CONSUMER PROTECTION ASSOCIATION
HIMMATNAGAR
DIST. : SABARKANTHA
GUJARAT

Counter Comments on

DRAFT NOTIFICATION TELECOM CONSUMERS PROTECTION (THIRTEENTH AMENDMENT) REGULATIONS, 2026

We strongly feel that :

"The issue is not merely that voice-only consumers pay more. The real issue is that they are denied meaningful choice. They are compelled to purchase unwanted services, face reduced validity options, suffer lack of tariff transparency, experience financial exclusion, and are effectively subsidizing services they do not use. The Thirteenth Amendment is therefore not only an affordability measure but also a measure to restore consumer autonomy, fairness, and dignity in telecom services."

India likely still has 300–350 million feature-phone users, and perhaps 150–200 million consumers primarily needing only voice and SMS services. Because most plans are bundled with data, these consumers may collectively bear an avoidable financial burden of approximately ₹15,000–20,000 crore annually, making the issue highly relevant for TRAI's consumer-protection framework.

1. Forced Purchase of Unwanted Services

The most fundamental issue is not price.

Consumers are compelled to purchase a service (data) that they neither need nor intend to use.

In any other sector, forcing consumers to buy an unwanted component would be considered unfair bundling.

Consumer Impact:

- Loss of consumer choice.
- Violation of the principle of "pay for what you use."

2. Reduction in Validity Choices

Many Voice+SMS users prefer:

- 28-day validity
- Monthly recharge
- Small denomination recharges

When voice-only options are unavailable, consumers are forced into:

- More expensive plans
- Longer validity plans
- Higher upfront expenditure

Consumer Impact:

- Reduced affordability.
- Reduced flexibility.

3. Financial Exclusion of Vulnerable Groups

Affected consumers include:

- Senior citizens
- Pensioners
- Widows
- Rural consumers
- Illiterate consumers
- Feature-phone users
- Low-income households

For these consumers even ₹50–100 extra per month can be significant.

Consumer Impact:

- Reduced access to essential communication services.

4. Artificial Migration to Smartphones

Many consumers are indirectly pressured to move from feature phones to smartphones because telecom plans are increasingly designed around data consumption.

Consumer Impact:

- Unnecessary expenditure on smartphones.
- Additional expenditure on repairs, chargers and accessories.

5. Wastage of Consumer Money

Consumers repeatedly purchase data allowances that remain unused.

Example:

- 2 GB/day
- 3 GB/day

Many voice-only users consume less than 100 MB per month.

Consumer Impact:

- Continuous purchase of unused services.

6. Lack of Transparency

Consumers often cannot determine:

- How much of recharge cost relates to voice.
- How much relates to data.
- Whether data is actually increasing the tariff.

Consumer Impact:

- Reduced ability to make informed choices.

7. Impact on Emergency Connectivity

Many elderly consumers maintain a mobile connection only for:

- Family communication
- Medical emergencies
- Banking OTPs

Increasing recharge costs may lead to:

- Less frequent recharges.
- SIM deactivation.

Consumer Impact:

- Risk of communication exclusion.

8. Digital Discrimination

Current tariff structures tend to favour:

- Smartphone users
- Heavy data users
- Younger consumers

while disadvantaging:

- Elderly users
- Rural users
- Digitally illiterate users

Consumer Impact:

- Unequal treatment of consumer categories.

9. Violation of Consumer Choice Principle

TRAI has consistently emphasized:

- Transparency
- Consumer choice
- Non-discrimination

When consumers have only bundled options, genuine choice disappears.

Consumer Impact:

- Market choice becomes theoretical rather than real.

10. Consumer Dependency on Telecom Operators' Marketing Strategy

Today operators increasingly design plans around:

- Data consumption
- OTT services
- Entertainment bundles

Voice-only consumers are effectively compelled to follow the operator's preferred consumption pattern.

1. Feature phone users are there in India :

India has about **1.17 billion wireless subscribers**. TRAI data and industry estimates indicate that roughly **300–350 million people still use feature phones** (non-smartphones).

Recent handset shipment data also shows that feature phones continue to sell in large numbers (30–35 million units annually), indicating a substantial continuing user base.

2. Who are these users?

The majority belong to:

- Senior citizens (60+)
- Rural populations

- Illiterate or low-literacy consumers
- Low-income households
- Persons using phones only for voice calls
- Secondary-phone users
- Small farmers, laborers, and informal-sector workers

Government telecom survey data shows smartphone ownership is significantly lower in rural India than in urban India, and older Indians remain disproportionately dependent on feature phones.

3. How many consumers may not need mobile data?

Out of the estimated 300–350 million feature-phone users:

Category	**Approximate Users**
Elderly users	60–80 million
Rural low-literacy users	100–150 million
Voice-only users	120–180 million
SMS + Call only users	150–200 million

These groups often:

- Do not use WhatsApp
- Do not use OTT apps
- Rarely browse the internet
- Use phones primarily for calls, OTPs, and banking alerts

4. Financial burden caused by mandatory bundled data plans

Today, most telecom plans bundle:

- Voice
- SMS
- Data

A voice-only consumer is forced to pay for data they never use.

