

**F. No. 17-1/2012-IT**  
**Government of India**  
**Ministry of Communications & Information Technology**  
**Department of Telecommunications**  
**(IT DIVISION)**

New Delhi, Dated the 16<sup>TH</sup> AUGUST, 2012

**Subject: Action taken on development of IT application for maintaining the information related to violation of telecom licence conditions.**

With reference to AS(IV) Cell U.O. Nos.842-331/2009-AS-IV (Vol.III) dated 19<sup>th</sup> July, 2012, 25<sup>th</sup> July, 2012 and 31<sup>st</sup> July, 2012 on the subject mentioned above. The details of action taken for development of IT application are as under:

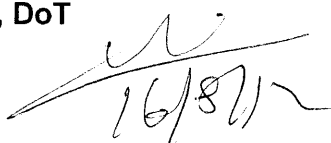
A meeting was held in the chamber of Director (AS-IV) at 12:00 noon at 07.08.2012 (Tuesday) to understand the requirement of AS Cell. The meeting was attended by Director (AS-IV), Sr. Technical Director (NIC), PSA (NIC) and the undersigned.

2. In this meeting, on the above subject objectives/ requirement of AS wing was put forth by Director (AS-IV). PSA (NIC) informed that one such application is already under use in DoT. It was developed by NIC as per the requirement of Licencing Finance wing of DoT. Director (AS-IV) then visited some of the html pages and forms of the application hosted on URL: <http://dotrevenue.gov.in/dot/> and suggested that this particular application can be modified to create an application for maintaining the information related to Telecom license condition violation cases. The modified version then can be used by other wings of DoT also viz. WPC, TERM-Security, Licencing Finance and Accounts in additions to AS wing.

4. Otherwise Director, AS (IV) suggested that the design of the web application should be modeled on the website of Insurance Regulatory and Development Authority (IRDA).

5. Few more such meetings may be necessary for finalization of URS (User Requirement and Specification). Based on this URS, NIC will ~~be~~ finalize a project proposal and submit its invoice for advanced payment. After the release of payment, NIC will begin its work on a time bound manner for development of web based IT application for maintaining of license condition violations.

ADG (VAS-I),  
AS (IV) Cell, DoT

  
16/8/12

  
16.8.12  
(Manish Vimal)  
Director (IT)

9c

Subject: Meeting notice

To: rgupta <rgupta@nic.in>, gbakhta <gbakhta@nic.in>, Sunil Kumar Singhal <diras4-dot@nic.in>

Cc: suresh.sharma DDG (C&A) <suresh.s@nic.in>

Date: 08/06/12 12:26 PM

From: Director IT <dirit-dot@nic.in>

Dear Sir,

A request has been received from AS division to develop a software application for maintaining the information related to LICENCE CONDITION VIOLATION WITH THE DEPARTMENT. In this regard, a meeting is being convened in the chamber of Mr. Sunil Singhal, Dir (AS-IV) that is Room No-1113 at 11:00 am on 07-08-2012 (Tuesday) to discuss the scope of work initially.

Finalization of URS might take place in the subsequent meetings, after discussions with other sections such as Finance, WPC etc.

STD (NIC) and PSA (NIC) are requested to make it convenient to attend this meeting as per the above schedule.

With regards,

Director (IT)

9868133225

Government of India  
Ministry of Communications & IT  
Department of Telecommunications  
Sanchar Bhawan  
20, Ashok Road, New Delhi - 110001  
(IT Cell)

F.No.:17-1/2012/IT  
Dated: 01-08-2012


Sub: Development of IT application for AS-IV Division.

Apropos L.O.No.542-331/2009-AS(IV) (Vol.III) dated 18<sup>th</sup>, 25<sup>th</sup> and 31<sup>st</sup> July 2012 respectively regarding development of IT application for maintaining information related to violation of telecom license conditions of the Department, referring to the communication numbers 28<sup>th</sup> and 21<sup>st</sup> Dates of the Sanchar Bhawan.

In my report it is suggested that a meeting should be held in the presence of the chairperson of the working group. Copresence of the IT Cell and the vendor are also expected to participate in the meeting/discussion.


Therefore, you are requested to issue a notification dated 01/08/2012 regarding meeting/discussion on 09/08/2012 at the Departmental Special Cell (IT).

