

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

**LOK SABHA
UNSTARRED QUESTION NO. 1496
TO BE ANSWERED ON 31ST JULY, 2024**

TARIFF HIKES BY MOBILE SERVICE PROVIDERS

**1496 SHRI ABHISHEK BANERJEE:
SMT. LOVELY ANAND:
SHRI GIRIDHARI YADAV:
SHRI KAUSHALENDRA KUMAR:**

Will the Minister of COMMUNICATION be pleased to state:

- (a) whether the common consumers who are already facing inflation are compelled to face an additional burden on their pockets on account of almost 20-25 per cent hike in mobile tariffs of Jio, Airtel and Vodafone;
- (b) whether it is a fact that about 90 per cent of mobile consumers use the services of these three companies and thus most of the common man are being affected on this account;
- (c) whether the Telecom Regulatory Authority of India (TRAI) rolled out the above said hikes in line with the prescribed regulatory guidelines and if so, the details thereof and if not, the reasons therefor;
- (d) whether the TRAI is not being able to fulfil its responsibility;
- (e) whether the common citizen could have been saved from such sudden additional burden today if BSNL had been strengthened;
- (f) whether the Government's objective is to maintain a competitive environment in the mobile sector so that the citizens of the country can be benefitted or to let the private companies to exercise monopoly; and
- (g) if so, the details thereof along with the reasons for the said increase in the tariff rates?

ANSWER

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

- (a) The tariffs have been hiked recently by 03 telecom service providers namely M/s Bharti Airtel Ltd. (BAL), M/s Reliance Jio InfoComm Ltd. (RJIL) and M/s Vodafone Idea Ltd. (VIL).
- (b) Yes, 90 percent of mobile consumers use the services of three companies.
- (c) & (d) Telecom Regulatory Authority of India (TRAI) is an independent authority for regulation of tariff for telecommunication services in India. As per the extant regulatory tariff provisions, tariff for telecommunication service is under forbearance. However, tariffs for services such as National Roaming, Rural Fixed Line Services, mobile number portability charges and leased

circuits etc. are regulated by TRAI. Tariff for USSD services is zero to promote financial inclusion among rural unbanked feature phone users.

(e) BSNL is already providing Mobile services with a market share of 7.90%.

(f) & (g) In 2004, after determining the presence of adequate competition in the telecom services market, TRAI adopted the policy of tariff forbearance for the mobile telecom services, which is in line with many other countries of the world. 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 Telecommunication Tariff Order (TTO), the TSPs are obligated to file their tariffs with TRAI within 7 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 still there exists adequate competition in the market with at least 4 service providers offering competitive plans in a competitive market. It may further be mentioned that the Indian telecom tariffs are amongst the lowest in the world and in India's neighbourhood also.