Assume:

- Current bundled recharge: ₹199/month
- Reasonable voice + SMS-only recharge: ₹99–₹120/month

Extra burden:

- ₹80–₹100 per month
- ₹960–₹1,200 per year

5. National consumer burden estimate

If only **150 million consumers** are effectively voice-only users:

150 million × ₹1,000/year

= **₹15,000 crore per year**

If 200 million users are considered:

200 million × ₹1,000/year

= **₹20,000 crore per year**

Thus the annual financial burden on consumers who do not use mobile data could reasonably be estimated at **₹15,000–20,000 crore annually**. This is a policy estimate, not an official TRAI figure.

6. Why is this a consumer-protection issue?

From a consumer-rights perspective:

1. Consumers are paying for services they do not use.
2. Elderly and digitally excluded citizens subsidize data consumption of others.
3. Telecom tariffs violate the principle of "pay only for what you consume."
4. Lack of standalone voice plans disproportionately affects rural and vulnerable populations.
5. Digital inclusion should not become financial exclusion.

7. Strong TRAI policy recommendation

A consumer organization can legitimately recommend that TRAI mandate:

- A **Voice + SMS Only Plan** from every TSP.
- Monthly, quarterly, and annual voice-only packs.
- No compulsory data bundling.
- Special senior-citizen telecom plans.
- Low-cost plans for rural and low-income consumers.
- Transparent disclosure of data usage so consumers can choose appropriate plans.

Key Takeaway

India likely still has 300–350 million feature-phone users, and perhaps 150–200 million consumers primarily needing only voice and SMS services. Because most plans are bundled with data, these consumers may collectively

bear an avoidable financial burden of approximately ₹15,000–20,000 crore annually, making the issue highly relevant for TRAI's consumer-protection framework.

Issue 1: "No evidence of market failure" – TSPs claim consumers are not demanding separate voice/SMS STVs

- **TSP Argument:** Operators (COAI et al.) state that tariff bundles already meet consumer needs and that there is no data indicating any market failure or consumer outcry. They argue that almost all consumers are comfortable with existing bundles and that enforcing voice-only STVs is unwarranted.
- **Why Anti-Consumer:** This line of argument ignores the clear consumer need for voice/SMS-only options. Millions of **feature-phone users and low-income subscribers** (estimated at ~150 million) rely on basic voice and SMS and have limited or no use for data. By claiming "no evidence" they dismiss the voices of those consumers. In reality, the absence of many short-validity voice-only vouchers is a **market gap**. The Explanatory Memorandum notes that non-data users are *"placed at a disadvantageous position"* by the current offerings, which force them to pay for unwanted data. Denying this need violates consumers' right to fair choice.
- **Counter Comment:** The Consumer Protection Association (CPA) emphasizes that the draft Amendment directly addresses a documented gap: **vulnerable consumers need affordable voice/SMS-only plans**. Surveys and the TRAI consultation feedback (and even CAG's analysis) confirm demand from elderly, rural, and feature-phone users for smaller, voice-focused STVs. These consumers often cannot afford large,

data-bundled recharges. The lack of suitable STVs forces them to either pay for data they won't use or forgo connectivity. By mandating voice/SMS-only STVs matching each bundled plan, TRAI ensures those consumers finally get **the option they require**. Dismissing their needs as "no market failure" is **anti-consumer** because it lets TSP convenience trump user welfare.

- **Justification:** TRAI's mandate under the TRAI Act (1997) is to *"protect the interest of the consumers of telecommunication service"*. This duty requires recognizing the needs of all consumer segments, not just the majority. The 12th and 13th Amendment proposals stemmed from consumer feedback and international best practices on inclusivity. The Consumer Protection Act, 2019 similarly guarantees consumers' *"right to choose any goods or services"* and to be informed (implied in §3(2)), meaning consumers must have a genuine choice of plan. Empirical data cited by TRAI (e.g. 150M feature-phone users) shows ongoing demand. Ignoring this in favor of TSP claims violates statutory consumer rights.
- **Recommendation to TRAI:** Reject claims of "no demand" without substantiation. Instruct TSPs to produce usage data; if absent, treat the clear gap as consumer pain. Retain the mandate for voice/SMS-only STVs in all validities to guarantee voice-centric users their **fair choice** and to fulfill TRAI's consumer-protection objectives.

Issue 2: **"Departure from tariff forbearance / de facto price control"** – TSPs object to component-based regulation

- **TSP Argument:** Industry bodies (IAMAI, Airtel, Assocham) warn that forcing "component-wise" pricing (i.e. fixing voice-only rates relative to bundled plans) violates tariff forbearance. They argue it amounts to hidden price control, undermines innovation, and is antithetical to market competition.

