

For Immediate Release

Information note to the Press (Press Release No. 23/2019)

TELECOM REGULATORY AUTHORITY OF INDIA

New Delhi, the 25th March, 2019: Telecom Regulatory Authority of India (TRAI) has decided to continue with the existing Regulatory provision as per which printed copy of the bills shall be made available to the landline subscribers and Mobile Postpaid subscribers free of cost, as a default option and an option to the subscriber to switchover to e-bill if he gives an explicit consent. TRAI had undertaken consultation on "Review of extant provision for sending the printed bills to postpaid subscribers of (i) Landline and (ii) Mobile services as default option" on 15th November 2018 seeking views of stakeholders. Various stakeholders expressed their views on the subject by way of written comments, counter comments and deliberation during the Open House Discussion held on 05th February 2019 at Delhi.

2. During consultation, the telecom service providers strongly pleaded for changing the default option to electronic bill citing following reasons:

- (i) Environmental concern regarding cutting of trees for paper.
- (ii) Boost towards Digital India mission.
- (iii) For customers with feature phone and no e-mail facility m-bill can be provided which will contain details like total due, current month due, due date, previous balance etc.
- (iv) Approximately 90% of postpaid subscribers have opted for paperless option and to ensure 100% e-bill default option needs to be changed,
- (v) It is in service providers interest to receive timely payment and TSP will try to ensure that issue of non-receipt of bill does not arise for which e-bill is best option.
- (vi) Cost economics of printing the bill since with decreasing no. of printed bill the cost of printing bills has increased.
- (vii) No explicit storage required to keep hard copy of the bill.

3. Other stakeholders had counter view and wanted to continue the present regulatory provision for default option of printed bills for following reasons:

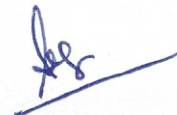
- (i) The argument that paper is manufactured only by cutting trees is incorrect and misleading. Approximately 75% of the paper produced in India is from waste/recycled paper or agricultural residue as the primary raw material which contributes towards protecting the environment. If the agricultural residue and



waste paper is not utilized for making paper, it will lead to environmental hazards for the country. Balance 25% is produced using pulp wood. Paper industry in India is not a forest-based industry but an agro/forestry-based industry engaging approximately 5 lakh farmers from whom more than 90% of the industry's wood requirement is sourced.

- (ii) Unlike developed countries the literacy rate in India still remains low and hence many consumers will not be using electronic media-email to view their bills.
- (iii) The onus of printing the bills will shift to subscribers since many subscribers will need hard copy of the bill for various claims like claiming input credit of GST etc. Moreover, India is still not geared up to go in for paperless medium.
- (iv) Even 50% of the population is not e-literate which does not make a case for e-bill as default option.
- (v) It should be the consumer's choice to opt for e-bill and he should not be mandated e-bill by making it as default option.
- (vi) Low end consumers are the one who cannot afford to have access to computer/compatible smartphone/Internet to obtain the bill through e-mail and this category of consumers need protection.
- (vii) Senior citizens, disadvantaged groups and rural populations have some limitations like limited access to e-mail facility, familiarity with e-bill system, age profile, e-literacy etc.
- (viii) Providing printed bill to a consumer is a legal responsibility of the service provider.
- (ix) E-mail is eminently easy to ignore, and utility bill can go unnoticed.
- (x) Most of the rural households do not have a computer and significant number of these households are likely to be digitally illiterate.
- (xi) The incidences of bill shocks will be difficult to detect and deal with in case e-bill is made a default option.
- (xii) Time is still not ripe for switchover to default e bill option.

4. The Authority finds merit in the arguments of both sides of stakeholders. In the current dispensation the subscribers have to make an explicit choice if they want e-bill. On the other hand, if e-bill is made the default option subscribers who desire for printed bills would need to make an explicit choice. Thus, irrespective of whether the default option is printed bill or e-bill, subscribers have the opportunity to obtain the bill in their desired form. The moot question, therefore, boils down to whether subscribers who currently get printed bills by default should be asked to make the choice or vice-versa. The Authority believes that it would be more convenient and feasible for the e-literate

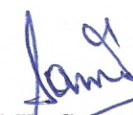


subscribers to make a choice for e-bill. In fact a large number of subscribers of different segments who could not be persuaded to the e-bill mode, would be those who have no internet access or are incapable to make an informed and effective choice. It would be unfair to thrust e-bill as default option on unwilling subscribers.

5. Keeping in view the demographic structure of India, literacy rate, size of non-literate population, limitation of senior citizens/disadvantaged groups and rural population, time is still not ripe for making e-bill as a default option. Authority firmly believes in the policy of inclusion and encourages service providers to speed up their efforts of educating the customers about the benefit of e-bill and incentivize them for opting to e-bill. It is hence decided that, **for present, the current provision of providing hard copy of the bill free of cost as default option as per present provisions shall continue. However, if any customer opts for receipt of the bill through e-mail, instead of hard copy, the service providers can supply the same after obtaining explicit consent from the consumers.** The detailed rationale behind arriving at decision is available at www.trai.gov.in.

6. The Authority will continue to watch the progress of subscribers opting for e-bill and if necessary, further review of this provision would be undertaken after a year or so.

For any other clarification/ information, Shri Kaushal Kishore, Advisor (F&EA) may be contacted at e-mail ID advfea1@traigov.in or Tel/Fax: +91-11-23230752.


(S.K. Gupta) 25/3/19

Secretary, TRAI.