

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

UNSTARRED QUESTION NO:5892

ANSWERED ON:04.05.2005

VIOLATION OF TERMS AND CONDITIONS BY PRIVATE TELECOM OPERATORS

Naik Shri Shripad Yasso;Pandey Dr. Laxminarayan

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

- (a) whether the private sector telecom companies are openly violating the terms and conditions of licence despite being served repeated warning notices by the TRAI;
- (b) if so, the details thereof;
- (c) whether the MTNL and BSNL are incurring heavy losses as a result thereof;
- (d) if so, the details thereof;
- (e) whether any action has been taken for compensation of the losses suffered by the Government companies due to private companies;
- (f) if so, the details thereof; and
- (g) the reaction of the private sector companies thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

(a) & (b) No, Sir. However, some cases have come to the notice of Licensor and TRAI regarding violation of the terms and conditions of the Licence Agreement. The show cause notices were issued for the same and the Licensees were asked to discontinue the violation, if any, with immediate effect.

(c) to (f) The Government companies i.e. MTNL and BSNL have suffered losses in cases where ADC payments were avoided by some Licensees. In one such case regarding illegal routing of international calls by M/s Reliance Infocomm Ltd., BSNL raised bills amounting to Rs. 263.4 crores out of which M/s Reliance Infocomm Ltd. has paid Rs.182.7 crores and the case is subjudice. BSNL has also issued notice to M/s Tata Teleservices Ltd. for payment of access Deficit Charge for its so-called walky services. MTNL raised bills amounting to Rs. 341.28 crores out of which M/s Reliance Infocomm Ltd. has paid Rs. 236.00 crores and the case is subjudice.

(g) Private companies have stated that they are adhering to all the terms and conditions of the licence agreement. In case of illegal international calls by M/s Reliance Infocomm Ltd., Government after consideration of the case imposed a penalty of Rs. 150 crores. M/s Reliance filed a petition in TDSAT, which finally dismissed the same and M/s Reliance Infocomm Ltd. paid the penalty.