

**TO BE PUBLISHED IN THE GAZETTE OF INDIA
EXTRAORDINARY PART III SECTION 4**

**TELECOM REGULATORY AUTHORITY OF INDIA
NOTIFICATION**

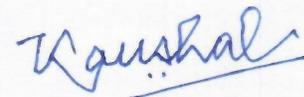
New Delhi, the 27th January 2022.

No. C-3/7/(5)/2021-FEA-1- In exercise of the powers conferred upon it under sub-section (2) of section 11, read with sub-clause (i) of clause (b) of sub-section (1) of the said section, of the Telecom Regulatory Authority of India Act, 1997 (24 of 1997), the Telecom Regulatory Authority of India hereby makes the following Order further to amend the Telecommunication Tariff Order, 1999, namely: -

**THE TELECOMMUNICATION TARIFF (SIXTY SIXTH AMENDMENT) ORDER, 2022
(1 of 2022)**

1. Short title, extent and commencement:

- (1) This Order may be called the Telecommunication Tariff (Sixty Sixth Amendment) Order, 2022.



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(2) This Order shall come into force within sixty days from the date of its publication in the Official Gazette.

2. In clause 6 of the Telecommunication Tariff Order, 1999, after sub-clause (x), the following sub-clauses shall be inserted, namely:-

"(xi) Every Telecom Service Provider shall offer at least one Plan Voucher, one Special Tariff Voucher and one Combo Voucher having a validity of thirty days.

(xii) Every Telecom Service Provider shall offer at least one Plan Voucher, one Special Tariff Voucher and one Combo Voucher which shall be renewable on the same date of every month."

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Telecom Regulatory Authority of India
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(Kaushal Kishore)

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Note.1. – The Telecommunication Tariff Order, 1999 was published in the Gazette of India, Extraordinary, Part III, Section 4 under notification No.99/3 dated 9th March, 1999, and subsequently amended as given below: -

Amendment No.	Notification No. and Date
1 st	301-4/99-TRAI (Econ) dated 30.3.1999
2 nd	301-4/99-TRAI(Econ) dated 31.5.1999
3 rd	301-4/99-TRAI(Econ) dated 31.5.1999
4 th	301-4/99-TRAI(Econ) dated 28.7.1999
5 th	301-4/99-TRAI(Econ) dated 17.9.1999
6 th	301-4/99-TRAI(Econ) dated 30.9.1999
7 th	301-8/2000-TRAI(Econ) dated 30.3.2000
8 th	301-8/2000-TRAI(Econ) dated 31.7.2000
9 th	301-8/2000-TRAI(Econ) dated 28.8.2000
10 th	306-1/99-TRAI(Econ) dated 9.11.2000
11 th	310-1(5)/TRAI-2000 dated 25.1.2001
12 th	301-9/2000-TRAI(Econ) dated 25.1.2001
13 th	303-4/TRAI-2001 dated 1.5.2001
14 th	306-2/TRAI-2001 dated 24.5.2001
15 th	310-1(5)/TRAI-2000 dated 20.7.2001

