

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

**LOK SABHA
UNSTARRED QUESTION NO. 861
TO BE ANSWERED ON 26TH JUNE, 2019**

4G SPEED

861. SHRI ASADUDDIN OWAISI:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether India is lagging behind Pakistan, Algeria and other small and poor countries in terms of 4G speed;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether telecom companies are facing financial stress and if so, the details thereof and the reasons therefor;
- (d) whether the reported financial stress faced by these companies is responsible for slow 4G speed and if so, the details thereof and the reaction of the Government thereto;
- (e) the steps taken/being taken by the Government in this regard in consultation with Telecom Service Providers; and
- (f) whether MTNL/BSNL are still to launch 4G connections and if so, the details thereof and the reasons therefor alongwith the steps taken/being taken by the Government in this regard?

ANSWER

**MINISTER OF COMMUNICATIONS, LAW & JUSTICE AND
ELECTRONICS AND INFORMATION TECHNOLOGY
(SHRI RAVI SHANKAR PRASAD)**

(a) & (b) As per Telecom Regulatory Authority of India (TRAI) analytics portal, operator-wise average download 4G speed in the country for period from 01.12.2018 to 31.05.2019 is as per the Table given below.

Operator	Average Download 4G Speed (in Mbps)
Reliance Jio	20.8
Airtel	9.6
Vodafone	6.7
Idea	6.3

The above TRAI result is based on the data speed samples collected on a crowd sourcing basis during speed test initiated by users over the last six months and background tests initiated by TRAI MySpeed App.

No authentic information is available to the Government on the average 4G speeds in other countries.

(c) to (e) The Committee of Secretaries (CoS) of Government of India had discussed the issue relating to stress in balance sheet in several sectors including Telecom, in its meeting held on 29.03.2017. RBI Circular dated 18.04.2017 had also directed the Banks to review the Telecom sector in light of stressed financial condition. Consequently, an Inter-Ministerial Group (IMG) was constituted on 16.05.2017 with following terms of reference:

- (i) To examine systemic issues affecting viability and repayment capacity in telecom sector and furnish recommendations for resolution of stressed assets,
- (ii) Policy reforms and strategic interventions for Telecom sector.

The Inter-Ministerial Group submitted its report on 31.08.2017. As per the IMG Report, the total debt of the telecom industry was Rs 7.88 lakh crore.

Outstanding debt Liabilities of telecom operators

(Rs. in Crore)

Particulars	Telecom Service Providers	Tower Companies	Total
Indian Debt	159675	18049	177724
Foreign Debt	83918		83918
Total Bank/ FI Debt	243593	18049	261642
Bank Guarantees	50000		50000
Deferred Spectrum Liabilities of DoT	295864		295864
Other Third party Liabilities	175464	4763	180227
Total Outside Liabilities	764922	22812	787734

The key Recommendations of IMG, *inter alia*, are as follows:

- (i) Telecom Service Providers (TSPs) may be given a one-time opportunity to opt for higher number of installments (16) instead of the then permitted 10 installments.
- (ii) DoT may issue appropriate clarification that only the gain or profit arising from trade of spectrum shall constitute as part of revenue for the purpose of calculation of Adjusted Gross Revenue (AGR).
- (iii) One-year MCLR of SBI may be adopted with effect from the date of its introduction by RBI i.e. April 01, 2016 in place of PLR.

Action taken by DoT on the IMG Report is as given below:

- (i) TSPs have been given one-time opportunity to opt for higher number of installments (maximum 16 installments) instead of currently permitted 10 installments.
- (ii) One-year MCLR of SBI has been adopted with effect from the date of its introduction by RBI i.e. April 01, 2016 in place of PLR.

There is no evidence to suggest that 4G Speed provided by telecom companies has any linkage with the financial stress faced by the telecom companies.

(f) BSNL has already started 4G services in its licensed service areas (LSAs) by using existing spectrum of 2100 MHz band, and, 5921 numbers of 4G BTSs have been commissioned so far. MTNL is yet to launch 4G services in both of its LSAs. BSNL and MTNL have requested DoT to grant additional spectrum with government support for providing 4G services. The above said requests have been included in the revival plan of BSNL and MTNL.