  
(Manish Vimal)  
Director (IT)

  
1.8.12  
Director (AS-IV).  
DoT.

9C

Copy to: DDG(C&A)  
Had telephonic talk with Dtr (AS-IV) on 13.8.2012, at 10:30 AM  
Discussed with Dtr (AS-IV)  
Meeting fixed for 14.08.2012

  
13.8.2012

Department of Telecommunications  
(AS-IV Cell)

**Subject:- 1. 29<sup>th</sup> Report on Action Taken by the Government on the Recommendations/ Observations of Committee contained in their Twenty- First –Report (Fifteenth Lok Sabha) on Demands for Grants (2011-12) relating to Ministry of communications and Information Technology (Department of Telecom)- regarding.**

**2. Thirty First Report of the Standing Committee on Information Technology (2011-12) on Demands for Grants (2012-13) relating to Ministry of communications and Information Technology (Department of Telecom)- regarding.**

Please refer to UO of even No. dated 19 July 2012 and subsequent reminder dated 25.7.2012 on the above subjects wherein it has been requested that the details of the action taken for development of IT application may kindly be provided so that accordingly the Committee may be appraised. But so far no reply from C&A Division has been received in this regard and Budget Section is sending continuous reminder for reply of the paras mentioned in enclosure of UO dated 19.7.2012. It is, therefore, requested that C&A Division may furnish their reply in the matter urgently by today so that accordingly Committee would be appraised.

ADG(VAS-I)

DDG(C&A), DoT, Sanchar Bhawan New Delhi-01  
UO No. 842-331/2009-AS-IV (Vol.III)/ dated 31 July 2012

Copy to:-

1. Shri R.K. Gupta , Director(B&P), DoT, Sanchar Bhawan, New Delhi-01

435 (Dir CST)  
1/8/12

Department of Telecommunications  
(AS-IV Cell)

**Subject:- 1. 29<sup>th</sup> Report on Action Taken by the Government on the Recommendations/ Observations of Committee contained in their Twenty- First –Report (Fifteenth Lok Sabha) on Demands for Grants (2011-12) relating to Ministry of communications and Information Technology (Department of Telecom)- regarding.**

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*[Signature]*  
ADG(VAS-I)

DDG(C&A), DoT, Sanchar Bhawan New Delhi-01  
UO No. 842-331/2009-AS-IV (Vol.III)/ dated 25 July 2012

Paul Branch.

It is seen that earlier reference dt. 19<sup>th</sup> July, 2012, was marked to Div (IT) vide DDG(C&A) Dy. No. 1034. We may forward this reference also to him for files.

*316/Ps/4/2012*  
*26/7*  
*2146/Dir/PS-7*  
*26/7/12*  
*444/Dir(IT)*  
*27/7/12*  
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*50/Paul*  
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**Department of Telecommunications  
(AS-IV Cell)**

- Subject:- 1. 29<sup>th</sup> Report on Action Taken by the Government on the Recommendations/ Observations of Committee contained in their Twenty- First –Report (Fifteenth Lok Sabha) on Demands for Grants (2011-12) relating to Ministry of communications and Information Technology (Department of Telecom)- regarding.**
- 2. Thirty First Report of the Standing Committee on Information Technology (2011-12) on Demands for Grants (2012-13) relating to Ministry of communications and Information Technology (Department of Telecom)- regarding.**

Please find enclosed herewith letters No. 16-3/2011-B(pt.) dated 18.05.2012 & No. 16-3/2012-B dated 23.05.2012 from Budget Section of DoT regarding the above mentioned subject. Alongwith letters they have enclosed the extract of the Recommendation/Observation of 29<sup>th</sup> Report & 31<sup>st</sup> Report of the Standing Committee.

Committee in their Recommendations/ Observation in para 23 of the 29<sup>th</sup> Report has desired that there should be a set procedure for maintaining the information related to license conditions violation with the Department. A note from AS Division was sent to C&A Division for developing a web based IT application where such information is up loaded by the concerned Cell/Division/Wing of DoT. From that IT application a consolidated report can be generated whenever that is required. The same was further explained to DDG(C&A) & Director IT by Director AS-IV in a meeting.

Further, Committee in their Recommendations/ Observation in para 26 of the 31<sup>st</sup> Report has desired that *data with regard to violation of different licence obligations by the Service Providers and the penalty imposed, penalty collected should be appropriately maintained by the Department after collecting the same from the concerned technical Department of DoT and TRAI. Not only that the information should be placed on the website of the Department for greater transparency. The suggested procedure would ensure the Department to monitor the position of violation of various obligations by licensees as well as collection of penalty thereto. The concrete action in this regard should be taken and the committee appraised accordingly.*

In view of above recommendation of the Committee, it is requested that the details of the action taken for development of IT application may kindly be provided so that accordingly the Committee may be appraised.

Enclosure: As above

DDG(C&A), DoT, Sanchar Bhawan New Delhi-01  
UO No. 842-331/2009-AS-IV (Vol.III)/ dated 19 July 2012

उप संचालित लोक (संयोजक एवं प्रशासक)  
DDG (Coordn. & Admin.)  
पत्र संख्या/दि. नं. 1034-2  
दिनांक Date 20/7/12

421/Dir(IT)  
20/7/12

ADG(VAS-I) 19/7/12

The Brand  
Shankar / 10/1  
20/7/12  
20/7/12

No. 16-3/2011-B (Pt.)  
Government of India  
Ministry of Communications & IT  
Department of Telecommunications  
Budget Section, Room No. 723  
Sanchar Bhawan, New Delhi - 110 001.

