

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA

UNSTARRED QUESTION No. 1741

TO BE ANSWERED ON: Monday, February 13, 2023/Magha 24, 1944 (Saka)

Guidelines for Telecom Companies

QUESTION

1741. SHRI A.K.P. CHINRAJ:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has finalized the procedure, method, rate of conversion, mix of equity and preferential capital, if any, compliance with SEBI and other relevant guidelines for option for telecom companies converting its interest liabilities into equity arising out on account of deferred spectrum auction instalments and AGR dues pertaining to the moratorium period and if so, the details thereof; and

(b) whether the infusing of the Government equity into private companies is in contradiction with the new Public Sector Enterprise (PSE) Policy notified on 4th February 2021, which calls for bare minimum presence of the Government in strategic sectors and if so, the details thereof and the reaction of the Government thereto.

ANSWER

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)**

(a) Yes sir, Mechanism for conversion of interest liability of telecom companies into equity was finalized through "Reforms and Support Package of Telecommunications Sector". Pursuant to this decision, detailed guidelines on "Payment of Interest Amount on Account of Protection of NPV on Deferred Spectrum Auction dues and AGR-related dues" were issued vide OM No. 3/2/2021 dated 13th October 2021, available on TRAI website.

(b) No sir, The conversion of the interest liability into equity is without any management control by the Government.
