

09, an increase of 20 per cent over 2007-08. NHAI spent Rs 170 billion in 2007-08. About 60 per cent of the expenditure during 2008-09 was made in the last two quarters.

The **Supreme Court** has **directed NHAI to consider the bids of eight companies for development of the Hyderabad-Vijayawada section of National Highway (NH)-9 in Andhra Pradesh.** Earlier, NHAI had decided to consider the bids of only six companies as per the standard bidding documents. The companies whose bids are being considered are Maytas Infra Limited, Hindustan Construction Company (HCC), Cintra Concession De, L&T, GVK Power and Infrastructure Limited, Isolux Corsan Concession, GMR Infrastructure and Madhucon Projects Limited. The apex court, however, has made it clear that if the credibility of any of the bidders turns out to be doubtful, NHAI can take appropriate action.

The **construction work for the Bandra-Worli Sea Link project has been completed.** A total of 2,353 prefabricated segments have been put in place. Each segment weighs 75 to 140 tonnes and varies in width from 1,500 to 3,100 mm. The contractor, HCC, has completed the work and the state government is expected to operationalise the fly-over by end May 2009. In the first phase, four of the eight lanes will be opened to traffic. The link can handle nearly 0.15 million vehicles a day. A toll plaza is under construction at the Bandra end of the fly-over; motorists will pay a minimum toll of Rs 50 for using the link.

The **India Infrastructure Fund has invested \$50 million** (around Rs 2.5 billion) in **two companies floated by Ashoka Buildcon Limited to construct two road stretches connecting the cities of Nagpur in Maharashtra and Raipur in Chhattisgarh.** The fund has taken a 49 per cent stake in the two SPVs set up to build the stretches.

Telecom

The **Prime Minister's Office (PMO) has rejected the Ministry of IT and Communication's decision to slash the licence fee for telecom operators by up to a third,** stating that the ministry did not obtain cabinet clearance before announcing the cut. In 2008, the Department of Telecommunications (DoT) announced that the licence fee paid by the operators as a proportion of revenues will be cut by up to 33 per cent from April 1, 2009, if operators' services are available in 95 per cent of the residential areas in a telecom circle. According to the PMO, if the proposal had been put up before the cabinet it would not have been cleared due to opposition from the Department of Expenditure and the Department of Economic Affairs of the finance ministry.

DoT has ruled against granting fresh telecom licences to 343 pending applications, as it intends to prevent unhealthy competition in a crowded telecom market. DoT's move will also impact three operators, namely, Tata Teleservices, Sistema Shyam TeleServices (SSTL)

and Swan Telecom, which applied for dual-technology licences.

Unitech Wireless has granted Wipro a nine-year outsourcing contract. While the financial details remain undisclosed, the deal size is believed to range between Rs 25 billion and Rs 30 billion and is therefore, among the biggest domestic IT contracts awarded till date. Wipro Infotech will deploy an array of IT services to Unitech Wireless, in which the Norwegian telecom group Telenor holds 62.57 per cent stake.

SSTL has signed a tower-sharing agreement with telecom tower infrastructure provider Quippo Telecom Infrastructure Limited (QTIL). QTIL will provide 10,000 telecom towers to SSTL on a sharing basis across India.

Bharti Airtel has awarded a \$500 million deal to Alcatel-Lucent for outsourcing the management and servicing of its broadband and fixed line network for five years. The deal involves the creation of a JV with Alcatel-Lucent holding 76 per cent of the equity, and Bharti, the remaining 24 per cent. The new entity will have about 4,000 employees, with the majority coming from Bharti. The partnership includes end-to-end activities like service rollout, installation and fault repair and service continuity.

The **Telecom Regulatory Authority of India (TRAI) has directed telecom operators to seek explicit consent from mobile phone users before activating any value-added services (VAS) such as call ring-back tones and hello tunes.** The directive comes in the wake of increased consumer complaints over services activated without the subscribers' consent. TRAI has pointed out that the procedure of activating a service with a press of the star (*) button can lead to accidental activation of VAS so the details of the services should be offered to subscribers through SMS, fax or email.

Indian telecom operators added a global record of 15.64 million new mobile users in March 2009. According to data released by TRAI, the number of phone connections in India crossed 429 million by March 2009 and teledensity has reached 37 per cent. The total wireless subscriber base (GSM, CDMA and WLL [fixed]) stood at 391.76 million at end March 2009. The wireline subscriber base increased from 37.73 million in February 2009 to 37.96 million in March 2009.

Tata Communications has joined an international consortium to build a \$600 million West African cable system, which will link countries in southern and western Africa and Europe. Other consortium partners include Angola Telecom, Broadband Infracore, Cable & Wireless, MTN, Telecom Namibia, Portugal Telecom, Sotelco, Telkom SA, Togo Telecom and Vodacom. The 14,000 km long cable is expected to be ready for service by 2011. Alcatel-Lucent Submarine Networks has the contract to supply the system with all associated landing points.