

Dear Mr Kishore,

Here is my response to TRAI's Consultation Paper on "Transparency in Publishing of Tariff Offers". I sincerely hope that you will give due consideration to the points of view expressed by me as a consumer/consumer activist/person representing consumer interest.

With warm regards

Pushpa Girimaji.

Question 1: Whether TRAI should prescribe any format for publishing tariff? Please support your answer with rationale.

I am really glad that TRAI has come out with this extremely important consultation because today, most people are buying telecom services with inadequate information and without really understanding the tariff or comparing the offers of various service providers for an informed choice.

'BillMonitor' a UK based mobile phone comparison site that analyses consumers' bills and also helps them get the right plan, says that it's analysis has shown that 74 per cent of consumers in UK are on the wrong mobile contract and paying too much and getting too little value. There is no such statistical data in India, but this percentage might well be much higher here, given the complexities of the present-day tariffs and the inadequacy of information to help consumers make the right choice.

Let me emphasize that the Consumer Protection Act gives the Indian consumers, the right to information, informed choice and the right to be protected from unfair trade practices. A consumer-friendly tariff format that respects these rights and ensures transparency and fair practices, is an absolute necessity. More so because in recent years, the tariff structures

have metamorphosed to such an extent that it is now almost impossible for consumers to understand them, let alone compare the offers of different service providers.

Let me be more specific. Consumers have a right to choice, but in order to make an informed choice, they must have the required information and full information in a format that is easily understood. Today, if you look at the tariff plans displayed on the websites of telecom service providers, you will find it extremely difficult to make an informed choice because the information is not consumer-friendly and easy to understand and most important, it is not complete- there is no data on the Special Tariff Vouchers (STVs) and Combo Vouchers (CVs) . In fact today the STVs, CVs and promotional offers (in case of pre-paid subscribers) and add-ons and promotional offers in case of post-paid subscribers have assumed such importance that publication of any tariff without this information would be absolutely meaningless.

But merely giving this information would again be useless unless it is given in a format that makes it easy to understand . And It is equally important for all service providers to give this information in an identical format – so that it becomes easier to compare the offers of different telcos and make an informed choice. In the absence of such a format, consumers will not be able to enjoy the benefits of competition.

It is also pertinent to note that 92-95 per cent of consumers in India buy pre-paid plans and they come from varied educational and economic background. This makes it absolutely imperative that tariff plans be intelligible to even those with elementary education, so that they buy what is in their best interest. BillMonitor's review of consumers' bills have also shown that many of them could easily bring down their bills substantially by either moving over to a different service provider or changing the plan of the same service provider. So all

this requires urgent intervention by the regulator. In fact while formulating the format, the regulator should also consider restricting the number of STVs and CVs.

Today, from what I understand there are over 500 STVs and CVs. Consumers have a right to choice and there should certainly be a wide range of offers, but there should also be a limit on it or else they only add to the confusion and make an informed choice almost impossible.

It's for this reason that earlier TRAI had limited the number of tariff plans of pre-paid and post-paid services to 25. However, with STVs and CVs holding sway and determining the applicable tariff, the restriction on the number of plans has become infructuous.

Today, service providers are also offering bundled products-many of them bundled with non-telecom services. However, in many cases, the terms and condition are not made known to consumers, leading to unfair trade practices. So TRAI has to take all these into consideration while formulating consumer-friendly formats for tariffs.

Question 2: If the answer to the Question 1 is yes, then please give your views regarding desirability of publishing tariffs on various modes of communication viz.,TSP website/Portal, App, SMS, USSD message, Facebook, WhatsApp, Twitter, Customer care centers, Sales outlets etc. If the answer to the question is that tariffs should be published on multiple channels as above, please state whether TRAI should prescribe a separate format for each channel. Please also suggest the essentials of the format for each channel.

Adequate and truthful information is the key to informed choice and today we have a number of communication media for dissemination of that information. Since telecommunication services cater to a wide strata of the society who depend on varying

modes of communication, it would make sense to publish the tariff on various forms of modern communication- in English and in the local language of the region. This would ensure that the information on tariffs reaches all sections of telecom users.

A common format for all channels would be preferable, without of course compromising on the content/information and ease of understanding the information.

Question 3: Whether the extant format prescribed for publishing tariff at TSP's website conveys the relevant information to consumers in a simple yet effective manner? If no, please provide the possible ways in which the same can be made more effective?

The present format of publishing tariff plans at the service providers' website does not meet the needs of consumers because it covers only the basic plan or tariff, whereas today, the 'Special Tariff Vouchers' and the 'Combo Vouchers' have completely changed the dynamics of the tariff plan. Since the innumerable 'Special Tariff Vouchers' and Combo Vouchers determine the actual tariff that a consumer eventually pays, it is imperative that this information also becomes part of the tariff information provided to the consumer. Since the number of such STVs CVs is huge, it might be a good idea to curtail them in the interest of easy understanding of the tariff.

In short, what is being provided on websites of service providers today do not fulfill the rights of consumers and do not help them make the right choice.

Question 4: Whether the service providers be required to publish all the tariff offerings and vouchers in addition to the publishing of tariff plans, in the prescribed format? Please provide rationale for your response.

Today it is meaningless to publish the basic format without the vouchers, as they determine the charges that a consumer eventually pays. So service providers must publish all the offerings, in addition to the tariff plans, but in order to make it simple, it might be necessary for TRAI to restrict the number of STVs and CVs.

