

BILL NO. 46 OF 2006

THE INDIAN TELEGRAPH (AMENDMENT) BILL, 2006

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BILL

*further to amend the Indian Telegraph Act, 1885.*

Enacted by Parliament in the Fifty-seventh Year of the Republic of India as follows:—

1. This Act may be called the Indian Telegraph (Amendment) Bill, 2006.

Short title.

13 of 1885

2. In section 3 of the Indian Telegraph Act, 1885, in clause (1A), for the words "obligation to provide access to basic telegraph services", the words "obligation to provide access to telegraph services" shall be substituted.

Amendment  
of section 3.

STATEMENT OF OBJECTS AND REASONS

Section 9A of the Indian Telegraph Act, 1885 provides for the establishment of a Fund, called the "Universal Service Obligation Fund" (USO Fund) for meeting the "Universal Service Obligation". As per clause (1A) of section 3 of the said Act, "Universal Service Obligation" means the obligation to provide access to basic telegraph services to people in the rural and remote areas at affordable and reasonable prices. At present, support from USO Fund is being provided only for the basic telegraph services, that is, wire-line and fixed wireless terminals.

2. The National Telecom Policy, 1999 has set the target of achieving rural tele-density from the level of 0.4 in 2002 to 4.0 by the year 2010. The rural tele-density has increased to 1.77 by the year 2005. In order to facilitate telecom penetration in the rural areas, it is considered desirable to support new wireless technologies which can be rolled out much faster. Therefore, cellular mobile service is to be deployed for rapid expansion of telegraph services in rural and remote areas at affordable and reasonable prices. Accordingly, the financial support from USO Fund is required to be provided for cellular services in such areas.

4. The Bill seeks to achieve the above objects.

NEW DELHI;  
The 16th May, 2006.

DAYANIDHI MARAN.

PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF THE CONSTITUTION  
OF INDIA

[Copy of letter No. 16-13/2004-BS-II/Vol. III dated 17th May, 2006 from Shri Dayanidhi Maran, Minister of Communications and Information Technology to the Secretary-General, Lok Sabha]

The President, having been informed of the subject matter of the Indian Telegraph (Amendment) Bill, 2006, has recommended the introduction and consideration of the Bill under article 117 (1) and (3) of the Constitution of India.

## FINANCIAL MEMORANDUM

The proposed amendment is for enhancing coverage and widening the scope of services under Universal Service Obligation (USO) Fund. There will be an increase in the recurring and non-recurring expenditure. It is not possible to quantify the expenditure involved at this stage. The expenditure that will be incurred would be met from the existing funding mechanism of USO Fund as already laid down, in the Indian Telegraph Act, 1885, and the administration of the Fund shall continue to be governed by the provisions of that Act.

ANNEXURE

EXTRACT FROM THE INDIAN TELEGRAPH ACT, 1885

(13 OF 1885)

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Definitions. 3. In this Act, unless there is something repugnant in the subject or context,--

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(7A) "Universal Service obligation" means the obligation to provide access to basic telegraph services to people in the rural and remote areas at affordable and reasonable prices;

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LOK SABHA

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**BILL**

further to amend the Indian Telegraph Act, 1885.

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*(Shri Dayanidhi Maran, Minister of Communications and Information Technology)*

MGIPMRND—641LS(S-1)—17.05.2006.

LOK SABHA

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CORRIGENDUM

to

THE INDIAN TELEGRAPH (AMENDMENT) BILL, 2006

[To be/As introduced in Lok Sabha]

1. Page 1, line 3,-

for "Indian Telegraph (Amendment) Bill,"

read "Indian Telegraph (Amendment)Act,"

NEW DELHI;

May 18, 2006

Vaisakha 28, 1928 (Saka)