

RJIL/TRAI/2019-20/586 23rd January 2020

To,

Sh. Kaushal Kishore
Advisor (Finance & Economic Analysis)
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhawan
Jawahar Lal Nehru Marg, New Delhi 110002

Subject: Comments on Consultation Paper dated 27th November 2019 on 'Transparency in Publishing of Tariff Offers'.

Dear Sir,

Please find enclosed comments of Reliance Jio Infocomm Ltd. on the issues raised in the Consultation Paper dated 27th November 2019 on 'Transparency in Publishing of Tariff Offers'.

Thanking You,
For Reliance Jio Infocomm Limited,

Kapoor Singh Guliani Authorised Signatory

Enclosure: As above.

RELIANCE JIO INFOCOMM LTD'S COMMENTS ON TRAI'S CONSULTATION PAPER ON "TRANSPARENCY IN PUBLISHING OF TARIFF OFFERS" (Consultation Paper Dated 27th November 2019)

- We thank the Authority for issuing this consultation Paper to take stakeholders views on measures related to transparency in publishing tariff orders. We submit that the Authority has already taken stellar measures to protect consumer's interests and to deliver full transparency in publishing or advertising tariff offerings.
- 2. Reliance Jio Infocomm Limited (RJIL) appreciates the Authority's concern on intermittently receiving complaints from consumers that can be linked to transparency in disclosure of tariff information. We appreciate and understand the need of transparency in communicating the tariff offering to the consumers, however, we completely disagree with the conclusion that the complaints are a result of the inadequacy of existing regulatory framework.
- 3. We submit that the current prevailing regulatory framework is well thought out and comprehensive to ensure transparency in tariff orders. The transparency related provisions under the current regulatory regime include the following:
 - I. The Telecommunication Tariff Order 1999 (TTO'99) as amended from time to time, along with various other provisions, mandates the service providers to ensure that all tariff offerings should be compliant with the regulatory principles of (a) transparency; (b) non-discrimination; and (c) non-predation.
 - II. Direction dated 16th September 2005, forbids the use of misleading titles to enhance transparency provisions.
 - III. The Telecom Consumers Protection Regulations, 2012 (TCPR 2012) ensures that the service providers comply with the requirements of presentation and marketing of various tariff vouchers while also ensuring transparency by providing voucher and consumption related information to the subscribers.
 - IV. Direction dated 16th January 2012 pertaining to advertisement of tariffs prescribes formats to be used for detailing the plan benefits on TSP websites.
 - V. Direction dated 26th March 2012 mandates the service providers to ensure full transparency in tariff advertisements along with mandatory material disclosures, while also introducing provisions for audit with the compliance of the Direction.
 - VI. Along with the above transparency related provisions, the Authority has taken may other steps to enhance better and unambiguous tariff information to the customers, which include:

- a. Cap on number of tariff plans that can be offered by a Telecom Service Provider (TSP) in each licensed service area at any given point of time.
- b. Protection to consumers against hike in tariffs.
- c. Unambiguous information of Blackout days along with a cap on such days.
- d. Mandate to pass the straight tariff reductions to consumers without any precondition.
- e. Minimum recharge period criterion for life time plans.
- f. Restriction on using term Unlimited, when the benefits are restricted.
- g. Mandatory information of Fair Usage Policy (FUP) wherever applicable.
- 4. We submit that in addition to the above provisions by the Authority, the TSPs are also governed by the Consumer Protection Act 2019 with its emphasis on preventing misleading advertisements. Additionally, the TSPs are also required to comply with the codes issued by the Advertising Standards Council of India (ASCI) with its emphasis on truthful and honest representation and unambiguous disclosures.
- 5. Evidently, the existing regulatory framework to ensure transparency in tariff publishing is more than adequate to ensure clear and unambiguous tariff related communication to telecom subscribers and that the telecom subscribers are fully empowered basis the information available. We submit that the root cause of the complaints received by the Authority can be found in misunderstanding by consumers or incorrect implementation of the transparency measures by TSPs. Thus, such complaints cannot be a ground for introducing more onerous transparency measures. We submit that any further intervention on micro level, as discussed in the Consultation Paper, would tantamount to abandoning the established principles of Forbearance and light touch regulations. We understand that any intervention, if at all desired, should be in the form of ensuring compliance with the extant regulatory provisions.
- 6. The Authority has already prescribed the formats for publishing the tariff plans on TSP websites. We submit that of all the types of vouchers permitted by the Authority, Plan Vouchers and the Postpaid plans are the most long-lasting vouchers with prescribed tariff for all telecommunication services. The consumer remains subscribed to a plan until she opts to change the plan, or the plan becomes unavailable. The other vouchers like Special Tariff Voucher (STV) and Combo Voucher (CV) are limited duration vouchers that affect one or more tariff line items and there is no restriction on their overall count. The Authority has given full flexibility to the service providers to design these vouchers to meet the ever-evolving needs of the consumers and these are designed accordingly. Thus, putting all these vouchers in a standardized format would increase the regulatory

