

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

UNSTARRED QUESTION NO:1267
ANSWERED ON:30.11.2005
LEVEL PLAYING FIELD
Sarvey Shri Sathyanarayana

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

- (a) whether the Government has taken any safeguards/precautions to ensure that any operator does not dominate market and retain an unfair advantage over new operators;
- (b) if so, the safeguards/precautions taken in the case of the BSNL and the MTNL;
- (c) the extent to which these measures have been successful; and
- (d) the manner in which the TRAI is playing a role in maintaining level playing field to achieve this objective?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (DR. SHAKEEL AHMAD)

- (a) & (b) Safeguards/precautions has been taken to ensure that any operator does not dominate market and retain an unfair advantage over new operators. Some of such measures are as follows:
- (i) BSNL and MTNL have published their reference inter-connection offers laying down various principles and elements involved in proper and effective inter-connection. The matter is subjudice.
 - (ii) TRAI has also issued interconnection Usage Charges Regulation which forms the basis for transit and termination charges. Following these, the new entrants have to pay usage based charges and can not be dominated to pay higher charges by significant market player.
 - (iii) While allowing intra circle merger and acquisition it has been stipulated that Merger of licences will be permitted subject to the condition that there are at least three operators in that service area for that service, consequent upon such merger.
 - (iv) Various service sectors have been opened up for unrestricted competition.
 - (v) Anti-competitive conducts like vertical price squeeze have been explicitly prohibited.
- (c) The increase in subscriber base and fall in tariff indicate that such measures are successful.
- (d) TRAI has played satisfactory role in creating a level play field to achieve the objectives.