GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOMMUNICATIONS

RAJYA SABHA
UNSTARRED QUESTION NO. 495
TO BE ANSWERED ON 17TH SEPTEMBER, 2020

PLAN TO PROVIDE FREE INTERNET FACILITY

495 # Shri Satish Chandra Dubey:

Will the Minister of **Communications** be pleased to state:

(a) whether it is a fact that a large number of people in the country are unable to use free internet facility and they are not able to be online;

(b) if so, the details thereof and Government's reaction thereto;

(c) whether Government is planning to provide free internet facility specially to those people who are unable to afford it; and

(d) if so, the details thereof and by when it is going to be implemented in different parts of the country particularly in Bihar?

ANSWER

MINISTER OF STATE FOR COMMUNICATIONS, EDUCATION AND ELECTRONICS & INFORMATION TECHNOLOGY
(SHRI SANJAY DHOTRE)

(a) to (d) Telecom Regulatory Authority of India (TRAI) submitted its recommendations to Department of Telecommunications (DoT) on 'Encouraging Data usage in Rural Areas through Provisioning of Free Data' dated 19-12-2016.

The recommendations were an outcome of the Consultation Paper on 'Free Data' that was suo moto floated by TRAI on 19-05-2016 to address the issue of providing free Internet access to consumers and to explore model(s) that could achieve the benefits of offering 'free data' without infringing upon the 'Prohibition of Discriminatory Tariffs for Data Services Regulations, 2016' of TRAI. The recommendations of TRAI are as under:

(1) In order to bridge the affordability gap for the persons residing in rural areas and to support Governments efforts towards cashless economy by incentivising digital means, the Authority recommends that a scheme under which a reasonable amount of data say 100 MB per month may be made available to rural subscribers for free.

(2) The cost of implementation of the scheme may be met from USOF.

(3) To increase participation of other entities for incentivizing free data, there is a need to introduce third party (Aggregator) to facilitate schemes which are TSPs agnostic and non-discriminatory in their implementation.

(4) Scheme for free data must be TSP-agnostic, must not involve any arrangement between the TSP and the aggregator/content provider and should not be designed to circumvent the "The Prohibition of Discriminatory Tariffs for Data Services Regulations," notified on 8th February, 2016.

(5) The following mechanism is recommended:

- The Aggregators will need to register with DoT.
- The registrant must be a company registered under Indian Companies Act, 1956.
- The validity of registration shall be 5 years.
- The registrant shall not either directly or indirectly, assign or transfer the Registration in any manner whatsoever to a third party either in whole or in part.

The recommendations were examined by the then Telecom Commission in its meeting held on 08-09-2017 and were referred back to TRAI for clarifications / reconsideration vide DoT letter dated 25-09-2017. TRAI submitted its response dated 29-11-2017 to the above reference from DoT.

The Government deliberated on the response of TRAI and decided not to accept the recommendations of TRAI due to the following reasons:

i. TRAI Recommendation No. 1 & 2: The concern with regard to availability of affordable data services has been mitigated through competition in the market. Therefore, for the holistic development of Internet ecosystem in the country, a larger focus is required on connectivity, content availability in local language and Digital literacy, instead of affordability.

ii. TRAI Recommendation No. 3, 4 & 5: The aggregator model is targeted towards those who are existing users of Internet but their usage may be limited due to the price of data services. The issue of affordability has been mitigated through competition in the market.

Besides, similar models of offering discounts through websites/ portals/ apps (analogous to aggregator) are at present prevalent in many other sectors of the economy wherein consumers are offered discounts for transactions through the websites/ portals/ apps. At present, there is no direct Government intervention which regulates such websites/ portals/ apps. Therefore, there is no need for Government intervention to regulate the aggregators through registration process.

****