compliance burden on the TSPs without any material benefit to the consumer; on contrary, we believe that it will lead to confusion for consumers.

- 7. Thus, we submit that Authority should not prescribe the publishing formats for any other vouchers than the Plan Vouchers. We further submit that in today's connected world, tariff communication is done through various different mediums including social media, operators' apps, web applications and so on. All such mediums have their own unique characteristics and creative requirements which are well understood by the intended audience. Thus, it would not be suitable to prescribe fixed formats for these mediums.
- 8. With regards the Authority's concerns on tariff protection in case of bundled tariffs, we submit that the provisions are well thought out and settled, covering all relevant aspects. Further, we submit that the tariff protection is understood to extend to all benefits under a plan, including non-telecom benefits and we do not see any ambiguity or need for clarification.
- 9. With regards the Authority's view on non-transparent availability of tariff plans on TSP's website, we submit that the requirements are very clear and RJIL complies with the same scrupulously and in case the Authority feels that some service providers are not complying with the requirement, then we submit that this is more of a monitoring and enforcing issue rather than an issue that requires reframing the requirements.
- 10. With regards the proposal to mandate a unique ID and using the same to link a tariff publication with TRAI formats available on the TSP's website, we submit that this will not lead to any additional benefit to the consumer. As suggested above, monitoring and adherence to existing regulations related to display of tariff plans on websites of TSPs will eliminate any need for additional information bombarding on the consumer. Consumer may get further confused while accessing the same information on one medium in multiple formats. Additionally, the proposed linking is not aligned with the online decision-making behavior displayed by the modern consumer while recharging his/her tariff plan.
- 11. Additionally, we submit that the Authority has been espousing the cause of improving Ease of Business in telecom business for some time now and this has also been included in National Digital Communication Policy (NDCP-2018) as a strategy. Therefore, when the general intent is to make the job of carrying out telecom business easier, interventions as discussed and proposed in the Consultation Paper run contradictory to this declared intent. Besides, at the risk of repeating ourselves, we submit that such interventions go against the Authority's successful approach of Light Touch Regulation and Forbearance.



12. Conclusions

- 1. The present Telecom tariff publication requirements are comprehensive, covering all relevant aspects and do not require any changes.
- 2. Authority should not prescribe tariff publishing formats for STVs and CVs.
- 3. Medium specific advertising formats should not be prescribed, as the same would impact the creative freedom and medium effectiveness.
- 4. The Authority may strengthen the monitoring mechanism to ensure compliance with the publishing requirements, instead of prescribing new requirements.

Issue wise response:

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

RJIL Response:

