

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

UNSTARRED QUESTION NO:2502

ANSWERED ON:28.03.2012

ILD TARIFF

Aaron Rashid Shri J.M.;Bhadana Shri Avtar Singh;Bhagora Shri Tarachand;Meena Shri Raghuvir Singh

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

- (a) whether some telecom operators including Bharti Airtel have increased tariff for international destinations;
- (b) if so, the details thereof and the reasons for such a sharp increase of International Long Distance (ILD) tariffs;
- (c) whether TRA1 has given its permission for increase in tariff of ILD;
- (d) if so, the details thereof; and
- (e) if not, the action taken against the defaulting operators?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI MILIND DEORA)

(a) Yes, Madam. Some telecom operators including Bharti Airtel have intimated upward revision in call charges for certain international destinations.

(b) Airtel has implemented the revision effective from 13.11.2011. Reliance has restructured ILD tariff from 01.12.2011. In this case the call rates to some international destinations have gone up while the rates to some other destinations have been reduced. Vodafone revised its iLD tariff for postpaid mobile service on 01.02.2012 and for prepaid on 14.12.2011. As per the revised tariff structure, the ILD rates are different depending on whether the calls are terminated in fixed or mobile networks and also for different codes in the same country. IDEA has revised ILD tariff for few international destinations from 14.01.2012. Loop Mobile/ Telecom has also increased ILD rates for several international destinations effective from 31.12.2011.

Mahanagar Telephone Nigam Limited(MTNL) and Bharat Sanchar Nigam Limited(BSNL) have also carried out revision in ILD tariff. While the revision was implemented by MTNL on 13.05.2011 and again on 13.09.2011, BSNL's tariff revision became effective on 30.12.2011. It may be mentioned that the revised rates are not applicable across all countries but limited to certain identified international destinations. There has also been downward revision in some cases.

The revision in ILD tariff is attributed to tariff rationalization which is a continuous process and a function of market dynamics and input cost variation. The operators had submitted that traffic to certain special numbers (chat site, gaming etc.) to some countries has increased several times. Termination charges to such special numbers are substantially high which needed to be reflected in the end user tariff.

(c)&(d) As per the tariff framework in vogue, the telecom operators have the flexibility to decide and implement ILD tariff in accordance with the market dynamics and other commercial considerations. The regulatory mandates however, protect the interest of subscribers against hike in tariff in certain situations. As per the provisions of Telecom Tariff Order

(43rd Amendment) no tariff item in a plan shall be increased:

i) In respect of tariff plans with prescribed periods of validity of more than six months including tariff plans with lifetime or unlimited validity and also involving an upfront payment to be made by the subscribers towards such validity period, during the entire period of validity specified in the tariff plan;

ii) In respect of other tariff plans , within six months from the date of enrolment of the subscriber, and

iii) In case of recharge coupons with a validity of more than six months under any tariff plan, during the entire period of validity of such recharge coupon.

While implementing revision in tariff, It has been ensured that the hike is not made applicable to existing subscribers who enjoy tariff protection as per the above mentioned provisions of Tariff Orders issued by TRAI.

(e) Does not arise in view of (c) & (d) above