

Issues for Consultation

Q1. Do you foresee any requirement of regulatory intervention at this stage in tariff fixation to protect the interest of telecom service providers as well as the consumers? Please support your comments with justification.

Response from consumer: *Absolutely no intervention is required to protect TSPs. Intervention to protect TSPs is nothing but using State power to extract money from consumers to benefit TSPs. TSPs are private entities and in the past, multiple TSPs went through financial rough weather and were either bought out or died and new TSPs emerged to service the consumer and nation. Now too, the current TSPs will survive or perish on how effective their management is.*

Q2. Do you foresee any need for change in TRAI policy of forbearance in tariffs? Please give reasons for your response.

Response from consumer: *Absolutely no reason to change policy. Using state power to extract money from consumers is the opposite of what the Govt. should be doing. The Govt. should be using its power to protect the consumer from mega corporations and not vice-versa.*

Q3. If the answer to Q1 is in affirmative, is fixing a floor price, i.e. a standing prohibition on TSPs not to offer services below a predetermined price level, the answer? Please give detailed reasons for your response.

Response from consumer: *Answer to Q1 is not affirmative.*

Q4. Do you perceive a need to fix floor price despite the fact that the TSPs have increased their tariff recently? Please support your response with detailed justification.

Response from consumer: *It is imperative to not allow anyone to fix a floor price. Active measures should be taken to prevent cartelisation. There is no dearth of investors with deep pockets. It is extremely healthy to let multiple TSPs to compete to reduce prices. If we allow cartelisation now (fixing a floor price by the Govt. is effectively cartelisation), then there will be an automatic*

fall in service levels from TSPs i.e. after-all where will the customer go? By fixing floor price, we are effectively removing the freedom of the consumer to reward more efficient and/or effective service.

Fixing a floor price will also

1. encourage TSPs to lobby to continue this policy
2. Lobby to increase the price going forward (via electoral bonds)
3. Create conditions conducive to cartelisation
4. Remove incentive for entry of new companies and services in this area
5. Reducing incentive of companies to improve services or to innovate
6. Will be effectively using State power to create private monopolies.

Q5(a). What methodology should be used to fix floor price by the Authority and why? Please give detailed methodology with calculations and supporting justification.

Response from consumer: This question implies that fixing a floor price is a foregone conclusion. Fixing a floor price is anti-democratic i.e. benefiting TSPs over the citizens of the country.

Q5(b). If a floor price is considered, what should be the mark up over the relevant costs for arriving at a floor price? Please give detailed calculations and justification for your response.

Response from consumer: This question implies that fixing a floor price is a foregone conclusion. Fixing a floor price is anti-democratic i.e. benefiting TSPs over the citizens of the country.

Q6: Considering that cost of delivery of telecom services is likely to be different for different TSPs, what parameters should be considered to decide floor price and why? How can it be ensured that such a floor price fixation exercise does not result in windfall profits to few TSPs? Please give your response with detailed reasoning.

Response from consumer: This question implies that fixing a floor price is a foregone conclusion. Fixing a floor price is anti-democratic i.e. benefiting TSPs over the citizens of the country.

Q7. Is there a need to fix floor price for mobile data service? If yes, can such floor price be applied uniformly to different categories of subscribers such as retail consumer, corporate, tendered or otherwise contracts, segmented and any other including one on one? If it cannot be applied uniformly, will it not result in discrimination between various categories of subscribers? Please give your answer with detailed reasons and justification.

Response from consumer: *Fixing a floor price is anti-democratic i.e. benefiting TSPs over the citizens of the country.*

Q8. What should be the basis and methodology for floor tariff fixation for mobile data service? Give detailed justification and calculations for your response.

Response from consumer: *This question implies that fixing a floor price is a foregone conclusion. Fixing a floor price is anti-democratic i.e. benefiting TSPs over the citizens of the country.*

Q9. What should be the representative cost for fixing a floor price for mobile data service? Give detailed calculations and justification for your response.

Response from consumer: *This question implies that fixing a floor price is a foregone conclusion. Fixing a floor price is anti-democratic i.e. benefiting TSPs over the citizens of the country.*

Q10. Should fixation of floor price be considered for voice calls also? Please give your comments with detailed justification.

Response from consumer: *This question implies that fixing a floor price is a foregone conclusion. Fixing a floor price is anti-democratic i.e. benefiting TSPs over the citizens of the country.*

Q11. If the answer to Q10 is affirmative, given that different technologies are being used to provide voice services (2G, 3G and 4G), what should be the methodology used to arrive at a floor price for voice

services? Please give detailed calculations and justification for your response.

Response from consumer: *This question implies that fixing a floor price is a foregone conclusion. Fixing a floor price is anti-democratic i.e. benefiting TSPs over the citizens of the country.*

Q12: Should there be any limit on TSPs to offer free offnet calls? Please explain your response with justification.

Response from consumer: *No limits.*

Q13. If your answer to Q12 is affirmative, how should unlimited voice calls be defined? Please give your comments with detailed justification.

Response from consumer: *Not applicable*

Q14. If a floor price is considered, should there be any floor price prescribed for bundled offers, including those having unlimited voice calls and data? Please give your comments with methodology and detailed justification.

Response from consumer: *Fixing a floor price will be near impossible to roll back. There should never be a floor price.*

Q15. If a floor price is considered, should there be a price ceiling also to safeguard consumer interest? Please give your comments with detailed justification.

Response from consumer: *If the Govt' wants to protect consumer interests, it can make more laws to protect consumers, make stronger grievance redressal mechanisms. It should not be intervening to fix prices. I think that the RBI has been very effective in managing the banking sector, DOT/TRAI should adopt RBIs policies of strong and clear laws and policies, impartial decisions, swift action and proactive consumer protection.*

Q16. If your answer to Q15 is in affirmative, what should be the methodology used for fixing a price ceiling for mobile data service, voice

services and bundled offers. Please give detailed calculations and justification for your response.

***Response from consumer:** This question implies that fixing a floor price is a foregone conclusion.*

Q17. Should all the tariff plans (retail consumer, corporate, tendered or otherwise contracts, segmented and any other including one on one) offered by the TSPs be subject to floor price tariff orders? Please give detailed justifications for your answer.

***Response from consumer:** No fixing please.*

Q18. How can it be ensured that all the tariff plans of TSPs (retail consumer, corporate, tendered or otherwise contracts, segmented and any other including one on one), comply with the floor tariff orders? Please give you response with detailed justification.

***Response from consumer:** Simple – having no floor removes the need for compliance. Do not fix any floor.*

Q19. Any other relevant issue that you would like to highlight in relation to the above issues?

***Response from consumer:** Fixing floor will open a Pandora's box of lobbying, cartelisation, reduced service quality, reduced innovation, prevention of further new companies in this sector, reducing consumer choice and consumer voice. Just like Jio came and reduced the prices, there are at least 15-20 very wealthy corporations in the world that can invest in India to either reduce prices further or at least keep them low. Price fixation will effectively keep out all these investments. Govt' should look to ensure more competition and not less.*

