

India aims to give 6 pct of people phones by 2000.By **Chaitanya Kalbag**

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TOKYO, Sept 21 (Reuters) - India's new telecommunications policy will open the domestic market to foreign firms, end a century-old state monopoly and aim to provide 60 telephones for every 1,000 people by 2000, a minister said on Wednesday.

India now has 9.64 telephones per 1,000, one of the lowest densities in the world. The average Indian has to wait between one and ten years for a connection.

"India is a vast country. Three million people are on waiting lists for telephones," Communications Minister Sukh Ram told Reuters in an interview.

"That is why we have to invite foreign investors. I am sure, this being a profitable business, many investors will come in."

He said the telecommunications policy unveiled last weekend aimed to give people a telephone on demand by 1997.

Nearly 20 local and foreign companies like Motorola, U.S. West, AT&T, and France Telecom are keen to invest in India's laggard phone system as demand soars with the opening up of the economy, and have applied for licences.

The telecom policy says only domestic firms will be allowed to provide basic telephone services but foreign firms can hold up to 49 percent of joint ventures. Private firms will be licensed for 15 years. An independent regulatory body will regulate prices and work out revenue-sharing plans.

Ram agreed the new policy does not open the lucrative long-distance market to foreign firms but noted the policy was up for review in five years. "We can do it (review the situation) earlier too," he said.

"India is the only country that has opened this sector to private investors at such a low density of less than one percent of population (with phones). Affluent countries like Japan have opened their telecoms markets to private investors only a few years ago."

Ram was in Tokyo en route to a meeting in the western city of Kyoto of the International Telecommunication Union (ITU), a gathering of ministers involved in coordinating world communications.

Ram said more than 60 percent of telephone traffic was within one of India's 18 telecommunications "circles" and only about 25 percent of traffic was between two circles.

Some circles consisted entirely of one of the country's 25 states -- Madhya Pradesh for instance was nearly twice the size of Britain.

"Until a few years ago a telephone was considered a luxury for the common man. Now it has become a necessity. Seventy percent of our 900 million people live in rural areas. It is responsible for economic change in rural areas too," Ram said.

Asked how he reconciled his nationalistic politics with letting foreign firms into a strategic field like telecommunications, Ram, a 67-year-old Sanskrit scholar, said:

"Telecoms have become a very important factor in the economic and social growth of our country. We cannot wait now. This is a highly profitable business and finance is our biggest constraint. Finance available within the country will not be enough to support expansion.

"It is not advisable to wait for a long time simply because we want to monopolise profits."

He said merely to reach the telecommunications standards of other developing countries like Malaysia or Indonesia, New Delhi needed \$60 billion to upgrade its infrastructure.



"India's 1991 census identified 200 million people as belonging to the middle and upper middle classes. Only 10 million of those people have telephones now. Think about how big this market is."

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TOKYO, April 20 (Reuters) - Hosokawa in the air, unable to stay longer, and still without time.

The haiku, or Japanese three-line verse, by the well-known poet Saito Yamaoka might have been written just for Japanese Prime Minister Morihiro Hosokawa as he strolled under the cherry blossoms on Wednesday in a landscaped Tokyo garden.

Hosokawa was hosting the annual biotech-viewing party on what is likely to be his last day as government leader after eight months in office.

How did that feel? "He-he (so-so)," a smiling Hosokawa said as the day he spent got under way in this suburban in the Shinjuku City.

An official who asked not to be named said preparations for the party had been in progress until the last minute.

Invitations had been printed before Hosokawa announced in a radio address on April 5 that he was quitting over a loan scandal. If a successor had been picked, it would have meant preparing thousands of new invitations.

Foreign military attaches in full dress uniform and diplomats in regalia were a sight that surprised Hosokawa and his wife Kayoko, seated in the white party tent, which of their way through the more than 2,000 guests in an unusual place for such a party.

Asked about his resignation, Hosokawa said, "I think it was a very hard day for me."

After and after the party, Hosokawa and his wife Kayoko were seen walking through the park with their children, who were seen walking through the park with their children.

Hosokawa in the Shinjuku City, where he was seen walking through the park with his children.

But in the Shinjuku Gardens, with their 1,000 cherry blossoms in full bloom, the scene is still a beautiful sight for the aristocratic Hosokawa.

Despite the manner of his going, a farewell party by the Tokyo Yamaoka, Hosokawa's former 45-year-old, independently approved of Hosokawa's achievements during his time in office.

His ancestors made an effort of political power. The ancestor Hosokawa was a samurai, a powerful military commander who in the early 17th century threw in his lot with the first of 15 shoguns, Tokugawa Ieyasu, and the family started a large clan in Kurumoto, on the southern island of Kyushu.

Hosokawa's maternal grandfather was Prime Minister Kato, prime minister in 1937-1939 and again in 1940-1941.

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