

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

STARRED QUESTION NO:170

ANSWERED ON:05.12.2012

MOBILE PHONE TARIFF

Vijayan Shri A.K.S.;Yadav Shri Dharmendra

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

- (a) whether it is a fact that the subscribers are preferring lower charging networks as against better service providers;
- (b) if so, whether the Union Government proposes to cap the lower end of the mobile phone tariffs to restrict the price war in the industry;
- (c) if so, the details thereof;
- (d) whether Telecom Regulatory Authority of India proposes to introduce simplified telecom tariff and bring transparency in it; and
- (e) if so, the details thereof and the steps taken by the Government to protect the interest of the consumers?

Answer

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI KAPIL SIBAL)

(a) to (e) 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 (e) OF LOK SABHA STARRED QUESTION NO. 170 FOR 5TH DECEMBER, 2012 REGARDING "MOBILE PHONE TARIFF"

(a) As per the current tariff framework, tariff for mobile services are under forbearance, except for National Roaming Service where ceiling tariff has been specified. Mobile operators have the flexibility to offer different tariff depending on the market conditions and other commercial considerations. Subscribers make their choice of a service provider based on their perception of the performance of the service provider on several factors which may include the tariff plans/ schemes on offer and the Quality of Service.

(b) Currently, Telecom Regulatory Authority of India (TRAI) has no proposal to cap the lower end of the mobile phone tariff.

(c) Does not arise in view of (b) above.

(d) & (e) Simplification of tariff and ensuring transparency in tariff offers is a continuous process and TRAI has taken several measures towards this end. The important measures taken during the year 2012 to simplify tariff offers and enhance transparency are as follows:

(i) The Telecom Consumer Protection Regulation, 2012 issued on 06.01.2012 aims to streamline tariff offers and enhance transparency in the provision of services. The various categories of vouchers offered to prepaid subscribers have been rationalized, with colour bands prescribed for easy identification of each category of vouchers. Minimum font size for printed matter on the vouchers is mandated to be not less than 8pt. The service providers are also required to provide usage details to prepaid subscribers after every call/ data service.

(ii) The Directions issued on 16.01.2012 and 03.04.2012 require the service providers to publish all tariff plans in a specified format in Regional and English newspapers at an interval of not more than six months. With a view to facilitate easy and transparent comparison, provisions have also been made mandating full details to be available at Customer Care Centres, Points of Sale, and websites of the service providers in the prescribed formats.

(iii) The Direction issued on 26.03.2012 aims at preventing misleading tariff advertisements.

(iv) The Telecommunication Tariff Order (51st Amendment) of TRAI has inter-alia mandated every service provider to offer at least one prepaid and one postpaid plan with pulse duration of one second for local and national long distance calls.

(v) The Telecommunication Tariff Order (53rd Amendment) has specified a ceiling on Processing Fee. Such fee shall not exceed ten percent of maximum retail price of top up voucher or three rupees, whichever is less. The ceiling prescribed particularly protects the prepaid subscribers recharging with lower denomination top up vouchers.

(vi) The Direction issued on 14.09.2012 has specified additional transparency measures in respect of charging on blackout days (the days on which free/ concessional usage charges are not made available). It is now mandatory for operators to intimate subscribers in

advance about the applicability of blackout days and charges thereof.