16 th	310-5(17)/2001-TRAI(Econ) dated 14.8.2001
17 th	301/2/2002-TRAI(Econ) dated 22.1.2002
18 th	303/3/2002-TRAI(Econ) dated 30.1.2002
19 th	303/3/2002-TRAI(Econ) dated 28.2.2002
20 th	312-7/2001-TRAI(Econ) 14.3.2002
21 st	301-6/2002-TRAI(Econ) dated 13.6.2002
22 nd	312-5/2002-TRAI(Eco) dated 4.7.2002
23 rd	303/8/2002-TRAI(Econ) dated 6.9.2002
24 th	306-2/2003-Econ dated 24.1.2003
25 th	306-2/2003-Econ dated 12.3.2003
26 th	306-2/2003-Econ dated 27.3.2003
27 th	303/6/2003-TRAI(Econ) dated 25.4.2003
28 th	301-51/2003-Econ dated 5.11.2003
29 th	301-56/2003-Econ dated 3.12.2003
30 th	301-4/2004(Econ) dated 16.1.2004
31 st	301-2/2004-Eco dated 7.7.2004
32 nd	301-37/2004-Eco dated 7.10.2004
33 rd	301-31/2004-Eco dated 8.12.2004
34 th	310-3(1)/2003-Eco dated 11.3.2005
35 th	310-3(1)/2003-Eco dated 31.3.2005
36 th	312-7/2003-Eco dated 21.4.2005
37 th	312-7/2003-Eco dated 2.5.2005
38 th	312-7/2003-Eco dated 2.6.2005
39 th	310-3(1)/2003-Eco dated 8.9.2005
40 th	310-3(1)/2003-Eco dated 16.9.2005
41 st	310-3(1)/2003-Eco dated 29.11.2005
42 nd	301-34/2005-Eco dated 7.3.2006
43 rd	301-2/2006-Eco dated 21.3.2006
44 th	301-34/2006-Eco dated 24.1.2007
45 th	301-18/2007-Eco dated 5.6.2007
46 th	301-36/2007-Eco dated 24.1.2008
47 th	301-14/2008-Eco dated 17.3.2008
48 th	301-31/2007-Eco dated 1.9.2008
49 th	301-25/2009-ER dated 20.11.2009
50 th	301-24/2012-ER dated 19.4.2012
51 st	301-26/2011-ER dated 19.4.2012
52 nd	301-41/2012-F&EA dated 19.09.2012
53 rd	301-39/2012-F&EA dated 1.10.2012
54 th	301-59/2012-F&EA dated 05.11.2012
55 th	301-10/2012-F&EA dated 17.06.2013
56 th	301-26/2012-ER dated 26.11.2013
57 th	312-2/2013-F&EA dated 14.07.2014

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58 th	312-2/2013- F&EA dated 01.08.2014
59 th	310-5 (2)/2013-F&EA dated 21.11.2014
60 th	301-16/2014-F&EA dated 09.04.2015
61 st	301-30/2016-F&EA dated 22.11.2016
62 nd	301-30/2016-F&EA dated 27.12.2016
63 rd	312-1/2017-F&EA dated 16.02.2018
64 th	301-20/2018-F&EA dated 24.09.2018
65 th	301-03/2020-F& EA dated 03.06.2020

Note 2. – The Explanatory Memorandum explains the reason for the Telecommunication Tariff (Sixty Sixth Amendment) Order, 2022.

EXPLANATORY MEMORANDUM

Introduction

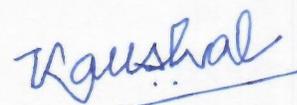
1.1 The Telecom Regulatory Authority of India (“TRAI”/“ Authority”) is established under the Telecom Regulatory Authority of India Act, 1997 (“Act”) to *inter-alia*, protect the interest of consumers of the telecom sector. To this effect, TRAI has been mandated to regulate tariff for telecommunication sector in India.

1.2 Section 11(2) of the Act provides, “Notwithstanding anything contained in the Indian Telegraph Act, 1885 (13 of 1885), the Authority may, from time to time, by order, notify in the Official Gazette the rates at which the telecommunication services within India and outside India shall be provided under this Act including the rates at which messages shall be transmitted to any country outside India:

Provided that the Authority may notify different rates for different persons or class of persons for similar telecommunication services and where different rates are fixed as aforesaid the Authority shall record the reason therefor.”

1.3 Further Section 11(4) of the Act also mandates that the “Authority shall ensure transparency while exercising its powers and discharging its functions”.

1.4 In regulating tariffs, TRAI has over the years moved from ‘forbearance with prior approval stage’ to a ‘forbearance regime with post-facto reporting obligation’ with regulatory oversight. The regime has led to introduction of new and innovative tariff products in the market designed to provide telecom services at affordable and competitive price to the consumers. The same is reflected in the number and the composition of tariff offers made by Telecom Service Providers (TSPs) both in the prepaid and postpaid



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segments. However, based on the feedback received from the consumers through various channels, it has been noted that certain tariffs/ vouchers and their validity periods offered by TSPs are not to the satisfaction of a section of consumers.

