

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

UNSTARRED QUESTION NO:3656

ANSWERED ON:10.09.2007

SUBSIDY IN PRIVATE TELECOM SECTOR

Khan Shri Mohammad Tahir;Patle Shri Shishupal Natthu;Shiwankar Shri Maha Deo Rao

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

- (a) whether the Government subsidy to the private sector for providing telecommunication facilities in rural areas is continuing;
- (b) the amount of subsidy received and spent by these companies during each of the last three years, State-wise;
- (c) whether all the private telecommunication provider companies are laying or have laid down lines on subsidized rates in the rural areas;
- (d) if so, whether the Government has carried out any inspection of the rural circles of these companies;
- (e) if so, the total number of companies found involved in the cases of irregularities; and
- (f) the action taken/being taken by the Government in this regard?

Answer

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

(a) Yes, Sir.

(b) Universal Service Obligation Fund (USOF) has disbursed an amount of Rs. 483.58 crore during the last three years towards subsidy support for provision of telecommunication facilities in rural areas. A statement indicating the State-wise disbursement of subsidy to the private Universal Service Providers (USPs) during the last three years from 2004-05 to 2006-07 is given in the Annexure.

(c) Successful USPs have provided rural lines in their contracted areas under various agreements entered between USOF and these USPs. Subsidy disbursement to these successful USPs is made on the Representative Rate for provision of lines as per their claim.

(d) Post payment sample size checking/ Inspection are carried out by the Controller/ Jt. Controller Communication Accounts offices in the service areas in respect of the claims of all USPs.

(e) Some irregularities have been found in different Circles in case of all USPs. However, these have been acted upon as per the terms and conditions of the relevant Agreements.

(f) The claim settlement of the USPs is based on self certification and affidavit. However, irregularities noticed during sample verifications/ Field inspections are taken into account and the amount of irregular claim so detected is withheld/ disallowed, without prejudice to any other action as per terms and conditions of Agreement.