

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

STARRED QUESTION NO:220
ANSWERED ON:28.03.2012
CANCELLATION OF TELECOM LICENCES
Abdulrahman Shri

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

- (a) whether the Government has estimated the investment made by the telecom companies whose licences have been ordered to be cancelled by the Supreme Court;
- (b) if so, the details thereof;
- (c) whether some of these telecom companies have asked the Union Government for refund of their money/investment;
- (d) if so, the details thereof; and
- (e) the reaction of the Government thereto?

Answer

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT AND COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI KAPIL SIBAL)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PA TO (e) OF LOK SABHA STARRED QUESTION NO. 220 FOR 28 MARCH, 2012 REG/ 'CANCELLATION OF TELECOM LICENCES'

(a) & (b) Some of the telecom licensees, whose licences have been ordered to be cancelled by the Supreme Court, have valid licences in other Circles/ service area or for other licensed activities. No detailed estimation has been made on the investment made by the telecom companies whose licenses have been ordered to be cancelled by the Supreme Court. However, based on audited annual information submitted by the companies whose licences have been ordered to be cancelled by the Supreme Court, the information on investment (Gross Block) at company level made by these companies is as under:

(Rs. in crore)

SL No.	Name of the Company	As on 31.03.2011	As on 31.03.2010
1.	Allianz Infratech (P) Ltd	-	-
2.	Etisalat DB Telecom Pvt. Ltd.#	3303.12	2362.61
3.	Idea Cellular Ltd. (including Spice Coram.)	28938.75	22834.4
4.	Loop Telecom Ltd.	1572.62	1460.03
5.	S Tel Pvt. Ltd.	779.09	188.37
6.	Sistema Shyam Teleservices Ltd.	5255	9635
7.	Tata Teleservices Ltd.	28427.98	20883.93
8.	Unitech Wireless (all companies)	6061.3	4354.33
9.	Videocon Telecommunications Ltd.	4462.39	3246.88

Information not available with TRAI

Un-audited (2010-11)

In addition, the actual Foreign Direct Investment (FDI) inflow during March 2007 - January 2012 in the companies whose licences have been ordered to be cancelled by the Supreme Court is as follows:-

SL No. Name of the Company FDI (in Rs. Crore)

1.	Idea Cellular Ltd.	Rs. 8288
2.	Shyam Telelink Ltd	Rs. 1902
3.	Tata Teleservices Ltd.	Rs. 1136
4.	Etisalat DB Telecom Pvt. Ltd	Rs. 3545

(c) & (d) Russian Government and Norwegian Government have approached this Government. The Russian Government has conveyed that Sistema Shyam Teleservices Limited (SSTL) in which they are one of the foreign investors has invested over US\$ 3 billion in the Telecom sector. Sistema JSFC, Russia another foreign investor in SSTL has also made a formal request to settle the investment dispute between Sistema, Russia and India in accordance with the Agreement between the Government of the Russian Federation and the Government of the Republic of India for the Promotion and Mutual Protection of Investments (the 'Agreement') dated 23 December, 1994 and which came into force on 5th August, 1996 in an amicable way. Norwegian Government has sought an interaction to discuss the verdict of the Supreme Court on the cancellation of 2G licences which involves the Norwegian company, Telenor.

In addition, M/s. S Tel Pvt Ltd and M/s. Loop Telecom Ltd. have also made representation to the Government for refund of their investment.

(e) The Government proposes to take action in line with the Supreme Court's judgement, FDI policy and Other policies of the Government and as per terms and conditions of the respective licences.