

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

UNSTARRED QUESTION NO:3648
ANSWERED ON:19.04.2010
SUBSIDY TO TELECOM EQUIPMENT MANUFACTURERS
Mithlesh Shri ;Nagpal Shri Devendra

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

- (a): whether the Cellular Operator Association of India (COAI) has demanded various subsidies for expanding their business in rural areas of the country;
- (b): if so, the details thereof including their specific demands;
- (c): whether it will be appropriate from the business point of view; and
- (d): if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI GURUDAS KAMAT)

(a) to (d) Yes, Madam. Cellular Operators Association of India (COAI) has submitted before DoT Empowered Committee on rural telephony that one of the major problems faced by telecom operators in rural areas is the non-availability of reliable grid power forcing telecom service providers to extend power to these sites through diesel generator sets. Thus, fuel cost associated with running of DG sets is very high. Accordingly COAI has requested to introduce fuel subsidies to provide telecom service in such areas. Strategies to make alternate sources of power supply viable for rural and remote areas is under consideration.