- As elucidated in our General Comments, there are already sufficient provisions implemented by the Authority to ensure the transparency in telecom tariffs and their publication, therefore we do not see any case for prescribing any more formats for tariff publication.
- 2. As long as the essential information that influences a consumer's decision making is provided in a cogent and understandable manner, there is no need for any intervention. We submit that publication is a creative field, where the primary aim of the publisher is to communicate the product essentials to the audience, in order to help build a positive outlook towards the product helping its adoption.
- We submit that any further intervention by the Authority in publishing the tariff related information would tantamount to micro regulation and would irreversibly affect the well turned out policies of forbearance and light touch regulations.
- 4. We submit that gaps, if any, related to information not being made available in the already prescribed formats on any select medium are due to non-compliance of the individual players. Hence, we recommend that Authority may focus on compliance with existing transparency related regulation by the sector players, instead of increase the regulatory compliance burden for the already burdened sector as a whole.
- 5. We further submit that any intervention in the creative freedom might lead to an anti-movement, with publishers even refraining to publish the tariffs and changing the entire

complexion of the tariff communication in telecom industry. Thus, any intervention by the Authority in publishing formats might tempt the service providers to adopt an entirely different sort of marketing techniques, which would be counterproductive to the intent.

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.

RJIL Response:

- We reiterate that the extant provisions for tariff publication by the Authority are sufficient
 with no need of any refinements. Further, these regulations are also supplemented by the
 Consumer Protection Act 2019 and self-regulation code published by the ASCI, thus there
 is no case for any regulatory intervention here.
- 2. We further submit that social media and web channels are very dynamic and ever evolving with various channel specific limitations of characters and display formats and thus cannot be and should not be regulated. As such additional limitations imposed by the Authority would stifle the creativity and would make the publications unsuitable for the medium and making the use of certain platforms redundant.
- 3. We submit that the Authority should focus only on effective implementation of the current prevailing requirements of transparency and non-misleading tariff communications. Further, refinements are possible by monitoring the compliance to the same, instead of prescribing additional requirements without sufficient monitoring.

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?

RJIL Response:

We submit that extent format prescribed for publishing tariff at TSP's website is comprehensive and conveys all the relevant information required by the consumer as well as the Authority in an unambiguous manner. However, as mentioned above, the issues remain with the implementation as for many service providers the TRAI format of tariff plans is not easily available.

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.

RJIL Response:

- The service providers are already required to publish all tariff offerings on their websites
 and also provide a weblink to the Authority. Thus, disclosure requirements of all tariff
 offerings is already being met. However, we do not see any value in standardized formats
 for all tariff offerings.
- 2. The Authority, vide the TCPR 2012, has given the flexibility of designing various tariff offerings to the service providers within the bounds of the defined type of vouchers, with each type of voucher having specified and identifiable characteristics. Plan Vouchers and Top-up Vouchers are two non-flexible types of vouchers with greater flexibility provided in designing STVs and CVs. We submit that the STVs and CVs, with dynamic and ever evolving nature of the telecom services, are designed and altered at quick intervals to meet the consumer requirements and they take varied hues and colors.
- The publication of these tariff offerings is also focused on highlighting the specific features
 of these vouchers, thus strait-jacketing all tariff offerings in a standard prescribed format
 would create confusion with lots of unnecessary information being supplied in the
 publication.
- 4. For instance, in case the Authority prescribes a format for publishing format for STVs, then quite obviously, this format would require information about all the items that can be offered in an STV viz. voice tariff rate cutter, free or discounted minutes, SMS tariff rate cutter, free or discounted GBs and so on. However, the service provider might make STV pertaining to only voice rate cutter, in such cases a lot of unnecessary and irrelevant information will be required to be supplied along with the simple one liner STV information i.e. voice calls at X paise/min for Y days on recharge with STV ABC.
- 5. Evidently, fixing of the formats for publishing all type vouchers is not a prudent idea and would lead to unnecessary information and consequent confusion for the consumers, thus obviating the purpose of this whole exercised.

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.

RJIL Response:

- We submit that tariff calculator is antiquated concept in the current era of bundled and flat rate tariffs. In current tariff plans, the charging principles are simple and easily comprehensible. In most popular plans the subscribers opt for data and all other service come along bundled in the plan, thus the concept of tariff calculator is not consistent with the current prevailing charging principles.
- The Authority had itself discarded the earlier practice of providing financial implications
 of the minutes of usage in a tariff package earlier and introduction of tariff calculators will
 be akin to the re-introduction of a rejected practice in a new garb. We request the
 Authority to refrain from this.

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.

