

SHRI SOMPAL: Mr. Speaker, Sir, the hon'ble Member has said that less amount has been given to Bihar Government. He himself had been a Minister in the Union Government and also in Bihar. So he knows more than me about Bihar. Inspite of that I would like to tell him that 47.77% of the amount given to Bihar from the year 1992-93 to 1997-98 or upto this year has been utilized. I also want to request him that when any amount is given to State Government, the requirements of the state are also kept in mind. If we see its allocation then we will come to know that 52.17 percent amount in 1992-93, 35.26 percent in 1993-94, 38.17 percent in 1994-95, 39.27 percent in 1995-96 was utilized. But this position improved in 1996-97 and 77.6 percent amount was utilized. As such during Eighth Five Year Plan out of the total amount, 47.77 percent was utilized by the Bihar Government.

SHRI RAGHUVANSH PRASAD SINGH: Please tell about the other states too.

SHRI SOMPAL: Mr. Speaker, Sir, the amount utilized by the Bihar Government is less than even half of the total amount. Therefore, when funds are given it is kept in mind that how much amount was utilized in previous year and prior to that year.

SHRI MULAYAM SINGH YADAV: Mr. Speaker, Sir, Hon'ble Minister may tell the number of such States, except Bihar where this amount remained unutilized although this question has not been asked. The question asked was why you have not given. This was not asked whether it was utilized or not. If funds remained unutilized then tell about other States too.

SHRI SOMPAL: Mr. Speaker, Sir, through you, I would like to request that hon'ble Members may encourage their Government that the amount given to them may be utilized and information in this regard may be sent to us on the basis of these two, the funds are released. Therefore, this is not a correct statement that they have been given less.

SHRI RAGHUVANSH PRASAD SINGH: The Hon'ble Minister has not told about other States....(Interruptions). The funds are given by the Union Government on such conditions that the State Government cannot utilize the fund. Is it not the responsibility of the Union Government to monitor the utilisation(Interruptions). Hon'ble Minister has not said even a single word about it. What is happening there to farmers?...(Interruptions). Three crore rupees were given instead of 50 crores and that too in the beginning of the year(Interruptions)

[English]

MR. SPEAKER: I have gone to the next question and called Shri Pramoths Mukherjee. Please sit down.

[English]

Payment of Licence Fee

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*142 SHRI PRAMOTHES MUKHERJEE:

DR. PRABHA THAKUR :

Will the MINISTER OF COMMUNICATIONS be pleased to state:

(a) whether the Government have received any representation from the public representatives to give time relaxation to the cellular mobile telephone operators for the payment of licence fee and extension of the licence period;

(b) if so, the details thereof;

(c) whether the metro cellular operators have refused to pay licence fee dues to the Government amounting to several crores as reported in the 'Hindustan Times' dated October 24, 1998;

(d) if so, the reasons therefor and the total amount outstanding against such metro cellular operator;

(e) the remedial steps contemplated by the Government to save the situation;

(f) whether Bureau of Industrial Costs and Prices (BICP) has submitted its Report on the demand of cellular mobile telephone operators;

(g) if so, the details thereof indicating the main recommendations contained therein; and

(h) the time by which a final decision is likely to be taken in the matter?

THE MINISTER OF COMMUNICATIONS (SHRI JAG MOHAN): (a) and (b) Yes, Sir. The Government have received several representations from public representatives relating to the problems of Cellular Mobile Telephone Service (CMTS) operators. Some of the representations have highlighted the following points:

1. Need for grant of moratorium on payment of licence fee, and

2. Extension of the licence period.

(c) and (d) The metro cellular operators have raised an issue regarding the quantum of licence fee chargeable from them from fourth year onwards on the ground that the actual revenue per subscriber is far less than the amount based on which the licence fee stipulated in the licence agreement has been computed. The total outstanding dues for the first quarter of the 4th year work out to Rs. 62.75 crores as on 30th Nov., 1998.

(e) Government have constituted a Group on Telecommunications under the chairmanship of Deputy Chairman, Planning commission to, inter-alia, make recommendations on the issues relating to the existing licensees of cellular services and suggest appropriate remedial measures.

(f) Yes, Sir.

(g) The main recommendations made by BICP in its report are given in the statement enclosed.

(h) The Government will take a final view after receiving the recommendations of the Group on Telecommunications.

