

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

UNSTARRED QUESTION NO:3092
ANSWERED ON:13.12.2006
MOBILE SERVICE PROVIDER COMPANIES
Patel Shri Jivabhai Ambalal;Thummar Shri Virjibhai

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

- (a) whether most of the mobile service provider companies have sold connections to a large number of people under the garb life long free incoming calls whereas validity of licence of these companies is only for 15 to 20 years;
- (b) if so, the details thereof;
- (c) whether the Government has taken/proposes to take any action against these companies; and
- (d) if so, the details thereof?

Answer

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

(a) to (d) The Telecommunication Tariff Order (TTO) issued by the Telecom Regulatory of India (TRAI) provides flexibility to telecom service providers to fix tariffs. Currently telecom operators are offering a number of alternative tariff plans targeted at different classes of subscribers. In the months of December, 2005 and January, 2006 most of the service providers implemented the tariff plans under the name and style of life time validity wherein in lieu of an upfront payment the subscribers are being offered life long validity subject to certain conditions. Such plans would be suitable for subscribers who would like to have longer validity without having to pay recurring fixed monthly charges.

After a consultation process, TRAI has prescribed regulatory conditions through the Telecommunication Tariff (Forty Third Amendment) Order dated 21.03.2006, which inter- alia mandated:-

- (i) The operators to continue to provide service in respect of Lifetime Scheme as long as they have permission to provide such telecom service under current license or renewed license;
- (ii) Hike in any item of tariff during the specified validity period is prohibited; and
- (iii) The service provider shall inform the subscribers of the month and year of expiry of his current license.