

**GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA**

UNSTARRED QUESTION NO:5243
ANSWERED ON:23.04.2001
AUDIT OBJECTION RELATING TO TELECOM DEPARTMENT
VILAS BABURAO MUTTEMWAR

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Audit Report of Comptroller and Auditor General relating to National Telecom Policy 1999, has made some objections;
- (b) if so, the details thereof; and
- (c) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) to (c): Sir, a paragraph titled 'Package of concessions to existing Cellular and Basic Telephone Service Operators' (paragraph No. 14) has been included in the Report of Comptroller and Auditor General of India for the year ended March, 1999 (No. 6 of 2000). The para, inter-alia, relates to migration of existing Basic and Cellular Service Operators to the revenue sharing regime of new Telecom policy, 1999.

Government does not agree with the observations made by Comptroller and Auditor General of India. The Government considers that the policy regarding migration of the existing licensees to the New Telecom Policy, 1999 (NTP-99) regime of revenue sharing arrangement was formulated as a result of informed and institutionalised decision in best public interest making pragmatic adjustments warranted by ground realities in relation to the Telecom Industry. The uniform application of NTP-99 which was desirable to provide a level playing field to all operators, was also aimed at ensuring accelerated growth of telecom sector by bringing in multipoly, better accessibility and improved/cost effective service to customers and this midcourse correction was considered an important instrument to achieve the objectives of the said policy.