

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

STARRED QUESTION NO:358  
ANSWERED ON:17.04.2002  
TELECOM FINANCE CORPORATION  
GOWDAR MALLIKARJUNAPPA;IQBAL AHMED SARADGI

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

- (a) whether the working group on Tenth Plan has suggested to set up a telecom finance corporation;
- (b) if so, the details thereof and the reasons therefor;
- (c) the details of the other suggestions made therein and the reaction of the Government thereto; and
- (d) the time by which the final decision in this regard is likely to be taken?

**Answer**

THE MINISTER OF PARLIAMENTARY AFFAIRS AND COMMUNICATIONS & INFORMATION TECHNOLOGY (SHRI PF MAHAJAN)

(a) to (d): 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 (d) OF LOK SABHA STA QUESTION NO. 358 FOR 17TH APRIL, 2002 REGARDING TELECOM FINANCE CORPORTION.

The Working Group on the Telecom Sector for the 10th Five Year Plan has, inter-alia, recommended the setting up of a Telecom Development Fund into which, the revenue earned by the Government from the Telecom Sector should be deposited and ploughed back into rural communication through soft loans to service providers in rural areas. The Working Group recognised that a proposal in this regard needs to be examined in consultation with the Ministry of Finance.

The other recommendations made by the Working Group included suggestions for faster roll-out of network in the rural areas, promotion of private investment in the Telecom Sector, encouragement of indigenous manufacturing of telecom equipment, including strengthening of research & development in this regard as well as the steps to improve customer services. The Report of the Working Group, which was constituted by the Planning Commission, would be taken into account by the Planning Commission, while drafting the 10th Five Year Plan.