide access to various telecom services to people in the rural and remote areas at affordable and reasonable prices. Selection of Universal Service Providers for implementing the USOF schemes is made by a bidding process from amongst the eligible operators.

The USO Fund has been established w.e.f. 01.04.2002 by an Act of Parliament with the fundamental objective of providing access to all types of telecom services including mobile services, broadband connectivity and creation of infrastructure like Optical Fiber Cable (OFC) in rural and remote areas.

Details of schemes being implemented with subsidy support from USO Fund are given in Statement (*See* below).

(c) and (d) The tele-density gap between Rural and Urban areas during last four years is under slightly increasing trend. The details of Rural and Urban Tele-density during last four years are given below:

At the end of the March	Tele-density (%)	
	Rural	Urban
2009	15.11	88.84
2010	24.31	119.45
2011	33.83	156.93
2012	39.26	169.17
December, 2012	39.90	149.55

Statement*Details of USOF Schemes***1. Creation of General OFC Infrastructure**

- (a) **National Optical Fibre Network (NOFN):** The optical fibre has predominantly reached state capitals, districts and blocks, at present. NOFN is planned to connect all the 2,50,000 Gram panchayats in the country through optical fibre utilizing existing fibers of PSUs viz. BSNL, RailTel and Power Grid and laying incremental fiber wherever necessary to bridge the connectivity gap between Gram Panchayats and Blocks, for providing broadband connectivity.

Length of the incremental network is approx. 5 lakh Km. Dark fiber network thus created will be lit by appropriate technology to ensure a bandwidth of at least 100 Mbps at each Gram Panchayat.

Non-discriminatory access to the network will be provided to all categories of service providers. These access providers/service providers like mobile operators, Internet Service Providers (ISPs), cable TV operators, content providers can launch various services in rural areas.

Various applications for e-health, e-education, e-governance etc. will be provided. The project will be funded by USOF and initial estimated cost of project is Rs.20,000 Crore in 2 years.

The project is being executed by a Special Purpose Vehicle (SPV) namely Bharat Broadband Network Limited (BBNL), which has been incorporated on 25.02.2012 under Indian Companies Act 1956.

Present Status:

NOFN Project is envisaged as a Centre-State joint effort. State Governments are expected to contribute by way of not levying any RoW charges. This requires suitable tri-partite MoU to be signed by GOI, State Governments and BBNL.

Tri-partite MoU has been signed on 26.10.2012 with 13 States viz. Andhra Pradesh, Arunachal Pradesh, Chhattisgarh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Manipur, Mizoram, Rajasthan, Tripura, Uttar

Pradesh, Uttarakhand and 3 Union Territories viz. Dadra and Nagar Haveli, Daman and Diu and Puducherry. A total of about 1,40,727 Gram Panchayats will get covered by Optical Fibre Network in these States and UTs.

Three Pilot Projects have been completed to cover all Gram Panchayats of Arain Block in Ajmer District (Rajasthan), Panisagar Block in North Tripura District (Tripura), Paravada Block in Vishakhapatnam District (A.P.). As on 15.10.2012, each of the 58 Gram Panchayats in these three Pilot Project Blocks have been provided with 100 Mbps bandwidth.

(b) Optical Fibre Network Augmentation, Creation and Management of Intra-District SDHQ-DHQ OFC Network in North Eastern Region

- Scheme has been launched, in Assam to start with, to provide sufficient back-haul capacity to integrate the voice and data traffic from the access network in the rural areas to their core network by strengthening the OFC network.
- OFC Schemes in North Eastern region are undertaken on BOO model, i.e. build, operate and own basis.
- The scheme considers OFC Network augmentation between the blocks' HQ and Districts' HQ. USOF shall provide subsidy support on the condition that it will be shared with other Telecom Operators at the rates prescribed in the Agreement.

(i) Scheme for Assam

- This OFC scheme would connect 354 locations in 27 districts. Agreement has been signed with BSNL on 12.02.2010 in this respect. The Agreement shall be valid for a period of seven years from the date of signing of the agreement. USOF will provide a subsidy support of Rs.98.89 Crore. As on 31.01.2013, 280 locations out of the targeted 354 locations have been connected with OFC.
- At least 70% of the subsidized bandwidth capacity, created under the scheme, shall be shared with the licensed service providers in the area of ASSAM at a rate not more than 26.22% of the current TRAI ceiling tariffs.

