

**GOVERNMENT OF INDIA  
COMMUNICATIONS AND INFORMATION TECHNOLOGY  
LOK SABHA**

STARRED QUESTION NO:151  
ANSWERED ON:13.03.2002  
REDUCTION OF STD/ISD RATES  
NARESH KUMAR PUGLIA;VILAS BABURAO MUTTEMWAR

**Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:**

- (a) whether the Mobile Telephone operators have recently slashed the mobile STD/ISD call rates;
- (b) if so, the details thereof;
- (c) whether Bharat Sanchar Nigam Limited(BSNL) have also proportionately reduced the STD/ISD call rates;
- (d) if so, comparative rates of private mobile telephone operators and those of BSNL and Mahanagar Telephone Nigam Limited;
- (e) the total annual loss likely to be suffered by the Government as a result thereof and how this loss is expected to be made up;
- (f) whether the Government also propose to extend the local call network from the 200 kms to 500 kms radius;
- (g) if so, the details thereof; and
- (h) if not, the reasons therefor?

**Answer**

THE MINISTER OF PARLIAMENTARY AFFAIRS AND COMMUNICATIONS & INFORMATION TECHNOLOGY (SHRI PF MAHAJAN)

(a) to (h): A statement is laid on the Table of the House.

STATEMENT TO BE LAID ON THE TABLE OF THE LOK SABHA IN RESPECT OF PARTS (a) TO (h) OF LOK SABHA QUESTION NO. 151 FOR 13TH MARCH, 2002 REGARDING REDUCTION OF STD/ISD RATES.

(a) to (d): The Telecom Regulatory Authority of India(TRA) is responsible for fixation of tariffs for Telecom Services including Subscriber Trunk Dialing (STD) and International Subscriber Dialing (ISD) calls. STD/ISD Services are provided by National Long Distance Operators(NLDOs) and International Long Distance Operators(ILDOs) respectively and it is not in the terms of licence granted to Cellular Mobile Telephone Service (CMTS) Operators to provide these services. As per the Telecommunication Tariff Order (TTO) 1999, CMTS operators can charge from end-users airtime plus applicable charges for National or International Long Distance Calls. The charges for such calls levied by the CMTS operators are those which are applied by the NLDOs/ILDOs for these services. BSNL as NLD Service provider has reduced the STD rates with effect from 14.1.2002 and as per available information, the rates of calls of the private NLDO, who has started the service, and BSNL are the same.

As regards comparative rates of Cellular Mobile Telephone Service of private CMTS operators, BSNL and Mahanagar Telephone Nigam Limited(MTNL), the information is as follows:-

(i) The tariff for CMTS has been specified by TRAI in Schedule II of Telecommunication Tariff Order (TTO) 1999. It specifies that the standard tariff package must be available to the subscriber at all times. In addition, service providers are given the flexibility to provide any other tariff package to subscribers subject to the condition that these tariff packages are approved by the TRAI.

The present standard tariff package consists of a monthly rental of Rs. 500/- (for Circles) and Rs. 475/- (for metros) and airtime charges of Rs. 4.50 per minute (for Circles) and Rs. 4/- per minute (for metros).

(ii) Competition has driven down the tariff levels of CMTS providers including BSNL/MTNL. There are different tariff plans on offer by cellular operators to their customers in different parts of the country. In general the average airtime charge for the tariff plans is around Rs. 1.80 per minute.

(e) It has been estimated by BSNL that initially there may be decline in STD revenue of approximately Rs. 650/- crores to BSNL during

2001-2002, assuming that no traffic increase takes place. However, with reduction in tariff, the traffic (number of calls and call time) is expected to increase over a period of time to neutralize the loss in revenue. As against an average reduction of around 60% in STD rates w.e.f. 14.1.2002, as per a sample study conducted in February, 2002, the decrease in Long distance metered call units was about 20% since the Long Distance voice traffic has increased by about 25%.

(f) to (h): As the STD charges have been reduced recently w.e.f. 14.01.2002 for calls for more than 200 KMs distance, further concession is not under consideration at this stage by BSNL.