RJIL Response:

- We submit that the non-telecom benefits are clearly disclosed to the consumers at the
 time of subscription along with their applicable terms and conditions. Further, the tariff
 protection is adequate to cover all the benefits under a tariff plan including the nontelecom benefits. Thus, there is no specific need for any provisions pertaining to the nontelecom benefits in case of discontinuation of plans.
- We submit that in case it is deemed necessary, the Authority may advise the service providers to mention such details in the terms and conditions pertaining to such nontelecom benefits.

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.

RJIL Response:

- We submit that the service providers are required to communicate the terms and conditions of all their tariff offerings and they are doing the same in compliance with applicable Regulations and the ASCI Code on disclosure. However, providing all applicable terms and conditions with each and every tariff publishing on all format, including print, web and social media is physically impossible.
- As the Authority is aware, many of modern advertising tools have character limitations
 and further requirements of publishing all applicable terms and conditions along with a
 disclaimer that no other terms and conditions are applicable barring the ones mentioned
 in the advert would actually kill the creative freedom required to design tariff publications.
- 3. We submit that instead of this, the service provider may be required clearly intimate that terms and conditions are applicable on a tariff offering and intimate where the same can be accessed. We understand that this is adequate for the purpose and is already being complied with by all service providers. The Authority may ensure strict compliance with the same.

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.

RJIL Response:

- 1. We submit that the plans not available for subscription to new customers to that plan are generally available only to a limited set of existing subscribers of such a plan and these subscribers are fully aware of the applicable plan benefits and terms and conditions. The plan benefits are already conveyed to them, as a part of invoice for postpaid customers and as an SMS notification on recharge to the prepaid customers. Further at the time of recharge through Service Provider's App, these plan details are also made available to such customers. Thus, the relevant audience for such plans is always aware of the plan benefits and applicable terms and conditions and need no further information.
- In case these plans are published alongwith the all the plans available for subscription, then there is liable to be a confusion for a customer. This can also lead to unnecessary and unwanted complaints. The customers might like an unavailable plan and on not being able



to subscribe to the same may complain to the Authority. Thus, it is prudent that only the plans available for subscription for new customers are 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?

RJIL Response:

We understand that updating the information of the plan at the point of sale and retail outlet is in the interest of the service providers and is being done simultaneously by service providers. There can be isolated cases where the correct information might not have reached the Point of Sale due to certain logistic issues. However, we do not see a case for regulatory intervention for such isolated cases.

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.

RJIL Response:

- RJIL is providing the tariff information in prescribed formats on its website in an effective
 and transparent manner and believe that there is no need for further intervention by
 prescribing the manner of display of tariff offering as the same would in the domain of
 micro regulation and should be avoided at all cost.
- We request the Authority to ensure that all service providers are complying with existing requirements in an effective manner before analyzing the need for enhancing the requirements.

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.



RJIL Response:

- The concept of the unique ID of a plan already exists, however, it is there for Authority to keep track of the tariff plans. Currently, this unique ID is generated by TRAI's online tariff reporting portal.
- 2. However, we do not appreciate or understand the relevance of the providing the unique ID of the plan on tariff advertisements. The assumption behind this concept is that the customer would first see the tariff advertisement and then use that unique ID for check the plan details on TRAI format before opting for a plan.
- We submit that the recharge used cases are quite contrary to this assumption as the customers prefer to see the plan details only on the purchase platform before buying. Thus, such linkage would have no impact but for increasing the information in the tariff advertisements.

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.

RJIL Response:

- We submit that post implementation of the online tariff reporting mechanism, the
 Authority has a single window access to all the tariff offered by the service providers. This
 alongwith the websites of the service providers give ample monitoring facilities to the
 Authority and there is no need for any further monitoring and compliance requirements.
- 2. Further, the service providers are anyways required to confirm that the tariff plan is updated on their websites during online filing thus the proposed quarterly certificate would be a reassurance on the same and there is no harm in providing the same.

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

RJIL Response:

We submit that the online tariff reporting and publishing on TRAI's website is very innovative and consumer friendly measure, however, there are still certain persisting or teething issues with this portal which have been highlighted by our separate letters. We request the Authority to take measures to make this portal foolproof.