(ii) Scheme for North East-I Circle [Meghalaya, Mizoram and Tripura]

- This OFC scheme would connect 188 locations in 19 districts. Agreement has been signed with Railtel on 16.01.2012 in this respect. The Agreement shall be valid for a period of eight years from the date of signing of the agreement. USOF will provide a subsidy support of Rs.89.50 Crore.
- At least 70% of the subsidized bandwidth capacity, created under the scheme, shall be shared with the licensed service providers at a rate not more than 12% of the current TRAI ceiling tariffs.

(iii) Scheme for North East-II Circle [Arunachal Pradesh, Manipur and Nagaland]

- This OFC scheme would connect 407 locations in 30 districts. Agreement has been signed with Railtel on 16.01.2012 in this respect. The Agreement shall be valid for a period of eight years from the date of signing of the agreement. USOF will provide a subsidy support of Rs.298.50 Crore.
- At least 70% of the subsidized bandwidth capacity, created under the scheme, shall be shared with the licensed service providers at a rate not more than 27% of the current TRAI ceiling tariffs.

2. Rural Broadband Scheme for expanding provision of Wireline Broadband Connectivity upto village level

For providing broadband connectivity to rural & remote areas, USOF has signed an Agreement with BSNL on January 20, 2009 under the **Rural Wireline Broadband Scheme** to provide wire-line broadband connectivity to rural and remote areas by leveraging the existing rural exchanges infrastructure and copper wire-line network. The speed of each of the broadband connections shall be at least 512 kbps always on.

Under this scheme, BSNL will provide 8,88,832 wire-line Broadband connections to individual users and Government Institutions and will set up 28,672 Kiosks over a period of 5-years, i.e. by 2014. The subsidy disbursement is for (i) broadband connections, Customer Premises Equipment (CPE), Computer/Computing devices (ii) setting up of Kiosks for public access to broadband services. The estimated subsidy outflow is Rs. 1,500 crore in

5 years' time that includes subsidy for 9 lakh broadband connections, CPEs, computers/computing devices and Kiosks. As on 31.12.2012, a total of 4,33,018 broadband connections have been provided and 10,713 kiosks have been set up in rural and remote areas.

3. Shared Mobile Infrastructure Scheme

A scheme has been launched by USO Fund to provide subsidy support for setting up and managing 7,353 infrastructure sites/ towers in 500 districts spread over 27 states for provision of mobile services in the specified rural and remote areas, where there was no existing fixed wireless or mobile coverage. Villages or cluster of villages having population of 2000 or more and not having mobile coverage were taken into consideration for installation of the tower under this scheme. The number of towers was subject to change based on actual field survey and coverage achieved thereof as per the terms and conditions of the Agreements. The agreements effective from 01.06.2007 were signed with the successful bidders in May, 2007, which are valid till November, 2013.

As on 31.01.2013, 7,317 towers i.e. about 99.51% have been set up under this scheme. The infrastructure so created is being shared by three service providers for provision of mobile services. As on 31.12.2012, 16,023 BTSs (Base Transceiver Stations) have been commissioned by Service Providers at these towers for provisioning of mobile services.

4. Public Access: Village Public Telephones

As on 31.01.2013, 5,81,610 villages i.e. 97.97% of the Census 2001 inhabited revenue villages have been covered with Village Public Telephones (VPTs) with subsidy support from USO Fund. VPTs are being provided in remaining inhabited villages through USOF scheme for VPTs in newly identified uncovered villages as per census 2001.

USOF Scheme for VPTs in newly identified uncovered villages as per Census 2001: Reconciliation of the VPTs working in the inhabited villages as per Census 2001 was carried out taking into account the existing VPT and those provided under Bharat Nirman. All the remaining inhabited villages as on 01.10.2007 as per Census 2001 irrespective of criteria of population, remoteness, accessibility and law and order situations have been included for provision of VPTs with subsidy support from USO Fund under this scheme. Agreements in this regard were signed with BSNL on 27.02.2009.