



VIL Comments to the TRAI's Consultation on Draft "The Telecommunication Tariff (Seventy Second Amendment) Order, 2025"

At the outset, we are thankful to the Authority for giving us this opportunity to provide our comments to the TRAI Consultation Paper on Draft "The Telecommunication Tariff (Seventy Second Amendment) Order, 2025" issued on 16.10.2025.

In this regard, we would like to submit our comments as follows, for Authority's kind consideration:

1. Details of amendment:

- a. **"First Amendment":** The clause 7(iii) has been amended and substituted with following clause:

"(iii) If any service provider fails to comply with the Reporting Requirement, it shall, without prejudice to the terms and conditions of its licence, or the provisions of the Act or rules or regulations or orders made, or directions issued, thereunder, be liable to pay, by way of financial disincentive, an amount of ten thousand rupees for every day of delay for the first seven days and, in case the contravention continues beyond seven days, an additional amount of twenty thousand rupees for each subsequent day of delay during which the default continues, subject to a maximum of five lakh rupees, as the Authority may, by order, direct:

Provided that no order for payment of any amount by way of financial disincentive shall be made by the Authority, unless the service provider has been given a reasonable opportunity of representing against the contravention of the tariff order observed by the Authority:

Provided further that the Authority may waive the financial disincentive or impose a lower amount of financial disincentive where it finds merit in the reasons furnished by the service provider;"

- b. **Second Amendment:** After clause 7(iii), following sub-clause has been added:

"(iv) In case a service provider fails to pay the amount of financial disincentive under sub clause (iii) within the period stipulated in the order for payment of financial disincentive, it shall be liable to pay interest on the outstanding amount of financial disincentive, at a rate which shall be two percent (2%) above the one year Marginal Cost of Lending Rate of State Bank of India applicable at the beginning of the Financial Year in which last day of the stipulated period falls.

Explanation: *For the purposes of this sub-clause, a part of the month shall be reckoned as a full calendar month for the purpose of calculation of interest and a month shall be reckoned as an English calendar month."*



- c. **Third amendment** proposes to remove the clause 7A, as similar provision exists in the Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2023 (03 of 2023). Extract of the amendment given below:

“Clause 7A of the principal tariff order shall be deleted.”

- d. Summary of the changes being brought through these amended provisions as per our understanding, is given in table below:

	Title	Existing Provision	Proposes Provision
First Amendment	Delay in Reporting	a. FD of Rs 5,000/day b. Maximum of Rs 2 lakhs	a. FD of Rs 10,000/day for first 7 days. b. FD of Rs 20,000/day after 7 days c. Maximum of Rs 5 lakhs
	Examining Tariffs of SMP to determine predatory pricing	a. TRAI can examine the tariffs of a SMP to determine existing of predatory pricing b. FD of Rs 50 lakh per tariff plan if found predatory	Provision removed
Second Amendment	Delay/Failure to pay FD amount	No interest on delayed payment of FD	2% above the one-year MCLR of SBI
Third Amendment	Excess charge collected by Service provider	a. Refund of excess charges collected b. FD equivalent of the amount collect in excess	Provision removed as similar provision available in Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2023 (03 of 2023)

- e. The proposed changes for delay in reporting increases the Financial Disincentive (FD) amount by:
- 200% for delay of 7 days,
 - 400% for delay beyond 7 days and
 - 250% for amount of maximum FD.

2. No reasons provided for Increase in FD amount

- a. The FD provisions were introduced by the Authority in the TTO Amendments in 2012, to enable adherence of the prescribed timelines for reporting of tariffs, which were not defined earlier.



- b. In the above said draft TTO 72nd amendment, there are no specific factual data or analysis which could clearly indicate the reason for increasing the FD for delayed tariff reporting.
- c. In fact, it should be examined and reasoned that should there be any kind of FD on delayed tariffs, given that we have been reporting tariffs timely and the same is also part of audit process under the Quality of Service (Code of Practice for Metering and Billing Accuracy) Regulations, 2023 (03 of 2023). In case of VIL, there have been hardly any instances of delayed reporting of tariffs to the TRAI.
- d. Even if there could be instances of delay in reporting observed for some service providers, the consultation paper doesn't provide any analysis or details of repeated SCN/FD orders issued to such service providers and how the existing provisions were found insufficient.
- e. Also, increase in FD amount will lead to increase in risks even for isolated instances of delay in tariff reporting. Despite existing processes working fine and compliant to regulatory requirements, the enhanced FD would put more pressure on the compliant service providers, without any fault of theirs.
- f. It would not be fair to increase the risks for the compliant service providers, due to delays by non-compliant service providers.
- g. **Considering all above, we strongly urge the TRAI to share detailed analysis as part of its consultation, on the need of such substantial increase in FD amount and its advantages/disadvantages to different stakeholders i.e. compliant TSPs and TSPs diligently delaying the tariff reporting.**

3. No reasons provided for imposition of interest on delayed FD payment

- a. No details have been provided in the Explanatory Memorandum about any instances where Authority has imposed the FD but, it was not deposited by the concerned service provider.
- b. In absence of any such instances and that too of such an extent that requires imposition of interest, it is improper and unfair to adopt a carte-blanche approach of bringing in interest on each aspect of regulatory compliance where FDs can be imposed.



