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Ref: **ACTO's Response to TRAI's Draft Telecommunication Tariff (Seventy Second Amendment) Order, 2025**

Dear Sir,

With reference to the *Draft Telecommunication Tariff (Seventy Second Amendment) Order, 2025* issued by Hon'ble Authority, Association of Competitive Telecom Operators (ACTO), is pleased to provide our comments.

We hope that our comments (enclosed as Annexure – I) will merit consideration of the Hon'ble Authority.

Thanking you,

Respectfully submitted

Yours sincerely,

for **Association of Competitive Telecom Operators**

Director

Encl: As above

Annexure-I

ACTO's response on the Draft Telecommunication Tariff (Seventy Second Amendment) Order, 2025

The Association of Competitive Telecom Operators (ACTO) appreciates TRAI for bringing the Draft Telecommunication Tariff (Seventy Second Amendment) Order, 2025 dated 16th October 2025. On behalf of our members our brief comments are given below:

1. Reasonableness and Proportionality:

- The proposed maximum penalties are excessive and disproportionate to the nature of the default. Tariff reporting is a procedural compliance issue and does not result in financial loss to the exchequer or harm to consumers.
- Delays in filing of reporting requirements, where tariffs are in compliance with regulatory principles such as transparency, non-discrimination, and non-predation, do not cause market distortion or prejudice.

2. Alignment with Jan Vishwas Reforms:

The Jan Vishwas reforms reflect the Government's intent to decriminalize, rationalize, and simplify regulatory obligations. Introducing punitive penalties for procedural lapses contradicts the following -

- The Central Government's Ease of Doing Business agenda;
- The Telecommunication Act, 2023, which also emphasizes proportionality and simplification;
- TRAI's mandate to facilitate orderly growth and fair competition.

We suggest compliance should be promoted through guidance and cooperation, not punitive measures.

3. Graded Penalty Structure:

- ACTO agrees with the concept of a graded penalty structure as it aligns with the principles of fairness and proportionality. **However, we strongly recommend that the maximum penalty be capped at Rs 2 lakhs, consistent with the existing tariff order.** This cap ensures that penalties remain reasonable and do not disproportionately impact service providers.

4. Imposition of Interest on Delayed Payments:

- Interest as per Para 2(b) should not be levied as it constitutes a financial disincentive, potentially penalizing service providers unfairly. Providers have the right to seek remedies concerning the quantum of payment, and continuous interest accrual could undermine their efforts to resolve disputes or discrepancies.
- Legitimate reasons may exist for a delay in payment by a few days. The provision to treat a part of a month as a full month for interest calculation exacerbates the financial burden. The interest demands due to minor delays could, in certain instances, exceed the actual interest accrued, leading to a disproportionate financial impact. If at all interest is to be charged, it should be calculated based on the actual number of days of delay, transitioning to a monthly basis only after a full month has elapsed.

ACTO's Suggestions:

ACTO requests TRAI to consider the above points to ensure that the regulatory framework remains conducive to business growth and fair competition. We look forward to continued engagement with TRAI to achieve a balanced regulatory environment.

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