Statement

Main Highlights of the Recommendations of Bureau of Industrial Cost and Prices (BICP)

1. Increase in monthly rental from Rs. 156/- to Rs. 600/- per month.
2. Inefficient operators to review future investment plans to achieve level of efficiency of efficient operators.
3. DoT to encourage option for higher frequency spectrum in metros and major DHQs in Circles to reduce capital cost of the projects rather than setting up more base stations;
4. DoT may issue necessary guidelines and lay down procedures for obtaining clearances from various Government agencies within a fixed time frame.

SHRI PRAMOTHES MUKHERJEE: Sir, I am really sorry to say that I am not satisfied with the answer or the reply given by the hon. Minister.

MR. SPEAKER: This is his first reply as a Minister, and you must appreciate that. He is replying for the first time after taking the charge.

SHRI PRAMOTHES MUKHERJEE: Then all right, Sir.

The question of cellular industry is highly significant in this age of super-technology. The licence was issued to the highest bidders on the condition of payment of licence fee at the rate of Rs. 6,023/- per subscriber annually. But it is unfortunate that the cellular mobile telephone operators did not pay off their dues, and the total dues to the Government is amounting to Rs. 3,100 crore, which is a huge loss to the Government exchequer. So, it is not an ordinary matter, but it is a serious matter. Their demand for a one-year moratorium on the payment of licence fee, and their demand for extension of licence period from 10 to 15 years have already been accepted by the Government.

Even under such circumstances they could not pay off their dues, amounting to Rs. 3014 crore, to the Government. I would like to know from the hon. Minister as to what steps have been taken by the Government to realise this huge amount of dues as a part of payment of the licence fee.

SHRI JAG MOHAN: Sir, as I have already explained, the Government will take a view on it after the recommendations of the Study Group on Telecommunications become available. Now the issue is, the Government have received representations from various quarters. There was a group of very distinguished Members of Parliament who had asked for relief to be given to these people because the industry is not doing well and they are facing genuine difficulties. That is the point. There was a second group which made a representation that the money should be recovered and no concessions should be given to them. Thirdly, there are some public interest litigations that have been filed in this regard. We would like to consider all these factors in the Group as well as in the Government. I fully understand and appreciate the weighty argument which the hon. Member has raised.

To my mind, there are seven basic considerations that we have to take into account. One is the terms and conditions of licensing, and the legal and Constitutional implications of deviating from those conditions. That is one relevant factor which we have to take into consideration. The second point which we have to see is as to what will be the impact of the decision which we may ultimately take on the budgetary resources of the fiscal deficit which we have. The third factor is the consumer's interest. Fourth factor is the health of the industry. We have to watch the health of the industry. The fifth factor is congeniality of the environment which attracts foreign investment. After all we have to take into consideration this fact also. Another factor is the practical implications of enforcing a decision that might be taken. Still another factor is the precedent that this decision may set. All these relevant factors will be duly weighed by the Group which has been constituted and we will take an appropriate view on this, and then the matter will be considered at the highest level by the Government in view of the great importance of the matter and the huge amount involved. The figure given by the hon. Member is broadly correct but I can give the exact up-to-date figure.

The main point which I want to submit is that the Government have to consider various issues involved. We have to take a balance of all these things. A decision has to be taken on the balance of these relevant considerations. I can assure the hon. Member that the Government is very keen to recover this amount. We will take a view on it very quickly. I have been added as a Member of the Group two days ago and the next meeting is fixed for the 15th. It will be my endeavour to obtain the recommendations of this Study Group within a week or ten days and then have a view taken by the Government at the earliest possible time.

SHRI PRAMOTHES MUKHERJEE: The hon. Minister has already admitted the point where the Government fails and why the Government fails. Every man has the right to proceed to court for relief and redressal of his grievance in our democratic set up. The cellular metro telephone operators may go to court for arbitration and there is no doubt about it. But the question does not lie there. The question is that the whole matter has been referred to the Bureau of Industrial Costs and Prices. Bureau of Industrial Costs and Prices have studied the main demands of the cellular telephone operators and have given a recommendation as the Minister has already admitted in his reply. May I ask a simple question to the hon. Minister as to what is his attitude towards the main recommendation of the Bureau of Industrial Costs and Prices in this respect?

