

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

UNSTARRED QUESTION NO:86

ANSWERED ON:17.02.2006

REDUCTION IN TELEPHONE RENT

Adsul Shri Anandrao Vithoba;Scindia Shri Jyotiraditya Madhavrao

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

- (a) whether BSNL has reduced 28% monthly rent on its landline telephones;
- (b) if so, whether there is any proposal to reduce monthly rent on MTNL landline telephones;
- (c) if not, the reasons therefor; and
- (d) the steps taken by the Government to bring parity in the monthly rent of both State owned telecommunication companies?

Answer

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

- (a) Yes, Sir. BSNL has reduced 28% monthly rental on its landline telephone for exchange system capacity of more than 1 lakh lines in General Package with effect from 1st January 2006.
- (b) No, Sir. At present there is no such proposal in MTNL.
- (c) MTNL tariffs are already very competitive.
- (d) As per TRAI Act, 1997, the power to regulate tariffs for telecom services is mandated to Telecom Regulatory Authority of India. All service providers (including the PSUs), however, have the flexibility of formulating their tariff packages within the regime prescribed by TRAI. Therefore the question of Government taking any steps to bring parity in the monthly rents of MTNL and BSNL, which cater to mutually-exclusive Service Areas, does not arise.