4. No reasons provided for removal of provisions to examine predatory tariffs

- a. The draft TTO amendment also proposes to remove the provision related to examination of tariffs of an SMP service provider from the prism of being predatory tariffs.
- b. However, there is no mention of the same in the Explanatory Memorandum as to why it is sought to be removed. We are not sure if that is an inadvertent miss.
- c. This provision is very much important to keep a check on the SMP player for not launching predatory tariffs else, it will grossly impact competition in the market.
- d. **We request that these provisions are retained.**

5. FD provisions should target intentional and repeated delays

- a. In our view, the FD provisions should only target intentional delays from service providers. There is adequate competition in the market for tariff offerings ensuring consumer interest and compliance to regulatory provisions hence, isolated instances of delays could be covered through warning notice.
- b. The FD provisions should not lead to increase in risk of non-compliance for the service providers who are reporting within timelines as well as it should not target isolated instances of delays in reporting.
- c. Such an approach is important to be transparently mentioned in the Regulation and goes a long way in supporting Ease of Doing business.

6. Existing Online Tariff Filing Review System (OTFRS) portal

- a. It is also important to bring to the attention the performance of the tariff reporting portal for past few years. There have been many instances in the past, and are being faced currently w.r.t. the tariff reporting portal wherein, the tariffs could not be reported to TRAI on the portal.
- b. On many occasions, the tariffs could not be uploaded on the portal due to unavailability of the OTFRS portal owing to the technical issues. As a result of the above, the tariffs had to be filed over e-mails. While TRAI has been kind enough to accommodate the requests but, it has to be considered that this leads to piling up of manual work and maintaining them at TSP end, since the TSP had to wait for the portal to start working, post which the same may be uploaded on the portal.



- c. Also, the portal has not been updated for quite some time w.r.t. the tariff amendments issued by the Authority, which again leads to manual reporting of the tariffs through e-mails. For example (i) The portal doesn't allow to upload the STVs with more than 90 days validity, though TRAI has earlier allowed data STVs to up to 365 days validity and recently, allowed all STVs upto validity of 365 days; (ii) the portal doesn't accept monthly validity vouchers (other than fixed numeral validity) which are launched to comply with TTO's 67th Amendment dated 31.03.2022; and (iii) the portal doesn't allow uploading of PV/STV/CV with MRP in multiple of Rs 10 (except Rs 10), though it was allowed by TRAI vide the TCPR 12th Amendment dated 23.12.2024.
- d. We understand that TRAI is in process of overhauling the tariff portal and is in final stages of launch, which is expected to address the above issues however, it should again be considered that with the given performance of the earlier tariff portal, it causes immense operational workload for reporting of tariffs.
- e. Apart from the above, the tariff filing format continues to be in traditional format with as huge as 278 fields in the reporting formats. Many of these fields are redundant and do not relate to the tariff structure in the market prevalent for almost 6-7 years now. For example (i) ~30 fields are related to 'onnet/offnet' call rates, which have become redundant for long due to unlimited calling availability; (ii) Irrespective of the product, all the 278 fields have to be filled, which requires huge avoidable effort and time; and (iii) in case of Top Up Voucher, out of the total 278 fields, only 21 fields are relevant. Therefore, there is a need of examining the tariff format, which is one of the most crucial factors influencing the reporting timelines.
- f. **With this in background, it is not justified to propose imposing higher FDs or interest risks on the service providers. It would be fair and transparent to wait for 4 quarters after launch of the new tariff portal as well as re-assessed tariff filing format and only thereafter, review the FD provisions through fresh consultation involving facts.**

7. Regulatory Impact Analysis for Increase in Risks and Costs of Compliances

- a. The introduction of excessively stringent FD amounts is counterproductive to the objectives of Ease of Doing Business (EoDB) unless there are reasonable number of repetitive instances requiring such regulatory intervention.
- b. In absence of any details in the consultation about (i) repeated delays in tariff reporting; (ii) such tariffs not regulatory compliant and thus, requires timely reporting for TRAI to timely intervene; and (iii) FD orders issued but not paid by service providers etc., such regulatory intervention will only hamper EoDB and lead to increase in cost of compliance as well as risks of isolated non-compliance.



- c. There is also no principle adopted or proposed in the draft amendment, for bifurcation of isolated instances of mistakes which may only require warning v/s deliberate delays which may require FDs.
- d. Hence, it would be prudent to have a detailed Regulatory Impact Assessment of such increase in FDs and interests on delayed FD payment, with an aim to bring out comparative:
 - i. Advantages in discouraging certain TSPs making structural and repetitive delays to tariff reporting v/s
 - ii. Disadvantages of increasing risks of non-compliance and cost of compliance on other TSPs who are reporting tariffs timely.

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