

**GOVERNMENT OF INDIA
MINISTRY OF COMMUNICATIONS
DEPARTMENT OF TELECOMMUNICATIONS**

**LOK SABHA
UNSTARRED QUESTION NO. 5695
TO BE ANSWERED ON 6TH APRIL, 2022**

NUMBER OF TELECOM SERVICE PROVIDERS

5695. SHRI BHOLANATH (B.P. SAROJ):

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Government is aware that day by day the number of telecom service provider companies is coming down giving scope for monopoly in telecom services sector in the country;
- (b) if so, the details thereof; State/UT-wise; and
- (c) whether the Government has analysed the situation and considering bringing a policy to attract more ring investors into this sector and if so, the details thereof?

ANSWER

**MINISTER OF STATE FOR COMMUNICATIONS
(SHRI DEVUSINH CHAUHAN)**

(a) & (b) There has been a consolidation in the Telecom Sector since 2012. Even after the consolidation, there is sufficient competition in the sector as at least four Telecom Service Providers (TSPs) including one PSU (BSNL/MTNL) are present in each Licensed Service Area (LSA). The country is divided into 22 LSAs.

Consolidation in telecom sector has resulted in optimum utilization of resources including radio spectrum. The same is evident from the substantial increase in number of telecom towers, network coverage and subscriber base. The number of telecom base stations in the country has grown from 6,49,834 (as on 31.03.2014) to 23,25,948 (as on 28.02.2022). At present, the mobile networks in India are serving more than 115 crore subscribers (as on 31.12.2021). Nearly, 98% of the population is covered with 4G network. Further, there has been a significant reduction in tariffs for voice and data since 2016 which also indicates presence of adequate competition in telecom sector.

(c) The Union Cabinet in its meeting held on 15.09.2021 has approved the proposal for rationalizing definition of Gross Revenue/ Adjusted Gross Revenue (AGR), rationalizing of interest rates and removal of penalties, rationalizing Bank Guarantees requirements and permitting 100% FDI under automatic route in telecom sector subject to the Press Note 3 (2020 Series) guidelines regarding investments from countries sharing land-border with India. These reforms are expected to promote healthy competition, infuse liquidity, encourage investment and reduce regulatory burden on Telecom Service Providers (TSPs).
