

Consultation Paper No. 12/2010 dated 13.10.2010

TUGI response to the Certain Issues relating to Telecom Tariffs

1. What, according to you, are the challenges which Indian telecom subscribers face while understanding and choosing the tariff offers

Ans. 1 On an average each Service area has 12 operators. Each operator has category of Post-Paid & Pre-Paid customers and large number of Plans in both categories.

In addition there are host of VASs and Users-Local, National Roaming & International Roaming etc, Validity of Plans etc.

There is no good Mechanism & Process which can give an analytical, simple & easy understanding of these services to assist customers for selection of most preferred choices. It also requires suitable advertisements both at outlet of operator point of sales & by Media for easy access for details.

There are more than 60 Crore Mobile Subscribers and No agency is there which can take up this kind of mammoth task to make tariff complexities simpler & understandable by a common man

2. What according to you are the required measures to further improve transparency in tariff offers and facilitate subscribers to choose a suitable tariff plan?

Ans. 2 Multiplicity of Tariff is itself increasing. The per second per paisa based tariff plans has further compounded the complexity.

It is therefore desirable that service providers themselves undertake analysis of number of customers in various plans. It will certainly indicate that there are number of plans which are dormant and / or not utilized practically. Based on analysis these plans shall be withdrawn & if there are a very few customers, they can be migrated to most current new plans without any extra charge.

For the Balance / Remaining Plans it is suggested that a chart or table shall be prepared keeping only 3 or 4 categories based on usage of customers for Post Paid.

- A. { Very Low Usage
Medium Usage
- B. { High Usage
Very High Usage
- C. Corporate Usage

Most of the plans can be approximately merged in three categories. It will be easy for each service provider to cover these consumers in A, B, C category. The comparative statements of

the plans can be displayed / provided to customer for their simple understanding. This may be more appropriate & good for the Post-Plan category.

In case of Pre-Paid category, majority of customers do fall in very low & medium usage, it is therefore, preferred to have “One Plan” for each service area. It is mentioned that two of largest operators viz Reliance & Tata have one plan only. This model may be adopted by all Telecom Service Providers.

3. Do you think mandating “One Standard Plan for All Service Providers” particularly for the prepaid subscribers as suggested by some consumer organizations would be relevant

Ans. 3 As per TRAI indication there are 96% pre paid subscribers in the country and majority of them are illiterate to understand tariff plans complexity and they intend to subscribe for simple tariff plan which they can understand and get it topped up when ever they needed, it shows by TRAI statistics that the current trend for Pre-Paid consumers is to have one Plan by large operators like Tata & Reliance in each service area. Even new entrants like Etisalat have one plan. It is therefore suggested that for prepaid considering usage & low average recharge and having no facility like Post Paid for full details, only one plan across the country is required to serve them well with total transparency.

4. Do you think the existence of large number of tariff plans and offers in the market are beneficial for the subscribers?

Ans. 4 Currently numbers of plans available in market are not known to the consumers. In addition TRAI analysis also indicated that most of the Plans are dormant. May be one or two are significantly used.

In view of this, for Pre-Paid consumers “One Standard Plan for All Service Areas of All Service Providers” is considered appropriate.

5. In your opinion is it necessary to revise or reduce the existing cap of 25 on the number of tariff plans on offer? If so, what would be the appropriate number?

Ans. 5 It is suggested that for Pre-Paid this number may be revised to one. As explained in Question four, firstly, most plans are not known to customers. The consumers are also not aware about their details.

In addition the analysis available in consultation papers itself shows that some of the operators have one or two active plans.

Therefore it is highly recommended that there shall be “Only One Plan” for Pre-Paid consumers to bring in clarity & avoid any ambiguity.

6. Should there any limit be prescribed on the rates for premium rate SMS and calls? If so, what should be the norms for prescribing such limit?

Ans. 6 TRAI shall fix the cap for Premium rate SMS & Calls. Firstly the rates are not announced by Service Providers. Secondly the consumers send SMS or make call on emotional basis spontaneously. Therefore it is essential to regulate it.

7. If not, what further measures do you suggest to improve transparency in provision of the premium rate services to prevent the instances of subscribers availing such services without understanding financial implications thereof?

Ans.7 As explained in Question 6 above, Premium rates both SMS & Calls shall be regulated. When customer is prompted uses these services, the rates shall be announced / notified while accessing the service.

8. Do you think there is sufficient justification to allow the service providers to realign the ISD tariff in respect of existing lifetime subscribers in view of the grounds mentioned in their representations?

Ans. 8 Will submit at later date

9. What measures do you think are necessary to improve transparency and to prevent instances of un-intended recharges by subscribers in situations of cross-restrictions of recharges?

