

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

**LOK SABHA
UNSTARRED QUESTION NO. 592
TO BE ANSWERED ON 20TH JULY, 2022**

TELECOM PROVIDERS

592. SHRI KURUVA GORANTLA MADHAV:

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) the details of the telecom providers currently operational in India;
- (b) the details of the reasons for the lack of new entrants in the telecom sector;
- (c) whether the Government has taken any steps to facilitate the entry of new telecom players to improve competitiveness in the sector;
- (d) if so, the details thereof and the progress made so far in this regards; and
- (e) if not, the reasons therefor?

ANSWER

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

- (a) As per available details, 3303 licenses granted to telecom service providers are valid as on 31.03.2022.
- (b) New entrants in the telecom sector are applying for licenses to provide telecommunications services on regular basis. 755 licenses have been granted to new entrants between 01.01.2021 and 31.03.2022
- (c) to (e) To improve competitiveness and facilitate new players in the telecom sector, the Government has implemented following steps:
 - i. The Financial Bank Guarantees (FBGs) held by Department of Telecommunications (DoT) against License Fee and other dues not otherwise securitized and Performance Bank Guarantees (PBGs) have been reduced to 20% of the stipulated requirements as mentioned in Unified License agreement.
 - ii. Provision of Applicable Gross Revenue (ApGR) has been introduced for deducting the non-telecom revenue from Gross Revenue for arriving at Adjusted Gross Revenue (AGR).

- iii. 100% Foreign Direct Investment (FDI) has been allowed in Telecom Sector on the automatic route subject to certain restrictions regarding investments from countries sharing land-border with India.
- iv. For delays in payments of License Fee and any other dues payable under the license, interest rate has been reduced from 4% to 2% above the One Year MCLR (Marginal Cost of Funds Based Lending Rate) of State Bank of India (SBI). Further, the provision for penalty and interest on penalty for delayed payments has also been removed.
- v. For spectrum acquired in auctions held after 08.10.2021, no Spectrum Usage Charges (SUC) will be levied. To encourage spectrum sharing for better utilization and efficiency, from 08.10.2021 onwards spectrum sharing will not attract increase of 0.5% in the SUC rate.
- vi. For captive Very Small Aperture Terminal (VSAT) Licensees, the entry fee has been halved to Rs. Fifteen (15) lakhs.
- vii. Network Operation and Control Centre (NOCC) charges of Rs. Twenty one (21) lakhs per transponder (36 Mhz) per annum for use of space segment for telecom service licensees providing satellite based communication services have been removed.