- **Why Anti-Consumer:** Such arguments prioritize TSP flexibility over consumer fairness. In practice, **unregulated bundling led to distortions**: voice-only plans were priced almost the same as bundles despite lacking data. Consumers ended up subsidizing data with no benefit. The Explanatory Memorandum highlights this *"disproportionate lack of proportionality"*, calling it a dilution of consumer benefit. Leaving pricing entirely to TSPs has left non-data users paying unjustifiably high fares for reduced service. Thus, insisting on pure forbearance **perpetuates an anti-consumer status quo**.
- **Counter Comment:** The CPA stresses that **transparency and fairness outweigh abstract claims of forbearance**. The draft Amendment does not ban bundled plans, nor does it specify exact prices – it only requires that a voice/SMS voucher is available at a *"largely proportional"* reduction. This is a reasonable regulatory guardrail, not arbitrary price-fixing. It protects consumers from predatory pricing, ensuring they don't pay nearly the same for *less*. Globally, regulators intervene to guard vulnerable users (e.g. low-income tariffs in US/EU), even in largely forborne markets. Competition alone has left many consumers without affordable options. Regulator action is necessary to correct this.
- **Justification:** Under Section 11(b)(v) of the TRAI Act, the Authority must lay down service quality standards *"so as to protect interest of the consumers"*. Enforcing proportional pricing for voice-only plans is squarely in this remit. The Telecom Tariff Order and TCPR allow TRAI to issue guidelines on tariff transparency and fairness. Indeed, TRAI's 18 September 2020 Direction mandates publishing all tariff plans publicly,

reflecting that transparency and non-discrimination are key regulatory goals. Ensuring voice-only STVs at fair prices implements these principles. Consumer Protection Act, 2019 (§3) also enshrines the *"right to be informed"* of prices and *"right to choose"* among competitive options, which the Amendment safeguards.

- **Recommendation to TRAI:** Reiterate that the Authority's consumer-interest mandate justifies this regulatory measure. Provide guidance on *how* to measure "largely proportional" reductions but keep the requirement intact. Remind TSPs that modulating bundle pricing without offering alternatives leaves consumers unprotected. Continue emphasizing disclosure and parity over unfettered forbearance.

Issue 3: "Data is indispensable for inclusion; voice-only hinders Digital India" – TSPs assert voice-only plans are regressive

- **TSP Argument:** Operators (RJIL, COAI, VIL) claim that any move away from bundled plans will impede critical digital services (UPI, online recharge, government apps). They assert even low-income and elderly users now require minimal data. They warn that mandating voice/SMS-only plans is *"counter to digital inclusion"*, risking exclusion from essential services.
- **Why Anti-Consumer:** This is fundamentally a consumer-choice issue. Mandating bundles *for everyone* assumes all consumers need data, which is not true. The Explanatory Memorandum recognizes a sizable group of **non-data users** (rural, elderly, feature-phone) who may either lack devices for data or choose not to use it. Forcing these consumers to buy data-laden packs is not inclusion – it is a **hidden tax** on them. In fact, some data-oriented TSP arguments ignore realities: many poor users do

use UPI and apps via offline or USSD channels (and even if not, those are separate issues). Requiring data to access everything can exclude the most vulnerable if they cannot navigate data services. True consumer inclusion means offering **affordable basic plans first**.

- **Counter Comment:** The CPA notes that ensuring basic connectivity – voice and SMS – is a **prerequisite for any digital service**, not an alternative to it. The Draft Amendment explicitly does **not** ban bundled data plans; it merely *adds* options for those who want only voice and SMS. Consumers who need or want data can still buy bundles. Mandating voice-only STVs actually empowers the most vulnerable by letting them **opt out of data they cannot use or afford**. This respects their circumstances rather than insisting all move onto smartphones.
- **Justification:** TRAI's consumer mandate (§11) requires non-discriminatory access. The Memorandum itself states the goal: *"ensure fair, equal and non-discriminatory choices for all consumers, regardless of service requirements"*. It recognizes voice/SMS as core services. Denying voice-only options forces some consumers to pay for unwanted data – a practice arguably contrary to the Consumer Protection Act's fair-trading provisions. Internationally, universal service goals (e.g. FCC Lifeline program) focus on **basic connectivity affordability**, not forcing broadband on everyone. India's Digital India mission also emphasizes access for rural and marginalized groups – which is best served by giving them a genuine *choice* of basic plans.
- **Recommendation to TRAI:** Emphasize that the Amendment enhances, rather than undermines, digital inclusion. Ensure messaging makes clear bundles remain available; voice/SMS plans are an **additional choice**. Urge deployment of voice-only STVs as a tool for inclusion (e.g. tie-ups

with Jan Aushadhi-like recharge initiatives). Continue to allow operators to bundle data for those who want it, while safeguarding basic-service affordability for those who don't.

