

The Chairman,

Telecom Regulatory Authority of India

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Comments on CP on REVIEW of FORBEARANCE

Sir,

1 As stated , media reports [Dec 2011 & Jan 2012] of **LIKELY HIKE IN TARIFF** by leading operators prompted TRAI to review forbearance .. **However it IGNORED the news** of **ACTUAL REDUCTION** in tariff by other operators[**one paisa for 2 seconds**] . Hence the **basis of this paper is ILLFOUNDED.** Why does TRAI react so promptly on planted news reports but sleeps on consumer issues for two years?

Neither Cap nor Floor price need be fixed.

Market Forces & NOT LEADING OPERATORS should dictate the tariff.

Hence FORBEARANCE is needed.

2 Ceiling or Floor price in tariff is not conducive for

- Consumer good
- Industry's growth &
- Country's Economy

Forbearance is a MUST to provide FREE OPERATION & level playing field to new operators

3 Supreme Court in its verdict on 2 Feb 12 stated

“ Money power is used to manipulate grabbing of NATURAL RESOURCE like Spectrum”

For the last two years, Service Providers have been using their **money power to manipulate REGULATOR for ABUSE of FORBEARANCE ,violate regulations and fraudulent practices at will to “GRAB- NATIONAL RESOURCE -“ Earnings of 93 crore PEOPLE”**

Regulated FORBEARANCE was reduced to DEREGULATION due to failure to MONITOR and putting in place Appropriate regulatory measures

4 **Tariff is forborne and not PULSE.** Tariff is always quoted on **standard pulse**. While fixing tariff for various services , service providers **manipulated the pulse too** in a manner to get maximum advantage- one paisa per second for local calls and Re **1/- per pulse of 30 seconds** for STD. Former to dupe the subscriber and later to loot.
Impact:

- A] Subscriber pays more than **THREE times the local call** under the **guise of changed pulse**.
- B] **Compare with TATA's & BSNL , he pays more than SIX times the above.**
- C] If 40% calls are STD, he pays **TWICE the amount** .
- D] This extortion extends up Rs 40000 crores.
- E] Compound it with **TTO 48 [subscriber made to pay Re 1 per minute instead of 60 paise under the pretext of being OLD SUBSCRIBER]** violation, using **MISLEADING ADVERTISEMENTS.LOOT EXTENDS BEYOND IMAGINATION.** Limit of GREED.

Where is the LOSS?

5 This review is a sinister design--smoke screen to mask the **WRONG DOINGS & thwart refund of LOOT.** [*Rs 2 lac crore- TRAI to provide exact figures*]

6 **Cartelisation and failed regulations have closed the options of PORTING for subscribers.**

7 **Hence the review for ceiling on tariff is the master manipulation to:**

- **BURRY TTO 48**
- Consolidate gains of fraudulent practices
- Close door for REFUND of illegal recoveries
- TRAP subscriber from all sides—**DENY Benefit of LOW TARIFF and exit / porting option.**
- Deny new entrants- offer of .innovative schemes / lower tariff
- ROLE BACK to OLD HIGHER TARIFF
- **MULTIPLYING the loot**

Loss / Gain Arithmetic

8 Tariff came down because of LOW RATES offered by new entrants , leading operators forced to bring down. ***This benefit was denied to MAJORITY OLD SUBSCRIBERS by abuse of PULSE & VIOLATION of TTO 48.***

Despite LOW TARIFF, subscriber base of new operators remained low because of

A] TRAI failed to MONITOR and Appropriate regulatory measures put in place to protect consumer despite repeated appeals [Ref para 1.13 of consultation paper] . Regulated FORBEARANCE was reduced to DEREGULATION to favour service providers.[Para 1.12 of CP]

B] Failed MNP due cartelisation and manipulated / failed regulator

C] Violation of TTO 48 with Misleading advertisements

Earlier hike & new proposals are nothing but CRYING WOLF of LOSS { FOOLING PEOPLE} PLOY to destroy competition being offered by new telcos and fleece subscribers. Even yesterday there were banners offering tariff – ONE PAISA for 2 seconds.