Dated : 18.05.2012

Sub:- **29<sup>th</sup> Report on Action Taken by the Government on the Recommendations/Observations of Committee contained in their Twenty-First Report (Fifteenth Lok Sabha) on Demands for Grants (2011-12) relating to the Ministry of Communications and Information Technology (Department of Telecommunications)- regarding.**

Kindly find enclosed herewith the extracts of the following Recommendation/Observation of **29<sup>th</sup> Report** of the Standing Committee for furnishing reply.

Recommendations/Observations no. (Under 29 <sup>th</sup> Report)	Previous reference No. & Para No. furnished in earlier Report (i.e. 21 <sup>st</sup> Report)
23	No. 800-12/2010-VAS dated 04.10.2011 in respect of ATN 22 of 21 <sup>st</sup> Report
26	- Do - in respect of ATN 24 of 21 <sup>st</sup> Report

In addition to the above, Standing Committee has stated in Chapter-V of the 29<sup>th</sup> Report (Copy enclosed) that the following Recommendations/observation in respect of which replies are of interim in nature. In this connection the reply is also to be furnished.


Recommendations no. (Under 29 <sup>th</sup> Report)	Previous reference No.
100, 13, 28 & 30	No. 800-12/2010-VAS dated 04.10.2011 in respect of ATN 10, 23, 28 & 30 of 21 <sup>st</sup> Report

Action Taken Notes (hard copy accompanied with a soft copy in MS Word/MS-Excel or through e-mail at [adlgt.ha-dot@nic.in](mailto:adlgt.ha-dot@nic.in) and by FAX No. 2337 2376) on the above recommendations duly approved by Member concerned may kindly be sent to the undersigned latest by 29<sup>th</sup> June 2012 to enable the Budget Section to forward the ATNs in one batch to the Lok Sabha Secretariat by due date. Annexure, if any, should be in the form of table in MS-Excel.

While preparing the ATN, the following instructions may be kept in view:-

- (i) Full text of each recommendation conclusion as given in the body of the Report, with its paragraph serial number, may be given before stating the action taken by the Government on the recommendations.
- (ii) Each recommendation may be dealt with on a new page.
- (iii) Replies should be comprehensive and not inconclusive, vague, or couched in general terms like "Noted" or "Accepted" etc.

Encls.: As stated above.

  
(R.K. Gupta)  
Director (B&P)  
Ph. No. 2303 6185  
Fax. No. 2337 2376

To

St. D.D.G. (AS) T-1, Sanchar Bhawan, New Delhi.

Recommendation of the Committee (Para No. 22)

V. Roll Out Obligation of 2G Spectrum

21. The Committee had recommended as under:-

"As per para 10.2(1) of the Licence Agreement, the licensor may without prejudice to any other remedy available for the breach of any conditions of licence, by a written notice of 60 Calendar days from the date of issue of such notice to the licensee, terminate these licences under specified circumstances which include failure to perform any obligations under the licence including timely payments of fee and other charges due to the licensor, failure to rectify within time prescribed, any defect/deficiency/correction in service/equipment as may be pointed out by the licensor, if licensor goes into liquidation or ordered to be wound up and if the licence is recommended by TRAI for termination of licence for non-compliance of terms and conditions of the licence. The Committee are surprised to note that the Department has not maintained data with regard to licensees issued notices for not agreeing to the aforesaid obligations as per the Licence Agreement. When the specific information was asked, the Department in a very vague manner has stated that compliance to different conditions of licensees are dealt with in various wings/units of DoT and compilation of violations by approximately 260 existing UAS licensees is not readily available. The Department has further mentioned that it would take sometime to collect the data desired by the Committee.

The Committee further find that 320 new licences of 2G spectrum for Unified Access Service were issued by the Department in January, 2008. Para 35.2 of the Licence Agreement specifically provides for roll out obligations and penal provisions for violation. As per the Agreement, for delay in roll out of more than 52 weeks, the licences may be terminated under the terms and conditions of the Licence Agreement. The Committee further note that in the delay of less than 52 weeks, the licensor is entitled to recover LD charges at the specified rates as mentioned in para 35.2 of the Licence Agreement. When asked for the specific information about the number of operators who are yet to start 2G operations after obtaining the licence, the Department at one place has mentioned the name of 6 licensee companies viz. S. Tel Private Limited (Jammu and Kashmir), Spice Communications Limited (Andhra Pradesh), Spice Communications Limited (Haryana), Spice Communications Limited (Maharashtra), Idea Cellular Limited (Karnataka) and Idea Cellular Limited (Punjab). It has been mentioned that the licensees have been allocated start up allocations after award of UAS but have not yet registered with Telecom Enforcement and Resource Monitoring (TERM) Cells of Department of Telecommunications for coverage testing of their network to meet the roll out obligations as per licence conditions. As per the information furnished by the Department, till date no UAS licence has been terminated. At another place it has been mentioned that recently TRAI recommended for cancellation of 74 UAS licences for violation of roll out obligation conditions. With regard to issue of show cause notices, there is no clarity with regard to number of licensees who have been issued show cause notices. At one place it has been



by TRAI for violation of roll out obligation conditions. The Committee deplore the way the Department and its various wings are functioning.

