

**GOVERNMENT OF INDIA
COMMUNICATIONS AND INFORMATION TECHNOLOGY
LOK SABHA**

STARRED QUESTION NO:243
ANSWERED ON:06.08.2003
UTILISATION OF FUNDS FOR RURAL TELECOMMUNICATION SERVICE
HARIBHAI PARTHIBHAI CHAUDHARY;LAXMAN GILUWA

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

- (a) whether the funds provided by the Government for telecommunication service in rural areas have not been utilised and the work undertaken in this regard is also not satisfactory;
- (b) if so, the reaction of the Government thereto alongwith the action taken against those found guilty in this regard;
- (c) the rural areas in the country which have not been provided with telecom facilities;
- (d) whether the Government have undertaken any review of the work done in this regard; and
- (e) if so, the results thereof?

Answer

THE MINISTER OF COMMUNICATIONS & INFORMATION TECHNOLOGY AND DISINVESTMENT (ARUN SHOURIE)

(a) to (e) A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPONSE TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 243 FOR 6TH AUGUST 2003 REGARDING UTILISATION OF FUNDS FOR RURAL TELECOMMUNICATION SERVICE.

(a) Subsequent to the formation of BSNL in October, 2000, Government has provided support to BSNL in the form of reimbursement to compensate the losses incurred on account of rural telephony operations, and loan in perpetuity for BSNL's ongoing VPT programme. In addition, as part of the Universal Service Obligation, Government has extended support to BSNL and private operators for reimbursement of losses in operation and maintenance of Village Public Telephones (VPTs) and for replacement of MARR VPTs. These funds have been fully utilized in the following manner:-

(i) BSNL has been able to maintain the existing telecom network in rural areas: rural teledensity has increased from 0.76 in October, 2000 to 1.49 in June, 2003.

(ii) BSNL has replaced 46,411 MARR VPTs from 01.04.2002 to 30.06.2003.

(iii) BSNL has installed 1,07,684 VPTs during 2001-2003.

(iv) BSNL and Private Operators have undertaken operation & maintenance of 5,16,182 VPTs as on 30.06.2003.

Prior to formation of BSNL, more than 50% of allotted funds for VPTs remained unspent during the period 1997-1998 to 1999-2000. This was primarily due to non-availability of suitable technology to replace MARR technology which it was decided to discontinue, and due to delay in the procurement of WLL equipment.

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

(c) to (e): The Government is reviewing regularly the provision of Telecom facilities in rural areas. In terms of provision of Village Public Telephones (VPTs), 5,16,182 have been provided telephone facilities, out of total 6,07,491 revenue villages in the country, 91,309 villages have not been as on 30.06.2003. State-wise status of VPTs is furnished in the Annexure.

The review of villages which could not be provided with VPTs indicates that the following factors are among the ones that account for these villages remaining uncovered thus far:

- (i) Poor performance by private Basic Telephone Service Operators due to non-remunerative nature of VPTs.
- (ii) Villages being in Naxalite infested and other insurgency affected areas.
- (iii) De-population of villages.
- (iv) Many villages have a population less than 100.
- (v) Clearance not being accorded for VPTs based on Wireless Local Loop systems in the States of North East and J&K.
- (vi) VPTs can be provided only by utilizing satellite as a media, and this is cost prohibitive.

Government is considering a proposal to support BSNL for providing VPTs based on satellite media. Necessary steps have been taken by BSNL to provide VPTs on WLL in the States of North East and J&K. These are expected to be installed by the end of 2003 after receiving clearances from the concerned agencies.

Notices were issued in May, 2003 to private basic operators to provide balance VPTs by the end of 2003 after excluding in the first phase, villages identified as de-populated villages, villages with population less than 100, Naxalite or insurgency affected villages and those to be covered by satellite media. They were informed that failing this, steps for encashment of the Performance Bank Guarantee will be initiated. The issuance of notice has resulted in increase in the number of VPTs installed by private operators from 10,648 at the end of May, 2003 to 11,632 at the end of June, 2003, i.e. approximately 10% increase. The fulfilment of the commitments now given by the private operators will be closely monitored and Performance Bank Guarantees would be liable to be encashed in case of failure.

ANNEXURE

STATE-WISE STATUS OF VPTS AS ON 30-6-2003

Sl. No.	Service Area	Total No. of Revenue Villages by VPTs	covered without less than 100 population villages affected	Villages depopulated/ less than 100 population insurgency villages	Villages thick Forest/ can be covered	No. of Naxalite/ villages which	No. of satellite media villages
1.	A & Nicobar	201	198	3	0	3	0
2.	Andhra Pradesh	29460	24733	4727	577	2247	1536
3.	Assam	24685	18034	6651	0	0	0
4.	Bihar	72780	64745	8035	5267	448	2320
5.	Gujarat	18125	15328	2797	296	0	0
6.	Haryana	6850	6811	39	39	0	0
7.	Himachal Pr	16925	16585	340	61	0	279
8.	Jammu & Kashmir	6764	4502	2262	0	0	654
9.	Karnataka	27066	27066	0	0	0	0
10.	Kerala	1468	1468	0	0	0	0
11.	Madhya Pradesh	71526	52727	18799	5391	913	2547
12.	Maharashtra	42467	33859	8608	4192	564	2100
13.	North East	14145	5860	8285	0	0	5386
14.	Orissa	46989	40435	6554	701	636	5217
15.	Punjab	12687	12687	0	0	0	0
16.	Rajasthan	39483	26448	13035	5159	0	1596
17.	Tamil Nadu	17899	17899	0	0	0	0
18.	U.Pr.(East)	79792	75965	3827	3685	142	0
19.	U.Pr.(West)	39214	32898	6316	2336	0	3980
20.	West Bengal	38774	37743	1031	0	978	53
21.	Delhi	191	191	0	0	0	0

Total 607491 516182 91309 27704 5931 25668

Bihar Service area includes Bihar and Jharkhand States, Madhya Pradesh Service area includes Madhya Pradesh and Chhattisgarh States, North East Service area includes States of Meghalaya, Nagaland, Arunachal Pradesh, Manipur, Tripura, and Mizoram, Punjab Service area includes U.T. of Chandigarh, Uttar Pradesh (West) service area includes western parts of Uttar Pradesh and Uttaranchal State.

Figures as reported by licensees.