

**A STUDY OF TARIFF STRUCTURE FOR PAYPHONE
OPERATORS:**

**MARKET PERFORMANCE, GROWTH OPPORTUNITIES AND ISSUES
RELATED TO TELECOM DEREGULATION**

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MBA (Finance)



SUBMITTED TO:

The Faculty of Business Administration
Bahria Institute of Management and Computer Sciences
Islamabad

In partial fulfillment of the requirement for the degree of
Masters of Business Administration

2004

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EXECUTIVE SUMMARY

Payphone industry is ideally positioned to exploit the opportunities that will be available in the post deregulation scenario. The new telecom (deregulation) policy was announced in July 2003. The government has started issuing licenses for Long Distance and International telephony as well as Local Loop licenses in early 2004. payphone operators are actively interacting with the regulators and other market players in the run up to the award of licenses in order to ensure that the interests of private sector operators are given due consideration with the implementation of new policy.

The objective of the report is to assess the Payphone tariffs with a fresh view of rationalizing the tariffs while keeping in view the legitimate concerns of the stakeholders involved.

In order to determine ways to rationalize the payphone tariffs and providing relief to the consumers, the analysis and deliberation has been kept relevant to the tariff related issues only and other concerns of Payphone operators are not discussed to remain objective. However, a few recommendations are being suggested without going into details. These recommendations if implemented are expected to have positive impact on the payphone sector of Pakistan while providing relatively cheaper basic telephony services to consumers.