Having said that, I must point out that just giving this information would not suffice. There should be a tariff calculator and comparison tool that will help consumers understand the effect of various STVs and CVs on the final tariff- cost of enrolment as well continued subscription. It should also facilitate easy comparison of different plans of different service providers. Given the fact that service providers constantly change the offers, consumers need to keep up with those changes in order to understand them and move to better plans that give them more value for less money.

Question 5: Whether there is a need to mandate TSPs to introduce a tariff calculator tool to convey the effective cost of enrolment and continued subscription? If yes, what can be the essential features of such a tool? If the answer is in negative, then please give reasons for not mandating such a tool.

A tariff calculator should not only tell consumers about the effect of various vouchers on their bill, but also help them compare costs and benefits of various service providers. So I am not sure if consumers can get unbiased, unprejudiced information from service providers. Keeping this in mind, several countries have adopted different methods of dealing with the problem. Commission for Communications Regulation, Ireland, for example, helps consumers compare services and choose the right plan –the facility is on the website of the regulator. Ofcom, UK, on the other hand, has a scheme for accrediting agencies that provide price comparison services, so as to ensure the integrity of the data flow. BillMonitor, one such accredited agency is doing an excellent job of helping consumers choose the right plan. It also analyses their bills. So TRAI can follow either of these examples.

Question 6: Whether the service providers be asked to disclose clearly the implications of discontinuation of tariff plan after expiry of mandatory tariff protection period of six months on the provision of non-telecom services offered as a part of the bundle at the time of subscription

to a particular plan? If yes, what should be the exact details that service providers may be required to provide in case of bundled offerings? If the answer is in negative, then please give reasons for not mandating such a disclosure.

Fair disclosure should be the rule- meaning that telecos make all terms and conditions pertaining to a bundled service known to the consumer in clear and unambiguous terms at the time of sale. What is not disclosed should become null and void.

Question 7: Whether the service providers be required to provide a declaration while reporting tariffs to TRAI and displaying tariffs through its various channels that there are no terms and conditions applicable to a tariff offering other than those disclosed here? Do we require additional measures to ensure that all the terms and conditions are clearly communicated to the subscribers and the Authority? If the answer to the above is yes, then please provide your suggestions in detail. If you do not agree with the above requirement, please provide detailed reasons for the same.

Such a declaration would obviously help in preventing unfair trade practices vis-à-vis tariff offers and bundled services. Today, telecom service providers offer free subscription to certain non-telecom services for a year, in order to entice consumers to opt for certain tariff plans. At the end of the one-year period, one would expect the service provider to ask the consumer whether or not they would like to continue the service, after informing them about the cost of such a service.

Instead, service providers 'auto-renew ' the non-telecom service and bill the consumer for an annual subscription, without her/his consent. This is highly unethical and is an unfair trade practice. What the service provider also does not tell you is that the 'terms and conditions' governing the free annual subscription says in small print that your subscription will be auto-renewed at the end of the year and the amount added to your telecom bill! TRAI

should look into this and ensure that such unfair terms are not included in these one-sided contracts and service providers should not indulge in these kind of unfair trade practices.

Question 8: Whether the service providers be required to publish details of all plans in the prescribed format including the plans not on offer for subscription but active otherwise? Please support your answer with rationale.

Yes, it is absolutely necessary as consumers will not often remember the details of the plan that they have chosen. All plans in existence (even if not on offer anymore) should be published.

Question 9: Whether the service providers be required to update the information on point of sale and retail outlets simultaneously with the launch/change of a tariff offer?

Yes, it is only logical that they do it.

Question 10: Whether the tariffs published in prescribed formats are displayed on websites of the service providers in an effective manner? If no, should the manner of display on website may also be prescribed by the Authority? If it is felt that the manner of display on website may be prescribed by the Authority, please give your views on the proposed display framework.

TRAI should prescribe the display format because that will ensure transparency and uniformity in the formats of all service providers, thereby making comparison of tariffs easy for consumers.

Question 11: What are your views on introduction of concept of unique id and requiring the service providers to link the tariff advertisements etc. with corresponding tariffs published in

TRAI prescribed formats including requirements to publish dates of implementation of tariff and that of reporting of tariff. Do you think that any other safeguards need to be introduced? If yes, please elaborate. Please support your answer with rationale.

I welcome the concept –particularly because it brings transparency and will eliminate misleading tariff advertisements. I must emphasize once again that today, most people are choosing their tariffs without fully understanding them. As a result, they may not be choosing a plan best suited to them. This has to change.

Question 12: Whether the proposed monitoring and compliance mechanism is enough to deter any violation of compliance with applicable regulations/directions. If no, please suggest further safeguards that may be introduced to ensure a robust monitoring and compliance mechanism.

There is need for a robust system of monitoring and compliance or else the entire exercise will be futile. It is also obvious from a reading of the Consultation paper that the regulator needs to strengthen both. Refer to Chapter 2- 2.9 where the regulator says that “it is been observed that quite often telecom service providers apply certain tariff policies and put conditions without disclosing the same in adequate detail in an unambiguous manner to the Authority and to the consumers” This is very unfortunate and the regulator needs to come down heavily on such behavior. In fact this also underscores the inadequacy of existing regulatory framework. In several countries, telecom service providers who sell tariff plans through misleading information , are asked to refund the cost to the consumers. We need to have similar policies.

13: Any other issue relevant to the subject discussed in the consultation paper may be highlighted.

In post –paid plans, the tariff should also mention the final cost including the GST.

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