

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

UNSTARRED QUESTION NO:537
ANSWERED ON:03.08.2011
SHUTTING DOWN RURAL TELEPHONY
Singh Shri Yashvir

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

- (a) whether some telecom operators have been fined for shutting down rural telephony services during 2010-11;
- (b) if so, the details thereof along with the details of fines imposed on them; company-wise;
- (c) the reasons for shutting down services by these companies in the circles allocated to them;
- (d) whether the Government has slashed the fine imposed on some companies;
- (e) if so, the details thereof, companywise and the reasons therefor; and
- (f) the methodology adopted to calculate and slash the fine?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA)

(a) & (b) M/s Reliance Communications Limited(RCL) and M/s Reliance Telecom Limited (RTL) have been fined for shutting down rural telephony services during 2010-11 as per the details given in Annexure-I, Annexure-II and Annexure-III.

(c) The said companies had shut down their services pleading commercial unviability as the reason.

(d) to (f): Government has not slashed the fine imposed on these companies. In view of the switch off and subsequent switch ON of the services, the fine/ penalty has been imposed for the period of interruption in mobile services as per the provision contained in clause 2.4 of Section-VII of USOF Agreement with these companies.

Apart from the above actions under the USOF Agreement with these companies, the Department has also constituted a High Level Committee to consider all aspects of the issue and suggest appropriate further action, if necessary under the Unified Access Service Licence conditions.

Clause 2.4 : No penalty shall be payable in case of interruption of mobile services for a period upto 7 days in a quarter. Penalty @Rs.500 per day shall be payable if there is interruption in services for more than 7 days in a quarter. However, if there is interruption in services for 45 days or more in a quarter, penalty shall be payable for the whole quarter.