

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

STARRED QUESTION NO:381  
ANSWERED ON:10.05.2006  
SUBSIDY FOR SETTING UP OF MOBILE TOWERS  
Shiwankar Shri Maha Deo Rao

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

- (a) whether the Government is contemplating to extend subsidy for setting up mobile towers in the country so as to bridge the digital divide between the urban and rural areas as reported in The Rashtriya Sahara dated February, 26, 2006;
- (b) if so, the facts of the matter reported therein;
- (c) the response of the Government thereto;
- (d) whether the private sector has evinced any interest in the Government's proposal of extending subsidy for setting up of mobile towers; and
- (e) if so, the details thereof?

**Answer**

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

(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 RESPECT OF PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 381 FOR 10TH MAY, 2006 REGARDING SUBSIDY FOR SETTING UP OF MOBILE TOWERS.

(a) Yes, Sir.

(b) Telecom Regulatory Authority of India (TRAI) in its recommendations on the 'Growth of Telecom Services in India- The Way Forward' submitted to the Government, has inter-alia proposed that 'with a support from Universal Service Obligation Fund (USOF) of about Rs. 9,000 crore, it will be possible to cover about 80 to 90% of the villages with mobile services'.

(c) The Government has considered the issue of supporting infrastructure for providing cellular mobile services in rural and remote areas of the country. To enable such support, the Indian Telegraph Act 1885 needs to be suitably amended.

(d) Yes, Sir.

(e) Consultations have been held with the Access Service Providers, Infrastructure Providers, Association of Telecom Service Providers and Manufacturers on this subject and comments have also been submitted by them in this regard. The proposal provides for subsidy for both active and passive infrastructure like tower, Base Transceiver Station (BTS), antennas and power supply.