The Committee may further like to highlight that 120 new Licenses of 2G spectrum for Unified Access Services were issued at a very reasonable price. Even then, the licensees fail to meet out the roll out obligations. The scarce resource that is spectrum remained idle with the service providers which was a clear loss to the customer for the benefit of whom the spectrum was allocated. What is really disappointing to note is that LD charges are imposed if the delay in roll out is upto 52 weeks is more a favourable position where neither the penalty is imposed nor cancellation is done as is apparent from the aforesaid position. The Committee strongly disapprove the inaction of the Department which made the default above 52 weeks a gainful position. While deploring the way the Department and its various Wings have failed to ensure compliance of the roll out obligation by the service provides, the Committee strongly recommend that strict action should be taken against the defaulter licensees."

22. The Department in their Action Taken Note has *inter-alia* stated as under:-

Sub-Para 1: As mentioned in the report in Para 99 & 100, some of the recent violations details had already been made available to the committee. However, various cells of the DoT/ TRAI have been requested to compile the data on priority as desired by the committee and the same would be made available, as early as possible.

Sub-Para 2: in respect of the observations about the number of Show Cause Notices issued to UAS licensees for violation of the various license conditions, earlier replies were given as per the specific question of the committee. There seems to be confusion because in the said question, committee had referred to 120 UAS Licences and in subsequent question, Committee has referred to all UAS licensees. It is to mention that TRAI had sent the recommendations in respect of 145 UAS Licences only. The remarks in the Annexure (sent to the Committee earlier) were meant for further clarity and were based on the status at that time. The desired information is attached again, in the tabulated form now, along with complete details as per Annexure-II. The list consists of details of 24 show cause notices (SCNs) issued for termination. Out of these 15 SCNs have been issued for violation of roll out obligations and 6 SCNs have been issued for violation of substantial equity related conditions/ merger guidelines. Three more SCNs are proposed to be issued as per legal advice, as the matter is sub-judice.

Sub-Para 3: TRAI vide its letters dated 18th November 2010 and 12nd December 2010 recommended for cancellation of 43 Unified Access Service (UAS) licenses as per licence conditions and to consider the cancellation of another 51 UAS licenses after legal examination out of 145 UAS licences. These 145 UAS were granted from the year 2006 to 2008. Department of Telecommunications (DoT) had examined the recommendations of TRAI as per the UAS License conditions in consultation with Ministry of Law and Justice. The Show Cause Notices were issued to the Licensees who have not

23. The Committee find that whereas para 10.2(1) of the Licence Agreement clearly stipulates that the licensor may without prejudice to any other remedy available for the breach of any conditions of licence, by a written notice of 60 calendar days from the date of issue of such notice to the licensee, terminates this licences under specified circumstances, the Department of Telecommunication has failed to maintain the data with regard to licensees issued notices for not agreeing to the aforesaid obligations laid down under the Licence Agreement. Even when the issue was raised strongly by the Committee in the recommendation, the Department could not get the information from the various wings/TRAI for 260 existing UAS licensees. This speaks volume of insensitivity of the Department towards such an urgent issue. While expressing strong objection to the way the Department of Telecommunication is functioning, the Committee desire the Department to act and make available the desired information to the Committee. Moreover, there should be a set procedure for making such an available information to the Department.

The Committee in the recommendation had further raised serious concern over the non-fulfilment of roll out obligation by various licensees and strongly recommended for strict action against the defaulter licensees. The action taken note furnished by the Department indicates that TRAI vide its letters dated 28.12.10 and 22.12.10 had initially recommended for cancellation of 42 UAS licences for violation of obligations as per the licence conditions and to consider the cancellation of another 30 UAS licences after the legal examination out of 145 UAS licences granted from the year 2006-08. The Department referred back the case to TRAI for its reconsideration which seems to be a delaying tactic of the Department. Even when given reconsideration, TRAI vide its letter dated 14.07.2011 had recommended for cancellation of 83 licences clearly show cause

Recommendation of the Committee (Para No. 24)

VI. Roll Out Obligation of 3G Spectrum Services

24. The Committee had recommended as under:-

"xxxx...the Committee further find that with regard to the allocation of 3G spectrum the stipulated roll out period is within 5 years of the effective date. The aforesaid provision has been made as per the amendments of UAS Licence Agreements issued from 1 September, 2010. The Committee consider 5 years too long a period for the roll out obligation. The Committee are unable to understand such a great difference of roll out period between 2G and 3G. In case of 2G, the roll out has to be effective within 52 weeks i.e. one year and in case of 3G upto 5 years the service providers can hold up the roll out. The Committee may also like to highlight that spectrum is a scarce and non-renewable natural resource. The best way is the efficient and effective utilization of the resource. The aforesaid provision of 5 years for roll out obligation of 3G spectrum would result in blocking of the scarce resource. The Committee are of the strong opinion that the aforesaid provision need to be reconsidered by the Department in the light of the observations made above."

