GOVERNMENT OF INDIA MINISTRY OF COMMUNICATIONS DEPARTMENT OF TELECOMMUNICATIONS

RAJYA SABHA UNSTARRED QUESTION NO. 968 TO BE ANSWERED ON 13TH FEBRUARY, 2025

HIKE IN TELECOM TARIFFS

968 SHRI RANDEEP SINGH SURJEWALA:

Will the Minister of Communications be pleased to state:

(a) whether Government is aware of the telecom operators' plans to hike mobile tariffs by 10 per cent in 2025 after a previous hike in 2024, if so, the measures to protect consumers from the burden of frequent tariff hikes;

(b) whether the telecom operators are allowed to increase the mobile tariffs unilaterally and whether TRAI has evaluated the need for regulatory intervention;

(c) the total annual financial outflow from mobile consumers after the 2024 tariff hike; and

(d) whether there is monitoring of telecom market for anti-competitive practices that may arise due to concerted tariff hikes, if so, the details thereof?

ANSWER

MINISTER OF STATE FOR COMMUNICATIONS AND RURAL DEVELOPMENT (DR. PEMMASANI CHANDRA SEKHAR)

(a) No such intimation has been received from the telecom operators regarding plans to hike mobile tariffs by 10% in 2025 after a previous hike in 2024.

(b) & (d) In 2004, after determining the presence of adequate competition in the telecom services market, in line with many countries in the world, TRAI adopted the policy of forbearance for the mobile telecom services. It implies that the TSPs are free to fix tariff for telecommunication services in a competitive market based on the market forces of demand and supply. However, as per the requirements of the Telecommunication Tariff Order (TTO), the Telecom Service Providers (TSPs) are obligated to file their tariffs with TRAI within 7 working days of their launch in the market. These tariffs are then examined for their compliance with the regulatory principles which include, inter alia, the principles of transparency, non-predation and non-discrimination. It may be noted that there still exists adequate competition in the market with at least 4 telecom operators offering competitive plans in a competitive market.

(c) Operators are required to submit the Annual Financial Statements after their Annual General Meeting (AGM). This enables the Authority to assess the financial health of the sector. Even after this, due to lack of adequate granular data, it would be difficult to gauge the impact of a specific tariff hike on the mobile consumer. It may please be noted that telecom operators do revise the tariff from time to time as per market conditions.