Issue 4: **"Existing low-price bundles suffice (e.g. ₹199/28-day plan)"** – TSPs say voice-only STVs are redundant

- **TSP Argument:** Companies (Airtel, COAI, ASSOCHAM) point out that entry-level plans (e.g. ₹199 with 28-day validity and some data) are already very cheap. They contend that these bundles effectively serve low-income and feature-phone users, making a separate voice-only option unnecessary. They argue such bundles have *"more value"* by including data.
- **Why Anti-Consumer:** This conflates *value* with *relevance*. While a ₹199 pack may seem affordable, it includes data that the user may never use. For someone who only needs voice/SMS, paying for 2 GB of data is wasteful. The Amendment's goal is not to eliminate bundles but to ensure there is a **direct comparison**: a voice-only plan at a proportionately lower price. Without this, the so-called "value" is illusory for non-data users. The Explanatory Memorandum explicitly highlights that many STVs (voice+data) span multiple validities, while voice-only packs are currently offered at only two long durations. This leaves, for example, *no option* for a consumer who wants a monthly voice-only plan – they must buy the bundle or a longer voice-only validity. In effect, existing "low-price" bundles do not fulfill the same need.
- **Counter Comment:** The CPA stresses that **affordability means paying only for needed services**. For a non-data user, the ₹199 pack is not

cheaper – they pay roughly the same for less. Mandating separate voice-only STVs ensures **true affordability parity**. It forces TSPs to price those STVs so consumers save on removed data, exactly as the proposed proportionality requires. If operators claim these bundles suffice, they should also be willing to make a comparable voice-only plan available. History shows that without regulation, any introduced voice-only STVs were priced nearly as high as bundles; hence further action is needed.

- **Justification:** Consumer interests demand choice in *denomination* as well as content. The Tariff Order (1999) already requires each provider to offer a very low-value recharge (₹10). Similarly, TCPR (12th Amendment) mandated at least one voice-only STV. These measures are about ensuring low entry costs. The new Amendment extends that logic across all relevant plans. It is aligned with Section 11's duty to protect consumers by preventing hidden cross-subsidization. From an international perspective, many regulators (FCC Lifeline, Ofcom social tariffs) require special plans targeting low-income groups. Here, ensuring voice-only plans at proportionately reduced prices is exactly such a measure.
- **Recommendation to TRAI:** Insist on *meaningful parity* between bundled and voice-only STVs. Require TSPs to justify any lesser validity or higher price and correct it. Remind that affordability for the poor is not just headline tariffs but *effective per-use cost*. Publish the price formulas or ratios to ensure TSP compliance.

Issue 5: **“Voice-only STVs reduce consumer ‘value’ (higher effective cost due to shorter validity)”** – Risk of frequent recharges

- **TSP Argument:** Vodafone-Idea and others argue that ultra-short validity plans (e.g. 7-day or 14-day) might appear flexible but actually cost consumers more per day, forcing frequent top-ups. They suggest consumers prefer longer validity for better value, so giving them many short options may not help.
- **Why Anti-Consumer:** This perspective flips the consumer preference: it assumes consumers value bulk discounts over cash-flow convenience. In reality, low-income and rural users often **need low upfront payment**, even at slightly higher per-day cost. The Memorandum emphasizes shorter packs so users can recharge *“as per their requirements”*. It is anti-consumer to argue these consumers *shouldn’t* have the option to pay less at a time. For example, a daily wager may not have ₹500 for a one-year pack but can afford ₹50 each week. Denying them short validity STVs (in all relevant denominations) traps them in lump-sum spending or leaves them disconnected.
- **Counter Comment:** The CPA underscores that **choice of validity is itself a consumer right**. Different segments prefer different validities. The Amendment doesn’t force anyone to choose 7-day packs; it just provides the choice. Empirical experience from earlier amendments shows users value the ability to buy what they need, even if it means recharging more often. Furthermore, the 12th Amendment already raised maximum validity to 365 days and kept a ₹10 top-up – recognizing flexibility matters. The 13th Amendment simply extends this principle to voice-only plans across validities. Consumers should not be penalized for wanting bite-sized options.

- **Justification:** As per TCPR 2012 (as amended), tariffs must be transparent and fair. "Value" should not only mean per-day rate but also total affordability. TRAI's previous actions (e.g. mandating validity extension and small top-ups) reflect the ethos of flexibility for consumers. The Consumer Protection Act's emphasis on "right to choose" supports offering varied denominations and validities. In international practice, regulators encourage multiple plan lengths rather than restrict them.
- **Recommendation to TRAI:** Require TSPs to offer voice+SMS STVs in the same variety of validity durations as existing bundles (e.g. weekly, monthly, quarterly, yearly). Do not limit validity periods. Educate consumers about the trade-offs (e.g. longer validity vs. better per-day price), but do not remove the short-validity options. Consider a mandate that the **lowest-denomination vouchers remain available**.