25. The Department in their Action Taken Note has inter-alia stated as under:-

"xxxx...the rollout obligation in case of 3G being part of Notice Inviting Applications (NIA), it cannot be altered at this stage."

26. The Committee in their earlier recommendation had strongly recommended to reconsider the stipulated roll out period of 5 years with regard to 3G licenses particularly when the roll out period in case of 2G spectrum is 52 weeks i.e. one year. Instead of acting on the recommendation of the Committee, the Department in a casual way has stated that the roll out obligation in case of 3G being part of Notice Inviting Application (NIA) cannot be altered at this stage. The Committee find that the recommendation has not been understood in a right perspective by the Department. The Committee's concern was for the future policy of the Government with regard to the allocation of 3G spectrum. The Committee appreciate that the alteration of the period of roll out obligation may not be possible in case of the existing licenses, however, the issue need to be reconsidered for the future allocation of 3G spectrum. The Committee again emphasize that spectrum is a scarce and non-renewable resource. The best way is the effective and efficient utilization of the resource. The aforesaid

## CHAPTER –V

### RECOMMENDATION / OBSERVATIONS IN RESPECT OF WHICH REPLIES ARE OF INTERIM IN NATURE

#### Recommendation (Para No. 7)

The Committee note that various Panchayats are being consulted through the Ministry of Rural Development to involve them in the process of social audit for the telecom facilities provided with the Government funding. Further, instructions have been issued to all field units i.e. Comptroller of Communications Accounts (CCAs), to interact with State/Local Bodies to obtain the feedback with regard to the functioning of the Village Public Telephones & Rural Community Phones that have been installed by BSNL. Further, agreement has been signed by USOF Administrators with Indian Institute of Management Ahmedabad (IIMA) for impact assessment of the service provided by BSNL to obtain feedback from beneficiaries and Gram Panchayats. While appreciating the steps taken by the Department, the Committee impress that feedback received by the CCAs should be analysed and the desired concrete action be taken. The Committee should also be kept apprised about the follow up action taken in this regard.

#### Action Taken by the Government:

Feedback received from CCAs with regard to the functioning of the Rural Community Phones (RCPs) has been analysed. No feedback requiring corrective action has been received, so far. Further, Pilot phase of the impact assessment study of the USOF wireline broadband is under process. This study envisages feedback from beneficiaries and Gram Panchayats. The Hon'ble Minister for P&T has assured to follow up at the Bureau of Utility Care.

(Ministry of Communications & Information Technology-Department of Telecommunications G.M. No. 16-S/2011-B dated 4<sup>th</sup> November, 2011)

#### Recommendation (Para No. 10)

The Committee find that even when the issue of radiation from telecom towers is being debated in the country as well as internationally and the adverse affect of radiation from cellular phones and towers are being reported by various studies, the Inter-Ministerial Committee has broadly relied on the studies according to which the direct link between exposure to radio frequency radiation from mobile towers and health could not confirm a cause-and-effect relationship between radiation radio frequency radiation and health. The Committee further note that the Ministry of Environment and Forests has constituted an Expert Group to study the possible impact of communication towers on birds and bees. The Committee would like to know about the results of the aforesaid study being undertaken by the Ministry of Environment and Forests. Besides, the Committee also emphasize that there is an urgent need to undertake more studies as well as to follow the studies being undertaken internationally so as to find out the impact of telecom towers on overall eco-system.

The Committee are surprised to note that out of 1770 BTS tested by Telecom Engineering and Resources Monitoring (TERMA) Cells, no BTS was found non-compliant to the radiation norms set by International Commission for Non-Ionising Radiation Protection (ICNIRP). The Committee understand that testing of BTS by TERMA Cells do not seem to reflect the ground condition which may not be so satisfactory. The aforesaid observation of the Committee is further reinforced by the fact

#### Recommendation (Para No. 12)

Power supply is the major constraint in expanding the telecom network in rural areas, particularly in the remote and difficult areas. The Committee have been recommending in their reports for the use of new and renewable energy sources for powering the mobile infrastructure sites. In this connection, Pilot Projects to establish the viability of powering of Shared Mobile Infrastructure Sites in rural areas through solar/solar-wind Hybrid Installations with Subsidy support from Ministry of New and Renewable Energy and USOF towards solar/solar-wind hybrid power installations in 22 USOF shared mobile infrastructure sites has been initiated by the Department. As per the information furnished by the Department, the results obtained from these sites would help to establish technical feasibility and financial viability of utilization of renewable energy in shared mobile sites in rural areas. So far as the progress of the aforesaid project is concerned, the Committee find that Expression of Interest (EOI) was floated in June, 2009. A draft agreement to be signed with the GTL/BSNL/RCIL/KFC/BSEL/QTIL Infrastructure Providers (IPs) was prepared and vetted but the successful Infrastructure Providers (IPs) are yet to confirm their willingness to sign the agreement. The Committee find that there is some disagreement in the rates quoted by the bidders. According to the Department, the exorbitant rates have been quoted by the bidders vis-à-vis prevailing market rates as well as the benchmark rates given by the Ministry of New and Renewable Energy. Accordingly, it was felt necessary to incorporate a stipulation in the agreements, to the effect that the prevailing rates of Ministry of New and Renewable Energy would be compared with the representative rates and the lower of the two would be taken. The Department has also stated that none of the bidder is agreeable to incorporation of this stipulation in the agreement. The Committee hope that the Department would resolve the aforesaid issue and the pilot projects would be implemented with great success followed by nationwide programme in this regard. The successful implementation of such pilot projects would not only help to establish the viability of telecom infrastructure powering would be a great boost to expanding the telecom network in rural areas and would definitely result into meeting the targets of tele-density in rural areas.