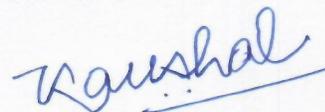
Consultation Process

2.1 Of late TRAI has been receiving a number of references from consumers regarding tariff offerings of TSPs that are valid for 28 days, and cannot be perceived as monthly tariff offerings. Consumers have stated in their complaints that the validity period of 28 days not only causes confusion but also leaves them with a sense of being short-changed. Additionally, it results in inconvenience as they need to make 13 recharges in a year, given that the validity period is 28 days, rather than a calendar month. The extent of unease from the consumer perspective is clear from Parliament Questions in this regard, as well as numerous complaints and RTI applications received by the Authority.

2.2 While TRAI observed that the TSPs have been transparent in disclosing the validity period of the said tariff offers as 28 days etc., and have not generally attempted to market the same as monthly tariffs, still it is felt that considering consumer perceptions, it is necessary to look into the issue from the perspective of consumer choice as well. Further, the complaints, references, and Parliament Questions in this regard also exemplify the persistence of confusion in the minds of the consumers and the inconvenience caused to them in practical terms due to unavailability of monthly tariff offerings.

2.3 The issue was accordingly discussed with the TSPs. The TSPs pointed out that as the services are prepaid, there has to be clarity and objectivity in the duration for which the services are to be given and since different calendar months have different number of days, a calendar month should not be the basis of tariff offerings and charges for prepaid services. On the question of possible inconvenience, it was stated by them that the same cannot be resolved even if a tariff offering for 30 days is mandated as even then consumers will have to recharge more than once in months having 31 days. It was pointed out that unlike postpaid services, where a concept of fixed billing cycle on a monthly basis is followed, prepaid services resume from the date of recharge and follow the validity period of tariff expressed in terms of number of days and weeks rather than a fixed monthly billing period.

2.4 To obtain the views of all stakeholders on the issue, TRAI issued a Consultation Paper on "Validity period of Tariff Offers" on 13.05.2021. The purpose of the consultation paper was to identify tariff offers that are not to the satisfaction of a large section of consumers, and explore the possibility of making tariffs/ vouchers offered by service providers and their validity issues synchronous with the aspirations/ requirements of consumers and if necessary, amend the regulatory framework to this extent.



2.5 Accordingly, views of stakeholders were sought on different options viz., (i) mandating TSPs to offer prepaid tariffs/vouchers (all forms such as Special Tariff Vouchers, Combo Vouchers, etc.) for 30 days in addition to the tariff offerings for any number of days, (ii) mandating TSPs to offer prepaid tariffs with 'monthly' validity wherein the tariff becomes due for renewal only on the same date of each month, and/ or (iii) mandating the TSPs to offer telecom tariffs for the period of 29/30/31 days in addition to the present offering of 28 days.

2.6 The comments and counter-comments on the issues raised in the Consultation Paper were sought by 11.06.2021 and 25.06.2021 respectively. A total of 84 comments and 02 counter-comments were received from individuals, Consumer Advocacy Groups, Associations, Organizations and Telecom Service Providers, which were duly uploaded on TRAI's website.

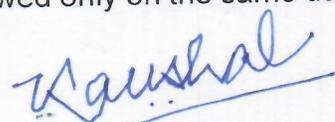
2.7 As per prevalent practice, an Open House Discussion (OHD) through online video conference mode was held on 28.07.2021, where approximately 90 stakeholders participated and presented their views. Thereafter, stakeholders were given an opportunity to give their supplementary comments, if any. Supplementary comments from one Consumer Advocacy Group and two Service Providers were received.

3. Views of stakeholders:

3.1 On the question of "whether the period to be specified should be considered as 30 days or a month with requirement of tariff to be renewed only on the same date of each month or separate tariff offers be mandated for 29/20/31 days in addition to the present practice of offering tariff for 28 days?", most of the consumers and consumer advocacy groups are of the view that TRAI should intervene in the issue of validity period of tariffs. However, Telecom Service Providers were of the view that the policy of forbearance in tariff offerings and billing cycle including validity period should continue and there is no need for any regulatory intervention on the issue of validity period of tariff offers.

