

Telecom Regulatory Authority of India

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The Authority had asked certain service providers to explain the features of their handset offers which had been announced recently. The Authority had meetings with these operators and sought clarifications on various points.

The Authority explained to the operators the Guidelines that would be followed by the Authority in examining such schemes -

- The Authority does not regulate handset prices or financing/leasing/insurance schemes for handsets.

- It regulates telecom tariffs and any handset offer must make sure that all the tariff plans available in the market are on offer to the customer whether he procures/obtains the handset from the service provider or from any other source.

- The tariff plan must be seen without the handset costs incurred by the subscriber.

The Authority examined the schemes offered by each of the operators in terms of the above principles. It was confirmed that in each case, the principles were not violated. All the tariff schemes, which had been reported to the Authority and were available in the market, were available to the customer irrespective of where the handset had been procured. It was confirmed that for each service provider the tariff schemes were available even if handsets were independently brought by the customer.

The Authority noted that in certain cases the customer was not informed about the flexibility that the tariff schemes are available irrespective of the source of the handset. The Authority asked the service provider to make this clearly transparent to the customer, and also to ensure that the customer is informed about the various aspects of the plan including his ability to exit or migrate between plans/networks.