

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

UNSTARRED QUESTION NO:110
ANSWERED ON:08.08.2012
INCREASING COST OF INTERNET ACCESS
Jeyadural Shri S. R.

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

- (a) whether the Government has increased the cost for accessing Internet recently and has already increased the levy from April, 2012;
- (b) if so, the details thereof; and
- (c) the reasons therefor?

Answer

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

(a) to (b) No Madam. The cost of accessing Internet is not fixed by the Government. The tariff for internet services are governed by the Telecom Tariff Order(s) issued by Telecom Regulatory Authority of India from time to time.

However, the Government has decided to levy a uniform licence fee as 8% of "Adjusted Gross Revenue(AGR)" on all Internet Service Providers in phased manner, in two steps starting from 01.07.2012.

(c) This decision for imposing Uniform Licence Fee for various Telecom Service Providers was taken in the interest of ending arbitrage in the licence fee, ensuring simplicity & transparency, expanding licence fee base and ensuring a level playing field between different services, with due consideration of the revenue receipts of the Government and the growth of Telecom services in the country.