

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

UNSTARRED QUESTION NO:3414

ANSWERED ON:25.04.2012

INTERNET AND TELECOM FACILITIES

Ahir Shri Hansraj Gangaram; Hussain Shri Syed Shahnawaz; Naik Dr. Sanjeev Ganesh; Patil Shri Sanjay Dina ; Sule Supriya

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

- (a) the funds allocated by the Government for providing internet and telecom facilities in the rural areas during the last three years and the current year so far along with the funds earmarked in the Twelfth Five Year Plan;
- (b) whether the Government has entrusted the work of providing telecom and broadband facilities in the rural areas to any company/agency;
- (c) if so, the details thereof and the criteria adopted for the said purpose;
- (d) whether the Ministry of Finance has opposed the entrusting of the work to BSNL for providing high speed broadband facilities in rural areas;
- (e) if so, the details thereof and the reasons therefor; and
- (f) the reaction of the Government

Answer

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

(a) The funds allocated/disbursed under Universal Service Obligation Fund (USOF) for providing Telecom facilities in the rural areas during the last three years and the current year is given in Annexure-A. The allocation under 12th Five year plan has not yet been received from Planning Commission. However in Plan Outlay 2012-13, a sum of Rs. 3000 crore has been allocated for USOF by the Planning Commission as budgetary support.

(b) & (c) All the access service licensees as well as licenced internet services providers are eligible for providing telecom and broadband services in their respective service areas including rural areas.

(d) to (f) During inter-Ministerial consultations on Cabinet Note for " Scheme for creation on National Optical Fibre Network for Broadband connectivity to Panchayats" , Department of Economic Affairs(Ministry of Finance), has supported the proposal of a scheme with the express understanding that :-

i) Bharat Sanchar Nigam Limited (BSNL) should not be selected on nomination basis as Executing Agency (EA). A Special Purpose Vehicle(SPV) incorporated under the Indian Companies Act, 1956 may be entrusted with the responsibility of execution of the programme from Stage I itself. The Special Purpose Vehicle (SPV) will select implementing agency through competitive bidding from amongst the eligible operators. In order to expedite the process, assistance of the BSNL may be taken for carrying out a detailed survey and preparation of the Detailed Project Report (DPR). BSNL may be separately paid for this work. However, for abundant caution, the same may technically vetted by a separate set of experts.

ii) Laying of the Optic fibre Cable and its maintenance may be done in a Public-Private Partnership (PPP) mode with selection of the private entity will be paid annuity from the USOF.

The Government has approved National Optical Fiber Network on 25/10/2011, for providing Broadband connectivity to all Panchayats in the country through optical fibre utilizing existing fibers of PSUs viz. BSNL, RailTel and Power Grid and laying incremental fiber to connect to Gram Panchayats wherever necessary. The project will be executed by a Special Purpose Vehicle (SPV), Bharat Broadband Network Limited (BBNL), a company under the Companies Act 1956, incorporated on 25/2/2012 for this purpose.