

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

UNSTARRED QUESTION NO:335

ANSWERED ON:23.11.2011

TELECOM COMPANIES

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

- (a) whether the Government has revised the norms and regulations for merging and acquisition of telecom companies;
- (b) if so, the salient features of the revised norms;
- (c) whether the Telecom Regulatory Authority of India (TRAI) has banned or proposes to ban merger of companies that have a combined market share of more than 60%; and
- (d) if so, the details thereof and the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA)

- (a) No, Madam.
- (b) Does not arise in view of (a) above.
- (c) & (d) TRAI, vide letter no. 901-8/201-MS dated 03.11.2011, in the context of Guidelines for intra-service area merger of Cellular Mobile Telecom Service (CMTS)/Unified Access Services (UAS) licences, has inter-alia, recommended that:

"Where the market share of the Resultant entity in the relevant market is not above 35% of the total subscriber base or the AGR in a licensed service area, the Government may grant permission at its level. However, where, in either of these criteria, it exceeds 35% but is below 60%, Government may decide the case after receipt of recommendations from the TRAI, Cases where the market share is above 60% shall not be considered."