

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

UNSTARRED QUESTION NO:4277
ANSWERED ON:06.12.2010
MANAGED DATA NETWORK SERVICES
Owaisi Shri Asaduddin

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

- (a) whether some of the foreign telecom companies have been selling managed data network service to other telecom service providers without any licence fee to the Department of Telecom;
- (b) if so, whether it is the violation of Foreign Direct Investment (FDI) norms;
- (c) if so, the total loss suffered by the Government exchequer due to violation of FDI norms;
- (d) whether the Department of Telecom proposes to impose penalty on those telecom service providers;and
- (e) if so, the details thereof and the steps taken or being taken by the Department of Telecom to restrict such practices by foreign telecom companies?

Answer

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

(a) to (e) Madam, Cases were reported to Department of Telecommunications that some of the foreign telecom companies were extending the global managed data network services to the customers in India through the licensed Indian International Long Distance (ILD) Service Providers. These cases have been examined, however, as on date, no final decision has been taken.

However, these telecom companies have subsequently applied and obtained ILD service licenses to provide managed data network services in India.