



COAI response to the TRAI Consultation Paper on Deactivation of the SIM's due to the non-usage

Preamble:

1. The mobile industry has witnessed tremendous growth in the last 2-3 years in terms of the number of subscribers. In order to cater to these subscribers there has been increased need for the number series by the mobile operators.
2. DoT has revised the eligibility criteria for qualification of additional number series from the HLR subscriber base criteria to the VLR subscriber base criteria. New criteria are far more stringent and the industry is finding it extremely difficult to meet these criteria. There is no new allotment of additional number series as none of the service providers are meeting the new criteria. This has put increased pressure on the operations of all service providers as numbers are not available for acquisitions.
3. In order to tackle the number crunch, Service providers have analyzed their customers' usage behavior and it has been observed that many of the SIMs that are purchased by customers go into zero usage beyond a certain period after which these numbers never get active again. **Hence these numbers can be deactivated.**
4. **We are of the view that since service providers are not allowed to report the numbers which goes into the zero usage beyond a certain period for qualifying to the criteria, it is justified that these numbers be allowed to be deleted so that resources are freed for efficient utilization.**
5. Further, considering the number crunch being faced by the mobile service providers because of the stringent numbering series allocation criteria of DoT, we request TRAI to make the following recommendations to DoT:
 - i) DoT should accept TRAI's recommendations to utilize the levels reserved for fixed line services which are registering negative growth – this will free up the much needed resources for additional number series to be allocated for mobile services which has been registering very high growth levels across the country and has already crossed 900 million customers (end Oct 2012).
 - ii) Given the cancellation of licenses by the Honorable Supreme Court, DoT should, at an early date, initiate the process of reallocating the number series thus being released / freed up.
 - iii) Once an application for new blocks is made by the service provider, it should be processed and allocated to the service providers within 7 working days of the date of submission of application to DoT.

Q1: What period of continuous non-usage of a SIM should be kept as criteria for deactivation by the telecom service provider?

- (i) 60 days
- (ii) 90 days
- (iii) 120 days
- (iv) 150 days
- (v) 180 days
- (vi) Any other

COAI Response:

- a) We are of the view that 60 days of continuous non-usage of a SIM should be kept as a criteria for the deactivation by a service provider.

Q2: Which (one or more) amongst the following should be included in the scope of activity with regard to the criteria for deactivation of SIMs upon non-usage?

- (i) Outgoing voice call
- (ii) Incoming voice call
- (iii) Outgoing video call
- (iv) Incoming video call
- (v) Outgoing SMS
- (vi) Incoming SMS
- (vii) Data transfer
- (viii) Activation of a voucher
- (ix) Switching the connection 'ON' by powering on the handset and SIM
- (x) Any other

COAI Response:

- a) We suggest that any of the outgoing & incoming Voice calls, outgoing & incoming video calls or outgoing SMS or data session, cumulative recharge with Rs 100 over 3 months or any rental in case of postpaid, should only be considered in the scope of activity with regard to the criteria for deactivation of SIM's upon non-usage.
- b) *"Switching the connection 'ON' by powering on the handset & SIM"* should not be kept as a criteria.
- c) Further, incoming SMS should also not be the part of the criteria for deactivation of SIM's upon non-usage.

Q3: Which method(s) should be used for communicating the criteria of deactivation of SIMs to the subscribers in a transparent manner?

COAI Response:

- a) In this regard we would like to submit that while service providers follow the option to delete zero usage customers, every precaution should be taken to educate the customer prior to deactivation of SIMs. Operators will ensure that customers get this information through various modes, namely CAF, SUK, website, Call Centre, SMS blast so that they are fully aware and informed.

- b) Hence, we are of the view that any or all of the methods highlighted by the TRAI can be used for communicating the criteria of deactivation of SIMs to the subscribers in a transparent manner

Q4: Should the condition of deactivation due to non-usage apply in all cases, or should it apply only in those cases where such a condition formed part of the contract at the time of enrolment?

COAI Response

- a) As highlighted by the TRAI , some of the operators are informing the subscriber about the condition of the deactivation of the SIM's due to non-usage at the time enrollment, hence this becomes a part of the contract
- b) Further, some of the service providers have informed the Terms & Conditions of the service to their customers that in case the number is un-utilized for a certain period of time, the number will be deactivated.
- c) We would like to suggest that service providers should be allowed to revise the Terms and Conditions by adequately informing their customers. This should be allowed so that business continuity is maintained and there are no impediments to the growth of mobile services.
- d) So as to ensure that there is no discrimination, the condition of deactivation due to non-usage of SIM should uniformly apply to all cases.

Q5: Whether there is a requirement of a connection retention scheme for the wireless subscribers who wish to retain their mobile connections active/ live even after long continuous periods of non-usage? If yes, what should be the terms, conditions and charges under such a scheme?

COAI Response

- a) Yes, we would suggest that a safe custody process should be provided to the customer wherein any customer desirous of retaining his number for a longer period which is getting into a zero usage cycle can do so by paying charges for the same and reactivate his / her number at the later date of his choice.
- b) However, we believe that the connection retention scheme should be driven /determined by market forces and the importance of freeing up the unutilized numbers and should not be regulated.

Q6: Whether the monetary value remaining on a pre-paid SIM should be forfeited upon deactivation of the SIM due to non-usage or it should be refunded/ returned back to the subscriber?

COAI Response

- a) We are of the view that it should be left to the discretion of the service providers whether they would like to **refund or forfeit** the monetary value upon the deactivation of the SIM due to the non-usage,

provided that the terms and conditions have been communicated to the subscribers in a transparent manner.

Q7: Whether there is a requirement for specifying a period, within which a wireless subscriber should be allowed to reactivate his SIM, that was deactivated due to continuous non-usage? If yes, what should be such reactivation period and other terms & conditions thereof?

COAI Response

- a) We believe that the period of reactivation of the SIM should be driven /determined by market forces and should not be regulated.
