GOVERNMENT OF INDIA MINISTRY OF COMMUNICATIONS DEPARTMENT OF TELECOMMUNICATIONS

LOK SABHA UNSTARRED QUESTION NO. 363 TO BE ANSWERED ON 27TH NOVEMBER, 2024

HIKE IN TARIFF PLANS BY PRIVATE TELECOM SERVICE PROVIDERS

†363 SHRI HANUMAN BENIWAL:

Will the Minister of COMMUNICATION be pleased to state:

(a) whether the private telecom service providers operating in the country like Jio, Vodafone, Airtel etc. have increased their tariff upto 15 percent during the year, 2024;

(b) if so, the basis of increasing the tariffs unilaterally despite the Government monitoring as well as regulation being in place;

(c) the details thereof;

(d) whether the Government intends to direct these companies to roll back their increase in tariffs keeping in view the massive burden of 35 thousand crore rupees on the pocket of common man on this count; and

(e) if so, the time by which such a direction is likely to be issued to these companies and if not, the reasons therefor?

ANSWER

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

(a) Yes, in recent past the private telecom service providers had increased the tariff. The increase in tariff by the telecom service providers (Bharti Airtel Limited, Reliance Jio Infocomm Limited & Vodafone Idea Limited) ranges from 11% to 25%.

(b) to (e) In 2004, after determining the presence of adequate competition in the telecom services market, in line with many countries in the world, Telecom Regulatory Authority of India (TRAI) adopted the policy of forbearance for the mobile telecom services. It implies that the telecom Service Providers (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 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 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.