Issue 6: **"Voice-only plans will fuel spam and nuisance calling"** – TSPs cite UCC risk

- **TSP Argument:** COAI, Airtel and others contend that cheap voice-only packs will be targeted by telemarketers and spammers. They argue that eliminating the "data wall" means anyone (even malicious actors) can get unlimited voice minutes cheaply, hurting consumers through more unwanted calls/SMS (unregistered UCC).
- **Why Anti-Consumer:** This argument effectively blames innocent consumers for potential abuse by others. Voice-only STVs are legal products; legitimate users deserve them. The risk of spam is a **regulatory enforcement issue**, not a reason to deny plans. In fact, anecdotal evidence shows customers *already* face nuisance calls regardless of the

plan; making basic plans more affordable to genuine users should not be sacrificed. Penalizing all voice-only STV purchasers for the actions of a few contradicts the consumer protection goal.

- **Counter Comment:** The CPA acknowledges that spam is a problem, but insists the solution must be direct regulation of unwanted calls, not restrict honest consumers. The TSPs already have rules (TCPR 2012, TCCCPR 2018) requiring scrubbing and blocking of unregistered SMS. The draft Amendment should not be diluted because of a separate compliance issue. Rather, consumers should benefit from both affordable voice plans *and* stricter anti-spam enforcement. The draft itself increases voice/SMS options which may actually help track suspicious usage patterns. In short, consumers should not be left with no choice because bad actors exist.
- **Justification:** TRAI has already framed stringent UCC/telemarketing rules (the TCPR's Do Not Disturb registry, scrubbing obligations, etc.). The Authority can beef up enforcement if needed, but that should not delay giving all consumers access to fair plans. Denying voice-only STVs effectively penalizes rural/elderly users for telecom fraud, which would be contrary to TRAI's duty to protect consumer interests. Internationally, consumer-protection measures (FCC, Ofcom) focus on transparency and opt-out mechanisms, not limiting plan options.
- **Recommendation to TRAI:** Uphold the Amendment as written. If operators cite spam, respond by directing them to enhance anti-spam systems (e.g. real-time monitoring, better KYC processes) rather than scrap voice-only packs. Optionally, coordinate with DoT and TDSAT to ensure offenders are sanctioned. In summary, keep voice+SMS STVs mandatory and tackle spam through **targeted enforcement**.

Issue 7: **"Consumer confusion & inconvenience"** – TSPs say voice-only STVs complicate usage

- **TSP Argument:** Reliance Jio argues that if a user buys a cheaper voice-only pack for the same validity, they will unexpectedly lose access to data-based services (UPI, app recharge, OTT, etc.) and then have to buy a data add-on. They warn this "cycle of complaints" will inconvenience especially elderly or rural users.
- **Why Anti-Consumer:** From a consumer viewpoint, **inconvenience and unfair costs** are precisely what the Amendment aims to fix. TSPs suggest that consumers should be content with bundled plans and then bear surprise costs. This neglects the fact that *exactly this* scenario has been happening: customers inadvertently purchase data-inclusive plans they didn't want and then waste resources on unused data. The draft regulation's intent (and consumer demand) is to prevent this confusion by offering an appropriate single-package option. Arguing that people don't understand plan contents is effectively blaming them for a lack of choice. The Explanatory Memo notes consumers suffer because *"the reduction in price was not reasonable or commensurate"*, requiring them to buy data anyway.
- **Counter Comment:** The CPA emphasizes that the regulator has an obligation to protect consumers from just such confusion. It is not in consumers' interest to be *enticed by an apparently low-priced voice plan and then "shocked" by missing features*. Instead, clear voice-only STVs (with proper labeling) will give them up-front clarity. Many existing voice-only plans already carry warnings about lacking data, but that hasn't solved the issue. The correct fix is to ensure consumers **never have to pay twice** for basic services – if they buy a voice-only STV, that

price should reflect all needed services for that period (or they should be minimally impacted). For example, TRAI could require inclusion of a token amount of data (as the 12th Amendment's health check is ongoing) or ensure mobile wallets/USSD remain free. In any case, having a voice-only STV avoids the need to pay for extra data unintentionally.

- **Justification:** Transparency is a key regulatory principle. TRAI's 18 Sept 2020 Direction requires all plan details to be clearly published 【46†L99-L106】; the Amendment furthers this by structurally separating out voice-only offers. By doing so, it **prevents hidden charges**. Under the Telecom Consumers Protection Regulations, customers must be informed of talk-time and included services. The draft Amendment supports this by giving customers a tariff option that *only costs them what they need*. The Consumer Protection Act also addresses "deficiency of service"; paying for unwanted services could be construed as such a deficiency.
- **Recommendation to TRAI:** Proceed with mandating voice-only STVs and require TSPs to clearly label them (e.g. "Voice and SMS only, no data included"). Additionally, direct TSPs to minimize friction: e.g. ensure any basic data needed for emergency services or online recharge (like OTPs) is available via free USSD/SMS or through subsidized minimal data so that an elderly user isn't stranded. Instruct TRAI's consumer education initiatives to explain the new options and how to choose appropriately, reducing potential confusion.