SHRI JAG MOHAN: There is no specific recommendation. They have given the views of various issues involved and they have said that these were the miscalculations which the industry had made. They can further improve upon their performance. They have made certain factual information available to us. As I have said, whatever the Bureau of Industrial Costs and Prices have indicated to us on this issue will also be considered by the Group. The recommendations or the views or the facts which they have placed before us will be considered by this Group as well as by the Government.

After all, it is the Government which has referred it to the Bureau.

SHRI MURLI DEORA: I would like to ask through you whether the Government has examined the audited balance sheets of these operators to know whether their contention of making heavy losses is true. In case they made heavy losses, what are the figures for the last three years?

SHRI JAG MOHAN: These are the claims that have been made. We are trying to get all the information from them. As I said, representations have been received from both sides on both aspects. We will examine the balance sheet and the audited reports and also the facts that may be with us, as Government and the facts that may be available with various authorities which are concerned with this. All those facts will be considered.

SHRI MURLI DEORA: What are the figures of the losses?

SHRI JAG MOHAN: They have not indicated to us the figures of the losses but I can give you the amount which is due to us... *(Interruptions)*

SHRI ANIL BASU: They have already submitted that information.

SHRI PRAMOTHES MUKHERJEE : I have the figures on what are the losses. There are six companies. The total loss is more than Rs. 3,000 crore... *(Interruptions)*

SHRI ANIL BASU: How much money have these companies collected from the subscribers? *(Interruptions)* Mr. Minister, they have submitted to you the amount of losses that they have incurred.

SHRI JAG MOHAN: That is what I am saying... *(Interruptions)*

SHRI PRAMOTHES MUKHERJEE: They have already collected the money but they have not paid it to the Government.... *(Interruptions)*

SHRI JAG MOHAN: I have to look into that.

SHRI ANIL BASU: But he says that they have no information.

SHRI JAG MOHAN: The point is that these are their claims and we have to verify those claims.

SHRI PRAMOTHES MUKHERJEE: You may verify their claims but there is the question of the dues... *(Interruptions)*

SHRI ANIL BASU: The Government has a contractual agreement with the mobile phone operators. What about them? They have collected a huge amount of money, but they are not making their payment to the Government.

MR. SPEAKER: Let him complete.

(Interruptions)

SHRI MURLI DEORA: Maybe, the Chairman of the Task Force can reply!

SHRI JAG MOHAN: As I have stated, we are not saying that we will not recover it. Whatever is due to us, whatever the amount they have collected from their subscribers, we will recover the full amount in terms of the licence conditions.

SHRI PRITHVIRAJ D. CHAVAN: Sir, the Task Force also is headed by the hon. Minister of External Affairs. We realise that he is a very competent Minister.

[Translation]

But we do not know what assignment will be given to him by the Prime Minister, whether he will look after foreign affairs, Planning Commission or Telecom.

[English]

The fact is that this is a very important issue. I would consider the installation of about more than a million lines by the cellular operators without the cost of a single paisa to the Government is a major achievement. But the way these metro licences were handled was full of controversies. Unfortunately without setting up the TRAI, we went into the tendering process and there was a problem. That whole problem about metro licence fees is being looked into by a certain Parliamentary Committee. This has been the first experience of the Government in the privatisation of a major infrastructure project. There have been problems.

The cellular operators have submitted their balance sheets to the BICP, So, the hon. Member, Shri MurlI Deora asked a very specific question. They have submitted those figures both to the Government and to the Bureau of Industrial Costs and Prices. I want to ask the hon. Minister whether they have agreed to pay their dues, whether they have come to the Government with a deferred payment plan with some kind of a financial arrangement where they would pay their dues over a period of time. Has such a plan come to you? Are you considering that plan?

SHRI JAG MOHAN: You have raised two issues. There are two parts in this question. One is that it was not properly handled in the past. Well, the previous Government handled it and you know it very well. We share your anxiety about the handling part of it.

So far as the appropriate lessons are concerned, we will draw appropriate lessons from this mishandling.

The third point — what you are suggesting — is, what we intend to do for the recovery of the amount. I have already indicated that in my main reply, that we are very keen to recover all the money. We will ensure that all legitimate dues are recovered. But we have to see the other factors that are involved in it. After all, when we find the default, we enforce the terms and conditions and we take over. What are the practical implications? What will happen to the consumers? How will the consumers be affected? What about the other issues? So, we have to consider them. But I will assure you that — as I have said — all these relevant considerations will have to be balanced and we will like to arrive at the best possible solution in the matter....*(Interruptions)* We will do it.*(Interruptions)*

SHRI PRITHVIRAJ D. CHAVAN: We specifically asked about the deferred payment plan. May I know whether you are considering that? You may please tell me.