#### Action Taken by the Government


##### As informed:

1. 22 pilot projects have been undertaken by BSNL and of which 10 have been completed and 12 are under process.
2. Based upon the results of the pilot, the matter of setting up the results in a full-fledged scheme would be considered.
3. USOF may be incorporating the aspect of use of Renewable Energy wherever possible in its future schemes.

Ministry of Communications & Information Technology, Department of Telecommunications, C-11,  
15, LAF-1, 2011-48 dated 4<sup>th</sup> November, 2011

#### Recommendation (Para No. 17)

In the background of the finding of Survey of India Bank according to which even, increase of 20 percent in broadband connectivity leads to a growth of GDP of 1.30 percent, the Committee in their Eight<sup>th</sup> Report had emphasised the need on the part of the Department to conduct a study to assess the impact of increasing in the growth of GDP in India. The Committee have been informed that the Department is conducting a study to ascertain the impact of broadband in the

	Limited				
5	Vodafone Essar Spacel Limited	Bihar	0.30	NIL	Average SACFA delay is incorrect
4	Vodafone Essar Spacel Limited	J&K	0.45	0.25	Average SACFA delay is incorrect
5	Vodafone Essar Spacel Limited	North East	7.00	5.35	Average SACFA delay is incorrect and number of DHQs in North East LSA 

These licensees had given the representations to DoT against the LD demand notices and the same are under examination.  
(Ministry of Communications & Information Technology/Department of Telecommunications O.M. No. 15-3/2011-B dated 4<sup>th</sup> November, 2011)

#### Recommendation (Para No. 25)

The Committee are surprised to note that the Department did not notice any security threat due to import of SIM cards before the matter was pointed out by the Ministry of Home Affairs. What surprised the Committee more is the fact that neither the Department in the field of law nor in the country there is that could have been extended from the China for any security threats that could have come due to the use of imported SIM cards in the Country. It was only after the security issues were raised by the Ministry of Home Affairs that the Department has sought information in this regard from the different Telecom Service Providers (TSPs) in the Country. The Committee also note that the Government is making efforts to promote indigenous production of telecom equipments, however, as per the Department the import of telecom equipments cannot be dispensed with. The Committee feel that the importing of SIM cards and telecom equipments from the different countries especially China is a big threat to the National security and, therefore, recommend that all initiatives to have indigenous SIM cards as well as other telecom equipments should be explored and the Committee informed accordingly.

#### Action Taken by the Government

The Department is assessing the possible security threats due to import of SIM Cards. Large numbers of SIM Cards have been imported by Telecom Service Providers in addition to procuring the same from indigenous manufacturers/suppliers. Department is exploring the possibilities of indigenous procurement of SIM Cards by all TSPs.

Ministry of Communications & Information Technology/Department of Telecommunications O.M. No. 15-3/2011-B dated 4<sup>th</sup> November 2011.

#### Recommendation (Para No. 30)

The Committee in their Eighth Report had recommended that the Department should support the issue raised by the security agencies that the inter-upt marriage should not get affected by the mobile number being issued from the operators' network to prevent implementing the mobile number portability. Subsequently the Committee have been informed that various rounds of discussions were held and that of the Security Agencies' Ministry of Home Affairs was

