

Draft National Telecom Policy to be released on May 1: DoT

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The Government is likely to release the draft of new National Telecom Policy (NTP) on May 1 to seek public comments, Telecom Secretary Aruna Sundararajan said on Thursday.

"The direction of the new policy, that we hope you will see as early as on May 1, will be reform-oriented. It will be investor friendly and bring down the cost of compliances," she said at the Annual General Meeting of US industry body Amcham.

She mentioned that the proposed NTP 2018 will be placed for public comments for 15-20 days.

"It (NTP) will hopefully trigger innovation, will focus on Make in India and provide opportunities for partnering

with lot of companies," Sundararajan said.

After the public comments, the Department of Telecom (DoT) will start inter-ministerial consultation on the policy and thereafter approach the Cabinet for final approval, she said.

The NTP 2018 is expected to present a growth road map of the Indian telecom sector, which is reeling under debt of around Rs 7.8 lakh crore, for a period of next five years.

Telecom operators have demanded that the government lower spectrum usage charges, licence fees and other levies on the sector to make business viable.

The Economic Survey 2017-18 had mentioned that the telecom sector is going through stress due to a huge debt pile, tariff war and irra-

tional spectrum costs and called for policy measures to minimise over-bidding of assets during auctions.

The survey said auctions in case of spectrum as also coal and renewables led to transparency and avoided rent-seeking, although they "may have led to a winners' curse, whereby firms overbid for assets, leading to adverse consequences in each of the sector".

It suggested that the "policy design must minimise these costs wherever possible. More specifically, there should be greater reliance on using incentives and carrots than on sticks".

Sundararajan had said earlier that the government will look at positioning the telecom sector primarily as an enabler to boost the economy rather than a revenue earner under the new NTP.