SHRI JAG MOHAN: As I have said in my main reply, they have asked for moratorium for two years. They have said that the period of licence should be extended. There are the two conditions they have asked.

Inter-State River Water Disputes

*143. SHRIMATI JAYANTI PATNAIK:

SHRI RAM SHAKAL:

Will the PRIME MINISTER be pleased to state:

(a) the details of the Inter-State River Water disputes are pending settlement as on date;

(b) whether the Union Government have taken steps to settle the disputes;

(c) if so, the outcome thereof; and

(d) the time by which all the disputes are likely to be settled?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL): (a) to (d) A statement is laid on the Table of the House.

Statement

(a) to (c) The Union Government endeavours to resolve inter-state River Water disputes by encouraging negotiations, constituting Boards for development and regulation of Inter state rivers/river valleys. Tribunals for adjudication of inter State river water disputes are set up on the request of any of the party States if the water disputes are not resolved otherwise. Tribunals have been set up for adjudication of Godavari, Krishna, Narmada, Ravi-Beas and Cauvery water disputes. First three Tribunals have already given their final awards. As on date Cauvery water and Ravi-Beas water disputes are still under adjudication by the Tribunals.

(d) There is no time frame given to the Tribunals to settle and disputes.

SHRIMATI JAYANTI PATNAIK: We know that there is a National Water Policy that embodies a national resolve for development and planning of the water resources that will govern a national perspective. We also know that there is a National Water Resources Council to advise the modalities of resolving Inter-State differences with regard to issues that may arise during planning or implementation of projects. We also know that if the national river water disputes are not resolved otherwise, there are tribunals to take care of them.

Coming to my State, I am not bringing the disputes that you have mentioned in the reply. Is it true that in spite of a subsisting agreement between the Government of Orissa and the Government of Madhya Pradesh regarding Inter-State rivers including river Mahanadhi, the Government of Madhya Pradesh are setting up new projects on upstream of Mahanadhi

River, without consulting the Government of Orissa and thereby affecting the flow into the Hirakud Reservoir in Orissa resulting large scale silting. If it is so, may I know whether the Government will take note of it and help the State of Orissa?

[Translation]

SHRI SOMPAL: Mr. Speaker, Sir, as per the National Water policy the Union Government tries to develop the water resources of the nation and to distribute equally the waters of the Inter-State rivers among the riparian States. So far as Orissa and Madhya Pradesh agreement is concerned the Union Government took the initiative. It is there that all the concerned States should sit together to solve the problem. If solution cannot be found out then the Union Government is empowered under article 246 and 262 of the constitution to frame rules in this connection regarding setting up of Corporation and River Boards. In spite of this if no solution comes then Tribunal can be set up, joint control boards can be set-up and regional council can be set up.

SHRIMATI JAYANTI PATNAIK: We know it.

SHRI SOMPAL: The Union Government is trying that all the disputes between these two States could be solved by consensus and if it doesn't happens then other options can be considered....(Interruptions)

[English]

SHRIMATI JAYANTI PATNAIK: What is the progress of inter-state dispute between the Government of Orissa and the Government of Andhra Pradesh regarding Neradi Barrage on river Bansadhar in Andhra Pradesh?

[Translation]

SHRI SOMPAL: I do not have the information regarding this special project. It will be made available to the Hon'ble Member.

SHRI RAMSHAKAL: Mr. Speaker, Sir, in his reply the Hon'ble Minister has said that the Government tries to solve the inter-State river water disputes and on the request of any one State, tribunals are set-up for solving the inter-State river water disputes. In the end of the reply you have said that for solution of the disputes a time limit has not been fixed for the tribunals. I would like to know whether the Government will fix any time-limit for the solution of these disputes in a time bound manner?

SHRI SOMPAL: Till date there is no provision to fix any time-limit, but in this connection some recommendations have been made by the Sarkaria Commission and it has said that if despite the efforts of the Union Government any dispute is not resolved for one year then Union Government can set-up Tribunals. But till date no time limit has been fixed for such tribunals despite the recommendation of the Sarkaria Commission that such tribunals should give their decision in regard to such type of disputes in three years and at the most in Five Years. The Government are considering this and the Members will be informed about the decision taken in this regard.