3.2 Gist of responses received from Telecom Service Providers:

- **Airtel**
 - A large percentage of prepaid customers belong to very low-income group; a 28 days validity for such section of society means they budget their usage on a weekly basis which helps in managing their mobile expenses in a better and organized way.
 - Just mandating a tariff offer with a specific validity of 30 days or a month with requirement of tariff to be renewed only on the same date



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of each month, may not be of any value addition to a prepaid customer whose recharge preferences may not change by introduction of such one-off offering.

- Prepaid journey is completely different due to the absence of the concept of "billing cycle" and the continuity of service is dependent upon the pack purchased with specified benefits and validity associated with the same.

B. RJIO

- Before the weekly structure of prepaid tariffs, the prevailing tariff validity was 30 days or multiples thereof, thus, we do not think the demands and representations received by the Authority, as mentioned in the consultation paper, would be for validity of 29 or 31 days or for that matter, same day on each month. Thus, if required, an introduction of a tariff offer with validity period of 30 days shall suffice.
- With regard to monthly tariffs, i.e., tariffs wherein the customer is required to recharge on same day every month with the same fixed amount, the same is not technically possible, as this is primarily a postpaid structure. Subscribers are at liberty to opt for an advance rental option for postpaid plans to avail such a tariff structure.

C. BSNL

- For prepaid GSM services, BSNL is already offering prepaid vouchers with varying validity, including those of 28/ 29/ 30 and 31 days. The prepaid billing systems have been designed to work on the basis of number of days as far as validity issue is concerned.
- Considering requirement of tariff to be renewed only on the same date of each month, will make the validity of the voucher variable (28, 29, 30 or 31 days) and such vouchers having validity of variable number of days cannot be technically configured in the present billing system.

D. VIL

- Any change to existing 28/56/84 days validity structure which is prevailing in the market for a decade now will be a massive change and will require gigantic efforts in terms of consumer awareness, configurations in billing systems, publications in own and 3rd party channels and retail channel education.

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- Since 'days of a month' are not static at 30 days, customers recharge renewal date will continue to change during subsequent renewals, in both versions of validity. However, with 28/56/84 day packs, customer renewal cycle will positively occur on the same weekday as that of the earlier recharge.
- The technical system viz. primarily IN system, is designed and evolved over years, for configuration of prepaid offerings with validity as fixed number of days like 7/14/28/30 days validity in which it is not feasible to set the due date for next recharge to be on the same date (as of initial recharge) in the subsequent month, irrespective of the number of days in the month. Thus, there would be technical limitation in existing systems for supporting recharge which has validity expiry on same day every calendar month in a year.

3.3 Response of CAGs

- Consumer Care Society:** The period specified should be a month with the condition that the plan be renewed on the same date of each month. With that change there is no need for tariff offer for 28/29/30/31 days.
- NCHSE, Consumer Guild, Consumer Protection Association:** There is lot of confusion among consumers regarding monthly tariffs, therefore it is suggested that monthly prepaid plans should be renewed on the same date every month, regardless of how many days are there in the month.
- Consumer Voice:** Validity periods should be standardized to say 1 Day / 7 Days / 15 Days and one month. All other validity periods should be invalid. One Month validity should mean that renewal is due on the same date of the following month.

3.4 Response of Companies/Organizations/Firms

- Pursuitex LLP:** All dates/ days must be permissible. However, there should be visible difference in price and quality to distinguish according to the prices and validity wherein consumer will have a choice to subscribe to the validity desired. Further, TRAI should mandate Standard Recharge Voucher having 30 days validity for the convenience of consumers.
- Dua Consulting:** The tariff validity period may be considered for the same date of each month.