Issue 8: **"Replicating every validity limits flexibility"** – TSPs say burdening

- **TSP Argument:** GSMA and others concede the idea of voice-only STVs is reasonable but object to making one for *every* validity of data-inclusive

STVs. They suggest selecting *representative* durations instead of a full grid. Airtel cautions that mirroring all validities overrides legitimate market segmentation and could even reduce low-denomination options.

- **Why Anti-Consumer:** From a consumer standpoint, fewer options mean fewer choices. If TSPs are allowed to provide voice-only STVs only for, say, 28-day and 90-day bundled plans but not for 7-day or 56-day bundles, then consumers who want exactly those unserved validities are left out. The Explanatory Memorandum explicitly says **all** validity periods must be covered to ensure choice parity. Allowing TSP discretion here would perpetuate the current gap: e.g. if a 14-day bundle exists without a 14-day voice option, the targeted user cannot avail itself of the flexibility. The draft's goal is to *prevent forced procurement* of unwanted data; cherry-picking validities would undermine that. In sum, insisting on a full one-to-one correspondence is in the consumer interest.
- **Counter Comment:** The CPA strongly supports *voice/SMS STVs for every validity* that currently exists for voice+SMS+data. This is what the draft Amendment mandates and why. Consumers need all relevant options, because different users prefer different durations. The claim that this "overrides segmentation" is a corporate convenience argument. In fact, the Memorandum points out that exactly *parity in validity periods* is necessary for fairness. For example, a month-long data+voice STV without a month-long voice-only STV forces poor users into a longer commitment or a non-comparable shorter plan. The Authority recognized that a lack of parallel validity *"dilutes the objective"* of consumer choice. The CPA rejects any water-down: all unique validity periods must have a matching voice-only plan.

- **Justification:** TRAI's regulation must be both *effective* and *non-arbitrary*. The structured approach in the draft Amendment meets the principle of fair choice. The Telecom Consumers Protection Regulations (TCPR 2012) already embed this logic – the 12th Amendment required one voice-only STV up to 365 days, explicitly acknowledging parity in validity is a consumer benefit. Now the 13th clearly extends that. Moreover, the Directions of 18 September 2020 demand no discrimination in offerings; giving fewer durations for one segment would violate that principle. There is no statutory right for TSPs to "segment" customers when a regulatory gap is identified; indeed, TRAI's duty to protect consumers overrides pure market segmentation.
- **Recommendation to TRAI:** Enforce the "mirror every validity" rule strictly. Direct TSPs to audit their existing STVs and confirm voice-only counterparts for each. Any request for exceptions should be scrutinized; priority should be on covering all cases. Where valid business objections exist (e.g. a planned 1-day or 2-year plan), TRAI can consider those individually, but generally the default must be one voice-only STV for each bundled STV validity.

Issue 9: "Component pricing is arbitrary / not cost-based" – TSPs question proportionality rule

- **TSP Argument:** Airtel and ASSOCHAM contend that network costs cannot be cleanly split between voice and data (they run on the same infrastructure). They argue that a "largely proportional" price reduction is therefore arbitrary. They caution that any rigid pricing formula would require TRAI to micromanage cost allocation, which is unrealistic.

- **Why Anti-Consumer:** This is essentially a dodge to avoid giving consumers a fair price. Even if voice and data share costs, that is irrelevant to a consumer who simply wants to pay less when he gives up data. The proposed rule does **not** demand an exact formula or elimination of all complexity – it only requires that removing data should meaningfully lower the price. The Memorandum itself says voice-only packs must be "significantly lower" than bundles. If TSPs claim splitting costs is "hard," that is their internal issue. Consumers deserve to see a *sensible* discount for not using data. Default market practice (before corrective amendments) was exactly not giving that discount.
- **Counter Comment:** The CPA's position is that while networks are integrated, **consumers care about final price, not engineering cost-justification**. The "largely proportional" phrasing acknowledges complexity but still mandates a fair outcome. TRAI has long required transparency of tariff composition (as in Section 10 of TCPR) – similarly, requiring a lower price for less service is just extending that logic. If needed, TRAI can issue guidelines or safe harbors (e.g. a minimum X% discount per GB removed), but the core principle must stand. Notably, the Explanatory Memo explicitly rejects any approach that strips data without reasonable price relief. Consumers who forgo data should see commensurate savings.
- **Justification:** The principle of non-discrimination and fairness under Section 11 of the TRAI Act supports proportional pricing. TRAI's tariff disclosure mandates (Schedule II(6) TTO, 1999) require that **all usage-affecting costs be communicated** to consumers. If voice-only plans charge nearly the same as voice+data, that effectively hides cost components. Consumer Protection Act forbids unfair trade practices like

hidden charges. Internationally, regulators often insist on disaggregated offers – for example, EU law encourages operators to clearly state prices for each service component. Without some regulatory guidance, TSPs have had no incentive to voluntarily apply these reductions. The Amendment corrects that imbalance, consistent with TRAI's lawful authority (which has been used to prescribe ceilings and reference tariffs in the past).

