

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

UNSTARRED QUESTION NO:1403
ANSWERED ON:10.12.2003
LICENCE TO TELECOM PLAYERS
A. VENKATESH NAIK;PUSHPDAN SHAMBHUDAN GADHAVI

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

- (a) the present policy of the Government to give licence for telecommunications;
- (b) whether the Government propose to do away with the requirement of performance of bank guarantees;
- (c) if so, the reasons therefor;
- (d) whether any financial bank guarantee has been taken from the private players;
- (e) if so, the details thereof;
- (f) if not, the reasons therefor;
- (g) the number of defaulters who has not paid the licence fees during the last two years and current year so far; and
- (h) the steps taken by the Government to recover the same?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI , PRADHAN)

- (a) The Government has adopted policy to grant licence for National Long Distance, International Long Distance, Unified Access Services and various other Value Added Services at present.
- (b) No, Sir.
- (c) Does not arise in view of (b) above.
- (d) Yes, Sir.
- (e) Consequent upon migration to revenue sharing regime, financial Bank Guarantees equivalent to licence fee of two quarters is taken from the Licence fee valid for one year subject to review/renewal from time to time. At the initial stage a fixed amount is prescribed depending on the type of service.
- (f) Does not arise in view of (d) & (e) above.
- (g) to (h): The License fee is paid on a quarterly basis by the Licensee based on self certified Adjusted Gross Revenue. Finalization of accounts is done on the basis of audited accounts from time to time. The Cellular Mobile Telephone Services licence of M/s Koshika Telecom Ltd. for UP(East) Service area was terminated in last two years for defaulting in making payments. The matter is at present before the arbitrator. The Bank Guarantees of Radio Paging Operators were encashed for recovery of Licence Fees dues.