

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

UNSTARRED QUESTION NO:2474

ANSWERED ON:09.08.2010

SUBSIDY UNDER USO FUND

Adhi Sankar Shri ;Laguri Shri Yashbant Narayan Singh

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

- (a) whether funds are allocated under the Universal Service Obligation (USO) Fund for providing access to telecom services in rural areas;
- (b) if so, the funds allocated and the details of works undertaken;
- (c) whether the said works could not be completed within the assigned time;
- (d) if so, the reasons therefore; and
- (e) the reaction of the Government thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI SACHIN PILOT)

(a) Yes, Madam.

(b) A total of Rs. 12771.44 crore has been allocated to USO (Universal Service Obligation) Fund since its inception out of which Rs. 11258.47 crore has been disbursed as on 30.06.2010. The various schemes undertaken by USO Fund for providing access to telecom facilities in rural and remote areas of the country are in Annexure-I.

(c) & (d) There has been some delay in the provision of telecom services under some of the USO Fund schemes on account of various reasons like remoteness of locations, law and order problems, non availability/irregular availability of electricity connection etc. Considering the ground realities and difficulties / problems being faced by the Service Providers in achieving the targets, extensions in the roll out period have been given to the Universal Service Providers in some of the schemes for the fulfilment of their roll out obligations. The Scheme wise details of the extension of time for roll out period under various schemes is given in Annexure-II.

(e) As the basic objective of USO Fund is to provide accessibility of telecom services to people in the rural and remote areas at affordable and reasonable prices, initially the roll out period was extended for service providers without imposing Liquidated Damages keeping in view the difficulties being faced by the Service Providers in rolling out the services such as remoteness, difficult terrain, insurgency related issues etc. However, the settlement of subsidy claims in respect of the Multi Access Radio Relay (MARR) Village Public Telephones (VPTs) provided after March 2009, Rural Community Phones (RCPs) provided after December 2008 in case of Bharat Sanchar Nigam Limited (BSNL) and March 2009 in case of Reliance Infocom Limited (RIL), VPTs under Bharat Nirman provided after November 2009 and towers provided under Shared Mobile infrastructure Scheme Phase I after December 2009, has been done after imposition of the Liquidated Damage (LD) charges to the extent of Rs. 6.05 crore as on 31.03.2010 as per the terms and conditions of the Agreement.