

**GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA**

UNSTARRED QUESTION NO:1166
ANSWERED ON:31.07.2000
STERLING TELECOM
SUSHIL KUMAR SAMBHAJIRAO SHINDE

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether Sterling Telecom had won the bid for Delhi Circle on the basis of zero rental to be charged from the customers;
- (b) if so, whether the said company is charging heavy rentals from the customers despite of their commitment;
- (c) the rates of rentals so charged and the reasons assigned therefor; and
- (d) the action taken by the Government against the firm ?

Answer

MINISTER OF STATE FOR COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) to (d) : Sir, the bids invited for award for licences for Cellular Mobile Telephone Service in Metro cities including Delhi were evaluated based on various parameters quoted by bidders including rental. Equated rental was worked out taking into consideration the parameters like rental, security deposit and interest thereon etc. A ceiling tariff was prescribed in the licence agreement for metro cities (copy enclosed as Annexure-I). The terms and conditions of licences including tariff structure was subject to review by the Licensing Authority, interalia, in the interest of general public. In terms of Telecom Regulatory Authority of India (Amendment) Act, 2000, the tariff is now fixed/regulated by TRAI.