SMALL new operator is at EASE with low tariff, WHY this move to help leading operators . Is it manipulation or under DURESS?

Simple arithmetic shows that 20% hike does not make paisa per second pulse to Re 1 per minute.

How the ceiling being calculated? If consumers are getting 2 Second per paisa, where is the need for capping or floor price ?

Broadband

9 There is no road map or vision on the service. In absence of any research or study , the chapter as well as the QUESTIONS are vague. No suggestions made on tariff.

Broadband penetration is must for country's growth but the service is price sensitive.

We need RADICAL STEPS ie ONLY ONE TYPE OF SERVICE-UNLIMITED DOWNLOAD at affordable tariff of Rs 500 -600 PM to motivate customers and SAVE them from strangulating tariff.

Besides PROHIBITIVE tariff , need to DELIBERATE for other reasons.

Conclusion

10 **Consumers, industry and the country want:**

A] Regulated FORBEARANCE as there is no justification for Cap/Floor price.

B] ***ONE second is used by all telcos for TARIFF RATES. Hence ONE SECOND AS STANDARD PULSE be notified to REPLACE 30 Seconds.***

C] All tariff [local, STD, Roaming & ISD] be based on STANDARD PULSE of one second.

D] Forbearance {Without ABUSE} [Monitor & Regulate Package- Para 1.12 & 1.13].

E] Strict ENFORCEMENT of TTO 48

F] Easy MNP

G] Enforcement of Standards & Existing Regulations

H] ***Provision for REFUND of FRAUD Recoveries***

I] Consumer Protection &

J] End to **manipulation** of REGULATOPR by TELCOS

K] Nationwide DELIBERATIONS on BROADBAND

11 Comments on Issues raised are at Appx

Thanking you,

Yours Sincerely,

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Appendix

Comments on ISSUES RAISED

1 Do you perceive any need for a change in present regulatory framework for telecom tariff fixation?

Answer:

Change in regulatory frame work on FORBEARANCE except enforcement of regulations in letter & spirit—without MANIP{ULATION by service providers. Read para 1.12 & 1.13 of Consultation paper & detail at para 1 & 7 of the above letter.

2 Should TRAI withdraw from the policy of forbearance?

Answer :

NO. Read para 1 above letter

3 If yes, what should be the basis of tariff regulation? Should it be by way of specifying a standard tariff package or by way of fixing tariff as a ceiling for individual charging components such as calls, SMS, etc? Please also suggest the methodology.

Answer:

NO. But it must enforce uniform STANDARDS eg PULSE, administrative charges

4 Would tariff regulation affect the ability of the telecom service providers to introduce innovative tariff plans?

Answer:

YES. With tariff being subject of forbearance must not lead to VIOLATION of other regulations like TTO 48, OPAQUE plans or traps.

Monitored FORBEARANCE can ensure that consumer gets TRANSPARENT SERVICE.

5 What would be the best method of managing the telecom tariffs so as to protect consumer interest even while affording the telecom service providers the necessary flexibility?

Answer:

Monitor & Enforce REGULATIONS without being manipulated.

Regulated FORBEARANCE[Para 1.12] must not be reduced to DEREGULATION.

6 Is tariff for data services offered by the service providers

competitive and reasonable?

Ans :NO. These are EXACTING and PROHIBITIVE.

7 What are the factors that impact competition in data service in the market?

Ans :Limited operators/ choice due last mile restrictions in most of the places..

8 What can be the possible measures by the regulator for facilitating enhanced competition for availability of data services at affordable tariff?

Ans : ONLY ONE PLAN –UNLIMITED DOWNLOAD at Rs 500-600 PM

9. Should TRAI regulate tariff for data services by way of fixing ceiling tariff to protect the interest of the consumers? If yes, what should be the basis and justification for tariff fixation?

Ans: Please educate about the STUDY and ANALYSIS carried out to enable CONSUMERS to Comment.