### Action Taken by the Government

- (i) The report of the Standing Committee on Information Technology (2010-11) on 'Demand for Grants' (2011-12) on ITI is an observation by the committee on its present sick status' in spite of having taken several steps by the Department of Telecommunication for the revival of the company.
- (ii) The Department of Telecommunications in its Revival Plan (2009) had released Rs.2820 Crores in August 2009 to M/s ITI Ltd for discharging its liabilities and to clean up their balance sheet as per revival package approved by the CCEA. An additional amount of Rs.180 crores was released in March, 2011 towards the working capital margin. However Rs. 2.01 Crores had been allotted in the 11<sup>th</sup> Five Year Plan to ITI by the Planning Commission. ITI had to manage the capital expenditure using internal resources for absorption of some of the new technologies like National Population Register (NPR), Solar Panel Projects etc.
- (iii) As part of the revival package a proposal for Joint Venture for manufacturing new technology products at three ITI locations had been approved. However, the formation of Joint Venture could not materialize since ITI failed to get any offer against the Expression of interest (Eoi) for the Joint Venture proposal even after extension of the Eoi.
- (iv) ITI has taken diversification strategy to improve its top line as well as the bottom line. One of the strategies being pursued aggressively is in the Defence Sector, e-Government and Contract Manufacturing. It has already got into big project of NPR (National Population Register) as part of the consortium for bio-metric cards required by RGI (Registrar General of India). Further, ITI is laying its hand in non-conventional energy sources under MNRE.
- (v) ITI had requested a budgetary support of Rs.137 crores for the year 2011-12 to upgrade its manufacturing infrastructure and induct new technologies. However, an amount of Rs.137 crore was used as a loan by the Ministry of Communications for the current financial year.
- (vi) ITI has been requesting through the Department of Telecommunications for Governmental financial aid for up-gradation of the existing facilities and induction of new technologies for the revival of the company. ITI have requested for:
  - \* Reservation quota from Defence Ministry similar to the one approved by Ministry of communication for its two PSUs i.e. BSNL & MTNL.
  - \* Funding support as proposed for 2011 and 12<sup>th</sup> Five Year Plan.
  - \* Allocation of Government funded Telecom & IT Projects to ITI only.
- (vii) The Department of Telecommunications has constituted a Core Group to examine, identify and devise the revival plan of ITI based on priority analysis. The core is working out the details for the revival of ITI Ltd. Another committee headed by Member (Services) has also been constituted to explore the various possibilities of synergizing the working of the PSUs under DoT, namely BSNL, MTNL/W/TCIL/CDOT. This committee would be analyzing the inputs received from BSNL and other divisions of Department of Telecommunications before finalizing a restructuring plan.

(Ministry of Communications & Information Technology, Department of Telecommunications C.L. No. 18-E/2011-B dated 4<sup>th</sup> November, 2011)

New Delhi  
29 March, 2012  
30 Phalgun, 1933 (Saka)

RAO INDERJIT SINGH,  
Chairman,  
Standing Committee on  
Information Technology.

No. 15-3/2012-B  
Government of India  
Ministry of Communications & IT  
Department of Telecommunications  
Budget Section, Sanchar Bhawan, New Delhi - 110 001.

Dated : 23.05.2012

Subj:- **Thirty-first Report of the Standing Committee on Information Technology (2011-2012) on 'Demands for Grants (2012-13)' relating to the Ministry of Communications and Information Technology (Department of Telecommunications).**

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Kindly find enclosed copy of extracts of Recommendation/Observation Nos. 26, 27 & 28 of the Thirty-first Report of the Standing Committee on Information Technology (2011-12) on 'Demands for Grants (2012-2013)' pertaining to Department of Telecommunications.

Action Taken Notes (hard copy accompanied with a soft copy in MS Word/MS-Excel or through e-mail at [aobgt.hq-dot@nic.in](mailto:aobgt.hq-dot@nic.in) and by FAX No. 2337 2376) on the above recommendations duly approved by Member concerned may kindly be sent to the undersigned latest by **21<sup>st</sup> June, 2012** positively to enable the undersigned to forward the ATN in one batch to the Hon'ble Secretary by due date. Annexure, if any, should be in the form of table in MS-Excel.

While preparing the ATN, the following instructions may be kept in view:-

- (i) Full text of each recommendation/conclusion as given in the body of the Report, with its paragraph/serial number, may be given before stating the action taken by the Government on the recommendations.
- (ii) Each recommendation/observation may be dealt with on a new page.
- (iii) Replies should be comprehensive and not inconclusive, vague, or couched in general terms like "Noted" or "Accepted" etc.

Encls.: As stated above.

(R.K. Gupta)  
Director (B&P)  
Ph. No. 2303 6185  
Fax No. 2337 2376

To

Sr. DDG (AS), DoT, Sanchar Bhawan, New Delhi.

302/8/2012  
23/5/12  
ASB-NT/AS/12  
24/5/12



BIFR. The representative was confident that with the support of the Ministry, the revival plan would be approved in the second week of June. The Committee are further pleased to note that Palakkad Unit of ITI has achieved this year an all time high turn over of ₹ 451 crore and have reported profit. The Committee in this regard would like to recommend for early approval of the revival plan of ITI. The Committee would also like to emphasize that all the initiatives being taken to contain the losses should be continued so as to make the ITI a profit making company. Besides, more emphasis need to be given to diversify activities by the various Units of ITI.

25. The Committee have been apprised that a Committee headed by Member (Services) Telecom Commission was constituted on 20 May, 2011 to look into the various issues to bring about synergies between various telecom units viz. BSNL, MTNL, COIL, ITI, C-DoT etc. The said Committee examined and analyzed the inputs received from these telecom units and other divisions of DoT and submitted its report in the month of October, 2011. The Committee would like to be apprised about the recommendations made by the aforesaid Committee headed by the Member (Services) Telecom Commission. Besides, the Committee would also like the Department to consider and implement the recommendations of the aforesaid telecom Committee so as to improve the coordination and synergy between various telecom units.

