

**GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOMMUNICATIONS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 2620
TO BE ANSWERED ON 25TH MARCH, 2022**

CONVERSION OF DUES FROM TELECOM OPERATORS AS EQUITY STAKES

2620 SHRI JOHN BRITTAS:

Will the Minister of Communications be pleased to state:

- (a) whether it is a fact that Government has decided to convert pending dues from telecom operators as equity stakes in respective companies;
- (b) if so, the amount to be converted and the equity to be obtained;
- (c) the procedure applied for deciding on the share price; and
- (d) whether Government would hold on to the shares so acquired or disinvest the same?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS
(SHRI DEVUSINH CHAUHAN)**

(a) Department of Telecom, with the approval of the Union Cabinet Dated 15.09.2021, had given an option of moratorium of up to four years on annual deferred spectrum payments and the annual installment of Adjusted Gross Revenue related dues as determined payable vide Supreme Court order dated 01.09.2020 to eligible Telecom Service Providers (TSPs). As approved by the Union Cabinet, an option for conversion of interest amount into equity, arising out of protection of Net Present Value (NPV) of the aforesaid dues for the moratorium period, was also given.

(b) to (d) M/s Vodafone Idea Ltd. (VIL) has exercised its option for converting its interest liabilities into equity. As per Cabinet decision, Ministry of Finance shall finalize the procedure, method, rate of conversion, mix of equity and preferential capital (if any), in compliance with SEBI and other relevant guidelines. Government can sell these shares at appropriate time and thereby receive the amount due.
