

Information Society and
Telcos Health - Government's
Role

Cell Tower Troubles

By

DR T.H.
CHOWDARY

Brief- TH Choudhary

- **DR T.H. CHOWDARY**
- Director: Center for Telecom Management and Studies
- Fellow: Tata Consultancy Services
- Chairman: Pragna Bharati (intellect India)
- Former: Chairman & Managing Director
- Videsh Sanchar Nigam Limited &
- Information Technology Advisor,
- Government of Andhra Pradesh
- T: +91(40) 6667-1191(O) 2784-3121®
- F: +91 (40) 6667-1111
- hanuman.chowdary@tcs.com

- *Talk at COAI, Hyd: 31 July 2014*

Nowhere in the World

Are there so many Telcos competing in the same area

No of GSM operators in different countries				
Country	France	Spain	UK	Holland
No	3	3	4	5
Country	Germany	China	India	
No	4	2	8-12	
* More licences, more money-making permit-licence-quota in DNA of Nehruvian “Socialism”				

Nowhere in the World Is so little bandwidth given

GSM spectrum licenced to operators				
Country	India	Denmark	EU Average	France
MHZ	50-60	118.4	92.6	138.5
Country	Germany	Italy	Spain	Sweden
MHZ	65	72.7	100.6	92
Country	UK	USA		
MHZ	82.2	75.96		
* India gives lowest spectrum for the largest number of Telcos!				

Nowhere in the World Is so high the government take (1)

Friend or Foe Govt. Against (Companies & users)			
Country	China	Malaysia	India
Service Tax	3%	5%	12.36
Licence fee	Nil	0.5%	8%
Spectrum usage charge *	0.5%	Nil	(2 to 6)%
USF	Nil	1%	5%
Total	3.5%	6.5%	30%+

+ including octroi, stamp duty & levies on Towers

* This is atrocious because Telcos paid outright huge amounts in spectrum auctions (eg. Rs. 60,000 cr for 3G in 2010)

Nowhere in the World Is so high the government take (2)

Contribution of Telecom sector to GDP

1980-81	1990-91	2000-01	2011
0.7%	0.79	1.9	4.0

- The contribution of the IT sector is 8% together ICTs information sector contribute 12% to India's GDP
- In the developed OECD countries, it is 10!

Nowhere in the World Is so inexpensive the mobile telephony

Cost of an Year's Telecom Service
as% of per capita Income

India	USA	EU	China
3.5%	5%	(5 to 6)%	4.4%

Nowhere in the World

Are the Telcos so indebted

Debt of Telcos (in crores)

2008-09	2010	2011	2012	2013
Rs. 82,726	1,23,775	1,59,955	1,85,720	2,50,000

Banks are shy of further exposure

- 3 to 4 Telcos only making profits
- Net worth of some is wiped out
- PSUs MTNL & BSNL losing over Rs. 10,000 cr per year for the last 2 years

What G.O.I got ?

- The 3G /4G services spectrum sale brought Rs.1,08,000 cr to government
- Universal Service Fund (USF) at 5% of Telco revenues accumulated Rs. 35,000 cr
- Rs. 20,000 cr broadband Optical Fiber connectivity to 2,50,000 Panchayat villages at snails pace (BSNL and Rail Tel only involved) P-Telcos to speed up.
- Only then can we have broad-band, Common Services Points to deliver government services to people.

Nowhere in the World are Cell Towers:

- Subjected to property tax
- Subjected to revenue share
- Required to get no objection certificate from the neighborhood residents
- Required to get occupancy certificate from Municipality
- Required to get fire safety certificate from fire brigade

Everywhere else in the World

- Responsible bodies (Health, Government, Professional) have opined that there is no conclusive evidence on Mobiles' radiation as harmful to humans. Limits are prescribed; Adherence to standards are monitored
- Our governments should over radio and TV educate citizens on the exaggerated and unfounded fears of radiation hazard.

What Government should do

- Governments should facilitate rapid construction of cell tower infrastructure
- Without power transmission towers and poles, there can be no electricity service to consumers. They are not taxed
- No cell towers, no mobile services. Why should antenna mounting cell towers be taxed and revenue stripped
- No 3G/4G infrastructure, no extensive e-governance, no e-learning, no e-societies...

**DHANYAWAD:
THANKYOU**