3.5 Response of Individuals

The validity period must be of 30 days, with a grace period of 15 days for incoming facility (barring of outgoing calls) beyond the validity period of 30 days. The validity period of 28 days is indirectly giving undue advantage to the TSPs. Separate tariff offers should exist for 28/29/30/31 days to extend a flexible services bouquet to the Indian mobile consumer

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community. The period should be a month with requirement of tariff to be renewed only on the same date of each month.

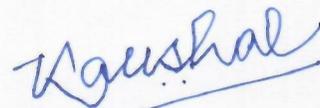
4. Analysis of Comments received from stakeholders:

4.1 One TSP, i.e., BSNL is already offering STVs and CVs with a validity of 30 days and in multiples of 30 days. After the issuance of the Consultation paper, the other telecom service providers too have launched tariff offers in the form of Special Tariff Vouchers with a validity period of 30 days.

4.2 If a prepaid tariff plan is available with a validity of 30 days, consumers have a monthly recharge option, thereby improving consumer choice. Consumers would have more options and would not be compelled to recharge using tariff packs / products with a validity of 28 days. The availability of PV/STVs/Combo Vouchers with a 30 day validity period would thus enable consumers to make an informed tariff-related choice.

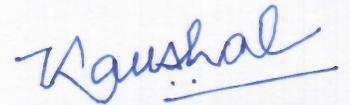
4.3 As has been brought out above, the views of the stakeholders are clearly divided with Service Providers reiterating their preference for the continuance of present forbearance regime with regard to validity period of tariff offers – usually given in terms of days, weeks and multiple thereof - with one TSP suggesting for at best a mandate for one tariff offer with 30 days validity for pre-paid customers. The monthly tariff offerings should be in addition to present offerings in vogue, to address the concerns raised by other stakeholders. On the other hand, consumer advocacy groups, consultancy organizations and individual customers are of the view that in addition to mandating 30 days tariff offering, a monthly tariff offering rechargeable on the same date of each month should also be provided for.

4.4 While reviewing international practices on the validity period of tariff offers, it is observed that Vodafone UK offers a “Pay As You Go” tariffs for a validity period of 30 days and another UK telecommunication company O2 provides Pay As You Go tariffs for duration of a month. Verizon, USA also follows a monthly system for charging its prepaid services and clarifies in very specific terms that “Monthly prepaid plans renew on the same date every month, regardless of how many days there are in the month.” Since availability of prepaid tariffs rechargeable on same date of every month is in vogue internationally, there is no reason why such a facility should not be made available to Indian telecom consumers as well.



4.5 Considering the views of all stakeholders and international practice in this regard, the Authority is of view that mandating (1) at least one PV/STV/CV having validity of 30 days, and (2) at least one PV/STV/CV renewable on same date of every month while giving an option of monthly tariff and recharge thereof will also address any other concern in the minds of subscribers. The above will not only ensure continuation of freedom to TSPs in the design and launch of tariffs in terms of validity period but also empower consumers by giving monthly and same date recharge / tariff selection option. Accordingly, it is decided to amend Section III (Tariffs for Telecommunication Services) of the Telecommunication Tariff Order 1999, after sub-clause (x) of clause 6 (Flexibility and Packages), by inserting sub-clause (xi) to ensure that every Telecom Service Provider shall offer at least one Plan Voucher, one Special Tariff Voucher and one Combo Voucher having validity of 30 days and sub-clause (xii) to ensure that every Telecom Service Provider shall offer at least one Plan Voucher, one Special Tariff Voucher and one Combo Voucher which shall be renewable on the same date of every month.

4.6 TSPs have indicated that mandating recharge offer on same date of every month would require technical changes in their billing and associated systems. As stated by them, their existing billing, CRM and IN systems are currently configured in a particular way, and changes may need to be carried out to these technical systems to enable a different configuration of validity periods. The Authority is of view that sufficient time needs to be given to reconfigure their systems for implementation of any change in the regulatory regime for validity period of tariffs. Accordingly, it is decided that the instant order be implemented within 60 days' time as during the period the requisite modifications may be effected by the TSPs in their systems.



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