

The Committee also recommended to revise the architecture, implementation and utilisation strategies to reach affordable broadband in rural areas across the country.

#### **Utilisation of USO fund**

1346. DR. CHANDAN MITRA: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the total collection of Universal Access Levy (UAL) *vis-a-vis* the amount credited to Universal Service Organisation (USO) fund since its inception year-wise;
- (b) the reasons for diversion of USO fund for purposes other than the stated objectives for which the levy is meant; and
- (c) the corrective steps taken by Government to ensure utilisation of USO fund exclusively towards the stated objectives?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVISHANKAR PRASAD): (a) The total collection of Universal Access Levy (UAL) *vis-à-vis* the amount credited to Universal Service Obligation (USO) Fund since its inception year-wise is enclosed as Statement-I (*See below*).

(b) and (c) Not applicable. The USO fund is being utilized exclusively for meeting the Universal Service Obligation as per provision made under clause 9B of the Indian Telegraph (Amendment) Act, 2003. This has also been confirmed by the Ministry of Finance *vide* their letter no. F2(35)-B(AC)/2009 dated 03.05.2012 (Statement-II) wherein it has been stated that the funds transferred to USOF are only available for USO activities and expansion of rural telephony.

#### ***Statement- I***

*Statement showing the balance of UAL amount available  
as potential fund under USO as on 30.06.2015*

(₹ in crore)

Year	UAL collections (Booked figures as per DoT A/cs)	Funds allocated and disbursed through USOF	Reimbursement of LF and Spectrum Charges	Balance (CB)
1	2	3	4	5
2002-03	1653.61	300.00	2300	
2003-04	2143.22	200.00	2300	
2004-05	3457.73	1314.59	1765.68	

1	2	3	4
2005-06	3215.13	1766.85	582.96
2006-07	3940.73	1500.00	0
2007-08	5405.8	1290.00	0
2008-09	5515.14	1600.00	0
2009-10	5778.00	2400.00	0
2010-11	6114.56	3100.00	0
2011-12	6723.57	1687.96	0
2012-13	6735.46	625.00	0
2013-14	7896.39	2163.45	0
2014-15	7538.7	2086.98	0
2015-16 (Prov.)	40.69	14.04	0
TOTAL	66158.73	20048.87	6948.64

*Note:-* As per Ministry of Finance letter no. F.1(20)-B(AC)/2007 dated 04.06.2008 the reimbursement of licence fees and spectrum charges to BSNL amounting to ₹ 6948.64 crore over the period 2002-03 to 2005-06 for fulfilling rural obligation is required to be taken into account for arriving the available balance.

Taking into account this compensation to BSNL, the available balance would be ₹ 39161.22 as on 30.06.2015.

**Statement- II**

No.F.2(35)-B(AC)/2009  
Ministry of Finance  
Department of Economic Affairs  
(Budget Division)

New Delhi  
3rd May, 2012

**Subject:- 49th Report of PAC on the 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'.**

Department of Telecommunications may please refer to 16-4/2009-B(Pt.)/213 dated 16.4.2012 on the subject cited above.

2. The observation/recommendations of PAC made in their 49th Report have been examined. After careful reading of the paragraph 7 and 8 of 49th Report, it is observed that the Committee is highlighting the position *viz.* “proceeds from USO Fund are made available for USO activities in general and for provision and expansion of rural telephony in particular, in accord with the provision of the Indian Telegraph (Amendment) Act, 2003”. If the committee are referring to the proceeds from USOF, it may be held that the funds transferred to USOF are only available for USO activities and expansion of rural telephony in accordance with the provisions of the Indian Telegraph (Amendment) Act, 2003. Department of Telecommunications may make clarify this position to the Committee.

3. If however, the Committee are referring to the Universal Access Levy, collected as part of licence fee and credited to the Consolidated Fund of India under the Major Head ‘1275-Other Communication Services’, for being transferred to the USOF kept in the Public Account of India, the following are the comments of this Ministry:

- (a) 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 IT Act, 1885, Cabinet has directed the Department of Telecommunications to consult Ministry of Finance while finalizing the amount to be transferred to USOF;
- (b) Department of Telecommunications has, recently, obtained the approval of Cabinet for implementation of a new scheme called ‘National Optical Fiber Network’ (NOFN) for providing broadband connectivity to Panchayats with a financial outlay of ₹ 20,100 crore over a period of 3 (three) years by utilizing the USOF. Thus, the bulk of the accruals to USOF over the years would be utilised in financing and implementing NOFN.

4. Keeping the above points in view, Department of Telecommunications is

requested to apprise PAC of the rationale in not keeping the entire accruals in the Public Account idly.

5. This issues with the approval of Additional Secretary (Budget).

Sd/-

(Ritvik Pandey)

Deputy Secretary (Budget)

Shri R.K. Gupta,  
Director (B&P),  
Department of Telecommunications,  
Sanchar Bhawan, New Delhi.

#### **Enactment of privacy legislation**

1347. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether the Ministry has taken note of the reports from June this year, that suggested that telecom operators were inserting surreptitious codes into user browsers to collate user data;

(b) whether the Ministry has conducted an investigation into these reports, if so, the details thereof; and

(c) whether the Ministry believes that there is an urgent need to enact a privacy legislation to protect the rights of citizens *vis-a-vis* the various official databases of Government which collates information about citizens?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD): (a) Sir, the Government is aware about the media reports alleging invasion of customers' privacy by M/s Bharti Airtel Limited by way of injecting some Java Script into subscribers browsing sessions.

(b) Telecom Regulatory Authority of India has asked M/s Bharti Airtel Limited to submit a detailed report on the matter. In response, it is stated by M/s Bharti Airtel Limited that a pilot test with one of its network partners using a third party solution from Flash networks through which customers were going to be made aware of the data usage in terms of megabytes used. It has been done solely with the object of improving customer experience and empowering customers to manage their data usage through suitable timely prompts in terms of volume of data used. Such solutions are already deployed and