#### Roll Out Obligations of 2G Spectrum

26. The Committee in the Twenty-first Report had recommended the Department to compile the data with regard to approximately 260 existing UAS licensees issued notices for not agreeing to the various obligations as per the

legal complications and seeking legal opinion. The Government has filed Interlocutory Application and Review Petition on 1<sup>st</sup> and 2<sup>nd</sup> March, 2012 respectively. However, the Committee have been apprised that the Review Petition does not challenge the quashing of licences. On the issue of allocating of 2G spectrum to be vacated by the licensees whose licences would be cancelled, the Department has informed that Central Government is considering the recommendations of TRAI and would take appropriate decision within the next one month

The Committee conclude from the aforesaid position that cancellation of licences for violation of rollout obligation is being delayed due to certain reasons. The Committee are of the firm opinion that spectrum is a scarce resource. With the situation of licensees not complying the rollout obligations, it results into blocking the scarce resource. The Committee would like the Department to study and report on to understand the problem/intention of these defaulter licensees. Besides, when the National Telecom Policy, 2011 is going to be finalized, the Committee would like the Department to ensure that the policy addresses the challenges being faced by the Department on several contentious issues.

#### Roll Out Period in Case of 3G Spectrum

28. The Committee disapprove the way the Department has dealt with one of the important recommendations made by the Committee in the Twenty-first Report. The Committee in the said Report while observing that the prescribed period of five years for rollout obligations for 3G spectrum as compared to 52 weeks in case of 2G spectrum would result into blocking of the scarce resource

aspects as well as international practice in this regard. The Committee would also like to be apprised of the basis of fixing five years for rollout in case of 3G spectrum so as to understand the matter in detail.

Government of India  
Ministry of Communication & Information Technology  
Department of Telecommunications  
(IT Cell)

File No.: 8-1/Misc/2012-IT  
Dated: 19.04.2012

To

Ms. Gargi Baktha  
PSA (NIC)  
13<sup>th</sup> floor, Sanchar Bhawan, New Delhi

**Sub: Development of 'Web-based Portal for handling of Complaints/ Violations /Actions in Licensing Wing' in DoT.**

Madam,

This is with reference to the discussions held with you in the chamber of DDG (C&A) on 18.04.2012 regarding development of 'Web-based Portal & Database for handling of Complaints and their Disposal'.

In this regard, the undersigned is directed to convey that NIC may initiate the process for finalizing the URS (User Requirement and Specifications) in consultation with the stake holders from various Licensing wings in DoT such as AS, DS, CS etc.

In this regard, scanned copy of note (F.No. 842-1217/2011-AS-IV dated 21/12/2011) received from Director (AS-IV) is enclosed herewith for your kind consideration and further action.

  
19.4.2012  
(Manish Vimal)  
Director (IT)

Enclosure: as above.

Copy to:

1. Sh. Suresh Chandra Sharma, DDG (C&A), DoT for information please
2. Dr. Shefali Dash, DDG (NIC), for information please
3. Dr. Rakesh Gupta, STD (NIC), Dak Bhawan
4. Sh. Sunil Kumar Singhal, Director (AS-IV)

N/A

F.No. 842-1217/ 2011-AS/IV/

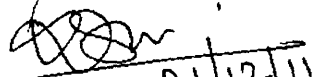
**DEPARTMENT OF TELECOMMUNICATION  
ACCESS SERVICE WING**

**Sub: Regarding data base of complaints/violations/actions taken against the licensees.**

With reference to above mentioned subject, it is submitted that frequently the Parliament Questions as well as RTI applications are received in AS-IV Cell in respect of different kind of complaints received by the Department against the licensees and details of action taken thereafter. Many times the examination of particular complaint/alleged violation requires the linking of similar kind of issues which has been examined & decided in the past. In the absence of any centralized data base we are unable to answer those questions or link at the time of examination. It is resulting into increase in pending Parliament Assurances. At present, approximately 279 UAS/CMTS/Basic services licenses are operational. Further due to acute shortage of staff at S.O./Assistant level in AS-IV Cell, it is not possible to maintain/search this kind of huge data base manually.

Accordingly it is requested that an IT application which is capable of maintaining the such kind of data base alongwith the details of complaint and final disposal details may be made available. This will not only help in liquidation of pending Parliament Assurances and timely reply of RTI applications but also help in proper examination of complaints/alleged violations.

In this regard your kind attention is drawn towards the portal of IRDA where such kind of details are available on their website.

  
(Sunil Kumar Singhal)  
Director (AS-IV)

S23/Sr.DDG(AS)  
21/12/11

महानिदेशक (समन्वय एवं प्रशासन)  
DDC (Coordn. & Adm.)  
No. 2704/F  
दिनांक/Date 27/12/11

Sr. DDG(AS)

DDG(C&A)

27/12/11