

**TELECOM REGULATORY AUTHORITY OF INDIA**

**PRESS RELEASE NO. 39/2005**

**3<sup>rd</sup> MAY, 2005**

**TRAI's Direction on Premium Rate Services and  
Value Added Services**

The Authority has observed that in the last few months, a number of operators and also some independent agencies are increasingly providing value added services like quiz, ringtones, televoting etc. through SMS. In most of these cases, the charges for these services are more than the normal published tariffs. The customers are informed about these value added premium rate services through SMS, advertisements in newspaper or T.V. But in this communication, the cost implication of the service is not intimated. Sometimes the messages are only followed by wordings "T&C apply". This practice of service providers works against the interest of consumers.

The Authority has also noted a number of instances where consumers are charged for value added services without their explicit consent. One such instance is that at the time of launch of any new Value Added Service, the customer is given the service free for a certain trial period. Subsequently, after the expiry of the trial period, the consumer is informed, usually by SMS, that if he does not want the service he should "unsubscribe" by sending a SMS to the service provider.

The Authority has observed that thus in such cases, the burden of informing the service provider, not to have that service once it has become chargeable, is put on the customer. This amounts to offering value added service without the explicit consent of the customer.

The Authority has, therefore, today directed all the Cellular Mobile Service Providers and Unified Access Service Providers –

- (i) to publish in all communications/ advertisements relating to premium rate services, the pulse rate/ tariff for the service; and
- (ii) that no chargeable value added service, shall be provided to a customer without his explicit consent. Any value added service, which was earlier being provided free of charge, shall not be made chargeable without the explicit consent of the customer.

(Sudhir Gupta)  
Advisor (QOS)