

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

UNSTARRED QUESTION NO:4062
ANSWERED ON:03.08.2009
SALE OF TELECOM PROMOTERS EQUITY
Patasani Dr. (Prof.) Prasanna Kumar

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

- (a) whether the Telecom Regulatory Authority of India (TRAI) has sought views of the Ministries concerned regarding easing of ban on sale of telecom promoters' equity during the lock-in period;
- (b) if so, the details thereof the the reasons therefor alongwith the reaction of these Ministries thereto;
- (c) the total number of telecom companies to be benefited therefrom; and
- (d) the time by which the said proposal is likely to be implemented?

Answer

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

(a) to (d) The issue relating to lock-in-period for sale of promoter's equity of the Unified Access Services (UAS) licensee company was under consideration of the Government and the recommendations of Telecom Regulatory Authority of India (TRAI) were also sought on 24.11.2008 which was received on 12.03.2009.

On 23rd July, 2009, Government has decided that there shall be a Lock-in-period for sale of equity of a person whose share capital is 10% or more in the UAS licensee company on the effective date of UAS licence and whose net-worth has been taken into consideration for determining the eligibility for grant of UAS license, till completion of three years from the effective date of the UAS licence or till fulfillment of all the rollout obligations, whichever is earlier, subject to certain other conditions. Necessary amendment in the UAS licence agreement(s) in this regard have also been issued on 23.07.2009.