

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

UNSTARRED QUESTION NO:6636
ANSWERED ON:06.05.2015
INVESTMENT IN TELECOM SECTOR
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Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

- (a) the details of investment made in telecom sector during the last three years and the current year and the revenue generated as a result thereof on a year-wise basis;
- (b) whether the telecom sector needs more funds for expansion and technological upgradation;
- (c) if so, the details thereof and the steps taken/proposed by the Government to garner more funds in this sector and to provide improved telecom services in the country;
- (d) whether despite huge investment made in this sector, the telecom industry not making enough returns; and
- (e) if so, the remedial measure taken by the Government to protect the industry?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI RAVI SHANKAR PRASAD)

- (a) The details of investment made and the revenue generated in telecom sector during the last three years are as under:

Year	2013-2014	2012-2013	2011-2012
Gross block(in Rs. crores)	562524	564558	525564
Capital work in progress (in Rs. crores)	82205	35104	33562
Revenue (in Rs. crores)	219357	207498	185930

Note: The figures for the year 2014-15 is not available.

Figures are based on audited / un-audited financial information submitted by the telecom service providers to the TRAI.

- (b) to (e) After the liberalization of telecom sector, the investment decisions are taken by the entrepreneurs depending on market demand and supply. The Government has created a favorable policy framework for attracting investment by permitting 100% FDI (Foreign Direct Investment) through FIPB (Foreign Investment Promotion Board)

route in telecom services and 100% FDI in manufacturing of telecom products through automatic route. Moreover, the Government has notified the Telecommunication (Fixed network), Telecommunication towers, and Telecommunication & Telecom Services as sub sectors in the Harmonised Master List of Infrastructure Sub-Sectors to enable the companies in the telecom sector to raise ECB (External Commercial Borrowings) as per the borrowing framework. The Government further supplements the efforts by funding various schemes like NOFN (National Optical Fibre Network), Comprehensive Telecom Development Plan for the North Eastern Region, the scheme for Mobile Communication Services in Left Wing Extremism (LWE) affected areas etc. to provide affordable telecom services in every nook and corner of the country.