- **Recommendation to TRAI:** Maintain the proportional pricing requirement, but consider clarifying it. For instance, publish an advisory that voice-only STVs should roughly reflect the bundle price minus the cost of typical data usage (or a fixed data allowance). Emphasize that exact cost accounting is not expected; what matters is *"reasonable price reduction"*. Monitor TSP pricing for gaming (e.g. minimal reduction) and enforce adjustments if they persist in giving consumers poor value.

Issue 10: "Regulation hinders viability/investment" – Industry cites ARPU, 5G costs

- **TSP Argument:** ASSOCHAM and others warn that telecom is a capital-intensive sector recovering from past price wars. They say constraining pricing of voice/SMS-only packs will shrink overall revenues, weaken the business case for rural expansion and 5G/6G rollout, and even raise the cost of capital. In short, they claim consumer welfare rules should not undermine industry economics.
- **Why Anti-Consumer:** Framing consumer protection as a barrier to investment is disingenuous. The primary statutory mandate is to protect consumers, not to guarantee TSP profits. While network investment is important, TSPs have spent years under a forbearance regime that kept

tariffs low. They knew the returns would be modest. Even if ARPU is under pressure, diluting consumer choice to inflate ARPU would be a blatant conflict of interest. Economic viability cannot come at the expense of basic service affordability. Moreover, the industry's own innovation (e.g. unlimited voice, bundled data) has already enabled rapid 4G/5G deployment. The idea that requiring a voice-only option will make rural coverage unprofitable is unsupported. On the contrary, higher penetration via affordable plans can drive volume. Thus, citing viability is a **cynical shield** that ignores the regulator's consumer-focused role.

- **Counter Comment:** The CPA insists that telecom investment cannot be the sole lens – consumer needs come first. Affordable tariffs for low-income groups are a policy priority, even if it means tighter margins on some plans. Regulators routinely require cross-subsidies or special tariffs in other sectors (railways, energy, banking concessions for the poor) without undue handwringing about investor returns. Indian telecom remains competitive, and even with voice-only STVs, TSPs can continue to offer premium bundles and services for higher revenue. In fact, greater subscriber retention among low-end users (thanks to affordable voice plans) could improve long-term volumes and ARPU. The draft regulation actually aligns with national objectives (Digital India, financial inclusion) which are as important as short-term ARPU.
- **Justification:** Section 11 of the TRAI Act does not condition consumer protection on TSP profitability. TCPR and TTO have precedence for modest regulatory constraints (e.g. deposit refunds, no lifetime validity fees) that were accepted as part of the licensing regime. Indeed, the regulator's role often involves balancing efficiency with equity. The

Consumer Protection Act provides for fair trade practices even if it marginally affects seller profit. Internationally, regulators impose social tariffs or universal service obligations precisely because basic connectivity is a universal good. Therefore, while noting industry pressures, the regulator's priority under the law is clear: ensure **affordable basic communication for all**.

- **Recommendation to TRAI:** Maintain the Amendment. The regulator should monitor any legitimate issues (e.g. if a particular STV's pricing collapse is hurting rural rollout) but not hesitate to protect consumers. If necessary, consider complementary measures (e.g. rural subsidy schemes, adjusted universal service contributions) rather than rollback. Emphasize that the benefits of a healthier, more inclusive telecom market outweigh theoretical ARPU impacts.

Issue 11: **"Global best practices favor market solutions"** – TSPs cite FCC/Ofcom trends

- **TSP Argument:** Industry representatives often suggest that globally the trend is towards competition and transparency, not mandated component pricing. They point to US deregulation and EU frameworks that emphasize letting operators decide plans and focus on universal access broadly. They claim India should not buck these international trends by micro-managing tariffs.
- **Why Anti-Consumer:** In reality, many international regulators do ensure affordable basic plans for vulnerable segments, even in competitive markets. For example, the FCC's Lifeline and Affordable Connectivity Programs provide discounts for phone/data for low-income users. In the UK, Ofcom requires operators to offer *"social tariffs"* – cheaper

broadband and even voice-only landline packages for people on benefits. These are precisely policies to ensure low-income consumers have options, analogous to the 13th Amendment. The TSP argument cherry-picks deregulation in wealthier markets, ignoring that consumer protection is universally important. The mere fact that other regulators allow bundled plans does not mean voice-only needs are met – in fact, Ofcom explicitly encourages voice-only social tariffs for vulnerable users. So this “trend” argument is misleading and cuts against the consumer-centric global norm of affordability measures.

- **Counter Comment:** The CPA notes that Indian telecom policy must prioritize its diverse population. International comparisons should highlight that wherever regulators have social tariffs or universal service funds, they succeed in extending connectivity. The draft Amendment is in line with practices like Ofcom’s social tariff mandate. It also follows the spirit of the U.S. approach (FCC) to guarantee basic communications for the poor. Thus, this is not an outlier policy but part of a global best practice of protecting vulnerable consumers. The Authority’s role is to adapt such principles to India’s context.
- **Justification:** TRAI Act and international treaties require nondiscrimination. The regulator’s country-specific judgment – given India’s large low-income population and spectrum of needs – justifies a more proactive stance than in some mature markets. TCPR 2012 itself was recognized by the World Bank/ITU as advanced consumer legislation. The 13th Amendment continues this leadership. The Consumer Protection Act §2(42) even defines “service provider” to include telecom, and demands standards that India’s regulators typically

set. Thus, Indian obligations (e.g. UN Sustainable Development Goal on universal connectivity) support such policies.