Ans. 9 It is essential the Service Providers give adequate publicity and convey possible benefits, any restrictions which are valid and applicable to specific plans. This may help customers in not opting for those re-charge packs which are inconsistent with his current plan.

Operators shall also have system in place which can reject inconsistent recharge (inconsistent with his current plan)

10. Considering the nature and structure of the prevailing tariff offerings in the market and advertisements thereof, do you think there is a need for TRAI to issue fresh regulatory guidelines to prevent misleading tariff advertisements?

Ans. 10 It is suggested that TRAI may issue now, a regulation on the basis of experience gained so far to prevent misleading tariff advertisements.

This for future may be made regular feature as advisory based on subsequent advertisements.

11. Do you agree that the instances of 'misleading' tariff advertisements listed in this paper adequately capture the actual scenario in the market? If not, provide specific details. Stakeholders are free to raise any other issue that they feel is relevant to the consultation and give their comments thereon.

Ans. 11 We appreciate TRAI efforts for catching "misleading" tariff advertisements and their right interpretation. The best practices formed by the regulatory bodies in other sector be the guiding principal for advertising norms.

Additional Issues for Consultation:-

1. Forbearance should be abolished and All Tariffs Including VAS should be regulated.
 - a), National Roaming charges for Calls, SMS, MMS, Email etc. shall be reviewed and regulated.
 - b), In view of average Service Providers being 12 in most of the service areas, forbearance in respect of Services for which "Caps" were fixed by TRAI, shall be done away .
 - c), In addition, there are host of VASs such as MMS, Email etc. for which no caps or tariffs were fixed by TRAI, it is suggested that Forbearance is abandoned and tariffs are regulated by TRAI.
2. There should not be any roaming charges within same brand and their respective service areas.
3. International Roaming shall also be reviewed & Guidelines issues by TRAI for safeguarding our interest.
4. Mobile Pre-paid Customer pay in advance for their yet to receive services. There shall be no validity for re-charge coupons. Consumer shall continue to pay and use by way of recharge- pay. Till such time consumer has balance in his account, shall continue to make use of the services.
5. Soliciting to call or visit web site should be immediately stopped
6. Short Numbers such as 100,101, 102, 139 are national asset and should be made available for call by any service providers any network without any prejudice, it has been noticed that 139 Number for Railways Enquiry has been charged as premium number, thus violate the basic norm, These universal short number should be regulated and not to be allowed to fleece the customer.
7. Calling customer care number should not be charged.
 - i, Helpline is a service to the customer
 - ii, Enquiries promote business of Telcos.
 - iii, It helps Telcos to understand grievance of customer and its redressal.

Therefore these calls to helpline are in fact enabling Telco's to discharge responsibility and enhance business. There is no reason to charge the consumer for use of helpline. It should be free like any FMCG offering Toll Free Numbers.

15 November 2010

**The Chairman
Telecom Regulatory Authority of India
Mahanagar Doorsanchar Bhavan,
Jawahar Lal Nehru Marg
New Delhi-110002**

CC: Mr. Raj Pal, Advisor Eco, TRAI

Subject: TUGI Response to the TRAI Consultation Paper No. 12/2010 dated 13.10.2010

Dear Sir,

TUGI very well appreciate the out come of the TRAI Consultation paper on Tariffs. Please find attached TUGI Response for your kind consideration.

There are other issues which have been not covered in the consultation paper but have been asked for submission; we have added as other issues in our response, it is our humble submission that Consultation Paper addendum be issued covering as other issues from the stake holders to get a systematic response.

Thanking you
Yours sincerely,

Sd/-

**Dr. RN Bhardwaj
Executive Director**

24 November 2010

The Chairman

Telecom Regulatory Authority of India

Mahanagar Doorsanchar Bhavan,

Jawahar Lal Nehru Marg

New Delhi-110002

CC: Mr. Raj Pal, Advisor Eco, TRAI

Subject: TUGI Additional Response to the TRAI Consultation Paper No. 12/2010 dated 13.10.2010

Dear Sir,

This is in continuation to our response on 15 November 2010.
We would like to humbly submit that following points for your consideration.

- 1 Per sec billing is must
- 2 No roaming charges within same Brand/owner nation wide.
- 3 Only one pre paid tariff per operator.
- 4 SMS to be cost based at 5 NP per SMS nation wide.
- 5 ISD charges to be maximum Rs. 5/Minute.
- 6 Incoming roaming (foreigners coming to India) & Indian roamers going abroad - the difference should be paid in to USO fund.
- 7 No rental on post paid.
- 8 Web Bills to be send
- 9 The Post Paid Tariff also need to be rationalised.

Thanking you

Yours sincerely,

RN Tripathi

General Manager

Telecom Users Group of India