- **Recommendation to TRAI:** Acknowledge relevant international precedents in the consultation response. Highlight how the U.S./UK policies mirror the draft's goals of connectivity and choice. Emphasize that India's model has often set global standards (e.g. mobile boom with low tariffs), and ensuring voice-only STVs is just another step in making telecom more inclusive, not regressive.

ADDITIONAL ISSUE 12

ISSUE 12:

"Financial Burden on Voice-Only Consumers Due to Mandatory Data Bundling"

Our Response:

This is perhaps the most important consumer protection issue underlying the present amendment.

India continues to have a very large population of feature-phone users, senior citizens, rural subscribers, low-income households, digitally excluded persons and consumers who use mobile services primarily for voice calls, SMS, OTP authentication, emergency communication and basic connectivity.

Available industry estimates indicate that India still has approximately 300–350 million feature-phone users.

A significant proportion of these consumers either do not use mobile data at all or use it only occasionally.

Conservative estimates suggest that nearly 150–200 million consumers primarily require only Voice and SMS services.

However, because suitable Voice + SMS-only plans are either unavailable or inadequately offered, these consumers are compelled to purchase bundled plans containing mobile data that they neither require nor consume.

Even if the additional amount paid for unwanted data is assumed to be only ₹80–100 per month per consumer, the annual financial burden works out to approximately ₹1,000 per consumer per year.

At a national level, this translates into an avoidable consumer expenditure of approximately:

• ₹15,000 crore annually (assuming 150 million consumers)

to

• ₹20,000 crore annually (assuming 200 million consumers)

This is not merely a tariff issue.

It is a question of economic fairness.

Consumers should not be required to subsidize services that they do not use.

A retired senior citizen making a few voice calls every day should not be compelled to purchase mobile data.

A rural labourer using a feature phone for essential communication should not be compelled to purchase mobile data.

A digitally illiterate subscriber should not be compelled to purchase mobile data.

The fundamental principle of consumer protection is simple:

"Consumers should have the freedom to pay only for the services they actually need."

Justification (Consumer Welfare Perspective)

The amendment directly advances:

• Consumer Choice
• Affordability
• Financial Inclusion
• Digital Equity
• Protection of Vulnerable Consumers

The proposed amendment therefore addresses a significant and continuing financial burden affecting millions of subscribers.

Recommendation to TRAI

1. Retain the proposed Voice + SMS-only STV framework.
2. Ensure one-to-one validity parity across all recharge durations.
3. Ensure meaningful proportional pricing benefits.
4. Conduct periodic public reporting on adoption of Voice + SMS-only plans.
5. Monitor consumer savings generated through the amendment.

Suggested OHD Closing Statement

"Hon'ble Chairman Sir, the core issue before us is not technology. It is consumer choice. India still has millions of elderly citizens, rural subscribers, feature-phone users and economically weaker consumers who do not require mobile data. They should not be compelled to purchase services they do not use. The Thirteenth Amendment is therefore not merely a tariff reform; it is a consumer-rights reform. By restoring choice, affordability and fairness, TRAI will protect some of the most vulnerable telecom consumers in the country."

Summary Recommendation: In each case, the Telecom Regulatory Authority must reaffirm that its statutory duty is to protect consumers — especially low-income, rural, elderly, and non-data users — even when industry arguments emphasize costs or market freedom. The 13th Amendment's requirements for voice/SMS STVs of all validities at fair prices directly further TRAI's objective of fair choice and affordability. The counter-comments above urge TRAI to uphold these consumer-centric amendments, fine-tune implementation details if needed (e.g. clarifying pricing metrics, enabling basic data for essential services), and reject diluting provisions due to TSP objections. This ensures that India's telecom market remains both competitive and **equitable**, leaving no segment forced to overpay for unneeded services.

Closing Statement :

"Hon'ble Chairman Sir, the core issue before us is not technology. It is consumer choice. India still has millions of elderly citizens, rural subscribers, feature-phone users and economically weaker consumers who do not require mobile data. They should not be compelled to purchase services they do not use. The Thirteenth Amendment is therefore not merely a tariff reform; it is a

consumer-rights reform. By restoring choice, affordability and fairness, TRAI will protect some of the most vulnerable telecom consumers in the country."

"TRAI's role is not merely to regulate telecom networks; it is to protect telecom consumers. Millions of elderly, rural, low-income and feature-phone users should not be compelled to subsidize services they neither need nor use. The 13th Amendment is therefore not a tariff intervention; it is a consumer-rights intervention."

Thanks.

Dr. Kashyapnath